

Ngati Rangiteaorere Koromatua Council Trust

Financial Statements

For the Year Ended 31 March 2015

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015**

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**TRUST DIRECTORY
AS AT 31 MARCH 2015**

Settlement:	14 June 2013
IRD Number:	114-518-727
Principal Activity of Business:	Post settlement Iwi entity
Location of Business:	Mataikotare Marae Mataikotare Road Te Ngae Rotorua
Trustees:	Tai Eru Kereama Pene Wiremu Kingi Rangimahuta Easthope Herbert Hapeta Jr Donna Hall Waereti Tait-Rolleston
Accountants:	Goldsmiths Chartered Accountants Level 1 189 The Strand Whakatane, 3120
Auditors:	Kelvin C. Deal Auditors Chartered Accountants 2 Canning Place Whakatane, 3120

Kelvin C. Deal Auditors

CHARTERED ACCOUNTANTS



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2 Canning Place
Whakatane, NZ

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INDEPENDENT AUDITORS' REPORT

To the Trustees of Ngati Rangiteaorere Koromatua Council Trust

We have audited the financial statements of Ngati Rangiteaorere Koromatua Council Trust on pages 3 to 9, which comprise the statement of financial position as at 31 March 2015, and the statement of financial performance, statement of movements in equity for the year then ended, and a summary of significant accounting policies and other explanatory information

Trustees' Responsibilities

The Trustees are responsible for the preparation and fair presentation of these financial statements in accordance with generally accepted accounting practice in New Zealand; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibilities

It is our responsibility to express an independent 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 judgment, 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 and fair presentation of the financial statements 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, the Trust.

Opinion

In our opinion the financial statements present fairly, in all material respects, the financial position of the Ngati Rangiteaorere Koromatua Council Trust as at 31 March 2015 and its financial performance for the year then ended in accordance with generally accepted accounting practices in New Zealand.

Emphasis of matter – Decision by Judge CT Coxhead 24 April 2015

We refer to Note 6 on page 8 of the financial statements concerning the decision of Judge Coxhead of the Maori Land Court to terminate the Te Ngae Farm Trust, allowing for the assets of that Trust to be vested in the Trustees of Ngati Rangiteaorere Koromatua Council Trust. This will increase the net assets of the Trust from its present \$1,430,182 to in excess of \$6,000,000



KELVIN C. DEAL CHARTERED ACCOUNTANTS


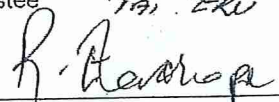
11th August 2015

2 Canning Place
WHAKATANE

Your I Deal Auditors

**STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2015**

	Note	This Year	Last Year
Trust Equity And Reserves			
Trust Equity		1,394,748	632,970
Whakapoungakau Shareholders' Funds	5	(42,061)	-
		<u>1,352,687</u>	<u>632,970</u>
Current Liabilities			
Accounts Payable		35,435	6,643
Remaining interests in Whakapoungakau 4F2		16,252	-
Remaining interests in Whakapoungakau 4J		25,809	-
Ngati Rangiteaorere Claims Committee		-	198,012
		<u>77,495</u>	<u>204,655</u>
Total Equity & Liabilities		<u>\$1,430,182</u>	<u>\$837,625</u>
Current Assets			
Cash at Bank	2	161,528	-
Tim Kinder Solicitor Trust Account		-	125,000
Accrued Interest		-	15,580
Accounts Receivable		-	697,045
Bay of Plenty Regional Council - Resource Consent	11	10,000	-
NRCT Ltd		8,046	-
Whakapoungakau Lands Ltd		50	-
Taxation Refund Due	3	1	-
		<u>179,625</u>	<u>837,625</u>
Non Current Assets			
Property, Plant and Equipment			
As per Schedule (at Book Value)	4	1,250,557	-
Total Assets		<u>\$1,430,182</u>	<u>\$837,625</u>


 Trustee Tim Eku

 Trustee Longman Estate

27. 8. 15
 Date

27. 8. 15
 Date



The accompanying notes and audit report form part of these financial statements.

Goldsmiths
Chartered Accountants

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31 MARCH 2015**

	Note	This Year	Last Year
Income			
Claimant Funding		-	447,045
Settlement Income		-	250,000
Interest Income		972	15,580
		<u>972</u>	<u>712,625</u>
Expenses			
Accountancy Fees		9,767	-
AGM Expenses		8,558	-
Auditors Remuneration		2,405	-
Bank Charges		90	-
Catering		600	375
Consultancy Fees		39,354	16,373
Donations		1	-
Entertainment - Deductible		4,557	-
Entertainment - Non Deductible		4,557	-
Fees & Permits		774	-
General Office Expenses		617	-
Hireage		81	-
Koha		2,158	-
Legal Fees - Deductible		1,380	-
Marae Grant		200	-
Postage		250	150
Printing & Stationery		1,283	246
Repairs & Maintenance - General		1,052	2,753
Repairs & Maintenance - Marae Clean Up		-	21,419
Services Expense		3,500	967
Staff Wages		19,032	-
Storeage of Timber		-	15,000
Tai's 80th Birthday Celebrations		5,418	-
Telephone & Internet		645	90
Tikitere Trust AGM Costs		1,856	-
Travel & Accommodation - Airfares		-	1,436
Travel & Accommodation - Mileage Reimbursement		7,329	7,110
Trustees Fees		19,786	13,736
Total Cash Expenses		<u>135,248</u>	<u>79,655</u>
Net Cash Surplus (Deficit)		<u>(134,276)</u>	<u>632,970</u>
Non Cash Expenses			
Depreciation		128	-
Net Surplus (Deficit) Transferred To Equity		<u><u>\$(134,404)</u></u>	<u><u>\$632,970</u></u>



The accompanying notes and audit report form part of these financial statements.

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**STATEMENT OF MOVEMENTS IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2015**

	Note	This Year	Last Year
Net Surplus (Deficit)		(134,404)	632,970
Total Recognised Revenues and Expenses		(134,404)	632,970
Equity at Start of Period		632,970	-
		498,566	632,970
Add: Contributions			
Capital Introduced - Settlement Funds	12	896,181	-
Movements in Reserves			
Whakapoungakau Shareholders' Funds		(42,061)	-
Total Movements in Reserves		(42,061)	-
Total Equity And Reserves At End Of Period		\$1,352,687	\$632,970



The accompanying notes and audit report form part of these financial statements.

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Chartered Accountants

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

1 *Statement Of Accounting Policies*

These are the financial statements of Ngati Rangiteaorere Koromatua Council Trust. Ngati Rangiteaorere Koromatua Council Trust is a trust established by a trust deed dated 14 June 2013.

The financial statements have been prepared in accordance with generally accepted accounting principles.

The trust qualifies for differential reporting based on the following criteria:

- . It is not publicly accountable and
- . The trust is 'not large' as defined by the External Reporting Board.

The trust has adopted all available differential reporting exemptions.

Measurement System

The measurement system adopted is that of historical cost.

Particular Accounting Policies

The following is a summary of the significant accounting policies adopted by the trust in the preparation of these financial statements.

Property, Plant, Equipment and Depreciation

Property, plant and equipment are included at cost less aggregate depreciation provided at the maximum rates allowed by the Inland Revenue Department, except for Land and Buildings which are valued at current valuation less depreciation where applicable. The depreciation rates used are shown in the Schedule of Property, Plant and Equipment.

Taxation

The settlement of Treaty of Waitangi claims are not 'business activities' and therefore are not subject to taxation. However, the Trust is subject to tax on other income, such as interest received and other taxable activities.

Accounts Receivable

Accounts Receivable are stated at their estimated realisable value after allowing for all bad debts.

Goods and Services Tax

The financial statements have been prepared on a GST inclusive basis.

Changes in Accounting Policies

There have been no changes in accounting policies. All policies have been applied on bases consistent with those of previous years.

2 *Cash at Bank*

	<i>This Year</i>	<i>Last Year</i>
ANZ Bank NZ Ltd - Goldsmiths Trust Account	157,743	-
Westpac NZ Ltd - 01 Account	3,785	-
	<u>\$161,528</u>	<u>-</u>



4 Property, Plant And Equipment Summary

	Cost	Accum Depn	Book Value
2015			
Land	1,250,000	-	1,250,000
Plant & Equipment	685	128	557
	<u>\$1,250,685</u>	<u>\$128</u>	<u>\$1,250,557</u>
2014			
Land	-	-	-
Plant & Equipment	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

5 Reserves **2015** **2014**

Whakapoungakau Shareholders' Funds

Opening Balance	-	-
Movement	(42,061)	-
	<u>\$(42,061)</u>	<u>-</u>

The Trust has purchased land at Cookson Road, Tikitere, achieved through the purchase of 81.29167 shares in Part Whakapoungakau 4J Block and 133.25 shares in Part Whakapoungakau 4F2 Block as well as Freehold Land. The remaining Maori interests in Whakapoungakau 4J of 11.70833 shares have a value of \$25,808.68, and in Whakapoungakau 4F2 of 7.5 shares have a value of \$16,252.22. The court has appointed Goldsmiths, Chartered Accountants as agent for the remaining Maori owners. The funds are to be held for distribution to the remaining Maori owners, who indicated their desire to sell their interests in the land to the Trust. There is a 6-month grace period from purchase date in which the Maori owners can transfer their land interests to the Trust; in such cases the conveyance of that land will be completed by Goldsmiths as the Court appointed agent (Te Ture Whenua Maori Act 1993, Section 157(1)).

6 Events Occurring After Balance Date

At a hearing on 24 April 2015 Judge C T Coxhead of the Maori Land Court, Waiariki District, ruled that the Te Ngae Farm Trust would be terminated pursuant to Section 241 of the Te Ture Whenua Maori Act 1993, and that the assets be vested in the Trustees of Ngati Rangiteaorere Koromatua Council in their capacity as Trustees, to hold in accordance with the Trust Deed. As at 31 March 2014 net assets held by the Ngati Rangiteaorere Te Ngae Farm Trust had a value of \$5,256,666.

7 Contingent Liabilities

There are no contingent liabilities at year end (31 March 2014: \$Nil).

8 Capital Commitments

There are no capital commitments at year end (31 March 2014: Purchase of land at Cookson Road, Tikitere, Rotorua for the sum of \$1,250,000.00).



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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

9 *Related Parties*

Ngati Rangiteaorere Koromatua Council Trust (the "Trust") is the post settlement governance entity for Ngati Rangiteaorere Claims Committee (the "Committee"). In previous years the Committee has met expenses on behalf of the Trust. On 3 July 2014 the Trust was ratified and all assets held by the Committee were transferred to the Trust, which included cash of \$724,374. As such, the current account balance between the two entities is now nil, and this has been reported on the Statement of Financial Position. All transactions are at arms-length.

Donna Hall is a Trustee for this Trust and is also a principal for Woodward Law, which occasionally acts as a type of bank for the Trust, by advancing funds to pay some expenses, and acting as their legal advisors. These transactions have been at arms-length.

The Trust occupies facilities belonging to Mataikotare Marae Trust. Two Trustees, Wiremu Kingi and Rangimahuta Easthope, are also Trustees of Mataikotare Marae Trust. During this financial year the Trust paid \$200 to the Marae to go towards the Marae Development Project. This transaction was at arms-length. Other than these there were no other material related party transactions.

10 *Trustees Remuneration*

Ngati Rangiteaorere Koromatua Council Trust paid Trustee Remuneration in the year ended 31 March 2015 as follows:

	2015	2014
T Eru	2,200	2,976
K Pene	2,600	4,247
W Kingi	200	-
R Easthope	4,928	2,285
H Hapeta	5,328	2,040
D Hall	2,200	-
W Tait-Rolleston	2,330	2,188
	<u>19,786</u>	<u>13,736</u>

11 *Resource Consent*

On 12 January 2015 a cheque for \$10,000 was made out to the Bay of Plenty Regional Council, being a resource consent application fee to take and discharge geothermal fluid or steam. The Council did not bank the cheque, and forwarded it to the Trust. The Trust has not received the cheque in the post, and as a result of this the cheque was cancelled on 16 June 2015, and written back to the bank account.

12 *Ngati Rangiteaorere Claims Committee*

On 3 July 2014 Ngati Rangiteaorere Claims Committee, the pre-settlement entity for Ngati Rangiteaorere Iwi, transferred all the funds and assets it held to Ngati Rangiteaorere Koromatua Council Trust, the post settlement Iwi entity.



**Taxation Depreciation Schedule
For the Year Ended 31 March 2015**



**Goldsmiths
Chartered Accountants
Appendix**