



ROTOITI 15
Ngā Rawa E Tupu

PŪRONGO-Ā-TAU

annual report 2021





TIROTIRO

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NGĀ HUA O TE TAU

highlights



16,077

Rotoiti 15 Share holders



\$392,895

R15 grants paid for the year



\$76.3m

Total Asset Base



18

Kaimahi

KAUPAPATAKA

agenda

2021 HUI-Ā-TAU ANNUAL GENERAL MEETING

Rotoiti 15 Trust Offices (streamed online only)
Level 1, 1172 Haupapa Street Rotorua
Sunday 28 November 2021 at 10.00am

1. Ngā Minitī - Minutes
2. Pūrongo o Te Kūrae - Chairman's Trust Report
3. Pūrongo o Te Kūrae Pakihi - Chairman's Limited Partnership Report
4. Pūrongo o Te Tauwharenga - General Manager's Report
5. Pūrongo a Pūtea - Financial Report
6. Pūtea Tautoko - Distributions Report
7. Kaupapa Whānui - General Business



Photo credit: Tāne Lowless



NGĀ MĪNITI

2020 annual general meeting minutes



Minutes of the Annual General Meeting of owners held at Tapuaekura Marae, Curtis Road Tikitere, Rotorua on Sunday 22 November 2020 at 10.00am.



Present

See attached Attendance Register (189).

Apologies

See attached Apologies Register (75).

Karakia

Piki Thomas

Introduction

Arapeta introduced the 2020 Annual General Meeting and also noted that this year the AGM is being livestreamed and recorded.

Apologies

Arapeta Tahana/ Ellen Hakaraia-Tamati
Carried

Minutes

Arapeta introduced the minutes of the 2019 Annual General Meeting held at Nga Pumanawa e Waru Marae, Ruato Bay on Sunday 24 November 2019 at 10.00am. He asked if there were any amendments or matters arising.

Resolved: "That the minutes of the 2019 Annual General Meeting held at Nga Pumanawa e Waru Marae, Ruato Bay on 24 November 2019 and are a true and accurate record of the meeting held"
Carolyn Jones/Bunny Ormsby **Carried**

Election

Arapeta acknowledged all five candidates and asked Kerri anne Hancock as the returning officer to co-ordinate the election process.

Kerri Anne discussed the voting process and the key points of making your vote valid when submitting your vote. Kerri Anne asked for three volunteer scrutineers from the floor. Sonia Cooper, Shirley Kiripatea and Sunny Wikiriwhi put their names forward as volunteer scrutineers for the voting process.

Resolved: "To appoint Sonia Cooper, Shirley Kiripatea and Sunny Wikiriwhi as election scrutineers."
Merehira Savage/Arapeta Tahana **Carried**

Kerri Anne invited all five candidates to the front of the mahau to provide a brief presentation. In the following order each candidate presented a summary of themselves and why they are wanting to be a trustee for Rotoiti 15 Trust to those present.

1. Georgina Whata
2. Hutana Maxwell
3. Tane Lawless
4. Aroha Campbell
5. Shaquille Baker

Kerri Anne acknowledged all the candidates for their presentations and advised owners to complete their voting forms correctly and place them in the voting box. Once voting closes at 1.30pm, the box will be removed for the appointed election scrutineers to count. Election results will be published in the local newspaper and posted on the Rotoiti 15 Trust Facebook page.

Arapeta apologized and explained the purpose of this year's election for a one year term is due to the resignation of Tina Ngatai who was the longest standing trustee from the current trustees. Arapeta acknowledged Tina for all her mahi and contribution she had provided to the trust but also the many other trusts, hapu and iwi she contributes too as well.

Trust Chairman's Report

Arapeta Tahana tabled his report by a video presentation and also discussed in person highlights the trust have progressed from the last year.

Resolved: "That the Trust chairman's report be received"
Ellen Hakaraia-Tamati/Bella Peeti **Carried**

Limited Partnership Chairman's Report

Mike Pohio was not present and his report was tabled by a video presentation of the progress of operating for one year for the Limited Partnership during the year.

Georgina asked what constitute a major transaction and when that is met, what does it mean. Geoff Rice explained that at this stage any substantial transaction would go back to the governors and acknowledged that a process does need to be put in place and is yet to be established.

Arapeta noted that he would follow up and find out what the specific value for major transactions. Arapeta also explained that the trustees were conscious when setting up the commercial board to ensure the correct controls were in place and that the mana still sat with the trust and having the right balance for the directors to progress with their mahi.

Arapeta also outlined that the asset transferred from the trust to the commercial board was processed as a loan instead of equity, as one way for the trust to have control to retrieve that money back due to the loan format. Also noting more importantly the strong relationship and open communication between the trust board and the commercial board. The commercial board have not yet processed any significant investments as these are still progressing at the due diligences stage.

Georgina acknowledged Arapeta response and asked that in time to come the trust



would sort out the processes for funding and assets of the Rotoiti 15 Trust would be adequately protected. Arapeta responded yes.

Georgina asked about the Investment portfolio and explained during Covid another Incorporation that she is involved with their Investment portfolio increased by 14.8 percent and expressed her concerns with a loss, asking that at some point the commercial board will ensure that the Investment portfolio is invested adequately. Arapeta acknowledged Georgina's korero and explained the loss is around a timing issue, with Covid occurring and the trust balance date is 30 June, with equity and share market investments bouncing back since then.

John Lawless asked what are the commercial ventures and is there any further developments with the White Bait venture being a commercial venture. Arapeta explained that the transfer of assets have only recently been processed to set up the commercial board and at this stage there are no new Investments. Arapeta also explained that the White Bait venture is now finished with a loss of \$3 million with this venture. He also spoke to the potential steps to pursue and retrieve any money from the NZ Premium Whitebait venture also outlined in his chairman's report on page 18. Arapeta gave a brief summary as a passive player of an existing commercial venture Te Puia Tapapa.

John asked what is the silver lining in our loss. Arapeta explained when the loss occurred, the trust did not lose equity and within that year the trust increased its value by 9%. Arapeta also explained in depth the importance of having a diversified portfolio. He also noted merit of forming the Audit and Risk committee, having a formal process to focus on risks for the trust whether it be financial or other matters. Arapeta explained in depth the learnings the trust have gained from this matter.

Georgina expressed her view in regards to the \$3 million loss as a owner, feeling undermined with the comment it was only \$3 million in the big picture, she explained the steps of accountability taken when her

papa was on the board and she expressed that stayed closed to her heart hearing that korero.

Georgina spoke to the structure of the company and the board of trustees, as two legal separate entities have two separate identities in law and noted their obligations as directors and trustees are different. Georgina also noted hearing the comment that trustees would do best to ensure they have some control over the company, she challenged that would be very hard to do and challenged the trustees to really think about their structures really carefully so that another \$3 million is not lost in the process.

Arapeta acknowledged Georgina's korero and gave context of the challenges through this process and noted the difference between this lost and the previous loss the insurance card was the due diligence process and the court found that we could not be held accountable due to following the satisfactory process with the due diligence process.

Toni Wihapi acknowledged the haukainga and was happy with the record of the minutes from the last AGM and was comfortable that the minutes reflect the whakaaro of owners and spoke to the NZ Premium White Bait issue. Toni acknowledged we need to move on however he expressed his concern in depth with the continued unresolved elements of accountability and responsibility, with only one trustee resigning that showed an act of integrity and great honor. He confirmed his role as the applicant in the proceedings with the Maori Land Court against the trust and expressed his disappointment with the dismissal of his application and chose not to appeal due to cost. Toni noted his thinking around moving forward today, however was thrilled to hear the whakaaro from different owners who are saying no there are still issues.

Toni raised that Roger Pikia appeared in District court on 16 December on charges of fraud brought by the Serious Fraud Office. He also noted that we were told Roger Pikia was under control in the back room, however he was in the lounge controlling the things that lead to our loss. Toni raised last year he asked the trust

to consider looking at steps to recovery and to his disappointment reading the report which confirmed no steps have been progressed to seek recovery. Toni outlined one of the charges Mr Pikia is facing is in relation to a \$3.5 million dollar investment, which equates close to what we lost. Toni acknowledged that the trust is looking after itself and is progressing positively. Toni asked what steps will be taken to support the Serious Fraud Office in relation to Pikia. Toni then addressed the owners and asked them what steps they want progressed to resolve this issue. He also acknowledged Arapeta for the way he has handled this issue at hui, and is very good as he has appreciation of where Toni is coming from.

Toni spoke of being proud listening to whakaaro from other beneficiaries, making comment that the money is ours, the land is ours, the assets are ours not yours.

Arapeta acknowledged Toni's korero and his consistency with those issues. Arapeta noted in terms of where the fault was or recovering money and explained at this stage the advice received is not to progress with prosecuting the directors, with that said the trust is very conscious of Roger Pikia being charged and are monitoring that progress.





Arapeta also explained in depth the support the trust have provided the Serious Fraud Office and will continue to provide that support. Arapeta noted if there is a opportunity to recover some money from Roger Pikia potentially in the future, that avenue will explored when that comes up. Arapeta wanted to make a correction on a comment as to whether he was in the back room or the lounge. Arapeta clarified and outlined in depth the process the trust took before committing to the investment and part of that process was for Roger Pikia to be removed as a director which happened. Arapeta went on to explain in depth how Roger Pikia reappeared in the lounge further on down the track, through Ngati Tahu and Ngati Whaoa.

Arapeta also pointed out on behalf of the trustees in regards to one trustee having integrity in resigning and agreed that is one way of having integrity and expressed another way of integrity that's the reason him and the current trustees have remained to resolve these matters to the best of their ability.

Geoff Rice raised to the instigation of the LP company in response to Georgina and explained that as company directors they understand the difference of responsibility between company directors and fiduciary responsibility of a trustee. Geoff explained in depth that the directors know who they are answerable to and a reminder that we all have a stake hold in this. He also expressed and explained the impact of Covid 19.

Dorien Takeshi Vercoe asked what protections are in place with setting up the commercial company. Arapeta explained in depth the steps of control the trust had put place with the commercial company.

Dorien asked what is the value of the indemnity insurance that you have asked for the directors to hold. Arapeta responded to the value of \$5 million in total. Dorien asked if it was safe to say the commercial entity can only make up to \$5 million worth of investments. Arapeta explained that in terms of a single transaction that value would be less however in terms of the entire portfolio

managed by the commercial board would be well above \$5 million.

Dorien asked if we would not want to ask for more than \$5 million each in the event of a loss. Glenn Hawkins gave a mihi to the haukainga and explained the process of how the insurance amount is put in place by the insurance company.

Dorien asked how are conflict of interests handled. Arapeta gave a summary mechanism in place managing conflict of interests.

Dorien asked if the trust was approached by the kiwifruit farm due to cash flow issues that Arapeta and Katie are directors and Arapeta, would they be removed from the decision making process. Arapeta made a point of clarity that the kiwifruit venture is not apart of this trust. But noted if the trust was approached in that instance they would be removed from the decision making as directors of that company.

Dorien asked who owns the Limited Partnership company. Arapeta explained that the trust owns the company 100 percent. Dorien asked for future large investments to be brought back to owners to vote on. Arapeta explained that it depends on the nature of the investment and using the White Bait as an example and outlined the strategy and steps taken in that process. Also outlining the merit of controls now in place with having the Commercial board

Dorien asked how much assets and equity has the trust transferred over to the company. Arapeta responded with a figure of 13 million with a combination of cash and equities.

Dorien asked if the trustees have individual liability insurances. Arapeta explained that all trustees have indemnity insurances and identified what indemnity insurances covers.

Grant Ngahina Savage acknowledged the haukainga and spoke on behalf of Otomo Whanau. Grant gave an overview summary of his findings from report thus far and was very impressed with the direction of the trust.

Reg Naera acknowledged the haukainga and asked Arapeta if you knew the risk and you now know there was a risk, what was it that changed your decision to go into the White Bait.

Arapeta explained In depth the strategy and conditions that allowed the trust to invest 10 per cent of the trusts total assets into high risk investments.

Reg agreed and he accepted there is risk but pointed out notification of this matter the following that it went wrong was not acceptable and the questioned was asked about your liability and are you prepared to cover those risks rather than another \$3 million loss. Arapeta explained in depth the number of controls now in place to try and reduce risk and having the audit and risk committee constantly monitoring risk for the trust.

Dorien asked with the assets on loan to the limited partnership what happens if the company is unable to pay it back. Arapeta explained in depth the processes and controls that are in place and with these in place it is highly unlikely for the Commercial to loose all that putea. Dorien asked what happens when they default. Arapeta explained with the number of controls in place we won't let it get that far. Arapeta explained there is a flip side of risk and there are some trusts that don't take risk but the flip side of that is no growth.



Dorien said that was a fair point and asked what protections are in place if those are defaulted on, as a business owner he expressed he has those in place for his business. Geoff explained there is no different from shifting the money from the trust to the company as it still sits with the trust.

Dorien acknowledged Geoff's response but continued to ask what the processes are. Arapeta made a comment of responding to his question earlier and Dorien wanted to know more on a more detailed level around the processes, he invited Dorien to korero with him later. Wairaka TeUa asked for more information about the investment \$3 million into Hapai in iwi. Geoff explained that fundamentally Hapai is part of a property investment organization, he also noted that our investment is a small portion, with the possibility of cashing possibly looking at cashing out some of our NZU credits to accommodate this, however at this stage no final decision has been made but are looking at it closely.

Resolved: "That the Limited Partnership chairman's report be received"
Betty Vercoe/ Te Tuhiwhakaurā Grap **Carried**

Financial Report

Glenn Hawkins presented the consolidated financial report for the year ended 30 June 2020 explaining the audit process that was conducted by Fred Cookson. Glenn gave a depth overview summary of the financial report and how the Trust has been progressing throughout the year with revenue, expenses and profit and loss. Glenn also explained the impact Covid 19 had on the Investment portfolio in particular the share market portfolio had a decline which we have now seen bounce back with the value of the share portfolio increase across the year.

Georgina acknowledged Glenn's korero of clarity of the investment portfolio.

Resolved: "That the Limited Partnership chairman's report be received"
Rereamanu Wihapi/John Treanor **Carried**

General Manager Report

Kerri Anne gave a brief overview summary of her Te Tauwharenga report.

Renee Kiriona acknowledged the haukainga and loved Kerri Anne's Taiao korero and asked in future for the trust to provide a Taiao report to keep owners updated of the status of our Taiao around biodiversity. Kerri Anne acknowledged Renee's korero and assured her the trust would work on that request.

Toni Wihapi acknowledged the trust for supporting the Otukawa Partnership investment. Toni raised from the last AGM consideration of reducing the kaumatua grant age to 60 and wanted to move that motion. Arapeta asked if this kaupapa could be picked up on the next agenda item being the Distribution review policy. Toni agreed to that request. Toni ask the trust to consider a seat for Tuhourangi and a seat for Ngati Tarawhai on the board.

Resolved: "That the General Managers Report be received"
Carolyn Jones/Georgina Whata **Carried**

Re Appointment of Auditor

Resolved: "That Cookson Forbes be re appointment as the trust auditor"
Ellen Hakaraia-Tamati/ Te Tuhiwhakaurā Grap **Carried**

Distribution Policy Review

Kerri Anne gave a brief summary of distributions distributed during the 2019/2020 FY. Kerri Anne outlined the allocation of each koeke grant age group and what they would receive this year from the second week of December.

70-79 | \$218.20 **80-89** | \$226.54
90+ | \$911.93

Kerri Anne gave an in depth summary of the review for the distributions policy and the process of gathering this information to support these recommendations for consideration. Kerri Anne asked the owners to consider the following recommendations to the Distribution Policy.



- All current grants remain the same (with minor tweaks).
- Addition of a Kaumatua/Paepae support grant of \$20k per annum from the Charitable Trust.
- Addition of an education grant pool of \$20k per annum that is a contestable grant for all of our 3 Kura, and Kōhanga Reo/Puna Reo who are affiliated to the three affiliated iwi (20k per annum from the Charitable Trust).
- Addition of a \$60k non contestable fund which can be used in special projects that have been identified by the Trust as aligning to the Trusts strategic vision, job creation and delivering on aspirations of our people as identified in the engagement process. This would be applied in house by the Trust.
- Addition of Paruaharanui Marae to the list of affiliated Marae.

Ellen acknowledged the trust for their support of providing a van to be able to transport koeke who reside in town to attend Ngati Pikiao council of elders hui located at marae around Lake Rotoiti. Carolyn Jones from Ngati Paruaharanui thanked the trust on behalf of Paruaharanui marae for considering their tono to becoming an affiliated marae of Rotoiti 15 Trust and thanked Kerri Anne for her support provided. Carolyn also noted that Paruaharanui Marae also secured \$500k through the marae PGF funding.



Toni Wihapi acknowledged the mahi that had progressed with the distribution policy review and gave his support for the Distribution Policy Review recommendations.

Angela Tunui acknowledged the committee for the mahi that has progressed throughout the year and acknowledging the trust for their learnings from the NZ White Bait matter. Angela also thanked the trust on behalf of Te Puna Reo o Waione for their support with purchasing a second hand van providing transport to our tamariki. Angela also endorsed the distribution policy recommendations.

Ellen acknowledged Rotoiti 15 Trust along side other Ngati Pikiao land trust and incorporations for their support towards Te Tokotoru o Manawakotokoto to provide support to our koeke from aged 60 during the Covid 19 lock down.

Sonia Cooper Kennedy acknowledged the trust for providing support during Covid 19.

Resolved: *"That the Distribution Policy Review recommendations be accepted"*
Toni Wihapi/Angela Tunui **Carried**

Environmental Policy

Arapeta acknowledged comments from Renee Kirirona korero and gave in brief summary of the land areas within Rotoiti 15.

Kerri Anne gave an in depth summary of the proposed environmental policy with a high level framework and how that will guide us to our decision making with this policy. Kerri Anne presented the information gathered from a wananga held during the year. Ellen asked Mariana Te Rangi to speak about the mahi the mahi with Harakeke at Okataina.

Mariana gave an overview summary in regards to a new approach with Te Roopu Raranga ki Rotorua and TALT to trial a new method to put our own native resource back into our lake to help suppress these lake weeds that are smothering our moana. She noted that uncle Jim Schuster is yet to name these

wheat mats and the trial has been identified as Lake Okataina due to the highest status amongst our Te Arawa Lakes. Mariana commented that Lake Okataina is the highest status we have at this moment therefore it is a great asset for us and that is the reason for the wheat mats it being landmarked there.

Eva Moke asked what Rotoiti 15 is doing about the plan for eradicating or controlling of pests.

Kerri Anne acknowledged Eva's korero and explained that Rotoiti 15 is in direct with MPI officials on addressing this issue and we will keep everyone updated.

Peter Bennet introduced himself and agreed with the korero around taonga and expressed the importance of the Totara tree on Makatiti to be acknowledged as taonga as well.

Kerri Anne acknowledged Peter's korero and will ensure that will be included as well.

Resolved: *"That the proposed Environmental policy be accepted"*
Carolyn Jones/Georgina Whata **Carried**

General Business

Harina Ruapapera introduced herself and commend Kerri Anne for all the mahi she does and expressed her concerns with the voting process and asked if the voting process could be reviewed. Harina also raised having more hikoi on our whenua to be able to contribute.

Arapeta acknowledged korero from Harina and noted that next year with the review of the trust deed amendments, the trust will bring back to the next hui a few options to consider around the voting process.

Te Ohu Wikingi acknowledged the owners and trustees and gave a summary of the progress of korerorero between himself and Peter Bennett on behalf of Haumangi 1A2 with Arapeta and Piki during the year.

Peter Bennett presented a tono to Rotoiti 15 on behalf of Haumangi 1A2 Committee of Management for consideration.

First motion put forward is the return of Waione 1B and parts land thereof gazette in the year 1967 owned by Haumangi 1A2 and is administered by Rotoiti 15 Trust be returned to Haumangi 1A2.

Second motion put forward that Rotoiti 15 trustees together with Haumangi 1A2 Incorporations committee of management will negotiate for far and just compensation for Haumangi 1A2 shareholding in Rotoiti 15 Trust.

Peter outlined that it is expected that the outcomes for these negotiations be presented at the 2021 Haumangi 1A2 Incorporation AGM.

Arapeta acknowledged both Te Ohu and Peter and provided a brief summary of the korero between Haumangi 1A2 and Rotoiti 15 Trust which originally was focused on the shares. Also noting that Haumangi 1A2 have been researching history on blocks and will continue our korero with our whanaunga Haumangi 1A2 to resolve these matters.

Grant asked about the succession plan for our Taiohi who are keen to be apart the tepu and also be apart of the succession to Rotoiti 15.

Arapeta acknowledged Grant's korero and did note that the trust have discussed and considered about having a associate trustee program for our younger generation coming through.

Arapeta reminded owners that voting will close at 1.30 pm and noted the announcement of those results won't occur till Monday, unless our election scrutineers complete the counting process we can announce the results at our hakari.

Karakia Whakamutunga

Piki Thomas. Hui concluded at 1.20pm.



Attendance Register

Celia Witchman, Jim Malcolm, Eunice Ratima, Margaret Herbert, Ripeka Tahau, Catherine Faulkner, Queenie Wawatai, Denny Pehi, Ema Hawira, Ellen Hakaraia-Tamati, Kitty Taiatini, Kawekura Samuels, Tepora Ashmore, Susan Epiha, Te Tuhiwhakaurā Grapl, Rawiri Kingi, Taiko Hemopo, K Kingi, George Raerino, Yvonne Reha, Elva Corbin, Rehuata and Pirihihi Taiatini Whanau Trust, June MacKinnon, Huimai Makela, Veronica Heke, Mary Stanton, Lorraine Williams, Tony Wihapi, Mereraina Clarke, Dennis Whata, Rangi Briggs Family Trust, Airini Hepi, Carolyn Jones, Sally Williams, Matire Duncan, Maria Paul, George Tokitahi Naera Whanau Trust, Shirley Kiripatea, John Kiripatea, Robyn Skerrett, Anna Vercoe, Kirsty Bennett, Puti Hammond, Aneta Muir, Norah Smith, Ara Kautai, Honor Te Koi, Parewaikato Kameta, Dinny Mohi, Wendy Mohi, Nga Roimata Whanau Trust, Donald Grant, Rotu Mihaka, Huiarau Stewart, Ashley Rickard, Roberta Rickard, Blanche Kiriona, Mark Higson, Alys Gower, Tere Malcolm, Margaret McEnteer, Bella Peeti-Cribb, Tahi Brown, Titihuia Piutz, Bunny Ormsby, Tangitaitaia Green, Mahikore McGregor, Wairaka TeUa, Reg Naera, Louise Rickard, Sunny Wikiriwhi, P Wickliffe, Luke Pini, Jean Rameka, Christina Miller, Tiana Hodge, Nancy Cormick, Tuwharetoa Rameka, Whaiora Brown, Petera Clark, Gerald Poumako, Robert Trotman, Dennis Waiti, Meirina Rikiti, Kahu Wickliffe, Julie Day, Colleen McMurphy-Pilkington, Raina Meha, Barbara Hill, Lynette Hona, Renee Kiriona, Ngamaru Raerino, John Hodge, Nora Clements, John Kameta, Ani Turner, Alamein Ned, Mereana Russell, Victoria Tahana, Rereamanu Wihapi, Wattie Newton, Gaye Greaves, Lee Mohi, Carrie Savage, Ratu Keepa Taepa, Barnett Vercoe, Sonia Cooper, Makareta

Goldsmith, Alan Ritchie, Haerehuka Kameta, Angeline Rogers, Michelle Tuhoro, Angela Tunui, Grant Savage, Piria Davis, Colleen Skerrett, Ria Earp, Wiki MacDonald, Paula Marks, Peri Marks, Verbena Anderson, Kahira Olley, Joseph Epapara, Rihi Vercoe, Erika Kitson, Mariana Te Rangi, Caroline Taute, Dorian Takeshi Vercoe, Meihana Herbert, Keith Waaka, Rose McBirney, Abe Withers, John Treanor, John Kameta, Aporo Rota, Keita Rikiti, Matu Pohatu, Maryanne, Robert, David Pouwhare Pierson, Donna Inia, Johnno Kiel, Mathew Kameta, Rex & Uru Flintoff Whanau Trust, Alex Bidois, Elizabeth Rangitoheriri, Violet Waiariki, Ngahaka Kihī, Eva Moke, Te Ohu Wikingi, Peter Bennett, Steven Henry, Helen Brookling, Veronica Butterworth, Peter Wikiriwhi, Ngawhare raua ko Merepauha Raukura Maika Te Rangipuwhe Whanau Trust, Carol Tahana, A.R Treanor, John Lawless, Ana Vercoe, Betty Vercoe, Anaru Te Amo, Josie Reha, Raymond Maxwell, Joseph Reid, Keith Walker, James Malcolm, Teresa Mihaere, Harina Rupapera, Aroha Campbell, Tane Lawless, Shaquille Baker, Georgina Whata, Hutana Maxwell, Arapeta Tahana, Merehira Saveage, Katie Paul, Joseph Tahana, Piki Thomas, Geoff Rice, Glenn Hawkins, Kerri Anne Hancock, Karen Tiori, Te Raurangi Gardiner, Pirihihi Whata, Jade Rika, Laurissa Kerei, Junette Putaranui.

Apologies

Henare Mohi, Kahurangi Ngamotu, Denise Takuta, Diana Simpson, Elizabeth Withers, Janet Taiatini, Abel Taiatini, Te Hau Taiatini, Anita Moses, Rana Adams, Urutomo Clark, Te Maari Whare, Shirely-Marie Whata-Coffin, Hemana Eruera, Lecia Boyd, Mike Pohio, Brad Tatere, Hinetara Lee Engelen, Rehana Hohepa, Rita Toko, Lennard Sergeant, Ngawai Wattie, Lawrence Ehau, James Bray, Josephine Mokaimarutuna Whanau Trust, Ereatara-Te Maiharoa Walker Whanau Trust, Annie Selby, Margaret Taorei, George Bunyan, Ranui Tamati-Parata, Kay Caldwell, Hana Mason, Rudx Paul, Alan Paul, Jenny Tipene, Frances Louis, Patricia Sutton, Richard Briggs, Fred Briggs, Dave Rota, Raewyn Paul, Ariana Paul, Jordan Paul, Denali Paul, Brooke Edmonds, Kelly Rangitoheriri, Dennis Rangitoheriri, David Rangitoheriri, Chas Rangitoheriri, Johnathan Ratima, Vicky TeUa, Moenohotu TeUa, Calvin Clements, Tui Julian, Wirihana Te Rangihaeata Te Rangi (SNR) Whanau Trust, Leah and Amokeiha Smith Whanau Trust, Te Tira Davis Whanau Trust, Susan Huhana, Knisha Ruland, Jeanette Healand, Wanda Ashby, Te Rauotehuia Eruera Riritahi Cameron and Hona Riritahi Whanau Trust, Barco Rameka, Stewart Rameka, Turanga Tupe, Te Kira Vercoe, Anthony Savage, Helen Savage, Charlene Peita, Kohi Whanau Trust, Maramena Vercoe, Tamahika Epapara, Josie Reha, John Te Kauru, Mereraina Quinn, Te Paea Ronaki, Ngata Ereatara, Cissie Mason, June Pitman, Hobson Kingi, Hika & Wini Reid, Nepia Te Rangi, Emily Skerrett.



NGĀ MĀTĀRAE

trustees



Arapeta Tahana jnr
TE KŪRAE | CHAIRPERSON

Mātārae
Since 2010

Iwi Affiliations
Ngāti Pikiao, Ngāti Makino, Tapuika

Arapeta was raised at Tawhakarere Bay, Rotoiti amongst his Ngāti Pikiao whanau. This upbringing gave him a strong sense of connection and understanding of Ngāti Pikiao whenua. His role as Trustee follows in the footsteps of his koroua Te Atirangi Tahana who was an original trustee in 1971 and his late father, Arapeta Tahana Snr, who served as a trustee from 2000 to 2009.

Arapeta became a Trustee in 2010 as a way of contributing to the protection and development of ancestral lands and to continue the mahi of his father. He is passionate about Māori development from an ahi kaa perspective, with much of his career focusing on futures planning, economic development and leadership for Māori iwi and organisations.

He brings a wealth of experience as a former a Councillor of the Bay of Plenty Regional Council (Okurei ward) business owner, consultant, community development advisor and though governance roles across a range of sectors.



Piki Thomas

Mātārae
Since 2014

Iwi Affiliations
Ngāti Pikiao, Ngāti Whakaue

Piki was raised in Mourea and attended Whangamarino Primary School, Mokoia Intermediate & Hato Petera College. After leaving school, Piki joined NZ Customs in Auckland for 4 years and then became a career firefighter based initially in Auckland then in the Bay of Plenty. He has served 30+ years in the New Zealand Fire Service/ Fire and Emergency NZ serving as an operational firefighter, fire safety officer / investigator, 111 call centre and currently leads kaupapa Māori for the organization as part of the office of the chief executive.

Married to Hinemaua (Ngāti Ranginui / Ngāti Hako) together they have 4 tamariki who all play an active role in their iwi. Besides whānau, Piki's time is shared with marae / hapū & iwi commitments. Piki is an active member in the iwi and chairs the Pikiao Iwi Trust, a member of Te Pumautanga o Te Arawa, Te Arawa Group Holdings, marae and various lands organisations.



Joseph Tahana

Mātārae
Since 2016

Iwi Affiliations
Ngāti Pikiao, Ngāti Makino, Tapuika

Joe was raised in Rotoiti and attended Rotoiti Primary School and Rotorua Lakes High School. After leaving school, Joe joined the NZ Army serving in various roles both in NZ and overseas before retiring in 2004 after 20 years service.

Returning home, Joe developed experience in environmental resource related policy development and planning at both local and regional level, other experiences include working with whanau and hapu governance to build capability that address development issues.

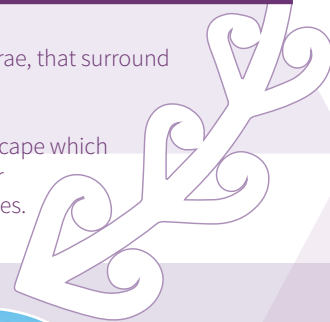
Married to Bybi Clarke (Ngāti Maniapoto/ Ngāi Tahu) with 3 children, Joe is an active member of Te Waiiti Marae and the Ngāti Pikiao Environmental Society.

Mātārae (noun) - headland, promontory

(e.g. *Te Mātārae i o Rehu*) and
a metaphor for an important person.

The role of the trustee is likened to one of the headlands, or mātārae, that surround Lake Rotoiti.

From that headland a trustee is able to see far and wide the landscape which he/she holds guardianship over and therefore is able to set a clear vision and/or direction for the trust and its owners and beneficiaries.



Merehira Savage

Mātārae
Since 2017

Iwi Affiliations

**Ngāti Rongomai, Ngāti Pikiao,
Ngāti Tarawhai, Ngāti Whakaue,
Ngāti Tūwharetoa**

Merehira was raised at Ruato Bay and attended Rotoiti Primary School and completed the rest of her schooling in Kawerau. She is 'uri' to the Te Rangī whānau and is a respected, hardworking and committed whānau member working unconditionally behind the scenes of her whānau, her hapū, our iwi and our marae. She is married to Ngahana Savage (Ngāti Rangitahi, Ngāti Tūwharetoa, Ngāti Whakaue) and they have 3 tamariki and 3 beautiful mokopuna. She obtained an MBA, through the partnership between Waikato University and Tainui College.

Merehira was elected in November 2017 and she is currently an Independent Contractor providing governance advisory and management services to different Māori entities. She is currently the Chair of Ngāti Rongomai Iwi Trust, Chair of Waione Forest GP Ltd, Chair of Waione 2B 3E Trust, and holds trustee roles on Te Pūmāutanga o Te Arawa (Settlement) Trust, Tūwharetoa ki Kawerau Hauora Trust and Te Taumata o Ngāti Whakaue Iho Ake Trust.

Merehira is about a collective vision to provide employment to our whānau; to increase our revenue by making smart decisions; to protect and maintain our wāhi tapu; to learn and retain our cultural heritage; and have a succession plan in place to nurture our future.



Katie Priscilla Paul

Mātārae
Since 2019

Iwi Affiliations

**Ngāti Pikiao, Ngāti Whakaue,
Ngāti Awa, Ngāti Manawa, Tuhoe**

Katie is of Te Arawa and Mataatua descent. Her mother is a Tapsell of Ngāti Whakaue and her father is a Paul of Ngāti Awa, Ngāti Manawa and Tuhoe. Growing up in Mourea, Katie inherited the responsibilities that come with tribal membership and leadership.

In 1998, Katie graduated with a Bachelor of Laws at Victoria University of Wellington, specialising in international trade and environmental law. She entered the NZ Foreign Service the same year and by the year 2000, she was a New Zealand diplomat in South Korea. In 2005 she returned to raise her two young sons in Rotorua before she resumed her diplomatic life in 2011 as a senior political and security advisor for the United States relationship.

In 2010 Katie was appointed a Director on the CNI Iwi Ltd (a role she held for 8 years), she also became the Chair of the Ngāti Whakaue Assets Trust and a Trustee on multi million dollar forest and farming Trusts. In 2016, Katie decided to refresh her legal skills and is now a Barrister and Solicitor of the High Court. She has completed the course requirements for membership to the New Zealand Institute of Directors.

As a former diplomat, government advisor, lecturer, working mother, trustee and director and now, a Barrister and Solicitor of the High Court, Katie is excited to bring her legal skills home in the service of the owners and beneficiaries of Rotoiti 15.



Georgina Whata

Mātārae
Since 2020

Iwi Affiliations

Ngāti Pikiao

Georgina grew up at Mourea with her nanny Te Raraku Smith until her early teens when she moved back to live with her parents. Her nanny and mother were both advocates for higher education which led to her studying law at Victoria University.

Georgina's Pāpā was always actively involved in land trusts and incorporations as a committee member or the Chair of which Rotoiti 15 was one. Following in her Pāpā's legacy, Georgina has held a number of governance roles on Trusts and Incorporations since her 20's, and her legal background combined with her passion to give back to our whānau means that she brings a strong focus of accountability to her position as Mātārae.

Georgina has a vast range of work experience in both the private and public sector, primarily in advisory roles to senior managers including CEO's and Ministers of the Crown. She has owned and operated her own business while her four children were young before heading back to work in the corporate environment once her baby started school. She currently works for a Māori trust in a senior management position and brings to Rotoiti 15 a wealth of pukenga in management, strategy development, communications and legal frameworks.

NGĀ MĀTĀRAE PAKIHI

directors limited partnership



**Brad
Tatere**

**Te Tauwharenga Pakihi
Investment General Manager
Manager Since 2019**

Iwi Affiliations

**Ngāti Pikiao, Ngāti Kahungunu,
Rangitāne, Te Arawa, Ngāti Whakaue**

Brad was born and raised in Hawkes Bay. He is of Ngāti Pikiao descent through his tipuna wahine, Te Muri Ahipene, daughter of Ahipene Hoete and Raiha Williams, and Maka Fowley, daughter of Te Kahuitara Denis and Ethel Etere Foley. Brad also has whakapapa connection to Ngāti Whakaue, Ngāti Kahungunu and Rangitane iwi. He is married to Kirsty and has four tamariki.

Brad was appointed General Manager Investments in 2019 following the establishment of Rotoiti 15's commercial entity – Rotoiti 15 Investments Limited Partnership. Brad has spent the past fifteen years in corporate finance and portfolio management and brings a wealth of knowledge and expertise to the Rotoiti 15 Group. Ultimately the benefit to owners will be through the strategic and disciplined approach to investment and future growth.



**Mike
Pohio**

**Te Kūrae Pakihi
Chairman LP
Since 2019**

Iwi Affiliations

**Ngāti Pikiao, Ngai Tahu, Waitaha,
Kati Mamoe, Ngati Kahungunu**

Mike is currently Chief Executive of Ngāi Tahu Holdings. He is also a professional director with extensive experience across a range of sectors including agriculture, city regeneration, energy, fisheries, investments, logistics, property. Current directorships include Argosy Property, Rotoiti 15 ILP (Chairman) and Te Atiawa Iwi Holdings.

His recent governance included directorships on the boards of Ngai Tahu Holdings, Ngamotu Hotels, NIWA, OSPRI and Panuku Development Auckland. He was also former CEO of Tainui Group Holdings (TGH). Mike holds an MBA from IMD, Lausanne, an FCA from the Chartered Accountants Australia and New Zealand and is a Chartered Member of the New Zealand Institute of Directors.



**Geoff
Rice**

**Mātārae Pakihi
Since 2019**

Iwi Affiliations

Ngāti Whakaue, Tapuika

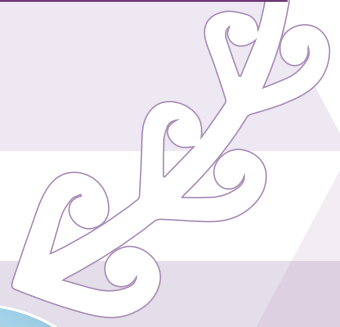
Geoff has extensive governance and commercial experience, specializing in finance, investment, sale and purchase of businesses/property, strategic planning, governance, negotiations and Māori Well-Being & Economy. In addition to a comprehensive business ownership and management portfolio and being Director and major shareholder of several companies, Geoff also holds the following roles for his iwi:

- Chair of the Ngāti Tura, Ngāti Te Ngākau Hapū Trust, appointed Director to Te Arawa Group Holdings (TAGH) Limited;
- Past appointments to 2 Rotorua Lakes (RPSC) and Regional (LRIB) Council Boards;
- Trustee on Maori Land Trust boards and chair of three;
- Executive member & chair of TAFOMA and member of RCOC;
- Tapuika Iwi Authority past Claims Negotiator; and
- Past vice president of NZ Retail Produce Federation.

Owner and Director of:
CPM Kiwi Ltd Orchardist, Gold Coast Invest Ltd Property, Nga Poutoko A Mua Ltd ECE.

TE HUNGA MAHI

staff



**Kerri Anne
Hancock**

**Te Tauwharenga
General Manager
Since November 2019**

Iwi Affiliations

**Ngāti Whakaue, Ngāti Rangiwewehi,
Ngāti Tarāwhai**

Kerri Anne was born and raised in Rotorua, a proud beneficiary of the trust. Her whakapapa to Rotoiti 15 whenua is through her tupuna kuia, Te Ririū, of Ngāti Tarāwhai descent. Kerri Anne has been in the Te Tauwharenga (General Manager) role for just over 2 years now.

Kerri Anne's background is in Treaty settlement negotiations, and worked on locally important projects such as as Rotorua Reorua (Bilingual Rotorua), the early Māori Land Service Design and working with iwi entities with planning and strategy work. She was the awarded the 2019 Emerging Leader award in the Westpac Rotorua Business Excellence Awards for the work she has done in her governance positions for Ngāti Rangiwewehi.

Outside of her mahi for her iwi, Kerri Anne is māmā to three beautiful, haututū tamariki, wife to Michael Hancock (Te Arawa, Ngāti Rongomai, Ngāpuhi, Tauranga Moana) and has a genuine love for all things Te Arawa, taiao and te reo Māori.



**Karen
Tiori**

**Te Ia o Te Awa
Executive Administrator
Since February 2020**

Iwi Affiliations

**Ngāti Pikiao, Tainui, Ngāti Porou,
Te Whakatohea**

Karen was born and raised in Rotorua. She is proud of her Ngāti Pikiao descent through her kuia, Nanny Teira Samuels (nee Hunuhunu). Karen is also of Tainui (Ngāti Koroki), Ngāti Porou (Te Whanau a Takimoana) and Te Whakatohea (Ngāti Ruatakenga) descent. She has two sons Kakuere and Ihairaira and one daughter Miracle.

She lived in Perth for 11 years working within the building construction industry from various roles of administration, client liaising and co-ordinating of multiple projects. Karen has always wanted to return home with the skills and international knowledge she gained, and work for her own people.

In February 2020 Karen was appointed the new Executive Administrator of Rotoiti 15 Trust after spending four years of progressing skills and knowledge through assisting Māori Land Trusts and Incorporations with Deloitte Rotorua.

As a proud beneficiary of Rotoiti 15 Trust, Karen is committed in her role with assisting in the development of our people and providing opportunities for the future generations.



**Te Raurangi
Gardiner**

**Te Au o Te Wai
Since August 2020**

Iwi Affiliations

**Ngāti Pikiao, Ngāti Awa, Te Whānau
a Apanui, Ngāti Maniapoto**

Te Raurangi was born and raised in Rotoiti. Proud to be of Ngāti Pikiao decent, She is a Māmā of two, Erel (d) & Ella. Te Raurangi is also of Ngāti Awa, Te Whānau a Apanui, Ngāti Maniapoto, Taranaki decent.

Te Raurangi has 10 years experience in the finance industry, working for Credit Union's both here in NZ and Australia in various roles from Executive Administration, Customer Services and Lending Officer.

Her desire to give back and work for her people was realised when an opportunity to become a Share Registry Officer at Deloitte became available. Te Raurangi jumped at the chance for change and enjoyed a year in the role before taking maternity leave with her daughter Ella.

As a proud beneficiary of Rotoiti 15, Te Raurangi brings with her a number of skills gained from past roles in governance within Ngāti Pikiao. This inspires her to work to help develop and provide opportunities for future generations.

TE RAUTAKI MATUA

strategic directions



*Kia hihiri te ōhanga, te oranga me te
pukumahi i runga i te ngākau ngātahi*

Working together to protect and grow the well-being
of our people environment and culture



Ngā Mātāpono

Kia whakamana te tangata
Kia tina te kaitiakitanga
Kia tapu te whenua
Kia tū maia

We respect and value people
We act with integrity
We value the sacredness of land
We are courageous

Illustrations by Rangitīaria Rika

PŪRONGO O TE KŪRAE

chairman's trust report



He Mihi

Ko te wehi ki te atua te timatanga o te whakaaro nui. He hōnore, he korōria ki a ia, he maungārongo ki runga ki te mata o te whenua, he whakaaro pai ki a tatau katoa.

Tuarua, ka mihi ki a rātau kua riro atu ki tua o te ārai. Ki ngā tini mate o te wā, kei tena, kei tēnā o wa tatau hapū, ka poroporoakihia, ka tanighia atu anō ki a rātau. Koutou kua whetūrangihia, haere, haere, e oki. Kati ake ki a rātau.

Ka mihi kau ana ki a koutou katoa e whakapapa mai nei ki ēnei whenua o te Rotoiti 15. Otirā, me mihi ki ngā hapū, ki ngā iwi honohono o te whenua nei, ka tika. Nā wēra kawai whakapapa ka tuku mai ēnei whenua ki a tatau. Nō reira, Ngāti Hinekura, Ngāti Te Rangiunuora, Ngāti Rongomai, Ngāti Tarawhai, Tūhourangi-Ngāti Wāhiao, Ngāti Rangitihia, Ngāti Te Takinga, nei ra te mihi.

Tēnā e te iwi, pānui mai i te ripoata nei, kua hangaia hai rauemi ma koutou, kia mohio ai ki ngā nekenekēhanga o to tatau whenua, ona rawa, me ona hua makuru. Nei ra te mihi maioha kia koutou.

Kupu Whakataki

Introduction

Like 2020, this past year has challenged the Trust and our whānau whānui as we navigate the uncertainties of COVID 19. Whilst these circumstances have created uncertainty for many, I believe it has also created greater certainty. Over this time, many of us have pondered the question, what's really important to us? From the Trust's perspective, I believe the challenges of COVID 19 over the past 2 years has strengthened our commitment to our vision for the future and to being guided by the matāpono (values) and matauranga (wisdom) of our tūpuna.

It's from this perspective of reflecting on what's important, that I've chosen to focus this year's Chairs report on the journey of the Trust over the past 10 years to reflect on key shifts in our thinking, decision making and the outcomes that are manifesting from these shifts. The intention is to highlight the culture and strategy we have fostered within the Trust, how this has led to new ways of thinking and acting, which in turn, is creating a more positive impact for our people, culture and environment. This Chair's report focuses on the following themes from our journey over the past 10 years:

- **Te Ahurea me te Rautaki** – how our culture and strategy has evolved and informed the way we operate
- **Te Puāwaitanga o te Pūmanawa** – how identifying and fostering talent from within our iwi provides the capability to deliver strategic impact
- **Te Hua Makuru** – how the above shifts are manifesting an abundance of outcomes and opportunity

Te Kūrae (noun)
Chairperson

- headland, promontory (e.g. Te Kūrae-o-te-ihu-o-Tamatekapua).

The use of 'kūrae' likens the role to one of the headlands that surround Lake Rotoiti. From that headland we are able to see far and wide across our landscape and therefore set a clear vision and direction for the trust and its owners.

Te Ahurea Me Te Rautaki

*“Ko tōku ahurea, ko taku matapihi ki te ao mārama”
“My culture frames an enlightened view of the world”*



Over the past 10 years we have worked hard to align the culture of the Trust with the values and wisdom of our tūpuna and our taiao. We believe that seeing the world through the thinking of our tūpuna transforms the way we see the world and what's important to us, and in turn, how we develop strategies and plans to progress our vision for the future.

This process has seen us redevelop the Trust's vision for the future and the pou rautaki (strategic pillars) that focus the mahi of the Trust. The following highlights key insights and shifts in thinking from this process of realigning our Trust culture:

- We understood that **our strategy must reflect our culture.** As such our vision of the future now speaks holistically to our hearts and minds as iwi Maori. This is demonstrated in the shift of our vision, from being “a key economic player in the central north island” to “working together to protect and grow the well-being of our people, culture and environment”
- We **focused more on fostering our culture than implementing a business strategy.** We have learnt that the key in realising an enlightened future lies with ensuring our thinking ‘and’ action aligns with our culture. This means we have done things that aren't necessarily important from a business strategy perspective but have created the environment for better strategies and action to emerge. Some examples of getting our culture right included simple but powerful practises such as:
 - Initiating annual karakia on the whenua to acknowledge, respect and celebrate our whenua, taiao, atua, passed ones and to be inspired about our future
 - aligning our consciousness, planning and practises to the insights from our Te Arawa Maramataka matauranga. We have realigned a range of business practises such as staff taking leave in mid winter, just as our tūpuna and taiao used the time around Matariki to rest and reflect. Board meetings, strategy sessions and hui with owners are now aligned with marama phases best suited to wānanga and connecting with each other.
 - realigning our organisational role and titles, to align with a whakaaro Māori, to utilise our reo Māori and reflect our taiao
- We have **focused more on ‘being’ our culture rather than talking about it.** We have learnt that to be true to our culture, it must be reflected in everything we do, in our being. We have challenged ourselves to ensure that:
 - our thinking and action is driven from our culture, values and beliefs as opposed to other world views, popular trends or fear of not fitting in with common thinking and beliefs;
 - we listen and observe with the ears and eyes of our tūpuna, striving to understand the deeper threads of insights that lie beneath the surface; and
 - we strive to be aroha and to create an environment of compassion and high trust
- **We have shifted from Western dominated thinking to holistic tūpuna thinking.** A key step in this process has been the need to challenge the dominant thinking that drove many past decisions and to realign our practises and processes to enable holistic thinking. Some examples of how we've done this include:
 - restructuring ourselves internally to enable the board to focus holistically on the mahi of the Trust. This has included establishing an investment board to oversee our investment activities and subcommittees to focus on various aspects of the Trust. This has freed up time and energy for the board to focus holistically and strategically, as opposed to past hui being dominated by an investment focus or a particular aspect of the Trust.
 - old habits and paradigms we've gained from colonisation and the dominance of western culture are challenged and recalibrated with our own matauranga and beliefs.
 - we have initiated a piece of work to rethink how we measure our progress from this holistic perspective. Our intention is to measure progress in a way that aligns to our perceptions of wellbeing and prosperity.
- **We have learnt that the wisdom and values of our tūpuna and taiao is enduring and relevant to today's world.** The world view and beliefs of our tūpuna are absolutely relevant to the world we live in today and guide us to live more meaningful lives. We have challenged ourselves to interpret and translate this wisdom in a way we can apply it to our modern day context.

In summary, we believe that thinking and acting from the same beliefs as our tūpuna will guide us to an enlightened future.

Te Puawaitanga O Te Pumanawa

*He kākano ahau i rūia mai i Rangiatea”
“I am the great seed sown in Rangiatea”*

The past 10 years has seen a focus on building our capability and capacity to deliver on our vision. We have done this in a way that focuses on utilising the innate talent within our iwi whakapapa and hononga. In other words we focus on employing and working with our own talent to deliver the mahi of the trust. Some of the key themes and principles that have guided this mahi include:

- **connecting with and growing talent from within our iwi.** We've learnt that to effectively deliver on a vision guided by our culture, we needed hungamahi, both staff and advisors, that understood our culture and the modern day context. We've done this by:
 - growing our staff from zero to 3 full time staff and 15 fixed term staff (marae project)
 - ensuring all our staff have a whakapapa connection to our whenua and/or affiliated hapū/ iwi
 - ensuring our staff understand and embrace the values of the Trust
 - we are getting better value from our own, they go the extra mile because they are intrinsically connected to our kaupapa

- **promoting a circular iwi economy.** This is about consciously spending our money within our iwi economy by utilising staff, businesses and professionals from within our iwi networks. Key highlights in terms of this mahi include:
 - bringing services in house, we now have 3 full time staff that undertake work previously undertaken by external companies.
 - we're leveraging the impact of every dollar we spend to further contribute to the growth of our iwi economy.
- **promoting mana motuhake.** We actively focus on building our capability and capacity to give us the confidence to determine and deliver the future we want.
- **realising our innate potential.** We believe that our people are talented, and that when they work within a culture of aroha, that reflects their identity, their abilities and wisdom expands. We have observed the blooming of potential within our hungamahi (staff), ngā mātārae (trustees) and rātā (advisors).

Te Hua Makuru

The Manifestation Of Abundance



I believe the themes outlined above of an aligned culture and growing our talent, have been key drivers of the results the Trust has achieved over the past 10 years. The illustration below provides a snapshot of key achievements across our pou rautaki (strategic pillars).

Kia Tuputupu

- Equity \$28.8m (2011) to \$69.8m (2021) – 129% growth
- Total Assets \$30.9 (2011) to \$76.3m (2021) – 123% growth
- Establishment of R15 ILP 2018

Kia Puawai

- From 0 staff (2011) to 18 staff (2021)
- 50/50 Mana Wāhine/ Tāne Board
- \$600k or 90% of Trusts administrative expenses spent within the iwi economy.

Kia Tohatoha

- Distributions amount \$550k (2011) \$1.45m (2021) – 164% growth
- Over \$2m spent in the iwi economy.

Kia Ngatahi

- 2011 Few strategic relationships
- 2021 Strategic relationships with multiple groups to leverage impact for our people, culture and environment (PGF, MSD, TALT, Te Kotahi a Pikiao, Ngā Koeke o Ngāti Pikiao, Ngā marae o te Hikuwai)

Kōrero Whakakapi - Closing Remarks

*“Herea ngā weri o te kiki, kia kore ai e matata”
“Fasten the tassels of our cloak so we may never be
broken apart” - Pikiaorangi*



Photo credit: Tāne Lawless

In closing, I'm reminded by the words of our tūpuna Pikiaorangi, these words remind us of the importance of our whakapapa, connectedness, and our collective strength. It is from this perspective that I'd like to thank the many people that contribute to the mahi and success of this trust.

Firstly, I'd like to acknowledge the various leaders that have guided this Trust in the past, both those who have passed and those still with us. We continue to feel your aroha for our people, culture and environment.

To my fellow Trustees – thank you again for your time, your aroha, your laughter, and hard work over the past year. I appreciate the collective knowledge, experience and passion you all bring to the kaupapa and I look forward to welcoming a new Trustee following this year's elections.

I would also like to thank our staff. Firstly, to our core team in the tari, Kerri Anne, Karen and Te Raurangi, kei runga noa atu koutou! The board is extremely proud of your mahi over the past year. You have arisen to the challenge of facilitating a \$3m marae renovation project, over and above the many other activities of the Trust. We can only realise these opportunities because of the commitment, passion and aroha you bring for our people, culture and environment.

Secondly to our Kākahi that have contributed their blood, sweat and tears to the Marae renovation project, ka mihi kau ake! Your tūpuna and whānau will be proud of the mahi you've done to reinvigorate our marae. We are hopeful that you have gained experience and skills that assist you in your future journey.

Finally, I would like to acknowledge all who whakapapa to this whenua. Everything we do, must be focused on contributing to the aspirations of our whānau, hapū and iwi, and, to honour the aspirations of our tūpuna. Despite the challenges and complexity, we believe we are making good progress and will continue to work hard, learn and grow. To this end, we hope you find this year's annual report informative, and we always welcome your whakaaro and awhi to assist us in creating a better future for our taiao, ahurea, mokopuna, whānau, marae, hapū and iwi.

**Tuia ki te rangi,
Tuia ki te whenua,
Tuia ki te moana,
Tuia te herenga tangata,
Ka rongo te pō, ka rongo te ao.
Mauriora ki a tatau katoa.**

**Arapeta Tahana,
Te Kūrae | Chairman**



KO TE TAIAO KO TĀTOU. KO TĀTOU KO TE TAIAO

A snapshot of mahi with regards to our beautiful
whenua this year



**Our Rotoiti 15
forest -
8404.5117 ha**



**Drafted an
operational plan
for Makaiti Dome,
for implementation
this coming year**



**Over 800 Wallaby and
3700 Possums
recorded trapped on our
whenua this year**



**Botanised Makiti Dome
alongside our friends at
the Botanical Society to
help document plant life**



**Maintenance and
protection work
done at Te Rotokohu
wetlands**



**Bird monitoring
undertaken by Tāne Lawless**

Photo credit: Tāne Lawless

PŪRONGO O TE KŪRAE PAKIHI

chairman's limited partnership report



Rotoiti 15 Investments Limited Partnership (R15ILP) has been operating and actively investing since 2019. Over the past 12 months it has further cemented its investment strategy (SIPO) and is making sound

investment decisions which are delivering the level return expected for a long-term, wholesale investor.

Covid-19 continued to impact financial markets, supply chains, international travel, and subsequently New Zealand's economic outlook. The future is more uncertain than ever before, however amidst the disturbance, investment opportunities have continued to present themselves and R15ILP have been ready in anticipation.

Commercial and investment activity for the year end 30 June 2021 included:

- **Managed funds** – were restructured to improve alignment with R15ILP's long-term investment strategy, which required liquidity, income generation, and medium-term growth. Managed funds have been progressively sold down to support the direct investment strategy
- **Hāpai Commercial Property** – an iwi owned and controlled commercial property portfolio of which R15ILP holds 2.94%. Includes 5 commercial properties, currently, located in Auckland, Tauranga, Napier, Hastings, Dunedin, and Christchurch. The portfolio value was \$184m and paid a monthly dividend of 7.25% to its shareholders
- **Pūainuku (Pastures)** – an iwi owned and controlled diversified agribusiness portfolio. 'Pastures LP' made an inaugural investment into Dairy Holdings Ltd (DHL) during 2020, and is New Zealand's largest corporate dairy farmer, milking 45,000 cows, producing 17.0m kgMS, and is based in Canterbury. Rotoiti 15 has had a long association with the dairy industry through its Otukawa Whenua JV, and the dairy farm on Maniatutu Rd, which was sold in 2018. Pūainuku Pastures was seen as an opportunity to re-enter the industry via a collective iwi owned investment vehicle that has the ability to invest at scale and gain access to opportunities not available to the general investor.



Performance

Monitoring and benchmarking R15ILP's financial performance is one of the measures Rotoiti 15 Trust uses to assess overall performance. We do this on the basis that as the commercial entity of Rotoiti 15, the LP exists to deliver a commercial return from its investment portfolio, of which 50% of net profit before tax (NPBT) is committed to reinvestment and the other 50% as a distribution back to the Trust. The Trust then uses these funds to support community focused projects such as the Marae capital development program, Taiao projects, koeke and, education and grants.

As at 30 June 2021, the Rotoiti 15 group portfolio was valued at \$85.9m, as summarised below:

	30 June 2020	30 June 2021	+/-
R15 Trust	\$47.8m	\$68.1m	\$20.3m
R15 Investments LP	\$13.2	\$14.3m	\$1.1m
R15 Charitable Trust	\$3.1	\$3.5m	\$0.4m
Total assets	\$64.1m	\$85.9m	\$21.8m

The group's capital gain was \$32.7m for the year, and can be attributed as follows:

- Rotoiti 15 land value + \$16m
- Rerewhakaaitu forest value + \$1.6m
- R15ILP portfolio value + \$1.3m
- NZU + \$3.3m



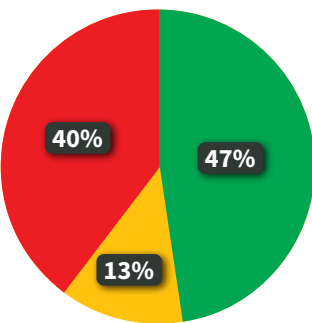


Investment Strategy

Rotoiti 15 group investment strategy is based on a targeted asset allocation that balances the groups' income generating assets with its capital growth assets. Each of these asset categories; Income Asset, Growth Asset, and Long-term Growth Asset has a specific risk profile, and it's critical to Rotoiti 15 group overall financial performance that it achieves a return to justify the risk – risk adjusted return.

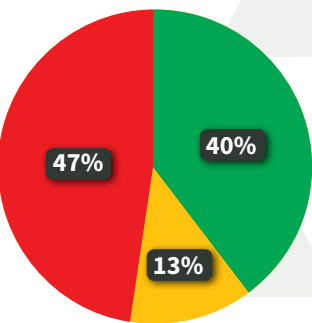
The pie charts below (R15 Group Asset Allocation) highlight the rebalancing that has occurred during the financial year. The main movement, as previously noted has been the increase in 'income' generating assets.

R15 Group Asset Allocations FY21



▲ Income ▲ Growth ▲ Long-term growth

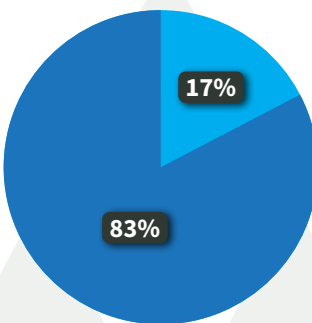
R15 Group Asset Allocations FY20



Another strategic objective for Rotoiti 15 has been to move to a directly invested portfolio. The premise being that a direct investment is less liquid and carries a higher degree of risk but will provide a better risk adjusted return than an indirect or passive investment, over the long-term.

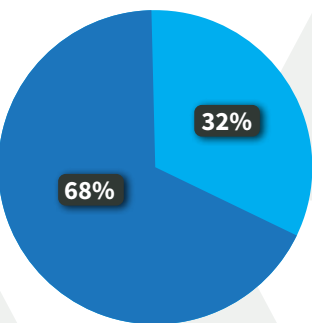
The pie charts below (Direct vs. Indirect) illustrate this transition during the financial year, as the group sold down its passive investments, such as managed funds, and reallocated equity to direct investments such as Hāpsi Commercial Property and Pūainuku Pastures.

Direct vs. Indirect FY21



▲ Indirect ▲ Direct

Direct vs. Indirect FY20



Rotoiti 15's concentration of growth assets, i.e., forestry, land, and carbon mean the portfolio develops a natural imbalance as the forest grows and land and carbon values increase. The challenge therefore is the ability to balance the level of growth with income assets, in doing so broadly speaking, balancing the needs of this generation with the next.

Rebalancing the portfolio will require discipline and patience, however investment activity to date and the outlook is both promising and impactful.



Looking Ahead

Rotoiti 15 Trust's aspirational goal of achieving a \$2.0m distribution by 2026 remains both a challenge and a focus. Whilst the commercial reality of achieving this maybe 2-4yrs further out, the social impact of doing so is not lost on us as a team. To achieve this level of distribution means the investment strategy is successful, and that the owners of in Rotoiti 15 Trust will have been witness to significant progress, not only in terms of the Trust's financial position, but in terms of the social impact for our communities.

Future investment opportunities will continue in the areas of commercial property, which we hope will also include within our rohe, horticulture, and possibly housing. While it is too early to give further details, we will continue to seek investments that have both a commercial and social outcome for Rotoiti 15.

R15ILP is the commercial arm and wholly owned by Rotoiti 15 Trust. It is governed by a board of three (3) directors including Mike Pohio (Chairman), Geoff Rice, and Arapeta Tahana, supported by Investment Manager, Brad Tatere.

PŪRONGO O TE TAUWHARENGA

general manager's report



Tēnā koutou otirā tēnā tatau katoa

Kātahi Te Tau Pai Rawa Atu Ko Tēnei

It has been another massive year for the Trust, and it is with much pride that I present my third annual management report for the 20/21 FY on behalf of our management team.

This year has been massive, we have seen substantial progress in our environmental projects, the embedding of our mātauranga into our every day business, and the establishment of the Ngā Marae o Te Hikuwai Renovation project.



Photo credit: Tāne Lawless

Ko Tātou Ko Te Taiao, Ko Te Taiao Ko Tātou

Last year we created *Kia Rātā Kōmata nui te Tū* our environmental policy, which set out all our whānau aspirations for the whenua and the taiao, and drew upon kōrero tuku iho to continue to understand and improve our traditional relationship with the whenua.

This year we have been focused on:

- Spending time with the whenua getting to know the ecosystem better – including working with the botanical society to botanise Makatiti, and Tane Lawless for bird monitoring.
- Strengthening relationships with our Te Tiriti partners including the Bay of Plenty Regional Council, Ministry for Primary Industries and the Department of Conservation.
- Developing and progressing an operational plan alongside our Ngāti Tarāwhai whanaunga for Makatiti,
- Worked with our BOPRC partners to develop an environmental plan for the Rotokohu wetland and worked with the Te Arawa Lakes Trust Wetlands team to undertake actions to protect and enhance those wetlands.
- Working closely with our Rotoiti 15 Hunting and Recreation Club to improve access ways, processes to the whenua including the introduction of an electronic gate system.

The Trust would like to acknowledge Peter Peeti for his Pest management mahi on the whenua who is the primary pest management operator on the whenua – who totaled over 800 wallaby, 3,700 Possum as well as rats, hares, rabbits, stoats and hedgehogs. Special mihi also to Tāne Lawless for his generosity in sharing his time and expertise in his mahi monitoring our manu and expertise throughout the year and to Tame Malcom, who has helped us champion and connect to many opportunities to help our taiao flourish even more.

Looking forward the trust aims to undertake further hikoi whenua to collect more data on our ecosystem and to do further works on wetlands and other biodiversity hot spots. We are also aiming to establish phase one of the operational plan for Makatiti (Research based approach).



Te Tari The Office

Rotoiti 15 Trust has been on a journey to ensure that everything we do for the Trust and our Rotoiti 15 whānau, is consistent with our mātauranga (values) as Māori, and as uri of all iwi that affiliate to our whenua. Over the last year we have embedded mātauranga Māori in our approach to the business, including our environmental strategy and even the way we have approached the Marae Renovation project.

This year, guided by our mātauranga and also inspired by the leadership of Te Wharekura o Ngāti Rongomai, Rotoiti 15 Trust embraced maramataka Māori to help us care for the health and well-being of our whānau and our team. This means that rather than taking our annual holidays during the Christmas holidays, we used the Matariki period to noho taratahi (isolate), rest, work from home and keep safe during the colder months. Just like our tūpuna did in days of old. This is a time of the year where many of our koeke/whānau are vulnerable to the effects of winter. It also allows us to rest before we head into the work heavy warmer months. As a part of our move to embrace Matariki we were also honored to participate in te Hautapu Umukohukohu whetu ki te Tuārae alongside our wider Ngāti Pikiao/Tarāwhai and Rongomai whānau. Many thanks to Te Pātaka Kōrero o Te Arawa for sharing their pukenga and guiding our journey as well.

The team would like to thank you our Rotoiti 15 whānau, for your support in this change. And for your support of our team overall – Karen Tiori, and Te Raurangi Gardiner the team behind the scenes who often talk about how beautiful it is to connect with you, whether it be with regards to the register, distributions, and supporting our many projects. Nei wa mātou mihi ki a koutou katoa.



Ngā Marae O Te Hikuwai Marae Renovation Project

This project has been a highlight and an absolute honor for the Trust. Scheduled for completion in early 2022, at its completion, we will have seen:

- ▲ 6 Marae renovated,
- ▲ Jobs for 15 of our ahi kaa whānau – known as our Kākahi
- ▲ Inserted over \$2million directly into the local/iwi economy via wages and employing local/Te Arawa contractors

The project started at Te Waiiti, followed by Tapueharuru and Punawhakareia, then Ngā Pumanawa and Te Awhe. While each Marae had their own unique mahi to be completed, they all received new kitchens, beautiful paint jobs, landscaping works, and refreshed ablutions. Plans were co-designed with the respective Marae trustees, the renovations had a safety and hygiene focus – but it helps that our completed Marae also look beautiful as well.

The project has had its challenges, including losing time due to Covid 19, but there are also so many things that has made this project incredibly special:

- The way we designed the project to be able to employ and upskill our ahi kaa whānau- many of whom had roles affected by covid/unemployed prior to this mahi. The Trust is incredibly proud of what the team of Kākahi have been able to learn and achieve during the project by working at their own Marae.

- The aroha, patience and commitment of our Marae Trustees to the kaupapa. Sometimes we had to redo some things, and we may not have always got it right the first time, but we get there in the end with their support.
- The uniquely Māori approach we took to this project, working with the health of experience we have within our iwi to provide leadership and cultural support-many thanks to Te Rua Mauri (Kemara Kennedy) for the waananga he ran wih our Kākahi, Hinekaurorhia (Kahurangi Tibble, who provided counselling support) and our whānau at Te Rūnanga o Ngāti Pikiao for their investment in our team helping them meet their goals.

Lastly the trust thanks Dennis Curtis (Groundbase Solutions) for his unwavering commitment to this project. It has been a pleasure working with Dennis who was relentless with his program management to ensure that projects completed on time and on budget, drawing upon his industry relationships to get the best for our Marae. Acknowledgements also to Raymund Rika who started the project as our Kākahi Matua before handing over to Dion Henare for the remainder of the project- e mihi ana ki a korua. We would also like to mihi to our incredible accounting team Glenn Hawkins and Miriamai Richmond at GHA, who had no easy task working the accounts across 6 Marae.



Whakaaro Whakamutunga

Finally I'd like to thank all our incredibly hardworking Trustees, our Chair Arapeta Tahana and all our Rotoiti 15 whānau for your support for your management team- we love working with you, for our whenua and for our future generations to come.

Kerri Anne Hancock,
Te Tauwharenga | General Manager

Te Tauwharenga
General Manager
(Trust)

Tauwharenga (noun) – overhang, ledge

The title 'Te Tauwharenga' likens the General Manager role to an overhang or ledge of the same promontory (mātārae) that describes the role of a trustee. From the ledge of the headland, the General Manager has the same view as the trustees, with an understanding of the trusts strategic vision. The ledge also provides the GM with a view to oversee the flow of the stream (daily operations) to the mouth which flows out into Lake Rotoiti (community projects).

TE PŪTEA TAUTOKO

distributions report



\$392k

Invested Into Our Iwi Economy Via The Distribution Program

This financial year has been another positive year for both the Rotoiti 15 Trust, and the Rotoiti 15 Charitable Trust. Collectively they have distributed \$392,895 to beneficiaries, shareholders, Marae and community organizations. With a number of events being cancelled due to covid restrictions we are so grateful to all those within our working hard to deliver on kaupapa for our people. We are continuing to make the distribution process as easy as possible through our online application system, regular communication out to our whānau.

Ko Te Ao Māori Te Take Matua

Our reo and our culture has been central to a number of our distributions this year with many of our whānau accessing pūtea tautoko to do their part in the revitalization and celebration of our reo and our mātauranga. The Trust was also honored to support a number of reo, kapahaka, and rongoa waananga all focused on nurturing and enabling our culture to continue to flourish in our rohe.

The Trust also provided Marae Capital Grants to Paruaharanui, Waikohatu and Tapuaekura Marae – combined with the Marae Renovation funding in the rohe, adding to a significant and well needed investment in our Marae this year.

- Ngāti Pikiao Iwi Kapa Haka
- Rongoa Māori wānanga
- Ngāti Parua Reo Wānanga
- Ngāti Te Rangiunuora Reo Wānanga
- Ngāti Rongomai Iwi Trust - Whakarauora Reo Wānanga o Ngati Rongomai
- Research project koeke - ā kō ake nei
- Ngā Marae o Ngāti Pikiao - Rāpoitia te pūkahungeri
- Rua Wiki at Hinemihi Marae



Photo credit: Auroa Rikiti

Te Pūtea Tautoko Mātāuranga Matua

Every year, the Trust provides around \$40,000 in tertiary and trade training grants to our whānau who whakapapa to Rotoiti 15. This year, when grants closed in April, we were particularly pleased to receive a record number of applicants, and all the amazing pukenga amongst you all.

This year, for tertiary education alone, we had 85 successful applicants:

- 4 PhDs
- 19 Masters
- 11 Doing Post Grad Diplomas; and
- 51 Bachelors.
- 7 trade training initiatives

The applications ranged from environmental/scientific study, engineering, business administration, Māori and indigenous leadership, law, medicine/pharmacy, pest management tohu, photography and everything in between. Congratulations to all our whānau putting in the hard mahi to complete further education for you and your whānau, hapū and iwi.



WHA KARĀPOPOTOTANGA

summary of distributions



Wānanga | Education
\$33,600



Ahurea | Cultural
\$10,970



Mahi | Trade
\$4,500



Community
\$5,026



Discretionary
\$16,954



Koeke
\$149,253



Marae
\$167,667



Environmental
\$4,925



TOTAL DISTRIBUTIONS 20/21 FY

\$392,895



Photo credit: Tāne Lawless

PŪRONGO Ā PŪTEA

financial report



Rotoiti 15 Group

Statement of Financial Performance

The consolidated financial statements presented are for the year ended 30 June 2021.

These consolidated financial statements include the Trust itself (the Parent) and the following subsidiaries:

- Otukawa Whenua Limited Partnership
- Rotoiti 15 and Ruahine & Kuharua Limited Partnership
- Rotoiti 15 Investments Limited Partnership
- Rotoiri 15 Charitable Trust
- Rotoiti 15 Holdings Limited

This overview provides a snapshot of the Group's financial performance for the 2020/21 year. The full financial statements are available on pages 35-61. The financial statements were audited by Cookson Forbes & Associates.

Financial Performance

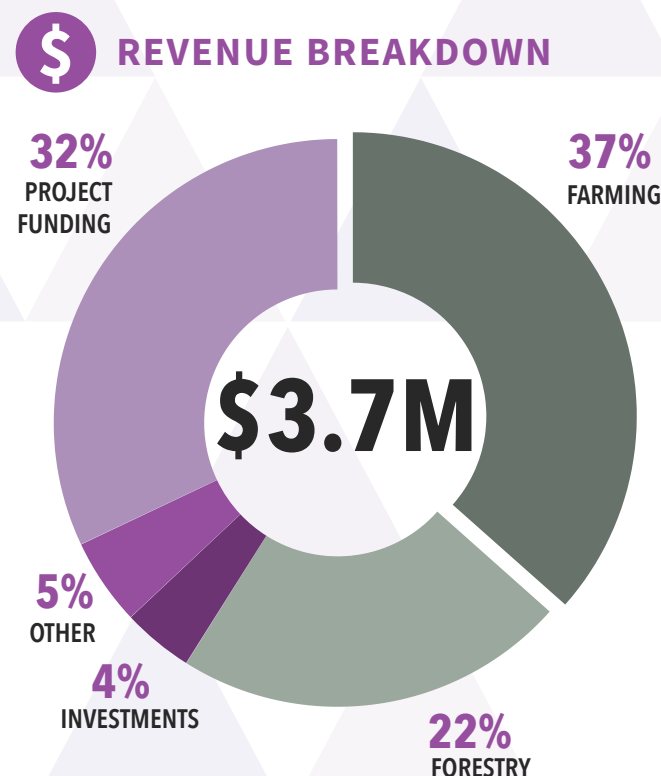
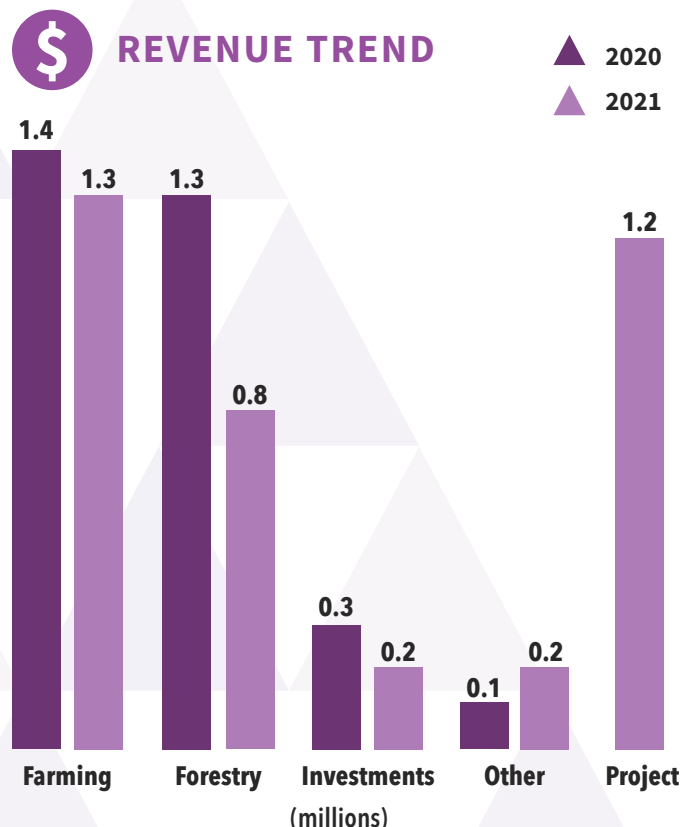
In the 2020/21 financial year, the Trust delivered a positive result from a growth perspective. This is reflected in the operating revenue, up 18% compared to last year, and valuation gains of \$3.4m for the year. The main features of the year were the Marae Project funding of \$1.2m, a slight reduction in operating costs and \$2.8m of value growth in the biological assets. The investment revenue saw a drop from 2020 \$344k to \$151k this year, and reduced forestry income contributed to an overall operating loss of \$234k. However, after taking into account the other gains/losses the \$3.4m the Group achieved an overall net profit of \$2.8m for 2021 (up 1841% from last year).

	This year	Last year	Change
Revenue	\$3,725,461	\$3,151,390	+ 18%
Expenses	(\$3,959,698)	(\$2,821,339)	+ 40%
Operating profit / (loss)	(\$234,237)	\$330,051	(171%)
Other gains/(losses)	\$3,478,435	(\$101,126)	(3540%)
Tax	(\$448,233)	(84,914)	+ 428%
Net profit	\$2,795,965	144,011	+ 1841%
Other comprehensive income	\$19,460,834	\$2,31,530	+ 612%
Total Comprehensive Income for the year	22,256,798	2,875,540	+674%

Other comprehensive income included revaluations of some of the Trust's land and forestry assets, and the net result had a positive impact on the overall result of \$19.4m (up \$16.7m on last year).

For the year ended 30 June 2021, the Group had total revenue of \$3.7million (up 18% on last year). As in prior years the majority of this income was generated from its core activities being forestry (22%), farming (37%) and investments (4%).

As noted above, the Marae Project funding has also contributed 32% of this year's revenue, which will only be reported for the next two financial years, until the Marae renovations have been completed.





EXPENDITURE BREAKDOWN

\$1.2M

MARAE
PROJECT

\$0.9M

FARMING

\$3.96M

\$0.2M

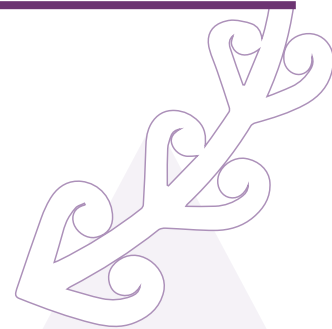
INTEREST

\$0.5M

FORESTRY

\$1.2M

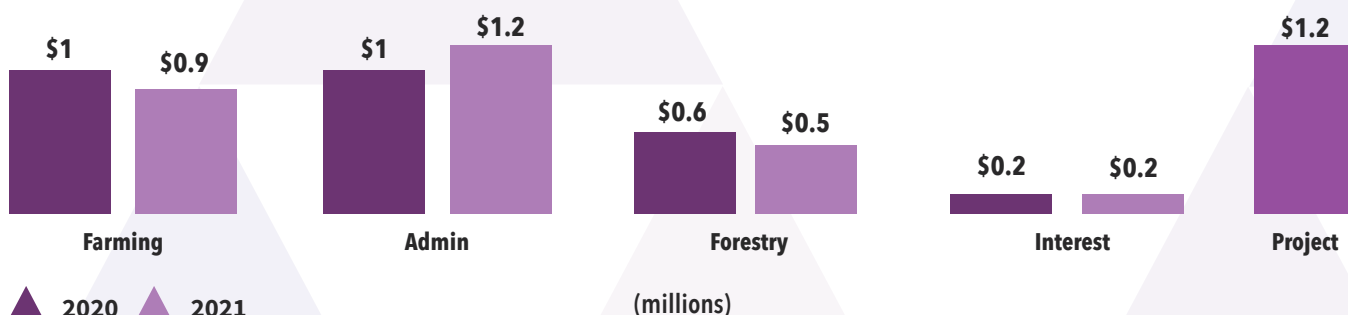
ADMINISTRATION



Total expenses of the Group were \$3.9 million, a 40% increase compared to last year, with the majority of this coming from Marae project expenses (30%). Operating expenditure (excluding the Marae project) were down 2% compared to last year.



EXPENDITURE TREND



Forestry expenses made up 13% or \$500k of the total expenditure for the year. This has decreased by \$129k compared to 2020, due to lower pruning costs for the year.

Dairy farm expenditure made up 23% or \$925k of total expenditure. A drop in farm expenses of \$83k. This is largely a result of lower feed, animal health, breeding and repair costs during the year.

Administration expenses totalling \$1.2 million, represent 29% of total expenses. Administration expenses are made up of General Manager and Trustee fees, staff salaries, AGM expenses, accountancy and share register fees, insurance, investment management fees, consultancy, and other management costs.

Administration expenses have increased by \$192k compared to 2020. The largest contributing factor to this increase in expenditure is investment management fees. This is a direct result of the larger investment portfolio than previous years and therefore, more cashflow available to make additional grants to our hāpori. Grants paid during the year increased from \$198k to \$393k.

Interest expenses for the year were 4% or \$152k of the total expenses. Interest paid relates to the loan facility Otukawa has with BNZ Bank. Interest expenses decreased by \$40k and this reflects the loan facility being paid down over the year.

Project expenses was the highest contributor to total expenditure this year at 30% or \$1.2 million. The spend to date matches the Marae Project funding received and then passed on as marae renovations are completed.

Other gains/(losses)

After a good year for the world share markets, value gains on the investment portfolio were \$1.2m. Other gains/(losses) include an increase in value of trees and livestock of \$1.7m.

Statement of Financial Position

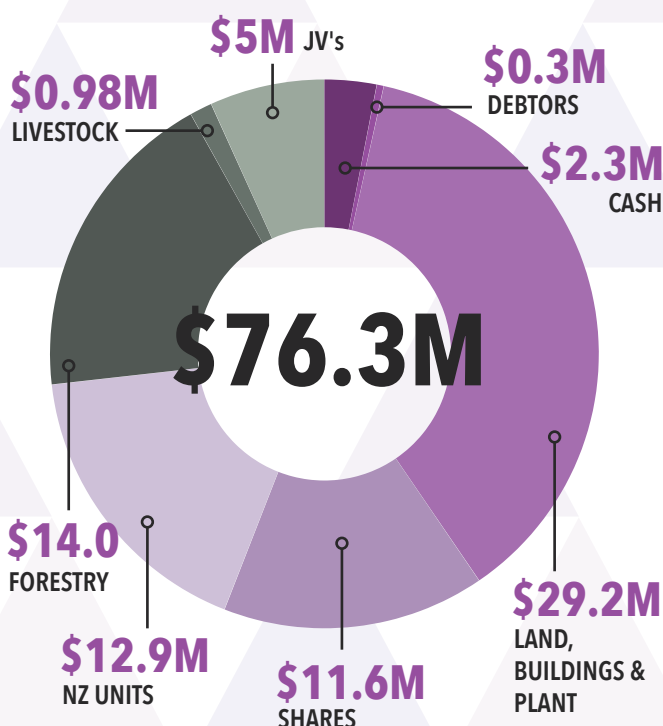
At the end of each year, the Statement of Financial Position shows the current financial position of the Group at year end. This reflects the overall value of the Parent and its subsidiaries.

	2021	2020	% Change
Total assets	\$76,338,590	\$54,736,813	+ 39%
Total liabilities	\$6,451,985	\$7,019,286	(8%)
Equity	\$69,886,606	\$47,717,527	+46%

As at 30 June 2021, total assets were \$76.3m. The graph below shows the mix of the Group's assets. Of this, the Group's Land & Improvements continue to make up the largest share of the Group's asset base (38%) (this increased significantly this year via land revaluations). The Forestry Crop (18%), Carbon Credits (17%) and Investment Portfolio (15%) are the other major assets. Total liabilities were \$6.4 million, with almost half of this attributable to the \$3.0m in long-term borrowings from BNZ. The difference between total assets and total liabilities reflects the owners' equity for the Group is \$69.8m. A growth in value from 2020 of \$22m. A pleasing result for the Group and the wider owner base.

TOTAL ASSETS	\$76,338,590
TOTAL LIABILITIES	\$6,451,985
EQUITY	\$69,886,606

\$ ASSETS BREAKDOWN



Assets

Group's Current Assets were \$2.5m and consist of cash, receivables, and Income tax. Non-current assets of \$73.8m include property, plant and equipment, forestry tree crop and livestock, carbon credits and investment portfolios.

Total Assets of the Group increased by \$22m (39%), from \$54.7m to \$76.3m in 2021. A reflection of an improving economic environment, good returns on investment portfolios, the growth in value of the tree crop and substantial increases in market value of carbon credits and revaluation of Trust forestry land.

Liabilities

Total liabilities amount to \$6.4 million for 2021, a decrease of \$567k (8%) on last year. Current Liabilities include accounts payable, GST payable, employee entitlements and deferred revenue. Non-current liabilities (\$5.5m) comprises the Otukawa BNZ borrowings of \$3m, as well as unclaimed dividends and deferred tax.

Equity

The Group's equity is the net difference between the Group's assets and its liabilities. Closing Equity as at 30 June 2021 was \$69.8m with \$210k representing Te Karangi A2 Trust's share in closing equity of Otukawa Whenua Limited Partnership.

Rotoiti 15 Charitable Trust

Statement of Financial Position

	2021	2020	Change
Investment income	\$81,721	\$81,721	(32%)
Lease income	\$22,500	-	+ 100%
Total Revenue	\$78,189	\$81,721	(4%)
Administration	\$21,739	\$6,672	+ 226%
Grants paid	\$181,767	\$159,900	+ 14%
Investment expenses	\$10,649	\$12,800	(17%)
Other expenses	\$9,211	-	+ 100%
Total Expenses	\$223,366	\$179,372	+ 25%
Surplus	(\$145,177)	(\$97,651)	(49%)
Other Comprehensive Income	\$476,647	(\$72,729)	+ 115%
Total Comprehensive Income	\$331,470	(\$170,382)	+ 295%

Income

Total revenue for the year was \$78k, 4% down compared to last year (\$82k). The Trust received \$56k from its investments which is a decrease of \$26k on the previous year. This is made up of \$3k from interest and \$52k in dividends. The drop in investment income is a result of a change in portfolio composition during the year. Moving from holding a single portfolio to having three separate holdings, at the end of the year. Changes in fair value of investments of \$477k has increased compared to last year's decline of \$(73k). This represents the growth in value of the multiple portfolio investments over the past 12 months.

Expenses

The Trust's total expenditure for the year was \$223k. An increase of \$44k (25%) compared to last year. This is a result of additional grants paid out, increased administration costs and depreciation of \$9k. As part of the Marae Project being administered and project managed by the Trust, Rotoiti 15 Charitable Trust's role in this project has been to lease back motor vehicles and equipment that was purchased during the year to the Marae Project. This accounts for the appearance of the depreciation this year and the modest increase in the administration expenditure also.

Net Surplus

The Trust's net surplus for the year ended 30 June 2021 was \$331k a major increase on last year's deficit of (\$170k). The strong share market and prudent investment decisions have led to a positive result for the Charitable Trust.

ASSETS	2021	2020	Change
Current Assets	\$1,377,642	\$1,045,702	-32%
Investments	\$2,065,161	\$2,092,300	(1%)
Property, Plant and Equipment	\$71,186	-	+ 100%
Total Assets	\$3,513,989	\$3,138,002	+ 12%
LIABILITIES			
Creditors	\$4,847	\$8,116	(40%)
Rotoiti 15 Trust	\$47,785	-	+ 100%
Total Liabilities	\$52,632	\$8,116	+ 548%
Accumulated Funds	\$3,461,357	\$3,129,886	+ 11%

Assets

The Trust's current assets largely comprise cash, which has increased by \$330k compared to last year. The Trust's non-current assets consists of portfolio investments and vehicles and equipment for the Marae Project. Overall, the Trust's assets have increased in value by 12%, compared to last year.

Liabilities

The Trust's only liabilities include creditors and an advance from the Rotoiti 15 Trust. Total liabilities are \$53k.

Equity

The Trust's Equity at 30 June 2021 was \$3.4m which reflects a growth in value for the Trust of 11% compared to last year.

Rotoiti 15 Investment Limited Partnership

Financial Performance

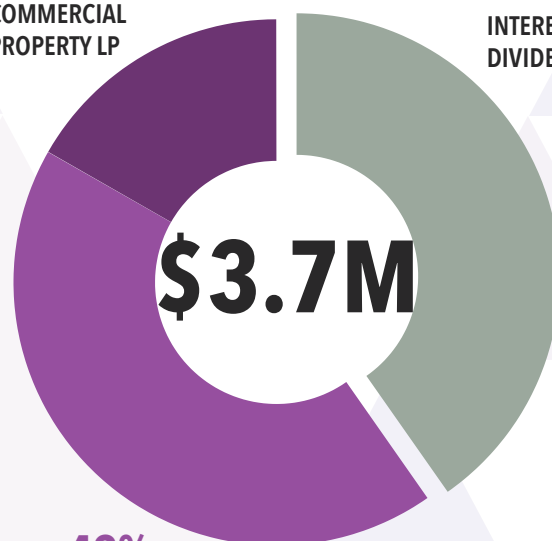
	This year	Last year	Change
Revenue	\$282,119	\$81,480	+ 246%
Expenses	(\$231,433)	(\$163,381)	+ 42%
Net Profit/(Loss)	\$50,686	(\$81,900)	+ 162%
Other comprehensive income	\$1,361,686	(\$239,773)	+ 668%
Total Comprehensive income for the year	\$1,412,372	(\$321,763)	+ 539%



REVENUE BREAKDOWN

HAPAI 17%
COMMERCIAL
PROPERTY LP

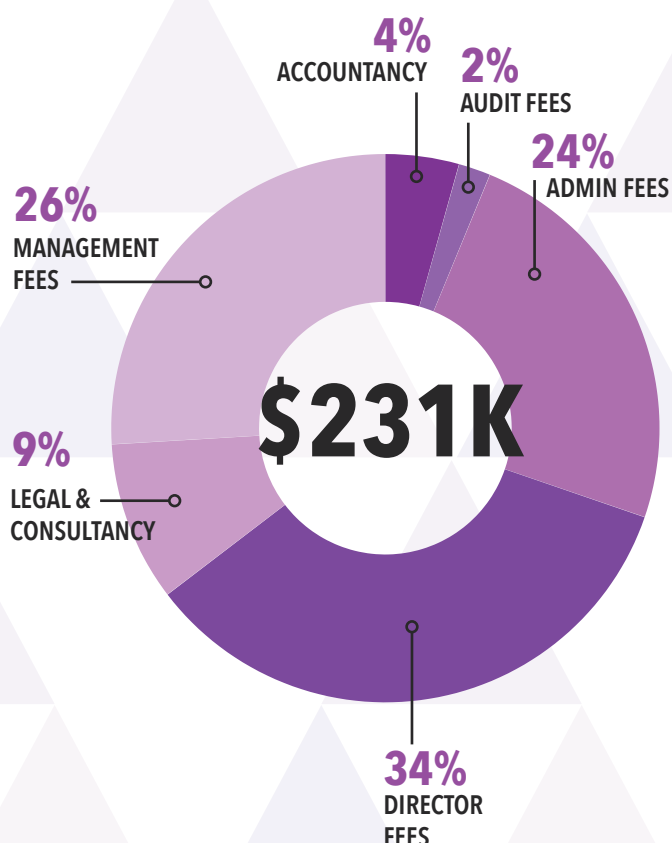
40%
INTERESTS &
DIVIDENDS



43%
PORTFOLIO
INCOME



EXPENSES BREAKDOWN



Financial Performance

Income

Total revenue for the year was \$282k, 246% up compared to last year (\$81k). The Limited Partnership received \$121k from its investment portfolios this financial year. Interest & Dividends received makes up \$114k of total revenue, a 160% increase on 2020. The increase in investment income is a result of a change in portfolio composition during the year and a full year of activity compared to the last year which represented a part period. The investments are made up of a mixture of both managed funds, private equity, shares and investments in joint ventures.

Changes in fair value of investments of \$1.4m has increased compared to last year's balance of \$(240k). This reflects the growth in value of the investments over the past 12 months and underlines the strong overall result achieved for the year.

Expenses

The Limited Partnerships total expenditure for the year was \$231k. An increase of \$68k (42%) compared to the 2020 financial year. All costs were up and this represented a full year of costs, compared to the part-year (post establishment) in 2020.

Total Income

The total comprehensive revenue for the year ended 30 June 2021 was \$1.4m, a significant uplift on last year's deficit of (\$322k). The directors have achieved a much improved result based on a full year of investment activity and a more diversified investment approach.

Statement of Financial Position

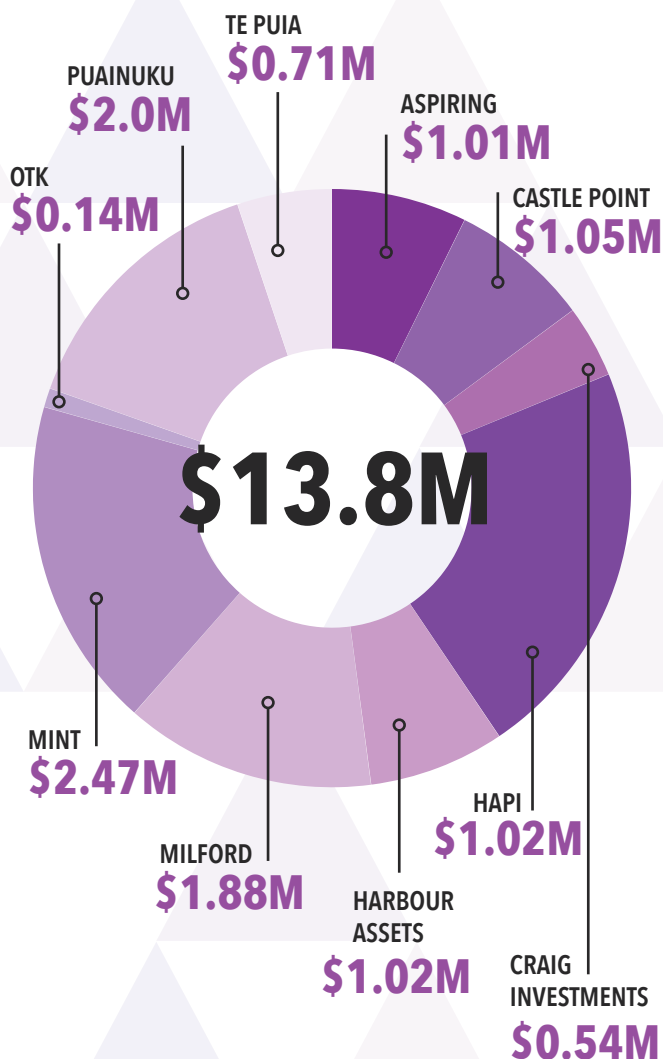
	This year	Last year	Change
Total Assets	\$14,323,391	\$13,205,653	+ 8%
Total Liabilities	\$13,232,693	\$ 13,527,327	(2%)
Equity	\$1,090,699	(\$321,673)	+ 439%

The Limited Partnership's assets (\$14.3m) are made up of funds on investment (\$13.8m) and some cash reserves and current assets of \$498k. See below.

Liabilities include a small amount of creditors and the original advance from the Rotoiti 15 Trust. Total liabilities are \$13.2m.

The Limited Partnership's Equity at 30 June 2021 was \$1.09m which reflects a growth in value for the ILP based around the original advance from the Trust of \$13.3m.

INVESTMENTS BREAKDOWN



TAUĀKI PŪTEA

audited financial statements



Rotoiti 15 Trust and Subsidiaries

For the year ended 30 June 2021

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39	Statement of Financial Position
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INDEPENDENT AUDITOR'S REPORT

To the Trustees and Owners of Rotoiti 15 Trust and Subsidiaries

Reporting Entity

We have audited the financial statements of Rotoiti 15 Trust and subsidiaries (the Group) on pages 7 to 30, which comprise the statement of financial position as at 30 June 2021 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, statement of accounting policies and notes to the financial statements, including a summary of significant accounting policies. The Group consists of those entities *disclosed at note 1 page 12 of the financial statements*.

Opinion

In our opinion the accompanying financial statements present fairly, in all material respects, the financial position of the Group as at 30 June 2021 and its financial performance and its cash flows for the year then ended, in accordance with New Zealand equivalents to International *Financial Reporting Standards Reduced Disclosure Regime (NZ IFRS RDR)*.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). Our responsibilities under those standards are further described below in the *Auditor's Responsibilities for the Audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with Professional and Ethical Standard 1 (Revised) *Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, the Group.

Restriction on Responsibility – Audit of the Financial Statements

This report is made solely to the Trustees and Owners, as a body. Our audit work has been undertaken so that we might state to the Trustees and Owners those matters 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 Group, the Trustees, Owners & Beneficiaries as a body, for our audit work, for this report, or for the opinion we have formed.

Responsibilities of the Trustees for the Financial Statements

The Trustees are responsible on behalf of the Group for the preparation and fair presentation of the consolidated financial statements in accordance with NZ IFRS RDR and for such internal control as the Trustees deem is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.



Responsibilities of the Trustees for the Financial Statements - continued

In preparing the financial statements, the Trustees are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with ISAs (NZ), we exercise professional judgement and maintain professional scepticism throughout the audit.

A further description of the auditor's responsibilities for the audit of the financial statements is located at the XRB's website at <https://www.xrb.govt.nz/standards-for-assurance-practitioners/auditors-responsibilities/audit-report-7/>

We communicate with the Trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Other Regulatory Matter – Te Ture Whenua Maori Land Act 1993

The Trustees have complied with the financial reporting requirements of *section 276A of Te Ture Whenua Maori Land Act 1993*, in preparing the financial statements in accordance with generally accepted accounting practice.

Other Matter – Comparative Figure – Trust Land

The Trustees adopted the fair value model of valuation for Trust Land which has been revalued accordingly. The comparative Trust land value is based on rateable value which is a departure from NZ IAS 16. The change in policy is disclosed at *note 2(d) of the financial statements*.



Cookson Forbes & Associates Ltd

Chartered Accounts

96 Waioweka Road

Opotiki, New Zealand

10th November 2021

Entity Information

Rotoiti 15 Trust and Subsidiaries

For the year ended 30 June 2021

Nature of business

Forestry and Investments

Postal address

PO Box 1712, Rotorua

Trustees

Arapeta Tahana Jnr (Chairman)
Joe Tahana
Katie Paul
Merehira Savage
Piki Thomas
Tina Ngatai (resigned August 2020)
Georgina Whata (appointed November 2020)

Accountants

GHA Ltd
Chartered Accountants
1108 Fenton St, Rotorua

Auditors

Cookson Forbes & Associates
Chartered Accountants
96 Waioeka Rd, Opotiki

Solicitors

Kahui Legal
1108 Fenton St, Rotorua

Subsidiaries

Otukawa Whenua Limited Partnership

Rotoiti 15 Trust - 60%

Te Karangi A2 Trust - 40%

Board Members:

J Fenwick, representing Te Karangi A2 Trust
M Wihapi, representing Te Karangi A2 Trust
Arapeta Tahana Jnr, representing Rotoiti 15 Trust
Geoff Rice, representing Rotoiti 15 Trust

Rotoiti 15 and Ruahine & Kuharua Limited Partnership

Rotoiti 15 Trust - 90%

Ruahine and Kuharua Incorporated - 10%

Board Members:

Tina Ngatai (resigned August 2020)

Rotoiti 15 Investments Limited Partnership

Rotoiti 15 Trust - 100%

Board Members:

Michael Pohio
Geoff Rice
Tina Ngatai (resigned August 2020)
Arapeta Tahana Jnr

Rotoiti 15 Holdings Limited

Rotoiti 15 Trust - 100%

Board Members:

Tina Ngatai (resigned August 2020)

Rotoiti 15 Charitable Trust

Rotoiti 15 Trust - 100%

Board Members:

Arapeta Tahana Jnr
Joe Tahana
Katie Paul
Merehira Savage
Piki Thomas
Tina Ngatai (resigned August 2020)
Georgina Whata (appointed November 2020)

Statement of Profit or Loss and Other Comprehensive Income

Rotoiti 15 Trust and Subsidiaries

For the year ended 30 June 2021

		Group		Parent	
	Note	2021	2020	2021	2020
		\$	\$	\$	\$
Revenue					
Forestry income	5	834,168	1,283,826	834,168	1,283,826
Farm income	6	1,362,218	1,447,024	-	244
Investment income	7	150,725	344,061	2,623	218,329
Project Funding	29	1,193,421	-	1,193,421	-
Other income		184,930	76,479	-	37,404
Total Revenue		3,725,461	3,151,390	2,030,212	1,539,803
Expenses					
Forestry expenses	5	500,304	629,784	500,304	629,784
Farm expenses	6	925,108	1,008,212	-	-
Administration expenses	8	1,153,817	961,021	655,995	563,124
Interest paid		152,246	192,652	12	-
Project Expenses	29	1,193,420	-	1,193,420	-
Depreciation of property, plant and equipment	10	34,803	29,670	1,253	1,640
Total Expenses		3,959,698	2,821,339	2,350,984	1,194,548
Operating Profit/(Loss)		(234,237)	330,051	(320,772)	345,255
Other items					
Changes in fair value of managed portfolio funds	24	1,209,094	193,721	-	506,223
Changes in fair value of biological assets	17	1,657,400	(114,534)	1,600,000	24,866
Gain on sale of assets		-	4,811	-	4,811
Share of profit/(loss) in joint ventures	13	675,133	(21,532)	(1,294)	(21,532)
Share of profit/(loss) in subsidiary	14	-	-	180,764	15,570
Impairment Loss	13	(63,193)	(163,592)	(63,193)	(163,592)
Profit before tax		3,244,198	228,925	1,395,505	711,601
Less Income tax expense	9	(448,233)	(84,914)	(305,353)	(84,914)
Net profit for the year		2,795,965	144,011	1,090,153	626,687
Other comprehensive income, net of income tax					
Changes in fair value of available-for-sale financial assets		3,755	(20,064)	-	-
Share of movement in reserves of equity accounted associates		-	-	2,253	(12,038)
Changes in fair value of intangible assets	16	3,365,505	2,762,100	3,365,505	2,762,100
Share of movement in reserves of joint ventures		-	(967)	-	(967)
Changes in fair value of land	10	16,091,000	-	16,091,000	-
Income tax relating to these items	25	574	(9,539)	574	(9,539)
Total Other comprehensive income, net of income tax		19,460,834	2,731,530	19,459,332	2,739,556
Total Comprehensive income for the year		22,256,798	2,875,540	20,549,485	3,366,243
Profit for the year attributable to:					
Owners of the Trust		2,680,392	133,631	1,090,153	626,687
Non-controlling interests	15	115,573	10,380	-	-
		2,795,965	144,011	1,090,153	626,687
Total comprehensive income for the year attributable to:					
Owners of the Trust		22,139,723	2,873,186	20,549,485	3,366,243
Non-controlling interests	15	117,075	2,354	-	-
		22,256,798	2,875,540	20,549,485	3,366,243

This Statements is to be read in conjunction with the Notes to the Financial Statements, and the accompanying Audit Report.

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Statement of Financial Position

Rotoiti 15 Trust and Subsidiaries

As at 30 June 2021

	Note	Group		Parent	
		2021	2020	2021	2020
		\$	\$	\$	\$
Assets					
Current assets					
Cash and cash equivalents	11	2,300,788	9,626,137	436,462	1,347,615
Trade and other receivables	12	304,016	315,719	71,490	8,382
Goods and services tax		49,068	-	46,441	-
Related party advances	26	-	-	67,007	14,023
Income tax refund/(payable) due	9	(126,014)	(24,831)	(5,796)	(33,895)
Total Current assets		2,527,858	9,917,025	615,605	1,336,125
Non-current assets					
Property, plant and equipment	10	29,274,552	13,121,229	26,756,250	10,661,558
Other financial assets	24	11,592,614	8,793,067	-	35,845
Investments in subsidiaries	14	-	-	614,448	431,519
Investments in joint ventures	13	5,012,061	65,092	597	65,092
Intangible assets	16	12,943,755	9,578,250	12,943,755	9,578,250
Biological assets	17	14,987,750	13,262,150	14,000,000	12,400,000
Related party advances	26	-	-	13,220,185	13,299,203
Total Non-current assets		73,810,733	44,819,789	67,535,235	46,471,468
Total Assets		76,338,590	54,736,813	68,150,840	47,807,593
Liabilities					
Current liabilities					
Cash and cash equivalents	11	-	160,181	-	-
Trade and other payables	18	513,738	533,776	188,467	16,596
Deferred revenue	19	353,702	834,168	353,702	834,168
Employee entitlements		27,459	4,496	27,459	4,496
Goods and services tax		-	104,797	-	113,166
Total Current liabilities		894,899	1,637,418	569,628	968,425
Non-current liabilities					
Borrowings	20	3,031,500	3,178,484	-	-
Unclaimed dividends		86,805	86,805	86,805	86,805
Deferred tax liabilities	25	2,409,138	2,116,579	2,409,138	2,116,579
Related party advances	26	29,643	-	-	-
Total Non-current liabilities		5,557,086	5,381,868	2,495,943	2,203,384
Total Liabilities		6,451,985	7,019,286	3,065,572	3,171,809
Net assets		69,886,606	47,717,527	65,085,271	44,635,785

This Statements is to be read in conjunction with the Notes to the Financial Statements, and the accompanying Audit Report.

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Statement of Financial Position (CONTINUED)

Rotoiti 15 Trust and Subsidiaries

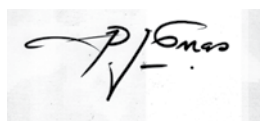
As at 30 June 2021

	Note	Group		Parent	
		2021	2020	2021	2020
		\$	\$	\$	\$
Equity					
Capital	21	1,331,815	1,331,815	1,331,805	1,331,805
Reserves	22	38,119,208	18,659,877	38,119,210	18,659,878
Retained earnings		30,225,690	27,637,892	25,634,251	24,644,098
Equity attributable to owners of the Trust		69,676,713	47,629,584	65,085,266	44,635,781
Non-controlling interests	15	209,894	87,941	-	-
Total Equity		69,886,606	47,717,527	65,085,271	44,635,785

For and on behalf of the Board of Trustees:



Chairman



Trustee

Date: 10 November 2021

This Statements is to be read in conjunction with the Notes to the Financial Statements, and the accompanying Audit Report.

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Statement of Changes in Equity

Rotoiti 15 Trust and Subsidiaries

For the year ended 30 June 2021

	Note	Contributed Share Capital	Reserves	Retained Earnings	Non- controlling interests	Total Equity
Group		\$	\$	\$	\$	\$
Opening balance 1 July 2020		1,331,815	18,659,877	27,637,892	87,941	47,717,527
Net Profit for the year		-	-	2,680,392	115,573	2,795,965
Other comprehensive income		-	19,459,331	-	1,502	19,460,833
Prior Period Adjustment	15/24	-	-	(92,595)	4,878	(87,717)
Closing equity 30 June 2021		1,331,815	38,119,208	30,225,690	209,894	69,886,606
Opening balance 1 July 2019		1,331,815	15,920,322	27,720,557	85,587	45,058,280
Net Profit for the year		-	-	133,631	10,380	144,011
Other comprehensive income		-	2,739,555	-	(8,026)	2,731,529
Shareholder grants paid		-	-	(216,296)	-	(216,296)
Closing equity 30 June 2020		1,331,815	18,659,877	27,637,892	87,941	47,717,527
Parent						
Opening balance 1 July 2020		1,331,805	18,659,878	24,644,098	-	44,635,781
Net Profit for the year		-	-	1,090,153	-	1,090,153
Other comprehensive income		-	19,459,332	-	-	19,459,332
Prior Period Adjustment - OTK Shares	24	-	-	(100,000)	-	(100,000)
Closing equity 30 June 2021		1,331,805	38,119,210	25,634,251	-	65,085,271
Opening balance 1 July 2019		1,331,805	15,920,322	24,233,707	-	41,485,834
Net Profit for the year		-	-	626,687	-	626,687
Other comprehensive income		-	2,739,556	-	-	2,739,556
Shareholder grants paid		-	-	(216,296)	-	(216,296)
Closing equity 30 June 2020		1,331,805	18,659,878	24,644,098	-	44,635,785

This Statement is to be read in conjunction with the Notes to the Financial Statements, and the accompanying Audit Report.

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Consolidated Statement of Cash Flows

Rotoiti 15 Trust and Subsidiaries

For the year ended 30 June 2021

	Note	Group		Parent	
		2021	2020	2021	2020
		\$	\$	\$	\$
Cash flows from operating activities					
Receipts from customers		2,472,663	2,696,820	1,143,650	1,316,428
Payments to suppliers and employees		(3,653,548)	(2,422,974)	(2,227,305)	(1,214,474)
Marae Funds Received		345,777	-	345,777	-
Investment income		319,412	351,131	2,623	227,634
Interest paid		(152,234)	(192,652)	-	-
Grants paid		(143,667)	(376,198)	-	(216,298)
Income tax		(53,637)	(34,271)	(40,319)	(33,568)
Net GST		(142,649)	(14,479)	(138,411)	(505)
Total Cash flows from operating activities		(1,007,884)	7,378	(913,985)	79,218
Cash flows from investing activities					
Payments to acquire property, plant and equipment		(97,128)	-	(4,945)	-
Payments to acquire biological assets		77,360	-	-	-
Proceeds from the sale of shares		10,234	-	13,377	-
Net payments to acquire investments		(13,599,597)	(8,637)	-	(1,825)
Proceeds from the sale of investments		7,569,187	-	-	-
Advances to related parties		-	-	(5,600)	(7,357,832)
Total Cash flows from investing activities		(6,039,944)	(8,637)	2,832	(7,359,657)
Cash flows from financing activities					
Current loan received		29,643	-	-	-
Repayment of borrowings	20	(146,984)	(146,770)	-	-
Total Cash flows from financing activities		(117,341)	(146,770)	-	-
Net Increase/ (Decrease) in Cash and Cash Equivalents		(7,165,168)	(148,030)	(911,153)	(7,280,437)
Cash Balances					
Cash and cash equivalents at beginning of the year		9,465,956	9,613,986	1,347,615	8,628,052
Cash and cash equivalents at end of the year	11	2,300,788	9,465,956	436,462	1,347,615
Net change in cash for the year		(7,165,168)	(148,030)	(911,153)	(7,280,437)

This Statement is to be read in conjunction with the Notes to the Financial Statements, and the accompanying Audit Report.

CF
Audit

Statement of Accounting Policies

Rotoiti 15 Trust and Subsidiaries

For the year ended 30 June 2021

1 Reporting entity

Rotoiti 15 Trust is a Trust that is a trust originally vested under s438 of the Maori Affairs Act 1953, and continues under Section 215 of Te Ture Whenua Maori Act 1993 as an Ahu Whenua Trust. The financial statements of the Trust have been prepared in accordance with generally accepted accounting practice and the requirements of Te Ture Whenua Maori Act 1993.

These consolidated financial statements for the year ended 30 June 2021 comprise Rotoiti 15 Trust ("the Parent") and its subsidiaries Otukawa Whenua Limited Partnership, Rotoiti 15 Investments Limited Partnership, Rotoiti 15 Holdings Limited, Rotoiti 15 Charitable Trust and Rotoiti 15 Trust and Ruahine & Kuharua Limited Partnership (together referred to as the "Group").

These financial statements were authorised for issue by the Board of Trustees on 10 November 2021.

2 Basis of preparation

(a) Statement of compliance

The group has adopted External Reporting Board Standard A1 Accounting Standards Framework (For-profit Entities and Public Sector Public Benefit Entities Update) (XRB A1). The Group qualifies for NZ IFRS (RDR) as it does not have public accountability and it is not a large for-profit public sector entity.

(b) Measurement basis

The consolidated financial statements have been prepared on the historical cost basis except for assets and liabilities that have been measured at fair value.

(c) Functional and presentation currency

The financial statements are presented in New Zealand dollars (\$) which is the Group's functional currency. There has been no change in the functional currency of the Group during the year.

(d) Changes in accounting policies

Forest Land valuation base has changed from rateable value to fair value per the Telfer Young valuation dated 30 June 2021. There are no other changes to accounting policies all other policies have been applied consistently with the previous year.

3 Use of judgements and estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

(a) Judgements

Judgements made in applying accounting policies that have had the most significant effects on the amounts recognised in the consolidated financial statements include the following:

- Revenue recognition
- Classification of lease arrangements
- Recognition of deferred tax assets

4 Significant accounting policies

The financial statements have been prepared using the significant accounting policies and measurement bases summarised below.

(a) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Parent and subsidiary controlled by the Parent.

Control is achieved when the Parent:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

CF
Audit

Statement of Accounting Policies

Rotoiti 15 Trust and Subsidiaries

For the year ended 30 June 2021

4 Significant accounting policies - continued

Consolidation of a subsidiary begins when the Parent obtains control over the subsidiary and ceases when the Parent loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Parent gains control until the date when the Parent ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Parent and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

In the Parent's financial statements Investments in subsidiaries is stated at cost less any impairment losses.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

(i) Joint ventures

Joint ventures are those entities over whose activities the Group has joint control, established by a binding agreement and requiring unanimous consent for strategic financial and operating decisions.

(b) Revenue

Revenue is recognised when the amount of revenue can be measure reliably and it is probable that economic benefits will flow to the Group, and measured at the fair value of consideration received or receivable. The following specific recognition criteria in relation to the Group's revenue streams must also be met before revenue is recognised.

Sale of goods

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Interest revenue

Interest revenue is recognised as it accrues, using the effective interest method.

Dividends

Income from dividends is recognised when the Group's right to receive payment is established, and the amount can be clearly measured.

(c) Operating expenses

Operating expenses are recognised in profit or loss upon utilisation of the service or at the date of their origin.

(c) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

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Audit

Statement of Accounting Policies

Rotoiti 15 Trust and Subsidiaries

For the year ended 30 June 2021

4 Significant accounting policies - continued

(d) Financial instruments

Recognition and derecognition

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

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and initial measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with NZ IFRS 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- amortised cost;
- fair value through profit or loss (FVTPL); and
- fair value through other comprehensive income (FVOCI).

The classification is determined by both:

- the entity's business model for managing the financial asset; and
- the contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within impairment gains (losses) of financial assets.

Subsequent measurement of financial assets

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows; and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments as well as listed bonds that were previously classified as held-to-maturity under NZ IAS 39.

Financial assets at FVOCI

The Group accounts for financial assets that are debt instruments at FVOCI if the assets meet the following conditions:

- they are held under a business model whose objective it is hold to collect the associated cash flows and sell; and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Movements in the carrying amount of debt instruments classified at FVOCI are taken through other comprehensive income, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and recognised in profit or loss. Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other financial items, and impairment expenses are presented as a separate line item in the statement of profit or loss.

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Audit

Statement of Accounting Policies

Rotoiti 15 Trust and Subsidiaries

For the year ended 30 June 2021

4 Significant accounting policies - continued

Where the group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses recognised in the FVOCI reserve to profit or loss following the derecognition of the investment. Instead, any related balance in the FVOCI reserve is reclassified to retained earnings. Dividends from such investments continue to be recognised in profit or loss as other income when the group's right to receive payments is established.

Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Financial assets at FVTPL

Financial assets that are held within a different business model than "hold to collect" or "hold to collect and sell", and financial assets whose contractual cash flows are not solely payments of principal and interest on the principal amount outstanding are accounted for at FVTPL. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply (see below).

This category also contains an equity investment. The Group accounts for its investment in Kakapo Limited at FVTPL as it did not make the irrevocable election to account for this investment at FVOCI. The equity investment in Kakapo Limited was measured at cost less any impairment charges under NZ IAS 39, as it was determined that its fair value could not be estimated reliably. In the current financial year, the fair value was determined in line with the requirements of NZ IFRS 9, which does not allow for measurement at cost.

Assets in this category are measured at fair value with gains or losses recognised in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

Impairment of financial assets

NZ IFRS 9's new impairment requirements use more forward-looking information to recognise expected credit losses – the ECL model. This replaces NZ IAS 39's "incurred loss model". Instruments within the scope of the new requirements include loans and other debt-type financial assets measured at amortised cost and FVOCI, trade receivables, contract assets recognised and measured under NZ IFRS 15 and loan commitments and some financial guarantee contracts (for the issuer) that are not measured at FVTPL.

Recognition of credit losses is no longer dependent on the Group first identifying a credit loss event. Instead the Group considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk (Stage 1); and
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low (Stage 2).

"Stage 3" would cover financial assets that have objective evidence of impairment at the reporting date. None of the Group's financial assets fall into this category.

"Twelve-month expected credit losses" are recognised for the first category, while "lifetime expected credit losses" are recognised for the second category.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Trade receivables

The Group makes use of a simplified approach in accounting for trade receivables and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, the Group uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

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Statement of Accounting Policies

Rotoiti 15 Trust and Subsidiaries

For the year ended 30 June 2021

4 Significant accounting policies - continued

The Group assesses impairment of trade receivables on a collective basis (grouped based on the days past due), as they possess shared credit risk characteristics. Refer to Note 34.2 for a detailed analysis of how the impairment requirements of NZ IFRS 9 are applied.

Debt investments at amortised cost and FVOCI

The Group recognises 12-month expected losses for its debt investments at amortised cost and FVOCI as these are considered to have low credit risk. Management considers "low credit risk" for listed bonds and debentures to be an investment grade credit rating with at least one major rating agency. Other instruments are considered to be low credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Classification and measurement of financial liabilities

As the accounting for financial liabilities remains largely the same under NZ IFRS 9 compared to NZ IAS 39, the Group's financial liabilities were not impacted by the adoption of NZ IFRS 9.

The Group's financial liabilities include borrowings, trade and other payables and derivative financial instruments.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Group designated a financial liability at FVTPL.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments).

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

(e) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand and deposits held at call with financial institutions, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

(f) Property, plant and equipment

(i) Recognition and measurement

Trust land has been revalued to fair value per the Telfer Young valuation dated 30 June 2021. The valuation was carried out for external reporting purposes and the trustees intend to have the fair value valuations conducted every 5 years. The comparative land values have been under taken based on rateable value and this change in policy is noted above.

Land held for use by the Subsidiary is stated in the consolidated statement of financial position at cost.

Any gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

Land improvements, plant and equipment, motor vehicles and office equipment are stated at cost less accumulated depreciation and impairment losses.

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Statement of Accounting Policies

Rotoiti 15 Trust and Subsidiaries

For the year ended 30 June 2021

4 Significant accounting policies - continued

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Group. Ongoing repairs and maintenance is expensed as incurred.

(iii) Depreciation

Depreciation is based on the cost of an asset less its residual value. Depreciation is recognised in profit or loss on a over the estimated useful lives of each component of an item of property, plant and equipment. The depreciation rates are:

Buildings	3% SL; 6% DV
Plant and Equipment	10 - 40% DV
Motor Vehicles	13% DV
Office Equipment	16 - 67% DV
Land is not depreciated	

Depreciation methods, useful lives, and residual values are reviewed at reporting date and adjusted if appropriate.

(g) Intangible assets

Intangible assets are initially measured at cost, except for intangible assets acquired through non-exchange transactions (measured at fair value). All of the Group's intangible assets are subsequently measured in accordance with the cost model, being cost (or fair value for items acquired through non-exchange transactions) less accumulated amortisation and impairment.

(h) Operating leases

Operating leases are not recognised in the statement of financial position. Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Long term land leases for peppercorn rentals are unable to be recognised pursuant to NZIFRS 16 as no annual rental is paid to the lessor. The value of the long term lease can therefore not be determined nor brought to account.

(i) Impairment

The carrying amounts of the Group's assets are reviewed at each balance sheet date to determine whether there is any objective evidence of impairment. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses directly reduce the carrying amount of assets and are recognised in the Statement of Profit or Loss and Other Comprehensive Income.

(j) Income tax

The Parent has been granted Maori Authority status.

Tax expense recognised in profit or loss comprises the sum of deferred tax and current tax not recognised in other comprehensive revenue and expense or directly in equity.

(i) Current income tax

Current income tax assets and/or liabilities comprise those obligations to, or claims from, Inland Revenue and relating to the current or prior reporting periods that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the financial statements because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

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Statement of Accounting Policies

Rotoiti 15 Trust and Subsidiaries

For the year ended 30 June 2021

4 Significant accounting policies - continued

(ii) Deferred tax

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax on temporary differences associated with investments in joint ventures is not provided if reversal of these temporary differences can be controlled by the Group and it is probable that reversal will not occur in the foreseeable future.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted by the end of the reporting period

Deferred tax assets are recognised to the extent that it is probable that they will be able to be utilised against future taxable income, based on the Group's forecast of future operating results which is adjusted for significant non-taxable income and expenses and specific limits to the use of any unused tax loss or credit. Deferred tax liabilities are always provided for in full.

Deferred tax assets and liabilities are offset only when the Incorporation has a right and intention to set off current tax assets and liabilities from the same taxation authority.

Changes in deferred tax assets or liabilities are recognised as a component of tax income or expense in profit or loss, except where they relate to items that are recognised in other comprehensive income (such as the revaluation of land) or directly in equity, in which case the related deferred tax is also recognised in other comprehensive income or equity, respectively.

(k) Biological assets

Biological assets are measured at fair value less cost to sell.

Changes in fair value of biological assets are recognised in the statement of profit or loss.

Farming costs such as feeding, labour costs, pasture maintenance, veterinary services and sheering are expensed as incurred.

(l) Goods and Services Tax (GST)

The Group is registered for GST. All amounts are stated exclusive of goods and services tax (GST) except for accounts payable and accounts receivable which are stated inclusive of GST.

(m) Government Funding

Funding from government contracts is recognised in profit or loss in proportion to the stage of completion of the project at the reporting date. The stage of completion is assessed by reference to the underlying expenditure incurred to satisfy the Group's obligations under the agreement. Project funding and project expenditure are recognised in profit or loss under revenue and expenses respectively.

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Notes to the Financial Statements

Rotoiti 15 Trust and Subsidiaries

For the year ended 30 June 2021

Note	Group		Parent	
	2021	2020	2021	2020
	\$	\$	\$	\$
5 Forestry income				
Revenue				
Forestry land rentals	834,168	861,074	834,168	861,074
Stumpage income	-	422,752	-	422,752
	834,168	1,283,826	834,168	1,283,826
Expenses				
Forest health and maintenance	40,109	30,770	40,109	30,770
Management	24,700	24,700	24,700	24,700
Protection	3,250	47,538	3,250	47,538
Pruning	-	275,565	-	275,565
Rates	24,513	26,645	24,513	26,645
Thinning	389,127	220,323	389,127	220,323
Other expenses	18,605	4,243	18,605	4,243
	500,304	629,784	500,304	629,784
Net Forestry income	333,865	654,042	333,865	654,042
6 Farm income				
Revenue				
Milk proceeds	1,280,359	1,362,035	-	-
Livestock sales	77,360	75,006	-	-
Rebates	4,499	9,983	-	244
	1,362,218	1,447,024	-	244
Expenses				
Animal health	37,446	48,341	-	-
Breeding	37,261	41,469	-	-
Feed	123,150	215,069	-	-
Fertiliser and lime	40,621	43,867	-	-
Grazing	51,516	-	-	-
Lease expenses	23 159,570	148,742	-	-
Livestock purchases	-	17,600	-	-
Rates	60,080	62,834	-	-
Repairs and maintenance	43,898	56,785	-	-
Sharemilker payments	289,944	299,648	-	-
Supervision fees	27,149	26,484	-	-
Other farm expenses	54,473	47,373	-	-
	925,108	1,008,212	-	-
Net Farm income	437,110	438,812	-	244
7 Investment income				
Interest income	20,942	98,938	2,623	80,465
Dividends received	129,782	245,123	-	137,864
Total Investment income	150,725	344,061	2,623	218,329

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Notes to the Financial Statements

Rotoiti 15 Trust and Subsidiaries

For the year ended 30 June 2021

	Note	Group		Parent	
		2021	2020	2021	2020
		\$	\$	\$	\$
8 Administration expenses					
Accountancy		63,920	62,684	27,723	27,535
AGM expenses		30,169	20,511	30,169	20,511
Audit fees		23,918	15,128	8,863	7,320
Consultancy		30,520	9,930	5,795	9,930
General manager		105,385	181,408	105,385	106,180
Grants and donations		392,895	197,697	211,129	37,797
Insurance		18,638	17,759	-	3,675
Investment management fees		120,775	34,648	-	16,393
Legal fees		1,153	37,833	1,153	31,580
Office rent		11,191	8,139	11,191	8,139
Printing, stamps and stationery		3,868	2,161	3,161	1,824
Recruitment		-	15,999	-	15,999
Salaries and wages		105,714	70,960	105,714	70,960
Share register		22,259	58,086	22,259	58,086
Trustee and director fees	26	167,809	158,130	86,698	93,130
Other administration expenses		55,603	69,946	36,755	54,064
Total administration expenses		1,153,817	961,021	655,995	563,124
9 Income tax expense					
Profit/(Loss) before income tax		3,244,198	228,925	1,395,505	711,601
<i>Plus/(less) adjustments</i>					
Non-assessable income		(2,701,547)	(824,444)	(1,600,000)	(824,444)
Non-deductible expenses		443,300	1,082,536	274,321	674,156
Other adjustments		1,861,644	(17,491)	1,675,046	(17,491)
Attributable to non-controlling interests		(165,456)	74,296	-	-
Taxable income		2,682,139	543,821	1,744,873	543,821
Income tax using Maori Authority tax rate of 17.5%		469,374	95,169	305,353	95,169
Less Imputation tax credits		(21,141)	(10,255)	-	(10,255)
Tax expense		448,233	84,914	305,353	84,914
Less deferred tax	25	(293,133)	3,061	(293,133)	3,061
Plus opening balance		24,831	(20,259)	33,895	(20,259)
Less terminal tax (paid)/refunded		(54,154)	-	(54,154)	-
Less terminal tax (paid)/refunded for prior periods		14,381	-	14,381	-
Less withholding tax paid		(13,321)	(35,512)	(440)	(29,437)
Less other tax credits		(823)	(7,373)	(107)	(4,384)
Total tax to be paid/(refunded)		126,014	24,831	5,795	33,895

Maori Authority Tax Credits available to the shareholders of the Parent were \$4,032,022 (2020: \$3,978,105).

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Notes to the Financial Statements

Rotoiti 15 Trust and Subsidiaries

For the year ended 30 June 2021

10 Property, plant and equipment

Group	Land & improvements	Buildings	Plant & equipment	Motor vehicles	Office equipment	Total
Cost or valuation	\$	\$	\$	\$	\$	\$
Balance at 1 Jul 2019	12,934,000	-	245,962	115,260	19,889	13,315,111
Additions	-	-	-	-	1,825	1,825
Balance at 30 Jun 2020	12,934,000	-	245,962	115,260	21,714	13,316,936
Balance at 1 Jul 2020	12,934,000	-	245,962	115,260	21,714	13,316,936
Additions	-	-	53,568	38,613	4,945	97,126
Revaluation	16,091,000	-	-	-	-	16,091,000
Balance at 30 Jun 2021	29,025,000	-	299,530	153,873	26,659	29,505,062
Accumulated depreciation						
Balance at 1 Jul 2019	-	-	84,489	64,032	17,515	166,036
Depreciation expense	-	-	21,371	6,659	1,640	29,670
Balance at 30 Jun 2020	-	-	105,860	70,691	19,155	195,706
Balance at 1 Jul 2020	-	-	105,860	70,691	19,155	195,706
Depreciation expense	-	-	22,183	11,367	1,253	34,803
Balance at 30 Jun 2021	-	-	128,043	82,058	20,408	230,509
At 30 June 2020	12,934,000	-	140,102	44,569	2,559	13,121,229
At 30 June 2021	29,025,000	-	171,487	71,815	6,251	29,274,552
Parent	Land & improvements	Buildings	Plant & equipment	Motor vehicles	Office equipment	Total
Cost or valuation	\$	\$	\$	\$	\$	\$
Balance at 1 Jul 2019	10,659,000	-	-	-	19,889	10,678,889
Additions	-	-	-	-	1,825	1,825
Balance at 30 Jun 2020	10,659,000	-	-	-	21,714	10,680,714
Balance at 1 Jul 2020	10,659,000	-	-	-	21,714	10,680,714
Additions	-	-	-	-	4,945	4,945
Revaluation	16,091,000	-	-	-	-	16,091,000
Balance at 30 Jun 2021	26,750,000	-	-	-	26,659	26,776,659
Accumulated depreciation						
Balance at 1 Jul 2019	-	-	-	-	17,515	17,515
Depreciation expense	-	-	-	-	1,640	1,640
Balance at 30 Jun 2020	-	-	-	-	19,155	19,155
Balance at 1 Jul 2020	-	-	-	-	19,155	19,155
Depreciation expense	-	-	-	-	1,253	1,253
Balance at 30 Jun 2021	-	-	-	-	20,408	20,408
At 30 June 2020	10,659,000	-	-	-	2,559	10,661,558
At 30 June 2021	26,750,000	-	-	-	6,251	26,756,250

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Notes to the Financial Statements

Rotoiti 15 Trust and Subsidiary

For the year ended 30 June 2021

	Note	Group		Parent	
		2021	2020	2021	2020
		\$	\$	\$	\$
11 Cash and cash equivalents					
Cash at bank - NZD		2,300,788	9,626,137	436,462	1,347,615
		2,300,788	9,626,137	436,462	1,347,615
Bank overdraft (Subsidiary)	20	-	(160,181)	-	-
Total cash and cash equivalents		2,300,788	9,465,956	436,462	1,347,615

12 Trade and other receivables

Trade receivables		213,470	315,719	66,922	8,382
Prepayments		90,546	-	4,568	-
Total Trade and other receivables		304,016	315,719	71,490	8,382

13 Investments in joint ventures

Tuara Matata Geothermal Joint Venture

Balance at beginning of year		1,899	2,748	1,899	2,748
RWT Paid		(8)	(41)	(8)	(41)
Share of loss for the year		(1,294)	(808)	(1,294)	(808)
Balance at end of year		597	1,899	597	1,899

In July 2012 the Parent, along with Tautara Matawhaura Trust and Rotoma No 1 Incorporation, known as the Tuara Matata Joint Venture, entered into a Memorandum of Understanding (MOU) with Mighty River Power regarding a proposed development of the geothermal field located beneath the Trust's land and the adjoining land. The Parent has a 33.33% (2020: 33.33%) share of the revenue earned and expenditure incurred.

Waiū Dairy Limited Partnership

Balance at beginning of year		63,193	248,689	63,193	248,689
RWT Paid		-	(213)	-	(213)
Share of loss for the year		-	(20,724)	-	(20,724)
Share of other comprehensive income		-	(967)	-	(967)
Impairment Loss		(63,193)	(163,592)	(63,193)	(163,592)
Balance at end of year		-	63,193	-	63,193

The Parent holds 0.99% shares in Waiū Dairy Limited Partnership. This investment has impaired to nil at balance date based on the current net asset position of Waiū Dairy Limited Partnership accounts.

Hāpai Commercial Property Limited Partnership

Balance at beginning of the year		-	-	-	-
Contributions / (withdraws)		2,335,037	-	-	-
Share of profit / (losses)		47,188	-	-	-
Share of other gains / (losses)		629,239	-	-	-
Balance at end of the year		3,011,464	-	-	-

Pūainuku Pastures Limited Partnership

Balance at beginning of the year		-	-	-	-
Contributions / (withdraws)		2,000,000	-	-	-
Balance at end of the year		2,000,000	-	-	-

Total Share of profit/(loss) in joint ventures		675,133	(21,532)	(1,294)	(21,532)
Total Investment in joint ventures		5,012,061	65,092	597	65,092

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Notes to the Financial Statements

Rotoiti 15 Trust and Subsidiary

For the year ended 30 June 2021

Note	Group		Parent	
	2021	2020	2021	2020
	\$	\$	\$	\$

14 Significant subsidiaries

The Parent has the following significant subsidiaries:

	Country of Incorporation	Ownership interest	
		2021	2020
Otukawa Whenua Limited Partnership	New Zealand	60%	60%

	Group		Parent	
	2021	2020	2021	2020
	\$	\$	\$	\$
Otukawa Whenua Limited Partnership				
Balance at beginning of year	-	-	431,519	427,988
Taxation paid	-	-	(89)	-
Prior Period Adjustment	-	-	7,405	-
Share of profit/(loss) for the year	-	-	173,359	15,570
Share of other comprehensive income for the year	-	-	2,253	(12,038)
Balance at end of year	-	-	614,448	431,519

15 Non-controlling interests

Te Karangi A2 (40% in Otukawa Whenua LP)

Balance at beginning of the year	287,686	285,332	-	-
Taxation paid	(59)	-	-	-
Prior Period Adjustment	4,937	-	-	-
Share of Profit for the year	115,573	10,380	-	-
Share of Other Comprehensive Income for the year	1,502	(8,026)	-	-
Balance at end of year	409,639	287,686	-	-

16 New Zealand Units

Pre-1990 units

297,900 New Zealand units

Balance at beginning of year	9,578,250	6,816,150	9,578,250	6,816,150
Change in fair value	3,365,505	2,762,100	3,365,505	2,762,100
Balance at end of year	12,943,755	9,578,250	12,943,755	9,578,250

During the 2011 year the Parent received 114,195 NZUs under the New Zealand Emission Trading Scheme from the Ministry of Agriculture and Forestry. Further 183,705 NZUs were allocated in 2013. The receipt of the NZUs was provided to compensate the Parent for restrictions on future land use that may affect the forestry land value.

17 Biological assets

Livestock

Livestock comprises dairy cattle. As at 30 June 2021 the subsidiary had 671 dairy cattle (2020: 549 dairy cattle).

Opening balance	862,150	1,001,550	-	-
Prior period adjustment	68,200	-	-	-
Changes in fair value due to price	57,400	(139,400)	-	-
Closing balance	987,750	862,150	-	-

The fair value of livestock is determined by independent valuations as at 30 June 2021. The valuations were performed by an independent livestock agent. The independent valuation uses the quoted price in an active market as the appropriate basis for determining fair value. Where there is more than one active market that the company has access to, the most relevant market has been used.

Trees - pinus radiata

The Parent grows pinus radiata for harvest and sale. The Parent holds approximately 2,333 plantable hectares of pinus radiata as at 30 June 2021 (2020: 2,333 ha).

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Notes to the Financial Statements

Rotoiti 15 Trust and Subsidiary

For the year ended 30 June 2021

	Note	Group		Parent	
		2021	2020	2021	2020
		\$	\$	\$	\$
17 Biological assets (continued)					
Carrying amount at beginning of the year		12,400,000	12,375,134	12,400,000	12,375,134
Increase in fair value due to price		1,600,000	24,866	1,600,000	24,866
Carrying amount at end of the year		14,000,000	12,400,000	14,000,000	12,400,000

The value of the trees excludes the value of land and any improvements thereon.

The valuation is based on a valuation report prepared by Woodlands Pacific Consulting Limited. Fair value movement is recognised in the profit or loss for the year. The forest valuation used methodology approved by the New Zealand Institute of Forestry, involving liquidation values for the mature stands to determine what the value of the forest would be if it were to be fully harvested in one day and compounded costs for the recently replanted stands. The valuation is based on the costs and revenues associated with the current crop.

Total Increase/(decrease) in fair value due to price	1,657,400	(114,534)	1,600,000	24,866
Total Biological assets	14,987,750	13,262,150	14,000,000	12,400,000

18 Trade and other payables

Trade payables	345,398	387,364	188,467	11,791
Accrued expenses	167,157	140,095	-	-
PAYE payable	1,183	6,317	-	4,804
Total Trade and other payables	513,738	533,776	188,467	16,596

Trade payables are unsecured and are usually paid within 30 days of recognition.

19 Deferred revenue

Arising from lease income	-	834,168	-	834,168
Project Funding	29	353,702	353,702	-
Total Deferred revenue		353,702	353,702	834,168

20 Borrowings

Secured - at amortised cost				
Bank loans	3,031,500	3,178,484	-	-
Total Borrowings	3,031,500	3,178,484	-	-

Summary of borrowing arrangements

Parent

The Parent has an unsecured overdraft facility with Westpac New Zealand up to a maximum of \$50,000 (2020: \$50,000). The interest for the overdraft is 10.10% (2020: 10.10%).

Subsidiary - Otukawa Whenua Limited Partnership

At balance date, the Subsidiary had an overdraft facility with BNZ up to a maximum of \$180,000 (2020: \$180,000).

At balance date, the Subsidiary also had a \$3,031,500 (2020: \$3,178,484) debt facility with BNZ Limited. Debt facility is interest only and is repayable at maturity.

The loan of \$3,031,500 at 30 June 2021 comprises:

\$719,610 at 4.04% maturing on 22 September 2025

\$2,311,890 at 4.04% maturing on 20 September 2030

Both debt facilities of the Subsidiary are secured by a General Security Agreement over livestock and investment securities and an unlimited Guarantee and Indemnity by the General Partner.

Regarding Rotoiti 15 Trust's Investment in Otukawa Whenua LP, PGG Wrightson's have a registered security over livestock, farm equipment, machinery and other goods derived from secured collateral.

21 Capital

The Capital of the Parent of \$1,331,805 is represented by the Special Government Valuations of the Land at Pt Rotoiti 15 on 1 July 1972 and on Land at Matahina on 3 March 1970, plus the Makatiti Dome value (also included as part of Property, Plant and Equipment).

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Notes to the Financial Statements

Rotoiti 15 Trust and Subsidiary

For the year ended 30 June 2021

	Note	Group		Parent	
		2021	2020	2021	2020
		\$	\$	\$	\$
22 Reserves					
<u>Capital reserve</u>					
Balance at beginning of the year		3,233	3,233	3,233	3,233
Balance at end of the year		3,233	3,233	3,233	3,233
<u>Property revaluation reserve</u>					
Balance at beginning of the year		9,327,195	9,327,195	9,327,195	9,327,195
Increase due to changes in fair value		16,091,000	-	16,091,000	-
Derecognition upon disposal of property		-	-	-	-
Deferred tax		-	-	-	-
Balance at end of the year		25,418,195	9,327,195	25,418,195	9,327,195
<u>Intangible assets revaluation reserve</u>					
Balance at beginning of the year		9,578,250	6,816,150	9,578,250	6,816,150
Increase due to changes in fair value		3,365,505	2,762,100	3,365,505	2,762,100
Balance at end of the year		12,943,755	9,578,250	12,943,755	9,578,250
<u>AFS assets revaluation reserve</u>					
Balance at beginning of the year		(235,005)	(227,719)	(42,729)	(33,190)
Increase/(decrease) due to changes in fair value		2,253	2,253	-	-
Deferred tax		574	(9,539)	574	(9,539)
Balance at end of the year		(232,178)	(235,005)	(42,155)	(42,729)
<u>Investment in subsidiaries</u>					
Balance at beginning of the year		-	-	(206,566)	(194,528)
Increase/(decrease) due to changes in fair value		-	-	2,253	(12,038)
Deferred tax		-	-	-	-
Balance at end of the year		-	-	(204,313)	(206,566)
<u>Investment in associates</u>					
Balance at beginning of the year		496	1,463	496	1,463
Increase/(decrease) due to changes in fair value		-	(967)	-	(967)
Balance at end of the year		496	496	496	496
Total Reserves at beginning of the year		18,674,169	15,920,322	18,659,879	15,920,323
Total Reserves at end of the year		38,133,501	18,674,169	38,119,210	18,659,878

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Notes to the Financial Statements

Rotoiti 15 Trust and Subsidiary

For the year ended 30 June 2021

	Note	Group		Parent	
		2021	2020	2021	2020
		\$	\$	\$	\$
23 Operating lease commitments					
The Group as a lessee					
Operating leases relate to:					
1. Lease of Rerewhakaaitu from Department of Conservation commencing 1 November 1983 and expiring on 31 October 2070.					
2. Leases of 20 land blocks used for farming by Subsidiary with lease terms of 15 years.					
<i>Non-cancellable operating lease commitments</i>					
Not later than 1 year		91,091	91,091	17,000	17,000
Later than 1 year and not later than 5 years		455,453	455,453	85,000	85,000
Later than 5 years		842,090	933,180	748,000	765,000
		1,388,633	1,479,724	850,000	867,000

The Group as a lessor

Operating lease relates to forestry land lease (Rerewhakaaitu forest) to Department of Conservation commencing 1 November 1983 and expiring on 31 October 2070.

24 Other financial assets

Available-for-sale financial assets

Listed shares

Ballance Agri Nutrients	26,414	38,135	-	14,864
Fonterra Co-op	685,820	682,172	-	-
LIC	1,309	1,203	-	-
Total Listed shares	713,543	721,510	-	14,864

Unlisted shares

OTK Orchards	144,000	244,000	-	-
Total Available-for-sale financial assets	857,543	965,510	-	14,864

Financial assets at fair value through profit or (loss)

Aspiring Asset Management Portfolio

Balance at beginning of the year	-	-	-	-
Contributions / (withdraws)	800,000	-	-	-
Change in fair value	212,310	-	-	-
Balance at end of the year	1,012,310	-	-	-

Castle Point Portfolio

Balance at beginning of the year	-	-	-	-
Contributions / (withdraws)	1,755,392	-	-	-
Net Investment revenue received	288	-	-	-
Change in fair value	41,272	-	-	-
Balance at end of the year	1,796,952	-	-	-

CC Private Equity Fund Portfolio

Balance at beginning of the year	-	-	-	-
Contributions / (withdraws)	171,758	-	-	-
Net Investment revenue received	(5,686)	-	-	-
Change in fair value	10,788	-	-	-
Balance at end of the year	176,860	-	-	-

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Notes to the Financial Statements

Rotoiti 15 Trust and Subsidiary

For the year ended 30 June 2021

	Note	Group		Parent	
		2021	2020	2021	2020
24 Other financial assets (continued)		\$	\$	\$	\$
Financial assets at fair value through profit or (loss) (continued)					
Craigs Investment Partners Portfolio					
Balance at beginning of the year		7,887,527	7,178,137	-	4,775,675
Contributions / (withdraws)		(7,929,355)	380,195	-	(5,335,055)
Net Investment revenue received		65,153	135,469	-	53,153
Change in fair value		516,000	193,726	-	506,227
Balance at end of the year		539,325	7,887,527	-	-
Represented by:					
Cash in call accounts	11	-	298,527	-	-
Listed securities		539,325	7,589,000	-	-
Harbour Asset Management Portfolio					
Balance at beginning of the year		-	-	-	-
Contributions / (withdraws)		800,000	-	-	-
Change in fair value		216,894	-	-	-
Balance at end of the year		1,016,894	-	-	-
Milford Portfolio					
Balance at beginning of the year		-	-	-	-
Contributions / (withdraws)		1,800,000	-	-	-
Net Investment revenue received		(460)	-	-	-
Change in fair value		77,382	-	-	-
Balance at end of the year		1,876,922	-	-	-
Mint Asset Management Portfolio					
Balance at beginning of the year		-	-	-	-
Contributions / (withdraws)		3,490,263	-	-	-
Change in fair value		118,952	-	-	-
Balance at end of the year		3,609,215	-	-	-
Te Puia Tapapa					
Balance at beginning of the year		238,558	20,982	20,982	-
Contributions / (withdraws)		468,035	217,576	(20,982)	20,982
Balance at end of the year		706,593	238,558	-	20,982
Total Financial assets at fair value through profit or (loss)		10,735,071	7,827,558	-	20,982
Total Changes in fair value of managed portfolio funds		1,193,598	193,721	-	506,227
Total Other financial assets		11,592,614	8,793,067	-	35,845

Fair value measurement - listed shares and managed portfolio funds

The fair value of these investments is determined by reference to the published market prices at the reporting date.

Fair value measurement - unlisted shares

The above unlisted shares are not traded in an active market but are classified as available-for sale financial assets and stated at cost at the end of each reporting period. The Trustees have reviewed the value of the above shares and believe it represents the fair value of the shares.

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Notes to the Financial Statements

Rotoiti 15 Trust and Subsidiary

For the year ended 30 June 2021

25 Deferred tax assets and liabilities

Group	1 July 2020	Recognised in Profit	Recognised in Equity	30 June 2021
Property, plant & equipment	-	-	-	-
Biological assets	(2,119,557)	(297,151)	-	(2,416,708)
Other provisions	787	4,018	-	4,805
AFS assets	2,191	-	574	2,765
Total deferred tax assets/ (liabilities)	(2,116,579)	(293,133)	574	(2,409,138)
	1 July 2019	Recognised in Profit	Recognised in Equity	30 June 2020
Property, plant & equipment	-	-	-	-
Biological assets	(2,122,338)	2,781	-	(2,119,557)
Other provisions	507	280	-	787
AFS assets	11,730	-	(9,539)	2,191
Total deferred tax assets/ (liabilities)	(2,110,101)	3,061	(9,539)	(2,116,579)
Parent	1 July 2020	Recognised in Profit	Recognised in Equity	30 June 2021
Property, plant & equipment	-	-	-	-
Biological assets	(2,119,557)	(297,151)	-	(2,416,708)
Other provisions	787	4,018	-	4,805
AFS assets	2,191	-	574	2,765
Total deferred tax assets/ (liabilities)	(2,116,579)	(293,133)	574	(2,409,138)
	1 July 2019	Recognised in Profit	Recognised in Equity	30 June 2020
Property, plant & equipment	-	-	-	-
Biological assets	(2,122,338)	2,781	-	(2,119,557)
Other provisions	507	280	-	787
AFS assets	11,730	-	(9,539)	2,191
Total deferred tax assets/ (liabilities)	(2,110,101)	3,061	(9,539)	(2,116,579)

26 Related party transactions

	2021		2020	
	Revenue/ (Expense)	Receivable/ (Payable)	Revenue/ (Expense)	Receivable/ (Payable)
<u>Group and Parent</u>				
Rotoiti 15 Investments Limited				
Related party advance	-	13,220,185	-	13,299,203
Rotoiti 15 Holdings Limited				
Related party advance	-	19,223	-	14,023
Rotoiti 15 Charitable Trust				
Related party advance	-	47,785	-	-
Te Karangi A2 Trust				
Related party advance	(81,560)	(29,643)	-	-
Total Related Party Receivables/(Payables)	(81,560)	13,257,549	-	13,313,226

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Notes to the Financial Statements

Rotoiti 15 Trust and Subsidiary

For the year ended 30 June 2021

26 Related party transactions - continued

Rotoiti 15 Investments Limited Partnership

Rotoiti 15 Investments Limited Partnership was established to facilitate the investments of Rotoiti 15 Trust. One of the trustees of the parent is also a director of the Limited Partnership.

Rotoiti 15 Holdings Limited

Rotoiti 15 Holdings Limited was established to facilitate commercial operations of Rotoiti 15 Trust. Two of the trustees of the Parent are also the shareholders and the directors of the Company.

Rotoiti 15 Charitable Trust

Rotoiti 15 Charitable Trust was established to facilitate charitable operations of Rotoiti 15 Trust. Two of the trustees of the Parent are also the shareholders and the directors of the Company.

Te Karangi A2 Trust

Te Karangi A2 Trust is the minority interest in the Group's subsidiary, Otukawa Whenua Limited Partnership. The Trust has advanced funds to the Group during the year of \$29,643 (2020: nil).

	2021		2020	
	Revenue/ (Expense)	Receivable/ (Payable)	Revenue/ (Expense)	Receivable/ (Payable)
<u>Trustee and director fees - Group and Parent</u>				
<i>Trustee fees - Parent only</i>				
Arapeta Tahana Jnr	(27,470)	-	(26,800)	-
Joe Tahana	(13,400)	-	(13,400)	-
Katie Paul	(14,517)	-	(13,400)	-
Merehira Savage	(13,400)	-	(13,400)	-
Piki Thomas	(9,715)	-	(12,730)	-
Tina Ngatai	(1,117)	-	(13,400)	-
Georgina Whata	(7,080)	-	-	-
<i>Director fees - Investments LP</i>				
Michael Pohio	(34,038)	-	(29,167)	-
Geoff Rice	(23,000)	-	(19,167)	-
Tina Ngatai	(3,333)	-	(16,667)	-
Arapeta Tahana Jnr	(19,168)	-	-	-
<i>Director fees - Otukawa Whenua LP</i>				
Directors Fees	(1,572)	-	-	-
Total Trustee and Director fees paid	(167,809)	-	(158,130)	-

27 Contingent liabilities

New Zealand Units

The Parent has a future obligation to return the NZUs (refer to Note 16) if there is a change in land use and/or if the area is not replanted within four years of harvest. The financial effect of this obligation is not able to be quantified.

Other than the above, there are no other known material contingent liabilities.

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Notes to the Financial Statements

Rotoiti 15 Trust and Subsidiary

For the year ended 30 June 2021

28 Capital commitments

Te Puia Tapapa Limited Partnership

This investment was transferred to Rotoiti 15 Investments LP in August 2019 at cost price of \$2,500,000 and offset. At balance date \$706,593 of capital had been called and duly paid. There is a balance of committed capital owing of \$1,808,903 for which Rotoiti 15 Investments LP is responsible.

Hāpai Commercial Property Limited Partnership

At balance date \$2,364,099 of capital had been called and duly paid. There is a balance of committed capital owing of \$635,901 for which Rotoiti 15 Investments LP is responsible.

29 Nga Marae o Te Hikuwai - Marae Upgrade Project

During the year the Rotoiti 15 Trust was granted funding from the Provincial Development Unit to carry out upgrades to six of their affiliated marae. The Trust's role in this project is to project manage the upgrades on behalf of the six marae. Under the agreement dated 4 December 2020, the Trust was approved to receive funding to a total \$2,984,246 (plus GST), to be paid in instalments at the satisfaction of relevant milestones set out in the agreement.

The following funding and project expenses had been recognised in the statement of profit & loss and other comprehensive income under revenue and expenses respectively.

	Note	2021	2020
Project Funding			
Marae Project Funding		1,492,123	-
MSD Training Funding		55,000	-
Total Project Funding		1,547,123	-
Project Expenditure			
Consulting Fees		69,146	-
External plant hire		147,972	-
Plant and equipment lease		30,520	-
Project Management costs		111,643	-
Repairs and maintenance on Marae		398,596	-
Specialist Fees		129,936	-
Wages		305,607	-
Total Project Expenditure		1,193,420	-
Total Funding remaining to spend	19	353,703	-

At balance date, \$353,703 of funding had not been utilised. This will be carried forward to the next financial year.

30 Events after the balance date

Rotoiti 15 Holdings Limited has ceased trading and the Trustees have resolved to wind up the Company as at 30 June 2021. There have been no other events subsequent to balance date that would have material impact on these financial statements (2020: nil).

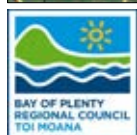
31 Covid-19 global pandemic

The Trustees consider the impact of the Covid-19 global pandemic on the economic performance of the Trust and Group to be sustainable and that it does not affect the Trust nor its subsidiaries as going concerns.

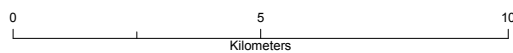
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TE MAHERE

map



Part Rotoiti 15 Block

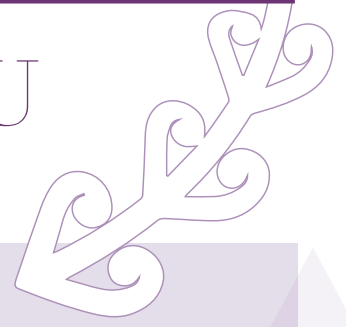


- Legal Parcels
- Archaeological Sites
- Priority Biodiversity Sites
 - Priority 1
 - Priority 2
 - Priority 3



TŌ TĀTOU WAITOHU

our logo



*Designed in 2013 by Ngati Pikiao
artist, Richard Francis*

