



ANNUAL REPORT 2015





NOTICE OF MEETING

Notice is hereby given that the
Annual General Meeting of the

Ngātiwai Trust Board

will be held in the Terenga Paraoa Marae,
Porowini Avenue, Whāngārei
on Saturday 31 October 2015
commencing at 10.00am.

AGENDA

Karakia and Mihi

1. Apologies
2. Confirmation of Minutes and Matters Arising
3. Annual Report for Year ended 31 March 2015
4. Chairman's Report
5. General Business

Closing Karakia

Morning Tea will be available at the
commencement of the meeting.

A light lunch will be served at 12.30pm.

Chairman's Report



The following report provides an overview of several activities of the Ngātiwai Trust Board for the year under review, including commentary on the consolidated financial results of the Group for the year ended 31 March 2015.

Financial

The Group incurred a net loss of \$522,575 for the year ended 31 March 2015, in comparison to a net profit of \$663,300 for the 2014 financial year. The Group's net trading position for the year is summarised as follows:

	2015 \$	2014 \$
Ngātiwai Trust Board (Excluding Dividends)	(1,351,971)	(955,170)
Ngātiwai Fishing Limited Group & Ngātiwai Holdings Limited	1,387,964	1,839,891
Oceans Resort Limited & Investment Holdings Limited	(558,568)	(221,421)
Net Group (Loss) Profit for the Year	(522,575)	663,300

The overall Group net loss of \$522,575 for the 2015 financial year can be attributed to the following factors:

Ngātiwai Trust Board (Excluding Dividends)

The increase in net loss from \$955,170 to \$1,351,971 is primarily due to the following:

- Increase of \$279,614 in operating expenditure relating to costs such as travel and accommodation, hui, consultancy and legal fees. In addition, it was due to expected inflationary costs associated with the daily operations of the Trust Board.
- There were reductions in grant revenue recognised relating to Kaipara Sands Royalties of \$100,000 and to the Office of Treaty Settlements of \$110,435.

Ngātiwai Fishing Limited Group & Ngātiwai Holdings Limited

- The decrease in net profit from \$1,839,891 to \$1,387,964 is primarily due to the trading profit from the 2014 year being distorted due to a \$400,000 gain on sale of Oceanz Seafood shares. If excluded, the 2014 year would result in a reduced net profit of \$1,439,891 which is in line with the 2015 net profit of \$1,387,964.
- There was an increase in net profit in Ngātiwai Holdings Limited of \$77,446 relating to a dividend received of \$51,610 from Aotearoa Fisheries Limited, increased resource fee reimbursements of \$24,403 and sundry income of \$1,433.

Oceans Resort Tutukaka Limited & Ngātiwai Investment Holdings Limited

The increase in net loss from \$221,421 to \$558,568 is primarily due to the following:

- The Ngātiwai Education Limited Partnership was formed and operated separately from April 2014. For the 2015 year, Ngātiwai Education Limited Partnership incurred a net loss of \$605,654, of which the Group's 50% share in the loss is \$302,827, compared to the net loss for the 2014 financial year of \$44,427.
- Quality Hotel Oceans Tutukaka reported consistent turnover levels in comparison to the 2014 financial year, which was pleasing considering the continued struggling economy that both business owners and consumers faced last year. The consistent turnover is also evident of the successful hotel rebrand which took place during the 2014 year. However, with ever increasing prices, the operating expenditure increased by \$60,424 from the previous year, which has contributed toward the overall group net loss.
- With the investment in 42 Port Road Limited Partnership, it resulted in a pleasing share of profits totalling \$123,982 for the 2015 financial year (2014 \$Nil).
- Due to debt servicing requirements resulting from the various investments acquired, interest on term loans totalled \$90,083 for the 2015 financial year (2014 \$Nil).

Based on detailed forecasting prepared, the Trustees are confident that the Group will report a net profit for the 2016 financial year.

Chairman's Report continued

Ngātiwai Fishing / Ngātiwai Holdings Ltd

The year ending March 2015 represented yet another challenging year for the fishing industry. The strength of the New Zealand dollar, the fluctuations in the market, and with constant pressure from consumers to ensure environmental sustainability and biodiversity reflects a landscape for fishing, in commercial terms, which could be characterised as solid rather than spectacular in the short to medium term.

The principal basis on which Ngātiwai Fishing Limited conducts its business, following a strategy adopted some years ago, is to lease out the quota ACE that it controls, which includes the quota ACE held by Ngātiwai Holdings Limited (being the quota received from TOKM); and the quota ACE owned by Ngātiwai Fishing Limited itself.

The priority is to ensure that Ngātiwai Fishing Limited achieves the maximum prices available, and therefore the sale of the quota as one package has proved the best approach to achieving maximum prices, particularly when with outright ownership, rather than an annual lease from TOKM, long term arrangements can be entered into.

The returns for the year ending March 2015 reflect another positive result. It is anticipated that in the coming years there will be significant challenges to the fishing industry which could impact on the returns on leased quota and accordingly the Directors of the companies have and are still considering other opportunities, in the fishing industry. However, such opportunities will need to be viewed with caution given the future challenges likely to be faced in the industry generally, particularly with reference to aquaculture where overseas demand is so critical to a successful business model.

Fortunately Ngātiwai Fishing Limited should not be hugely affected by any deep sea fishing arrangements involving overseas vessels or fishermen, which have recently attracted negative publicity. This is because the Ngātiwai allocation is heavily weighted towards the inshore rather than the deep sea species. However, negative publicity with respect to the fishing industry in any form does not assist in the marketing of fish which, while at the top end of the protein market, is still under pressure from the other protein choices available.

Quality Hotel Oceans Tutukaka

Building the relationship with Choice Hotels and leveraging value from the franchise agreement with them has been the focus over the past year. Growing our average room rate and exploring markets that we previously struggled to find through our relationship with Choice Hotels has been driven hard over the last year. Scott Brebner who is the field support manager for Choice Hotels New Zealand and Peter Docherty the Sales and Marketing Manager have both been regular visitors to the property during the past year.

They are both great supporters of our property, our point of difference that keeps them interested is the lack of leisure /resort hotels in their New Zealand portfolio. This is a great opportunity to build a strong mutually beneficial relationship with Choice Hotels.

Quality Hotel Oceans was represented at the annual Trenz tourism show held in Rotorua this year. The relationship building with the Choice franchise relationship paid off with two of the three walls at their booth featuring our property. Three days of meetings were conducted with international and local buyers. Getting the attention of the big players in the wholesale market was a challenge as a standalone property; it was very pleasing to see our property getting attention at this level for the first time at the Choice Hotels stand.

Building winter business remains the biggest challenge we face. We do not face this challenge alone in Tutukaka; we have been developing relationships with all the main players in the Village and learning from their vast experience. The theme remains the same... batten down the hatches trim cost and survive until spring arrives. A lot of work has gone into growing our conferencing and corporate profile as a means of extracting what we can out of this difficult period. The contacts and calls made to improve on this market share are held up in contracts





with properties a year in advance so we should hopefully start seeing the benefit of this late 2015/2016 period. Food and beverage promotions and specials have been running during the weeknights to encourage the locals and in house residents to use our facilities. We have introduced a seasonal menu which is advertised in the local media to keep the restaurant presentation fresh and relevant. This combined with a Grab One campaign selling accommodation assists with the slack winter demand. Staffing levels are trimmed to marginal levels and costs are tightly controlled while we hang in for what is looking to be a good summer period. Establishing winter business is key to moving our property forward, with 28 rooms we run busy in the summer months, winter is where we need to sell.

A proposal has been submitted for Capital Expenditure on the property. The furniture, fittings, plant and equipment has reached the 10 year old mark and a strategy needs to be put in place to maintain the service and standards that we all aspire to. Sourcing new business and interest through the Choice relationship will lose momentum if we do not consider a refurbishment and upgrade programme on the property. We look forward to implementing this in

a sustainable way over the next few financial periods; it is crucial to both holding and gaining market share going forward.

Making sure that we are represented at regional tourism meetings and through the related associations to have a say in key decision making that influences our business has been given a lot of attention over the past year. The hotel is on the local Tourism Tutukaka committee and we have been attending the Hospitality New Zealand regional meetings. The revival of the regional tourism route know as the "Twin Coast of Discovery" is being driven through HNZ and holds the key to getting tourists off the main route between the Bay of Islands and Auckland into regional Northland. Government spending has been made available through Northland Incorporated who are conducting road shows through the regions asking how it should be spent. Through our affiliation with Tutukaka Tourism we have been involved in proposals to make sure that we get the attention that our beautiful coastal region deserves. By getting out of the property and involved in decision making we will be able to get the attention of those that make decisions that affect our business.

Wedding bookings are already up on last year and it is encouraging to see the amount of group booking enquires that are being converted into confirmed bookings. An example of which is we recently secured a group booking for the British Lions supporters club tour in 2017 through the Choice network. I am encouraged by the recent gains that we have made by developing our relationship with Choice Hotels, keeping Oceans Hotel Tutukaka on the current upward trend is our target for the coming year.

Ngātiwai Investment Holdings Ltd

This subsidiary holds the property investments in Oceans Hotel, a 75% interest in the Westpac building in the Whangarei CBD, a 50% interest in the James Street car park also located in the CBD, and a 37% interest in the Warehouse building in the Okara Shopping Centre. During the year the investment in the Westpac building was increased from 50% to 75% and the building is now fully tenanted resulting in what is a very profitable commercial investment.

Chairman's Report continued

NgātiwaiNET Wireless Network

During the year further attempts were made to secure additional customers for NgātiwaiNET, the wireless broadband network operating within the Ngātiwai rohe. Despite these efforts the utilisation of the network remained poor with approximately 30 regular users, while the ongoing operating losses continuing to be a drag on other Group operations. For this reason the decision was made to dispose of the network, and discussions commenced with several parties to achieve the most favourable result.

The discussions concluded in April 2015 with the network being sold to Ubertnet, a wireless broadband operator covering many of the same areas as NgātiwaiNET. The sale conditions required that existing users had the option to continue with their current plans at the same cost, or to upgrade to faster plans should they so prefer. The key was that wireless broadband services were retained throughout the rohe, which was one of the principal objectives when the network was first established.

Bland Bay Camp Ground

The 2014/15 summer saw an increase in camper numbers from the previous season with approximately 150 more campers on site on New Years Eve, than for the same period in the previous year. A total of 450 individuals were camping on site during this peak period (28 December - 5 January). The favourable weather also aided our higher patronage over the entire summer period.

The new amenities block built prior to the start of the 2014/15 summer season coped well with the increase in camper numbers. Campers were full of praise for the new ablution block along with the levelled field. The season ran smoothly and some changes were implemented from lessons learned in the previous year.



The camp is regaining its popularity, and while this is a positive move, it does present some issues around available space. The maximum the camp can accommodate at any given time is 450-480 individuals. The issue here is not with people numbers, but with space needed to park vehicles, trailers and boats within the camp grounds. Some thought is going into finding a better fit between parking and camping space on site.

We had a number of health and safety incidents during the summer period, two of which required the services of the rescue helicopter. We are grateful for the local Whangaruru First Aid Group whose volunteers responded to all incidents.

Ngātiwai Education Unit

Ngātiwai Education unit settled well into the new premises in Toll Stadium, and encountered some challenges and changes throughout this year.

The shared vision however, has not changed which is to... *"continue to work on behalf of our members in partnership with learning centres and school, the Ministry of Education and other organisations and with other iwi to improve Ngātiwai student achievement and engagement"*.



Te Kauhua has been a contract with the Ministry of Education throughout 2015, which has three parts to it: a mentoring and science academy with year 9 Māori students at Kamo High School, which also includes teacher development, resource writing and science themed noho marae with students and teachers; A research paper on transitioning through learning institutions; and some specific iwi resources created for use in schools, which are being created to bring Ngātiwai stories and memories into the education world for our young people to use and be proud of. The mentors working on this mahi are, Max Thompson, Rod Ngāwaka, Liz Flower, Shelly Matiu and Leila Amos, with Martha Tito and Wi Pirihi supporting the kaupapa when we have had a shortfall. The mentors have been as excited to learn about the world of science as the students, and the science teachers at Kamo High School have been welcoming and full of praise for the way these mentors have conducted themselves and the students have benefitted immensely from the programme. Matua Nupere and Whaea Te Miringa Ngāwaka have been our constant support throughout our journey this year. We are grateful for their tautoko.

Ngā Tau Miharo – The Incredible Years is a series of positive parenting workshops for parents of 3 to 8 year olds, with a goal to give parents of young children, tools to manage behaviour in a positive way and promote children's social, emotional and academic wellbeing. The programme operates on a collaborative model whereby parents are encouraged to share their experiences in a non-judgemental environment, view video examples and have opportunities to practice new parenting skills in the session and at home.



Weekly sessions involve two group leaders and are generally 2 to 2½ hours in length. There are 14 weekly workshops with all expenses paid for by the Ministry of Education, and childcare and excess travel to the workshop venue also paid. Leila Amos, Cassie Munson, Hohi Riini and Lisa Riini are Ngātiwai facilitators of three programmes in the Ngātiwai rohe in 2015.

WEAP's which stands for whānau education action plans, is a training programme for whānau that has been presented throughout the rohe for interested learners. Many have taken the opportunity to practice the education plans with their whānau and the results are fantastic. Te Au here o Tukaiaia facilitators Hohi and Lisa Riini have been asked by the Ministry of Education, to run more programmes and spread the skills of writing education plans for as many of our people as we can, to focus us all on knowing where we want to go and possibly gaining tohu that will support that pathway.

Ta Ara Toiora is an action research project which is aimed at positive ways to support our taitama to build their resilience and self awareness through the arts. This will be in the form of a leadership training weekend for a group of Ngātiwai, that will be followed by six noho for 30 – 50 Ngātiwai taitamariki where the leaders will be guiding them through a process of self awareness using arts strategies. This will all be conducted in a positive and fun way by Liz Sugrue, an expert in her field, along with the research team led by Dr Lily George and supported by Ngātiwai kaumātua at all times.

Supporting Early Learning in Ngātiwai

Ngātiwai Early Learning Education Team: Petina Stone, Max Thompson and Hohi Riini provided 20 Early Childhood centres who sit within Ngātiwai rohe, with an intensive te reo packages in Term three and Term four 2014 and follow up visits in Term one of 2015.



The Ministry of Education supported the Education team in the delivery and relationships building with the centres. Success within the centres established a confidence with the team, which saw an invitation to provide Reo and Tikanga professional Development for Early childhood centre staff.

The Government has a priority to increase participation in early childhood education (ECE), particularly for Māori and Pasifika. In response Ngātiwai Education provided early learning opportunities and events that provided families and children with early learning experiences. Our ECE team worked alongside whānau to champion tamariki participation at Early Childhood centres and Te Kohanga Reo. It is important to Ngātiwai and the Ministry of Education that we support whānau and early childhood centres work together to meet the learning, language and cultural needs of the tamariki and their whānau.



Chairman's Report continued

Te Matarau

In 2014 the education team joined with other iwi in Te Tai Tokerau to collaborate with the Te Matarau Education Trust. The goal is to help deliver greater results for learners between 18-34 into Trades Training and smoother pathways to apprenticeships and employment. As part of that support the team have worked on pastoral care, and through involvement at governance level and face to face support 14 learners received fees free training via Te Matarau managed scholarships. The Crown is supporting the Te Matarau consortium of six Iwi and Hapū and the Trust has a five year strategic plan to increase both numbers and courses offered. This will see the education team helping drive Te Matarau's growth and delivery to improve outcomes for our learners and their chosen trade.



Reo me ngā Tikanga

Another year working alongside tertiary providers Northtec and Te Wānanga o Aotearoa, advancing and providing opportunities to share mātauranga o Ngātiwai. This year has seen us provide Te Pōkaiwhiri (Northtec) to a number of our tai tamariki, and also Te Arataki Manu Kōrero L4 (Te Wānanga o Aotearoa) to a number Kaumātua, who graduated honourably, and were celebrated at the Kaumātua and Kuia Ball in 2014. These two programmes have a strong tikanga base and while both different to an extent, allowed us to discuss and share what is uniquely Ngātiwai. Both programmes saw our tauria experiencing first hand some of the tikanga that could only be spoken about prior to attending the opening of Kawa Marae on Aotea. Not only did this reaffirm and explore the tikanga but it saw our kaumātua working alongside our other tauria and sharing their stories. As we walk forward into a world that is ever changing these tikanga form a solid base of knowledge for our Ngātiwaitanga. We continue to be able to enjoy kaumātua and kuia wisdom on Thursday mornings as they gather to wāiata and kōrero and share kai. Our people from pēpi to kaumātua and kuia are integral to celebrating and developing our iwi through educational pathways.

Ngātiwai Private Training Establishment

At the beginning of the 2014/2015 financial year, Ngātiwai Education were in a state of change, moving offices and with the prospect of an international school Ngātiwai Education needed to first become a registered Private Training Establishment (PTE). Hours of hard work by many ensued to meet the compliance demands for consideration of PTE status.

Despite phenomenal effort, both here and overseas, International students did not enrol to study at the Ngātiwai PTE as anticipated. This was disappointing but did not deter the drive of the Ngātiwai Education team to best utilise the opportunities available to the Iwi through owning a PTE.

With PTE status being achieved towards the end of 2014, the next step was to gain TEC (Tertiary Education Commission) funding in order to have autonomy in what courses we would deliver. Up until that point, Ngātiwai Education partnered with other PTE's to deliver courses such as Te Arataki Manu Kōrero, Kauwai Raupapa -Te Wānanga o Aotearoa, and Te Pokaitahi - NorthTec. Ngātiwai Education as a registered PTE is now in a position to design, and deliver courses based on the needs of the iwi. Upon getting TEC funding, Ngātiwai Education will have the independent authority to seek, design and offer courses to meet the educational needs of the Iwi. Courses have been written and continue to be written, approved and prepared for delivery in an Iwi-centric environment. We look forward to being able to offer among many, continued Reo and Tikanga courses, Driver Education, Māori Tourism and Business courses in 2016.

R Tucker Thompson - Sponsored by Ngātiwai Trust Board and with kaumātua, Rodney Ngāwaka as the storyteller 11 rangiwahi took part in a voyage of discovery on the vessel R Tucker Thompson in October 2014. The following is Rodney's account of the voyage which will be an annual event.

"After Karakia and Whakatau at Ōpua Wharf, the R Tucker Thompson sailed to Te Puna, Rangihoua Bay where the crew introduced general safety and emergency procedures of life on board the yacht. We sailed to Motu Kōkako, and Te Tiheru (one of the seven motu tapu that our tupuna Manaia left within the rohe of Ngātiwai, named after the Kaitiaki from Hawaiiki; the seven whales, in the form of islands.) Rakaumaungamaunga, was our next stop, one of the pa sites of Manaia before we bedded down for the night at an old kainga at Whangamumu. Each day we rose, had an early morning dip and then team building, cleaning and working as a team unit.



We went ashore and walked around the whaling Station, gave a Karakia Whakatau to the land for our ancestors, then sailed down past Taupiri, Ngaiotonga, Whakaturia, Whangaruru, Ohawini, Oakura, Mokau, then stopped at Ngahau and Mimiwhangata for the second night. Day three, a 4.00am start, sailed to Tawhitirahi and Aorangi, into the Rikoriko cave and swam in the marine reserve. The Poor Knight lily was in flower as we sailed to Aotea where we stayed in Roromohunga the third night. Sailed to Smokehouse Bay in the Port Fitzroy Rorohara Harbour, whakawhanaungatanga with the OPC group, smoked some fish and had tea at Smokehouse Bay. Manuhiri Domain, where we talked about Hauturu O Toi, Moehau, and our water space within these areas, Waitemata, Matakana to Matakana Te Kapu Moana, Te Moana Nui O Toi Huatahi. Night 5 was at Te Kauwau, then sailed to Te Riringa Parawa, Whangarei Heads for kōrero about Tukaiaia, Tu Te Mahurangi, Pakiri, Omaha, Te Arai and our whānau connections. Night 6 we slept under our Maunga Tapu Manaia. We started off this journey talking about Manaia from Motu Kōkako and Rakaumaungamaunga and ending up under Mount Manaia in the Te Ringa Paraoa the gathering place of Ngātiwai Chiefs”.

Resource Management Unit (RMU)

The Ngātiwai Trust Board Resource Management Unit (NTB-RMU) works to ensure the sustainable management of the natural and physical resources of Te Iwi o Ngātiwai. The Unit provides consultancy services relating to the Resource Management Act 1991 (RMA) and is directly accountable to the Iwi through the Ngātiwai Trust Board Trustees. Key areas the RMU has been engaging in this year has been:

Resource Consent

Under the RMA, some resource consent applications are required to be referred to Mana Whenua. This is to facilitate adequate consultation, cultural assessment and input. The process normally requires site visits and/or the production of a Cultural Impact Assessment (CIA). The Cultural Impact Assessment is utilised by applicants, councils and Iwi/Hapū to ensure the relationship of Māori, their culture and traditions with ancestral land, water, sites, Wahi-tapu and other Taonga, shall be recognised and provided for. The Cultural Impact Assessment is grounded in the world view of Ngātiwai and is informed by traditional environmental knowledge (TEK).

Ngātiwai require consultation to be initiated in the early stages of an application, preferably prior to the application being lodged with council. This avoids added expense involved in altering a project to avoid, remedy or mitigate cultural concerns and ensure enough time for liaison with Ngātiwai.

Bio Security

Ngātiwai has been part of kauri dieback group (KDG) since 2009 when it was first identified on Aotea, Glenbervie and Punaruku.

A management group made up from DOC, MPI bio-security, Regional Councils and iwi/Manawhenua was set up to collectively manage the threat that this disease was having on kauri.

Our role on the Management Group is to articulate Ngātiwai views/ values, improve our understanding of the Management processes/policies, engage with the research, and keep our people informed on current projects.



In 2013 at the Otetao Marae, Whangaruru/Ngātiwai Kaumātua decided that a Rahui would be applied to the infected walking tracks within the Punaruku valley, to prevent the spread of KDB. To Ngātiwai, a rahui was seen as an effective tool to combat this deadly disease, and showed the people that Ngātiwai were serious about trying to stop the KDB disease from spreading throughout our rohe.

17 February 2015, at Hokianga, the Ngātiwai RMU was invited to present to the National kauri dieback symposium

A government-appointed official Ian Mitchell, the kauri dieback programme's relationship manager, charged with helping to tackle the kauri dieback disease says rahui could have the power to help stop it(KDB) spreading further.

The idea of rahui or a ban was discussed by about a hundred people including scientists and representatives from Ngātiwai , Ngāti Hine and Te Hiku o Te Ika, who attended a two day hui in Hokianga.

The kauri dieback symposium was an opportunity for scientists and tāngata whenua to share their findings about preventing the disease.

Ian Mitchell, said scientists accepted matauranga Māori is needed to try and overcome the disease.

He said that rahui appears to be more widely respected than council declared track closures, where there tended to be a group of people who did not accept track bans.

A better example, he said was when Ngātiwai issued a rahui over the Punaruku valley which is within the Russell forest. Ngātiwai met with the Department of Conservation, businesses and the community to talk about what it planned to do. Mr Mitchell said he thought people tended to acknowledge rahui because of their cultural value and because iwi talked to the community about the rahui.

Fresh Water Management

The National Freshwater Wānanga Tuhono at Te Wharewaka o Poneke, in Wellington in June 2015 discussed how to improve the way the Ministry for the Environment engages with tāngata whenua on policy development and around how to support iwi and hapū participating in resource management, particularly implementing the freshwater reforms.

Chairman's Report continued

Queensland Fruit Fly – MPI

In April 2015 the RMU met with Andrew Sander, National Bio-Security Capability Network (NBCN) regarding improving Ngātiwai engagement after the recent Queensland Fruit Fly (QFF) find in Parihaka, Whangarei which is the second QFF discovered within three months of the first QFF find. Key issues that needed to be addressed and resolved were:

- Look at when / how Ngātiwai are engaged by the NBCN when there are invasive bio-security threats
- Improving communication between NTB RMU and the Ministry for Primary Industries (MPI) National response team, when threats happen within the Ngātiwai rohe
- Investigate capacity building for Ngātiwai by looking at future training with the NBCN.

The key outcome was the RMU, Dane Karapu, attended a three day National Response Training workshop conference to train as an Operations Manager for National responses.



Ngātiwai Kaitiaki and Pataka electronic permitting system

Following on from the previous report the RMU and the Fishery Committee have met again with John Wilmer from Te Ohu Kai Moana to obtain detailed training around using the electronic Kaitiaki system to develop the beginnings of our Ngātiwai database.

The database itself will consist of all currently chosen Ngātiwai Kaitiaki from each marae whom will have access to the system via internet and login through our Ngātiwai website. Each Kaitiaki will then be able to issue permits and see detailed information on the following:

- Who of our own Kaitiaki have issued permits recently within our rohe
- Where exactly those permits were issued
- Why (Hui, Tangi, etc) they were issued
- What Kaimoana species were on each permit
- How many kg's or units of each Kaimoana species were issued on the permit
- How many kg's or units of each Kaimoana species were actually harvested.

Initially this system will create a Ngātiwai Kaitiaki network which will help us to not only monitor the customary harvest numbers of kaimoana but also resolve many issues and establish sustainable kaimoana management across the Ngātiwai rohe. A hui will be called later in the year to present this new system and gain feedback to determine whether Ngātiwai will adopt it or not.



A Kaitiaki Hui was called and Kaitiaki and Kaumātua from throughout the Ngātiwai Rohe were invited. We had over 30 people in attendance from all over which included representatives from not only our Ngātiwai marae but also other representatives from Pehiaweri Marae, Otangarei Marae, Terenga Paraoa Marae (Kaka Porowini), Whakapara, Pipiwai, Te Waiariki.

The reason for this Hui was to pull all those whom are issuing customary permits for Kaimoana harvesting within the Ngātiwai Rohe into the same room to have a “Kanohi ki te Kanohi whakawhitiwhiti korero” to discuss and share some of the issues that our kaitiaki are facing. During the Hui there were a number of issues raised/discussed. The overall objective that was discussed was to devise a system that would enhance our customary harvest opportunities, and that can be utilised by all for the benefit of our people and protection of our Rohe-moana.

The key issues raised were:

- The rohe and fishing spaces need to be identified
- A central command centre that manages and co-ordinates communication between iwi, hapū, marae and permit issuers needs to be established by the Trust Board
- That the central command centre also develop and manage a database
- Suggestions were made to create a working group to support the RMU with carrying out the necessary tasks to complete the Ngātiwai Kaitiaki Initiative.

Local Territorial Authority

Work has continued with the various Authorities within the Ngātiwai rohe with the following being covered:

Whangarei District Council

- GIS Database
- Resource Consents Notification/Consultation

Auckland Council

- Iwi Management Plan Review
- Auckland unitary Plan engagement

Northland Regional Council

- Bio Security - Kauri Die Back
- Ginger Lilly Infestation



Collaboration between Auckland University of Technology, Raglan Eels Ltd and the Ngātiwai Trust Board



Ngātiwai Trust Board RMU Clive Stone, AUT - Assoc. Prof. W. Lindsey White, Raglan Eels Ltd - Nicole Hancock – Charlie Young, Charlie Mitchell, AUT - Dr Armagan Sabetian.

Discussions were held relating to the culture of eels and whitebait for conservation, increased customary harvest and investigation of economic opportunity.

AUT outlined its capacity to assist with research in this space including:

- Undergraduate and postgraduate students who can undertake research projects
- Expertise across a number of disciplines relating to proposed projects including:
- Fish biology
- Sediment chemistry
- Aquaculture systems
- Geographical information systems (GIS)
- Remote sensing, mapping and analysis
- Accessing government funding.

Raglan Eels Ltd outlined their vision and experience. They are capable of producing ready for market eels that are superior in quality to wild caught eels, but the price of feed is a huge issue as is the cost of quota incurred through MPI.

They have a system of ponds that use very little energy and are self stocking with both eels and whitebait. The whitebait has a much larger price point and should be the focus for future developments.

They are taking part in a research project with NIWA where dairy farm wastes are being used to grow micro algae which is fed to invertebrates that can feed eels/whitebait. Other waste streams need to be investigated.

Ngātiwai RMU expressed an interest to develop areas within the rohe for eel and whitebait culture, to increase harvest and assess economic gains eg: employment opportunities, utilisation of under-utilised land, etc. Several locations have been identified that might be good for the kind of low energy pond systems developed by Raglan Eels Ltd. These will however require expertise/experience to undertake the development of land-based aquaculture.

Chairman's Report continued

Treaty Claims

In 2014/15 the Ngātiwai Trust Board sought Crown recognition of its Deed of Mandate.

As described in last year's report (PHASE III: Finalising the Deed of Mandate) concluded with a Deed of Mandate being submitted to the Crown for a further round of submissions.

During the 2014/15 reporting period the following activities took place.

PHASE IV: Deed of Mandate Amended

This phase involved:

- Receipt of submissions following an extended submission period up to 6 September 2014 (8 weeks).
- The Crown met with submitters in Whangarei on 18 October 2014 to clarify their concerns and explain Crown settlement policy.
- An independent analysis of submissions (dated 7 November 2014) was commissioned by the Board to clarify the main issues raised in submissions and identify how each issue had been addressed.
- The Board met with the Crown on 29 October 2014 and agreed to implement a communications and engagement plan to address submitters concerns.
- The Board reported on its engagement and communications activities at its first quarterly hui-a-iwi held on 28 March 2015.

While not strictly within the reporting period (due to the delayed nature of this report) this phase concluded with amendments being made to the Deed of Mandate before it was submitted to the Crown in July for consideration. Details on this next phase will be reported in next year's annual report although up to date information on this work can be found on our website in the Treaty Settlement section.



Increased effort to improve on Treaty Claims related Communications

Of interest a number of key communications activities have supported this phase of work including:

- The release of monthly board meeting summaries providing brief but regular updates of the Treaty Claims area
- Quarterly hui-a-iwi reporting on each unit activities for the quarter as mentioned above
- Regular facebook postings drawing members back to our website to read more in-depth information on our Treaty claims activities
- Regular e-panui or newsletters with a specific section called "Pataia Mai" (or "Question me") addresses topical issues raised by members concerning Treaty related matters (see for example the April article addressing "What will the PSGE look like?").

Communications

Communications have continued to provide support to Ngātiwai Trust Board units over the year. However, this year it took a highly proactive approach in supporting the Treaty Claims mandate process as submitters raised issues that needed addressing. The development and implementation of the Communications and Engagement Strategy 2014-2015 enabled an effective way of engaging with submitters to the mandate process. With the successful completion of this strategy we await the outcome of whether a mandate has been achieved.

Ngātiwai Trust Board Strategic Communications Strategy

During this period a Strategic Communications Strategy 2015-2016 was developed to better meet the communications needs of the Board. Of priority is to meet the needs of the entire organisation rather than to react to current issues. Our starting point for the Strategy was to engage in communications in a way which reflects the Ngātiwai Trust Board's wider ambitions, namely it's vision... "to live and thrive as Ngātiwai, to manage its affairs effectively, and to develop people and assets".

While the Board does not always receive favourable feedback and positive acknowledgement of the work it does, we have seen in many instances how a coordinated and responsive

Pātaia Mai

communications plan can positively change Board engagement with its members.

However, there is still a long way to go overall and we need to overcome challenges such as recruiting a dedicated fulltime communications resource person to embed the Communications Strategy and to make communications an activity that is the responsibility of the whole organisation.

Quarterly Hui-ā-Iwi

Quarterly Hui-ā-Iwi are becoming a successful way of enabling Ngātiwai Trust Board unit managers to let iwi members know in a face to face forum what is happening in their respective areas. This initiative will continue as it supports the sharing of information and provides another avenue for members to have a say.

Te Tūkaiaia – Ngātiwai Trust Board Newsletter

The monthly newsletter continues to tell the stories of Ngātiwai, celebrate and acknowledge achievement of the iwi. Many contributions by whānau to the newsletter are what make these articles possible. Te Tūkaiaia now includes the section Pātaia Mai featuring articles and topical issues either raised by members or seen as relevant and current.

Secretarial

Board Secretary

It's been a busy year for the Board Secretary providing secretarial support for the monthly Trustee and Sub-Committee Meetings whilst also organising and note taking for the Trust Board's AGM, Special General Meeting, Hui-a-Iwi and other wider engagement and focus group hui.

The work over the past year for the Board Secretary has been some what challenging and rewarding.

Scholarships

The Education Scholarship applications for 2014 were considered in February. A total of 28 scholarships were awarded to Tauria registered as members of the Ngātiwai Trust Board.

We were also able to provide modest financial support to Primary and



Intermediate school pupils and groups for outside the class room activities.

Over the last few years the Trust Board has felt it important that all whānau who apply for Educational Scholarships receive some form of financial assistance.

Database

The management and care of the Registration Database is placed with the Board Secretary with administrative support provided by the Database Administrator.

From the 1st April 2014 through to the 31st March 2015 the total number of Ngātiwai Trust Board Registered Members has grown from 6056 to 7129, an increase of 17.7%.

Looking ahead the Trust Board's goal is to increase the number of our registered members to 10,000, so we welcome and encourage Ngātiwai whānau to register and continue to keep us updated with your whereabouts.

Tikipunga House Build

This time the Tikipunga High School students took on the task of building a three bedroom house during the course of their year, and once again Ngātiwai Trust Board was instrumental in providing funding for the house materials to be purchased.

The Trust Board has been involved in this project since its inception in 2009 and believed it was a great opportunity to assist students with their education. The funds used for each of the house builds were recovered when the house was sold early in the 2016 Financial Year.



Trust Deed Review

At the AGM in October 2014 a Committee was established to review the suggested changes to the Trust Deed and to make recommendations to the Board on any changes to be made. The Committee under the guidance of Sarah Burkhardt has met regularly throughout the year and hopes to be in a position to make recommendations to the Board before the end of the 2015 calendar year.

Appreciation

To my fellow Trustees, thanks for your continued support and counsel during the year. To Chief Executive, Jim Smillie and the Ngātiwai staff throughout the Group, thanks for your continued efforts and dedication.

Mā te Atua koutou, hei manaaki, hei tiaki, i ngā wā katoa.

Haydn Edmonds
CHAIRMAN

UPDATE YOUR DETAILS

We are updating our tribal database. Please make sure we have the correct details for you.

If any of your contact details have changed since you registered please call Toni-Marie Sweeney on 09 972 7347 or email registrations@ngatiwai.iwi.nz to let us know.

www.ngatiwai.iwi.nz





Consolidated Financial Statements For the Year ended 31 March 2015

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Trust Directory

As at 31 March 2015

Nature of Business:	Community Development, Lease of Quota Owned; Sale and Purchase of Quota Lease; General Monitoring of Fishing Issues; Hotel Rental and Hospitality; Education; Holding Company; Commercial Property Investment; Management Company.
Business Address:	129 Port Road, PO Box 1332, Whāngārei 0140 Telephone 09 430 0939 Facsimile 09 438 0182
IRD Number:	42-033-006
Bankers:	ASB Bank Whāngārei Westpac Whāngārei
Accountant:	Spire Chartered Accountants Limited <i>Bryce G Moffat (until 31-03-2015)</i>
Solicitor:	Wayne Peters Lawyers <i>Wayne Wesley Peters</i>
Auditor:	BDO Northland <i>Adelle Allbon</i>

Synopsis

As at 31 March 2015

Date of Trust Deed: 22 November 1966

Marae	Trustee
Kawa	Phillip Ngāwaka
Pākiri	Annette Baines
Otetao	Gary Reti
Pātaua	Hori Puturangi Māhanga
Punaruku	Haydn Thomas Edmonds
Takahiwai	Ngāwaka Grant Pirihi
Tūparehuia	Rihi Ngaroimata Kathleen Pita
Whananāki	Isha Waetford
Mōkau	Max Thompson
Matapōuri	Kristan MacDonald
Motairehe	Andrea Munro
Ngaiotonga	Merepeka Henley
Ngunguru	Mike Rundlett
Oākura	Henry Bertie Purcell Murphy
Beneficiaries:	Persons of the Ngātiwai Iwi; Charitable Purposes benefitting persons of Māori descent.
Investment:	The trustees shall have the absolute management and entire control of the Trust Fund.

Management Directory

2015-2016

Chief Executive	Jim Smillie DDI 09 283 9448 Mobile 027 575 4215
Treaty Claims Manager	Tania McPherson DDI 09 283 9553 Mobile 021 667 798
Resource Management Unit Manager	Clive Stone DDI 09 283 9552 Mobile 021 272 7682
Board Secretary	Moana MacDonald DDI 09 283 9449 Mobile 021 272 7689
Education Unit Manager	Erica Wellington DDI 09 972 7671 Mobile 027 240 5568
Chief Financial Officer	Angeline Waetford DDI 09 972 7810 Mobile 021 354 537
Communications Advisor	Barry Caldwell DDI 09 972 7348 Mobile 021 472 8291

Trustee Remuneration

During the year remuneration was paid to the following Trustees:

	2015 Remuneration \$	2015 Meetings Attended	2014 Remuneration \$	2014 Meetings Attended
H. Edmonds (Chair)	22,000	11	24,000	9
M. Henley	4,290	11	4,260	9
A. Baines	840	6	420	3
K. MacDonald	4,430	12	4,260	9
H. Māhanga	1,820	13	560	4
A. Munro	980	7	700	5
H. Murphy	1,540	11	3,840	6
N. Pirihi	1,400	10	420	3
R. Pita	1,820	13	840	6
G. Reti	3,360	24	1,400	10
I. Waetford	1,680	12	280	2
P. Ngāwaka	3,360	24	280	2
M. Thompson	3,640	26	140	1
M. Rundlett	1,960	14	280	2
P. Stone	280	2	—	—
A. Moore	140	1	4,120	8
G. Ngāwaka	—	—	700	5
D. Tamaki	—	—	140	1
E. Wellington	—	—	—	8
E. Houghton	—	—	140	1
	53,540		46,780	

Directors of the Ngatiwai Group held companies, received remuneration as follows: B.G. Moffat \$19,330 (2014 \$12,500), J. Paki \$12,500 (2014 \$12,500), C. Wells \$5,225 (2014 \$Nil).

Audit Report



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49 John Street
P O Box 448
Whangarei 0140
NEW ZEALAND

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF NGĀTIWAI TRUST BOARD AND GROUP

Report on the Financial Statements

We have audited the financial statements of Ngātiwai Trust Board and Group on pages 15 to 33, which comprise the consolidated and separate statements of financial position of Ngātiwai Trust Board as at 31 March 2015, the consolidated and separate statements of financial performance and statements of movements in equity for the year then ended, and a statement of accounting policies and notes to the financial statements.

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

Board of Trustee's Responsibility for the Financial Statements

The trustees are responsible for the preparation of financial statements in accordance with generally accepted accounting practice in New Zealand and 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 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 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the 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 entity's preparation of 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 entity'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 overall 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 in our capacity as auditor we have no relationship with, or interests in, Ngātiwai Trust Board or any of its subsidiaries.

Opinion

In our opinion, the financial statements on pages 15 to 33:

- comply with generally accepted accounting practice in New Zealand;
- give a true and fair view of the financial position of Ngātiwai Trust Board and Group as at 31 March 2015 and the financial performance for the year then ended.

Report on Other Legal and Regulatory Requirements

We have obtained all the information and explanations that we have required.

BDO Northland

BDO Northland
2 October 2015
Whangarei
New Zealand

BDO New Zealand Ltd, a New Zealand limited liability company, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms. BDO New Zealand is a national association of independent member firms which operate as separate legal entities.

Statement of Financial Performance - Group

For the Year ended 31 March 2015

	Note	2015 \$	2014 \$
Operating Revenue	17	3,585,194	3,954,249
Operating Expenses	16	3,929,489	3,783,445
Operating (Loss) Profit		(344,295)	170,803
Share of Partnership Equity	10	(178,280)	92,497
Gain on Sale of Shares	10	—	400,000
Net (Loss) Profit for the Year		(522,575)	663,300

Statement of Financial Performance - Parent

For the Year ended 31 March 2015

	Note	2015 \$	2014 \$
Operating Revenue	17	1,353,630	1,248,725
Operating Expenses	16	744,482	464,868
Operating Profit		609,148	783,857
Net Profit for the Year		609,148	783,857

Statement of Movements in Equity - Group

For the Year ended 31 March 2015

	Note	2015 \$	2014 \$
Equity			
Opening Balance		20,277,825	17,089,664
Surplus			
Net (Loss) Profit for the Year	2	(522,575)	663,300
Distributions	2	(80,475)	(199,905)
		(603,050)	463,395
Other Movements			
Capital (Loss) Gain on Shares	3	(244,910)	200,000
TOKM Distribution - Treaty Claims	3	—	2,524,766
Pre Acquisition Asset Revaluation Reserve of Subsidiary	3	7,127	—
Post Acquisition Asset Revaluation Reserve of Subsidiary	3	11,287	—
		(226,496)	2,724,766
Equity		19,448,279	20,277,825
Minority Equity 25% - Rathbone James Limited Partnership		1,006,805	—
Total Equity		20,455,084	20,277,825

Statement of Movements in Equity - Parent

For the Year ended 31 March 2015

		2015 \$	2014 \$
Equity			
Opening Balance		305,785	458,313
Surplus			
Net Profit for the Year	2	609,148	783,856
Distributions	2	(744,177)	(936,385)
		(135,029)	(152,528)
Total Equity		170,756	305,785

The Notes to the Financial Statements on pages 19 to 33 are to be read in conjunction with these Financial Statements.

Statement of Financial Position - Group

As at 31 March 2015

	Note	2015 \$	2014 \$
Assets			
Current Assets			
Bank	4	423,181	461,316
Petty Cash & Floats		5,574	6,165
Work in Progress	28	57,265	29,023
Stock on Hand		18,750	19,879
Bland Bay Camp Ground	21	926,174	445,754
Accounts Receivable & Prepayments		177,517	170,763
Accrued Contract Income		–	19,189
Income Tax		2,445	23
Private Training Enterprises	25	–	188,111
Loan - Ngātiwai International Limited	26	50,377	–
Treaty Claim Costs	27	615,666	429,461
Aquaculture Settlement Costs	29	70,714	–
Māori Authority Tax Credits	24	9,032	–
Total Current Assets		2,356,695	1,769,684
Non-Current Assets			
Fixed Assets	7	12,107,290	4,709,386
Quota	12	11,853,863	11,853,863
Investments	9	6,020,583	4,996,756
Kingfish Proposal Costs	30	17,693	–
Related Party Receivable	8	190,858	–
Franchise		5,200	7,500
Goodwill	13	367,175	–
Preliminary Expenses		17,502	–
Emission Trading Scheme - NZU		14,002	4,403
Total Non-Current Assets		30,594,167	21,571,907
Total Assets		32,950,862	23,341,591

The Notes to the Financial Statements on pages 19 to 33 are to be read in conjunction with these Financial Statements.

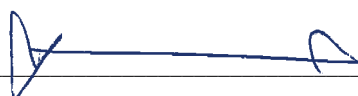
Statement of Financial Position - Group continued

As at 31 March 2015

	Note	2015 \$	2014 \$
Liabilities			
Current Liabilities			
Accounts Payable & Accruals		387,683	390,256
Accounts Payable - Marae & Scholarships		94,680	80,225
Funding Received in Advance	19	360,230	404,878
Income in Advance	23	1,598,153	1,010,274
GST Payable		15,004	18,554
Westpac Bank - Credit Facility	5	899,512	192,913
Current Portion of Term Loans	5	71,709	—
Total Current Liabilities		3,426,971	2,097,099
Non-Current Liabilities			
Income in Advance	23	562,000	966,667
Rothbury Premium Funding Limited	5	21,874	—
Westpac Bank - Term Loans	5	8,484,933	—
Total Non-Current Liabilities		9,068,807	966,667
Total Liabilities		12,495,778	3,063,766
Net Assets		20,455,084	20,277,825
Equity			
Accumulated Funds	2	8,520,880	9,123,930
Revaluation Reserve	3	1,420,062	1,420,062
Capital Reserve	3	9,507,337	9,733,833
Equity		19,448,279	20,277,825
Minority Interest 25% - Rathbone James Limited Partnership		1,006,805	—
Total Group Equity		20,455,084	20,277,825

For and on behalf of the Board of Trustees, who authorised for issue these Financial Statements on 2 October 2015.

Trustee 


Trustee 

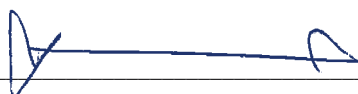
Statement of Financial Position - Parent

As at 31 March 2015

	Note	2015 \$	2014 \$
Assets			
Current Assets			
Bank	4	113,870	88,359
Petty Cash & Floats		28	23
Bland Bay Camp Ground	21	946,174	445,754
Accounts Receivable		914	–
Private Training Enterprises	25	–	188,111
Treaty Claim Costs	27	615,666	429,461
Aquaculture Settlement Costs	29	70,714	–
Income Tax		2,300	–
Total Current Assets		1,749,666	1,151,707
Non-Current Assets			
Fixed Assets	7	286,653	322,277
Related Party Receivables	8	307,449	–
Investments	9	1,003,200	1,004,121
Kingfish Proposal Costs	30	17,693	–
Total Non-Current Assets		1,614,995	1,326,398
Total Assets		3,364,661	2,478,105
Liabilities			
Current Liabilities			
Accounts Payable & Accruals		10,263	33,639
Accounts Payable - Marae & Scholarships		94,680	80,225
Funding Received in Advance	19	263,442	207,274
Income in Advance - Ngātiwai Net	23	55,000	–
Related Party Payables	6	1,000	1,850,652
ASB Bank - Credit Card	4	3,891	531
Total Current Liabilities		428,275	2,172,321
Non-Current Liabilities			
Related Party Payables	6	2,765,630	–
Total Non-Current Liabilities		2,765,630	–
Total Liabilities		3,193,905	2,172,321
Net Assets		170,756	305,785
Equity			
Accumulated Funds	2	170,756	305,785
Total Equity		170,756	305,785

For and on behalf of the Board of Trustees, who authorised for issue these Financial Statements on 2 October 2015.

Trustee 

Trustee 

The Notes to the Financial Statements on pages 19 to 33 are to be read in conjunction with these Financial Statements.

Notes to the Financial Statements

For the Year ended 31 March 2015

1. Statement of Accounting Policies

Reporting Entity

The general purpose financial statements here are those of the Ngātiwai Trust Board (Parent & Group) (formerly the Whangaruru Ngātiwai Trust Board) which was incorporated on the 22nd November 1996, and is registered under the Charitable Trusts Act 1957. These Consolidated Financial Statements include Ngātiwai Trust Board and its subsidiaries, Ngātiwai Fishing Limited Group, Ngātiwai Holdings Limited, Ngātiwai Investment Holdings Limited, Ngātiwai Management Limited and Oceans Resort Tutukaka Limited.

(2014 Effective 1 April 2013 the Group was restructured. A new operational entity Ngātiwai Management Limited was established and intragroup investments were transferred from subsidiary entities to the parent (Ngātiwai Trust Board). This had the effect of reducing operational income and expenditure streams recorded in the Parent in 2014. Dividends have flowed from Ngātiwai Fishing Limited to Ngātiwai Trust Board and then distributed back down through the Group. The investment in subsidiary entities is now reflected in Ngātiwai Trust Board.)

Reporting Framework

Ngātiwai Trust Board is a registered charity. For financial reporting purposes it is a Tier 2 Not for Profit reporting entity on the basis that it does not have public accountability and the total annual expenses exceed \$2,000,000, but are not greater than \$30,000,000. The Trust has elected not to early adopt the new regime and on this basis the accounts have been prepared using old GAAP Differential Reporting. The Trust's first year for adopting the new Reporting Framework will be 31 March 2016.

Ngātiwai Trust Board Group is a qualifying entity for differential reporting as it is not publically accountable and it is not large as defined under the framework for differential reporting.

Changes in Accounting Policies

The Rathbone James Limited Partnership has been consolidated within the financial statements of Ngātiwai Fishing Limited due to the increase of holdings to 75%. In 2014 this investment was equity accounted for in Ngātiwai Fishing Limited financial statements as the company had a 50% holding.

There have been no other changes in Accounting Policies. All policies have been applied on bases consistent with those used in previous years.

Measurement Base

The financial statements have been prepared on the historical cost basis as modified by the revaluation of certain assets as identified in specific accounting policies below.

Specific Accounting Policies

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

Accounts Receivable

Accounts Receivable are stated at their estimated realisable value. Debts considered uncollectable are written off. There is no other provision for doubtful debts.

Accounts Payable

Accounts Payable are stated at the estimated amounts payable and include all obligations that can be reliably estimated. Current Liabilities include the amounts payable within twelve months of these Financial Statements.

Fixed Assets

Fixed Assets excluding land and buildings are stated at cost less accumulated depreciation. Land and Buildings, other than for Rathbone James Limited Partnership, are revalued by independent registered valuers on the basis of open market value for highest and best use. Depreciation has been calculated using the maximum rates permitted by the Income Tax Act 2007 as follows:

Buildings	0%
Building Improvements	2.5% - 10% DV
Fit-out	2% CP
Plant and Equipment	10% - 60% DV
Office Equipment	40 - 60 % DV

Investments

Investments other than Aotearoa Fisheries Limited are stated at the lower of cost or net realisable value. Where, in the opinion of the directors, there has been a permanent diminution in the value of investments, this has been recognised in the current period.

Aotearoa Fisheries Limited income shares are valued on the basis of the net asset value as recorded by Aotearoa Fisheries Limited in its most recent audited financial statements.

Goods and Services Tax

These financial statements have been prepared on a GST exclusive basis with the exception of Accounts Receivable and Accounts Payable that are stated GST inclusive. From 1 December 2011, Ngātiwai Investment Holdings Limited was included in a group registration with Oceans Resort Tutukaka Limited. Oceans Resort Tutukaka Limited is the main filing entity.

Notes to the Financial Statements

For the Year ended 31 March 2015

Income Tax

The Ngātiwai Trust Board, Ngātiwai Holdings Limited, Ngātiwai Investment Holdings Limited and Ngātiwai Fishing Limited are registered Charities under the Charities Act 2005 and are exempt from Income Tax under Section CW41 and 42 of the Income Tax Act 2007.

Oceans Resort Tutukaka Limited and Ngātiwai Management Limited follows the taxes payable method when accounting for Income Tax. To date these entities have not recorded any profits and therefore no income tax has been paid or is payable.

Rathbone James Limited Partnership distributes its annual net profit or loss to the respective Limited Partners in proportion to their interest holding in the Limited Partnership.

Emission Rights

Ngātiwai Holdings Limited and Ngātiwai Fishing Limited were granted tradable emission rights from the New Zealand Government. In the absence of any cost price, they have been valued based upon the New Zealand Unit Spot rate as at balance date. This rate will be assessed annually with any increase or decrease in value recognised as a non cash adjustment in the statement of financial performance.

Quota Owned

Quota owned is recorded at the lower of historical cost and net realisable value.

Fish Quota is treated as an intangible asset with an indefinite life and is not amortised and is carried at fair value/cost less any impairment losses. Impairment losses are recognized whenever the carrying amount of the asset exceeds its recoverable amount. Fish quota is tested annually for impairment. The useful life is assessed annually to determine whether the indefinite life assessment continues to be supportable.

Goodwill

Goodwill is valued at cost price and is not amortised.

Basis of Consolidation

Subsidiaries

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements using the purchase method from the date that control commences until the date that control ceases.

Transactions Eliminated on Consolidation

Intra-Group balances, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

Investment in Associates

Investment in associates are accounted for using the equity method of accounting.

Grants

Grant Income is separately disclosed in the financial statements. It is recognised as revenue when any conditions attached to the grants have been met.

Dividends

Dividends are recognised as revenue in the financial statements when they are received.

Distributions

Payments made by way of distribution to Marae, Kuia, Kaumātua, Sports and Culture grants and Scholarships are recorded within the Statement of Movements in Equity on the basis that they are classified as distributions to owners.

Differential Reporting

The group qualifies for differential reporting as it is not publicly accountable and is not large. The group has therefore taken advantage of all applicable differential reporting exemptions with the exception that the financial statements have been prepared exclusive of Goods and Services Tax.

Stock on Hand

Stock on Hand has been valued at the lower of cost or net realisable value on a first in, first out basis and after making due allowance for damaged and obsolete stock.

Notes to the Financial Statements

For the Year ended 31 March 2015

2. Revenue Reserves

The following movements in Revenue Reserves have occurred:

Retained Earnings

Opening Balance

Net (Loss) Profit for the Year

Distributions

Closing Balance

Distributions include the following:

Distributions to owners

Distributions within the Group

Total Distributions

Group 2015 \$	Parent 2015 \$	Group 2014 \$	Parent 2014 \$
9,123,930	305,785	8,660,535	458,313
(522,575)	609,148	663,300	783,856
(80,475)	(744,177)	(199,905)	(936,385)
8,520,880	170,756	9,123,930	305,785
80,475	80,475	199,905	199,905
–	663,702	–	736,480
80,475	744,177	199,905	936,385

3. Capital Reserves

The following movements in Capital Reserves have occurred:

Capital Reserves

Opening Balance

Movements during the Year

Pre Acquisition Asset Revaluation Reserve of Subsidiary

Post Acquisition Asset Revaluation Reserve of Subsidiary

Closing Balance

All capital reserved relate to Ngātiwai Fishing Limited and Ngātiwai Holdings Limited.

Asset Revaluation Reserve

Opening Balance

Movements during the Year

Closing Balance

Group 2015 \$	Parent 2015 \$	Group 2014 \$	Parent 2014 \$
9,733,833	–	7,009,067	–
(244,910)	–	2,724,766	–
7,127	–	–	–
11,287	–	–	–
9,507,337	–	9,733,833	–
1,420,062	–	1,420,062	–
–	–	–	–
1,420,062	–	1,420,062	–

4. Bank

The bank balance in the Statement of Financial Position is made up of current, savings and short term deposits. The Group banks with both the ASB Bank and Westpac Bank.

As at balance date the group had overdrawn balances of \$899,512 (2014 \$192,913) and the parent \$Nil (2014 \$Nil).

Refer to Note 5 for details of the securities held.

Notes to the Financial Statements

For the Year ended 31 March 2015

5. Loans and Credit Facility

	Group 2015 \$	Parent 2015 \$	Group 2014 \$	Parent 2014 \$
Credit Facility				
Westpac Bank	899,512	–	192,913	–
Hire Purchase				
Rothbury Premium Funding Limited	21,874	–	–	–
Term Loans				
Westpac Bank	8,556,641	–	–	–
Less Current Portion	(71,709)	–	–	–
Total Non-Current Term Loans	8,484,933	–	–	–

The Westpac Bank credit facility is secured by a first fixed charge over all the interest, rights and title in SNA1, SNA8, CRA1 and CRA2 quota owned by Ngātiwai Fishing Limited. Ngātiwai Fishing Limited has provided an unsupported, unlimited guarantee. The interest rate applicable as at 31 March 2015 was 7.75% per annum (2014 6.75% per annum). The facility was established 13 February 2009 with Westpac New Zealand Limited and was initially drawn down on 27 July 2009. It is a revolving credit facility with a limit of \$750,000, temporarily increased to \$950,000 (2014 \$500,000) and is repayable on demand.

Due to the acquisition of an additional 25% interest in Rathbone James Limited Partnership, Ngātiwai Fishing Limited entered into a Term Loan of \$1,600,000 on 22 September 2014 with Westpac New Zealand Limited, which was initially drawn down on 8 October 2014. It was documented for a term of five years, amortising over 15 years. The interest rate for this loan is 5.89% per annum and repayments are \$13,493 per month. A registered first mortgage over fishing quota is in place along with a general security agreement over all present and after acquired property.

As reflected in the Group Accounts for Ngātiwai Fishing Limited, Rathbone James Limited Partnership has three Term Loans totalling \$3,650,000 (2014 \$3,250,000) with Westpac Bank for which Ngātiwai Fishing Limited is a 75% guarantor. Although the three loans totalling \$3,650,000 are due to expire on 23 February 2016, it is the intention of the Directors of Ngātiwai Fishing Limited to refinance the loans on a long term basis and, as such, they are reflected in the Statement of Financial Position as Non-Current Liabilities. This is also based on the fact that Westpac Bank is supportive of the proposal to refinance on a long term basis.

Westpac New Zealand Limited has a general security agreement over the partnership's assets, undertaking and uncalled capital. It also holds a registered first mortgage over the commercial property situated at 35 - 40 Rathbone Street, Whāngārei.

Ngātiwai Investment Holdings Limited has a Term Loan totalling \$3,329,293 which is secured over the property situated at 42 Port Road, Whāngārei including general security agreements held with Ngātiwai Fishing Limited, Ngātiwai Holdings Limited and Ngātiwai Investment Holdings Limited. Security is also held with Ngātiwai Fishing Limited by way of a Registered First Mortgage over fishing quota registered at Fishserve. The loan is for one year only and is due for repayment on 16 October 2015. The loan is interest only to 16 October 2015 and interest is fixed at a rate of 5.89% per annum. Although the loan is due to expire on 16 October 2015, it is the intention of the Director of Ngātiwai Investment Holdings Limited to refinance the loan on a long term basis and, as such, the loan is reflected in the Statement of Financial Position as a Non-Current Liability. This is also based on the fact that Westpac Bank is supportive of the proposal to refinance on a long term basis. A guarantee also exists for this loan between Ngātiwai Investment Holdings Limited, Ngātiwai Holdings Limited and Ngātiwai Fishing Limited.

Oceans Resort Tutukaka Limited has entered into security arrangements with various suppliers. The security is over goods as described within the terms of trade of the secured party.

Notes to the Financial Statements

For the Year ended 31 March 2015

6. Related Party Payables

Current Liability

Ngātiwai Holdings Limited
Ngātiwai Management Limited
Ngātiwai Fishing Limited
Total Current Liability

Non-Current Liability

Ngātiwai Fishing Limited
Total Non-Current Liability
Total Related Party Payables

Group 2015 \$	Parent 2015 \$	Group 2014 \$	Parent 2014 \$
–	1,000	–	1,000
–	–	–	261,316
–	–	–	1,588,336
–	1,000	–	1,850,652
–	2,765,630	–	–
–	2,765,630	–	–
–	2,766,630	–	1,850,652

Ngātiwai Holdings Limited

This amount payable is due to an advance received from Ngātiwai Holdings Limited.

Ngātiwai Fishing Limited

The amount payable of \$2,765,630 to Ngātiwai Fishing Limited consists of advances received during the year to cover operating expenses, over and above the dividends received from Ngātiwai Fishing Limited.

7. Fixed Assets

Land

At Cost
Land at Valuation

Buildings & Leasehold Improvements

At Cost / Valuation
At Valuation
Less Accumulated Depreciation

Depreciation for the Year

Plant & Equipment

At Cost
Less Accumulated Depreciation

Depreciation for the Year

Office Equipment

At Cost
Less Accumulated Depreciation

Depreciation for the Year

Total Fixed Assets

Total Depreciation for the Year

Group 2015 \$	Parent 2015 \$	Group 2014 \$	Parent 2014 \$
663,091	–	663,091	–
322,483	–	322,483	–
985,574	–	985,574	–
10,072,030	152,672	2,563,857	152,672
1,097,579	–	1,097,579	–
(236,469)	(20,862)	(142,741)	(11,772)
10,933,140	131,810	3,518,695	140,900
44,591	9,090	23,118	10,090
1,441,182	1,367,933	1,392,404	1,335,476
(1,258,646)	(1,213,090)	(1,192,234)	(1,154,099)
182,536	154,843	200,171	181,377
66,926	58,991	83,871	74,968
13,712	–	20,355	–
(7,672)	–	(15,409)	–
6,040	–	4,946	–
2,048	–	3,685	–
12,107,290	286,653	4,709,386	322,277
113,564	68,081	110,674	85,058

Land and buildings of Ngātiwai Investment Holdings Limited were revalued to a fair value of \$4,350,000. The effective valuation date was 1 July 2011 and it was conducted by CB Richard Ellis, independent registered valuers.

Buildings include property owned by Rathbone James Limited Partnership totalling \$7,432,845.

Notes to the Financial Statements

For the Year ended 31 March 2015

8. Related Party Receivables

Non-Current Assets

	Group 2015 \$	Parent 2015 \$	Group 2014 \$	Parent 2014 \$
Ngātiwai Management Limited	–	182,449	–	–
Ngātiwai Investment Holdings Limited	–	125,000	–	–
Ngātiwai Education Limited Partnership	190,858	–	–	–
Total Related Party Receivables	190,858	307,449	–	–

All Related Party Receivables are unsecured, repayable on demand and other than in regard to Ngātiwai Education Limited Partnership no interest is receivable. There is no formal documentation in place between the entities pertaining to these balances. The Trustees confirm that they have no reason to believe that these assets will not be realised and, as such, no impairment adjustment is required.

Ngātiwai Management Limited

The movement of this balance from a payable in 2014 to a receivable this year is due to transactions being processed on behalf of Ngātiwai Management Limited by the Ngātiwai Trust Board bank account and through funds distributed to Ngātiwai Management Limited.

Ngātiwai Investment Holdings Limited

This receivable is the original capital contribution portion to Ngātiwai Education Limited Partnership. This was originally paid for by Ngātiwai Trust Board and has now been transferred via inter entity accounts to reflect in the correct entity as Ngātiwai Investment Holdings Limited owns the 50% share in Ngātiwai Education Limited Partnership.

Ngātiwai Education Limited Partnership

Operating Income and Expenditure continued to be received and paid into the Ngātiwai Trust Board bank account until the Ngātiwai Education Limited Partnership opened its own bank account. As Ngātiwai Management Limited is the operational arm of Ngātiwai Trust Board, these movements have been shown through a current account with Ngātiwai Management Limited. The overall impact has resulted in a receivable from Ngātiwai Education Limited Partnership of \$190,858 (2014 \$Nil). The directors anticipate that this receivable will be collected in full and, as such, no impairment adjustment is required.

9. Investments

Shares in Unlisted Companies

	Group 2015 \$	Parent 2015 \$	Group 2014 \$	Parent 2014 \$
Aotearoa Fisheries Limited - 1,212 (2014 1,212)	1,977,600	–	2,222,510	–
Income Shares				
Ngātiwai Fishing Limited	–	100	–	100
Oceans Resort Tutukaka Limited	–	1,000	–	1,000
Ngātiwai Investment Holdings Limited	–	1,001,000	–	1,001,000
Ngātiwai Holdings Limited	–	1,000	–	1,000
Ngātiwai Management Limited (100 unpaid shares)	–	–	–	–
Tuparehuia Trustee Limited	100	100	–	–
Total Shares in Unlisted Companies	1,977,700	1,003,200	2,222,510	1,003,100

Other Investments

Rathbone James Limited Partnership	–	–	2,117,939	–
James Street Car Park Limited	497,536	–	505,286	–
Oleanz Estates Limited	–	–	150,000	–
Guardian Trust Cash Plus Units	–	–	1,021	1,021
42 Port Road Limited Partnership	3,483,174	–	–	–
Ngātiwai Education Limited Partnership	62,173	–	–	–
Total Other Investments	4,042,883	–	2,774,246	1,021
Total Investments	6,020,583	1,003,200	4,996,756	1,004,121

As at 31 March 2015 the Aotearoa Fisheries Limited shares have been revalued downward to reflect the proportionate net asset value recorded by Aotearoa Fisheries Limited as at that date. The decrease of \$244,910 is reflected in the Statement of Movements in Equity. Rathbone James Limited Partnership is now a subsidiary of Ngātiwai Fishing Limited. Refer to Note 11.

Notes to the Financial Statements

For the Year ended 31 March 2015

9. Investments continued

M P Trustees 2013 Limited are a 100% shareholder of James Street Car Park Limited. M P Trustees 2013 Limited hold the assets on Trust for Ngātiwai Investment Holdings Limited and other parties. The \$505,625 initial investment represents a 50% share of James Street Car Park Limited. James Street Car Park Limited is a Look Through Company for tax purposes, with Ngātiwai Investment Holdings Limited share of the loss represented in the Financial Statements.

The amount due from Oleanz Estates Limited of \$141,000 was received during October 2014. The \$9,000 shortfall has been treated as a discount for early repayment.

Ngātiwai Investment Holdings Limited is a Limited Partner holding a 36.5789% partnership in 42 Port Road Limited Partnership with a \$3,475,000 investment which represents the 36.5789% share in 42 Port Road Limited Partnership. 42 Port Road Limited Partnership is a Limited Partnership for tax purposes, with Ngātiwai Investment Holdings Limited share of the profit represented in the Financial Statements.

Ngātiwai Investment Holdings Limited is a Limited Partner holding a 50% partnership in Ngātiwai Education Limited Partnership with an initial investment of \$125,000 of set up costs which represents the 50% share. A further \$240,000 capital was paid during the year. Ngātiwai Education Limited Partnership is a Limited Partnership for tax purposes, with Ngātiwai Investment Holdings Limited share of the profit or loss represented in the Financial Statements, if applicable.

(2014 Ngātiwai Trust Board purchased the shares of Oceans Resort Tutukaka Limited and Ngātiwai Investment Holdings Limited from its subsidiary company Ngātiwai Fishing Limited. Unpaid share capital of Ngātiwai Holdings Limited was also paid during the year).

10. Investments in Associates

Name of Entity	Principal Activity	Interest Held by Group 2015	Group Carrying Amount 2015
Rathbone James Limited Partnership	Commercial Property	0% (2014 50%)	\$Nil (2014 \$2,117,939)
Oceanz Seafood Markets	Seafood Retail	0% (2014 20%)	\$Nil (2014 \$Nil)
James Street Car Park Limited	Commercial Property	50% (2014 50%)	\$497,536 (2014 \$505,286)
42 Port Road Limited Partnership	Commercial Property	36.5789% (2014 0%)	\$3,483,174 (2014 \$Nil)
Ngātiwai Education Limited Partnership	Education	50% (2014 0%)	\$365,000 (2014 \$Nil)

Carrying Value

	Group 2015 \$	Parent 2015 \$	Group 2014 \$	Parent 2014 \$
At Beginning of Year	2,623,225	–	2,157,103	–
Investment - James Street Car Park Limited	–	–	505,625	–
Advances (Repayments)	1,541,999	–	(132,000)	–
Investment - Ngātiwai Education Limited Partnership	125,000	–	–	–
Cost of Acquisition transferred to Investments	(3,540,331)	–	–	–
Transfer of Partner Inter Equity Account	112,078	–	–	–
Investment - 42 Port Road Limited Partnership	3,359,192	–	–	–
Share of Equity - 42 Port Road Limited Partnership	123,982	–	–	–
Share of Equity - James Street Car Park Limited	(7,750)	–	(339)	–
Share of Equity - Rathbone James Limited Partnership	8,315	–	92,836	–
Share of Equity - Ngātiwai Education Limited Partnership	(302,827)	–	–	–
Balance at End of Year	4,042,884	–	2,623,225	–

Rathbone James Limited Partnership

Ngātiwai Fishing Limited purchased an additional 25% interest on 8 October 2014 in Rathbone James Limited Partnership. This resulted in Rathbone James Limited Partnership becoming a subsidiary of Ngātiwai Fishing Limited.

Pre acquisition of the 25% interest, Ngātiwai Fishing Limited accounted for its investment using the equity method of accounting.

Post acquisition of the 25% interest, Ngātiwai Fishing Limited accounted for its investment using the purchase method of accounting and consolidating the subsidiary in the financial statements.

Rathbone James Limited Partnership is a Limited Partnership for tax purposes, is incorporated in New Zealand and has a balance date of 31 March.

Rathbone James Limited Partnership had no contingent liabilities as at balance date.

Rathbone James Limited Partnership had no material commitments for capital expenditure as at balance date.

Notes to the Financial Statements

For the Year ended 31 March 2015

10. Investments in Associates continued

James Street Car Park Limited

Ngatiwai Investment Holdings Limited purchased a 50% share in James Street Car Park Limited. MP Trustees 2013 Ltd are 100% shareholder of James Street Car Park Limited. MP Trustees 2013 Ltd hold the asset in Trust for Ngatiwai Investment Holdings Limited and other parties.

James Street Car Park Limited is incorporated in New Zealand, and has a balance date of 31 March.

James Street Car Park Limited has no contingent liabilities as at balance date.

James Street Car Park Limited had no material commitments for capital expenditure as at balance date.

Oceanz Seafood Markets

Oceanz Seafood Markets Limited is incorporated in New Zealand, and has a balance date of 31 March. Oceanz Seafood Markets Limited had no contingent liabilities as at balance date.

Oceanz Seafood Markets Limited had no material commitments for capital expenditure as at balance date.

In October 2013 Ngātiwai Fishing Limited sold its 20% shareholding in Oceanz Seafood Markets Limited for \$600,000. Of this balance \$400,000 was a reversal of equity losses recognised through the statement of financial performance in the 2014 financial year. The remaining \$200,000 was calculated to be a capital gain. The final payment of \$150,000 for the shares was not due until October 2015. However, payment was received during October 2014 at an agreed upon reduced value of \$141,000, with \$9,000 being recognised as a discount for early repayment.

42 Port Road Limited Partnership

Ngātiwai Investment Holdings Limited purchased a 36.5789% interest in 42 Port Road Limited Partnership for an amount of \$3,475,000.

42 Port Road Limited Partnership is a Limited Partnership for tax purposes, is incorporated in New Zealand and has a balance date of 31 March.

42 Port Road Limited Partnership has no contingent liabilities as at balance date.

42 Port Road Limited Partnership had no material commitments for capital expenditure as at balance date.

Ngātiwai Education Limited Partnership

Ngātiwai Investment Holdings Limited purchased a 50% interest in Ngātiwai Education Limited Partnership with an initial investment of \$125,000 of set up costs and a further payment during the year of \$240,000.

Ngātiwai Education Limited Partnership is a Limited Partnership for tax purposes, is incorporated in New Zealand and has a balance date of 31 March.

Ngātiwai Education Limited Partnership has no contingent liabilities as at balance date.

Ngātiwai Education Limited Partnership had no material commitments for capital expenditure as at balance date.

11. Investments in Subsidiaries

Name of Entity	Principal Activity	Interest Held	Balance Date
Ngātiwai Investment Holdings Limited	Holding Company	100%	31 March
Oceans Resort Tutukaka Limited	Hospitality	100%	31 March
Ngātiwai Fishing Limited	Lease of Quota Owned, Sale and Purchase of Quota Lease, General Monitoring of Fishing	100%	31 March
Ngātiwai Holdings Limited	Lease of Quota Owned	100%	31 March
Ngātiwai Management Limited	Management Company	100%	31 March
Rathbone James Limited Partnership	Commercial Property	75%	31 March

On 8 October 2014, Ngātiwai Fishing Limited acquired an additional 25% interest in Rathbone James Limited Partnership. This acquisition increased the holding to 75%, resulting in a controlling ownership interest.

Post acquisition of the 25% interest, Ngātiwai Fishing Limited accounted for its investment using the purchase method of accounting and consolidating the subsidiary in the financial statements.

Notes to the Financial Statements

For the Year ended 31 March 2015

12. Quota Owned

Quota Owned by the group is recorded in the Financial Statements at historical cost. Quota owned at 31 March 2015 at its historical cost is as follows:

	Group 2015 \$	Parent 2015 \$	Group 2014 \$	Parent 2014 \$
Ngātiwai Holdings Limited (various)	7,489,742	–	7,489,742	–
Ngātiwai Fishing Limited				
Red Cray (CRA1)	672,415	–	672,415	–
Red Cray (CRA2)	1,113,026	–	1,113,026	–
Snapper (SNA1)	2,038,357	–	2,038,357	–
Snapper (SNA8)	220,160	–	220,160	–
Trevally (TRE1)	5,200	–	5,200	–
Shark (SCH1)	180,000	–	180,000	–
Flats (FLA1)	10,000	–	10,000	–
Grey Mullet (GMU1)	19,000	–	19,000	–
Gurnard (GUR1)	26,150	–	26,150	–
Kingfish (KIN1)	20,000	–	20,000	–
Other (various)	5,963	–	5,963	–
Porae (POR1)	14,850	–	14,850	–
Tarakihi (TAR1)	39,000	–	39,000	–
Closing Balance	11,853,863	–	11,853,863	–

The above Quota is an intangible asset. Due to the infinite lifetime of this Quota, it has not been amortised.

As there were no significant changes in market prices for the 2015 financial year, no independent report was obtained as at 31 March 2015. The market valuation obtained for the 2014 financial year was \$18,411,489 excluding GST.

13. Goodwill

	Group 2015 \$	Parent 2015 \$	Group 2014 \$	Parent 2014 \$
Rathbone James Limited Partnership				
Pre Acquisition Goodwill	7,127	–	–	–
Post Acquisition Goodwill	360,048	–	–	–
Closing Balance	367,175	–	–	–

On 8 October 2014, Ngātiwai Fishing Limited acquired an additional 25% interest in Rathbone James Limited Partnership. This acquisition increased the holding to 75%, resulting in a controlling ownership interest. Due to this acquisition, a Goodwill value was established based on the pre and post fair value of investee equity of Rathbone James Limited Partnership.

14. Events Subsequent to Balance Date

The manager of the Oceans Resort Hotel has resigned, with the assistant manager being promoted to that of general manager. An assistant manager's position has been advertised.

The Ngātiwai group moved their bank accounts held with the ASB Bank across to Westpac Bank, resulting in all banking requirements now being met by Westpac Bank.

On the 5 June 2015, a notice of proceeding for putting Ngātiwai International Limited into liquidation was lodged with the High Court of New Zealand, Whangarei Registry for an amount of debt totalling \$50,377 (2014 \$Nil) that Ngātiwai International Limited owed Ngātiwai Investment Holdings Limited.

The Tikipunga House Build was completed and sold during May 2015 with a capital loss of \$5,853. The gross income and expenditure relating to the House Build will be reflected in the Statement of Financial Performance in the ensuing financial year.

Notes to the Financial Statements

For the Year ended 31 March 2015

14. Events Subsequent to Balance Date *continued*

The sale of Ngātiwai Net Wireless Network to the Uber Group took place totalling \$63,250 inclusive GST.

A further drawdown of \$1,000,000 by Rathbone James Limited Partnership was entered into with Westpac New Zealand Limited in April 2015. This is an interest only loan for ten months expiring 23 February 2016, with an interest rate of 6.65% per annum. As part of the conditions of the loan, Ngātiwai Fishing Limited was required to reduce its overdraft facility limit to \$400,000 and reduce the 91 Term Loan balance to \$1,472,000.

The Aquaculture Settlement took place subsequent to balance date. This relates to the Ngātiwai Trust Board's share in the Auckland space, with the funds being deposited into Ngātiwai Fishing Limited on behalf of the Ngātiwai Trust Board.

15. Capital Commitments

The Group is committed to complete the house build, which will be sold upon completion. Expected costs to complete are \$147 (2014 \$57,256).

16. Operating Expenses

Included in Operating Expenses are the following:

	Group 2015 \$	Parent 2015 \$	Group 2014 \$	Parent 2014 \$
Accounting	262,129	–	204,703	–
Audit	36,600	4,200	38,250	4,000
Consultancy	97,869	74,569	67,015	54,064
Depreciation	101,355	68,081	110,674	85,058
Director Honoraria	37,055	–	25,000	–
Discount for Early Repayment	9,000	–	–	–
Hotel Operation - Direct Costs	721,082	–	689,289	–
Interest	282,376	2	69,281	–
Koha	44,626	44,626	13,500	10,191
Legal	196,651	128,023	298,086	109,525
Loss on Sale	3,587	–	–	–
Mokau Marae - Rebuild	127,260	–	–	–
Marae Development	35,000	–	–	–
Sponsorships	23,585	23,585	250	250
Trustee Honoraria	53,540	53,540	46,780	46,780
Tautoko - Feasibility Study	20,000	20,000	–	–

17. Operating Revenue

Operating Revenue consists of the following:

	Group 2015 \$	Parent 2015 \$	Group 2014 \$	Parent 2014 \$
Dividends Received	51,610	1,297,416	–	1,002,547
Emission Trading Scheme - NZU	9,599	–	–	–
Interest Received	41,995	858	20,199	3,743
Quota Lease Income & Operations	1,660,721	–	1,795,243	–
ACE Option Agreement	33,333	–	33,333	–
Grant Revenue	247,803	50,000	915,986	240,435
Hotel Operation	1,122,162	–	1,112,796	–
Rental Income - Rathbone James Limited Partnership	302,635	–	–	–
Minority Interest - Rathbone James Limited Partnership	9,693	–	–	–
Other Income	105,642	5,357	76,692	2,000
Total Operating Revenue	3,585,194	1,353,630	3,954,249	1,248,725

Notes to the Financial Statements

For the Year ended 31 March 2015

18. Related Parties

Ngātiwai Fishing Limited, Ngātiwai Investment Holdings Limited, Oceans Resort Tutukaka Limited, Ngātiwai Management Limited and Ngātiwai Holdings Limited are related parties as they are 100% owned by Ngātiwai Trust Board. Transactions which occurred during the year resulted in part from accounts processed through the Ngātiwai Trust Board and in part from funds distributed to the Ngātiwai Trust Board.

Mr W W Peters no longer acts in the capacity of deemed director for Ngātiwai Fishing Limited and Ngātiwai Holdings Limited.

Mr B G Moffat, a director of Ngātiwai Investment Holdings Limited, Ngātiwai Holdings Limited, Ngātiwai Management Limited, Ngātiwai Fishing Limited and Oceans Resort Tutukaka Limited (ceased as registered director for all these companies 28 November 2014), is a director and shareholder of Spire Chartered Accountants Limited. Spire provided accounting services to the group. All transactions were at arms length and in the ordinary course of business. Refer Note 16. He also received Director's Fees of \$8,330 (2014 \$12,500) from Ngātiwai Fishing Limited, \$3,000 (2014 \$Nil) from Ngātiwai Management Limited and \$8,000 (2014 \$Nil) from Ngātiwai Investment Holdings Limited.

Mr B G Moffat also provided property management services to the subsidiary, Rathbone James Limited Partnership, through Spire Chartered Accountants Limited amounting to \$60,000 (2014 \$30,000).

Mr C J Wells, a director of Ngātiwai Holdings Limited, Ngātiwai Management Limited, Ngātiwai Fishing Limited and Oceans Resort Tutukaka Limited (appointed as registered director for all these companies 3 December 2014), is a director and shareholder of Sumpter Baughen Chartered Accountants Limited. He received Director's Fees of \$3,125 (2014 \$Nil) from Ngātiwai Fishing Limited, \$1,050 (2014 \$Nil) from Ngātiwai Management Limited and \$1,050 (2014 \$Nil) from Ngātiwai Holdings Limited.

Mr B G Moffat (ceased as registered director 28 November 2014) and Mr H T Edmonds are also directors of Ngātiwai Investment Holdings Limited. Oceans Resort Tutukaka Limited leases the hotel from Ngātiwai Investment Holdings Limited.

Mr J Paki received Director's Fees of \$12,500 (2014 \$12,500) from Ngātiwai Fishing Limited.

Mr B G Moffat (ceased as registered director 28 November 2014) and Mr H T Edmonds (appointed as registered director 26 November 2014) are Directors of Rathbone James General Partner Limited. Rathbone James General Partner Limited is the General Partner of the Rathbone James Limited Partnership which has an investment in Commercial Property. Ngātiwai Fishing Limited is a Limited Partner with a 75% share in the Partnership (2014 50% Share). MP Trustees 2011 Limited is the 100% shareholder of Rathbone James General Partner Limited. Mr B G Moffat and Mr J Prisk are equal shareholders in MP Trustees 2011 Limited. Ngātiwai Fishing Limited has invested \$3,450,331 (2014 \$2,117,939) into the Partnership. During the 2015 financial year, Ngātiwai Fishing Limited purchased a further 25% share in the Partnership and is now entitled to 75% of the surplus of the Partnership. Rathbone James Limited Partnership has a loan of \$3,650,000 with Westpac Bank for which Ngātiwai Fishing Limited is a 75% guarantor.

Ngātiwai Fishing Limited is guarantor for Rathbone James General Partner Limited, limited to 75%.

Oceans Resort Tutukaka Limited paid Cameron Street Properties Limited \$14,410 (2014 \$15,340) during the year in respect of apartment rental. Mr B G Moffat is a shareholder of Cameron Street Properties Limited.

Mr B G Moffat (ceased as registered Director 28 November 2014) is a director of Ruakaka Lands Limited. Oceans Resort Tutukaka Limited has rented an apartment from Ruakaka Lands Limited.

Mr B G Moffat (ceased as registered director 28 November 2014) and Mr H T Edmonds (appointed as registered director 26 November 2014) are directors of James Street Car Park Limited. MP Trustees 2013 Limited are the 100% shareholder of James Street Car Park Limited. MP Trustees 2013 Limited hold the assets on Trust for Ngātiwai Investment Holdings Limited and other parties. The \$505,625 initial investment represents a 50% share of James Street Car Park Limited. James Street Car Park Limited is a Look Through Company for tax purposes, with Ngātiwai Investment Holdings Limited share of the loss represented in the Financial Statements.

Mr B G Moffat (ceased as registered director 28 November 2014), Mr C J Wells (resigned as registered director 13 November 2014) and Mr H T Edmonds are directors of Ngātiwai Education General Partner Limited. Ngātiwai Investment Holdings Limited introduced capital contributions totalling \$125,000 to purchase a 50% share as a Limited Partner in Ngātiwai Education Limited Partnership, a General Partner of Ngātiwai Education General Partner Limited. Further capital contributions totalling \$240,000 were required to be made during the 2015 year. The share of loss in Ngātiwai Education Limited Partnership during the year is \$302,827 (2014 \$Nil). The investment balance at 31 March is \$62,173 (2014 \$Nil).

Ngātiwai Management Limited advanced \$190,858 to Ngātiwai Education Limited Partnership during the year to cover operating expenditure due to the fact that effective from 1 April 2014, the Education department operated independently under the entity Ngātiwai Education Limited Partnership. Mr J Paki received a consultation fee of \$12,500 (2014 \$Nil) for attendance at Ngātiwai Education Limited Partnership meetings on behalf of Ngātiwai Trust Board.

Notes to the Financial Statements

For the Year ended 31 March 2015

18. Related Parties continued

Mr H T Edmonds is the Chairperson of Ngātiwai Trust Board.

Mrs M I C Henley was the Deputy Chairperson of Ngātiwai Trust Board (voted out as Deputy Chairperson on 31 October 2014).

Mr K J MacDonald is the Deputy Chairperson of Ngātiwai Trust Board (voted in as Deputy Chairperson on 31 October 2014).

Ngātiwai Trust Board is a 100% Parent of Ngātiwai Investment Holdings Limited. The \$125,000 share of equity in Ngātiwai Education Limited Partnership was originally paid for by Ngātiwai Trust Board. This has been transferred through a related party balance so that the investment can be disclosed in the correct entity. The balance at 31 March 2015 is \$125,000 (2014 \$Nil).

A dividend of \$1,297,416 (2014 \$1,002,547) was paid to the Ngātiwai Trust Board during the year from Ngātiwai Fishing Limited. In addition Ngātiwai Fishing Limited advanced a further \$1,177,294 (2014 \$1,588,336) to the Ngātiwai Trust Board to cover operational costs.

Mrs M I C Henley, Mr K J MacDonald and Mr H T Edmonds are also directors of Ngātiwai Management Limited.

Mr K J MacDonald, a trustee, provided consultancy services to the Ngātiwai Trust Board of \$1,777 (2014 \$6,558). These services are contracted through Digital Indigenous.com Limited of which Mr K J MacDonald is a director.

Mr H T Edmonds, Mrs M I C Henley, Mr K J MacDonald and Mr C J Wells (appointed as registered director 3 December 2014) are directors of Tuparehuia Trustee Limited. Tuparehuia Trustee Limited is a company which has been set up to run the operations of the Bland Bay Camp Ground.

During the 2015 financial year assistance by way of Koha included payments to Motairehe Marae for \$10,000 and Kawa Marae for \$29,758.

The group has not undertaken any other material transactions with related parties apart from those disclosed in the interest register. No related party debts have been written off or forgiven during the year.

19. Funding Received in Advance

Ngātiwai Trust Board held the following
Funding Received in Advance as at balance date:

	Group 2015 \$	Parent 2015 \$	Group 2014 \$	Parent 2014 \$
Landcare	–	–	1,870	–
Ministry for the Environment	17,624	–	17,624	–
Ministry of Primary Industries	–	–	2,264	–
Ngā Whenua Rahui	56,423	–	56,822	–
Kaipara Sands	263,442	263,442	207,274	207,274
Te Taura Whiri i te Reo/Māori	–	–	2,854	–
Te Wānanga o Aotearoa	–	–	75,674	–
Department of Internal Affairs	–	–	35,543	–
Northtec Kaitiaki	–	–	4,952	–
TPK Funding - Mokau Marae	22,741	–	–	–
Closing Balance	360,230	263,442	404,878	207,274

Notes to the Financial Statements

For the Year ended 31 March 2015

20. Grant Income

Ngātiwai Trust Board received the following Grant Income during the year:

Resource Management Unit

Ngā Whenua Rahui

General

TPK Funding

Education

Ministry of Education

Te Wānanga O Aotearoa

NorthTec

Māori Language Commission

Te Puni Kōkiri

Communications

Department of Internal Affairs

Trust Board

Kaipara Sands Royalty

Office of Treaty Settlements

Whare Taonga - Lottery Grants Board

Closing Balance

	Group 2015 \$	Parent 2015 \$	Group 2014 \$	Parent 2014 \$
	-	-	1,625	-
	-	-	1,625	-
	162,260	-	-	-
	162,260	-	-	-
	-	-	478,093	-
	-	-	153,645	-
	-	-	1,519	-
	-	-	23,464	-
	-	-	11,552	-
	-	-	668,272	-
	35,543	-	5,655	-
	35,543	-	5,655	-
	10,000	10,000	110,000	110,000
	20,000	20,000	130,435	130,435
	20,000	20,000	-	-
	50,000	50,000	240,435	240,435
	247,803	50,000	915,986	240,435

21. Bland Bay Camp Ground

On 28 January 2011, the Ngātiwai Trust Board was appointed as trustee of the Whangaruru Whakaturia No 1D9A and Whangaruru Whakaturia No 1D10A Māori Freehold Lands. These titles encompass the Bland Bay Camping Ground (including Kaumātua Flats) and the Tuparehuia Marae. The Ngātiwai Trust Board does not own the assets, however it is responsible for the day to day administration of the lands to preserve them for use as a marae and meeting place.

The Bland Bay Camp Ground operates a camp ground business. The assets, liabilities, revenue and expenses relating to this business are accounted for in separate financial statements to the Ngātiwai Trust Board.

The amount disclosed in the Statement of Financial Position is representative of payments made from Ngātiwai Trust Board funds on behalf of the Bland Bay Camp Ground.

22. Lease / Rent Commitments

Oceans Resort Tutukaka Limited leases equipment from Business Solutions Limited, payments per month are \$207 (2014 variable) for photocopy machine hire and a minimum monthly fee of \$52 for printing (2014 variable).

Ngatiwai Trust Board leases equipment from Konica Minolta, payments are \$450 (2014 \$933) per month. Ngatiwai Management Limited leases equipment from Water 4U, payments are \$48 per month.

Ngatiwai Trust Board leases a motor vehicle from Toyota Finance with payments being made of \$1,284 (2014 \$Nil) per month. The Trust Board leases a further vehicle from Toyota Finance, payments are \$708 (2014 \$708) per month. Ngatiwai Trust Board also leases a motor vehicle from Fleet Partners, payments are \$590 (2014 \$762) per month.

Ngatiwai Management Limited leases two motor vehicles from Toyota Finance with payments being made of \$938 (2014 \$938) and \$797 (2014 \$797) per month, per motor vehicle.

Ngatiwai Management Limited pays rental and occupancy charges to United Infrastructure of \$4,167 (2014 \$4,167) per month, to Whangarei Public Storage of \$257 (2014 \$257) per month up until 30 November 2014 and to the Whangarei District Council of \$99 (2014 \$99) per month.

Notes to the Financial Statements

For the Year ended 31 March 2015

22. Lease/Rent Commitments continued

Oceans Resort Tutukaka Limited rents accommodation from Assassin Bay Trust for use by the General Manager. Payments are \$400 per week (2014 \$400 per week).

Oceans Resort Tutukaka Limited rents accommodation from Ruakaka Lands Limited on a nightly basis if sublet by the Tenant. Payments are \$85 per night or \$325 per week if sub-let to the same Sub-Tenant for a one week period or more.

There are further apartments which are rented from Ruakaka Lands Limited on a casual basis. The existing leases have expired at balance date, however there is verbal agreement that the lease shall continue until further notice.

Oceans Resort Tutukaka Limited rents accommodation from Cameron Street Properties Limited on a nightly basis if sublet by the tenant. Payments are \$110 per night (off season) or \$150 per night (busy season).

There is a further apartment which is rented from Marina Trust on a casual basis. The existing lease has expired at balance date, however there is verbal agreement that the lease shall continue until further notice.

	Group 2015 \$	Parent 2015 \$	Group 2014 \$	Parent 2014 \$
Current				
Konica Minolta	4,740	4,740	11,196	11,196
Business Solutions Limited	3,109	–	3,109	–
Fleetpartners	7,080	7,080	2,286	2,286
Toyota	44,724	23,904	26,502	16,938
United Infrastructure	50,004	–	50,004	–
Whangarei Public Storage	2,056	–	3,084	–
Whangarei District Council	1,188	–	1,188	–
Water 4 U	576	–	576	–
Term				
Konica Minolta	4,740	4,740	11,196	11,196
Business Solutions Limited	3,109	–	3,109	–
Fleetpartners	7,080	7,080	2,286	2,286
Toyota	44,724	23,904	26,502	16,938
United Infrastructure	50,004	–	50,004	–
Whangarei Public Storage	2,056	–	3,084	–
Whangarei District Council	1,188	–	1,188	–
Water 4 U	576	–	576	–

23. Income in Advance

	Group 2015 \$	Parent 2015 \$	Group 2014 \$	Parent 2014 \$
Current				
Guests Deposits	10,371	–	10,275	–
ACE Option	–	–	33,333	–
Aotearoa Fisheries Limited	1,532,782	–	966,666	–
Ngātiwai Net	55,000	55,000	–	–
	1,598,153	55,000	1,010,274	–
Term				
Aotearoa Fisheries Limited	562,000	–	966,667	–
	562,000	–	966,667	–
Closing Balance	2,160,153	55,000	1,976,941	–

Notes to the Financial Statements

For the Year ended 31 March 2015

24. Māori Authority Tax Credits

These credits relate to dividends received from Aotearoa Fisheries Limited during the 2015 financial year. The refund for these credits will be received during the 2015/16 financial year.

25. Private Training Enterprise

2014: This amount represents set up and establishment costs for a new education initiative. These amounts have been paid by Ngātiwai Trust Board and are disclosed in the Statement of Financial Position on the basis that these costs will be reimbursed by the education entity in the future.

26. Ngātiwai International Limited

Ngātiwai Investment Holdings Limited advanced funds totalling \$50,377 to Ngātiwai International Limited during the year, which was for three years at 6% interest per annum. Monthly repayments were due on this loan. After several months Ngātiwai International Limited fell behind on their payments. Ngātiwai International Limited has since been placed into liquidation, with the loan balance being sent to the liquidators as an unsecured creditor. No provision for impairment has been made to the receivable on the basis that as at balance date, the company was still seeking recovery of this loan.

27. Treaty Claim Costs

Net costs that the Ngātiwai Trust Board have incurred for the Treaty Claim have been disclosed as a current asset on the basis that these costs will be recovered from a new settlement entity (yet to be established) when the Treaty Claim is finalised.

28. Work In Progress

Costs that the Trust has incurred for the House Build have been disclosed as work in progress on the basis that when the house is sold the gross amount of income and expenses will be reflected in the Statement of Financial Performance. The house was completed and sold in May 2015.

29. Aquaculture Settlement Costs

Costs that the Ngātiwai Trust Board have incurred for the Aquaculture Settlement have been disclosed as a current asset on the basis that these costs will be recovered from Ngātiwai Fishing Limited when settlement is finalised. From a Group perspective, these costs will crystallise when settlement is reached.

30. Kingfish Proposal Costs

The Trust commenced due diligence on a proposal regarding kingfish. This could become a joint venture if viable. The costs have been capitalised on the basis that the Trust is still pursuing this investment.

31. Going Concern

The group has negative working capital of \$1,070,276 (2014 \$327,415) at balance date. The financial statements have been prepared on a going concern basis on the basis that subsequent to balance date, there has been a reduction of debt with the Westpac Bank due to the Aquaculture Settlement that has taken place.

The directors and management also consider the following factors relevant to the applicability of the going concern assumption:

1. A review of the debt structure and terms held with the Westpac Bank has taken place, with the intention of repaying a portion of the debt as well as extending the remaining balance of the loans on a long term basis. This is based on the fact that the bank is supportive of the Group's proposal.
2. Based on Ngātiwai Trust Board receiving mandate for the Treaty Claims Settlement, which will allow for further funding to be made available from both the Crown Forestry Rental Trust (CFRT) and the Office of Treaty Settlements (OTS), which will assist in an improved cash flow position for the Group.

32. Contingent Liabilities

Ngātiwai International Limited is a 25% partner of Ngātiwai Education Limited Partnership and Ngātiwai Investment Holdings Limited is a 50% partner of Ngātiwai Education Limited Partnership, of which the partnership has disclosed a loss for the 2015 financial year totalling \$605,604. Ngātiwai International Limited has been placed into liquidation. No assessment has been done as at balance date regarding the relevant partners share of loss for the current year.

There are no other contingent liabilities at balance date (2014 \$Nil).



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