



TARANAKI WHĀNU

KI TE
UPOKO
O TE IKA

ANNUAL
REPORT | 2016

MOEMOEĀ VISION

*Ki te whakahou, whakapakari
me te whakanikoniko i te ahurea,
pāpori, rangatiratanga o
Taranaki Whānui ki Te Upoko o Te Ika*

*To restore, revitalise, strengthen
and enhance the cultural, social
and economic well-being of
Taranaki Whānui ki Te Upoko o Te Ika*

Tahurihuri atu ana ki ngā manu muramura kua hūrere whakawahangū atu ki te ao hunahuna. Rātou te ranga rere pō i tioka atu ki paerangi, te hungā whakamanawa i ngā taonga tikikura i ahu i Hawaiki ki ngā whakareanga ō muri mai. E kui mā e koro mā i te pō makere mai te houkura ki paewhenua, koutou te ranga rau piopio o te tai whakarunga, whakangaro atu rā! Huri ki te tai whakararo tēnā koutou katoa.

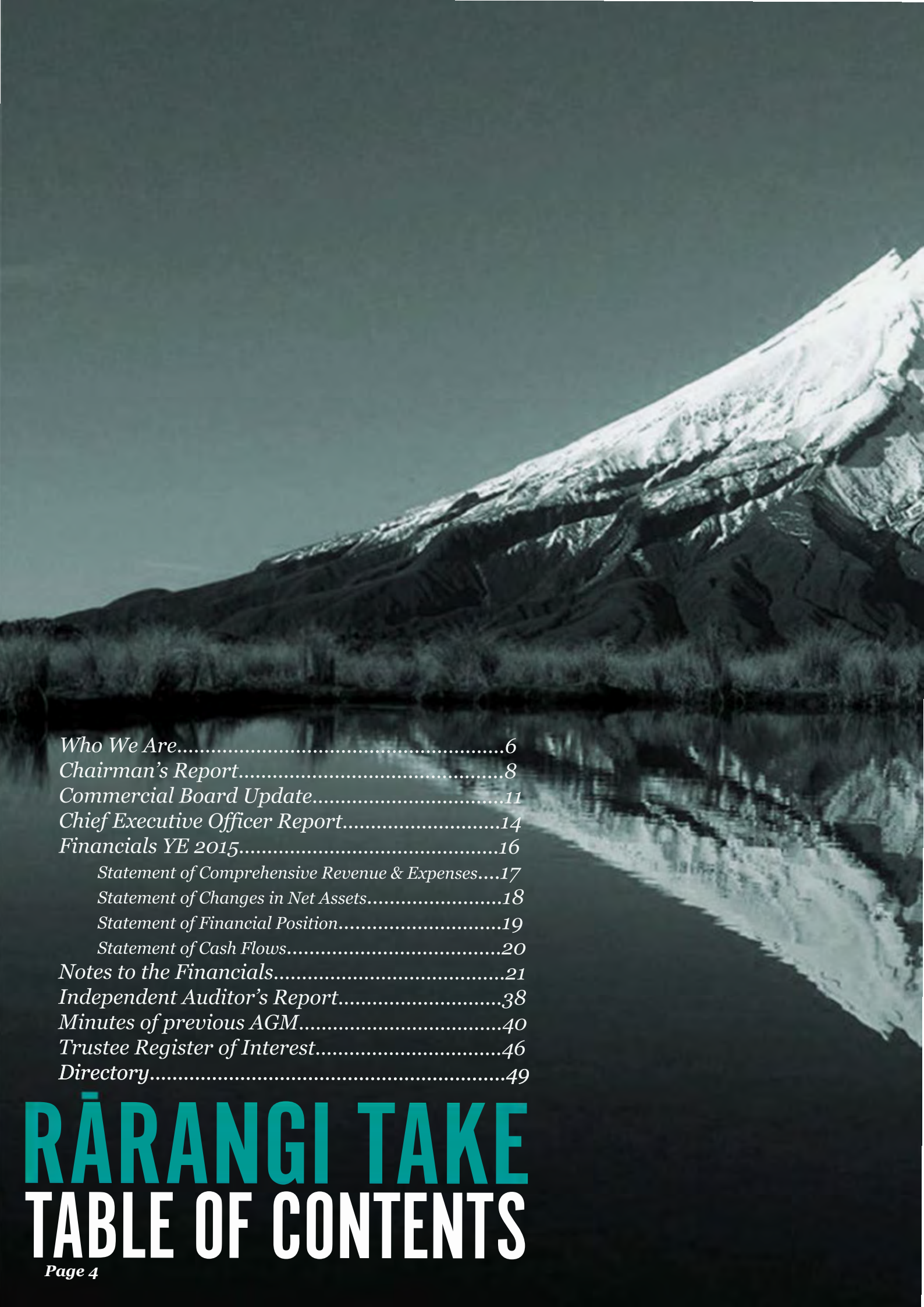
Tēnā anō koutou kei ngā pūreke mōwai o tō tātou maunga o te tai uru, Taranaki tū kau noa. He tokatū māhara mo ngā uri whakatupu o Taranaki Whānui ki te Upoko o te Ika a Maui.

Marire taku haere ki roto i te takiwā o ngā tūpuna mai Turakirae ki Remutaka, rere atu ki Pipinui, huri rauna ki Te Rimurapa, hoki tōtika mai ki Turakirae, i hae!

Kei ngā tini ngerongero, kei ngā eweewe whakatupu o Taranaki Whānui ki te Upoko o te ika, nau mai, whakatau mai ki tēnei hui-ā-tau ki runga o Pipitea. Anei rā te pūrongo o ngā ringaringa, o ngā waewae o te hunga e kawē ngā mahi mō te tarahiti nei mō ngā tau rua mano tekau mā rima ki tekau mā ono.

Mārakerake mai tēnei pūrongo o te tarahiti o Taranaki Whānui ki te Upoko o te Ika ki koutou, ki tātou katoa.

MIHIMIHI
ACKNOWLEDGEMENTS



<i>Who We Are.....</i>	<i>6</i>
<i>Chairman’s Report.....</i>	<i>8</i>
<i>Commercial Board Update.....</i>	<i>11</i>
<i>Chief Executive Officer Report.....</i>	<i>14</i>
<i>Financials YE 2015.....</i>	<i>16</i>
<i>Statement of Comprehensive Revenue & Expenses....</i>	<i>17</i>
<i>Statement of Changes in Net Assets.....</i>	<i>18</i>
<i>Statement of Financial Position.....</i>	<i>19</i>
<i>Statement of Cash Flows.....</i>	<i>20</i>
<i>Notes to the Financials.....</i>	<i>21</i>
<i>Independent Auditor’s Report.....</i>	<i>38</i>
<i>Minutes of previous AGM.....</i>	<i>40</i>
<i>Trustee Register of Interest.....</i>	<i>46</i>
<i>Directory.....</i>	<i>49</i>

RĀRANGI TAKE

TABLE OF CONTENTS





1. Neville Baker | *Chairman*
2. Toa Pomare | *Deputy-Chairman*
3. Howie Tamati
4. Peter Jackson
5. Hokipera Ruakere
6. Kura Moeahu
7. Mark Te One
8. Teri Puketapu
9. Morrie Love
10. Holden Hohaia
11. Sam Kahui

TE POARI

BOARD OF TRUSTEES



NGĀ KAIMAHI STAFF

- CEO* | Jason Fox 1.
- Business Services Manager* | Ben Jamison 2.
- Kaiwhakahaere Taiao* | Lee Rauhina-August 3.
- Reception/Database Administrator* | Ngahuia Wright 4.
- Kaituitui* | Ripeka Hoerara 5.
- Accounts Assistant* | Lily Ng 6.
- Kaiawhina Taiao* | Aaria Dobson-Waitere 7.

PŪRONGO TIAMANA CHAIRMAN'S REPORT

*Whakahou, whakapakari, whakanikoniko i te ahurea,
te pāpori me te tino rangatiratanga o Taranaki Whānui.
Tihei Mauriora!*



Looking back over the financial year to March 31, 2016 brings two words to mind: **solid progress.**

Thank you to the directors of Taranaki Whānui Ltd (TWLL) for their hard work in the commercial sector and to the management team, led by Jason Fox, for embracing the change management strategy.

Together with the work of your Trustees, they have played a role in successfully turning around PNBST's financial situation. The consolidated accounts show Port Nicholson Block Settlement Trust (PNBST) Group finished the financial year with a profit for the first time since 2010. Furthermore, we are on track to restore the asset base of PNBST to what it was at settlement.

Transparency

This positive result helps mitigate the uncertainty and confusion created by continued suppression of the facts around a long running investigation by the Serious Fraud Office (SFO). The SFO investigated Sir Ngatata Love, his partner Lorraine Skiffington and Matene Love over financial matters relating to the Wellington Tenth Trust, and other entities including PNBST, and during that investigation their names were suppressed from publication.

In the end the SFO decided to lay representative charges against Love senior of obtaining a secret commission, or obtaining significant sums by deception without claim of right, relating to his time as Chairman of the Wellington Tenth Trust.

Matene Love pleaded guilty to the charges against him and was convicted. His father continued to press for name suppression, but he was ultimately unsuccessful after health professionals determined he was fit to plead. At the time of writing this report the High Court hearing for Love senior had concluded, but Justice Graham Lang had yet to deliver his verdict.

Related and other various charges against Skiffington regarding transactions relating to the Wellington Tenth and PNBST are still in force but are stayed (put on hold) due to her ill health.

Name suppression of these individuals during that period made it difficult for your Trustees to provide transparency and full and frank disclosure about related matters. This transparency difficulty no longer exists.

While the High Court case has focused on the representative charges, there are other financial matters affecting PNBST that we will be seeking to resolve.

Shelly Bay

There is no doubt that being unable to discuss why the financial situation around Shelly Bay occurred influenced the outcome of the vote in February on the sale of Shelly Bay. It was still heartening to get the largest voter turnout (26%) since settlement and to have so many of the whanau turn up to hui to discuss the matter. While the majority (50.97%) were in favour of the sale, the numbers did not reach the 75% agreement required.

That left your Trustees with the same problem – Shelly Bay not pulling its weight. Together with the commercial board we have worked on solutions that take into account both information from the hui and also the Trust's rules. That solution is covered in Toa Pomare's commercial board report.

Government Liaison

Another major advance was the first meeting since 2012 of your Trustees, directors and senior management with the "Prime Minister and Whole of Government" (a meeting with the PM and relevant Ministers). This valuable forum had been unable to proceed during the SFO investigations. Your representatives met with the PM and Ministers of Māori Development, Treaty of Waitangi Settlements, Arts, Culture and Heritage, Conservation and of Land Information. The Vice-Chancellor of Victoria University was also present.

Some of the items discussed at that forum are covered in my "Looking Forward" below or in Toa Pomare's Outlook in the TWL report. Other key items were:

- We are seeking a partnership agreement with Victoria University (VUW) to support its strategy to increase its number of Māori students by 1000 each year. A pilot Māori and Pasifika pathway programme is being developed;
- We are resubmitting a kura hourua application to the Ministry of Education to restore, nurture and promote Taranaki Whānuitanga and education;
- The development of the Matiu Island project and the collaboration with the Weta Group;
- The commencement of Te Papakāinga o Taranaki Whānui in Wainuiomata;
- We are supporting Motu Kairangi becoming an urban park to be co-managed with Wellington City Council;
- We are seeking the clearance of the Mt Crawford prison site, supporting the transfer of 4ha of Defence land to add to the site and asking for it to happen during the development of Shelly Bay;
- We reaffirmed our right of first refusal right to the former Miramar South School site and advised we were aware of Wellington Airport's interest in the site.

Kawenata

One of the most significant events during the year was the signing of a historic Kawenata (covenant) between Waikato-Tainui and Taranaki Whānui ki Te Upoko of Te Ika (PNSBT) in March. Signed by Te Arikinui Kiingi Tuheitia and myself as the Trust's chairman, the Kawenata is a formal recognition of ancestral links. It sets a solid foundation for cultural, social environmental and economic relationships.

Strategic Plan

The Trust's annual plan announced in 2015 introduced the concept of the three "Rs" which remain relevant:

- Rights of First Refusal
- Research Development Opportunities
- Recover Debts



- 1) Rights of First Refusal (RFR)** - RFR has helped deliver an increase in revenue for the PNBST combined group. This has been achieved by identifying properties where we have been able to exercise our RFR to purchase and by later on selling. The accounts show an increased profit on this activity and that amount will only grow as the commercial board further develops its investment profile around Wellington.
- 2) Researching development opportunities in strategic assets** - Several projects have been identified and progressed. We are on track to develop Taranaki Whānui's first residential development at 117-119 Muritai Road, Eastbourne, 'Muritai Lane' which is the former Eastbourne Police Station site. The site will provide four new, mid to high-end homes, three of which have been sold off the plans. Since starting the Muritai Lane project TWLL will further determine a small portion of houses in all future developments will be offered to Taranaki Whānui members for purchase before the open market. The first opportunity comes in another development of approximately 34 brand new units at Jackson Street, Petone - a former Housing New Zealand state apartment site.
- Significant progress has also been made on the Papakāinga Development at the former Wainuiomata High School site. Bogacki Property Consultants, Impact Project Management and PNBST staff have been meeting regularly to finalise the site plan and begin the infrastructure and build. Further consultation with Trust members will happen before the end of this year and an expected date of completion for phase 1 is mid to late 2017.
- 3) Recover Debts** - The Trust through TWL is still seeking to recover historic debts through court proceedings in particular transactions relating to Tony Gapes of the Redwood Group. We also understand that the Companies Office has also now commenced investigations against Redwood for breaches of the Companies Act.

Looking forward:

Since the end of the financial year this report covers, there has been significant progress by the Trust and commercial board. Developments include:

- We have now signed an MOU with various Taranaki iwi/key stakeholders for a collaboration on the purchase, acquisition, and lease back to the Crown, of various properties (a portfolio of around \$103m) throughout Wellington under the Trust's sale and leaseback schedule.
- Funding from Te Taura Whiri i Te Reo Māori (Māori Language Commission) to assist the development of Taranaki Whānui stories and history.
- Discussions between Sir Peter Jackson and myself have led to a commitment to investigate a joint project for Matiu Island. That project will encompass Taranaki Whānui tikanga with some of our history represented through digital storytelling and augmented reality. We will seek support through the Government's Maori ICT Fund for this exciting project and feasibility funding from Te Taura Whiri i te Reo Māori (Māori Language Commission)

We have seen solid progress this year. Thank you to all of you who have been supportive to your elective representatives. Trustees and directors of your boards are charged with protecting and growing the assets of the iwi for all beneficiaries. No matter who is elected or appointed to lead PNBST, it is a fiduciary responsibility of all Trustees and directors to conduct business with complete financial transparency. We all need to ensure PNBST's leadership and management continues to meet those legal and moral standards.

Kia ngātahi ai te tū, e pakari ai te tuarā

Nāku noa, nā



Neville Baker
Chairman

TARANAKI WHĀNUI LIMITED COMMERCIAL BOARD UPDATE

*E ngā mana, e ngā reo, e ngā karangaranga
e huihui mai nei, tēnā koutou katoa*



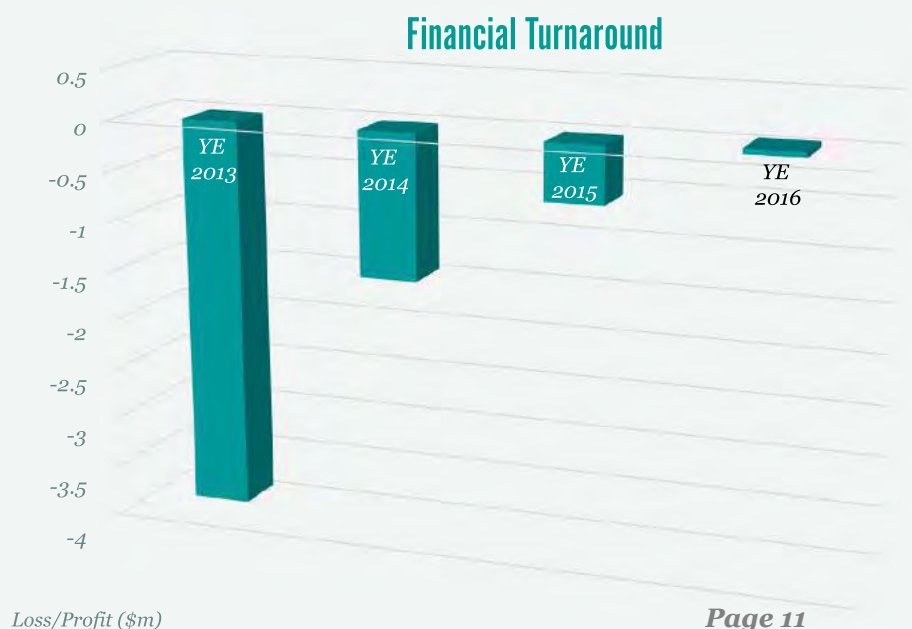
In the first financial year under your commercial board Taranaki Whānui Limited (TWL) and CEO Jason Fox, I am delighted to report that Port Nicholson Block Trust has made a profit for YE 2016 - the trust's accounts are on the positive side of the ledger for the first time since 2010. The accounts show that in 12 months to March 31, 2016 the consolidated PNSBT Group had a total surplus after tax of \$54,495 from total revenue of \$3.142 million. This compares with a loss for the full year to March 31 2015 of \$563,763 on total revenue of \$936,987 (restated under PBE code).

The consolidated accounts for the whole group are now required to be reported under the new Public Benefit Entities (PBE) Standards for accounting. The trust is required by law to use the new PBE standards. To make it easier for trust beneficiaries to compare apples with apples, last year's accounts have been restated under the new code.

While we have not restated the complete 2013 and 2014 accounts, members will recall that those years showed losses of \$3.87m and \$1.43m consecutively. The result of the trust's difficulties was that the value of Port Nicholson Block Settlement Trust's net assets had depleted from \$30.37 million in 2010 to \$17.28 million by year end 2015. This year's profit has reversed the downward trend and it is the determination of Taranaki Whānui Limited that both the operating revenue and asset base will continue to grow. The 2015-2016 financial year was dedicated to getting the trust into the black, restructuring and initial project work that will come to fruition over the next 10 years.

During the year your Taranaki Whānui Limited directors made a unanimous decision to sell Shelly Bay - subject to support from the trustees and a 75% vote of support from members. While a majority of members did support the sale, there was sufficient concern generated that the vote failed to reach the 75% threshold. Shelly Bay is discussed further below in the outlook.

Much of the boost in income this financial year came from strategic management of the Trust's Right of First Refusal (RFR). By identifying properties where the RFR could be exercised and managing the on sale of selected properties carefully, revenues of \$1.825m were achieved and after costs we realised more than \$400,000.



Outlook

The outlook for the 2016-2017 year is a modest budgeted increase in net surplus and an increase in asset value. However, the Board remains focused on strategically achieving net asset value restoration of circa \$30m within five years. In the past few months the directors have been busy and it is with pleasure that we report the following:

Sale & Leaseback

A Memorandum of Understanding has been executed between Taranaki Whānui Limited and a collaborative of other Taranaki Iwi to purchase numerous Crown-owned parcels of land, predominantly held in the Wellington CBD, from various Crown agencies, including the Ministry of Education, the Ministry of Internal Affairs and the Ministry of Justice. This was achieved by capitalising on the Deferred Selection Property Rights included in the settlement.

Shelly Bay

Taranaki Whānui Limited and The Wellington Company (TWC) have signed an agreement that will see TWC lead and deliver a development project and assume a 50% shareholding in Shelly Bay, currently owned by TWL subsidiary Shelly Bay Ltd. The joint venture (JV) agreement takes into account PNBST members' feedback during a recent vote on the future of Shelly Bay, including retention of land, being involved in its development, and is in strict compliance with the trust's rules.

429-439 Jackson Street, Petone

Taranaki Whānui has exercised a Right of First Refusal from Housing New Zealand to purchase 7,851sqm of vacant land and are currently consenting the development of 30 plus sections and houses.

Wellington Railway Station

At the time of writing, there is no exercising of the right to purchase this property. However, other RFR opportunities are constantly being assessed.

More information of these and other proposals will be reported as soon as is commercially practicable. That means that for commercial reasons it is frequently necessary for agreements to take place before they can be revealed in the public domain. Your directors have been appointed to manage that process, but will ensure total transparency of all financial transactions and payments made.

I would like to take this opportunity to personally thank my fellow directors, Peter Allport, Bryan Jackson and Jamie Tuuta, for their expertise and valued input to what has been and will remain a heavy workload. The directors join me in thanking Jason Fox and his management team for their contribution throughout the year.

Nāku noa, nā



Toarangatira Pomare
Chairman
Taranaki Whānui Limited





HE PŪRONGO A MANAHAUTU CHIEF EXECUTIVE REPORT

“He Tau Wehi – He Tau Miharo” A Horrible Year, A Wonderful Year

This annual report technically covers April 2015 until March 31 2016, but such a lot has happened in the months following that explains the impact on Port Nicholson Group, that I must also include that.

The lifting of the name suppression on Lorraine Skiffington, Ngatata Love and Matene Love in August and Sir Ngatata being found guilty in the High Court in September 2016, allows your elected representatives and me to finally be transparent about matters that have tested families, governance of the iwi and many relationships.

It is a matter of record that during 2009 and 2013 the Trust lost a significant amount of its wealth. Since that time your trustees, led by the current Chairman Neville Baker, have made some difficult decisions that have turned the Trust's finances around. However, the environment in which your trustees and I have had to work in has been extremely trying.

While the criminal investigation and name suppression covering the Loves and Skiffington, was Wellington's worst kept secret, many of our members were unsure whether they were dealing with a regime they could trust. That was especially so for those members outside of Wellington who had not had a lot of contact with governance or the iwi and were asked to vote on Shelly Bay.

From 2012, the iwi also experienced a reluctant and suspicious Wellington business and political community toward the Trust's affairs. Business and political relationships have had to be carefully re-built and the commercial foundations of the iwi re-established through well-considered strategy and more recently the influence of the independent commercial arm – Taranaki Whanui Ltd.

We were also forced to consider our own internal relationships. As the Series Fraud Office investigations involved transactions while Sir Ngatata was the chairman of associated trusts. The relationship between ourselves and the Wellington Tenths Trust and the Palmerston North Reserves Trust will be re-built in time. That time will be after an independent review is undertaken of those organisations and any major transactions from 2006 are audited and any issues resolved.

Meanwhile, it would be fair for our own members to ask what transactions were Skiffington and Love involved in regarding PNBST that should be investigated? We have been working for some time on three unusual transactions/attempts that relate to this Trust:

- 1. The attempt by Lorraine Skiffington to extract a secret commission of \$750,000 from Sir Peter Jackson over a proposed Shelly Bay collaboration.*
- 2. The payment of monies to the Mahon group by Paul Adams on behalf of the Trust and a subsequent sub-contract payment by the Mahon group to Lorraine Skiffington.*
- 3. The transaction by the Trust relating to the provision of a \$750,000 loan to the Redwood Group without security.*

Now that the SFO criminal case is concluded and Love has been found guilty, we will use civil avenues to try and recoup monies we believed the iwi is owed. We have already been tracking Mr. Gapes of the Redwood Group for the past year through liquidation proceedings and we further understand that the Companies office is also considering action against Mr Gapes for potential breaches of the Companies Act.

I am concerned that our young people have been further distanced by these terrible years. The collateral damage could be that these future leaders will not wish to contribute their skills to such a complex place. We need to change this. I am particularly excited then about the Matiu Island project where we can begin to craft our iwi's stories and get our people to see themselves as an integral part of it. We have to find ways such as this where we can rebuild our collective identity and build pride and kotahitanga through our whole community.

I am also pleased that we have found a real solution to support Kaumatua and the increasing costs and standard of living that face our elderly. The Papakainga is a real step in the right direction and if we have any hope for a future collective, we must get behind this initiative.

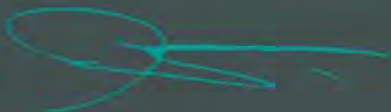
I am also happy to report that with a supportive Chair and Board, an independent commercial arm and a small team of four fulltime and two part-time staff, we have turned our iwi's finances around and can report a small profit for the first time.

Personally, it is one of my proudest career achievements to achieve this in one wonderful year. In reality, it was a direct team result of allowing good staff to get on with the mahi, a strong commercial board in TWL and a growing confidence in the Wellington political and business community in our leadership and future. But like most successes we must quickly move on and the five-year strategic plan is our best opportunity to articulate what that might look like. I encourage all members to have their say on this as we build a solid future.

To conclude, it is refreshing to know that there is strong interest in governance positions of the iwi. The preparation of a clean waka to steer for the iwi's future leaders is a testament to the resolve and leadership of the current Trustees, the Chairman and Deputy Chairman.

Neville Baker, Toa Pomare, Teri Puketapu, Howie Tamati, Hokiopera Ruakere and Kura Moeahu, have committed their energy and focus during an extremely challenging period and put our waka back on track. I thank them for their continual support of management. It is a privilege to serve under their leadership and now look forward to these 'tau miharo' ahead.

Nāku noa nā



*Jason Fox
Chief Executive*



PŪRONGO PŪTEA FINANCIALS

Consolidated Statement of Comprehensive Revenue and Expenses

Port Nicholson Block Settlement Trust

For the Year ended 31 March 2016

	Notes	Group 31-Mar-16 \$	Group 31-Mar-15 Restated* \$	Parent 31-Mar-16 \$	Parent 31-Mar-15 Restated* \$
Revenue from non-exchange transactions					
Capital Grant		339,022	-	339,022	-
Koha Received		665	-	665	-
Total Revenue from non-exchange transactions		339,687	-	339,687	-
Revenue from exchange transactions					
Commercial property rent		381,085	308,220	-	190,827
Residential property rent		-	2,787	-	-
Lease revenue		66,667	66,667	-	-
Electricity and water recharge revenue		-	3,305	-	98
Other revenue	9	461,472	322,752	498,519	345,322
Interest revenue	8	68,456	234,448	66,606	234,378
Loss on Sale of Fixed Assets		-	(1,192)	-	(661)
Sale of Property		1,825,000	-	-	-
Total revenue		3,142,367	936,987	904,812	769,964
Expenses					
Administration & Operating Costs	10	1,112,562	1,225,088	969,762	909,875
Increase in provision for Impairment		-	-	171,575	329,497
Deferred Selection Properties		20,707	-	-	-
Depreciation		30,919	21,248	-	4,854
Rental Costs	7	182,235	225,657	-	126,587
Interest Expense		29,788	28,757	168	-
Property Purchases		1,680,004	-	-	-
Other expenses		31,657	-	31,657	-
Total expenses		3,087,872	1,500,750	1,173,162	1,370,813
Total surplus/(deficit) for the year before taxation		54,495	(563,763)	(268,350)	(600,849)
Taxation expense					
Total surplus/(deficit) after taxation		54,495	(563,763)	(268,350)	(600,849)
Other comprehensive revenue and expenses		-	-	-	-
Total comprehensive revenue and expenses		54,495	(563,763)	(268,350)	(600,849)
Total comprehensive revenue and expenses for the year		54,495	(563,763)	(268,350)	(600,849)

* Certain amounts shown here do not correspond to the 2015 financial statements and reflect adjustments made due to first time adoption of PBE standards. Refer to Note 3.



Consolidated Statement of Changes in Net Assets
Port Nicholson Block Settlement Trust
For the Year ended 31 March 2016

Group	Note	Accumulated comprehensive revenue and expense	Total equity
		\$	\$
Opening balance 1 April 2015		16,181,841	16,181,841
Surplus for the year		54,495	54,495
Other comprehensive revenue		-	-
Closing equity 31 March 2016		16,236,336	16,236,336
Opening balance 1 April 2014 - (Restated*)	3	16,745,604	16,745,604
Deficit for the year		(563,763)	(563,763)
Other comprehensive revenue		-	-
Closing equity 31 March 2015		16,181,841	16,181,841

Parent	Note	Accumulated comprehensive revenue and expense	Total equity
		\$	\$
Opening balance 1 April 2015		15,829,204	15,829,204
Deficit for the year		(268,350)	(268,350)
Other comprehensive revenue		-	-
Closing equity 31 March 2016		15,560,854	15,560,854
Opening balance 1 April 2014 - (Restated*)	3	16,430,053	16,430,053
Deficit for the year		(600,849)	(600,849)
Other comprehensive revenue		-	-
Closing equity 31 March 2015		15,829,204	15,829,204

* Certain amounts shown here do not correspond to the 2015 financial statements and reflect adjustments made due to first time adoption of PBE standards. Refer to Note 3.



Consolidated Statement of Financial Position


Port Nicholson Block Settlement Trust

As at 31 March 2016

	Notes	Group 31 March 2016	Group 31 March 2015 Restated*	Group 1 April 2014 Restated*	Parent 31 March 2016	Parent 31 March 2015 Restated*	Parent 1 April 2014 Restated*
		\$	\$	\$	\$	\$	\$
Current assets							
Cash and cash equivalents	12	1,737,361	2,021,579	2,649,179	1,690,411	2,011,696	3,118,899
Receivables from exchange transactions	19	600,313	318,620	314,578	403,519	763,727	92,284
Inter-entity Advances		-	-	-	12,411,063	12,025,172	12,145,311
Prepayments		15,493	30,677	104,084	9,007	24,440	36,707
Wharewaka loan	19	-	-	87,285	-	-	87,285
Goods and services tax receivable		10,488	-	32,184	6,068	-	31,938
Income tax refund due	11	32,795	31,816	19,563	31,247	30,515	18,148
		<u>2,396,450</u>	<u>2,402,692</u>	<u>3,206,873</u>	<u>14,551,315</u>	<u>14,855,550</u>	<u>15,530,572</u>
Non-current assets							
Investment properties	14	14,665,000	14,665,000	14,665,000	2,005,000	2,005,000	2,005,000
Property plant and equipment	13	223,402	215,208	212,057	-	11,369	13,734
		<u>14,888,402</u>	<u>14,880,208</u>	<u>14,877,057</u>	<u>2,005,000</u>	<u>2,016,369</u>	<u>2,018,734</u>
Total assets		<u>17,284,852</u>	<u>17,282,900</u>	<u>18,083,930</u>	<u>16,556,315</u>	<u>16,871,919</u>	<u>17,549,306</u>
Current liabilities							
Trade and other creditors	19	184,905	186,004	327,679	146,109	143,855	194,135
GST Payable		-	11,789	-	-	11,311	-
PNBC Limited		-	-	-	365,717	365,717	365,718
PNBST Investments Limited Partnership		-	-	-	483,635	521,832	559,402
Advance to Ryman	19	863,611	900,657	938,574	-	-	-
Revenue in advance		-	2,609	72,078	-	-	-
		<u>1,048,516</u>	<u>1,101,059</u>	<u>1,338,331</u>	<u>995,461</u>	<u>1,042,715</u>	<u>1,119,255</u>
Total liabilities		<u>1,048,516</u>	<u>1,101,059</u>	<u>1,338,331</u>	<u>995,461</u>	<u>1,042,715</u>	<u>1,119,255</u>
Net assets		<u>16,236,336</u>	<u>16,181,841</u>	<u>16,745,599</u>	<u>15,560,854</u>	<u>15,829,204</u>	<u>16,430,051</u>
Equity							
Accumulated comprehensive revenue and expense		16,236,336	16,181,841	16,745,599	15,560,854	15,829,204	16,430,051
Total equity		<u>16,236,336</u>	<u>16,181,841</u>	<u>16,745,599</u>	<u>15,560,854</u>	<u>15,829,204</u>	<u>16,430,051</u>

* Certain amounts shown here do not correspond to the 2015 financial statements and reflect adjustments made due to first time adoption of PBE standards. Refer to Note 3.

Signed for and on behalf of the Board of Trustees who authorised these financial statements for issue on 8 September 2016:


Trustee


Trustee



Consolidated Statement of Cash Flows

Port Nicholson Block Settlement Trust

For the year ended 31 March 2016

Notes	Group 31 March 2016 \$	Group 31 March 2015 Restated* \$	Parent 31-Mar-16 \$	Parent 31 March 2015 Restated* \$
Cash flows from operating activities				
<i>Receipts</i>				
Receipts from non-exchange transactions	665	-	665	-
Receipts from exchange transactions	2,729,621	722,374	1,206,363	563,855
Interest received	68,456	234,448	66,606	234,378
	<u>2,798,742</u>	<u>956,822</u>	<u>1,273,634</u>	<u>798,233</u>
<i>Payments</i>				
Payments to suppliers	3,014,059	1,531,266	1,452,285	1,897,308
Interest paid	29,788	28,757	168	-
	<u>3,043,847</u>	<u>1,560,023</u>	<u>1,452,453</u>	<u>1,897,308</u>
Net cash flows from operating activities	(245,105)	(603,201)	(178,819)	(1,099,075)
Cash flows from investing activities				
<i>Payments</i>				
Purchases of Property, Plant and Equipment	39,113	24,399	-	-
	<u>39,113</u>	<u>24,399</u>	<u>-</u>	<u>-</u>
Net cash flows from investing activities	(39,113)	(24,399)	-	-
Cash flows from financing activities				
<i>Payments</i>				
Repayment of borrowings	-	-	142,466	8,128
Net cash flows from financing activities	-	-	(142,466)	(8,128)
Net decrease in cash and cash equivalents	(284,218)	(627,600)	(321,285)	(1,107,203)
Cash and cash equivalents at 1 April	2,021,579	2,649,179	2,011,696	3,118,899
Cash and cash equivalents at 31 March	12 1,737,361	2,021,579	1,690,411	2,011,696

* Certain amounts shown here do not correspond to the 2015 financial statements and reflect adjustments made due to first time adoption of PBE standards. Refer to Note 3.



Consolidated Notes to the financial statements

Port Nicholson Block Settlement Trust

For the Year ended 31 March 2016

1) Reporting entity

The reporting entity is Port Nicholson Block Settlement Trust (the "Trust"). The Trust is domiciled in New Zealand and is a charitable organisation registered under the Incorporated Societies Act 1908 and the Charities Act 2005.

The financial statements comprising of the Trust and its controlled entities (together the "Group"):

Shelly Bay Limited

The Lodge at Shelly Bay Limited

Taranaki Whanui Limited (previously Port Nicholson Block Management Limited)

PNBC Limited

Lowry Bay Section One Limited

Port Nicholson Block Properties Limited

Education PNBST Limited

Tramways Limited

Whites Line East Limited

All subsidiaries have a reporting date of 31 March 2016.

These Group financial statements and the accompanying notes summarise the financial results of activities carried out by the Group. The Group represents the descendants of Taranaki, Te Atiawa, Ngati Ruanui and Ngati Tama whose Tupuna were residents in Wellington in 1840, collectively known as Taranaki Whanui ki Te Ika. The Trust, established by the Port Nicholson Block Settlement Trust Deed dated 11 August 2008, is the Trust to receive the settlement package relating to historical Treaty of Waitangi Claims. The Crown and Port Nicholson Block Settlement Trust signed a Deed of Settlement in Wellington on 19th August 2008. All entities within the Group are charitable organisations registered under the Charitable Trusts Act 1957 and the Charities Act 2005.

During the year, the Group has undergone a rationalisation of its trading activities, most operations are now performed under the banner of Taranaki Whanui Limited, which collects the income and pays the expenses on behalf of the other entities within the Group.

These consolidated financial statements have been approved and were authorised for issue by the Board of Trustees on

8 September 2016:

2) Statement of compliance

The Group financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand ("NZ GAAP"). They comply with Public Benefit Entity International Public Sector Accounting Standards ("PBE IPSAS") and other applicable financial reporting standards as appropriate that have been authorised for use by the External Reporting Board for Not-For-Profit entities. For the purposes of complying with NZ GAAP, the Group is a public benefit not-for-profit entity and is eligible to apply Tier 2 Not-For-Profit PBE IPSAS on the basis that it does not have public accountability and it is not defined as large.

The Board of Trustees has elected to report in accordance with Tier 2 Not-For-Profit PBE Accounting Standards and in doing so has taken advantage of all applicable Reduced Disclosure Regime ("RDR") disclosure concessions.

3) Changes in accounting policy

For the year ended 31 March 2015, the Group prepared its financial statements using NZ IFRS (PBE). These have now been restated to Not-for-Profit PBE IPSAS. An explanation of how the transition to Tier 2 Not-for-Profit PBE IPSAS has affected the reporting of the Statement of Financial Position and Statement of Comprehensive Revenue and Expenses is provided below:

3.1 Heritage Assets

Under NZ IFRS PBE there was no guidance on accounting for heritage assets. They were classified as investment properties within the financial statements based on valuations performed by Colliers International (Wellington Valuation) Limited with some being carried at \$1 due to inability to value.

Under the new financial reporting framework PBE IPSAS is specific on heritage assets treatment and under PBE IPSAS 17 Property Plant and Equipment states that where it is difficult to value heritage assets they should not be included in the financial statements at a value. Management have determined that their cultural significance the value is unlikely to be fully reflected in a financial value based purely on a market price. Therefore the heritage assets have been derecognised in the financial statements.



Consolidated Notes to the financial statements

Port Nicholson Block Settlement Trust

For the Year ended 31 March 2016

3.1 Heritage Assets (cont)

	Group 31-Mar-2015	Group 1-Apr-2014	Parent 31-Mar-2015	Parent 1-Apr-2014
	\$	\$	\$	\$
Balance of Net Assets under previous NZ IFRS	17,469,344	18,033,107	17,116,707	17,717,556
Less: Decrease in Cost Price of Heritage Assets	(1,287,503)	(1,287,503)	(1,287,503)	(1,287,503)
Net assets under PBE IPSAS	16,181,841	16,745,604	15,829,204	16,430,053

4) Summary of accounting policies

The significant accounting policies used in the preparation of these financial statements as set out below have been applied consistently to both years presented in these financial statements.

4.1 Basis of measurement

These consolidated financial statements have been prepared on the basis of historical cost.

4.2 Functional and presentational currency

The consolidated financial statements are presented in New Zealand dollars (\$), which is the Group's functional currency. All financial information presented in New Zealand dollars has been rounded to the nearest dollar.

4.3 Basis of consolidation

Controlled entities are all those entities over which the controlling entity has the power to govern the financial and operating policies so as to benefit from its activities. The controlled entities are consolidated from the date on which control is transferred and are de-consolidated from the date that control ceases. In preparing the consolidated financial statements, all inter entity balances and transactions, and unrealised gains and losses arising within the consolidated entity are eliminated in full. The accounting policies of the controlled entity are consistent with the policies adopted by the Group and have a 31 March 2016 reporting date.

4.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Group and revenue can be reliably measured. Revenue is measured at the fair value of the consideration received. The following specific recognition criteria must be met before revenue is recognised.

Revenue from exchange transactions

Rendering of Services

Revenue from a contract to provide services is recognised by reference to the stage of completion of the contract at the reporting date.

Interest

Interest revenue is recognised as the interest accrues (using the effective interest method).

Rental income

Income from the rental of property is recognised within profit and loss in the Statement of Comprehensive Revenue and Expense on a straight line basis over the term of the lease.

Lease Premium

Lease Premium from the leased property is recognised within profit and loss in the Statement of Comprehensive Revenue and Expense when received.

Sale of Property

Revenue from the sale of property is recognised within profit and loss in the Statement of Comprehensive Revenue and Expense when the sale takes place.

Other Revenue

Other revenue is recognised on an accruals basis.



Consolidated Notes to the financial statements

Port Nicholson Block Settlement Trust

For the Year ended 31 March 2016

Revenue from non-exchange transactions

Grant Revenue

Grant revenue includes grants given by other charitable organisations, philanthropic organisations and businesses. Grant revenue is recognised when the conditions attached to the grant has been complied with. Where there are unfulfilled conditions attaching to the grant, the amount relating to the unfulfilled condition is recognised as a liability and released to revenue as the conditions are fulfilled.

Koha

Koha is recognised within profit and loss in the Statement of Comprehensive Revenue and Expense when received.

4.5 Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument.

The Group derecognises a financial asset or, where applicable, a part of a financial asset or part of a group of similar financial assets when the rights to receive cash flows from the asset have expired or are waived, or the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party; and either:

- the Group has transferred substantially all the risks and rewards of the asset; or
- the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Financial Assets

Financial assets within the scope of NFP PBE IPSAS 29 Financial Instruments: Recognition and Measurement are classified as financial assets at fair value through surplus or deficit, loans and receivables, held-to-maturity investments or available-for-sale financial assets. The classifications of the financial assets are determined at initial recognition.

The categorisation determines subsequent measurement and whether any resulting revenue and expense is recognised in surplus or deficit or in other comprehensive revenue and expenses. The Group's financial are classified as loans and receivables. The Group's financial assets include: cash and cash equivalents, investments, receivables from non-exchange transactions and receivables from exchange transactions.

All financial assets are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is any objective evidence that a financial asset or group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described below.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, these are measured at amortised cost using the effective interest method, less any allowance for impairment. The Group's cash and cash equivalents, receivables from non-exchange transactions and receivables from exchange transactions fall into this category of financial instruments.

Impairment of financial assets

The Group assesses at the end of reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated.

For financial assets carried at amortised cost, if there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The amount of the loss is recognised in the surplus or deficit for the reporting period.



Consolidated Notes to the financial statements

Port Nicholson Block Settlement Trust

For the Year ended 31 March 2016

In determining whether there is any objective evidence of impairment, the Group first assesses whether there is objective evidence of impairment of financial assets that are individually significant, and individually or collectively significant for financial assets that are not individually significant. If the Group determines that there is no objective evidence of impairment for an individually assessed financial asset, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment for impairment.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed by adjusting the allowance account. If the reversal results in the carrying amount exceeding its amortised cost, the amount of the reversal is recognised in surplus or deficit.

Financial liabilities

The Group's financial liabilities include trade and other creditors (excluding GST and PAYE), employee entitlements, loans and borrowings and deferred revenue (in respect to grants whose conditions are yet to be complied with).

All financial liabilities are initially recognised at fair value (plus transaction cost for financial liabilities not at fair value through surplus or deficit) and are measured subsequently at amortised cost using the effective interest method except for financial liabilities at fair value through surplus or deficit.

4.6 Cash and cash equivalents

Cash and cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

4.7 Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. Where an asset is acquired through a non-exchange transaction, its cost is measured at its fair value as at the date of acquisition.

Depreciation is charged on a straight line basis over the useful life of the asset. Depreciation is charged at rates calculated to allocate the cost or valuation of the asset less any estimated residual value over its remaining useful life:

• Land	0% SL
• Office equipment:	8% - 67% SL
• Furniture and fittings	7% - 10.5% SL
• The Officers Mess: leasehold improvements	7% SL
• The Officers Mess level 1: fit out costs	8.5% - 17.5% SL
• Corporals Club: leasehold improvements	3% SL
• Base Commander residence	7% - 8.5% SL
• Seminar facility	7% SL

Depreciation methods, useful lives and residual values are reviewed at each reporting date and are adjusted if there is a change in the expected pattern of consumption of the future economic benefits or service potential embodied in the asset.

Heritage assets with no future economic benefit or service potential other than heritage value are not recognized in the Statement of Financial Position.

4.8 Investment properties

Investment properties are properties held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, for supply of goods or services or for administrative purposes. Investment properties are measured initially at cost, including transaction costs.

Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation and impairment losses. Depreciation is not charged on land. Building depreciation rate is 2%SL however no depreciation has been provided on investment buildings as the residual value and cost is considered to be the same.



Consolidated Notes to the financial statements

Port Nicholson Block Settlement Trust

For the Year ended 31 March 2016

4.9 Leases

Payments on operating lease agreements, where the lessor retains substantially the risk and rewards of ownership of an asset, are recognised as an expense on a straight-line basis over the lease term.

4.10 Employee benefits

Wages, salaries and annual leave

Liabilities for wages and salaries and annual leave are recognised in surplus or deficit during the period in which the employee provided the related services. Liabilities for the associated benefits are measured at the amounts expected to be paid when the liabilities are settled.

4.11 Income Tax

Current Income Tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Income Tax

Deferred tax is provided for using the liability method on temporary tax differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred income tax liabilities are recognised for all taxable temporary differences except:

- When the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting surplus or deficit nor taxable surplus or deficit.
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable surplus will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting surplus or deficit nor taxable surplus or deficit.
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable surplus will be available against which the temporary differences can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable surplus will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.



Consolidated Notes to the financial statements

Port Nicholson Block Settlement Trust

For the Year ended 31 March 2016

4.12 Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except for receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the Inland Revenue Department is classified as part of operating cash flows.

4.13 Equity

Equity is the net assets of the Group, measured as the difference between total assets and total liabilities. Equity is made up of the following components:

Accumulated comprehensive revenue and expense

Accumulated comprehensive revenue and expense is the Group's accumulated surplus or deficit since its formation, adjusted for transfers to/from specific reserves.

5) Significant accounting judgements, estimates and assumptions

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Group's accounting policies, management has not made any significant judgements.

Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Useful lives and residual values

The useful lives and residual values of assets are assessed using the following indicators to determine potential future use and value from disposal:

- The condition of the asset
- The nature of the asset, its susceptibility and adaptability to changes in technology and processes
- The nature of the processes in which the asset is deployed
- Availability of funding to replace the asset
- Changes in the market in relation to the asset

The estimated useful lives of the asset classes held by the Group are listed in Note 4.7.



Consolidated Notes to the financial statements

Port Nicholson Block Settlement Trust

For the Year ended 31 March 2016

6) Group information Subsidiaries

The consolidated financial statements of the Group include the following subsidiaries:

Name of subsidiary	Principal activities	Country of incorporation	Percentage equity interest		The Trust – carrying value of investment (at cost)	
			2016	2015	2016	2015
Shelly Bay Limited	Commercial Rental	NZ	100%	100%	100%	100%
The Lodge at Shelly Bay Limited	Commercial Rental	NZ	100%	100%	100%	100%
Taranaki Whanui Limited	Operations Management	NZ	100%	100%	100%	100%
PNBC Limited	Treaty Negotiations	NZ	100%	100%	100%	100%
Lowry Bay Section One Limited	Commercial Rental	NZ	100%	100%	100%	100%
Port Nicholson Block Properties Limited	Commercial Rental	NZ	100%	100%	100%	100%
Education PNBST Limited	Project Management	NZ	100%	100%	100%	100%
Tramways Limited	Shelf Company	NZ	100%		100%	
Whites Line East Limited	Shelf Company	NZ	100%		100%	

The reporting date of the Trust and all subsidiaries is 31 March.

There are no significant restrictions on the ability of the subsidiaries to transfer funds to the Parent Trust in the form of cash distributions or to repay loans or advances.

Two new subsidiaries were incorporated during the current period, with the expectation that they will begin operations in a future period. As at balance date, 31 March 2016, they are non-trading shelf companies.



Consolidated Notes to the financial statements

Port Nicholson Block Settlement Trust

For the Year ended 31 March 2016

	Group 2016 \$	Group 2015 \$	Parent 2016 \$	Parent 2015 \$
7) Rental Costs				
Building WOF	5,523	3,131	-	1,670
Cleaning and Pest Control	10,392	8,805	-	8,805
Consultancy Fees	-	300	-	-
Electricity	9,086	13,541	-	3,251
Fire Monitoring	4,716	4,891	-	2,596
General	3,784	-	-	-
Grounds Maintenance	4,810	8,395	-	5,155
Health & Safety	569	593	-	593
Heating Ventilation/Air Conditioning	1,856	1,909	-	1,909
Insurance	34,719	65,731	-	46,054
Lift Maintenance	6,380	6,766	-	6,766
Professional Fees	5,000	3,530	-	3,530
Property Management Fees	7,473	10,981	-	6,125
Rates	37,824	75,340	-	28,783
Repairs & Maintenance	19,413	12,140	-	7,886
Security	2,810	7,770	-	1,630
Water Rates	8,130	1,834	-	1,834
Valuation Fees	19,750	-	-	-
Total Rental Costs	182,235	225,657	-	126,587

8) Interest Income

KiwiBank - Online Call Account	2,573	-	2,573	-
Other Interest	2,592	162	742	161
Interest on Loans - Redwood Group Limited	-	145,578	-	145,578
KiwiBank Interest	-	69	-	-
Interest on Term Deposits	63,291	88,639	63,291	88,639
Total Interest Income	68,456	234,448	66,606	234,378

9) Other Income

Other Income (Incl. Project Management Fees)	49,972	177,252	49,972	165,507
Memorandum of Understanding	156,500	145,500	156,500	145,500
Nomination Fees	255,000	-	255,000	-
Income Allocated from Limited Partnership	-	-	37,047	34,315
Total Sundry Income	461,472	322,752	498,519	345,322



Consolidated Notes to the financial statements

Port Nicholson Block Settlement Trust

For the Year ended 31 March 2016

	Group 2016 \$	Group 2015 \$	Parent 2016 \$	Parent 2015 \$
10) Administration and Other Expenses				
Accountancy Fees - Annual & Periodic Work	47,589	67,848	46,705	50,552
ACC Levies	478	-	478	-
Annual General Meeting / Election Costs	61,146	76,367	61,146	76,367
Hui & SGM Costs	66,913	-	66,913	-
Audit Fees	33,228	43,446	33,228	43,446
Bank Charges	283	1,430	232	180
Bad Debts	2,215	135,145	2,215	131,357
Catering	4,754	3,078	4,169	3,078
Change Manager	-	211,000	-	211,000
Cleaning	1,011	1,485	1,011	-
Computer Expenses	12,147	12,686	12,147	-
Consultancy Fees	39,031	33,135	39,031	21,622
Consultancy Fees - Accounting & Tax	-	38,920	-	27,289
Directors Fees	33,458	-	-	-
Employment Costs	300	22,387	300	20,405
Entertainment	6,653	778	4,283	778
General Expenses	17,365	5,450	16,602	2,207
HR Consultancy	2,970	-	2,970	-
Insurance	12,785	12,750	12,785	12,750
KiwiSaver Contributions	12,138	-	12,138	-
Koha	128	500	128	500
Legal Fees	43,334	45,419	32,104	43,699
Management Fees	-	-	-	-
Office Expenses	6,046	2,216	6,033	-
Penalties - IRD	284	163	284	-
PR Consultant	300	2,280	300	-
Parking & Motor Vehicle expenses	24	-	24	-
Postage	3,309	6,851	3,309	3,303
Photocopying, Printing & Stationery	15,214	19,938	15,214	8,386
Repairs & Maintenance	1,913	-	1,913	-
Rent, Rates and Power	3,323	3,165	3,323	-
Right of First Refusal	-	4,058	-	4,058
Security	-	-	-	-
Telephone & Tolls	12,931	7,503	12,931	2,264
Travel & Accommodation	39,098	19,892	38,271	15,076
Trustees' Fees	113,507	91,500	113,507	91,500
Trustee Expenses	-	-	-	-
Valuation Fees	-	10,188	-	10,188
Waitangi Day Events	14,177	2,395	14,177	2,395
Wainuiomata Social Housing Project	-	1,569	-	1,569
Wages, Salaries & Project Management	504,510	341,546	411,891	125,906
Total Administration and Other Income	1,112,562	1,225,088	969,762	909,875



Consolidated Notes to the financial statements

Port Nicholson Block Settlement Trust

For the Year ended 31 March 2016

	Group 2016 \$	Group 2015 \$	Parent 2016 \$	Parent 2015 \$
11) Taxation				
Net surplus (deficit) as per Financial Statements	54,495	(563,763)	(268,350)	(600,849)
Plus: Timing Adjustments				
Add Back - Closing Balance Audit Accrual as at 31 March	36,500	40,950	36,500	41,000
Less: Opening balance Audit Accrual as at 1 April	(41,000)	(40,300)	(41,000)	(28,000)
Total Timing Differences	(4,500)	650	(4,500)	13,000
Plus: Permanent Differences				
Addback - Increase in Impairment Provision	-	-	171,575	329,497
Deduct - Accounting profit from PNBST Investmt Pship	-	-	(37,046)	(34,315)
Less - Tax Loss from PNBST Investment Pship	-	-	-	(3,601)
Non Deductible Entertainment	3,760	413	2,421	413
Non Deductible Penalties	-	133	-	-
Total Permanent Differences	3,760	546	136,950	291,994
Net Surplus (Deficit) as per Tax Return	53,755	(562,567)	(135,900)	(295,855)
Tax Losses Brought Forward	(8,226,207)	(8,760,156)	(3,796,007)	(4,596,668)
Less: Tax Losses Disallowed following Audit	-	1,096,516	-	1,096,516
Net Tax Losses to carry forward	(8,172,452)	(8,226,207)	(3,931,907)	(3,796,007)
Taxation Expense	-	-	-	-
Opening Tax Balance	31,816	19,563	30,515	18,148
Tax Refunds Received	(14,499)	(3,145)	(14,230)	(3,096)
RWT Paid	518	16,307	-	16,307
20) Capital commitments	14,963	(909)	14,963	(844)
Taxation Refund Due	32,798	31,816	31,248	30,515

Tax losses amounting to \$3,931,907 (2015: \$3,796,007) are to be carried forward to be offset against future taxable income by the Parent. The Group has \$8,172,452 (2015: \$8,226,207) of tax losses to be carried forward.

A deferred tax asset is recognised by the Group and Parent for the carry forward of unused tax losses to the extent that it is probable that future taxable profits will be available against which the unused tax losses will be utilised. Due to net losses incurred during the preceeding periods and uncertainty of future results the Group and Parent have not recognised a deferred tax asset in relation to unused tax losses.

12) Cash and cash equivalents

Cash and cash equivalents include the following components:

	Group 31-Mar-16 \$	Group 31-Mar-15 \$	Group 01-Apr-14 \$	Parent 31-Mar-16 \$	Parent 31-Mar-15 \$	Parent 01-Apr-14 \$
Kiwibank Bank Accounts	115,383	221,579	2,131,385	68,433	211,696	3,118,899
Kiwibank Investment Accounts	1,621,978	1,800,000	517,794	1,621,978	1,800,000	-
Total cash and cash equivalents	1,737,361	2,021,579	2,649,179	1,690,411	2,011,696	3,118,899



Consolidated Notes to the financial statements

Port Nicholson Block Settlement Trust

For the Year ended 31 March 2016

13) Property plant and equipment

Group									
31-Mar-16	Office Equipment	Furniture and Fittings	Leasehold Imp.	Fit Out costs	Corporals Club	Commander Residence	Seminar Facility	Conference Equipment	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Cost/Valuation	101,922	55,086	169,300	19,085	26,281	10,225	21,483	-	403,382
Accum. Depn	(81,717)	(29,274)	(33,780)	(17,573)	(4,179)	(7,766)	(5,691)	-	(179,980)
Net book value	20,205	25,812	135,520	1,512	22,102	2,459	15,792	-	223,402

31-Mar-15

Cost	94,448	47,924	144,824	19,085	26,281	10,225	21,483	-	364,270
Accum. Depn	(69,819)	(28,378)	(19,076)	(17,841)	(3,473)	(7,774)	(2,701)	-	(149,062)
Net book value	24,629	19,546	125,748	1,244	22,808	2,451	18,782	-	215,208

01-Apr-14

Cost	117,025	75,285	132,454	19,085	26,281	10,225	21,484	9,842	411,681
Accum. Depn	(94,015)	(52,361)	(14,115)	(17,043)	(2,768)	(7,359)	(2,121)	(9,842)	(199,624)
Net book value	23,010	22,924	118,339	2,042	23,513	2,866	19,363	-	212,057

Reconciliation of the carrying amount at the beginning and end of the period:

31-Mar-16	Office Equipment	Furniture and Fittings	Leasehold Imp.	Fit Out costs	Corporals Club	Commander Residence	Seminar Facility	Conference Equipment	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Opening balance	24,629	19,547	125,748	1,244	22,808	2,451	18,782	-	215,208
Additions	7,474	7,162	24,476	-	-	-	-	-	39,112
Disposals	-	-	-	-	-	-	-	-	-
Depreciation	(11,898)	(897)	(14,704)	268	(706)	8	(2,990)	-	(30,918)
Closing	20,205	25,812	135,520	1,512	22,102	2,459	15,792	-	223,402

31-Mar-15	Office Equipment	Furniture and Fittings	Leasehold Imp.	Fit Out costs	Corporals Club	Commander Residence	Seminar Facility	Conference Equipment	Total
Opening balance	13,434	124,252	124,252	2,042	23,513	2,866	19,363	-	309,722
Additions	20,513	-	6,339	-	-	-	-	-	26,852
Disposals	-	-	-	-	-	-	-	-	-
Depreciation	(9,318)	(3,378)	(4,843)	(798)	(705)	(415)	(581)	-	(20,038)
Closing	24,629	120,875	125,748	1,244	22,808	2,451	18,782	-	316,536



Consolidated Notes to the financial statements

Port Nicholson Block Settlement Trust

For the Year ended 31 March 2016

Parent - Office Equipment			
	Parent 31-Mar-16	Parent 31-Mar-15	Parent 01-Apr-14
Cost	\$ -	\$ 26,506	\$ 31,114
Accumulated depreciation	-	(15,137)	(17,380)
Net Book Value	-	11,369	13,734

	Parent 31-Mar-16	Parent 31-Mar-15	Parent 01-Apr-14
Reconciliation of the carrying amount at the beginning and end of the period:			
Opening balance	\$ 11,369	\$ 13,734	\$ 13,202
Additions	-	2,489	7,632
Disposals	(11,369)	-	-
Depreciation	-	(4,854)	(7,100)
Closing	-	11,369	13,734

14) Investment properties

	Group 2016	Group 2015	Parent 2016	Parent 2015
1 - 3 Thorndon Quay, Wellington	1,570,000	1,570,000	1,570,000	1,570,000
Whites Line East, Waiwhetu	435,000	435,000	435,000	435,000
Shelly Bay Road	9,850,000	9,850,000	-	-
Wainuiomata College	1,160,000	1,160,000	-	-
Wainuiomata Intermediate	1,270,000	1,270,000	-	-
Petone College	380,000	380,000	-	-
Total	14,665,000	14,665,000	2,005,000	2,005,000

Group							
31-Mar-16	1 - 3 Thorndon Quay	Whites Line East Waiwhetu	Shelly Bay Road	Wainui. College	Wainui. Intermediate	Petone College	Total
Cost/Valuation	\$ 1,570,000	\$ 435,000	\$ 9,850,000	\$ 1,160,000	\$ 1,270,000	\$ 380,000	\$ 14,665,000
Accum. Depn	-	-	-	-	-	-	-
Net book value	1,570,000	435,000	9,850,000	1,160,000	1,270,000	380,000	14,665,000
31-Mar-15	1 - 3 Thorndon Quay	Whites Line East Waiwhetu	Shelly Bay Road	Wainui. College	Wainui. Intermediate	Petone College	Total
Cost/Valuation	\$ 1,570,000	\$ 435,000	\$ 9,850,000	\$ 1,160,000	\$ 1,270,000	\$ 380,000	\$ 14,665,000
Accum. Depn	-	-	-	-	-	-	-
Net book value	1,570,000	435,000	9,850,000	1,160,000	1,270,000	380,000	14,665,000
01-Apr-14	1 - 3 Thorndon Quay	Whites Line East Waiwhetu	Shelly Bay Road	Wainui. College	Wainui. Intermediate	Petone College	Total
Cost/Valuation	\$ 1,570,000	\$ 435,000	\$ 9,850,000	\$ 1,160,000	\$ 1,270,000	\$ 380,000	\$ 14,665,000
Accum. Depn	-	-	-	-	-	-	-
Net book value	1,570,000	435,000	9,850,000	1,160,000	1,270,000	380,000	14,665,000



Consolidated Notes to the financial statements

Port Nicholson Block Settlement Trust

For the Year ended 31 March 2016

Reconciliation of the carrying amount at the beginning and end of the period:

31-Mar-16	1 - 3 Thorndon Quay	Whites Line East Waiwhetu	Shelly Bay Road	Wainui. College	Wainui. Intermediate	Petone College	Total
	\$	\$	\$	\$	\$	\$	\$
Opening balance	1,570,000	435,000	9,850,000	1,160,000	1,270,000	380,000	14,665,000
Additions	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-
Closing	1,570,000	435,000	9,850,000	1,160,000	1,270,000	380,000	14,665,000

31-Mar-15	1 - 3 Thorndon Quay	Whites Line East Waiwhetu	Shelly Bay Road	Wainui. College	Wainui. Intermediate	Petone College	Total
	\$	\$	\$	\$	\$	\$	\$
Opening balance	1,570,000	435,000	9,850,000	1,160,000	1,270,000	380,000	14,665,000
Additions	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-
Closing	1,570,000	435,000	9,850,000	1,160,000	1,270,000	380,000	14,665,000

Parent			
31-Mar-16	1 - 3 Thorndon Quay	Whites Line East Waiwhetu	Total
	\$	\$	\$
Cost/Valuation	1,570,000	435,000	2,005,000
Accum. Depn	-	-	-
Net book value	1,570,000	435,000	2,005,000

31-Mar-15	1 - 3 Thorndon Quay	Whites Line East Waiwhetu	Total
	\$	\$	\$
Cost/Valuation	1,570,000	435,000	2,005,000
Accum. Depn	-	-	-
Net book value	1,570,000	435,000	2,005,000

01-Apr-14	1 - 3 Thorndon Quay	Whites Line East Waiwhetu	Total
	\$	\$	\$
Cost/Valuation	1,570,000	435,000	2,005,000
Accum. Depn	-	-	-
Net book value	1,570,000	435,000	2,005,000

Reconciliation of the carrying amount at the beginning and end of the period:

31-Mar-16	1 - 3 Thorndon Quay	Whites Line East Waiwhetu	Total
	\$	\$	\$
Opening balance	1,570,000	435,000	2,005,000
Additions	-	-	-
Disposals	-	-	-
Depreciation	-	-	-
Closing	1,570,000	435,000	2,005,000



Consolidated Notes to the financial statements
Port Nicholson Block Settlement Trust
For the Year ended 31 March 2016

31-Mar-15

	1 - 3 Thorndon Quay	Whites Line East Waiwhetu	Total
	\$	\$	\$
Opening balance	1,570,000	435,000	2,005,000
Additions	-	-	-
Disposals	-	-	-
Depreciation	-	-	-
Closing	1,570,000	435,000	2,005,000

Investment Property comprises a number of commercial properties that are leased to third parties. Each of the leases contain individual non-cancellable periods of which subsequent renewals are negotiated with the lessee. No contingent rents are charged.

15) Future Minimum Lease Payments Receivable

As at 31 March 2016, the future minimum lease payments receivable are as follows: -

	Group 2016	Group 2015	Parent 2016	Parent 2015
	\$	\$	\$	\$
Lease payments receivable, not later than one year	458,431	381,085	-	-
Lease payments receivable, later than one year and no later than five years	840,198	1,298,629	-	-
	1,298,629	1,679,713	-	-

16) Heritage assets

The Group holds the following heritage assets:

Honiana Te Puni Reserve	Korokoro Gateway, local pupose reserve
Te Oruaiti	Recreational Reserve, formerly known as Point Dorset Recreation Reserve
Wi Tako Ngatata Scenic Reserve	Scenic Reserve located in Upper Hutt
Dendroglyph Site	Sit of tree carvings located near freshwater lake Pencarrow
Bed of Lake Kohangapiripiri	Freshwater lake bed near Pencarrow
Esplanade Land of Kohangapiripiri	Area of land around freshwater lake near Pencarrow
Bed of Lake Kohangatera	Freshwater lake bed near Pencarrow
Esplanade Land of Kohanagatera	Area of land around freshwater lake Penacrow
Makaro Scientific Reserve	Scientific Island Reserve (formerly Ward Island)
Matiu Island	Scientific Island Reserve (formerly Somes Island)
Mokopuna Scientific Reserve	Scientific Island Reserve (formerly Leper Island)



Consolidated Notes to the financial statements

Port Nicholson Block Settlement Trust

For the Year ended 31 March 2016

17) Related party transactions

- a) Parent and Ultimate controlling party of the Group is Port Nicholson Block Settlement Trust

Principal Activities		Interest Held by Group	
The Parent is related to the following Subsidiary entities:		2015	2014
Shelly Bay Limited	Commercial Rental	100%	100%
The Lodge at Shelly Bay Limited	Commercial Rental	100%	100%
PNBC Limited	Treaty Negotiations	100%	100%
Lowry Bay Section One Limited	Commercial Rental	100%	100%
Port Nicholson Block Properties Limited	Commercial Rental	100%	100%
Education PNBST Limited	Project Management	100%	100%
PNBST Investments Limited Partnership	Commercial Rental	100%	100%
Taranaki Whanui Limited (previously Port Nicholson Block Management Limited)	Management of Operations	100%	100%

b) Other related parties

In addition to the above, certain administrative transactions were performed between the Parent and its subsidiaries, and the following related parties:

Pipitea Marae Charitable Trust

The following related party debts were outstanding at the reporting date:

	Group 2016	Group 2015
	\$	\$
Pipitea Marae Charitable Trust	1,590	4,980

c) Key management personnel

The key management personnel, as defined by PBE IPSAS 20 Related Party Disclosures, are the members of the governing body which is comprised of the Board of Trustees of The Parent, Directors of the Commercial Board of Taranaki Whanui Limited, and General Manager of operations and the Chief Financial Controller, which constitutes the governing body of the Group.

Remuneration of key management personnel is as follows:

Remuneration of Key Management Personnel	2016	2015
	\$	\$
Total Remuneration	212,500	230,931
Total Number of persons	1.5 FTE	1.0 FTE
Trustee Remuneration	2016	2015
	\$	\$
Neville McClutchie Baker (Chairman)	32,000	24,000
Toarangatira Pomare (Deputy Chairman)	12,000	9,000
Sam Kahui	9,000	6,750
Sir Ralph Heberley Ngatata Love	-	6,750
Rebecca Elizabeth Mellish	-	6,750
Kura Moeahu	9,000	6,750
Mark Te One	9,000	6,750
Te Rira Puketapu	9,000	6,750
Hokipera Jean Ruakere	9,000	6,750
Howard Kevin Tamati	9,000	6,750
Morris TeWhiti Love	9,000	4,500
Holden Hohaia	3,750	-
Peter Jackson	3,750	-
	114,500	91,500



Consolidated Notes to the financial statements

Port Nicholson Block Settlement Trust

For the Year ended 31 March 2016

Directors Remuneration (for Taranaki Whanui Limited)	2016	2015
	\$	\$
Toarangatira Pomare (Chairman)	12,500	-
Peter Allport	8,333	-
Jamie Tuuta	4,167	-
Bryan Jackson	8,458	-
	<u>33,458</u>	<u>-</u>

Other remuneration and compensation provided to key management personnel and/or close family members: -

During the reporting period, total remuneration and compensation was provided by the Group to the following key management personnel or employees who are close family members of key management personnel.

	2016	2015
	\$	\$
Liz Mellish - Consultancy Fees	-	18,750
June Jackson - Salary & Wages, Whakapapa Services	12,378	24,536
Peter Jackson - Cultural Services	360	-
	<u>12,738</u>	<u>43,286</u>

d) Fees received for participation on committees while representing the Parent

During the reporting period, a number of Trustees and Staff were appointed by the Trust to various positions on Council committees and other parties to represent the Trust, and in doing so received the following fees: -

		2016	2015
		\$	\$
Liz Mellish	Councillor Fees from Greater Wellington Regional Council	-	1,675
Neville Baker	Fees from Pipitea Marae Charitable Trust	-	3,600
Aroha Thorpe	Fees from Pipitea Marae Charitable Trust	-	2,600
		<u>-</u>	<u>7,875</u>

18) Leases

As at the reporting date, the Board of Trustees has entered into the following non-cancellable operating lease:

	Group 2016	Group 2015	Parent 2016	Parent 2015
	\$	\$	\$	\$
Not later than one year	2,751	4,717	-	-
Later than one year and no later than five years	-	2,751	-	-
	<u>2,751</u>	<u>7,468</u>	<u>-</u>	<u>-</u>

19) Categories of financial assets and liabilities

The carrying amounts of financial instruments presented in the statement of financial position relate to the following categories of assets and liabilities:

	Group 31-Mar-16	Group 31-Mar-15	Group 01-Apr-14	Parent 31-Mar-16	Parent 31-Mar-15	Parent 01-Apr-14
	\$	\$	\$	\$	\$	\$
Financial assets						
<i>Loans and receivables</i>						
Cash and cash equivalents	1,737,361	2,021,579	2,649,179	1,690,411	2,011,696	3,118,899
Receivables from exchange transactions	600,313	318,620	314,578	403,519	763,727	92,284
Wharewaka loan	-	-	87,285	-	-	87,285
	<u>2,337,674</u>	<u>2,340,199</u>	<u>3,051,042</u>	<u>2,093,930</u>	<u>2,775,423</u>	<u>3,298,468</u>
Financial liabilities						
<i>At amortised cost</i>						
Trade and other creditors	184,905	186,004	327,679	146,109	143,855	194,135
Advances to related entities	-	-	-	849,352	887,549	925,120
Advance to Ryman	863,611	900,657	938,574	-	-	-
	<u>1,048,516</u>	<u>1,086,661</u>	<u>1,266,253</u>	<u>995,461</u>	<u>1,031,404</u>	<u>1,119,255</u>



Consolidated Notes to the financial statements

Port Nicholson Block Settlement Trust

For the Year ended 31 March 2016

20) Capital commitments

There were no capital commitments at the reporting date (2015: \$Nil).

21) Contingent assets and liabilities

Shelly Bay Limited (SBL) – Potential Lessor Liability

SBL is only liable for expenditures incurred and approved in accordance with the terms of the Lease where early termination of the Lease occurs, and the amount has been approved as above an amount will be payable to recompense the Lessee for new improvements that have been approved by the Lessor at the reporting date.

Management estimate that the maximum liability at the reporting date is \$94,056 (2015 = \$104,507). This estimate has yet to be approved in accordance with the terms of the lease.

There are no other contingent liabilities or commitments as at 31 March 2016 (2015: \$Nil).

22) Events after the reporting date

The Board of Trustees and management is not aware of any other matters or circumstances since the end of the reporting period, not otherwise dealt with in these financial statements that have significantly or may significantly affect the operations of the Trust (2015: \$Nil).





Independent Auditor's Report

Audit

Grant Thornton New Zealand Audit Partnership
L15, Grant Thornton House
215 Lambton Quay
PO Box 10712
Wellington 6143
T +64 (0)4 474 8500
F +64 (0)4 474 8509
www.grantthornton.co.nz

To the Members of Port Nicholson Block Settlement Trust and Group

We have audited the accompanying consolidated financial statements on pages 1 to 21 of Port Nicholson Block Settlement Trust and Group which comprise the statement of financial position as at 31 March 2016, and the consolidated statement of comprehensive revenue and expenses, consolidated statement of changes in net assets and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

The responsibility of Trustees for the financial statements

The Trustees are responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Public Benefit Entity International Public Sector Accounting Standards (Not For Profit) Reduced Disclosure Regime, and for such internal control as the Trustees determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated 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 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 consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

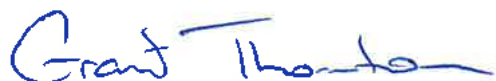
Our firm carries out other assignments for Port Nicholson Block Settlement Trust and Group in the area of other assurance engagements. The firm has no other interest in the Port Nicholson Block Settlement Trust and Group.

Opinion

In our opinion, the financial statements on pages 1 to 21 present fairly, in all material respects, the consolidated financial position of Port Nicholson Block Settlement Trust & Group as at 31 March 2016, and its consolidated financial performance, and consolidated cash flows, for the year then ended in accordance with Public Benefit Entity International Public Sector Accounting Standards (Not For Profit) Reduced Disclosure Regime.

Restriction on use of our report

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



Grant Thornton New Zealand Audit Partnership
Wellington, New Zealand
8 September 2016

MINITI

MINUTES FROM AGM 2015

MINUTES OF 2015 ANNUAL GENERAL MEETING

PIPITEA MARAE, SATURDAY 26 SEPTEMBER 2015

TRUSTEES PRESENT:

Neville Baker (Chairman), Toa Pomare (Deputy-Chairman), Sam Kahui, Morrie Love, Howie Tamati, Hokipera Ruakere, Mark Te One, Teri Puketapu, Kura Moeahu

DIRECTORS PRESENT:

Toa Pomare (Chairman), Peter Allport, Bryan Jackson, Jamie Tuuta

STAFF AND ADVISERS:

Jason Fox, Lee Rauhina-August, Ben Jamison, Ripeka Hoerara, Ngahuia Wright, Anthony Morton (Electionz.com), various members of Nga Maramara o Taranaki Whānui (assistance for the management team)

KARAKIA/KARANGA/MIHI WHAKATAU

Kura Moeahu and June Jackson opened the meeting at 10:05am. Trustees, Directors and staff/advisers were introduced to attendees.

HOUSEKEEPING

Kura Moeahu outlined the Housekeeping matters as per the slideshow.

MINUTES FROM PREVIOUS ANNUAL GENERAL MEETING

(WAIWHETU MARAE, SATURDAY 27 SEPTEMBER 2014)

Lennox Love referred to page 46 of the minutes and said that the Register of Interest was not included in this year's Annual Report where it was moved last year that this was to be included. The Chairman replied that management will include the register in all Annual Report's moving forward.

RESOLVED

(Holden Hohaia/Martha Gilbert) that the minutes from the Annual General Meeting 2014 are received

Leo Buchanan said that it is unsatisfactory to only have the Annual Report available online as it is difficult for many members to get online.

Leo Buchanan moved that the Annual Report be made available at least a fortnight before the AGM. No seconder – motion failed.

Trustee Sam Kahui said that he agreed the report needs to come out a lot earlier, yet is mindful of the costs involved. Instead suggested that communication be sent out earlier to members offering the opportunity for them to order hard copies (i.e. not just via Website)

The Chairman agreed and said management will assess the options and improve communication with members before next year's AGM. Martha Gilbert agreed and said communication must be improved, otherwise the members cannot move forward together.

Jamie Tuuta noted that there was an error in the Annual Report on page 43, and the sub-title should read 'AGM Minutes 2014' not AGM Minutes 2013. Management later clarified that the sub-title was correct as it referred to the 2013 minutes which were included in the 2014 minutes.

Martha Gilbert asked about the papakāinga project and said she wants more information on this. The Chairman replied that this matter will be covered in the presentation.

CHAIRMAN'S REPORT

The Chairman spoke through his report as included in the Annual Report.

Peter Jackson talked to the 'turnaround' outlined in the Chairman's Report and asked how the Trust had made this happen. The Chairman responded that this was largely due to the change management team and the establishment of Taranaki Whānui Limited, who reviewed the Trust's operations and significantly reduced operational costs, whilst at the same time, significantly increased revenue by utilising rights of first refusal and other commercial opportunities.

Leo Buchanan produced the 2013 AGM Minutes and referred to Euan Playle's previous comment that 'no bank will be prepared to lend an entity that makes no income' such as the

Trust. The Chairman replied that the financial turnaround will provide banks with surity around lending to the Trust in the near future.

Peggy Luke said that questions about the financials should wait until the end of the meeting, and wanted it noted that she applauds the Trust in their clawback of debt.

The Chairman said that a lot of members' questions will most likely be answered during the rest of the presentation and thanked everybody for their attendance once again.

RESOLVED

(Huia Puketapu/Amelda Rangiwhetu) that the Chairman's Report for 2015 be received

AUDITED CONSOLIDATED FINANCIAL STATEMENTS

The Deputy Chairman (Toa Pomare) introduced himself to members and thanked the candidates that put their names forward for the Trust CEO position earlier in the year. The Deputy Chairman welcomed Jason Fox and emphasised that his appointment is a momentous occasion for the Trust moving forward.

The CEO thanked the Trustees for agreeing to his appointment and spoke through the graphs included in the presentation, outlining the Trust's financial progress to date.

Wayne Mulligan thanked the Board for heading in the right direction and referred to the 'big ticket' items where there had been \$600k worth of savings, and applauded that.

Wikitoria Harris-Peck said she is happy with the drastic improvements and stated she expects a 10 year maturity with the money. Asked why Grant Thornton are always appointed as the auditors, Trustees replied they have been very satisfied with Grant Thorntons' service in the past and they do not wish to change.

Cary Fitzgerald noted that the change management fees jumped dramatically from \$93k to \$211k and asked why. The CEO replied this was due to the fact that the change management process took a lot longer than anticipated due to almost all of the former staff resigning around the same time. Also noted that the fees were for two people that made up the change management team, being Tom and Ben Jamison.

RESOLVED

(Huia Puketapu/Wayne Mulligan) that the members receive the audited Financial Statements of the Trust for the year ended 31 March 2015

RESOLVED

(Jamie Tuuta/Hannah Bchanan) that the members appoint Grant Thornton to be the Trust's auditors for the year ending 31 March 2016

The Deputy-Chairman and CEO thanked all those that supported the resolutions.

TARANAKI WHĀNUI LIMITED

The Deputy Chairman spoke about the formation of Taranaki Whānui Limited and introduced each Director to those in attendance. Said that the TWL have some very big plans over the next 12 months and looks forward to updating members with progress at the 2016 Annual General Meeting.

CEO REPORT

The CEO spoke to the CEO Report slides included in the presentation.

QUESTIONS

Megan Sommerville asked why there is no female representation on Taranaki Whānui Limited. The CEO replied that the Trustees are voted by the members, and only those members that wish to stand can be considered.

Martha Gilbert asked what is happening with the papakāinga project and why the Trust has not responded to her requests for a rehabilitation papakāinga. The CEO replied that management are currently seeking funding from Te Puni Kōkiri for the development, and consultation will take place with members and the wider community after that time.

Tuffy Churton congratulated the Trust on the turnaround.

Wayne Mulligan asked if the commercial assets all sit on their own companies at the moment or not. The CEO replied some do, yet others don't such as Tramways Building and stated that management are discussing with advisors the most effective way forward in terms of asset and company structures. Wayne Mulligan asked what revenue plan there is to ensure operational income is realised. The CEO replied this will be assessed and included in the new 5 year plan which will be finalised in 2016.

Huia Puketapu asked how the Trust/Taranaki Whānui Limited forecast income and expenses for each asset. Jamie Tuuta replied that this is covered in the annual budget which is formulated by management and the Trust's financial advisors. Jamie explained that it is however difficult to accurately forecast for the more 'erratic' commercial activities, such as Rights of First Refusal.

Cary Fitzgerald asked if Taranaki Whānui Limited Directors are getting paid, and how much. The CEO replied yes and outlined their fees. Cary stated that he believes the majority of the work is being carried out by the Directors, and asked why the Trustees were needed at all if that is the case. Cary then asked the Trustees directly if they believe they are capable of running the business.

Hannah Buchanan referred to the structure of Taranaki Whānui Limited and said she wants clarity on what the Trustees role is and how it sits with the new overall structure. The CEO spoke to the proposed structure diagram included in the presentation and outlined that Taranaki Whānui Limited is a wholly-owned subsidiary of PNBST and the Trustees have the final say over all areas of work that Taranaki Whānui Limited undertake.

Hirini Mepham suggested the Trust should focus on development of the Harbour Islands (Matiu Island) as per Ihaia Puketapu's candidate speech. The Trust need to move away from money focus and emphasise the culture and what makes Taranaki Whānui the people of Wellington. The CEO replied he has spoken to Ihaia about this and agrees, said management are looking to develop the idea more in 2016. He will update members at the 2016 Annual General Meeting.

The CEO asked if there were any further questions from members. There were none.

GENERAL BUSINESS

The Chairman asked if there are any items of general business:

Takiri Cotterill asked about the Opau Urupa and wanted an update on this. The CEO replied and said the Office of Treaty Settlements are finalising, and paying, for a development plan for the site and it is expected to be completed in early 2016. Takiri said members should get an update on progress of this. The CEO agreed and said management will be in touch with progress.

Cary Fitzgerald referred to the Trustee Fees and his earlier point outlining that Taranaki Whānui Limited are doing most of the work. Cary moved that the Trustee Fees be halved. Pauline Owen seconded. Motion did not reach agreement from most members. Motion failed.

Wayne Mulligan said that he moved the increase at last year's AGM. Said that there have been significant improvements to the Trust's operations and believes it should stay at its current rate.

Lee Hunter said that the business is under stress and it is the worst time to cut costs.

RESOLVED

(Lee Hunter/Wayne Mulligan) that members agree to keep Trustee Remuneration at status quo

Hemi Tahurangi referred to Rights of First Refusal properties and asked how often they come up and if any will be offered to members. The CEO replied there is an intention from the Trust to do this where possible in the near future. It is a work in progress.

Tuffy Churton recommended Trustees fees be raised. Peter Jackson disagreed and said that the Trust is very delicately balanced at the moment financially.

Honiana Love suggested that the total number of Trustees is decreased to the minimum (8). Trustees agreed that they would like to address this in the near future.

Ani Parata acknowledged the mahi that The Chairman has done over the last 3 years and said that a lot of the work he has carried out in recent times has been at no cost (aroha). She also thanked the Boards for their mahi.

With there being no more discussion required, Kura Moeahu closed the meeting with Karakia Whakamutunga at 12:23pm.

HE PĀNGA O TARATĪ

TRUSTEE REGISTER OF INTEREST

Neville Baker

*Te Runanganui o Taranaki Whanui ki Te Upoko o Te Ika a Maui;
NZMC Strategic Group;
Pipitea Marae Charitable Trust;
Police Commissioners National Forum;
Board Member, Upper Hutt Chamber of Commerce*

Toa Pomare

*Te Runanganui o Taranaki Whanui ki Te Upoko o Te Ika a Maui;
Te Pihopatanga o Aotearoa Endowment;
Raukawa ki te Tonga AHC Ltd;
Te Maori Cultural Centre Ltd Trust;
Atiawa Nui Tonu Fisheries Ltd;
Raukawa Tauranga Ika Limited;
Hongoeka Development Trust Ltd;
First National Finance Corporation Ltd;
WAKME Holdings;
AHC Securities Limited;
Director, Smartlinx3*

Holden Hohaia

*Chairman, Te Runanga o Ngati Maru;
Chairman, Atiawanuitonu Advisory Committee (Joint WelTec/Whitireia Board);
Trustee, Te Runanga o Taranaki Whānui;
Trustee, Charles William Hohaia Whanau Trust;
Trustee, Te Aro Pa Trust (Te Aro Papakāinga Development);
Negotiator, Ngati Maru Claim*

Peter Jackson

*Board Member, C&CDHB Maori Partnership Board;
Trustee, Wellington Tenth Trust;
Director, Wellington Kennels & Cattery Ltd;
Director, Wellington Tenth Lambton Quay Ltd*

Morrie Love

*Chairman, Wellington Tenth Trust;
Trustee, Te Atiawa o Te Upoko o Te Ika Potiki Trust;
Director, Atiawa Nui Tonu Fisheries Limited;
Director, Wakme Holdings Limited;
Trustee, Te Tatau o Te Po Marae;
Partner, Raukura Consultants;
Chair, Hikoikoi Sports & Culture Club;
Kaitiaki, Te Hononga, Te Rerenga Kotare and Poutu waka tete and waka taua at the Wharewaka;
Chair, Wharewaka o Poneke Charitable Trust;
Trustee, Ngahuru Charitable Trust;
Director, Capital Hill Limited;
Director, Village at the Park Limited, Tenth Village Limited, Parkville Limited,
Tenth Hospital Limited, Village at the park Care Limited;
Director, Little Wonders (Childcare) at the Park Limited;
Director, Nicholson Fisheries Limited;
Director, Nga Tekau Holdings Limited;
Director, Hikoikoi Management Limited;
Director, Pipitea JV Limited;
Director, Wellington Tenth Trust Corporate Trustee Limited;
Director, Haukawakawa General Partner Limited*

Hokipera Ruakere

*Board member, Tawhirikura hapu;
Family Planning Association*

Te Rira Puketapu

*Wellington Aratahi Inter-Iwi Committee;
Te Upoko Taiao;
Weltec Sub-Committee Business;
Te Aroha Sports Association;
Waiwhetu Kohanga Reo;
Te Atiawa ki Te Upoko o Te Ika a Maui Potiki Trust*

Mark Te One

*Wellington Tenths Trust;
Palmerston North Maori Reserve;
Wharewaka o Poneke Charitable Trust;
National Archives Te Pae Whakawairua Committee;
Greater Wellington Aratahi Inter-Iwi Committee;
Harbour Islands Kaitiaki Board;
Wharewaka o Poneke Enterprises Limited;
Te Puni Kokiri (employee);
Pipitea Marae Charitable Trust*

Howie Tamati

*CEO Taranaki Sports Trust;
Trustee, Ngati Mutunga;
Director, Mataara Limited;
Councillor, New Plymouth District Council;
President, NZ Rugby League;
Trustee, Te Ana Trust;
Trustee, Te Pou Te Ringa Trust*

Kura Moeahu

*Employee, Parliamentary Services;
Te Runanganui o Taranaki Whanui ki Te Upoko o Te Ika;
Waiwhetu Marae Trust;
Atiawa Toa FM;
Arohanui ki Te Tangata Kohanga Reo;
Nga Uri o Tamarau Kapa Haka;
Petone Workingmen's Club;
Open Polytechnic;
Wellington Maori Cultural Society;
Harbour Islands Kaitiaki Board;
Shelly Bay Limited;
Pipitea Marae Charitable Trust*

Sam Kahui

*Employee, Kiwirail;
Member and delegate, Rail & Maritime Transport Union (RMTU);
RMTU rep on NZ Council of Trade Unions;
Committee Member, Hikoikoi Waka Ama Club;
Member, Petone Workingmen's Club;
Trustee and Member, NZ Railway Staff Welfare Trust;
Member, Greater Wellington Flood Management Committee;
Maori Liaison Officer for New Zealand Rail Industry Maori Network;
Member, Te Aro Pa Trust;
Committee Member, Lower Hutt RSA;
Member, Hikoikoi Waka Ama Club*

Elected Board of Trustees

Chairman.....	Neville Baker (elected October 2013)
Deputy-Chairman.....	Toarangatira Pomare (elected September 2015)
Trustee.....	Howie Tamati
Trustee.....	Te Rira (Teri) Puketapu
Trustee.....	Kura Moeahu
Trustee.....	Hokipera Ruakere
Trustee.....	Mark Te One
Trustee.....	Sam Kahui
Trustee.....	Morrie Love
Trustee.....	Peter Jackson
Trustee.....	Holden Hohaia

Management Team

Chief Executive Officer.....	Jason Fox
Business Services Manager.....	Ben Jamison
Kaiwhakahaere Taiao.....	Lee Rauhina-August
Reception/Database Administrator.....	Ngahuia Wright
Kaituitui.....	Ripeka Hoerara
Kaiawhina Taiao.....	Aaria Dobson-Waitere
Accounts Assistant.....	Lily Ng

Professional Advisors

Accounting.....	Simple Accounting Services
.....	262 Thorndon Quay
.....	Wellington
Legal.....	DLA Piper
.....	50-64 Customhouse Quay
.....	Wellington

Taranaki Whānui Office

Ground Floor.....	Phone: +64 472 3872
Tramways Building.....	Fax: +64 472 3874
1-3 Thorndon Quay.....	Freephone: 0800 767 8642
Wellington 6011.....	Email: reception@portnicholson.org.nz

PO Box 12164
Thorndon
Wellington 6144

Freepost 166974

PAPATOHU
DIRECTORY

