

**Tāmanuhiri Tūtū Poroporo Trust Group
Financial Statements
For the year ended 30 June 2023**

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Approved by the Trustees

..... [chair]

..... [Trustee]

Date:

26 Jan 2024



Entity Information

For the year ended 30 June 2023

Legal name:	Tāmanuhiri Tūtū Poroporo Trust
Type of entity and legal basis:	A common law trust established under deed of trust dated 2 March 2011.

Entity's Purpose or Mission:

The Trust is the post settlement governance entity mandated by the Iwi to receive and manage the Treaty Settlement assets.

The objects of the Trust are to promote the welfare of the members of Ngāi Tāmanuhiri, develop and implement environmental policies to safeguard taonga, promote Tāmanuhiri tikanga and assist in maintaining, establishing and improving cultural and community facilities.

In June 2018 the Trust established a Trust Entity as defined in the Trust deed, Hinenui Charitable Trust Board [HWCT] to undertake the Trust's charitable activities.

HWCT is registered as a charity under the Charities Act 2005 as from 4 September 2018.

The Trustees of HWCT are incorporated as a Board under the Charitable Trusts Act 1957.

Entity Structure:

Trust structure:

TTPT's Trust Deed states that we must have 7 Trustees appointed by election at a Hui-Ā-Tau for a term of 3 years. The current 7 Trustees constitute our governance board chaired by Pauline Hill. Trustees may lead sub-committees as determined by our annual work plan and priorities.

HWCT's Trust Deed states that it must have 5 to 7 Trustees appointed by resolution by TTPT trustees. Currently the trustees of TTPT are the trustees of HWCT.

Operational structure:

The group's operations are managed by the Kaihautu supported by Operations and Finance managers. There are 18 staff working under the Kaihautu, managers, permanent and fixed term roles.

Main Sources of Entity's Cash and Resources:

The Group receives its income mainly from the funding of service contracts and investments. It also receives a 50% share of the Wharerata Forest crown license rental via its beneficial interest in the Wharerata Forest Trust after allowing for expenses of administering the Trust. Other sources of income are rents, sales of Annual Catch Entitlement re fishing quota, and annual capacity building grant from the Vote Māori Affairs.

Main Methods Used by the Entity to Raise Funds:

The group obtains its income mainly under contractual arrangements with banks, investment managers, Government agencies and others.

Entity's Reliance on Volunteers and Donated Goods and Services:

The group does not rely on volunteers or donated goods or services.



Entity Information

For the year ended 30 June 2023

<i>Iwi:</i>	Ngāi Tāmanuhiri
<i>Hāpu:</i>	Kahutia Rangitauwhiwhia Rangiwaho Rangiwaho Matua Tāwehi
<i>Marae:</i>	Muriwai Waiari Rangiwaho
<i>Trustees:</i>	Pauline Hill (Chair - re-elected Nov. 2022) David Stone (elected Nov. 2020) Parekura Brown Junior (elected Nov. 2020) Tangiwai Pomana-Wilson (elected Dec. 2021) Maia Gibbs (elected Dec. 2021) Jo Pleydell (elected Nov. 2022) Tanith Wirihana Te Waitohioterangi (elected Nov. 2022)
<i>Accountants:</i>	BDO Gisborne Ltd. 1 Peel Street, Gisborne
<i>Auditors:</i>	Graham & Dobson Ltd 393 Gladstone Road PO Box 1247 Gisborne 4040.
<i>Bankers:</i>	ASB Bank
<i>IRD Number:</i>	107-744-681
<i>Contact details:</i>	
<i>Street address</i>	299 Gladstone Road, Gisborne
<i>Mailing address</i>	PO Box 746 Gisborne 4040.
<i>Phone</i>	(06) 8633560



Tāmanuhiri Tūtū Poroporo Trust Group

Statement of Service Performance

For the Year Ended 30 June 2023

Description of the Entity's Outcomes:

- 1 To lead tribal self governance and act in the best interests of Ngāi Tāmanuhiri Whānui

Description and Quantification (to the extent practicable) of the Entity's

Outputs:	<u>2023</u>	<u>2022</u>
Number of Governance Hui	9	12
Number of Pakeke Hui	11	4
Number of Tāmanuhiri Reo Kaupapa	9	24
Number of Attendees Tāmanuhiri Day & Matariki	125	60
Number of Registered Iwi Members	3,036	2,969
Number Panui's (Salesforce distributions & Facebook postings)	167	N/A
Number of Housing Sites Prepared - Tairāwhiti Iwi Collective Housing Project	10	14

Additional Output Measures

Tāmanuhiri Tūtū Poroporo Trust (TTPT) held its Hui ā Tau on 26/11/2022 (Last year: 11/12/2021).

TTPT held a Hui ā Iwi on 8/10/2022 and a Hui ā Iwi on 5/5/2023 to appoint new auditor (last year: 2) as meetings of beneficiaries, in accordance with clause 24 of the Trust Deed.



Statement of financial position

As at 30 June 2023

	<i>note</i>	2023 \$	2022 \$
Current assets			
Cash and Bank accounts	8	1,078,502	2,845,629
Bank term deposits	9	1,280,787	1,266,163
Accrued interest income		42,153	15,373
Prepayments		6,362	-
Accounts receivable		941,124	493,168
Trading stock on hand		58,070	69,492
Loan - Muriwai Marae Trustees	21	102,828	102,828
Loan - Toitu Tairāwhiti Builtsmart LLtd	20	52,987	-
Income tax	22	97,595	63,926
Total current assets		3,660,408	4,856,579
Non-Current assets			
Advance	10	1,500,000	1,500,000
Portfolios	11	10,104,594	9,456,618
Shares & other	12	338,954	338,954
Equity Accounted Investment in Associates	13	5,955,358	4,163,381
Property, plant & equipment	14	4,864,971	4,406,011
Intangibles	16	1,227,359	1,228,122
Total non-current assets		23,991,236	21,093,086
Total assets		27,651,644	25,949,665
Current liabilities			
ASB Term Loan - current portion		6,963	6,729
Accounts payable		211,455	1,445,946
Provision for holiday pay		90,812	87,122
Deposits held		47,000	-
Unused donations and grants with conditions	17	1,129,062	1,157,687
RWT payable re accrued interest		7,075	2,388
GST payable		11,147	7,147
Total Current liabilities		1,503,514	2,707,019
Non-Current Liabilities			
ASB Term Loan		9,699	16,474
Total Non-Current Liabilities		9,699	16,474
Total Liabilities		1,513,213	2,723,493
Net assets		26,138,431	23,226,172
Accumulated Funds			
Accumulated surpluses or (deficits)	19	26,138,431	23,226,172
Total accumulated funds	18	26,138,431	23,226,172

The accompanying Statement of Accounting Policies, Notes to the Financial Statements and Auditors Report form an integral part of these financial statements.



Statement of financial performance

For the year ended 30 June 2023

	<i>note</i>	2023	2022
Revenue			
Donations, fundraising and other similar revenue	1	226,055	694,321
Revenue from providing goods or services	1	3,432,243	10,884,422
Interest, dividends and other investment revenue	1	860,481	(398,673)
Other revenue	1	60,306	111,557
Total Revenue		4,579,085	11,291,627
Expenses			
Volunteer, employee & contractor related costs	2	1,646,230	6,723,141
Costs related to providing goods or services	2	1,639,655	3,466,810
Governance costs	2	38,426	67,043
Grants and donations made	2	17,602	21,230
Other expenses	2	401,189	419,565
Total Expenses		3,743,102	10,697,789
Surplus/(Deficit)		835,983	593,838
Share of Equity Accounted Investee's Surplus	13	2,076,276	659,299
Surplus/(Deficit) for the Year		2,912,259	1,253,137



Statement of Cash Flows

For the Year Ended 30 June 2023

	<i>note</i>	2023 \$	2022 \$
Cash Flows from Operating Activities			
<i>Cash was received from:</i>			
Donations, fundraising and other similar revenue		242,922	602,184
Revenue from providing goods or services		2,887,261	10,223,894
Interest, dividends and other investment revenue		362,677	334,636
Other revenue		60,306	111,557
Net GST		-	-
Income tax refunded [net of payments and tax deducted]		-	-
		<hr/> 3,553,166	<hr/> 11,272,271
<i>Cash was applied to:</i>			
Payments to suppliers and employees		4,620,613	9,884,327
Donations made		17,602	21,230
Net GST		213,429	493,984
Income tax paid [net of refunded tax and tax deducted]		46,608	121,197
		<hr/> 4,898,252	<hr/> 10,520,738
Net Cash Flows from Operating Activities		<hr/> (1,345,086)	<hr/> 751,533
Cash Flows from Investing and Financing Activities			
<i>Cash was received from:</i>			
Withdrawal from Portfolio		-	720,000
Investment in WFT		284,299	525,914
Deposits re housing project		47,000	-
		<hr/> 331,299	<hr/> 1,245,914
<i>Cash was applied to:</i>			
Purchase of property, plant & equipment		502,237	1,918,661
Loan repayments		6,541	6,492
Advances		52,987	102,828
Funds received on Trust paid out		-	2,353,240
Investment income reinvested		191,575	166,756
		<hr/> 753,340	<hr/> 4,547,977
Net Cash Flows from Investing and Financing Activities		<hr/> (422,041)	<hr/> (3,302,063)
Net Increase / (Decrease) in Cash		<hr/> (1,767,127)	<hr/> (2,550,530)
Opening Cash		2,845,629	5,396,159
Closing Cash		<hr/> 1,078,502	<hr/> 2,845,629
<i>This is represented by:</i>			
Bank Accounts and Cash		1,078,502	2,845,629



Statement of Accounting Policies

For the Year Ended 30 June 2023

Basis of Preparation:

There are the financial statements for the Trustees of the Tāmanuhiri Tūtū Poroporo Trust [TTPT], the post-settlement governance entity mandated by the Iwi [NT] to receive and manage the Treaty Settlement assets. TTPT is a public benefit entity as defined in XRB A1 *Application of the Accounting Standards Framework* based on its objects being to provide community benefits to NT and not to provide individual beneficiaries with financial returns. However, the objects of the Trust are not limited to only those of a charitable nature.

The financial statements are the consolidated financial statements for TTPT and its Trust entities, Hinenui Whanui Charitable Trust Board [HWCT], Ngai Tamanuhiri Asset Holding Company Ltd [NTAHC] and Ngai Tamanuhiri Management Ltd [NTML].

TTPT has elected to apply PBE SFR-A (NFP) Public Benefit Entity Simple Reporting - Accrual (Not-For-Profit) on the basis that the group does not have public accountability and has total annual expenses of not more than \$2 million.

The group has exceeded for previous two years and reports as a tier 2 entity on the 2024 financial year.

The consolidated financial statements are prepared combining the financial statements of both TTPT (the parent) and its Trust Entities (the subsidiaries) eliminating inter-group transactions.

All transactions in the Performance Report are reported using the accrual basis of accounting. The Performance Report is prepared under the assumption that the entity will continue to operate in the foreseeable future.

Accounts receivable

Are recorded at expected realisable value, after writing off all debts considered unrecoverable.

Trading stock on hand

Trading stock on hand at balance date is valued at cost using FIFO.

Property Plant & Equipment

PP&E are recorded at cost less accumulated depreciation except for land which is recorded at cost.

Depreciation has been charged as follows:

Buildings & land structures - 0%- 5% DV.

Leasehold improvements - 10% DV - 16% DV

Computer Equipment - 25%-50% DV

Office equipment & furniture - 10% - 67% DV

Plant & machinery - 13% - 67% DV

Vehicles - 25% -30% DV

Intangible assets

Finite life intangible assets are initially recognised at cost and will be amortised over their useful life.

Indefinite life intangible assets have been recorded at deemed cost on transfer and are impairment tested annually. Intangible property represented by copyright in computer software [e.g. Te Aranui & Website] have been recognised at cost less accumulated depreciation. Amortisation rate used is the rate approved by the Inland Revenue of 50% DV.



Tāmanuhiri Tūtū Poroporo Trust Group
Statement of Accounting Policies [continued]

For the Year Ended 30 June 2023

Investments - non-derivative financial assets

Investments held through investment portfolios are recorded at fair value, being quoted market prices at balance date.

Investments in unlisted shares are recorded at cost or deemed cost on settlement and have been impairment tested annually. Movements within the investment values [changes in fair value or resulting from impairment] are accounted for in the Statement of Financial Performance.

Goods and Services Tax

The Trust is registered for GST and the financial statements have been prepared on a GST exclusive basis with the exception of receivables and payables which are recorded inclusive of GST.

Taxation

The income tax expense is equal to the income tax payable in the current year. Timing differences between accounting income and taxable income are not accounted for. From 1 April 2011 TTPT is taxed as a Māori Authority and HWCT is exempt from income tax from 4 September 2018.

Tier 2 PBE Accounting Standards Applied (if any):

The Trustees have chosen to adopt PBE IPSAS 29 and PBE IPSAS 30 in relation to financial instruments. PBE IPSAS 6 has been adopted for the purposes of consolidation.

The Trustees have adopted PBE IPSAS 34 Investments in Associates and Joint Ventures and PBE IPSAS 38 Disclosure of Interest in Other Entities in relation to investments in associates and joint ventures.

Changes in Accounting Policies

Investments in Associates have been accounted for this year under PBE IPSAS whereas in prior year's only income credited to TTPT's current account was recognised. The change has been treated as a prior period adjustment. Except for this change there have been no material changes in accounting policies. All other policies have been applied on bases consistent with those used last year.

Employee entitlements

Employee entitlements are measured at undiscounted nominal values based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned but not taken at balance date, and long service leave

Accounts payable and accrued expenses

Amounts payable are measured at the amount required to settle.

Presentation currency

The Performance Report is presented in New Zealand dollars (NZ\$) and all values are rounded to the nearest NZ\$.

Revenue recognition

Donations and grants with no "use or return" condition attached are recorded as revenue when cash is received. Donations and grants with a "use or return" condition attached are recorded as a liability when cash



Notes to the Financial Statements

For the Year Ended 30 June 2023

		2023 \$	2022 \$
1. Analysis of Revenue			
<i>Revenue item</i>	<i>Analysis</i>		
Donations & other similar revenue	Capacity building	-	166,667
	MPI	-	42,799
	MBIE - Muriwai Marae Renovations	8,478	323,455
	Toitu Tairawhiti Covid-19 relief support	-	81,000
	MSD - Covid-19 subsidy leave support	2,922	2,400
	Te Aitanga a Mahaki Trust - housing support	-	28,000
	Turanga Health - Marae development	-	30,000
	Trust Tairawhiti grants	54,655	-
	Manaaki Tairawhiti Cyclone Recovery grant	100,000	-
	Cyclone Gabrielle Grants	42,000	-
	Salvation Army Pakere Winter Fund	7,000	-
	Other	11,000	20,000
		<u>226,055</u>	<u>694,321</u>
Revenue from providing goods or services	Sales - fuel & shop	1,465,965	2,085,996
	Reimbursement of Muriwai Renovations	-	89,416
	Other sales & sundry income	8,040	11,630
	Sale of ACE	203,517	139,297
	Rents & recoveries	99,992	93,089
	Toitu Tairawhiti Housing Ltd contract	-	1,234,618
	Service/director fee income	43,478	83,478
	<u>Grants for services -</u>		
	Te Taura Whiri I te Reo	70,000	136,012
	Ministry of Education	-	50,000
	Te Puni Kokiri - Maori Communities COVID-19	-	4,839,600
	MSD - employment & housing support	-	100,000
	Te Puni Kokiri - Maori Development Fund	61,000	-
	GDC - Technical	100,000	-
	Ministry of Environment	55,000	-
	MPI (Erosion control)	22,165	-
(see Note 6)	Dept of Conservation - Kaimahi for nature	1,051,784	981,997
(see Note 3)	Te Puni Kokiri - Tairawhiti Housing	20,000	50,000
(see Note 4)	Maru Ora Ltd - Housing infrastructure	231,302	989,289
	<u>Total grants for services</u>	<u>1,611,251</u>	<u>7,146,898</u>
		<u>3,432,243</u>	<u>10,884,422</u>
Interest, dividends & other investment revenue	Interest income	97,702	69,488
	Dividends received	8,292	18,674
	Distribution - Te Ohu Kaimoana Trust	816	7,657
	Portfolio income & realised gains	282,647	241,359
	Unrealised portfolio gains (losses)	471,024	(735,851)
		<u>860,481</u>	<u>(398,673)</u>



Notes to the Financial Statements

For the Year Ended 30 June 2023

		2023 \$	2022 \$
1. Analysis of Revenue (continued)			
Other revenue			
	(see Note 6) Maori Authority tax credits received from WFT	60,306	111,557
	Other	-	-
		<u>60,306</u>	<u>111,557</u>
2. Analysis of Expenses			
<i>Expense item</i>	<i>Analysis</i>		
Volunteer, employee & contractor related costs	Wages & salaries	1,306,905	1,306,748
	Kiwi saver contribution	38,839	37,253
	Contracted services - corporate	101,000	36,070
	Contracted services -contracts/projects	166,716	521,812
	Contracted Covid -19 Relief Support	-	4,800,000
	Other	32,770	21,258
		<u>1,646,230</u>	<u>6,723,141</u>
Costs related to providing goods or services	Cost of sales - fuel & shop	1,315,205	1,961,877
	Cost of Houses erected for TTHL	-	1,234,618
	Communication & IT	31,687	41,283
	Travel	21,150	21,664
	Other administration costs	271,613	207,368
		<u>1,639,655</u>	<u>3,466,810</u>
Governance costs	Trustee fees	21,300	25,200
	Kaumatua, committee & iwi representation	1,300	25,900
	Trustee expenses	15,826	15,943
		<u>38,426</u>	<u>67,043</u>
Grants & donations made	Koha	2,486	1,230
	Marae (see note 18)	10,000	20,000
	Other	5,116	-
		<u>17,602</u>	<u>21,230</u>
Other expenses	Accountancy fees	38,378	15,840
	Audit fee	14,000	10,750
	Bad debts	26,524	-
	Consultancy	42,752	25,232
	Insurance	44,423	36,297
	Interest	1,690	4,004
	Investment fees	57,516	49,510
	Iwi communication/democracy	10,989	22,799
	Legal	22,134	31,639
	Lease - Vehicle & Plant	27,093	28,033
	Rent	37,344	66,668
	Valuation fees	16,680	-
	Depreciation & loss on sale	43,277	37,253
	Amortisation	763	1,526
	Tax expense	17,626	90,014
		<u>401,189</u>	<u>419,565</u>



Notes to the Financial Statements

For the Year Ended 30 June 2023

	2023	2022
	\$	\$
3 Prior Period Correction		
Wharerata Forest Trust [WFT] is an associate of TTPT as the Trust has significant influence over the Trust. PBE SFR-A (NFP) requires the use of PBE IPSAS 36 and PBE IPSAS 38 for the reporting of an interest in an associate. The Trust's interest in WFT has not been reported through equity accounting as required by PBE IPSAS 36 and PBE IPSAS 38.		
In prior periods the Group has not equity accounted the investment in WFT resulting in its share of net income being reported as "other revenue" and reflected in a current account on the balance sheet. Not previously accounted for was the Group's share of WFT net assets.		
To correct this error, TTPT's share of WFT's net assets (adjusted for accounting policy uniformity) as at 30 June 2021, has been added to the opening Equity per note 17 Accumulated Funds.		
On the Statement of Financial Position the Group's investment in WFT is denoted as the non-current asset "Equity accounted investment" as at 30 June 2022 made up of:		
The share of WFT's net assets	-	3,879,082
TTPT's current account in WFT	-	284,299
Total investment in WFT	-	4,163,381

4. Tairawhiti Housing project

In April 2021 a funding agreement was entered into between TTPT and Te Puni Kokiri for a \$700,000 grant to prepare 93 sites consent ready for the erection of homes in the Tairawhiti rohe. TTPT in entering the agreement was acting as the representative for a collective involving TTPT, Rongowhakaata Iwi Trust, Te Runanganui O Ngati Porou and Te Aitanga a Mahaki Trust.

As at balance date the total grant of \$700,000 had been received and the other iwi's shares had been paid to them as subcontractors. Of TTPT's share \$252,000, \$94,730 unapplied grant at 30/6/2022 will be applied to future costs of the project.

	<u>This year</u>	<u>Cummulative</u>
TPK contract received/receivable	0	252,000
Plus unused grant brought forward	94,730	0
Less unused grant at balance date	(94,730)	(94,730)
Revenue for year	-	157,270
Paid to other Iwi as subcontractors	-	(50,000)
Direct expenditure on contracted services	-	(5,000)
Expenditure Capitalised to developed Land	-	(58,556)
Expenditure on land not owned by TTPT	-	(43,714)
Surplus / (deficit)	-	-

5. Muriwai Housing Project

During the year TTPT continued the development of the Te Kura block the purchase of which was settled on 15/9/2021. The block was developed into 7 separate titles - 22 to 36 Muriwai Beach Raod with resource consents and infrastructure to allow for the erection of 6 houses and 2 duplexes - a total of 10 units. Funded largely by grants from Maru Ora Ltd.

The construction of the houses and duplexes was carried out by TTPT under subcontract to Toitu Tairawhiti Housing Ltd [TTHL].

HWCT took over the project under its charitable purpose of providing for the wellbeing of iwi.

At balance date 4 whanau were in houses provided by TTHL under an interim occupational rights agreement between TTHL and whanau. HWCT derives land rental (\$1,429 per lot per annum) and recovers rates and insurance from TTHL.



Notes to the Financial Statements

For the Year Ended 30 June 2023

	2023 \$	2022 \$
5. Muriwai Housing Project [continued]		
The 2 duplexes (4 units) was occupied in December 2022 by Kaumatua under the CHIPS program operated by TROTAK. The duplexes are owned by TTHL and HWCT derives land rental of \$1,429 pa.		
The development of the Muriwai Beach Road sites was funded through Maru Ora Ltd a private company which had received funding from the Government ministries of Te Tuapapa Kura Kainga and Te Puni Kōkiri for the installation of 28 affordable homes for rent in Tairwahiti and Opotiki. TTPT's share of this funding was \$1,250,000 for 10 sites owned by TTPT and 1 site owned by an iwi member to be developed by TTPT		
	<i>This year</i>	<i>Cummulative</i>
Funding received	0	1,250,000
Unused grant brought forward	260,711	-
Less Unused grant	(29,409)	(29,409)
Less cost of developing land not owned by TTPT	-	-
Surplus / (deficit) recognised in Profit and Loss	231,302	1,220,591
The developed land owned by TTPT is included in the Group's PP & E at cost -		
Funded by Grants	231,302	1,239,059
Funded from own resources	-	146,117
Total Cost of developed land as at balance date	231,302	1,385,176
6. Dept. of Conservation - Kaimahi for Nature		
In June 2021 the Dept of Conservation agreed to Crown Funding of \$10,966,000 plus GST over 3 years to support the 3 iwi of Turanga in ecological regeneration at a variety of sites and the creation of 132 full-time jobs. HWCT is the fundholder representing the 3 Iwi, Ngai Tāmanuhiri, Rongowhakaata and Te Aitangi a Mahaaki. A Reporting and Payments agreement between the 3 Iwi was signed on 27/7/2021 stipulating reporting obligations for each Iwi and allocation of funding.		
	<i>This year</i>	<i>Cummulative</i>
Gross funds received	1,955,309	6,252,939
Less paid to other Iwi received on trust	(857,714)	(3,487,876)
HWCT's share	1,097,595	2,765,063
Unused grant brought forward	793,768	-
Unused at balance date	(839,579)	(839,579)
Revenue for year	1,051,784	1,925,484
Less revenue expenditure incurred in respect of project	760,516	1,323,756
Surplus / (deficit) recognised in Profit and Loss	291,268	601,728
During the year also charged against the project was:		
Internal administration allowance	143,290	305,227
Capital improvements to TTPT's land	147,978	296,501
	291,268	601,728
7. Sale of ACE		
The Trust has aligned with other North Island iwi to manage their respective Annual Catch Equivalents [ACE]. The collectives are constituted as limited partnerships and the Trust's ownership in each is less than 10%.		



Notes to the Financial Statements

For the Year Ended 30 June 2023

	2023 \$	2022 \$
8. Cash and Bank accounts		
Cash float	210	3,422
ASB Current Accounts	989,868	2,813,445
ASB Saver Account	72,177	13,663
ANZ Current Account	296	361
BNZ Current Account	1	2
Kiwibank Business Edge	16,668	16,668
ASB Visa	(718)	(1,932)
Total bank accounts	1,078,502	2,845,629
9. Bank Short Term Deposits		
BNZ 365 days due 23/09/2023 @ 4.10% pa	1,280,787	1,266,163
Total Term Deposits	1,280,787	1,266,163
10. Advance		
On 18/6/2021 TTPT lent \$1.5m to the Proprietors of Pakowhai Inc. for the purpose of purchasing units in Rauweka Paea Limited Partnership. Secured by registered mortgages over general land. Interest only for 4 years at 3.5% pa. Principal and interest after year 4 payable monthly over 6 years		
Outstanding balance	1,500,000	1,500,000
11. Investment in Managed Portfolios [Craigs Investment Partners and Jardens]		
Opening balance	9,456,618	10,757,613
Less Withdrawn (net of new investments)	-	(720,000)
Plus Returns [income and realised capital gains/losses]	282,646	241,358
Less withholding taxes deducted	(48,179)	(36,992)
Less management fees	(57,516)	(49,511)
	9,633,569	10,192,468
Investment write up/(down)	471,025	(735,850)
Closing balance	10,104,594	9,456,618
The closing balance is made up of the two portfolios as follows:		
Craigs	8,436,306	7,884,925
Jardens	1,668,288	1,571,693
	10,104,594	9,456,618
These portfolios are invested in a diversified range of New Zealand and Overseas equities, bonds and property consistent with the Trust's risk profile and required income return.		
12. Investments in shares & unit trusts		
(i) Moana NZ [Aotearoa Fisheries Ltd]		
Initial recognition at settlement value	427,098	427,098
Less impairment	88,593	88,593
Carrying value	338,505	338,505

TTPT holds 712 non-voting Income Shares.

The Trustees have determined that a fair value for the income shares cannot be reliably assessed as they do not have a readily available market values. The Trustees have undertaken a review of the carrying value of the shares for impairment. Based on a discounted expected future cash flow methodology the Trustees conclude that there is no impairment of the shares this year.



Notes to the Financial Statements

For the Year Ended 30 June 2023

	2023	2022
	\$	\$

12. Investments in shares & unit trusts (*continued*)*(ii) Farmlands Co-op Society Ltd*

200 shares at cost	449	449
Total carrying value of shares	338,954	338,954

13. Investment in subsidiaries & associates

Subsidiaries

The consolidated financial statements include information and results of each subsidiary or Trust entity from the date that TTPT obtains control and until TTPT ceases to control the subsidiary or Trust entity.

The subsidiary (Trust) entities that form part of the group financial statements are:

Hinenui Whanui Charitable Trust Board [HWCT]

Established 7/6/2018. Incorporated as a Board 14/6/2018 and a registered charity under the Charities Act 2005 as from 4 September 2018. TTPT has a 100% control over the appointment of the Trustees. TTPT is not a beneficiary of HWCT and HWCT is not a beneficiary of TTPT. HWCT was established to carry out the charitable purposes of TTPT for benefit of the beneficiaries of TTPT who are the same as for HWCT.

Ngāi Tāmanuhiri Asset Holding Company [NTAHC]

Wholly owned by TTPT. Douglas Jones is the sole director. NTAHC holds the legal title to the AFL shares & quota shares under the Māori Fisheries Act as bare trustee for TTPT. The shares and quota shares are recorded as assets of the Trust. In the 2022 financial year NTAHC purchased the land and buildings located at 736 Wharerata Road from which NTML operates the Manutuke fuel & store.

Ngāi Tāmanuhiri Custodian Trustee Limited

Formed by the Trust to hold the assets of the TTPT as its custodian.

Ngāi Tāmanuhiri Management Limited

Owned by NTAHC. Formed 4/8/2021 to purchase and operate the business of the Manutuke Fuel and Store.

Associated entities

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. Significant influence is presumed to exist when the Group holds between 20% and 50% of the voting power of another entity. Investments in associates are accounted for using the equity method and are recognised initially at cost, including directly attributable transaction costs.

The consolidated financial statements include the group's share of the surplus or deficit and other comprehensive revenue and expense of its equity accounted associates and joint ventures, after adjustments to align the accounting policies with those of the Group, from the date that significant influence or joint control commences, until the date that significant influence of joint control ceases.

When the Group's share of losses exceeds its interest in its equity accounted associates and joint ventures, the carrying amount of the investment, including any long-term investments that form part thereof, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

The associate has the same reporting date as the Group, being 30 June 2023. The associate records intangible assets (emissions units) and land using the revaluation method. The Group records intangible assets and land at cost (less impairment if any). The financial statements of the associate have been adjusted to treat intangible assets and land at cost (less impairment if any).



Tāmanuhiri Tūtū Poroporo Trust Group
Notes to the Financial Statements
For the Year Ended 30 June 2023

2023
\$

2022
\$

13. Investment in subsidiaries & associates [continued]

Wharerata Forest Ltd

This company acts as the trustee of the Wharerata Forest Trust [WFT]. TTPT holds 50% of the shares with Tātau Tātau o Te Wairoa holding the other 50%. TTPT has 50% representation on the Board. All assets and liabilities of the Company and all transactions undertaken in its name, are in its capacity as Trustee of WFT and are recorded in the financial statements of WFT.

A constitution for the company replaced the shareholders agreement on 9/11/2022.

Wharerata Forest Trust [WFT]

TTPT has a 50% beneficial interest in the WFT which hold the Crown Forest Licence over WFT's land TTPT is entitled to 50% of distributions of capital and income from the Trust.

On 9/11/2022 a new Trust deed for WFT was signed replacing the original Trust deed and shareholders' agreement dated 29/8/2012 with the consent of both beneficiaries.

The new deed does not materially affect TTPT's beneficial interest in WFT but allows WFT to operate in a more efficient manner. The new deed gives the beneficiaries by unanimous consent the ability to approve the exercise of Trustees' discretions.

Distributions to beneficiaries will be in accordance with policy set annually subject to the unanimous approval of the beneficiaries. WFT will have the ability to retain income for its operations.

TTPT's beneficial interest in the WFT was obtained under its Treaty settlement with the Crown at no cost.

The Group's investment in WFT is shown as a non-current asset "Equity Accounted Investment" as follows:

Opening balance		
Current account in WFT	-	150,914
Prior period adjustment (see note 3)	-	3,879,082
Equity accounted investment	4,163,381	-
	<u>4,163,381</u>	<u>4,029,996</u>
Share of surplus for the year	2,076,276	659,299
Distributions received for the year	(284,299)	(525,914)
Closing balance	<u>5,955,358</u>	<u>4,163,381</u>

Te Hauora o Tūranganui ā Kiwa Ltd

Te Hauora o Tūranganui ā Kiwa Ltd, trading as Turanga Health, was formed in 1996 when the assets and services of the health division were transferred from the Rūnanga. The Company is a registered charity. The shares in the company are owned equally by the Trust, Rongowhakaata and Te Aitanga ā Māhaki. The shares have no cost.

Te Rūnanga o Tūranganui ā Kiwa

Te Rūnanga o Tūranganui ā Kiwa is a registered charitable trust formed in 1986. The beneficiaries are the descendants of the respective iwi of Te Aitanga ā Māhaki, Rongowhakaata and Ngāi Tāmanuhiri.

Toitu Tairawhiti Housing Limited

A private limited liability company was incorporated on 17/5/2021 to progress the Toitu Tairawhiti housing project. The shareholding is held by representatives of the collective of the 4 iwi, Ngāi Tāmanuhiri, Rongowhakaata, Te Aitanga ā Māhaki and Ngati Porou. TTPT has 2 directors on the Board of 13. The Company commenced to operate in the 2022 financial year upon receiving funding from Government agencies. A shareholder's agreement is currently being drafted which intends to have TTPT take a 20% stake in the company.



Notes to the Financial Statements

For the Year Ended 30 June 2023

14. Property Plant & Equipment

	<u>Land</u>	<u>Buildings</u>	<u>Plant</u>	<u>Computer</u>	<u>Vehicles</u>	<u>Office</u>	<u>Total</u>
<u>Cost</u>							
Balance as at 30/6/2022	3,232,577	1,117,100	50,592	59,919	100,650	70,896	4,631,735
Additions	379,280	9,962	92,015	8,208	8,580	4,194	502,239
Disposals							-
Balance as at 30/6/2023	3,611,857	1,127,062	142,607	68,127	109,230	75,090	5,133,974
<u>Accumulated Depreciation</u>							
Balance as at 30/6/2022	4,873	24,119	25,550	54,974	67,955	48,254	225,725
Depreciation expense	475	15,084	4,687	6,314	12,016	4,702	43,278
Disposals							-
Balance as at 30/6/2023	5,348	39,203	30,237	61,288	79,971	52,956	269,003
Carrying value as at 30/6/2023	3,606,509	1,087,859	112,370	6,839	29,259	22,134	4,864,971
	<u>Land</u>	<u>Buildings</u>	<u>Plant</u>	<u>Computer</u>	<u>Vehicles</u>	<u>Office</u>	<u>Total</u>
<u>Cost</u>							
Balance as at 30/6/2021	1,680,190	670,157	38,335	57,716	99,252	60,551	2,606,202
Transfers							
Additions	1,552,387	446,943	12,257	2,203	1,398	10,345	2,025,533
Disposals				-	-	-	-
Balance as at 30/6/2022	3,232,577	1,117,100	50,592	59,919	100,650	70,896	4,631,735
<u>Accumulated Depreciation</u>							
Balance as at 30/6/2021	4,374	15,553	19,992	51,459	54,284	42,810	188,472
Transfers	-	0	0	0	0	-	-
Depreciation expense	499	8,566	5,558	3,515	13,671	5,444	37,253
Disposals							-
Balance as at 30/6/2022	4,873	24,119	25,550	54,974	67,955	48,254	225,725
Carrying value as at 30/6/2022	3,227,704	1,092,981	25,042	4,945	32,695	22,642	4,406,010

See Note 15 for further details concerning land and buildings



Notes to the Financial Statements

For the Year Ended 30 June 2023

15.	Property - land & buildings	* Rating value as at 30/9/2020		
	* Valuation where marked as "V" is fair value as at May/June 2023 as provided by Lewis Wright independent valuers. Those marked as R is rating value at 30/9/2020 and an independent valuation was not sought. All valuations are plus GST except Muriwai Beach Rd lots which are inclusive of GST.			
			<u>Valuation*</u>	<u>Carrying value</u>
			\$	\$
	<u>Cultural property</u>			
	<i>Mangapoike - Tarewa Road</i>			
	Lot 1 DP 21726	62.6605ha	66,000 R	-
	Acquired under Treaty Settlement 29/8/2012 at nil value			
	<i>Te Kuri ā Paoa historic reserve</i>			
	Lot 1 DP 319260	38.73ha		
	subject to national historic reserve referred to in s 55 Reserves Act 1977.			
	Acquired under Treaty Settlement 29/8/2012 at nil value			
	<i>Te Wherowhero Lagoon (purchased 27/8/2012)</i>			
	Lot 1 DP 440554 & Lot 4 DP 3709	69.2582 ha	-	
	Lot 1 DP 440554 - BALANCE (Browns Beach Rd) 6.509 ha		82,000 R	325,910
	Total cultural property		-	325,910
	<u>Other property</u>			
	<i>Te Kopua Farm</i>			
				[Purchased 7/11/2012]
	2569 Wharerata Rd Gisborne			
	Part Maraetaha 1C Block &			
	s10 & Sc 12-22 Block I Pariti SD	100.3114ha	1,800,000 V	1,560,283
	<i>1858 Waingake Rd Gisborne</i>			
	Pt 2 DP 2280	0.7528ha		
	Acquired under Treaty settlement 29/8/2012			
			230,000 V	74,000
	<i>Muriwai School House site</i>			
	Lot 1 DP 3561	1.6997 ha		
	Purchased [land only]17/11/2014 under RFR			
	Subject to perpetual lease to Min. of Education			
			185,000 V	72,000
	<i>Wharerata Road ex J2 Coolstore</i>			
				[Purchased 11/12/2018]
	Lot 1 DP 6850 GS4D/444	1.8927 ha	990,000 V	698,936
	<i>Houses donated by Housing NZ</i>			
	In the 2019 financial year Housing NZ delivered 2 houses to TTPT for no consideration. The current market value of the houses donated cannot readily be ascertained. During the 2020 financial year expenditure was incurred to water-proof the houses recorded at cost			
			-	20,468
	<i>Leasehold improvements to Gladstone Rd Office</i>			
			-	2,936
	Carry forward		<u>3,205,000</u>	<u>2,428,623</u>



Notes to the Financial Statements

For the Year Ended 30 June 2023

15.	Property - land & buildings (continued)	<u>Valuation*</u>	<u>Carrying value</u>
		\$	\$
	<i>Brought forward</i>	3,205,000	2,428,623
	<i>Muriwai Beach Road Lots (work in progress)</i>		
	7 land titles - Lots 2 to 8 DP 572355		
	Land purchased, subdivided and developed for providing iwi members land for houses to be erected by Toitu Tairāwhiti Housing Ltd . Still being developed at balance date		
	- costs to date	865,000 V	1,385,166
	736 Wharerata Road, Manutuke (Fuel & Store Premises)		
	Lot 1 DP 7873 & OPOU 1ED1; 0.2782 ha		
	Purchase settled 31/8/2021	649,000 V	554,669
	Total other property	4,719,000	4,368,458
		2023	2022
		\$	\$
16.	Intangibles		
	(i) Te Aranui & Website		
	TTPT engaged Fronde Systems Group Ltd to establish a contact database system. The system allows TTPT to better manage registrations, distribution of panui & allow for interaction with Iwi members.		
	Cost	267,489	267,489
	Accumulated amortisation - opening	265,963	264,437
	This year's amortisation	763	1,526
	Accumulated amortisation - closing	266,726	265,963
	Closing book value	763	1,526
	(ii) Fishing quota shares		
	Fishing quota shares has been recorded at assigned cost on initial recognition as assessed by Te Ohu Kaimoana at the time of transfer. The quota shares are treated as an asset with an indefinite life, are not amortised and are assessed annually for impairment losses. Impairment losses are recognised whenever the carrying amount of the asset exceeds its recoverable amount.		
	The most recent market valuation obtained by the Trustees (30/6/2016) valued the quota shares at \$3.6m. There have been no changes in the market place that would indicate that the shares have devalued to below the carrying value for the shares.		
	At balance date total quota valued as follows -		
	Te Ohu Kaimoana quota allocation assigned cost	1,226,595	1,226,595
	Total intangibles	1,227,358	1,228,121



Notes to the Financial Statements

For the Year Ended 30 June 2023

	2023	2022		
	\$	\$		
17. Unused Donations and Grants with conditions				
<i>Contracts for service - monies received will be used on contracts delivered post 30/6/2022</i>				
TPK Housing grant - use or return	94,730	94,730		
Maru Ora Ltd - land infrastructure - use or return	29,409	260,711		
MSD employment grant - use or return	-	-		
DOC Kaimahi for nature - use or return	839,578	793,768		
Ministry of Environment - use or return	150,000	-		
	1,113,717	1,149,209		
<i>Funding grants - monies received and unspent</i>				
Tairāwhiti Trust Grants re community wellbeing	15,345	-		
MBIE Muriwai Marae renovations	-	8,478		
	1,129,062	1,157,687		
18. Accumulated Funds - this year				
	<u>contributed by</u>	<u>surpluses</u>	<u>Reserves</u>	<u>Total</u>
Opening balance	-	23,226,172	-	23,226,172
Correction of prior period error (see note 3)	-	-	-	-
Surplus/(Deficit)	-	2,912,259	-	2,912,259
	-	26,138,431	-	26,138,431
Accumulated Funds - last year				
	<u>contributed by</u>	<u>surpluses</u>	<u>Reserves</u>	<u>Total</u>
Opening balance	-	18,093,953	-	18,093,953
Correction of prior period error (see note 3)	-	3,879,082	-	3,879,082
Surplus/(Deficit)	-	1,253,137	-	1,253,137
	-	23,226,172	-	23,226,172
19. Accumulated surpluses				
Accumulated surpluses forming part of Accumulated funds are made up of:				
Treaty of Waitangi Settlements -				
Fisheries Claims Settlement Act 1992 -				
AFL shares, quota shares & cash [\$62,855]		1,716,548		1,716,548
NT Claims Settlement Act 2012 -				
financial & commercial redress		8,970,612		8,970,612
cultural redress		529,000		529,000
Accumulated rentals from CFRT [ex WFT]		4,328,417		4,328,417
		15,544,577		15,544,577
Resettlement of NTWCT 1/7/2005		312,957		312,957
Share of WFT's net assets		5,955,358		3,879,082
Accumulated net surplus		4,325,539		3,489,556
		26,138,431		23,226,172



Notes to the Financial Statements

For the Year Ended 30 June 2023

	2023	2022
	\$	\$
20. Related party transactions		
TTHL -		
Director fees (revenue)	43,478	43,478
Rates recovery (revenue)	9,512	-
Support fee (revenue)	20,000	-
Contract re house build (revenue)	-	1,234,618
Bonds held (liability)	47,000	-
Account payable (Duplex rent)	56,266	-
TT Builtsmart Ltd		
Loan (asset)	52,987	-

Nature of relationships

(i) Toitu Tairawhiti Housing Ltd [TTHL] - is a private company on the register of New Zealand companies. Pauline Hill - chair of TTPT and Douglas Jones, CEO of TTPT are on the board and co-shareholders with others of TTHL, representing TTPT.

The Group and TTHL are involved together in providing housing to Ngai Tāmanuhiri members with the Group providing the land and TTHL the houses on a rent to buy basis.

(ii) Toitu Tairawhiti Builtsmart Ltd - is a wholly owned subsidiary of TTHL.

TTPT has no representation on the board of the company.

Builtsmart operates a facility in Gisborne to build transportable homes.

During the year TTPT advanced \$52,987 to Builtsmart as iwi contribution to a new facility being built at Aerodrome Rd Gisborne. The terms of the loan yet to be finalised.

	2023	2022
	\$	\$
21. Payments to Marae		
Some Trustees and/or their family members are also members of the Marae Trustees however the Marae do not have the ability to significantly influence TTPT.		
Transactions with the Marae were:		
Cash donations paid :		
Muriwai		10,000
Rangiwaho	10,000	10,000
Total payments	10,000	20,000
In addition to the cash donations the Group carried out renovation and repair works in respect of Muriwai marae as follows:		
Cost of works - exclusive of GST	573,256	573,256
Less Funding	483,840	483,840
To be reimbursed by the Marae Trustees	89,416	89,416
Add GST	13,412	13,412
Loan owing by the Marae Trustees	102,828	102,828



Notes to the Financial Statements

For the Year Ended 30 June 2023

	2023	2022
	\$	\$
22. Taxation		
Net surplus for year	2,912,259	1,253,137
<u>Increase in taxable income due to</u>		
Non-deductible expenses	18,090	25,165
Non-deductible donations	667	21,230
Imputation credits	0	16,830
Addback tax expense	17,626	90,014
Taxable income - portfolio	384,536	372,522
Non-deductible revaluation loss / (income)	(471,025)	735,851
Wharerata Forest Trust - taxable income	344,605	637,470
Accrued Leave entitlement this year	90,812	87,123
Tax loss to carry forward	-	7,717
<u>Decrease in taxable income due to -</u>		
Accounting income - Portfolio	(282,647)	(241,358)
Wharerata Forest Trust - accounting income	(2,136,582)	(770,856)
Net taxable income of registered charity exempt	(176,828)	(96,722)
Consolidation adjustment	150,874	(67,876)
Accrued Leave entitlement last year	(87,123)	(56,628)
Non-taxable grant income	(231,302)	(1,007,747)
Tax loss brought forward	(7,717)	(314,689)
Deductible donations	(298,852)	(80,647)
Net taxable income for year	227,393	610,536
Tax expense		
Tax payable on net taxable income after losses	39,794	106,844
Imputation credits used	(19,571)	(16,830)
Foreign Tax Credits used	-	-
Current year's tax payable	20,223	90,014
Prior year current tax	(2,597)	-
Tax expense for year	17,626	90,014
Current tax		
Current year's tax payable	(20,223)	(90,014)
Tax credits refundable	117,818	153,940
Tax Refundable	97,595	63,926
Tax losses		
Tax losses brought forward	-	314,690
Prior period adjustment	-	-
Excess imputation credits converted to tax loss	-	-
Losses utilised this year	-	(314,690)
Tax losses to carry forward	-	-



Notes to the Financial Statements

For the Year Ended 30 June 2023

	2023 \$	2022 \$
23. Māori Authority Credit Account		
Opening balance	377,107	246,703
Māori Authority tax credits received	61,757	114,825
Imputation credits received	19,571	16,830
RWT paid	46,687	31,897
Income tax refunded	(66,552)	(33,148)
Closing balance	438,570	377,107
24. Commitments		
Commitments to lease or rent assets		
	<u>At balance date</u>	<u>At balance date</u>
	<u>This year</u>	<u>Last Year</u>
(i) Operating lease - Taiao Vehicles		
Leased from TROTAK - 2 x 2018 Ford Rangers - "LRD150" & "LMF830" - 4/8/2021 to 31/8/2024		
Monthly rent \$990.34 each plus GST	39,358	51,242
(ii) Co-occupancy agreement with Te Puni Kokiri		
The co-occupancy of the 299 Gladstone Road offices by TTPT under TPK's headlease was reconstituted under a MOU dated 1/10/2022 whereby had occupancy of designated 37% area for the term of the headlease i.e. 3 years to 31/10/2020 with 2 rights of renewal of 3 years each - final expiry 31/10/2026.		
Rent reviews every 2 years from 1/11/2017.		
TTPT's share of current rent (including OPEX) payable by TTPT is \$43,105 pa plus GST. Current rent is reduced on a monthly basis by overpayment of rent for the period October 2019 to August 2022 - total \$56,057 plus GST or \$1,602 plus GST per month. The MOU may be terminated by either party giving 6 month's notice.		
Outstanding rent & charges-	21,553 *	238,634
* rental for 6 months		
Overpayment of rent due at 30/6/2023 to be recovered from rent payable	41,642	
25. Capital Commitments		
The Group had no capital commitments as at balance date.		
26. Contingent assets and liabilities		
There were no contingent assets or liabilities at year end (2022: \$Nil)		
27. Post - balance date events		
In November 2022 HWCT obtained a 25% shareholding in Toitu Tairawhiti Housing Ltd. Purchase Pakowhai Road, Muriwai Gisborne on 25 November 2023 \$700,000 + GST,		



Independent Auditor's Report To the Members of Tāmanuhiri Tūtū Poroporo Trust Group

Opinion

We have audited the accompanying consolidated performance report of Tāmanuhiri Tūtū Poroporo Trust Group and its subsidiaries (the Group) on pages 2 to 23, which comprises the entity information, the consolidated statement of service performance, the consolidated statement of financial performance and consolidated statement of cash flows for the year ended 30 June 2023, the consolidated statement of financial position as at 30 June 2023, the statement of accounting policies and other explanatory information..

In our opinion:

- (a) the reported outcomes and outputs, and quantification of the outputs to the extent practicable, in the consolidated statement of service performance are suitable;
- (b) the consolidated performance report on pages 2 to 23 presents fairly, in all material respects:
 - the entity information for the year ended 30 June 2023;
 - the service performance for the year then ended; and
 - the financial position of Tāmanuhiri Tūtū Poroporo Trust Group as at 30 June 2023, and its financial performance, and cash flows for the year then ended

in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) issued by the New Zealand Accounting Standards Board.

Basis for Opinion

We conducted our audit of the statement of consolidated financial performance, consolidated statement of financial position, consolidated statement of cash flows, statement of accounting policies and notes to the consolidated performance report in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)), and the audit of the entity information and consolidated statement of service performance in accordance with New Zealand Auditing Standard (NZ AS1) 'The Audit of Service Performance Information (NZ)'. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Performance Report section of our report. We are independent of the Group in accordance with Professional and Ethical Standard 1 'International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)' 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, Tāmanuhiri Tūtū Poroporo Trust Group.

Trustees' Responsibility for the Consolidated Performance Report

The Trustees are responsible on behalf of the group for:

- (a) identifying outcomes and outputs, and quantifying the outputs to the extent practicable, that are relevant, reliable, comparable and understandable, to report in consolidated statement of service performance;
- (b) the preparation and fair presentation of the consolidated performance report which comprises:
 - the Entity Information;
 - the consolidated statement of service performance; and
 - the consolidated statement of financial performance, consolidated statement of financial position, consolidated statement of cash flows, consolidated statement of accounting policies and notes to the consolidated performance report

in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) issued in New Zealand by the New Zealand Accounting Standards Board, and in accordance with Public Benefit Entity Simple Format Accrual (Not-For-Profit) issued in New Zealand by the New Zealand Accounting Standards Board, and
- (c) for such internal control as the Trustees determine is necessary to enable the preparation of a consolidated performance report that is free from material misstatement, whether due to fraud or error.

In preparing the consolidated performance report, the Trustees are responsible on behalf of the group for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibility for the Audit of the Consolidated Performance Report

Our objectives are to obtain reasonable assurance about whether the consolidated performance report is 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) and NZ AS1 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 decisions of users taken on the basis of this consolidated performance report.

As part of an audit in accordance with ISAs (NZ) and NZ AS1, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated performance report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of the use of the going concern basis of accounting by the Trustees and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated performance report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated performance report, including the disclosures, and whether the consolidated performance report represents the underlying transactions and events in a manner that achieves fair presentation.
- • Perform procedures to obtain evidence about and evaluate whether the reported outcomes and outputs, and quantification of the outputs to the extent practicable, are relevant, reliable, comparable and understandable.

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.

Graham & Dobson Ltd

26 January 2024
Graham & Dobson Ltd
Chartered Accountants
Gisborne