

Ngati Rangiteaorere Claims Committee

Financial Statements

For the Year ended 31 March 2012

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

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Kelvin C. Deal Auditors

CHARTERED ACCOUNTANTS



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INDEPENDENT AUDITORS' REPORT

To the Committee of Management of **NGATI RANGITEAORERE CLAIMS COMMITTEE**.

We have audited the financial statements of **Ngati Rangiteaorere Claims Committee** on pages 3 to 8, which comprise the statement of financial position as at 31 March 2012, 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

Committee's Responsibilities

The Committee of Management is 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.

Auditor's 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 auditors we have no other relationship with or interest in Ngati Rangiteaorere Claims Committee.

Opinion

In our opinion the financial statements present fairly, in all material respects, the financial position of the NGATI RANGITEAORERE CLAIMS COMMITTEE as at 31 March 2012 and the results of its operations for the year ended on that date.



KELVIN C. DEAL CHARTERED ACCOUNTANTS

24th February 2014

2 Canning Place
WHAKATANE

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2012

	<i>Note</i>	<i>This Year</i>	<i>Last Year</i>
Trust Equity	2	(29,504)	89,105
Current Liabilities			
Westpac - 00 Account	4	9	10
Accounts Payable		161,476	75,278
		161,484	75,288
Total Equity & Liabilities		\$131,981	\$164,393
Current Assets			
Advances - Other		6,269	8,769
Cash at Bank	3	6,127	1,852
Advances - Rangiwewehi Charitable Trust		10,000	10,000
Accounts Receivable		7,150	142,138
Taxation Refund Due	5	17	9
		29,563	162,769
Non Current Assets			
Property, Plant and Equipment			
As per Schedule (at Book Value)	6	1,218	1,624
Intangibles			
Tikitere Trust Litigation		101,200	-
Total Assets		\$131,981	\$164,393

Trustee

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 2012

	Note	This Year	Last Year
Income			
Funding Grants		-	20,000
Services Income		-	6,947
Interest Received	24	26	26
Koha Received		-	1,000
		<u>24</u>	<u>27,973</u>
Expenses			
ACC Levy		(387)	1,987
Accountancy Fees		879	6,552
Advertising		731	338
Audio Visual		173	1,358
Audit Fees		6,655	6,555
Bank Charges		123	124
Catering		6,338	14,151
Consultants		49,431	53,425
Entertainment - Deductible		750	-
Entertainment - Non Deductible		250	-
General Office Expenses		840	4,985
Hapu Development		-	1,650
Hire Equipment		-	2,850
Interest		9	10
Late Payment Penalties		(1,088)	1,576
Legal Fees - Deductible		249	1,895
Legal Fees - Non Deductible		13,800	-
Printing & Stationery		-	1,424
Rent - Use of Facilities		680	9,611
Security		-	1,150
Services Expense		10,100	-
Staff Wages		7,448	70,512
Telephone & Internet		-	3,199
Travel & Accommodation - Airfares		7,325	2,794
Travel & Accommodation - Hotels		-	570
Travel & Accommodation - Mileage Reimbursement		14,350	3,488
Trustees Fees		100	23,450
Total Cash Expenses		<u>118,757</u>	<u>213,651</u>
Net Cash Surplus (Deficit)		<u>(118,733)</u>	<u>(185,678)</u>
Non Cash Expenses			
Depreciation		406	375
Net Surplus (Deficit) Transferred To Equity		<u><u>\$(119,139)</u></u>	<u><u>\$(186,053)</u></u>

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

Goldsmiths
Chartered Accountants



STATEMENT OF MOVEMENTS IN EQUITY FOR THE YEAR ENDED 31 MARCH 2012

	Note	This Year	Last Year
Net Surplus (Deficit)		(119,139)	(186,053)
Total Recognised Revenues and Expenses		(119,139)	(186,053)
Less			
Koromatua Grants		-	(2,739)
Education Grants		-	(13,165)
		-	(15,904)
Balance Retained as Trustees Income added to Equity		(119,139)	(201,957)
Equity at Start of Period		89,105	291,062
		(30,034)	89,105
Add: Contributions			
Education Grants		531	-
Total Equity At End Of Period		<u>\$(29,504)</u>	<u>\$89,105</u>



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

Goldsmiths
Chartered Accountants

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

1 Statement Of Accounting Policies

Ngati Rangiteaorere Claims Committee is an unincorporated committee. The Financial Statements of the Committee have been prepared in accordance with generally accepted accounting practice.

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

- It is not publicly accountable and
- The Committee is 'not large' as defined by the New Zealand Institute of Chartered Accountants.

The Committee 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

Equipment is included at cost less aggregate depreciation provided at the maximum rates allowed by the Inland Revenue Department. The depreciation rates used are shown in the Schedule of Property, Plant and Equipment.

Taxation

The preparation, presentation and negotiation of Treaty of Waitangi claims are not 'business activities' and therefore are not subject to taxation.

Accounts Receivable

Accounts Receivable are stated at expected realisable value.

Goods and Services Tax

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

Intangible Asset

The Committee is currently involved in a court case against Tikitere Trust. Legal fees incurred of \$101,200 have been paid to Woodward Law due to this. Tikitere Trust is attempting to obtain RMA consents to use the Tikitere Geothermal Field. The Committee, and its beneficiaries, have outstanding claims of ownership and rights to develop the heat on the field. The Committee has plans to use the heat on the field for many revenue generating ventures, but would be unable to do so if Tikitere Trust gained exclusive use through the RMA process. This litigation process began in 2009. The first, and only as yet, payment made to Woodward Law was for \$101,200 paid on 1 May 2013, which covered the years 2009 - 2011. This has been recognised as a creditor at 31 March 2012.

This intangible asset will have a finite life, and will cease when the court case is settled.

Any amortisation to be allocated is indeterminable, as the useful life of the asset cannot be estimated, nor can the outcome of the court case, which has the possibility of not producing any economic benefits to the Committee.

This intangible asset has not been internally generated.

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.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

2 Analysis Of Equity

The Trust Deed makes distinction between Trust Capital and Accumulated Trustees Income. The Equity of the Trust consists of the following:

	2012	2011
Capital		
	-	-
Accumulated Trustees Income		
Opening Balance	89,105	291,062
Add:		
Net Operating Surplus (Deficit)	(119,139)	(186,053)
Koromatua Grants	-	(2,739)
Education Grants	531	(13,165)
Closing Accumulated Trustees Income	\$(29,504)	\$89,105
Closing Trust Capital	<u>\$(29,504)</u>	<u>\$89,105</u>

3 Cash at Bank

	This Year	Last Year
Hulton Patchell Call Account	781	389
Hulton Patchell Trust Account	5,137	1,126
Westpac - 01 Account	209	338
	<u>\$6,127</u>	<u>\$1,852</u>

4 Bank Overdraft

	2012	2011
Westpac - 00 Account	<u>9</u>	<u>10</u>

The effective debit interest rate applicable to this account is 26.95% per annum. There is no overdraft limit facility in place.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

5	Taxation	2012	2011
	Net Surplus (Deficit) per Accounts	(119,139)	(186,053)
	Addback		
	Entertainment - Non Deductible	250	-
	Legal Fees - Non Deductible	13,800	-
	Late Payment Penalties	(1,088)	1,576
	Treaty Settlement Transactions - Non Deductible	106,201	184,503
	Taxable Surplus	24	26
	Taxation	-	-
	Opening Balance	(9)	-
		(9)	-
	Less		
	RWT Paid	8	9
	Tax Payable (Refundable) as per Statement of Financial Position	\$(17)	\$(9)

6	Property, Plant And Equipment Summary	Cost	Accum Depn	Book Value
	2012			
	Plant & Equipment	1,999	781	1,218
	2011			
	Plant & Equipment	1,999	375	1,624

7 Events Occurring After Balance Date

On 29/11/2012 the Committee received \$1,325,000.00 from the Office of Treaty Settlements, being a full and final settlement on their claim.

Ngati Rangiteaorere and Ngati Rangiwewehi came to an agreement during the 2013 financial year that they would write off each others debts against each other. The result being that Ngati Rangiteaorere will no longer hold a debtor of \$10,000.00, or a creditor of \$20,561.50 owed by or owed to Ngati Rangiwewehi. Any remaining funds will be forgiven.

8 Contingent Liabilities

There are no contingent liabilities at year end (31 March 2011: \$Nil).

9 Capital Commitments

There are no capital commitments at year end (31 March 2011: \$Nil).

10 Related Parties

The Ngati Rangiteaorere Claims Committee occupies facilities belonging to Mataikotare Marae Trust. Two of the Claims Committee members, Wiremu Kingi and Rangimahuta Easthope, are also Trustees of Mataikotare Marae Trust. In the course of the Crown Forestry Rental Trust 1891 Contract, the Claims Committee made payments to Mataikotare Marae Trust from the Crown Forestry Rental Trust funds. The amount of payments were:

- Facilities: \$ - (Last Year 2011: \$9,611)

D Hall is a member of the Committee and is also a principal for Woodward Law, which has acted as a type of bank for the Committee by advancing funds to pay their expenses.

Goldsmiths
Chartered Accountants

