

Date

15 August 2014

To

Registrar
Maori Land Court
Waiariki District
DX JX10529
ROTORUA 3046

WHAKAPOUNGAKAU 24 BLOCK – TIKITERE TRUST

Please find enclosed Chairman's Report for annual general meeting 30 August 2014.

Also enclosed are copies of the annual accounts for the Tikitere Trust for the years ending 31 March 2004 and 31 March 2005. It has come to my attention that these may not be held on the Court file.

Yours faithfully

A handwritten signature in black ink, appearing to read 'W A Kingi', with a stylized flourish at the end.

**W A Kingi
Chairman
Tikitere Trust**

WHAKAPOUNGAKAU 24 BLOCK

(TIKITERE TRUST)

CHAIRMAN'S REPORT

ANNUAL GENERAL MEETING

30 AUGUST 2014

The trustees reported to the beneficial owners at the Special General Meeting on 5 November 2011. Attached to this report is a copy of the report that was provided to that meeting of beneficial owners. That report gave a detailed explanation of the progress and success in the negotiation of the geothermal project for the benefit of the Trust.

Regrettably since that meeting, the Board records the passing of George Habib and Hiwinui Heke and earlier this year Pirihira Fenwick resigned. As a result, there is a need for the beneficial owners to nominate three replacement trustees to be confirmed by the Maori Land Court.

I report on the business of the Trust and note, that at the direction of the Maori Land Court, Mr Eru will also be filing his own report for the owners.

Geothermal Power Project

There still appears to be some concern amongst some beneficial owners in regard to the Geothermal Power Project, including the view that the power station will be placed on Tikitere land and that the project will have a detrimental effect on the business of Hells Gate. The following information is provided to clarify these important issues.

The key points are:

- First: Any developments or wells will not take place on Tikitere Trust land They will all take place on Paehinahina Mourea Trust land some distance from Hells Gate
- Secondly: The process will be constantly monitored by the Bay of Plenty Regional Council so there are no threats to Hells Gate and no risk. The Tikitere land was too unstable and would not have supported a geothermal power station.
- Thirdly: The Tikitere Trust is not required to make any financial input nor is it required to give any guarantees.

Initially the plan was that at the end of a fifteen year period the Tikitere Trust would take over full 100% ownership of the power station for \$100.00 which makes this project unique.

The project involves a partnership between Tikitere Trust, Paehinahina Mourea and Manupirua Trusts. Initially, the clear expectation was that Tikitere Trust would take full 100% ownership of the power station and the other Trusts would receive royalties only. However, over a period of time, the approach of Paehinahina has changed. This followed significant information about the project coming into the public domain as a result of the ongoing litigation pursued by Donna Hall on behalf of the applicant owners Jillian Naera, Kereama Pene, Anaha Morehu, Warwick Morehu and Eric Hodge. As a result, Paehinahina Mourea reviewed their position and exercised their share option. Tikitere shareholding was reduced

to 35%. Be that as it may, enormous benefits will still flow long term without risk to the beneficial owners of the Trust.

That litigation continues to seriously drag down the operation of the Trust and its financial position. In addition, it does not inspire confidence in our project partners.

Tikitere Trust is a contracted partner in the project along with Paehinahina Mourea and Manupirua Trusts. The project has been accepted by all three Trusts as a potential long term valuable investment. However, a small number of Tikitere beneficial owners represented by Donna Hall are clear in their intention to stop the project. The litigation is being used for that purpose. The Trust has taken all steps to protect and preserve its position in the project for the benefit of the beneficial owners and intends to continue to do so.

If the beneficial owners represented by Donna Hall, for whatever reason, succeed in stopping the project, there is no doubt that the development will go ahead without Tikitere Trust and the benefits will likely be secured solely for the beneficial owners of the remaining two Trusts.

Current Situation

The long running litigation has moved now from the Maori Land Court, to the Maori Appellate Court, to the Court of Appeal and now awaits a hearing in the Supreme Court. The trustees have been successful in each of the previous three Court hearings defending the Trust and the project. However, the Court of Appeal on its own motion made a technical finding in respect of the process which may affect the final outcome of the project. The beneficial owners represented by Donna Hall appealed to the Supreme Court and, as a result, the Trust appealed the technical issue of process. The Supreme Court granted the Trust leave to appeal the technical issue. The Trust now awaits a hearing date in the Supreme Court. Tikitere Geothermal Power Limited supports this appeal to defend the project.

The project is continuing and the next step is the filing of a comprehensive Resource Management application. One issue that has been raised is that there can only be a "single tapper" into each geothermal field. This was something that was raised by Environment Waikato. However, it is understood subsequent litigation disregarded that principle. The number of tappers is only limited by the nature of the resource consents.

The timing for the construction of the power station and the production of electricity is dependent upon the price of electricity. At this time, the return is 7 cents per kilowatt. Currently it costs 9 cents per kilowatt to build a geothermal power station. At this point therefore, the economic conditions are not favourable to build a geothermal power station. It will be known that the Taheke project is on hold as are a number of wind farms. However, the price of electricity is affected by the current political situation including the forthcoming election and the decision in regard to the supply of power to Tiwai Point. When the long term contract is confirmed for the supply of power to Tiwai Point it is expected that electricity prices will again rise.

Hells Gate

As part of the report, Mr Brian Hughes, CEO of Tikitere Holdings Limited, will present an operations report in respect of our tourism business. Considerable improvements have been undertaken at a very difficult time reflecting the downturn in the tourist industry. Lease rentals have been held in recognition of the costly capital improvements and this showed in the increased capital value of the property in the annual accounts. Recent improvements at Hells Gate will reflect in the property revaluation undertaken by the Rotorua District Council on 1 July 2014 to be released on 1 October 2014.

Thermaphiles

Over a period of years there has been international scientific interest in thermaphiles which are specific organisms that thrive in hot pools and can stand extreme temperatures. These have been found at Hells Gate. Initially, there was special interest in the thermaphiles at Hells Gate and the Institute of Geothermal and Nuclear Research worked at Hells Gate to determine the commercial potential for the Trust. However, since then, other scientific groups have discovered thermaphiles at other locations including in the Taupo volcanic zone and presently no further work is being undertaken at Hells Gate. The Trust intends to monitor the position and will maintain an interest in any commercial opportunity.

Conclusion

As my report reflects, it has been a stressful and difficult time for the Board of Tikitere Trust. Since the previous special general meeting, we have lost three trustees and Mr Eru has continued to support the beneficial owners represented by Donna Hall to terminate the geothermal project. I look forward to the nomination of experienced, professional and qualified new trustees to enhance the ability of the Board to manage the Trust assets and move forward to maintain the significant progress that has been made for the beneficial owners and secure the long term future.

In closing, I would like to reiterate what the Whakapoungakau 24 trustees have asserted all along that Tikitere does not belong to Ngati Rangiteaorere but to the beneficial owners or shareholders in the block.

We are hugely fortunate in having an exceptional agreement with Ormat in company with our near neighbours Paehinahina Mourea Trust and Manupirua Bath Trust. Moreover, the development will be 100% Maori owned. Tikitere – Hells Gate is not at risk as the power station will be on Paehinahina land.

W A Kingi
B COM, ACIS
Chairman
Tikitere Trust

WHAKAPOUNGAKAU 24 AHU WHENUA TRUST

T/A TIKITERE TRUST

CHAIRMAN'S REPORT

Tena Koutou Katoa

Welcome to this special meeting of the owners of Whakapoungakau 24 Trust (Tikitere Trust). May I report to you on the Trust's financial activities for the year ended 31 March 2011 and on subsequent events with respect to the Trust and the geothermal power project.

The year has been dominated by two major activities – the unsuccessful Maori Land Court applications by 5 owners supported by the NRCC and Tai Eru and the achievement of the major milestone of obtaining finance for the geothermal project.

While the Maori Land Court proceedings have cost the Trust approximately \$350,000 thus far in lost revenue, grants and debt, the geothermal project once operative is projected to provide several million dollars of surplus funds each year. These surpluses will be available to distribute to the beneficial owners.

It is important to remember that the purpose of the project is fundamentally to provide sustainable and economic development for not only the beneficial owners of the Tikitere Trust but also for the other parties Paehinahina Mourea Trust and Manupirua Baths Trust.

Financial Report

The Trust's financial resources have been severely stretched due to ongoing litigation of a small group of owners Jillian Naera, Kereama Pene, Anaha Morehu, Warwick Morehu and Eric Hodge. This litigation is supported by Tai Eru and the NRCC.

Revenues

The Trust's revenues have held up reasonably well considering the global economic downturn affecting tourism. The grant of \$71,111 was a special aid grant from the Maori Land Court to assist with litigation costs.

	2011	2010	2009
Grants	71,111	-	-
Interest	121	1,640	4,027
Rents	40,935	36,000	36,000
Sundry	-	-	10,000
TOTAL	112,167	37,640	50,027

Expenses

The expenses of the Trust in the last two financial years have been dominated by legal costs as a result of the litigation in the Maori Land Court and Maori Appellate Court. Regretfully Jillian Naera and the others have now appealed to the Court of Appeal and more costs will be incurred.

The Trustees have made an application to the Maori Land Court to recover costs and are awaiting a decision.

	2011	2010	2009
Administration	6,575	10,524	8,890
Litigation	116,457	146,106	-
Finance/Depreciation	152	16	393
TOTAL	123,184	156,646	9,283

Net Profit and Taxation

The costs of the litigation have had a significant impact on the Trust's financial statements resulting in losses for the 2010 and 2011 financial years. While some of the litigation costs in the 2011 financial year have been offset by special grants from the Maori Land Court, not all costs have been covered. Looking forward further legal costs have been incurred since 31 March 2011 and will be shown in the 2012 financial statements (to date \$87,000).

	2011	2010	2009
Income	112,167	37,640	50,027
Less Expenses	(123,184)	(156,646)	(9,283)
Net Surplus/(Loss) before Tax	(11,017)	(119,006)	40,744
LESS			
Provision for Taxation	-	-	(7,945)
Revaluations	-	-	-
Net Profit after Tax	(11,017)	(119,006)	32,799

Statement of Financial Position (Balance Sheet)

	2011	2010	2009
ASSETS			
Current	88,315	119,271	185,342
Investments	195,009	181,716	151,547
Fixed Assets	830,759	830,000	830,000
Trade mark	907	907	907
Total Assets	1,114,990	1,131,894	1,167,796
LESS LIABILITIES			
Current	87,114	93,001	9,897
Non-Current	-	-	-
Total Liabilities	87,114	93,001	9,897
NET ASSETS	1,027,876	1,038,893	1,157,899

The value of the Trust's investment in the geothermal project will increase as a consequence of securing financing. On the assumption our partner trusts (Paehinahina Mourea Trust and Manupirua Baths Trust) elect to take up equity options in Tikitere Geothermal Power Limited ("TGL"), surplus cash from TGL will be available for distribution to the three parties to the Project Agreement.

Geothermal Project

Concluding a process of negotiations which began in 2005, a company which is 100% owned by Tikitere Trust, called Tikitere Geothermal Power Limited (TGL), entered into a Project Agreement in November 2008 with Tikitere Trust, Paehinahina Mourea Trust and Manupirua Baths Trust. This Agreement grants exclusive rights to TGL to develop a geothermal power project using the Tikitere geothermal resource.

In November 2010 TGL began the process of seeking long-term funding for the project. This process resulted in TGL entering into a funding agreement with a subsidiary of the international geothermal developer Ormat Technologies in May 2011.

The funding arrangement is known as a "Build, Operate, Transfer" structure. Under the agreement, the Ormat company provides all funding to build the project, and takes all of the project risks without recourse to the Trust assets. After a period of 14 years of operation, TGL will own the project outright and debt free. Projected income from the project at that point in time is estimated to be \$25 million per annum provided all goes well. In the first 14 years TGL's surpluses are projected to be several million per year.

Project Agreement and associated agreements

The Project Agreement is the agreement which grants the exclusive development rights over the Tikitere Geothermal field to TGL. The key terms of the agreement include;

- Definition of the land boundaries of each of the three trusts, and identification of specific areas which are deemed a "no go" area for geothermal development.
- Granting by the three trusts of the exclusive rights of access to the land and extraction of the geothermal resource for the generation of electricity.
- Establishment of a Project Liaison Committee, with representation from TGL and each of the three trusts, to ensure close co-operation and communication between all parties.
- The term of the agreement is 52 years (less one day).
- The Tikitere Trust assets are not put at risk.

TGL has been owned from the time of its establishment by Tikitere Trust. However, the way in which each of our two neighbouring land trusts are participating in the geothermal project is by allowing them to choose to either take an ownership stake in the project company (TGL), or to receive a royalty payment. If both trusts elect to take up the ownership option, then the final shareholding split will be 45% for Paehinahina Mourea Trust, and 27.5% each for Tikitere Trust and Manupirua Baths Trust. If Paehinahina Mourea Trust declines the ownership option, as they have previously indicated they would, then Tikitere Trust and Manupirua Baths Trust will each be 50% shareholders in the project company.

Based on current forecasts the Trust can expect the equivalent of an annual dividend of up to \$1,200 per year per beneficial owner over the first 14 years and up to \$10,500 per year per beneficial owner thereafter, depending on the final shareholding options exercised.

Funding for the project

In November 2010, TGL went to the market for funding to develop and build the first stage of the geothermal project. TGL issued a Request for Proposals to 14 different parties, including power companies, banks and specialist geothermal developers. The Request for Proposals sought funding for the project development on a completely non-recourse no risk basis.

From the proposals which were received, a short-list of two parties was established and negotiations took place with both parties. In selecting the preferred party, TGL completed a thorough financial evaluation of the two proposals, including the engagement of international accounting firm Price Waterhouse Coopers to undertake an independent appraisal of the evaluation model. This confirmed that the value to TGL from the proposal received from the Ormat subsidiary company was significantly greater than that from the other short-listed party.

Detailed negotiation of the final agreement then commenced, and the BOT agreement was finalised and signed on May 23rd 2011.

The key features of this agreement, which is called the BOT Agreement, include;

- All project risks are taken by Ormat
- TGL receives up-front and annual payments
- The project is owned by TGL debt-free in 14 years with no cash input by TGL

- There is no risk to any of the Trust assets
- Tikitere Trust, Manupirua Baths Trust and Paehinahina Mourea Trust have involvement and project development oversight
- Income to TGL's owners after 14 years is projected at \$25m per annum
- The project will be built on Paehinahina Mourea Trust land

Green Energy

In February and March 2009 a Management Agreement and Option Agreement respectively were finalised between TGL and Green Energy Limited. Under the Management Agreement Green Energy has provided project management services to TGL to assist TGL with the development of the project. Under the terms of the Management Agreement, Green Energy's engagement as the Manager will terminate on 31 December 2011. TGL will commence the process of recruitment of a new project manager shortly.

The Green Energy Option Agreement provided Green Energy with an option to take up to a 10% ownership stake in TGL in return for underwriting the project during its development phase. However with funding now in place and the structure of the project more certain, the Green Energy Option Agreement is no longer required and has been terminated.

Expert's Report

The Independent Expert's Report has been received and a summary will be presented to you by the independent expert, Mr Pat Brown, shortly. In summary the report supports the actions taken by the Trustees and no changes to the project documentation have been recommended.

The Trustees express their appreciation to Mr. Brown for all of the work that he has done in this regard.

Next steps

It is expected that geothermal survey work will commence shortly, and that resource consents for the investigative drilling will be in hand around the end of the year. This will be followed by investigative drilling.

Full resource consents for the long-term use of the geothermal resource will then be sought, and following the granting thereof construction of the power station will begin, followed by commissioning about two years later.

Poroporoaki

In closing may I extend my grateful appreciation and that of my fellow trustees Piri and Hiwinui, to our CEO Jim Gray, our advisors especially our legal advisors Rabin Rabindran, David Dowthwaite and David Hurd together with our accountant Peter Garrod for their support through these trying times.

W.A. Kingi B.COM, CA, ACIS

Chairman

Tikitere Trust

Rotorua

5 November 2011

Tikitere Trust
Financial Reports
For the Year Ended 31 March 2004

Note: This Statement is to be read in conjunction with the accompanying Notes and the Accountant's Disclaimer

Tikitere Trust
Accountant's Statement
For the Year ended 31st March 2004

The attached statements have been compiled from information and instructions furnished to us.

A compilation is limited primarily to the collection, classification and summarisation of financial information supplied by TIKITERE TRUST and does not involve the verification of that information. We have not performed an audit or review on the financial statements and therefore neither we nor any of our employees accept any responsibility for the accuracy of the material from which the financial statements have been prepared.

Further, the statements have been prepared at the request of and for the purpose of TIKITERE TRUST and neither we nor any of our employees accept any responsibility on any ground whatsoever, including liability in negligence, to any other person.

AUCKLAND ACCOUNTANTS LIMITED
Auckland
15th August 2014

NOTE: This Statement is to be read in conjunction with the Notes to the Financial Statements.

Tikitere Trust
Statement of Financial Performance
For the Year ended 31st March 2004

	2004	2003
	\$	\$
REVENUE		
Interest Received	226	67
Rent Received	30,000	30,000
Less Expenses		
Accountancy Fees	900	1,252
Bank Charges	21	121
Consultancy	2,440	1,403
General Expenses	36	206
Legal Expenses	2,012	-
Management Fees	4,264	4,486
Printing, Stamps & Stationery	9	-
Resource Consents	506	488
Total Expenses	10,188	7,956
Net Surplus Before Beneficiary Distributions	20,038	22,111
TRUSTEES INCOME BEFORE TAX	20,038	22,111
Less Taxation Provision	5,010	5,528
Taxation Adjustment	101	(2,424)
TRUSTEES INCOME AFTER TAX	14,927	19,007
NET SURPLUS/(DEFICIT)	\$14,927	\$19,007

NOTE: This Statement is to be read in conjunction with the Notes to the Financial Statements.

Tikitere Trust
Statement of Movements in Equity
For the Year ended 31 March 2004

	<i>2004</i>	<i>2003</i>
	\$	\$
EQUITY AT START OF PERIOD	699,780	680,773
SURPLUS & REVALUATIONS		
Net Surplus After Tax	14,927	19,007
Movements in Realised Capital Gains	-	-
Movements in Revaluation Reserves	-	-
Total recognised revenues & expenses	<u>14,927</u>	<u>19,007</u>
OTHER MOVEMENTS		
Funds Settled	-	-
Funds Gifted	-	-
EQUITY AT END OF PERIOD	<u><u>\$714,707</u></u>	<u><u>\$699,780</u></u>

NOTE: This Statement is to be read in conjunction with the Notes to the Financial Statements.

Tikitere Trust
Statement of Financial Position
As at 31st March 2004

	2004 \$	2003 \$
CURRENT ASSETS		
Bank - Cheque Account	30,634	13,936
Loan - Tikitere Holdings Limited	125,366	125,366
Taxation	844	2,641
Shareholders' Overdrawn Current Accounts	-	-
Total Current Assets	<u>156,844</u>	<u>141,943</u>
NON-CURRENT ASSETS		
Fixed Assets as per Schedule	440,000	440,000
Investments		
Shares in Tikitere Holdings Limited	120,000	120,000
Intangibles		
Trademark Registration	907	907
Total Non-Current Assets	<u>560,907</u>	<u>560,907</u>
TOTAL ASSETS	<u>717,751</u>	<u>702,850</u>
CURRENT LIABILITIES		
GST Due for payment	930	1,328
Accounts Payable	2,114	1,742
Shareholders' Current Accounts	-	-
Total Current Liabilities	<u>3,044</u>	<u>3,070</u>
TOTAL LIABILITIES	<u>3,044</u>	<u>3,070</u>
NET ASSETS	<u>\$714,707</u>	<u>\$699,780</u>
Represented by;		
EQUITY		
Share Capital	-	-
Reserves	-	-
Retained Earnings	714,707	699,780
TOTAL EQUITY	<u>\$714,707</u>	<u>\$699,780</u>

The Financial Statements have not been audited. The accompanying notes form part of these Financial Statements and should be read in conjunction with the reports contained herein.
For and on behalf of the Board ;

Director _____ Director _____

Date

Director _____

Date

NOTE: This Statement is to be read in conjunction with the Notes to the Financial Statements.

Tikitere Trust
Schedule of Fixed Assets and Depreciation
For the Year ended 31st March 2004

Asset	Private Use	Cost Price	Book Value 01/04/2003	Additions Disposals	Gain/Loss on Disposal	Capital Profit	---- Depreciation ---- Mth Rate	Accum Deprec 31/03/2004	Book Value 31/03/2004
LAND									
Whakapoungakau 3B		440,000	440,000				12 0.0% DV	0	440,000
Sub-Total		440,000	440,000					0	440,000
TOTAL		440,000	440,000						440,000

NOTE: This Statement is to be read in conjunction with the Notes to the Financial Statements.

Tikitere Trust

Notes to the Financial Statements

For the Year ended 31st March 2004

1. ACCOUNTING POLICIES

REPORTING ENTITY

Tikitere Trust is a Maori Trust settled under a Trust Order dated 5 August 1991, pursuant to section 244 of the Te Ture Whenua Maori Act 1993. The Trust is required to report to beneficiaries pursuant to Section 230 of the Te Ture Whenua Maori Act 1993 clause 7c of the Trust Order. Tikitere Trust is deemed a reporting entity under section 2.1 of the Financial Reporting Framework. A reporting entity is exist where it is reasonable to expect the existence of the user dependent on general purpose financial reports for information which will be useful to them. The Trust qualifies for differential reporting exemptions as it does not have public accountability, and it does not qualify as large, ie:

Total assets are less than \$1.5 million
Total revenue is less than \$2.5 million
The trust employs fewer than 20 people

These Financial Statements have been prepared in accordance with generally accepted accounting practices.

MEASUREMENT BASIS

- (a) The measurement base adopted is that of historical cost with exception of fixed Assets which are stated at valuation.
- (b) Reliance is placed that the business is a going concern.
- (c) Accrual accounting is used to match expenses and revenues.

PARTICULAR ACCOUNTING POLICIES

FIXED ASSETS

Fixed Assets are recorded at cost. Investment income, other than dividend income, is recognised on an accrual basis where appropriate.

INVESTMENT

Investments are recorded at cost. Investment income, other than dividend income, is recognised on an accrual basis where appropriate.

GOODS AND SERVICES TAX

These Statements have been prepared on a GST exclusive basis, except for account payable and account receivable, which are on inclusive basis.

CHANGES IN ACCOUNTING POLICIES

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

2. CONTINGENT LIABILITIES COMMITMENTS

There are no contingent liabilities at balance date.

NOTE: This Statement is to be read in conjunction with the Notes to the Financial Statements.

Tikitere Trust

Notes to the Financial Statements

For the Year ended 31st March 2004

3. CONTINGENT ASSETS

TRADEMARK REGISTRATION

The Trustees of Tikitere Trust have recognised that "Hell's Gate" has become synonymous with an internationally recognised geothermal tourist attraction. To protect the association between the name "Hell's Gate" and Whakapoungakau 20, "Hell's Gate" has been registered as a trademark. This has led to the name "Hell's Gate" being classified as an internally generated intangible asset that can be separately identifiable. The basis of this classification is that the Trustees have legal right to the name "Hell's Gate" and have the option of disposing of this right. Therefore it is recognised the name "Hell's Gate" has a commercial value.

The Trustees have not undertaken to have an independent valuation of the name "Hell's Gate", however the trademark is considered to have significant value. Based on international accounting practice the estimated value of the legal right has not been recognised in the Statement of Financial Position as it cannot be reliably measured.

4. WHAKAPOUNGAKAU 20

The land owned by Tikitere Trust has been recorded at a valued amount of \$440,000. The valuation was undertaken on 27 September 1995 by the Independent Registered Valuers, Cleghorn Gillespie Jensen and Associates.

5. SHARES IN TIKITERE HOLDINGS LIMITED

Tikitere Trust has a 50% shareholding in Tikitere Holdings Limited being a Management Company formed to operate and develop "Hell's Gate" as a joint venture between the Trust and Tatou Holdings Limited. The Trust's investment into Tikitere Holdings Limited is recorded at cost.

6. PERFORMANCE OF AUDIT OR REVIEW ENGAGEMENT PROCEDURES

These financial statements have been prepared without performance of audit or review engagement procedures. The Trustees have taken advice that the Trust's financial statements should only be subject to audit or review procedures once the financial statements of its in-substance subsidiary, Tikitere Holdings Limited, have been subject to similar procedures. However as the Companies Act 1993 does not require the financial statements of Tikitere Holdings Limited to be audited, the shareholders have unanimously passed a resolution not to appoint an auditor.

Tikitere Trust
Financial Reports
For the Year Ended 31st March 2004

Contents	Page
Cover Page	0
Disclaimer	1
Statement of Financial Performance	2
Statement of Movement in Equity	3
Statement of Financial Position	4
Schedule of Fixed Assets and Depreciation	5
Notes to the Accounts	6

Tikitere Trust
Financial Reports
For the Year Ended 31 March 2005

Tikitere Trust
Accountant's Statement
For the Year ended 31st March 2005

The attached statements have been compiled from information and instructions furnished to us.

A compilation is limited primarily to the collection, classification and summarisation of financial information supplied by TIKITERE TRUST and does not involve the verification of that information. We have not performed an audit or review on the financial statements and therefore neither we nor any of our employees accept any responsibility for the accuracy of the material from which the financial statements have been prepared.

Further, the statements have been prepared at the request of and for the purpose of TIKITERE TRUST and neither we nor any of our employees accept any responsibility on any ground whatsoever, including liability in negligence, to any other person.

AUCKLAND ACCOUNTANTS LIMITED
Auckland
15th August 2014

NOTE: This Statement is to be read in conjunction with the Notes to the Financial Statements.

Tikitere Trust
Statement of Financial Performance
For the Year ended 31st March 2005

	2005 \$	2004 \$
REVENUE		
Interest Received	662	226
Rent Received	30,000	30,000
Total Income	30,662	30,226
Less Expenses		
Accountancy Fees	888	900
Advertising	2,327	-
Bank Charges	5	21
Consultancy	5,625	2,440
General Expenses	856	36
Legal Expenses	2,913	2,012
Management Fees	4,358	4,264
Motor Vehicle Expenses	158	-
Printing, Stamps & Stationery	679	9
Geothermal Investigations	12,525	-
Resource Consents	525	506
Seminar	580	-
Travel - National	449	-
Total Expenses	31,888	10,188
Net Surplus Before Beneficiary Distributions	(1,226)	20,038
TRUSTEES INCOME BEFORE TAX	(1,226)	20,038
Less Taxation Provision	-	5,010
Taxation Adjustment	-	101
TRUSTEES INCOME AFTER TAX	(1,226)	14,927
NET SURPLUS/(DEFICIT)	(\$1,226)	\$14,927

NOTE: This Statement is to be read in conjunction with the Notes to the Financial Statements.

Tikitere Trust
Statement of Movements in Equity
For the Year ended 31 March 2005

	2005	2004
	\$	\$
EQUITY AT START OF PERIOD	714,707	699,780
SURPLUS & REVALUATIONS		
Net Surplus After Tax	(1,226)	14,927
Movements in Realised Capital Gains	-	-
Movements in Revaluation Reserves	-	-
Total recognised revenues & expenses	(1,226)	14,927
OTHER MOVEMENTS		
Funds Settled	-	-
Funds Gifted	-	-
EQUITY AT END OF PERIOD	\$713,481	\$714,707

NOTE: This Statement is to be read in conjunction with the Notes to the Financial Statements.

Tikitere Trust
Statement of Financial Position
As at 31st March 2005

	2005 \$	2004 \$
CURRENT ASSETS		
Westpac Bank - Cheque Account	15,006	30,634
West pac Term Deposit	10,254	-
Loan - Tikitere Holdings Limited	125,366	125,366
Taxation	5,430	844
Shareholders' Overdrawn Current Accounts	-	-
Total Current Assets	<u>156,056</u>	<u>156,844</u>
NON-CURRENT ASSETS		
Fixed Assets as per Schedule	440,000	440,000
Investments		
Shares in Tikitere Holdings Limited	120,000	120,000
Intangibles		
Trademark Registration	907	907
Total Non-Current Assets	<u>560,907</u>	<u>560,907</u>
TOTAL ASSETS	<u>716,963</u>	<u>717,751</u>
CURRENT LIABILITIES		
GST Due for payment	292	930
Accounts Payable	3,190	2,114
Shareholders' Current Accounts	-	-
Total Current Liabilities	<u>3,482</u>	<u>3,044</u>
TOTAL LIABILITIES	<u>3,482</u>	<u>3,044</u>
NET ASSETS	<u>\$713,481</u>	<u>\$714,707</u>
Represented by;		
EQUITY		
Share Capital	-	-
Reserves	-	-
Retained Earnings	713,481	714,707
TOTAL EQUITY	<u>\$713,481</u>	<u>\$714,707</u>

The Financial Statements have not been audited. The accompanying notes form part of these Financial Statements and should be read in conjunction with the reports contained herein.
For and on behalf of the Board ;

Director _____ Director _____

Date

Director _____

Date

NOTE: This Statement is to be read in conjunction with the Notes to the Financial Statements.

Tikitere Trust
Schedule of Fixed Assets and Depreciation
For the Year ended 31st March 2005

Asset	Private Use	Cost Price	Book Value 01/04/2004	Additions Disposals	Gain/Loss on Disposal	Capital Profit	Mth	Depreciation Rate	Accum Deprec 31/03/2005	Book Value 31/03/2005
LAND										
Whakapoungakau 3B		440,000	440,000				12	0.0% DV	0	440,000
Sub-Total		440,000	440,000							440,000
TOTAL		440,000	440,000							440,000

NOTE: This Statement is to be read in conjunction with the Notes to the Financial Statements.

Tikitere Trust

Notes to the Financial Statements

For the Year ended 31st March 2005

1. ACCOUNTING POLICIES

REPORTING ENTITY

Tikitere Trust is a Maori Trust settled under a Trust Order dated 5 August 1991, pursuant to section 244 of the Te Ture Whenua Maori Act 1993. The Trust is required to report to beneficiaries pursuant to Section 230 of the Te Ture Whenua Maori Act 1993 clause 7c of the Trust Order. Tikitere Trust is deemed a reporting entity under section 2.1 of the Financial Reporting Framework. A reporting entity is exist where it is reasonable to expect the existence of the user dependent on general purpose financial reports for information which will be useful to them. The Trust qualifies for differential reporting exemptions as it does not have public accountability, and it does not qualify as large, ie:

Total assets are less than \$1.5 million
Total revenue is less than \$2.5 million
The trust employs fewer than 20 people

These Financial Statements have been prepared in accordance with generally accepted accounting practices.

MEASUREMENT BASIS

- (a) The measurement base adopted is that of historical cost with exception of fixed Assets which are stated at valuation.
- (b) Reliance is placed that the business is a going concern.
- (c) Accrual accounting is used to match expenses and revenues.

PARTICULAR ACCOUNTING POLICIES

FIXED ASSETS

Fixed Assets are recorded at cost. Investment income, other than dividend income, is recognised on an accrual basis where appropriate.

INVESTMENT

Investments are recorded at cost. Investment income, other than dividend income, is recognised on an accrual basis where appropriate.

GOODS AND SERVICES TAX

These Statements have been prepared on a GST exclusive basis, except for account payable and account receivable, which are on inclusive basis.

CHANGES IN ACCOUNTING POLICIES

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

2. CONTINGENT LIABILITIES COMMITMENTS

There are no contingent liabilities at balance date.

NOTE: This Statement is to be read in conjunction with the Notes to the Financial Statements.

Tikitere Trust

Notes to the Financial Statements

For the Year ended 31st March 2005

3. CONTINGENT ASSETS

TRADEMARK REGISTRATION

The Trustees of Tikitere Trust have recognised that "Hell's Gate" has become synonymous with an internationally recognised geothermal tourist attraction. To protect the association between the name "Hell's Gate" and Whakapoungakau 20, "Hell's Gate" has been registered as a trademark. This has led to the name "Hell's Gate" being classified as an internally generated intangible asset that can be separately identifiable. The basis of this classification is that the Trustees have legal right to the name "Hell's Gate" and have the option of disposing of this right. Therefore it is recognised the name "Hell's Gate" has a commercial value.

The Trustees have not undertaken to have an independent valuation of the name "Hell's Gate", however the trademark is considered to have significant value. Based on international accounting practice the estimated value of the legal right has not been recognised in the Statement of Financial Position as it cannot be reliably measured.

4. WHAKAPOUNGAKAU 20

The land owned by Tikitere Trust has been recorded at a valued amount of \$440,000. The valuation was undertaken on 27 September 1995 by the Independent Registered Valuers, Cleghorn Gillespie Jensen and Associates.

5. SHARES IN TIKITERE HOLDINGS LIMITED

Tikitere Trust has a 50% shareholding in Tikitere Holdings Limited being a Management Company formed to operate and develop "Hell's Gate" as a joint venture between the Trust and Tatou Holdings Limited. The Trust's investment into Tikitere Holdings Limited is recorded at cost.

6. PERFORMANCE OF AUDIT OR REVIEW ENGAGEMENT PROCEDURES

These financial statements have been prepared without performance of audit or review engagement procedures. The Trustees have taken advice that the Trust's financial statements should only be subject to audit or review procedures once the financial statements of its in-substance subsidiary, Tikitere Holdings Limited, have been subject to similar procedures. However as the Companies Act 1993 does not require the financial statements of Tikitere Holdings Limited to be audited, the shareholders have unanimously passed a resolution not to appoint an auditor.

(d) Research & Development Costs

Research expenses are brought to account in the Statement of Financial Performance in the period incurred. Development costs are deferred where future benefits are expected and amortised over such future periods. Unamortised costs are reviewed at balance date to determine the level of costs which are no longer recoverable, such costs are written off.

NOTE: This Statement is to be read in conjunction with the Notes to the Financial Statements.

Tikitere Trust
Financial Reports
For the Year Ended 31st March 2005

Contents	Page
Cover Page	0
Disclaimer	1
Statement of Financial Performance	2
Statement of Movement in Equity	3
Statement of Financial Position	4
Schedule of Fixed Assets and Depreciation	5
Notes to the Accounts	6