

Summarised Financial Report

Heretaunga Tamatea Settlement Trust
For the year ended 31 March 2021

Prepared by BM Accounting Limited

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Statement of Profit or Loss

Heretaunga Tamatea Settlement Trust For the year ended 31 March 2021

| | NOTES | 2021 | 2020 |
|-----------------------------------------|-------|------------------|------------------|
| Income | | | |
| Interest Income | | 1,620,555 | 3,004,244 |
| Trust Distributions Received | | 432,151 | 357,297 |
| Other Income | | 109,902 | 14,785 |
| Total Income | | 2,162,608 | 3,376,326 |
| Expenses | | | |
| Trustee Meeting Costs (Related Parties) | 1 | 382,466 | 362,318 |
| Settlement Costs | | 69,513 | 58,950 |
| Other Expenses | 2 | 1,747,542 | 1,294,531 |
| Total Expenses | | 2,199,522 | 1,715,798 |
| Profit (Loss) Before Taxation | | (36,914) | 1,660,528 |
| Trustees Income Before Tax | | (36,914) | 1,660,528 |
| Taxation and Adjustments | | | |
| Income Tax Expense | 3 | 325,693 | 584,976 |
| Total Taxation and Adjustments | | 325,693 | 584,976 |
| Net Trustees Income for the Year | | (362,607) | 1,075,552 |

Balance Sheet

Heretaunga Tamatea Settlement Trust As at 31 March 2021

| | NOTES | 31 MAR 2021 | 31 MAR 2020 |
|----------------------------------------------------|-------|--------------------|--------------------|
| Assets | | | |
| Bank Accounts | | 230,224 | 2,515,486 |
| Term Deposits | | 86,465,890 | 96,330,890 |
| Property, Plant and Equipment | | 8,929,389 | 3,326,702 |
| Beneficial Interest - Kaweka Gwavas Forestry Trust | | 7,989,060 | 7,989,060 |
| Investment in Shares | | 1,955,769 | 1,644,231 |
| Other Assets | | 480,408 | 675,211 |
| Total Assets | | 106,050,740 | 112,481,580 |
| Liabilities | | | |
| Balance Payable on Property Settlement | 4 | 5,610,000 | 2,934,000 |
| Other Current Liabilities | | 332,969 | 200,752 |
| Provision for Capital Commitments | 5 | 14,423,000 | 23,600,000 |
| Total Liabilities | | 20,365,969 | 26,734,752 |
| Net Assets | | 85,684,771 | 85,746,828 |
| Trust Funds | | | |
| Trust Capital | | 85,684,771 | 85,746,828 |
| Total Trust Funds | | 85,684,771 | 85,746,828 |

Notes to the Financial Statements

Heretaunga Tamatea Settlement Trust For the year ended 31 March 2021

1. Related Parties

The following payments have been made to Trustees during the period for meeting fees and travel allowances:

| | 2021 | 2020 |
|-----------------------------------|----------------|----------------|
| Summary of Payments | | |
| Trustee Meeting Fees | 361,466 | 324,900 |
| Trustee Meeting Travel Allowances | 21,000 | 37,418 |
| Total Summary of Payments | 382,466 | 362,318 |

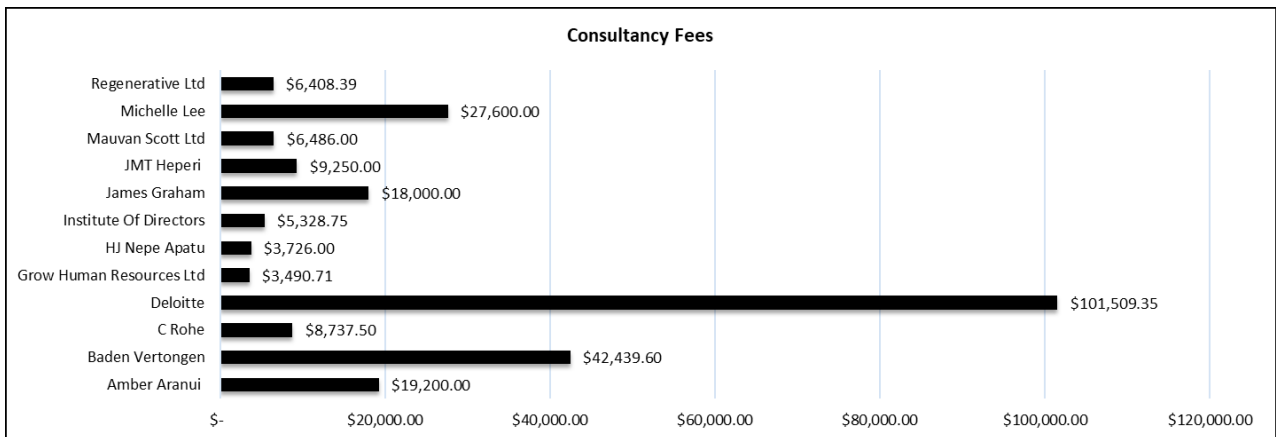
Related Party Payments

| | 2021 | 2020 |
|--------------------------------------|--------|--------|
| T August | 14,888 | 8,302 |
| N Berney | 16,558 | 8,126 |
| P Carroll | 5,526 | - |
| E Clarke (Project On The Go Limited) | - | 8,445 |
| EH Graham | 52,234 | 48,464 |
| R Hakiwai (HTK Hakiwai Limited) | 28,652 | 25,226 |
| N Hanara | 4,881 | - |
| OJ Hapuku | 7,659 | - |
| L Hawea | - | 8,427 |
| JB Heperi-Smith | 25,399 | 18,717 |
| C Huata | 17,355 | 17,446 |
| H Kani | 9,438 | 11,550 |
| W Kara | 8,245 | 11,611 |
| L Kele | 14,709 | 6,940 |
| K Koko | 24,533 | 7,960 |
| J Matthews | 5,700 | 7,650 |
| M McGuire | 12,152 | 13,286 |
| B Morris (Puangi Limited) | 5,981 | 6,214 |
| T Mulligan (Taketake) | 4,290 | 8,744 |
| W Osborne | 22,051 | 12,982 |
| P Paku | 13,945 | 13,730 |
| C Pene | - | 7,100 |
| K Rata | 12,377 | 16,177 |
| S Reo | 18,016 | 19,160 |
| K Ropiha | 11,328 | - |
| E Sandilands | 14,080 | 15,849 |
| T Te Au | 9,786 | 10,811 |
| D Tipene Leach | 10,577 | 17,894 |
| N Tomoana | 12,106 | 14,211 |

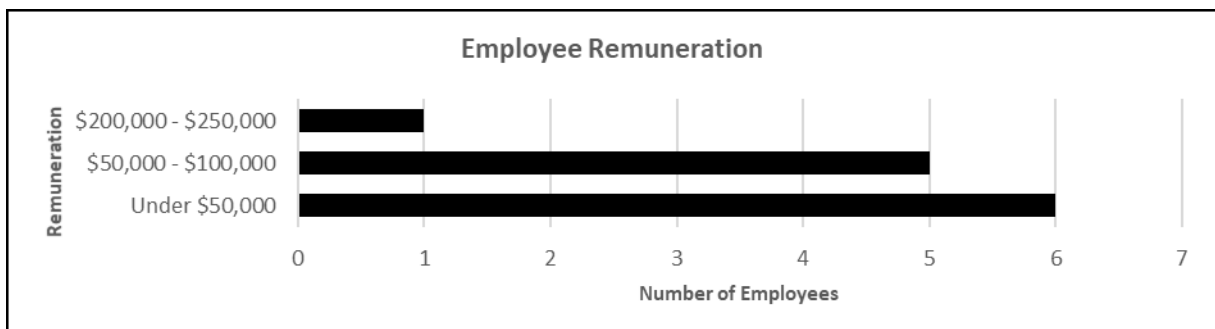
| | | |
|-------------------------------------|----------------|----------------|
| A Watene | - | 17,296 |
| Total Related Party Payments | 382,466 | 362,318 |
| | 2021 | 2020 |

2. Other Expenses

| | | |
|-----------------------------|------------------|------------------|
| Accountancy Fees | 45,334 | 26,302 |
| Consultancy Fees | 252,176 | 72,579 |
| Election Costs | 58,822 | 56,189 |
| Contractors | - | 69,863 |
| Legal Expenses | 60,079 | 80,048 |
| Rent and Outgoings | 118,724 | 118,724 |
| Wages and Salaries | 837,609 | 694,799 |
| Other Expenses | 374,798 | 176,027 |
| Total Other Expenses | 1,747,542 | 1,294,531 |



| | |
|----------------------------------|--------------|
| Te Taiwhenua o Heretaunga | |
| Annual Rental | \$ 98,600.00 |
| Annual Outgoings | \$ 20,124.00 |



3. Income Tax

The Trustees have made an election to become a Maori Authority for tax purposes from 1 April 2016. This entitles the Trustees to an income tax rate of 17.5%.

4. Balance Payable on Property Settlement

On 2 March 2021, the Trustees issued Election Notices to the Crown, under the Property Redress section of the Deed of Settlement, to confirm purchase of the following properties:

- 78 Stock Road, Bridge Pa - \$3,350,000
- Pukeora Scenic Forest & Flatland - \$1,160,000
- 14 Mangarau Crescent, Havelock North - \$1,100,000

It is intended that settlement will take place on 12 May 2021.

| | 2021 | 2020 |
|------------------------------------------------|-------------------|-------------------|
| 5. Provision for Capital Commitments | | |
| Provision for Te Aute College Distribution | - | 5,000,000 |
| Provision for \$1m Marae Distributions | 12,000,000 | 16,000,000 |
| Provision for Habitat Restoration | 1,913,000 | 1,950,000 |
| Provision for TANK Plan Change | - | 50,000 |
| Provision for Marae Development | 410,000 | 500,000 |
| Provision for Nga Ara Tipuna Pa Project | 100,000 | 100,000 |
| Total Provision for Capital Commitments | 14,423,000 | 23,600,000 |

During the 2021 year, the Trust made the following payments - \$9,177,000:

- Rakautatahi Marae - \$1,000,000 • Matahiwi Marae - \$1,000,000
- Korongata Marae - \$1,000,000
- Rongomaraeroa Marae - \$1,000,000
- Te Aute College - \$5,000,000
- TANK Plan Change - \$50,000
- Payments of \$5,000 to Marae during the 2020 Covid-19 lockdown - \$90,000
- Aorangi MTB as a contribution towards the Whatumā Management Group's Restoration Management Plan - \$37,000

6. Crown Settlement

Heretaunga Tamatea Settlement Trust was a party to a Deed of Settlement, dated 26 September 2015.

The Cultural Redress section of the Settlement vested the following properties in the Trust:

- a Blackhead property
- an Omahu property
- a Parimahu Beach property
- Lake Hatuma property, as a recreation reserve
- Purimu Lake property, as a recreation reserve

These properties are presently subject to a valuation process.

7. Events After Balance Date

After balance date, the Trustees issued Election Notices to the Crown, under the Property Redress section of the Deed of Settlement, to confirm purchase of the following properties:

- 204 – 206 Southampton Street East, Hastings - \$490,000
- 21 Boston Crescent - \$285,000
- 49a Dundee Drive - \$530,000

The deadline for settlement of these properties was 30 June 2021.

Audit Report

Heretaunga Tamatea Settlement Trust
For the year ended 31 March 2021