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**Ngati Mutunga o Wharekauri Iwi Trust**  
**Consolidated Financial Statements and Annual Report**  
**For the Year Ended 31 March 2008**

# **Ngati Mutunga o Wharekauri Iwi Trust**

## **Table of Contents**

**For the Year Ended 31 March 2008**

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Directory	2
Chairman's Report	3
Annual Report & Statutory Disclosures of the Trust's Activities	6
Consolidated Trading Statement - ACE Management	11
Consolidated Statement of Financial Performance	12
Consolidated Statement of Movements in Equity	14
Consolidated Statement of Financial Position	15
Consolidated Schedule of Property, Plant & Equipment	16
Notes to the Consolidated Financial Statements	17
Auditors' Report	

**Ngati Mutunga o Wharekauri Iwi Trust**  
**Directory**  
**For the Year Ended 31 March 2008**

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**NATURE OF BUSINESS**

To provide relief of "poverty" or "need" of all Ngati Mutunga o Wharekauri

**BENEFICIARIES**

Persons defined as Ngati Mutunga o Wharekauri in the Trust Deed

**TRUSTEES**

Philip Seymour  
Jack Daymond  
Kevin Thomas  
Robin Page  
Paula Page  
Jeanette Page  
Deborah Goomes  
Joseph Thomas  
Cameron Gregory-Hunt

Chairperson  
Deputy Chairperson

**ADDRESS**

PO Box 50  
Waitangi  
Wharekauri / Chatham Islands

**ACCOUNTANTS**

Polson Higgs  
Level 6, Clarendon Tower  
Corner Worcester Street & Oxford Terrace  
Otautahi / Christchurch

Eoin Chisholm

**AUDITORS**

BDO Spicers  
148 Victoria St  
Otautahi / Christchurch

**BANKERS**

ANZ  
Wharekauri / Chatham Islands

**SOLICITORS**

Duncan Cotterill  
Level 9, Clarendon Tower  
Corner Worcester Street & Oxford Terrace  
Otautahi / Christchurch

Oceanlaw New Zealand  
14 New Street  
Nelson

**DATE ESTABLISHED**

28 September 2004

# **Ngati Mutunga o Wharekauri Iwi Trust**

## **Chairperson's Report**

### **As at 31 March 2008**

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On behalf of fellow Trustees and the management team I am pleased to present the 2007/2008 Annual Report of Ngati Mutunga o Wharekauri Iwi Trust.

During the 2007/2008 year the Iwi Trust has continued to make steady progress in its efforts to grow and maintain the organisation.

The Iwi Trust has a strategic plan based on a three to five year time frame. The vision within that plan states the clear intention of what should be achieved within that period.

***"To secure and protect Tino Rangatiratanga of Ngati Mutunga o Wharekauri through development of cultural and socio-economic opportunities for the benefit of beneficiaries wherever they reside"***

It is timely to note the importance of this vision as we remain committed and dedicated to providing sound responsible governance and management.

The role of the Iwi Trust and its associated entities is wide and varied. A key aspect of the Iwi Trust's role is to provide a base for Ngati Mutunga o Wharekauri to hold and grow its collective assets. The collective assets provide income and opportunities to support the strengthening of the Iwi and its people. In managing these assets and working towards achieving good outcomes for Ngati Mutunga o Wharekauri, the Iwi Trust attempts to conduct itself in a way that recognises the cultural and customary obligations upon it.

There is also a responsibility to provide leadership for Ngati Mutunga o Wharekauri and I am proud to announce that since being approved as the Mandated Iwi Organisation, recognition has become more apparent both within and outside the Iwi.

A developing organisation like the Iwi Trust always faces a number of challenges and learning experiences. One of the more obvious of those challenges has been a shortage in the available human resources required to advance from an establishment phase to a situation of growth and development post-fisheries settlement by the Crown.

During the year we commenced a recruitment process to secure a suitable person to the position of General Manager. As a Board we have been well aware of the need to invest positively in the depth and capacity of our management team. To this extent we are delighted to announce that on 30 June 2008 Shelly Rao commenced officially in her role as General Manager. We look forward to working with Shelly in her new role together with all members of the management team.



# Ngati Mutunga o Wharekauri Iwi Trust

## Chairperson's Report

### As at 31 March 2008

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One area of challenge our organisation has faced, as with a good majority of Iwi based organisations, has been the finance sector. In particular numerous finance companies and investment entities have come under increasing pressure as a result of the worldwide credit squeeze that has affected many of us at a corporate and individual level. As a board we take our investment planning responsibility and decision making processes seriously and have proactively communicated relevant issues as they relate to our investments sooner rather than later. As a board the best advice we have received and taken is that we must be patient and allow the markets to, in effect "self-correct". We will be doing every thing we possibly can to ensure prudent ongoing management of our financial asset base.

A relevant and appropriate question asked of the Iwi Trust, is what has been done or achieved by the organisation during the year. I can assure beneficiaries that with the amount of compliance required and the potential growth available, the 2007/2008 year has been busy and eventful. The commercial and cultural activities of the Iwi Trust are well documented throughout the Annual Report, which I encourage you to read.

Annually the Board is involved with a comprehensive annual planning process to set clear operational and strategic directives. Some of the key objectives set for the 2007/2008 year were:

Objective	Outcome
Grow the Asset Base	Total Assets increased by \$564,944 to \$17,437,681 across the group.
Invest in human capital	The appointment process for a General Manager commenced. This process was completed with Shelly's commencement on 30 June 2008.
Progress claims research and develop a finalised treaty claim document	A claims working group has been established to progress this important and ongoing task.

Another year of the Iwi Trust operation has successfully consolidated on the previous three years and has focused on the fundamental values of this Iwi organisation.

I wish to again acknowledge sincere appreciation to Trustees, directors, management, Kaunihera Kaumatua, and service providers who have worked diligently and effectively throughout the year. The views and values of Ngati Mutunga o Wharekauri are important to the Iwi Trust and constructive input and feedback is welcome to help us build success. I would like to thank those members of the Iwi who have shared their views, given feedback, or assisted in other ways.

# **Ngati Mutunga o Wharekauri Iwi Trust**

## **Chairperson's Report**

### **As at 31 March 2008**

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I would encourage Iwi members who have not registered with the Iwi Trust to do so, so you can be kept up to date, have a greater opportunity to have your say, and participate in the Iwi Trust.

During the year Trustees welcomed Cameron Gregory-Hunt, Paula Page and Joseph Thomas to the Iwi Trust Board in place of Eileen Whaitiri, Sue Thomas and Elizabeth Trump. Our thanks to Sue, Eileen and Elizabeth for your commitment and input during your term on the Board.

On a sad note I wish to make special mention of the passing of Sue Thomas. Sue was a committed and dedicated Trustee who was working hard for the wellbeing of beneficiaries and the Trust. Sue's knowledge and passion will be greatly missed by the Iwi Trust.

The future of the Ngati Mutunga o Wharekauri Iwi Trust remains bright as we continue to strive for increased investment into all aspects of creating and delivering benefits to our membership wherever you may reside.

**Phil Seymour**  
**Chairperson**





# Ngati Mutunga o Wharekauri Iwi Trust

## Annual Report & Statutory Disclosures

### As at 31 March 2008

This is the Iwi Trust's third accounting period of operation and the third Annual Report of the Iwi Trust. Mandated Iwi Organisation status was obtained 28 September 2005. During the year ended 31 March 2008 the Iwi Trust was no longer prohibited under the Maori Fisheries Act from any changes to its Trust deed, or its companies constitutions, and from selling or disposing of settlement quota. There were no sales during the year ended 31 March 2008.

As required in accordance with the Trust Deed and the Maori Fisheries Act 2004, the Trust is required to include in its Annual Report a number of additional disclosures on activities or actions undertaken that are of importance to beneficiaries. In presenting its Annual Report to beneficiaries, the Trustees make the following disclosures as required:

#### Performance

The major source of income for the Iwi Trust through the companies it owns has been the sale of Annual Catch Entitlements (ACE) generated from the fish Quota shares owned. Motuhara Fisheries Limited was incorporated in the 2007 year and completed its first full year to harvest the Iwi Paua ACE.

Steady returns and, steady growth in the asset base of the Iwi Trust occurred over the year.

Performance Summary	2008	2007
Total Assets	\$17,437,681	\$16,872,737
Total Equity	\$17,350,481	\$16,827,374
Total Income	\$1,719,922	\$1,517,604
Net Income	\$523,107	\$675,360
Dividends Paid to Iwi Trust from Companies	-	\$650,000

It is worth noting that assets are recorded at cost, with capital gains on quota shares not being taken into account at this stage. The Directors of the Asset Holding Company are considering a formal revaluation of the quota shares to ascertain the value of any capital value movements. Initial estimates indicate there has been a significant increase in the market value of certain fish quota shares.

#### Unrealised Loss on Aotearoa Fisheries Limited Shares

The value of the Aotearoa Fisheries Income shares that came as part of the settlement package from Te Ohu Kaimoana (TOKM) have been written down in value. This is in line with an indicative valuation for Iwi provided by TOKM. These Income shares are a settlement asset, and as such, are subject to similar restrictions to settlement quota.

# Ngati Mutunga o Wharekauri Iwi Trust

## Annual Report & Statutory Disclosures

### As at 31 March 2008

#### Dividends Paid by Trading Companies

During the year there were no dividends paid by any of the Iwi Trust companies.

#### Registrations

During the period the Trustees again sought to increase the number of registered members. This years attention was focussed on clarifying and growing the role of the registrar. The other main focus for the year was investigating the best means to contact eligible but unregistered people of Ngati Mutunga Wharekauri descent.

#### Sales and Exchanges of Settlement Quota

There have been no sales or exchanges of settlement quota. No sales or exchanges were allowed under the Maori Fisheries Act 2004 until a period of two years from recognition (28 September 2005) had passed. These restrictions ceased to apply from 29 September 2007.

#### Settlement Quota and AFL Income Shares Holdings

Below is a summary of the quota holdings of the Iwi Trust group, with key commercial species detailed.

Species	Settlement Quota			Non-Settlement Quota		
	Quota Shares	ACE KGS	Cost	Quota Shares	ACE KGS	Cost
Blue Cod	4,700,391	35,692	155,394			
Kina	10,000,000	22,500	92,931	8,378,222	35,241	590,935
Paua	4,599,701	15,020	4,111,657			
Spiny rock lobster	5,000,000	18,000	2,075,855			
All other species*	312,942,847	1,165,886	6,372,579			
<b>Total</b>			<b>12,808,416</b>			<b>590,935</b>

Ngati Mutunga o Wharekauri Asset Holding Company Limited owns 167 Income Shares in Aotearoa Fisheries Limited, the company that holds and manages non-distributed settlement assets on behalf of Maori. The value of the shares was written down \$64,171 in 2007 taking it from \$478,331 to \$414,160. There was no write down in the 2008 year.



# **Ngati Mutunga o Wharekauri Iwi Trust**

## **Annual Report & Statutory Disclosures**

### **As at 31 March 2008**

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#### **Other Settlement Quota and Income Share Issues**

No Settlement Quota Interests have been registered against the quota shares or income shares, nor has there been any registered interest by way of caveat or mortgage registered against the settlement quota shares or income shares.

#### **Interaction of the Trust in Fisheries Matters**

The Directors have overseen the governance of the fisheries activities of the asset holding companies of the Trust. There were no interactions on fisheries matters with other Mandated Iwi Organisations apart from work towards participation in a cultural fisheries forum. There were no interactions with Te Ohu Kaimoana. The Trustees reviewed allocation criteria for the guidance of the Companies during the year. Motuhara Fisheries Limited operated its first full year harvesting paua, and selling annual catch entitlements.

The Iwi Trust group has also participated in industry events and consultations with fishers.

#### **Amendments to Constitutions**

A number of technical amendments to the Deed were passed at the 2007 AGM. These consisted mainly of:

- Amending terminology in the Deed to accord with terminology in the Maori Fisheries Act (MFA) and updating references to the MFA
- Amendments within the Deed to ensure consistency throughout, including deleting redundant clauses and references to those clauses
- Amendments throughout the Deed for clarification including adding and amending definitions, inserting and correcting cross-references and inserting new provisions to provide guidance on situations that may arise which were not previously covered in the Deed
- Amending the definition of the Trust purpose to allow for the widest possible range of charitable purposes.
- Correcting typographical errors

A number of technical amendments to the AHC, AFL and WQHL constitutions were passed at the same time. These consisted mainly of:

- Simplifying definitions;
- Deleting redundant, irrelevant and/or un-workable references and clauses;
- Protection of charitable status; and
- Various amendments to align the constitution with: Companies Act requirements, the Deed and the Maori Fisheries Act.

# **Ngati Mutunga o Wharekauri Iwi Trust**

## **Annual Report & Statutory Disclosures**

### **As at 31 March 2008**

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#### **Progress towards Other Objectives**

In the 2007 – 2008 Annual plan there were a number of other objectives made by the Trust. Below we report on progress made towards those objectives.

1. To progress existing claims research and develop a finalised treaty claim document for lodgement with the claims tribunal. Appoint a project manager for the claims process and begin negotiations with the office of treaty settlements.
  - o Research was completed in May 2008.
2. To further develop an understanding of respective roles and responsibilities so there are clearly defined boundaries to enable all stakeholders to perform their role to the optimal level.
  - o The Iwi continues to look for opportunities to grow and enhance relationships both internally and externally.
3. To continue the development and implementation of good governance practices.
  - o The Board continues to develop and learn through experience. In addition a Trustee training workshop was completed in May 2008.
4. To invest in human capital to increase capacity. Increased capacity will allow projects to be managed more effectively which will mean that decisions are made and implemented in a more timely manner resulting.
  - o During the 2008 year the recruitment process for a General Manager was started. This resulted in Shelly Rao being appointed by the Trustees with a commencement date of 1 July 2008.
5. To determine and obtain plans, consents and timeframes for the development of the Marae and office buildings on the Te One block with a view to starting building in the 2008 - 2009 year.
  - o This objective was put on hold during the 2008 year. This was to allow the Iwi Trust to grow its human resource capacity and undertake investment planning.
6. To further grow the asset base, in particular using growth per beneficiary as a measurement basis.
  - o Despite some challenges in financial markets the Iwi Trust has increased the asset base across the group. Total Assets have increased by \$564,944 to \$17,437,681. The Asset Holding Company made two strategic acquisitions during the year. These were



## **Ngati Mutunga o Wharekauri Iwi Trust Annual Report & Statutory Disclosures As at 31 March 2008**

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the purchase of additional Kina quota and the purchase of the Te One Tahi Mihi.

7. To increase beneficiary numbers by 10%. This will involve a recruitment drive, access to the Maori electoral role and use of a new website.
  - o The development of the website has progressed but finalisation of the website was put on hold until human resource was increased. Increasing the number of registered beneficiaries remains important to Trustees and it has been identified as a key ongoing task for the Iwi Trust. Trustees hope that with the addition of Shelly Rao a website will be online in the near future.
8. Facilitate the advisory role of the Kaunihera Kaumatua, improve communication, and agree on Kaunihera Kaumatua initiatives to be supported by the Iwi Trust over the year.
  - o Trustees are working towards clarifying the Kaunihera Kaumatua role along with other internal stakeholders within the overall structure of the organisation.
9. Put in place business development processes to both grow the asset base and asset growth of high quality businesses owned by Ngati Mutunga o Wharekauri.
  - o The Asset Holding Company and Motuhara Fisheries Ltd now have dedicated Directors to ensure that assets and returns are maximised.



**Ngati Mutunga o Wharekauri Iwi Trust**  
**Consolidated Trading Statement - ACE Management**  
**For the Year Ended 31 March 2008**

	Note	Group 2008 \$	Parent 2008 \$	Group 2007 \$	Parent 2007 \$
<b>Revenue</b>					
ACE Sales		856,372	-	1,279,722	-
Paua Sales		591,781	-	-	-
<b>Revenue from ACE Management</b>		<b>1,448,153</b>	<b>-</b>	<b>1,279,722</b>	<b>-</b>
<b>Less Expenses</b>					
ACE Transfer Fees		505	-	118	-
ACE Purchased		-	-	-	-
Client Levy		-	-	124	-
Conservation Levy		2,799	-	3,141	-
Deepwater Stakeholder Levy		254	-	29,180	-
Finfish Levy		-	-	6	-
FishServe Charges		64	-	(1,570)	-
MAF Permit Charges		100	-	244	-
Paua Sharefisher Costs		132,895	-	-	-
Quota Holder Levy		92,891	-	119,377	-
Quota Owner Levy		79	-	227	-
Quota Transfer Fees		-	-	(400)	-
SeaFic Commodity Levy		22,368	-	21,728	-
TOKM Rentals		-	-	-	-
<b>Total ACE Management Expenses</b>		<b>251,954</b>	<b>-</b>	<b>172,174</b>	<b>-</b>
<b>Net Surplus / (Deficit) from ACE Management</b>		<b>1,196,199</b>	<b>-</b>	<b>1,107,548</b>	<b>-</b>

**Ngati Mutunga o Wharekauri Iwi Trust**  
**Consolidated Statement of Financial Performance**  
**For the Year Ended 31 March 2008**

	Note	Group 2008 \$	Parent 2008 \$	Group 2007 \$	Parent 2007 \$
<b>Revenue</b>					
Net Surplus / (Deficit) from ACE Management		1,196,199	-	1,107,548	-
Dividend Received		29,987	-	5,465	650,000
Interest Received		236,042	170,008	195,510	131,575
Research Contracts		-	-	31,187	31,187
<b>Total Operating Revenue</b>		<b>1,462,228</b>	<b>170,008</b>	<b>1,339,710</b>	<b>812,762</b>
<b>Less Expenses</b>					
<b>Operating Expenses</b>					
Accident Compensation Levies		284	284	635	635
Advertising		4,090	4,090	4,201	4,201
Computer Expenses		10,887	10,887	631	631
Conference Expenses		1,017	1,017	3,558	3,558
Consultancy Fees		-	-	155,455	121,296
Establishment Costs		-	-	-	-
Freight		827	827	235	235
Fuel		659	659	-	-
General Expenses		10,375	4,729	465	378
Human Resource Support		32,753	32,753	-	-
Insurance		1,591	1,591	-	-
Koha		(100)	(100)	200	200
MYOB System Support & PC Support		105	105	-	-
Occupation Costs		11,911	11,911	15,361	15,361
Office Expenses		10,002	10,002	5,736	5,736
Petty Cash Expenses		217	217	-	-
Project Management		91,528	78,604	-	-
Project Work		52,660	42,847	-	-
Rates		981	-	337	-
Repairs & Maintenance		803	803	178	-
Staff & Governance Training		218	218	22,136	22,136
Staff Recruitment		24,202	24,202	-	-
Strategic & Management Support		35,668	27,577	-	-
Strategic & Management Support - QHC		1,556	-	-	-
Travel & Accommodation		51,521	44,903	56,829	56,829
Trustee, Registrar & Directors Fees		143,553	113,853	95,383	95,383
Venue Hire		1,230	1,230	2,189	2,189
Wages & Salaries		135,351	135,351	68,791	68,791
<b>Total Operating Expenses</b>		<b>623,889</b>	<b>548,560</b>	<b>432,320</b>	<b>397,559</b>

**Ngati Mutunga o Wharekauri Iwi Trust**  
**Consolidated Statement of Financial Performance (continued)**  
**For the Year Ended 31 March 2008**

	Note	Group 2008 \$	Parent 2008 \$	Group 2007 \$	Parent 2007 \$
<b>Administration Expenses</b>					
Accountancy Fees		46,644	34,332	34,764	31,543
Advisory		1,720	-		
Audit Fees		21,000	12,075	20,300	12,300
Bank Charges		1,688	803	1,090	794
Commission Paid		-	-	12	-
Interest - Inland Revenue		-	-	245	-
Investment Fee		3,425	-	-	-
Legal Fees		81,235	71,930	36,915	9,216
Legal & Research Fees re Claims		-	-	44,089	44,089
Meeting Costs		6,136	6,136	8,379	8,379
Postage		2,259	2,259	5,662	5,662
Power & Light		3,597	3,597	2,332	2,332
Printing		949	949	1,069	1,069
Taxation Penalties		573	-	4,079	-
Telephone & Tolls		11,666	11,666	6,921	6,921
<b>Total Administration Expenses</b>		<b>180,893</b>	<b>143,749</b>	<b>165,857</b>	<b>122,304</b>
<b>Non Cash Items</b>					
Depreciation		22,176	15,222	7,722	7,128
Impairment Losses	5	117,902	-	64,171	-
<b>Total Non Cash Items</b>		<b>140,078</b>	<b>15,222</b>	<b>71,893</b>	<b>7,128</b>
<b>Total Expenses</b>		<b>944,861</b>	<b>707,531</b>	<b>670,070</b>	<b>526,991</b>
<b>Net Operating Surplus / (Deficit)</b>		<b>517,367</b>	<b>(537,523)</b>	<b>669,640</b>	<b>285,771</b>
<b>Sundry Income</b>					
Rent Received		5,740	3,820	5,720	5,720
<b>Total Sundry Income</b>		<b>5,740</b>	<b>3,820</b>	<b>5,720</b>	<b>5,720</b>
<b>Net Surplus (Deficit) before Taxation</b>		<b>523,107</b>	<b>(533,703)</b>	<b>675,360</b>	<b>291,491</b>
Taxation (Credit) / Expense		-	-	-	-
<b>NET SURPLUS / (DEFICIT)</b>		<b>523,107</b>	<b>(533,703)</b>	<b>675,360</b>	<b>291,491</b>




**Ngati Mutunga o Wharekauri Iwi Trust**  
**Consolidated Statement of Movements in Equity**  
**For the Year Ended 31 March 2008**

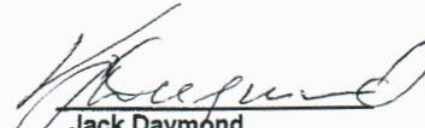
	Note	Group 2008 \$	Parent 2008 \$	Group 2007 \$	Parent 2007 \$
Opening Equity		16,827,375	2,763,573	16,152,014	2,472,083
Net Surplus / (Deficit) For Period		523,107	(533,703)	675,360	291,491
<b>Total Recognised Revenues and Expenses</b>		<b>523,107</b>	<b>(533,703)</b>	<b>675,360</b>	<b>291,491</b>
Contributions Received (Funds Held on Trust)		-	-	-	-
Taxation (Credit) / Expense		-	-	-	-
TOKM Settlement Proceeds		-	-	-	-
		-	-	-	-
<b>CLOSING EQUITY</b>		<b>17,350,483</b>	<b>2,229,870</b>	<b>16,827,375</b>	<b>2,763,573</b>

**Ngati Mutunga o Wharekauri Iwi Trust**  
**Consolidated Statement of Financial Position**  
**As at 31 March 2008**

	Note	Group 2008 \$	Parent 2008 \$	Group 2007 \$	Parent 2007 \$
<b>Current Assets</b>					
ANZ Bank Current Account		24,471	-	24,635	-
ANZ Bank Putea Ika Account		11,451	11,451	4,668	4,668
Accounts Receivable		52,632	6,229	31,357	-
Advance - Motuhara Fishing Company Ltd		-	(110,192)	-	10,577
Advance - NMOW Asset Holding Co Ltd		-	95,948	-	278,711
Advance - Wharekauri Fisheries Ltd		-	328,320	-	416,077
Investment Accounts	3	3,224,745	1,893,705	2,931,629	2,081,774
Income Retentions	4	4,845	4,845	4,845	4,845
Polson Higgs Trust Account		318,930	-	831	-
Prepayments		1,680	1,680	2,688	2,688
Goods & Services Tax	-	70,849	9,319	5,416	(14,576)
Tax Refund Due		94	-	94	-
		<u>3,567,999</u>	<u>2,241,304</u>	<u>3,006,162</u>	<u>2,784,763</u>
<b>Non Current Assets</b>					
ING Regular Income Fund		-	-	405,290	-
Property, Plant & Equipment at Cost (refer pg 18)		350,204	28,770	238,710	9,461
Quota Owned		13,105,318	-	12,808,416	-
Shares - AFL	5	414,160	-	414,160	-
		<u>13,869,682</u>	<u>28,770</u>	<u>13,866,576</u>	<u>9,461</u>
<b>TOTAL ASSETS</b>		<u><b>17,437,681</b></u>	<u><b>2,270,073</b></u>	<u><b>16,872,737</b></u>	<u><b>2,794,225</b></u>
<b>Current Liabilities</b>					
Accounts Payable		87,199	40,203	45,363	30,652
		<u>87,199</u>	<u>40,203</u>	<u>45,363</u>	<u>30,652</u>
<b>Equity</b>					
Trust Capital		14,826,207	1,835,375	14,826,207	1,835,375
Accumulated Surplus	2	2,524,275	394,495	2,001,168	928,199
		<u>17,350,481</u>	<u>2,229,870</u>	<u>16,827,374</u>	<u>2,763,573</u>
<b>TOTAL LIABILITIES AND EQUITY</b>		<u><b>17,437,681</b></u>	<u><b>2,270,073</b></u>	<u><b>16,872,737</b></u>	<u><b>2,794,225</b></u>

For and on behalf of the Board who authorised these financial statements for issue on 25 August 2008:

  
**Phillip Seymour**  
Chairperson

  
**Jack Daymond**  
Deputy Chairperson

**Ngati Mutunga o Wharekauri Iwi Trust**  
**Consolidated Schedule of Property, Plant & Equipment**  
**For the Year Ended 31 March 2008**

Asset	Cost Price	Book Value 01/04/2007	Additions Disposals	Gain/Loss on Disposal	Capital Profit	Depreciation Mth Rate	Accum Deprec \$	Book Value 31/03/2008
<b>Ngati Mutunga o Wharekauri Iwi Trust</b>								
<b>Office Equipment &amp; Software</b>								
MYOB Accounting Plus + Payroll	621	-	-	-	-	12 80.4% CP	0	621
Konica Minolta Photocopier	8,250	660	-	-	-	12 48.0% CP	660	8,250
IBM Thinkcentre & Software	2,050	656	-	-	-	12 48.0% CP	656	2,050
Digital Voice Recorder	939	601	-	-	-	12 48.0% CP	451	789
Voice Recognition Software	509	328	-	-	-	12 48.0% CP	244	427
Conference Phone	1,099	937	-	-	-	12 25.2% CP	277	439
Whiteboard	562	444	-	-	-	12 36.0% CP	202	320
Office Furniture	2,582	2,419	-	-	-	12 12.6% CP	325	488
IBM Laptop	4,181	3,177	-	-	-	12 48.0% CP	2,007	3,011
Acer LCD Monitor	336	242	-	-	-	12 48.0% CP	161	255
Morrison Lawnmower			815	-	-	12 60.0% DV	369	369
IBM Notebook Computer			3,291	-	-	12 60.0% DV	1,975	1,975
Viewsonic 19" LCD Monitor			395	-	-	12 48.0% DV	190	190
Telecommunications Equipment			1,740	-	-	11 38.0% DV	574	574
IBM Notebook SL3DF627			1,450	-	-	11 60.0% DV	798	798
IBM Notebook SL3AW321			3,064	-	-	11 60.0% DV	1,685	1,685
Blinds			1,039	-	-	8 26.4% DV	183	183
Reception Desk			3,496	-	-	8 15.6% DV	364	364
Drawers			537	-	-	8 19.2% DV	69	69
Rimu Executive Wall Unit			2,699	-	-	6 12.0% DV	162	162
Rimu Workstation & Drawers			1,166	-	-	7 15.6% DV	106	106
Rotoscan Stand And Worktop			1,904	-	-	5 19.2% DV	153	153
<b>Total Property, Plant &amp; Equipment</b>	<b>21,129</b>	<b>9,462</b>	<b>21,396</b>	<b>-</b>	<b>-</b>		<b>11,610</b>	<b>23,277</b>
<b>Motor Vehicle</b>								
1995 Nissan Terrano - AQD224	13,133		13,133	-	-	11 30.0% DV	3,612	3,612
	<b>13,133</b>		<b>13,133</b>	<b>-</b>	<b>-</b>		<b>3,612</b>	<b>3,612</b>
<b>Plus Group Assets</b>								
<b>Land &amp; Buildings</b>								
Blocks 4 & 5	23,777	23,777	-	-	-	12 0.0% DV	-	23,777
Blocks 1, 2 & 3	87,232	87,232	-	-	-	12 0.0% DV	-	87,232
Tahi Mihi	118,833	118,239	-	-	-	12 3.0% DV	3,547	4,141
Surveying - Blocks 1,2 & 3			2,650	-	-	4 0.0% DV	-	2,650
Surveying - Blocks 4 & 5			718	-	-	4 0.0% DV	-	718
Surveying - Tahi Mihi			3,633	-	-	4 0.0% DV	-	3,633
Building Materials			16,854	-	-	4 12.0% DV	674	674
Building Labour			29,970	-	-	4 12.0% DV	1,199	1,199
Freight			9,400	-	-	4 12.0% DV	376	376
Roofing			3,384	-	-	4 4.8% DV	54	54
Aluminium Joinery/Doors			4,119	-	-	4 12.0% DV	165	165
Carpark			2,436	-	-	4 4.8% DV	39	39
Electrical			7,857	-	-	4 9.8% DV	251	251
Plumbing			9,532	-	-	4 9.6% DV	305	305
Flooring			8,588	-	-	4 12.0% DV	344	344
<b>Total Land &amp; Buildings</b>	<b>229,842</b>	<b>229,248</b>	<b>99,141</b>	<b>-</b>	<b>-</b>		<b>6,954</b>	<b>7,548</b>
<b>Total Group Property, Plant &amp; Equipment</b>	<b>264,104</b>	<b>238,710</b>	<b>133,670</b>	<b>-</b>	<b>-</b>		<b>22,176</b>	<b>34,437</b>



**Ngati Mutunga o Wharekauri Iwi Trust**  
**Notes to the Consolidated Financial Statements**  
**For the Year Ended 31 March 2008**

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**1. STATEMENT OF ACCOUNTING POLICIES**

**Reporting Entity**

The financial statements presented here are for the reporting entity Ngati Mutunga o Wharekauri Iwi Trust (the "Trust"). The Trust was established by Deed dated 28 September 2004 for the purpose of receiving and managing fishery and other settlement assets for the benefit of Ngati Mutunga and to relieve poverty or need of Ngati Mutunga.

The financial statements presented represent the results from operations of the Trust and the subsidiary companies that it wholly owns. Parent figures are for the Trust, Group figures represent:

- Ngati Mutunga o Wharekauri Iwi Trust
- Ngati Mutunga o Wharekauri Asset Holding Company Limited
- Wharekauri Fisheries Limited
- Wharekauri Quota Holding Limited
- Motuhara Fisheries Limited

**Reporting Basis**

These financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand and the requirements of the Financial Reporting Act 1993 and the Companies Act 1993.

**Measurement Base**

The attached financial statements have been prepared in accordance with the general accounting principles recognised as appropriate for the measurement and reporting of earnings and financial position on an historical cost basis.

**Differential Reporting**

The Trust is a qualifying entity within the Differential Reporting Framework established by the New Zealand Institute of Chartered Accountants. The Trust is not publically accountable. The Trust qualifies on the size criteria. The Trust has taken advantage of all differential reporting exemptions except where a note or policy states otherwise.

**Property, Plant and Equipment**

Property, Plant and Equipment is valued at cost price less accumulated depreciation to date. Rates of depreciation used are set by the Inland Revenue Department and shown in the Consolidated Schedule of Property, Plant & Equipment.

**Taxation**

The Trust has been granted Charitable status by the Inland Revenue Department and is therefore exempt from income tax.

**Goods and Services Tax**

The Statement of Financial Performance has been prepared so that all components are stated exclusive of GST. All items in the Statement of Financial Position are stated net of GST, with the exception of Receivables and Payables, which include GST invoiced.

**Accounts Receivable**

Accounts Receivable are stated at their expected realisable value.

**Basis of Consolidation**

The group financial statements have been prepared using the purchase method of consolidation and include the financial statements of the parent and subsidiary companies. All significant intercompany profits, transactions and balances have been eliminated in preparing these financial statements.

**Ngati Mutunga o Wharekauri Iwi Trust**  
**Notes to the Consolidated Financial Statements**  
**For the Year Ended 31 March 2008**

**Investments**

Investments are valued at their cost price less any impairment recognised by the Directors. Advances between members of the group are shown in the parent figures at their estimated realisable amount and eliminated upon consolidation.

**Quota**

Quota shares owned are shown in the Statement of Financial Position at cost and are subject to annual impairment reviews.

**Changes in Accounting Policy**

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

**Foreign Currencies**

Transactions denominated in foreign currencies are converted to New Zealand dollars at the exchange rate in effect at the date the transactions are settled. Balances at year end are translated at closing rates.

	Group 2008 \$	Parent 2008 \$	Group 2007 \$	Parent 2007 \$
<b>2. Retained Earnings</b>				
Opening Balance	2,001,168	928,199	1,325,808	636,708
Net Surplus (Deficit)	523,107	(533,703)	675,360	291,491
<b>Closing Balance</b>	<b>2,524,275</b>	<b>394,495</b>	<b>2,001,168</b>	<b>928,199</b>

**3. Investment Accounts**

Marac Call Account	463,987	211,331	516,907	472,255
Marac Finance - 3 Month Term	-	-	251,310	251,310
PGG Finance - 3 Month Term	-	-	251,424	251,424
Canterbury Mortgage Trust - 6 Month Term	741,962	411,702	805,724	251,425
Strategic Finance - 6 Month Term	-	-	502,375	251,471
Dominion Finance - 12 Month Term	-	-	301,997	301,997
New Zealand Finance - 12 Month Term	-	-	301,891	301,891
BNZ Term Deposit	374,000	-	-	-
ASB Term Deposit	374,125	-	-	-
South Canterbury Finance	323,998	323,998	-	-
BNZ Client Funds Service	618,874	618,874	-	-
ASB Client Funds Service	327,800	327,800	-	-
	<b>3,224,745</b>	<b>1,893,705</b>	<b>2,931,629</b>	<b>2,081,774</b>



**Ngati Mutunga o Wharekauri Iwi Trust**  
**Notes to the Consolidated Financial Statements**  
**For the Year Ended 31 March 2008**

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**4. Research Contract**

The Trust has signed a research contract with the Ministry of Fisheries. This contract contains a series of milestones to be met by specified dates. The Trust invoices the Ministry upon milestone completion and receives 90% of the invoiced remuneration. The remaining 10% is to be paid upon completion of the contract. The Trust recognises the full amount as income in the period that it is invoiced.

**5. Asset Impairment**

During the year Ngati Mutunga o Wharekauri Asset Holding Company Limited closed the ING Regular Income Fund account selling the units for .735 cents per unit. A loss on investment has been recognised in the annual accounts.

**6. Capital Commitments**

The Trustees have not entered into any agreements to commit material amounts of Trust capital to any purpose which is not reflected or disclosed in these financial statements.

**7. Contingent Liabilities**

The Trustees are not aware of any contingent assets or liabilities existing as at 31 March 2008. (2007: Nil)

**8. Related Party Transactions**

During the year, Ngati Mutunga o Wharekauri Iwi Trust, Ngati Mutunga o Wharekauri Asset Holding Company Ltd and Motuhara Fisheries Limited paid trustees and directors fees and/or wages to beneficiaries of Ngati Mutunga o Wharekauri Iwi Trust.

During the year, Ngati Mutunga o Wharekauri Iwi Trust, Ngati Mutunga o Wharekauri Asset Holding Company Ltd and Motuhara Fisheries Limited entered into transactions with related parties. These transactions were completed on the same basis as external party transactions.

**9. Events Subsequent to Balance Date**

On the 21st of July 2008 Canterbury Mortgage Trust announced it had frozen all investments until at least March 2009. No provision has been made against this investment as there is no indication from Canterbury Mortgage Trust that principal sums will not be returned to investors in full.

**10. Fishing Operations**

The Trust undertook paua fishing operations prior to obtaining Mandated Iwi Organisation (MIO) status with Te Ohu Kai Moana. There have been no fishing operations undertaken by the Trust after recognition of MIO status which occurred 28 September 2005.

Motuhara Fisheries Limited has been incorporated as the wholly owned fishing enterprise for the Trust.



**Ngati Mutunga o Wharekauri Iwi Trust**  
**Notes to the Consolidated Financial Statements**  
**For the Year Ended 31 March 2008**

**11. Trustees' and Director's Remuneration**

	Group 2008 \$	Parent 2008 \$	Group 2007 \$	Parent 2007 \$
Philip Seymour (Chairman)	21,812	21,812	19,750	19,750
Jack Daymond (Deputy Chairman & Director)	15,400	12,900	11,800	11,800
Sue Thomas	5,733	5,733	8,850	8,850
John Kamo (Resigned 30 September 2006)	-	-	5,163	5,163
Registrar	8,836	8,836	8,850	8,850
Eileen Whatiri	5,733	5,733	8,850	8,850
Jeanette Page	9,895	9,895	8,850	8,850
Joseph Thomas (Resigned 30 September 2006)	-	-	5,163	5,163
Miriama Patuwai (Resigned 30 November 2006)	-	-	6,638	6,638
Deborah Goomes	9,895	9,895	3,688	3,688
Kevin Thomas (Trustee & Director)	12,895	9,895	6,638	6,638
Robin Page	9,895	9,895	3,688	3,688
Elizabeth Trump	4,995	4,995	-	-
Paula Page	4,163	4,163	-	-
Cameron Gregory-Hunt	4,163	4,163	-	-
Joseph Thomas	4,995	4,995	-	-
Phillip Roth (Director - Asset Holding Company)	7,200	-	-	-
Richard Manning (Director - Asset Holding Company)	6,000	-	-	-
Eoin Chisholm (Director - Motuhara Fisheries Ltd)	6,000	-	-	-
Monique Croon (Director - Motuhara Fisheries Ltd)	5,000	-	-	-
<b>Total Trustees' Remuneration</b>	<b>142,608</b>	<b>112,908</b>	<b>97,928</b>	<b>97,928</b>