



Raukawa ki te Tonga Trust
ANNUAL REPORT 2023



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NOTE

This is the Annual Report of the Raukawa ki te Tonga Trust (the Trust) the Mandated Iwi Organisation (MIO) of Ngāti Raukawa under the Māori Fisheries Act 2004, and Raukawa ki te Tonga AHC Limited (the AHC). The AHC is a wholly owned subsidiary of the Trust, the Trust's commercial arm and is responsible for managing and growing the fisheries settlement assets of the Trust.

This report covers the Financial Year Ended 30 September 2022.

Hui-ā-tau Mihi

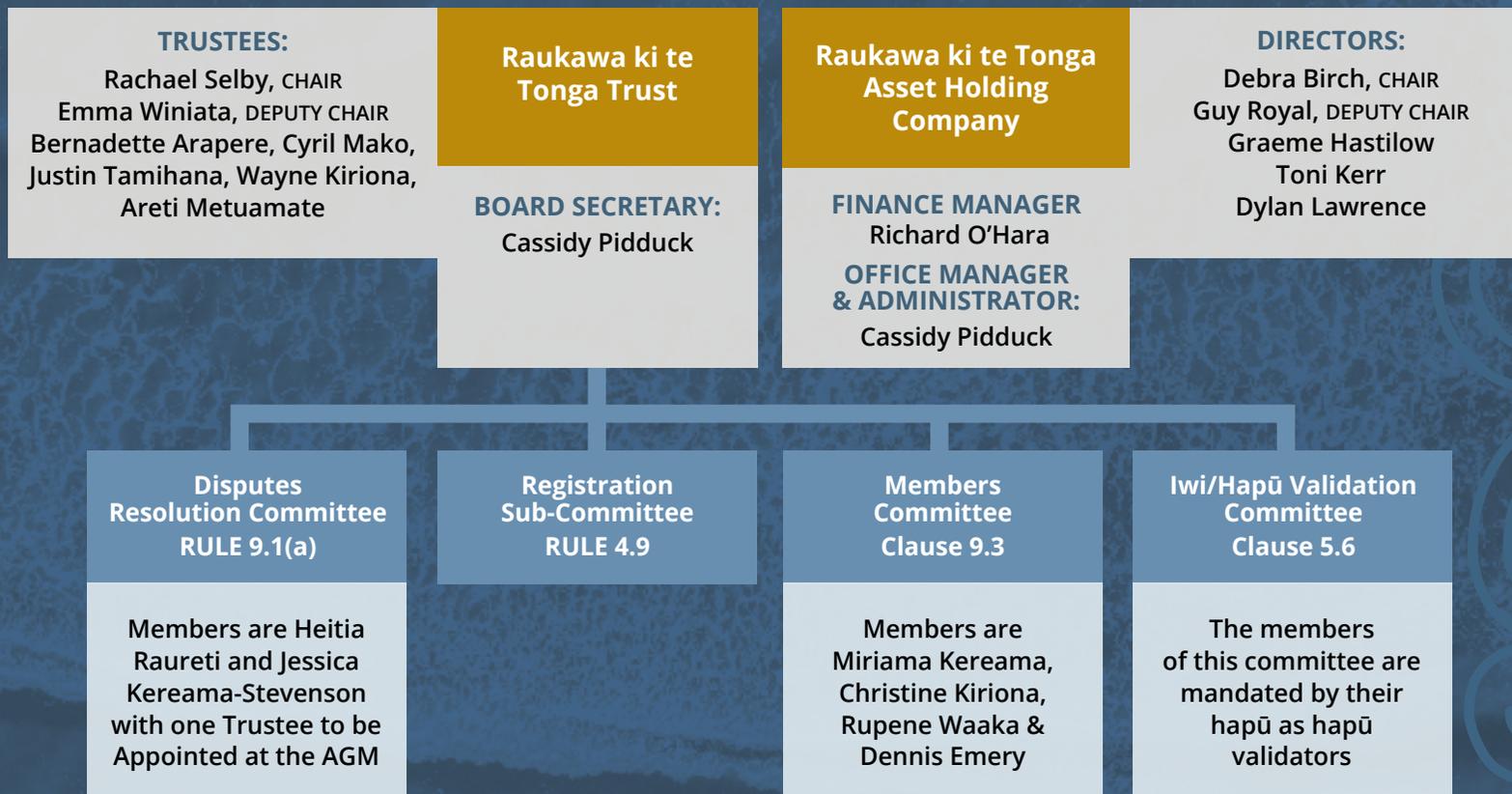
Tuia te rangi e tū nei, tuia te papa e takoto nei, tuia rātou kua wehea atu ki te pō-uriuri ki te pō-tangotango; he kura i tangihia, he maimai aroha ki a rātou e hoe ana i ngā tai tapu ki Hawaiki.

Tuia rātou i te pō, tuia tātou i te ao marama, tuia e te piringa, tuia e ōna uri, inā hoki nā rātou te karanga kia huia mai ki runga ki te papa e takoto ake nei.

Nei rā te whai i te ia o whakaaro i tukuna atu ai i te kare o kupu, te reo pōwhiri ki a tātou, otirā koutou kua tae mai, tēnā koutou, nau mai.

Haere mai ki tā tātou hui ā tau, hei matapaki i ngā kōrero e pā ana ki tā koutou Tarahiti mō te tau kua hori, ōna piki, me ōna heke, otirā ki kōnei whakatau ai i ngā pātai me ngā whakaaro.

Nei rā te mihi ki te minenga, tēnā koutou, tēnā koutou, tēnā koutou katoa.



The Raukawa ki te Tonga Trust, the Mandated Iwi Organisation, acts in a governance capacity and the Raukawa ki te Tonga Asset Holding Company Limited in a business/commercial capacity.

The Raukawa ki te Tonga Trust is ultimately responsible to Raukawa ki te Tonga members for the activities of Raukawa ki te Tonga Group, the Trust and the Asset Holding Company (AHC) and any future subsidiaries.

RAUKAWA KI TE TONGA TRUST

Chair's Report

Tēnā koutou katoa

It is now 13 years since the Trust presented the first annual report at a time in which we committed to building relationships with our members and to work to achieve the aspirations of members of Raukawa ki te Tonga. We have been fortunate to have the experience of thirteen Board members over the years. All have contributed to the development of the Board's Plans and have liaised with members, hapū and marae during their terms. We have worked closely with the Asset Holding Company that has enjoyed stability and the contributions of nine directors over this decade. In the past three years our Directors have competently managed the assets of the Board during the period of a global pandemic that inevitably has impacted on investments. I acknowledge all those who have brought the Trust and AHC to the strong position we are in today.

We held an election in 2022. Three sitting members were re-elected. We have for a while now explored the option of moving to one three year election cycle and expect to do that in 2023. We will present the changes that would be required at the next AGM. The 2022 AGM was held via Zoom due to the ongoing uncertainties posed by the Covid 19 pandemic. This uncertainty remains.

We have made some advances with the MACA claim on behalf of the iwi, initiating meetings with our neighbours, in particular Confederation iwi. The Claim is scheduled to be held in the

High Court in 2024 and we are actively seeking a person dedicated to preparing this over the next year.

The In-shore Fishery Dispute has also consumed time and expertise of our members. While we have continued to meet with our neighbours in the north of the rohe, little progress has been made and the matter has now been referred to the Māori Land Court for resolution.

Distributions to members have continued and now total close to a million dollars. This is in cash and in fish to marae. COVID put a break on many hui held at marae, but we continue to respond to requests in line with the policy on distribution.

I am pleased to report that the Dispute Resolution Committee has not been called upon in the past year. We acknowledge those who have been available to assist should their expertise be needed: Heitia Raureti and Jess Kereama.

Thanks to Trustees for the ongoing work in assisting with registration of members and achieving the goals identified in the Strategic Plan. Thanks also to the Directors of the AHC who have managed investments with considerable expertise.

Ngā mihi nui ki a koutou katoa

RACHAEL SELBY
CHAIR, RAUKAWA KI TE TONGA TRUST



RACHAEL SELBY
CHAIR
RAUKAWA KI
TE TONGA TRUST



RAUKAWA KI TE TONGA TRUST Trustees



Raukawa ki te Tonga Trust Trustees

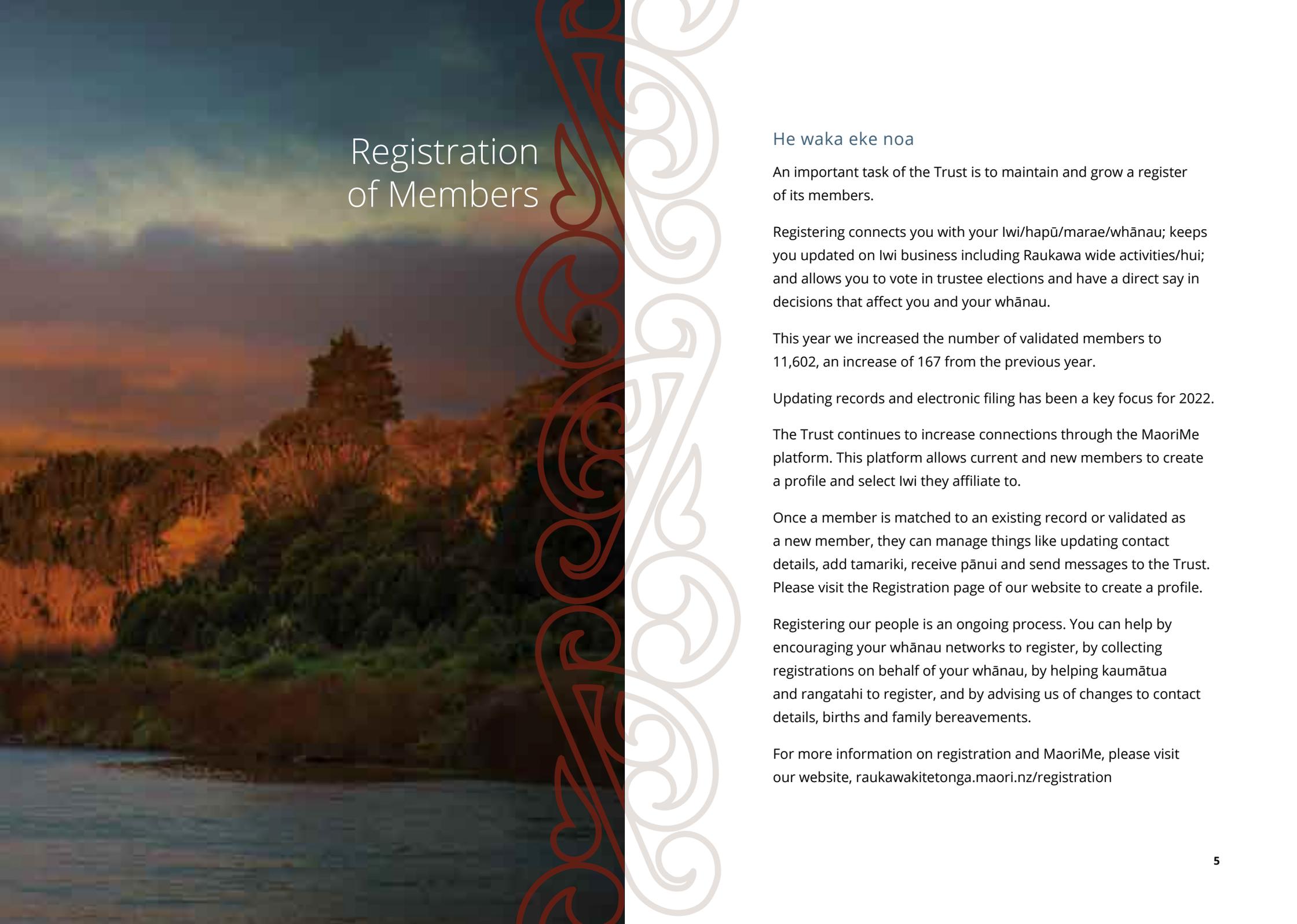
ABOVE: Areti Metuamate and Wayne Kiriona

BELOW, LEFT TO RIGHT: Justin Tamihana, Emma Winiata,
Bernadette Arapere, Cyril Mako & Rachael Selby



RAUKAWA KI TE TONGA TRUST Highlights for the Year

- Fish distributions totalling \$7,161 provided to support hui at Marae.
- Customary Interests and Marine and Coastal Usage Report prepared to support the Iwi Marine and Coastal Area (MACA) claim.
- Distributions of \$113,381 provided to support projects from the 2021 distribution round.
- The Trust opted for our Tuna ACE to remain with Te Ohu Kaimoana for the 2021/2022 fishing year. Consequently, our portion of tuna cannot be caught.
- The following matters are reported as required by the Māori Fisheries Act:
 - No disposal of income shares
 - No disposal of settlement quota
 - No quota shares have been purchased



Registration of Members

He waka eke noa

An important task of the Trust is to maintain and grow a register of its members.

Registering connects you with your Iwi/hapū/marae/whānau; keeps you updated on Iwi business including Raukawa wide activities/hui; and allows you to vote in trustee elections and have a direct say in decisions that affect you and your whānau.

This year we increased the number of validated members to 11,602, an increase of 167 from the previous year.

Updating records and electronic filing has been a key focus for 2022.

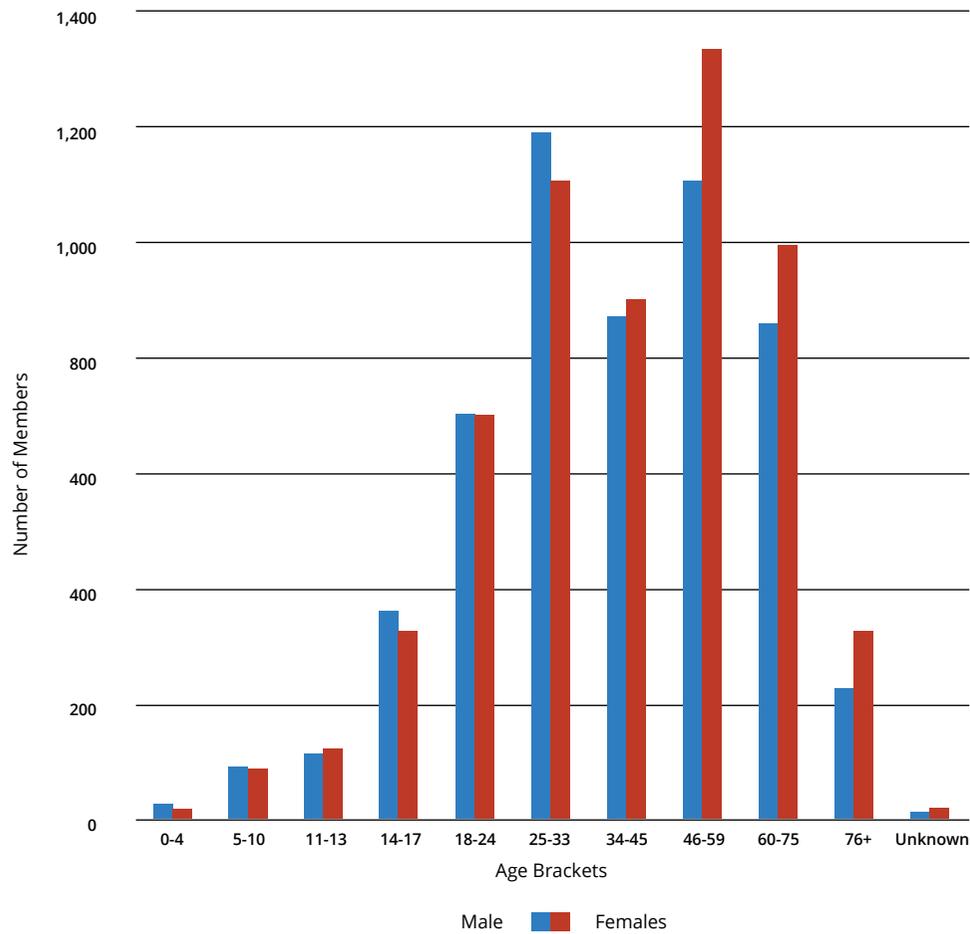
The Trust continues to increase connections through the MaoriMe platform. This platform allows current and new members to create a profile and select Iwi they affiliate to.

Once a member is matched to an existing record or validated as a new member, they can manage things like updating contact details, add tamariki, receive pānui and send messages to the Trust. Please visit the Registration page of our website to create a profile.

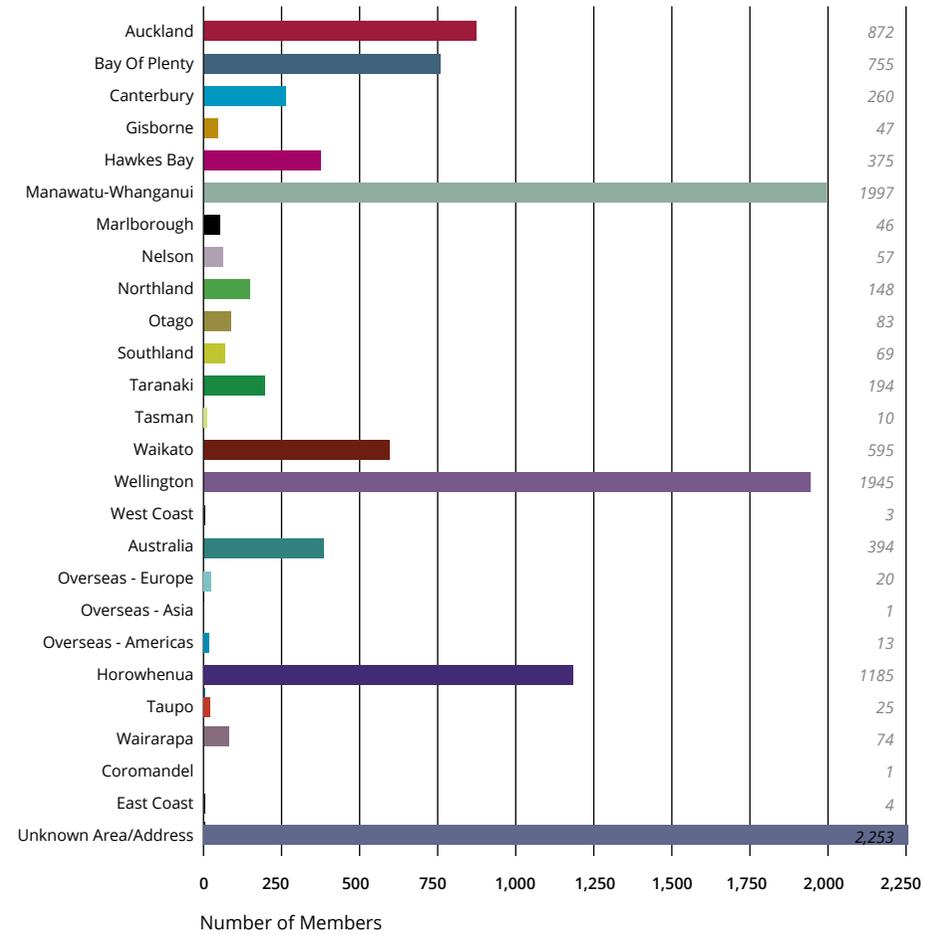
Registering our people is an ongoing process. You can help by encouraging your whānau networks to register, by collecting registrations on behalf of your whānau, by helping kaumātua and rangatahi to register, and by advising us of changes to contact details, births and family bereavements.

For more information on registration and MaoriMe, please visit our website, raukawakitetonga.maori.nz/registration

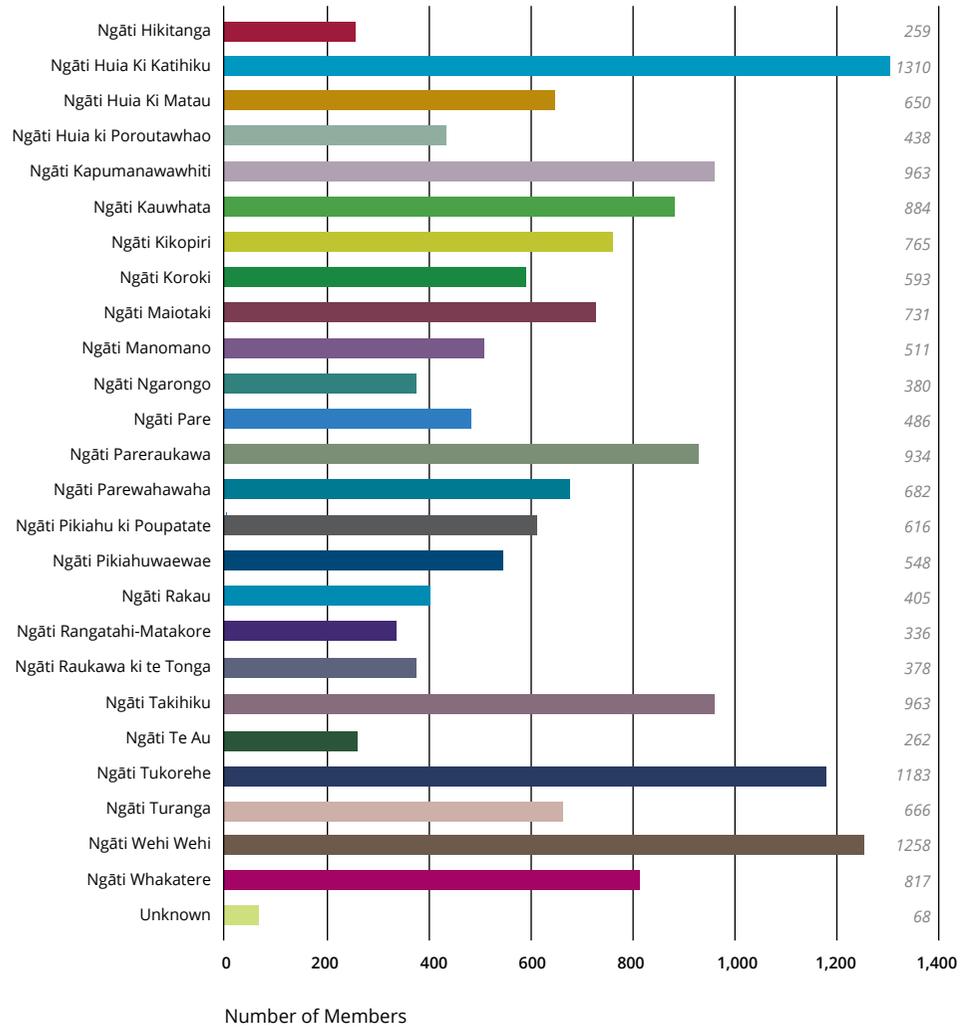
Validated Members by Age



Validated Members by Geographic Location



Validated Members by Hapū / Iwi Affiliations



Accountability

Strategic Plan

1 October 2021 –
30 September 2024

Te Moemoea | Vision

Te tūruapō:

Kia tōnui anō te iwi, kia ūkaipō anō hoki ngā marae;
Kia makuru noa ngā rawa, ika mai, aha mai.
Thriving Iwi and Marae; Flourishing Fishery and Asset Base.

Te Aronga | Purpose

Ka penapenahia, ka tohaina te pūtea tautiaki hei painga
mō ngā hūanga o 'Raukawa ki te Tonga', mā roto mai i
te whakatinanatanga o ngā kaupapa tuku iho.
To hold, manage and administer the Trust Fund to benefit Raukawa
ki te Tonga members through the expression of kaupapa tuku iho.

Ngā Whāinga | Objectives

Tiaki taonga, kia puawai
Protect our asset base so it will flourish

Me mōhio, me āwhinatia te Iwi
Better understand and support our Iwi

**Whakapakari te whare me
ngā hononga a Iwi**
Strengthen our organisation and
connectivity within Raukawa

Kaupapa Tuku Iho | Guiding Values

We will give expression to Kaupapa Tuku Iho in our actions and decision making: Manaakitanga, Wairuatanga, Ūkaipōtanga, Whanaungatanga, Rangatiratanga, Kaitiakitanga, Kotahitanga, Pūkengatanga, Whakapapa, Te reo

Strategic Plan: Objectives, Strategies, Actions and Outcomes

| Objectives | Strategies | Actions - YE2022 | Outcomes - YE2022 | Actions - YE2023 |
|---|---|---|---|---|
| Tiaki Taonga, kia puawai Protect our asset base so it will flourish. | Build Fisheries Capability within the Raukawa ki te Tonga Group to manage the wide range of fisheries related kaupapa | Investigate hiring someone to manage fisheries matters for RKTT. Fisheries matters include: Fisheries forums, TOKM relationship, Pataka, customary rights/catch, inshore fisheries etc. | Scoping of the role and Job Description is underway. | Investigate hiring someone to manage fisheries matters for RKTT. Fisheries matters include: Fisheries forums, TOKM relationship, Pataka, customary rights/catch, inshore fisheries etc. |
| | | Record the history of Fisheries for Raukawa. | Discussions and planning is progressing. | Record the history of Fisheries for Raukawa. |
| | | Agree on a Letter of Expectation between the Trust and AHC. Monitor expectations agreed in the letter. | LOE complete for 1 Oct 2021 to 30 Sept 2022. | Agree on a Letter of Expectation between the Trust and AHC. Monitor expectations agreed in the letter. |
| | Operate Strategic Governance over AHC and monitor its performance | Regular reporting from AHC to MIO. | AHC provide a quarterly update at each Trust hui. | Regular reporting from AHC to MIO. |
| | | Monitor how the AHC gives expression to Kaupapa. | AHC ESGC workshop held Oct 22. ESGC framework being finalised. | Monitor how the AHC gives expression to Kaupapa. Continue ESGC framework development and implementation. |
| | | Ensure that the MIO is represented on relevant forums. | Trust represented at AGMs and relevant hui. | Ensure that the MIO is represented on relevant forums. |
| | Represent a Kaitiaki Kaimoana voice on behalf of Raukawa ki te Tonga Kaitiakitanga, Rangatiratanga | MIO to make submissions/ensure its voice is heard on Fisheries Kaupapa of interest to Raukawa (e.g. TOKM, Government, local Council, Fisheries businesses). | Submissions received and reviewed. | Continue to grow involvement and knowledge regarding submissions. Ensure our voice is heard on Fisheries Kaupapa of interest to Raukawa (e.g. TOKM, Government, local Council, Fisheries businesses). |
| | | Progress Inshore Fisheries and Marine and Coastal Claims | Progress/Finalise inshore Fisheries Dispute with Rangitane and Muāupoko. Engage in Māori Land Court action to resolve the dispute. | Formal mediation with neighbours completed in 2022. Dispute referred to the Māori Land Court. |
| | | Progress Marine and Coastal Area Claim. | Ngāti Raukawa customary interest and marine & coastal usage report prepared by historian in Nov 2021. ART Hui held in July22 to discuss shared interests. | Progress Marine and Coastal Area Claim. |

| Objectives | Strategies | Actions - YE2022 | Outcomes - YE2022 | Actions - YE2023 |
|---|---|--|---|--|
| Me Mōhio, Me Awhinatia Te Iwi Understand and Support our Iwi | Provide comprehensive support for Hapū and Marae. | Investigate a longterm programme for supporting Hapū and Marae (e.g. Funding support programme, grow Marae/Hapū capability/capacity; partnerships in the region and central government to increase local opportunities). | Discussions continue alongside MACA and fisheries role. | Investigate a longterm programme for supporting Hapū and Marae (e.g. Funding support programme, grow Marae/Hapū capability/capacity; partnerships in the region and central government to increase local opportunities). |
| | | Investigate hiring someone to deliver on the long term programme. | Planning is underway. | Investigate hiring someone to deliver on the long term programme. |
| | | Continue our current Distribution Policy (putea and fish). | Continued for YE2022. | Continue our current Distribution Policy (putea and fish). Explore alternative methods of distributions. |
| | Maintain and grow an effective Iwi database | Continue to improve and update the Iwi register data. | Archiving and electronic filing progressing. | Continue to improve and update the Iwi register data. Increase Iwi registrations to 12,000 |
| | | Continue to improve our Iwi register processes and systems. | Registration policy reviewed and approved Dec2021. | Continue to improve our Iwi register processes and systems. Increase MaoriMe Connections to 1,000 |
| | Better Understand the needs and expectations of our whānau. | Set up an account with Te Whata and analyse report on this information. | In Progress. | Set up an account with Te Whata and analyse report on this information. |
| | | Utilise information from our Iwi Register, Te Whata and other platforms to better understand our people. | Awaiting Te Whata account. | Utilise information from our Iwi Register, Te Whata and other platforms to better understand our people. |
| | He Kānohi Kitea | Develop and execute a communications plan. | Comms plan approved. | Develop and execute a communications plan. Four E-pānui distributed during the year. |
| | | Plan Iwi and other relevant events to attend and promote registrations. | Trustees attend Marae hui and assist with registration queries and new registrations. | Plan Iwi and other relevant events to attend and promote registrations. |

| Objectives | Strategies | Actions - YE2022 | Outcomes - YE2022 | Actions - YE2023 | |
|--|--|--|---|---|--|
| Whakapakari te Whare me ngā hononga a Iwi Strengthen our organisation and connectivity within Raukawa | Operate with a skilled and diverse Board that meets the needs of the organisation | Identify any skills gaps and work towards closing any gaps. | Draft skills matrix prepared. | Identify any skills gaps and work towards closing any gaps. | |
| | | Training/Education of trustees is progressed. | Oct 2021 Trustee training with Whaia Legal. | Identify training requirements and implement appropriate training. Prepare changes to the Trust Deed in regard to Elections. | |
| | Ensure we are operating efficiently and according to best practice including our kaupapa | Meet our legislative compliance requirements including compliance with the new Trusts Act. | Trustee training included compliance with the Trusts Act. | Trustee training included compliance with the Trusts Act. | Meet our legislative compliance requirements. Investigate moving to one three-year election cycle. |
| | | Investigate management support for the Trust (for Fisheries capability and to deliver on long-term plan for hapū/Marae support). | Scoping of the role and Job Description is underway. | Scoping of the role and Job Description is underway. | Investigate management support for the Trust (for Fisheries capability and to deliver on long-term plan for hapū/Marae support). |
| | | Continue to build on our suite of policies necessary to operate effectively and efficiently. | Reviewed quarterly or as required. | Reviewed quarterly or as required. | Continue to build on our suite of policies necessary to operate effectively and efficiently. |
| | | Ensure a kaupapa lens over dealings and decision making at a governance and management level. | ESGC framework progressing. | ESGC framework progressing. | Ensure a kaupapa lens over dealings and decision making at a governance and management level. |
| | Work towards improving Raukawa wide connectivity | Better understand the Raukawa ki te Tonga Group role in the comprehensive settlement for Ngāti Raukawa. | In discussions and planning with Raukawa AHC. | In discussions and planning with Raukawa AHC. | Better understand the Raukawa ki te Tonga Group role in the comprehensive settlement for Ngāti Raukawa. |
| | | Meet annually with Te Rūnanga o Raukawa to report on our activities. | Completed. | Completed. | Meet annually with Te Rūnanga o Raukawa to report on our activities. |
| | | Ensure regular communication with Raukawa-wide entities | Engagement improving. | Engagement improving. | Ensure regular communication with Raukawa-wide entities |



RAUKAWA KI TE TONGA AHC LIMITED Chair's Report

Tēnā tātou katoa,

Global economic activity is experiencing a broad based and sharper than expected slowdown with inflation higher than seen for several decades.

Russia's invasion of Ukraine, rising inflation with Central Banks increasing interest rates, China's zero covid policy and supply-side hangovers from the pandemic have resulted in negative investor sentiment with the risk of a global recession looming. These factors, combined with a long period of unsustainable growth in asset values, saw the S&P500 fall 18 per cent, the ASX down 10 per cent and the NZX down 17 per cent for the year ended 30 September 2022.

Portfolio performance

The AHC's diversified investment portfolio performed extremely well against its benchmarks, with the overall net asset value staying broadly stable despite these headwinds. This has, in part, resulted from an increase in the value of fisheries quota thanks to increased ACE values for certain fish stocks, relatively strong performance from the listed portfolio against benchmarks and most other asset categories maintaining a stable asset value.

DEBRA BIRCH
CHAIR
RAUKAWA KI TE TONGA
AHC LIMITED

Anei rā mātou e tangi, e hotu tonu nei ki a rātou kua riro ki Tua o te Arai, ā, moe mai rā koutou. Heoi anō rātou ki a rātou, tātou ki a tātou, ngā waihotanga o rātou mā, Tihei Mauriora! Ka mihi rawa ki ō tātou marae kāinga o Ngāti Raukawa ki te Tonga, tēnā koutou. Hei konei, ka huri ake ki a koutou te Iwi me ngā mātāwaka i kōrerotia mai i te Pūrongo ā-tau nei. Tēnā koutou! Huri noa ki ngā kaimahi kia tū rangatira ai tēnei kaupapa, tēnā koutou. E rere ngā tai o mihi ki a tātou katoa.

Net income for the year was \$382,223, and down from \$1,687,852 the previous year where the performance of the listed portfolio achieved a \$1.1m gain.

New investments

The AHC continues to adopt a conservative stance towards new investments and retains a high level of cash in anticipation that better opportunities will present themselves over the next 12-24 months.

Although we assessed a number of new investment opportunities this year, we did not proceed with any as the risk and return metrics were not commensurate with the current and expected economic conditions.

However, this year we invested modest amounts into Oriens Capital Fund 2, a private equity fund investing in mid-sized NZ businesses and Southern Hops, a private unlisted company who have undertaken a large-scale conversion of dairy land to a hop-growing operation at Mt Ella, near Murchison. Both investments are operating well and progressing to plan.

In August 2022, Japanese life insurer Dai-ichi Life acquired 100 per cent of the shares in Partners Group Holdings Limited with a headline purchase price of NZ\$980m. As a result, the AHC will realise a significant gain on its original investment of \$250k for the 2023 financial year.

Fisheries sector

Fisheries assets, both fisheries quota and AFL shares, still comprise some 60 per cent of the AHC's total portfolio.

The largest asset for the AHC, by value, are the shares in Aotearoa Fisheries Limited. In challenging conditions, these shares delivered a 3% dividend return for the year, however, the return is expected to reduce in the near-term due to headwinds for the fisheries industry.

Despite the industry challenges, fisheries quota performed particularly well during the year generating a 6% cash return and 10% capital gain. This was primarily due to the increased ACE income from paua quota due to the recovery of certain areas that have been carefully managed to ensure sustainability. As a result, the expected future income from paua ACE has increased which has been reflected in the quota asset value.

Outlook

Economic conditions are not expected to improve over the coming year, and we anticipate further volatility and negative investor sentiment which may provide opportunity to further diversify the portfolio.

We will continue to monitor the existing portfolio closely and do not intend, or need to, divest any investments given the current high level of cash with no debt.

Dividend

The Board is pleased to announce a dividend, payable to the Trust, of \$100,114 for the year ending 30 September 2022.

In conclusion

On behalf of the AHC Board and Management, we thank the Raukawa ki te Tonga Trust for entrusting the AHC with the mandate to manage and grow your assets for the benefit of Raukawa ki te Tonga and our members.

DEBRA BIRCH

CHAIR

RAUKAWA KI TE TONGA AHC LIMITED

RAUKAWA KI TE TONGA
AHC LIMITED
Directors



DEBRA BIRCH CMinstD, AIF®
DIRECTOR AND BOARD CHAIR

**Ngāti Raukawa, Ngāti Tūwharetoa,
Ngāti Hauiti, Ngāti Rangī, Ngāti Apa**

Debra has over 30 years' experience of financial markets experience including managing global investment portfolios in Asia, Australia and New Zealand. More recently she has been a professional director and her focus has been on Māori economic development.

She is a Chartered Member of the New Zealand Institute of Directors, an Accredited Investment Fiduciary® (AIF®), a Member of the New Zealand Shareholders Association, and has a post-graduate certificate in Investment Analysis from Otago University.



GUY ROYAL LLB
DIRECTOR

**Ngāti Raukawa, Ngāti Tamaterā,
Pare-Hauraki, Ngā Puhi, Ngāti Hine**

Guy Royal has over 20 years' experience as a commercial corporate lawyer and has advised clients in New Zealand, Hong Kong, Vietnam and the United Kingdom. He specialises in joint venture arrangements, and mergers and acquisitions, in particular he has experience working with indigenous groups.

He has a Bachelor of Laws from the University of Auckland, is a member of the Venture Capital Association, the Corporate Lawyers Association, the Institute of Directors and the Māori Lawyers Association.



GRAEME HASTILOW BCA
DIRECTOR

**Ngāti Raukawa ki Te Tonga, Ngāti Toa
Rangatira, Ngāti Tūwharetoa**

Graeme is a member of Te Ohu Kaimoana's leadership team and Manager of Te Wai Māori Trust. He has a Bachelor of Commerce and Administration (BCA) from Victoria University of Wellington with a double major in Commercial Law and Māori Resource Management.



TONI KERR MINSTD, B.BUS
DIRECTOR

Ngāti Raukawa, Ngāti Tūwharetoa

Toni has over 30 years' experience in financial markets and private banking working in Australia, Hong Kong and more recently Aotearoa New Zealand. Offshore

she held senior positions with Societe Generale in Sydney and with BNP Paribas in Hong Kong.

She has a Bachelor of Business degree majoring in accounting from Sydney's University of Technology and is a Member of the Institute of Directors. Toni is currently Head of Māori Business Projects and Strategic Relationships at WellingtonNZ.



DYLAN LAWRENCE LLB BMS
DIRECTOR

**Ngāti Raukawa ki Te Tonga, Te Ati Awa
ki Whakarongotai, Ngāti Ranginui**

Dylan is the General Manager of Investment at New Zealand Trade & Enterprise (NZTE).

He holds Law (LLB) and Commerce (BMS) degrees from the University of Waikato, has completed the Harvard Business School Business Administration and Management Program, and is admitted as a legal practitioner in New Zealand.

Executive



RICHARD O'HARA
Chartered Financial Analyst® (CFA®) BCA
FINANCE MANAGER

Richard is a Chartered Financial Analyst® (CFA®) charterholder and has a BCA, majoring in Accounting, Commercial Law and Marketing from Victoria University of Wellington. He brings extensive

experience to the role having worked in corporate finance in Aotearoa New Zealand and the United Kingdom.



CASSIDY PIDDUCK
ADMINISTRATOR

Te Ati Awa ki Whakarongotai

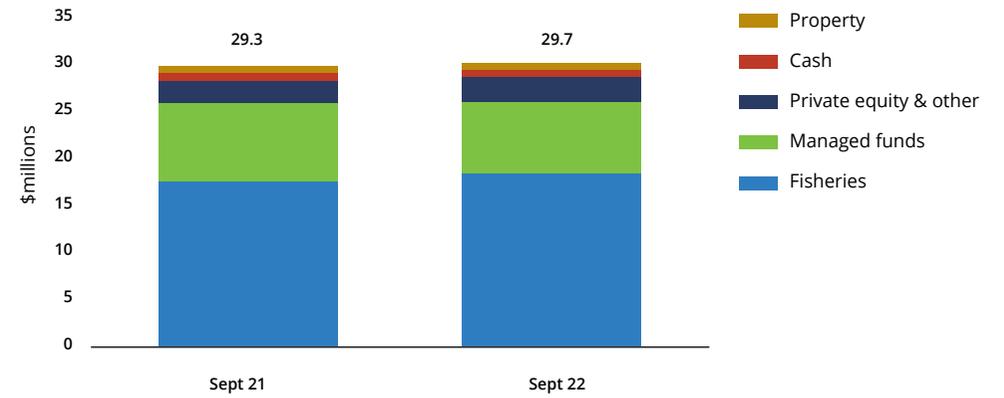
Cassidy has been a part of the Raukawa AHC since 2016. She also assists Raukawa ki te Tonga Trust with their administrative requirements. She is of Te Ati Awa ki

Whakarongotai descent and has lived in Ōtaki all her life. Cassidy was previously the Office Manager of the Ōtaki and Porirua Trusts Board before leaving for a very brief stint in Christchurch during the rebuild.

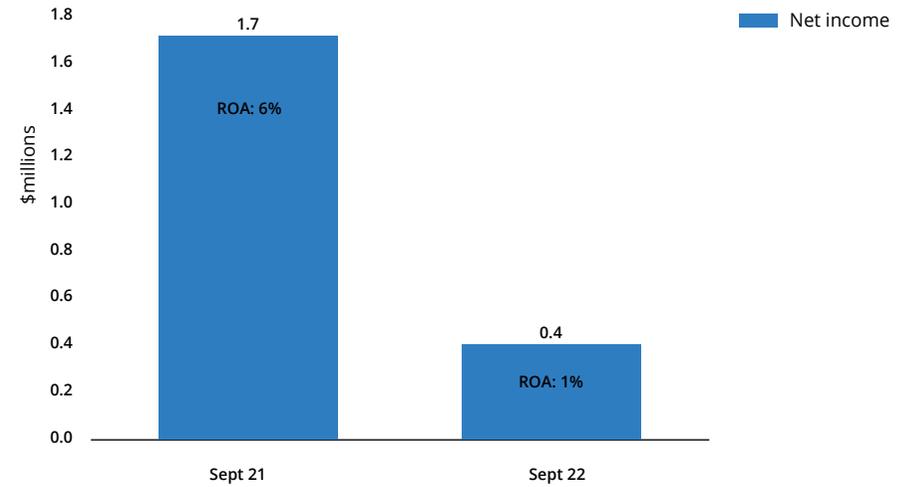
Assets and Investments

Highlights of the Financial Year ending 30 September 2022

Net Asset Value



Net Income and Return on Assets



- For the year-ended September 2022, the financial markets have been extremely challenging with large downside movements for both equities and fixed income which are typically expected to be uncorrelated. There have been various factors that have caused this, such as high inflation resulting in the central banks increasing interest rates, the war in Ukraine, supply chain issues in the hangover from COVID-19 and generally negative investor sentiment with risk of recession in parts of the world. As a result, the S&P500 was down 18 per cent, ASX200 was down 10 per cent and NZX50 was down 17 per cent for the 12-month period.
- Given the environment, the AHC's investment portfolio has performed extremely well with the net asset value staying broadly stable. This has been the result of a \$600k increase in the value of fisheries assets (primarily coming from paua quota), relatively strong performance from the listed portfolio which was down \$500k (7 per cent) and most other asset categories maintaining a stable asset value.
- Net income for the year was \$382,223, down from \$1,687,852 the previous year. This is primarily due to the performance of the listed portfolio which achieved a \$1.1m (16 per cent) gain in FY21.
- Paua quota has increased in value due to the recovery of certain areas that have been carefully managed to ensure sustainability of the fish stocks in that area. This was particularly material for PAU3 and PAU7 following significant reductions in the Total Allowable Commercial Catch (TACC) to rebuild the fishery after the devastating Kaikōura earthquakes. PAU5B which relates to Rakiura also increased in value on-the-back of an increase in TACC.
- Certain changes were made to the listed portfolio during the year which proved to be successful. These included reducing exposure to fixed income, increasing allocation to alternative assets and increasing the allocation to cash. While the AHC is currently over-weight cash relative to the target asset allocation, this is a conscious decision given the potential for on-going volatility and the expected buying opportunities in future.
- During the year, the AHC has increased its allocation to existing private market instruments via Oriens Capital Fund 2 and Southern Hops.
- In August 2022, it was announced that Japanese life insurer, Dai-ichi Life, offered to acquire 100 per cent of the shares in Partners Group Holdings Limited with a headline purchase price of NZ\$980m. This offer was accepted and relevant regulatory approvals were subsequently granted with the transaction settling in November 2022. While the value is subject to certain adjustments, the AHC will realise a significant gain on its original investment of \$250k.



Investment Portfolio

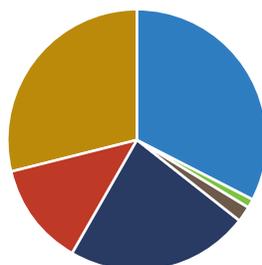
The AHC was established as the commercial organisation to manage various settlement assets and investments of Raukawa ki te Tonga Trust (the Trust) on a commercial and sustainable basis. As at 30 September 2022, the investment portfolio was valued at approximately \$30m, broadly consistent with the prior year.

The Board has continued its diversified investment strategy, targeting a 65 per cent allocation to growth assets and 35 per cent allocation to defensive assets. The objective of diversification is to develop an investment portfolio of various asset classes which have limited correlation therefore react differently to market conditions. As a result, the overall return of the portfolio should be less volatile over time. Whilst the portfolio remains overweight to fisheries assets, this is largely due to the restrictions on settlement assets.

The following pie-charts to the right show the Current Asset Allocation of the AHC portfolio as at 30 September 2022, compared with the Strategic Asset Allocation (target portfolio):

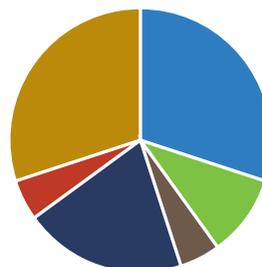
Current Asset Allocation

| | |
|--------------------------------|-----|
| ● Shares in Unlisted Companies | 33% |
| ● Private Market Investments | 1% |
| ● Private Market Property | 2% |
| ● Shares in Listed Companies | 20% |
| ● Fixed Income and Cash | 13% |
| ● Fisheries and Quota | 31% |



Strategic Asset Allocation

| | |
|--------------------------------|-----|
| ● Shares in Unlisted Companies | 30% |
| ● Private Market Investments | 10% |
| ● Private Market Property | 5% |
| ● Shares in Listed Companies | 20% |
| ● Fixed Income and Cash | 5% |
| ● Fisheries and Quota | 30% |

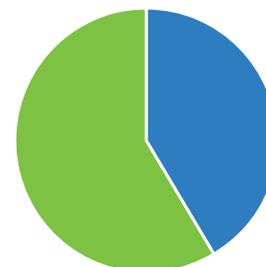


It is accepted that the Current Asset Allocation is never going to perfectly align to the Strategic Asset Allocation as investment values change over time and due to the time it takes to reallocate capital, especially private market investments which are not easily traded.

As shown in the pie-charts below, the portfolio is currently overweight defensive assets (42 per cent relative to the 35 per cent target), based on values at 30 September 2022.

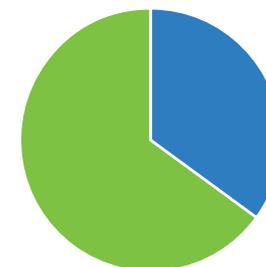
Current Portfolio

| | |
|--------------------|-----|
| ● Defensive Assets | 42% |
| ● Growth Assets | 58% |



Target Portfolio

| | |
|--------------------|-----|
| ● Defensive Assets | 35% |
| ● Growth Assets | 65% |



Investment Portfolio by Asset Class

1. Shares in Unlisted Companies

| INVESTMENT | BOOK VALUE | PER CENTAGE OF PORTFOLIO |
|----------------------------|--------------------|--------------------------|
| Aotearoa Fisheries Limited | \$8,959,631 | 30% |
| Partners Life | \$469,165 | 2% |
| Southern Hops | \$400,000 | 1% |
| Total | \$9,828,796 | 33% |

2. Private Market Investments

| INVESTMENT | BOOK VALUE | PER CENTAGE OF PORTFOLIO |
|------------------------|------------------|--------------------------|
| Maui Capital Fund | \$75,000 | 0% |
| Oriens Capital Fund 2* | \$195,000 | 1% |
| Total | \$270,000 | 1% |

*Total capital committed to Oriens Capital Fund 2 is \$500,000 of which \$195,000 has been called.

3. Private Market Property

| INVESTMENT | BOOK VALUE | PER CENTAGE OF PORTFOLIO |
|-------------------|------------------|--------------------------|
| 44 Riverbank Road | \$720,500 | 2% |
| Total | \$720,500 | 2% |

4. Shares in Listed Companies

| INVESTMENT | BOOK VALUE | PER CENTAGE OF PORTFOLIO |
|--------------------------------|--------------------|--------------------------|
| Diversified equities portfolio | \$5,930,176 | 20% |
| Total | \$5,930,176 | 20% |

5. Fixed Income and Cash

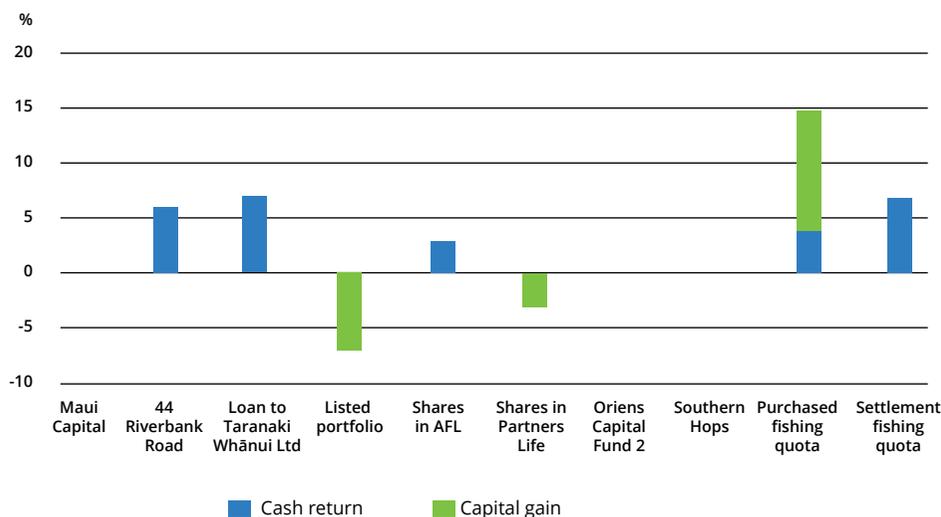
| INVESTMENT | BOOK VALUE | PER CENTAGE OF PORTFOLIO |
|---|--------------------|--------------------------|
| Cash | \$833,753 | 3% |
| Diversified fixed income, cash and gold portfolio | \$1,490,682 | 5% |
| Taranaki Whānui Limited loan | \$1,500,000 | 5% |
| Total | \$3,824,435 | 13% |

6. Fisheries Quota

| INVESTMENT | BOOK VALUE | PER CENTAGE OF PORTFOLIO |
|------------------|--------------------|--------------------------|
| Purchased quota | \$5,608,527 | 19% |
| Settlement quota | \$3,525,246 | 12% |
| Total | \$9,133,733 | 31% |

Investment returns

The chart below displays the returns (realised and unrealised) associated with each investment for the year ending 30 September 2022:



Notes regarding investment returns:

- Purchased fishing quota was the highest returning investment due to the \$221k of cash return from the sale of ACE and the \$576k of uplift in the value of quota. We note that the value uplift in quota was primarily from paua due to the recovery of certain fishing areas, especially PAU3 which was adversely impacted by the Kaikōura earthquakes.
- Settlement fishing quota and the loan to Taranaki Whānui Limited both generated a return of 7 per cent for the year. A large portion of the cash generated from settlement quota is from the Ngā Tapuwāe o Māui agreement with Sealord relating to deep-water fish stocks.

- 44 Riverbank Road and shares in AFL generated a return of 6 per cent and 3 per cent respectively. Given AFL is the largest investment for the AHC (by value), the return of 3 per cent is disappointing and we understand that AFL is facing significant challenges going forward which may result in returns decreasing in the near future.
- Shares in Partners Life were re-valued downward by 3 per cent to reflect the value offered by Dai-ichi Life which partially offsets the unrealised gain in the previous year. The shares are expected to be sold for circa 85 per cent more than they were acquired for.
- The listed portfolio suffered a 7 per cent decrease in value for the 12-month period. Whilst this was disappointing, the portfolio materially outperformed its benchmarks and the reduction in value was approximately half of the value increase in the prior year. As such, the value decrease is considered to be a strong performance in an extremely challenging period.
- The investment in Southern Hops Limited relates to the conversion of a dairy farm to a hop garden in Mt Ella, near Murchison. The conversion is progressing well with the first harvest expected in 2023. The first harvest will be important to evaluate the potential productivity of the hop garden and value of the investment. In the meantime, the investment is being held at cost.
- The Maui Capital Aqua Fund and Oriens Capital Fund 2 are private equity funds with the former being in the wind-down phase and the latter in the establishment phase. Maui Capital Aqua Fund's largest investment is Partners Life which, as mentioned above, is expected to be exited in the near future. Oriens Capital Fund 2 has called 39 per cent of committed capital and has completed three investments. No value adjustment has been made to these investments for the year.



Dividend Policy and Payments to the Trust

In 2010 the Mandated Iwi Formation Committee set a Dividend Policy for the AHC that included the following principles:

- Maintain Growth
- Preserve Capital
- Create a Pūtea, and add to it, for future generations.

The following Dividend Policy was agreed:

The AHC would distribute by way of dividend to the MIO Trust, 40 per cent of the net operating surplus per annum after the deduction of CPI on its liquid assets and provide an annual amount equivalent to Māori Authority Tax (17.5 per cent) to a Capital Preservation Fund. Per the constitution 'Net operating surplus' excludes asset revaluation, unrealised capital gains or losses and unrealised gains or losses from financial instruments.

The dividend payable to the Trust for the year ending 30 September 2022 is \$100,114 which will be paid as required.

Payments to the Trust

Declared Dividends: AHC to Raukawa ki te Tonga Trust

| 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------|-----------|---------|-----------|
| \$105,330 | \$264,011 | \$240,030 | \$218,535 | \$237,013 | \$250,685 | \$277,423 | \$343,829 | Nil | \$282,167 | \$8,203 | \$100,114 |



RAUKAWA KI TE TONGA
Financial Statements
for the Year Ended
30 September 2022

Entity Information

RAUKAWA KI TE TONGA TRUST GROUP

For the year ended 30 September 2022

Legal Name of Entity

Raukawa ki te Tonga Trust

Entity Type and Legal Basis

Raukawa ki te Tonga Trust is a Charitable Entity. It is the mandated Iwi Organisation of Ngāti Raukawa ki te Tonga for the purposes of the Māori Fisheries Act 2004 and acts as the Iwi Aquaculture Organisation for the purpose of the Māori Commercial Aquaculture Claims Settlement Act 2004.

Registration Number with DIA Charities

CC 45526

Nature of Business

The purpose for which Raukawa ki te Tonga Trust was established is to hold, manage and administer the Trust Fund to benefit Raukawa ki te Tonga members through the expression of kaupapa tuku iho and for charitable purposes which benefit members whether they be for the relief of poverty, advancement of education or religion, or any other means beneficial to Māori, in particular the community of Raukawa ki te Tonga, irrespective of where they live.

Main Methods Used by Entity to Raise Funds

The main method of raising funds is through dividends or distributions from the Asset Holding Company.

Main Sources of Entity's Cash and Resources

The Trust received assets under the Māori Fisheries settlement allocated by Te Ohu Kaimoana Trustee Limited. These include fisheries settlement quota, cash and income shares in Aotearoa Fisheries Limited.

The Trust may receive distributions from Te Pūtea Whakatupu Trustee Limited and Te Wai Māori Trustee Limited.

The Trust may receive and hold assets allocated by Te Ohu Kai Moana Trustee Limited in accordance with the Māori Commercial Aquaculture Claims Settlement Act 2004. The entity can receive distributions, dividends and management fees from the Asset Holding Company, Raukawa ki te Tonga AHC Limited.

Entity's Reliance on Volunteers and Donated Goods or Services

None, the Trustees of the Board currently receive fees as determined in the Trusts Fees Policy.

Physical Address/Postal Address

144 Tasman Road, Ōtaki 5512/ PO Box 15012, Ōtaki 5512

Approval of Consolidated Performance Report

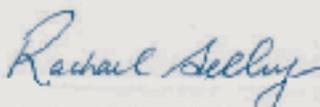
RAUKAWA KI TE TONGA TRUST GROUP

For the year ended 30 September 2022

The Trustees are pleased to present the approved consolidated performance report including the historical financial statements of Raukawa ki te Tonga Trust for year ended 30 September 2022.

APPROVED

For and on behalf of the Trustees



Rachael Selby, Chairperson

Date: 20 December 2022



Emma Winiata, Deputy Chairperson

Date: 20 December 2022

Statement of Consolidated Service Performance

RAUKAWA KI TE TONGA TRUST GROUP

For the year ended 30 September 2022

Description of Entity's Outcomes

Raukawa ki te Tonga Trust (the 'Trust') utilises the funds generated by its wholly owned subsidiary, Raukawa ki te Tonga AHC Limited (the 'Company'), to benefit Raukawa ki te Tonga members through the expression of kaupapa tuku iho and for charitable purposes which benefit members whether they be for the relief of poverty, advancement of education or religion, or any other means beneficial to Māori, in particular the community of Raukawa ki te Tonga, irrespective of where they live.

Currently the Trust provides two forms of distributions to beneficiaries:

- 1 Cash distributions to iwi/hapū/marae
- 2 Filleted fish to marae for hui

The Trust

PERFORMANCE MEASURE 1

Fish Distributions – continue providing fish distributions as requested by Marae.

| MEASURE | FY22 TARGET | FY22 ACTUAL | OUTCOME |
|--------------------------------|----------------|-------------|----------|
| Value of fish parcels provided | Up to \$15,000 | \$7,161 | Achieved |

PERFORMANCE MEASURE 2

Increase Iwi Membership

| MEASURE | FY22 TARGET | FY22 ACTUAL | OUTCOME |
|----------------------------------|-------------|-------------|----------|
| Number of registered Iwi Members | By 150 | 167 | Achieved |

PERFORMANCE MEASURE 3

Increase MaoriMe Registrations

| MEASURE | FY22 TARGET | FY22 ACTUAL | OUTCOME |
|--|-------------|-------------|----------|
| Number of MaoriMe profiles linked to Iwi Registrations | 500 | 678 | Achieved |

PERFORMANCE MEASURE 4

Regular board hui – convene five or more board hui during the year with a majority of board members attending.

| MEASURE | FY22 TARGET | FY22 ACTUAL | OUTCOME |
|---------------------|-------------|-------------|----------|
| Number of board hui | >5 | 6 | Achieved |

PERFORMANCE MEASURE 5

Continue to provide distributions to Raukawa ki te Tonga Charitable entities.

| MEASURE | FY22 TARGET | FY22 ACTUAL | OUTCOME |
|---------------------------------|-------------|-------------|----------|
| Value of distributions provided | \$110,000 | \$113,381 | Achieved |

The Company

PERFORMANCE MEASURE 1

Increase exposure to direct investment opportunities – undertake screening of ten or more opportunities and complete due diligence of those opportunities that are well aligned with our strategy.

| MEASURE | FY22 TARGET | FY22 ACTUAL | OUTCOME |
|--|-------------|-------------|----------|
| Number of direct investment opportunities screened | >10 | 16 | Achieved |

PERFORMANCE MEASURE 2

Asset allocation in line with the Strategic Asset Allocation – The asset allocation is within +/-5% of the 65% growth asset target throughout the financial year

| MEASURE | FY22 TARGET | FY22 ACTUAL | OUTCOME |
|--|-------------|-------------|--------------|
| Asset allocation to growth assets of 65% +/-5% | 65% | 59% | Not Achieved |

The Directors made a conscious decision during the year to increase the allocation to cash given market volatility and to prepare for future investment opportunities.

PERFORMANCE MEASURE 3

Maximise returns from fisheries assets – Explore all options and actively engage with the fisheries market.

| MEASURE | FY22 TARGET | FY22 ACTUAL | OUTCOME |
|--|-------------|-------------|----------|
| Generate interest from 5 or more parties for the sale of quota | 5 | 6 | Achieved |

PERFORMANCE MEASURE 4

Environmental, Social, Governance and Cultural (ESGC) framework – develop ESGC framework that can be used to guide investment decisions that align with kaupapa tuku iho values.

| MEASURE | FY22 TARGET | FY22 ACTUAL | OUTCOME |
|--|-------------|-------------|----------|
| Framework/tool developed and applied to 100% of investments in the portfolio | 100% | 100% | Achieved |

PERFORMANCE MEASURE 5

Increase collaboration with iwi – collaborate with two or more iwi commercial entities and meet with each of them to consider investment opportunities.

| MEASURE | FY22 TARGET | FY22 ACTUAL | OUTCOME |
|--|-------------|-------------|----------|
| Collaborate with two or more iwi commercial entities | >2 | 4 | Achieved |

PERFORMANCE MEASURE 6

Regular board hui – convene six or more board hui during the year.

| MEASURE | FY22 TARGET | FY22 ACTUAL | OUTCOME |
|--|-------------|-------------|----------|
| Number of board hui held during the year | >6 | 7 | Achieved |

Statement of Consolidated Comprehensive Revenue and Expenses

RAUKAWA KI TE TONGA TRUST GROUP

For the year ended 30 September 2022

| ACCOUNT | NOTES | 2022 | 2021 |
|---|-------|------------------|------------------|
| Revenue | | | |
| Revenue from non-exchange transactions | | | |
| Grant Revenue | 5 | - | 97,810 |
| Other Income | 5 | - | 115 |
| Total Revenue from non-exchange transactions | | - | 97,925 |
| Revenue from exchange transactions | | | |
| Investment Income | 5 | 306,063 | 332,432 |
| Other Revenue | 5 | 628,447 | 644,947 |
| Total Revenue from exchange transactions | | 934,509 | 977,378 |
| Finance Revenue | | | |
| Income | 5 | 105,000 | 123,384 |
| Total Finance Revenue | | 105,000 | 123,384 |
| Fair Value Movement on Investment Property | | | |
| Income | 5 | - | 210,000 |
| Total Fair Value Movement on Investment Property | | - | 210,000 |
| Total Revenue | | 1,039,509 | 1,408,688 |

| ACCOUNT | NOTES | 2022 | 2021 |
|--|-------|----------------|------------------|
| Expenses | | | |
| Other Expenses | 6 | 815,354 | 1,006,042 |
| Impairment and Provision for doubtful debt | 6 | - | 278,832 |
| Total Expenses | | 815,354 | 1,284,874 |
| Surplus/(Deficit) for the Year | | 224,155 | 123,814 |

Other Comprehensive Revenue and Expenses

| | | | |
|--|--|----------------|------------------|
| Revaluation of Equity Investments | | 12,431 | 1,403,302 |
| Total Other Comprehensive Revenue and Expenses | | 12,431 | 1,403,302 |
| Total Comprehensive Revenue and Expenses Attributable to Owners | | 236,586 | 1,527,116 |

This statement should be read in conjunction with the attached Notes to the Consolidated Performance Report and Audit Report.

Statement of Consolidated Changes in Net Assets

RAUKAWA KI TE TONGA TRUST GROUP

For the year ended 30 September 2022

| ACCOUNT | 2022 | 2021 |
|---|-------------------|-------------------|
| Total Equity | | |
| Accumulated Comprehensive Revenue and Expense | | |
| Opening Balance | 4,547,732 | 4,473,715 |
| Surplus/(Deficit) for the year | 224,155 | 123,814 |
| Funds Transferred to Capital Preservation Reserve | (64,714) | (49,796) |
| Closing Balance | 4,707,174 | 4,547,732 |
| Equity Investment Revaluation Reserve | | |
| Opening Balance | 3,374,661 | 1,971,359 |
| Net Change in Fair Value | 12,431 | 1,403,302 |
| Total Equity Investment Revaluation Reserve | 3,387,092 | 3,374,661 |
| Capital Funds received from Te Ohu Kaimoana | | |
| Opening Balance | 12,487,093 | 12,487,093 |
| Movements | - | - |
| Closing Balance | 12,487,093 | 12,487,093 |
| Capital Funds received from Te Rūnanga o Raukawa | | |
| Opening Balance | 5,861,019 | 5,861,019 |
| Movements | - | - |
| Closing Balance | 5,861,019 | 5,861,019 |

| ACCOUNT | 2022 | 2021 |
|--|-------------------|-------------------|
| Capital Preservation Reserve | | |
| Opening Balance | 2,314,533 | 2,264,737 |
| Transfer of Funds to Reserve from Accumulated Comprehensive Revenue and Expenses | 64,714 | 49,796 |
| Closing Balance | 2,379,247 | 2,314,533 |
| Capital Funds received from Parent Trust | | |
| Opening Balance | 1,108,989 | 1,108,989 |
| Movements | - | - |
| Closing Balance | 1,108,989 | 1,108,989 |
| Total | 29,930,613 | 29,694,027 |

This statement should be read in conjunction with the attached Notes to the Consolidated Performance Report and Audit Report.

Statement of Consolidated Financial Position

RAUKAWA KI TE TONGA TRUST GROUP

As at 30 September 2022

| ACCOUNT | NOTES | 30 SEP 2022 | 30 SEP 2021 |
|--|-------|-------------------|-------------------|
| Assets | | | |
| Current Assets | | | |
| Cash and Cash Equivalents | 7 | 866,888 | 1,004,903 |
| Receivables from Exchange Transactions | 7 | 166,032 | 171,735 |
| Income Tax Receivable | 7 | 96,775 | 43,533 |
| Total Current Assets | | 1,129,694 | 1,220,172 |
| Non-Current Assets | | | |
| Property, Plant and Equipment | 9 | 1,561 | 3,113 |
| Investments | 7 | 26,653,427 | 26,390,996 |
| Receivables | 7 | 1,500,000 | 1,500,000 |
| Investment Property | 7 | 728,500 | 728,500 |
| Total Non-Current Assets | | 28,883,489 | 28,622,609 |
| Total Assets | | 30,013,183 | 29,842,782 |

| ACCOUNT | NOTES | 30 SEP 2022 | 30 SEP 2021 |
|---|-------|-------------------|-------------------|
| Liabilities | | | |
| Current Liabilities | | | |
| Trade and Other Creditors | 8 | 75,087 | 138,364 |
| GST Payable | 8 | 7,483 | 10,390 |
| Total Current Liabilities | | 82,570 | 148,754 |
| Total Liabilities | | 82,570 | 148,754 |
| Total Assets less Total Liabilities (Net Assets) | | | |
| | | 29,930,613 | 29,694,027 |
| Equity | | | |
| Total Reserves | | 29,930,613 | 29,694,027 |
| Total Equity | | 29,930,613 | 29,694,027 |

This statement should be read in conjunction with the attached Notes to the Consolidated Performance Report and Audit Report.

Consolidated Statement of Cash Flows

RAUKAWA KI TE TONGA TRUST GROUP

For the year ended 30 September 2022

| ACCOUNT | 2022 | 2021 |
|---|------------------|------------------|
| Cashflow | | |
| Cash Flows from Operating Activities | | |
| Receipts from Goods and Services | 723,574 | 708,324 |
| Receipts from Grants | - | 112,482 |
| Interest and other Investment Receipts | 106,827 | 98,845 |
| Payments to Providers and Employees | (962,650) | (1,047,195) |
| Receipts from Maori Authority Tax Credits | - | 55,462 |
| Total Cash Flows from Operating Activities | (132,249) | (72,082) |
| Cash Flows from Investing and Financing Activities | | |
| Receipts from Dividends | 250,995 | 432,361 |
| Payments of Dividends | - | (100,000) |
| Disposal of Investments | - | 166,281 |
| Movement on Intercompany Loans | (6,762) | (333,651) |
| Purchase of Investments | (250,000) | (350,000) |
| Total Cash Flows from Investing and Financing Activities | (5,767) | (185,010) |
| Net Increase/(Decrease) in Cash | (138,016) | (257,093) |
| Cash Balances | | |
| Cash and cash equivalents at beginning of period | 1,004,903 | 1,261,996 |
| Cash and cash equivalents at end of period | 866,888 | 1,004,903 |
| Net change in cash for period | (138,016) | (257,093) |

This statement should be read in conjunction with the attached Notes to the Consolidated Performance Report and Audit Report.

Notes to the Performance Report

RAUKAWA KI TE TONGA TRUST

For the year ended 30 September 2022

1. Reporting Entity

Raukawa ki te Tonga Trust is a Charitable Entity, it is the mandated Iwi Organisation of Ngāti Raukawa ki te Tonga for the purposes of the Māori Fisheries Act 2004 and acts as the Iwi Aquaculture Organisation for the purpose of the Māori Commercial Aquaculture Claims Settlement Act 2004. The Deed of Trust was made on 10 September 2010.

The purpose for which Raukawa ki te Tonga was established is to hold, manage and administer the Trust Fund to benefit Raukawa ki te Tonga members through the expression of kaupapa tuku iho and for charitable purposes which benefit members whether they be for the relief of poverty, advancement of education or religion, or any other means beneficial to Māori, in particular the community of Raukawa ki te Tonga, irrespective of where they live.

The Trust shall have no less than five Trustees and no more than seven Trustees. Trustees are elected for a three year term after which Trustees may seek re-election. A Chair and Deputy Chair are elected by the Trustees. Trustees are appointed to committees to undertake governance responsibilities. The members of the governing body are as follows: Rachael Selby (Chairperson), Emma Winiata (Deputy Chairperson), Bernadette Arapere, Justin Tamihana, Cyril Mako, Wayne Kiriona and Areti Metuamate. The Trustees must maintain a current Members' register and establish a Validation Committee to register members. Trustees must meet the responsibilities as outlined in the Deed of Trust.

Raukawa ki te Tonga Trust Group (the 'Group') Consolidated Performance Report consolidates the parent, being Raukawa ki te Tonga Trust and its 100% owned subsidiaries Raukawa ki te Tonga AHC Limited, Raukawa Tauranga Ika Limited and AHC Securities Limited. The Consolidated Performance Report consolidates the Trust and all entities over which the Trust has the power to control the financial reporting and operating policies. Control is obtained through ownership of more than half the voting rights or the subsidiary governing body members also being members of the Parent governing body.

The purchase method is used to prepare the Consolidated Performance Report, which involves adding together like terms of assets, liabilities, revenue and expenses on a line-by-line basis.

All significant inter-group balances are eliminated on consolidation of group results, position and cash flows. All subsidiaries have a 30 September reporting date and consistent accounting policies are applied.

2. Statement of Compliance

The financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand ('NZGAAP').

They comply with Public Benefit Entity International Public Sector Accounting Standards ('PBE IPSAS') and other applicable financial reporting standards as appropriate that have been authorised for use by the External Reporting Board for Not for Profit Entities. For the purpose of complying with NZ GAAP, the entity is a public benefit not for profit entity and is eligible to apply Tier 2 Not For Profit PBE IPSAS on the basis that it does not have public accountability and is not defined as large.

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

3. Summary of Accounting Policies

Basis of Measurement

The financial statements have been prepared on the basis of historical cost except where otherwise stated.

Functional and Presentation Currency

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

Revenue Recognition from Exchange Transactions

Revenue from providing goods and services

Management fees are recognised on an accruals basis. Quota income is recognised in the tax year that ACE is generated.

Interest, dividend and investment revenue

Interest income is recognised using the effective interest method. Dividends are recognised at the earlier of receipt or declared payment date.

Other revenue

Capital gains/ (losses) are recognised on the sale of assets, and account for the difference between sale price and the carrying value of the asset sold. Foreign currency transactions are translated into \$NZD using IRD approved mid-month exchange rates. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Consolidated Statement of Financial Performance.

Other revenue is accounted for on an accrual basis and in accordance with the substance of the transaction.

Funds Received from Te Ohu Kaimoana

In 2019, the Board of Te Ohu Kaimoana resolved to distribute a portion of Aotearoa Fisheries Limited dividend and stipulated that the recipients of these funds must use them for charitable fisheries purposes. In the year under review, the Trust received \$62,757 (2021: \$62,198) from Te Ohu Kaimoana and \$185,796 of the funds received are yet to be spent.

Revenue Recognition from Non-Exchange Transactions

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

Cash and Cash Equivalents

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

Financial Asset

Receivable - Taranaki Whānui Limited

A loan was issued to Taranaki Whānui Limited with the following terms:

| | |
|----------------------------|--|
| Loan principal: | \$1,500,000 |
| Contractual interest rate: | 7% |
| Repayment schedule: | Principal payable at maturity, with interest paid quarterly in arrears |
| Security: | Two properties in Wellington and a General Security Agreement over Tramways Limited. |

Financial Liabilities

The Group's financial liabilities include trade and other creditors and employee entitlements.

Property, Plant and Equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. Where an asset is acquired through a non-exchange transaction, the cost is measured at its fair value as at the date of acquisition. Subsequent to initial recognition, land and buildings are measured using the revaluation model. Under the revaluation model, land and buildings are measured at fair value, less accumulated depreciation on buildings and impairment losses recognised since the date of the last revaluation.

The kiln was leased to Waste Transformation Limited (Liquidated), after this company was put into liquidation the kiln was removed from the site. The value of both kilns has been written off to NIL and there is no material evidence to suggest the kilns should be revalued from this carrying value.

Depreciation is provided on a diminishing value basis on all property, plant and equipment, at rates that will write off the cost of the assets to their estimated residual values over their useful lives.

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

Plant and equipment 40% - 50% diminishing value

Investment Property

The investment property is located at 44 Riverbank Road, Ōtaki, Kapiti Coast and is leased to Matta Products.

Subsequent to initial recognition, the investment property is recorded under the revaluation model. Under the revaluation model, the investment property is measured at fair value, less any impairment losses recognised since the date of the last revaluation and any revaluation surplus or deficit is recorded in other comprehensive revenue and expense.

Changes in the fair value of land and buildings is determined by an independent valuation specialist that the Group has retained. The valuation cycle is normally three years, with desktop valuations undertaken on an annual basis. The valuation of the property at 44 Riverbank Road, Ōtaki, Kapiti Coast, was valued by Kapiti Valuations Ltd, to have a current market value of \$728,500 in September 2021.

For the 2022 year, the annual lease has increased but the property market has been negatively impacted by increasing interest rates and less confidence in the market. It is assumed that these are offsetting factors therefore the value of \$728,500 is still applicable.

| | 2022 LAND | 2022 BUILDINGS | 2021 LAND | 2021 BUILDINGS |
|---------------------------|----------------|-------------------|----------------|-------------------|
| Opening Balance | 285,000 | 443,500 | 181,000 | 337,500 |
| Revaluation to Fair Value | - | - | 104,000 | 106,000 |
| Closing Balance | 285,000 | 443,500 | 285,000 | 443,500 |

Investments

Subsequent to initial recognition, all the investments are recorded under the revaluation model if applicable. Under the revaluation model, investments are measured at fair value, less any impairment losses recognised since the date of

the last revaluation and any revaluation surplus or deficit is recorded in other comprehensive revenue and expense.

Settlement Quota - Settlement Quota is recorded at cost price, this cost price is the value attached to the quota when it was received by way of transfer under the Māori Fisheries Act 2004, and has been determined to be the initial "settlement transfer value". This settlement quota can not be sold without approval of 75% of the adult voting population of the iwi.

Purchased Quota - The amounts of Purchased (or Normal) Quota are recorded at fair market value which is determined by an independent organisation. The Directors feel it is appropriate to record this portion of the quota at Market Value as there are no formal regulations that restrict the sale. Based on an external valuation performed by Quota Management Systems as at 30 September 2022, the Purchased Quota has been revalued to \$5,608,527.

Aotearoa Fisheries Limited (Moana) Shares - The Group received Fisheries Settlement Assets of 5,800 Aotearoa Fisheries Limited Moana Income Shares for NIL consideration pursuant to Section 139 of the Māori Fisheries Act 2004. The carrying value as at balance date is based upon the share valuation commissioned by Te Ohu Kaimoana dated 28 January 2009.

Financial Instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument. The Group's financial assets are classified as either financial assets at fair value through surplus or deficit, or loans and receivables. Financial assets at fair value through surplus or deficit include items that are either classified as held for trading or that meet certain conditions and are designated at fair value through surplus or deficit upon initial recognition. The Group's investments in equities fall into this category of financial instruments.

Equity Investments

AHC Diversified Portfolio - This is revalued based on the market value data received from MyFiduciary and Rutherford Rede, who undertake the monitoring and administration respectively. This portfolio is globally diversified, which holds around 23% in fixed income, cash and gold and 77% invested in equities and property. The strategy employed to meet these allocations is to select managed funds that are low cost and have Socially Responsible Investment (SRI) integrated into their selection of individual securities. This SRI approach is aligned with the Investment Policy Statement and our broader cultural values around sustainability.

Partners Life - Japanese life insurer Dai-ichi Life has offered to acquire 100% of the shares in Partners Group Holdings Limited ("PGHL", "Partners Life") with a headline purchase price of NZ\$980m. Accordingly, a compulsory sale has been triggered as 83% of shareholders have agreed to the sale. Subsequent to balance date, OIO approval has been granted and other conditions have been met and the transaction settled on 30 November 2022.

Maui Capital Aqua Fund - The Fund Providers quarterly report dated 30 June 2022 valued the shares at \$0.78 per share. Limited liquidity exists however it is noted that the fund is being shut down with the aim to liquidate all investments within two years. Partners Life (which is the funds largest investment) is under offer which is expected to close in 2022. A conservative fair value of \$0.75 per share is being maintained for the 100,000 A Class Stapled Shares held.

Southern Hops Limited - Southern Hops Limited was established to purchase dairy land and convert it into a hop garden over numerous years. To-date, approximately 80 hectares has been converted to hops with the first harvest expected in 2023. The fair value of \$400,000 has been adopted based on the cost price. This valuation is to be reviewed after the first material harvest has been completed.

Oriens Capital Fund 2 - Oriens Capital Fund 2 has made three investments with 39% of committed capital called which equates to \$195,000 for the Group. The quarterly report dated 30 June 2022 suggests the total value to paid in capital is 1.12x implying an uplift in the value relative to the value of capital called. Given the fund has only been operating for a short period of time and the volatility in the markets, a conservative approach is being maintained when considering the fair value. As such, fair value of \$195,000 is to be adopted based on the cost price of the 1,095,000 shares held.

Impairment of financial assets

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

Employee Benefits

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

Income Tax

Due to its charitable status, the Trust is exempt from income tax.

Loans

Loans are recognised when the amount borrowed has been received. The loan is transferred at the principal value plus accrued interest less repayments made.

Goods and Services Tax

Revenues, expenses, liabilities and assets are recognised net of the amount of GST except for receivables and payables, which are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the Inland Revenue Department is included as part of receivables or payables in the statement of financial position. Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the Inland Revenue Department is classified as part of operating cash flows.

Equity

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

Accumulated comprehensive revenue and expense

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

Property Revaluation Reserve

Subsequent to initial recognition, land and buildings are measured using the revaluation model. This reserve is the recognition that under that, land and buildings are measured at fair value and this is the difference between that determined fair value and holding value.

Equity Investment Revaluation Reserve

Subsequent to initial recognition, equity investments are measured using the revaluation model. Under this, investments are measured at fair value, less any impairment losses recognised since the date of the last revaluation and any revaluation surplus or deficit is recognised in this reserve.

Capital Funds received from Parent Trust

This fund of \$1,108,989 relates to settlement funds transferred from the Trust to the AHC to manage on their behalf.

Capital Funds received from Te Rūnanga o Raukawa

This fund of \$5,861,019 relates to settlement funds received from the Te Rūnanga o Raukawa when the AHC was established.

Capital Funds received from Te Ohu Kaimoana

This fund of \$12,487,093 relates to the transfer of AFL shares and ACE as part of the settlement process.

Capital Preservation Reserve Policy

The Directors of Raukawa ki te Tonga AHC Limited (the Company) have resolved to transfer a portion of the net surplus earned in each year by the Company, to a capital preservation reserve, so as to ensure that the real dollar value of all financial and monetary assets owned by the Company are preserved. The amount transferred to the capital preservation reserve for the current financial year was \$64,714 (2021 \$49,796). This calculation is based on the annual Consumer Price Index, and a nominal charge for taxation.

Dividend Policy

The Directors' policy is to distribute a dividend to the Trust in the year following balance date, no less than 40% of the "Net operating surplus after adjusting for capital charges".

The actual cash amount paid across to the Trust is reduced by deducting the amount of expenses paid by the Company (on behalf of the Trust) in that period, and is also reduced after deducting the "cost" of any fish distributions paid to beneficiaries during that same financial period.

Per the constitution 'Net operating surplus' excludes asset revaluation, unrealised capital gains or losses and unrealised gains or losses from financial instruments.

4. Significant Accounting Judgements, Estimates and Assumptions

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

Estimates and assumptions

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

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements:

Liquidation Proceedings:

AHC Securities Limited

Liquidators were appointed to AHC Securities Limited on 2 March 2021. This was a solvent liquidation appointment by a special resolution of shareholders pursuant to section 241(2)(a) of the Companies Act 1993. The company was removed from the Companies Office Register on 23 December 2021.

Raukawa Tauranga Ika Limited

Liquidators were appointed to start the liquidation process for Raukawa Tauranga Ika Limited on 2 March 2021. This was a solvent liquidation appointment by a special resolution of shareholders pursuant to section 241(2)(a) of the Companies Act 1993, with the company being removed from the Companies Office Register on 23 December 2021.

Waste Transformation Limited

Liquidators were appointed to Waste Transformation Limited on 23 March 2021 and it was removed from the Companies Office Register on 20 October 2022.

Per the Liquidators final report:

At the time of appointment, BNZ had a first ranking General Security Agreement and a distribution totalling \$17,767.95 was made to them. There was a vehicle subject to a secured finance agreement with UDC. The Liquidator sold the vehicle and made a distribution to the secured creditor, totalling \$5,544.

A second ranking General Security Agreement was registered against the Company in favour of Raukawa ki te Tonga AHC Limited. The Inland Revenue Department submitted a preferential claim for \$13,600 in respect of GST. The Company had two unsecured creditor claims received which total \$2,674. Due to the limited assets of the Company, there was insufficient funds to enable a distribution to unsecured creditors.

| ACCOUNT | 2022 | 2021 |
|---|------------------|------------------|
| 5. Analysis of Revenue | | |
| Revenue from non-exchange transactions | | |
| Grant Income Received | - | 97,810 |
| Foreign Exchange Gain | - | 115 |
| Total Revenue from non-exchange transactions | - | 97,925 |
| Revenue from exchange transactions | | |
| Dividends Received | 304,236 | 250,894 |
| Kiln Lease Income | 9,000 | 3,000 |
| Interest Income | 1,827 | 81,538 |
| Other Revenue | 35,598 | 84,986 |
| Funds - Te Ohu Kaimoana | 62,757 | 62,198 |
| Quota Income | 476,965 | 459,413 |
| Rent Received | 44,127 | 35,349 |
| Total Revenue from exchange transactions | 934,509 | 977,378 |
| Revenue from Finance Income | | |
| Interest Income - Taranaki Whānui Limited | 105,000 | 123,384 |
| Total Revenue from Finance Income | 105,000 | 123,384 |
| Fair Value Movement on Investment Property | | |
| Land | - | 104,000 |
| Building | - | 106,000 |
| Total Fair Value Movement on Investment Property | - | 210,000 |
| Total Revenue | 1,039,509 | 1,408,688 |

| ACCOUNT | 2022 | 2021 |
|---|----------|----------------|
| 6. Analysis of Expenses | | |
| Impairment and Provision for Doubtful Debts | | |
| Provision on Doubtful Debt on Interest Receivable from Waste Transformation Limited | - | 79,446 |
| Provision for Impairment on Advances to Waste Transformation Limited | - | 199,3862 |
| Total Impairment and Provision for Doubtful Debts | - | 278,832 |
| Other Expenses | | |
| ACC Levies | - | 1,170 |
| Accounting Fees | 12,721 | 12,921 |
| Administration and Election Fees | 56,031 | 18,448 |
| Audit Fees | 32,000 | 26,141 |
| Bank Fees | 160 | 164 |
| Charitable Fisheries Projects | - | 18,400 |
| Consulting and Feasibility Fees | - | 115,884 |
| Communications | 25,655 | 28,090 |
| Computer Expenses | 573 | 2,280 |
| Depreciation | 1,551 | 3,095 |
| Directors Fees | 162,312 | 135,270 |
| Donations | 65,798 | 128,713 |
| General Expenses | - | 1,078 |
| Insurance | 5,950 | 5,405 |
| Interest Expense | - | 2 |
| Legal Expenses | 31,112 | 31,943 |

| ACCOUNT | 2022 | 2021 |
|--|----------------|------------------|
| 6. Analysis of Expenses continued | | |
| MACA Research | 15,870 | 54,750 |
| MAF, SeaFIC and FishServe Fees | 74,942 | 72,261 |
| Management Expenses | 180,000 | 192,640 |
| Meeting Expenses | 2,097 | 2,211 |
| Office and Rent Expenses | 7,534 | 10,012 |
| Penalties - IRD | - | 250 |
| Postage, Printing and Stationery | 8,011 | 7,037 |
| Portfolio Management Fees | 29,680 | 29,611 |
| Repair and Maintenance | 11,489 | - |
| Salaries | - | 20,456 |
| Secretarial Services | 42,500 | 39,288 |
| Staff Training | - | 1,545 |
| Subscriptions | 2,585 | 2,594 |
| Telephone and Internet | 87 | 20 |
| Travel and Accommodation | 4,097 | 11,016 |
| Trustee Fees | 39,000 | 30,750 |
| Valuation Fees | 3,600 | 2,600 |
| Total Other Expenses | 815,354 | 1,006,042 |
| Total Expenses | 815,354 | 1,284,874 |

| ACCOUNT | 2022 | 2021 |
|--|----------------|------------------|
| 7. Analysis of Assets | | |
| Current Assets | | |
| Bank accounts and cash | | |
| Cheque Accounts | 73,612 | 213,048 |
| Call Accounts | 793,275 | 791,856 |
| Total Bank accounts and cash | 866,888 | 1,004,903 |
| Debtors and prepayments | | |
| Accounts Receivable | 166,032 | 171,736 |
| Accrued Interest Receivable | | |
| Accrued Interest Receivable | - | 330,764 |
| Provision for Doubtful Debt of Interest Receivable from Waste Transformation Limited | - | (330,764) |
| Total Accrued Interest Receivable | - | - |
| Total Debtors and prepayments | 166,032 | 171,736 |
| Other current assets | | |
| Maori Authority Tax Credits | 96,775 | 43,533 |
| Related Party Advances | | |
| Funds Advanced to Waste Transformation Limited | - | 1,120,448 |
| Impairment of Advances to Waste Transformation Limited | - | (1,120,448) |
| Total | - | - |
| Total Other current assets | 96,775 | 43,533 |

| ACCOUNT | 2022 | 2021 |
|--|-------------------|-------------------|
| Non Current Assets | | |
| Receivables | | |
| Taranaki Whānui Ltd | 1,500,000 | 1,500,000 |
| Total | 1,500,000 | 1,500,000 |
| Investment Property | | |
| Land | 285,000 | 285,000 |
| Buildings | 443,500 | 443,500 |
| Total Investment Property | 728,500 | 728,500 |
| Equity Investments | | |
| Equity investment designated at fair value through other comprehensive revenue and expenses | | |
| Maui Capital Aqua Fund | 75,000 | 70,000 |
| AHC Diversified Portfolio | 7,420,858 | 7,970,690 |
| Aotearoa Fisheries Limited | 8,959,631 | 8,959,631 |
| Purchased Quota | 5,608,527 | 5,032,098 |
| Partners Life | 469,165 | 483,331 |
| Total | 22,533,181 | 22,515,750 |
| Equity investments measured at cost | | |
| Oriens Capital Fund 2 | 195,000 | 70,000 |
| Southern Hops Limited | 400,000 | 280,000 |
| Settlement Quota | 3,525,246 | 3,525,246 |
| Total | 4,120,246 | 3,875,246 |
| Total Equity Investments | 26,653,427 | 26,390,996 |

| ACCOUNT | 2022 | 2021 |
|--|---------------|----------------|
| 8. Analysis of Liabilities | | |
| Current Liabilities | | |
| Trade and other creditors | | |
| Accounts Payable | 67,208 | 70,504 |
| Other Creditor | 6,619 | 65,963 |
| PAYE Payable | 1,260 | 1,898 |
| Total Trade and other creditors | 75,087 | 138,364 |
| Other current liabilities | | |
| GST Payable | 7,483 | 10,390 |
| Total Other current liabilities | 7,483 | 10,390 |
| Total Current Liabilities | 82,570 | 148,754 |

9. Property, Plant and Equipment

| 2022 | KILNS | OFFICE EQUIPMENT | TOTAL |
|--------------------------|----------|---------------------|--------------|
| Cost | - | 13,715 | 13,715 |
| Accumulated Depreciation | - | 10,602 | 10,602 |
| Depreciation | - | 1,551 | 1,551 |
| Net Book Value | - | 1,562 | 1,562 |
| 2021 | KILNS | OFFICE EQUIPMENT | TOTAL |
| Cost | - | 13,715 | 13,715 |
| Accumulated Depreciation | - | 7,507 | 7,507 |
| Depreciation | - | 3,095 | 3,095 |
| Net Book Value | - | 3,113 | 3,113 |

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

| 2022 | KILNS | OFFICE EQUIPMENT | TOTAL |
|------------------------|----------|---------------------|--------------|
| Opening Balance | - | 3,113 | 3,113 |
| Depreciation | - | 1,551 | 1,551 |
| Closing Balance | - | 1,562 | 1,562 |

10. Commitments

There are no commitments entered into as at 30 September 2022.

11. Contingent Liabilities and Guarantees

There are no contingent liabilities or guarantees as at 30 September 2022 (2021 - nil).

12. Group Information on Subsidiaries

| NAME OF SUBSIDIARY | PRINCIPAL ACTIVITIES | COUNTRY OF INCORPORATION | INTEREST PER CENTAGE | |
|---------------------------------|-------------------------|-----------------------------|-------------------------|------|
| | | | 2022 | 2021 |
| Raukawa ki te Tonga AHC Limited | Investment Company | NZ | 100% | 100% |
| Raukawa Tauranga Ika Limited | Lease of fishing Quota | NZ | n/a* | 100% |
| AHC Securities Limited | Asset Financing | NZ | n/a* | 100% |

*not applicable

13. Related Parties

Investment in Associate and Funds Advanced to Waste Transformation Limited

The Group has invested funds in Waste Transformation Limited, a company incorporated on 15 October 2012, under the Companies Act 1993.

Refer to note 4 for further details.

Funds Advanced

| | 2022 | 2021 |
|---|----------|-----------|
| Opening value of funds advanced as at 1 October | - | - |
| Net Funds advanced for the period | - | 199,386 |
| Impairment of advance as assessed by the Directors | - | (199,386) |
| Closing value of funds advanced as at 30 September | - | - |

Interest Charged on Advance

| | 2022 | 2021 |
|---|----------|----------|
| Opening outstanding interest | - | - |
| Interest income received during the year | - | - |
| Interest income invoiced but still outstanding at balance date. | - | 79,446 |
| Interest income written-off | - | (79,446) |
| Total interest income for the year | - | - |

Funds advanced to (from) Subsidiary Company

The Trust has received funds from (advanced to) its Subsidiary Company, Raukawa ki te Tonga AHC Limited, in lieu of future dividend Payments.

| | 2022 | 2021 |
|--|----------------|----------------|
| Opening Balance 1 October | 276,785 | 228,225 |
| Dividend received from Subsidiary Company | 8,203 | 282,167 |
| Fish distributions paid to Marae on behalf of Parent Trust | 7,162 | 8,608 |
| Funds received from Subsidiary Company | 120,000 | 225,000 |
| Closing Balance 30 September | 157,826 | 276,785 |

Trustees and Directors

During the year the Group purchased services from the following Trustees and Directors:

Trustee Meeting Fees

| | 2022 | 2021 |
|-----------------------------------|-----------------|-----------------|
| Rachael Selby | 15,000 | 7,500 |
| Emma Winiata | 4,000 | 4,500 |
| Bernadette Arapere | 4,000 | 4,500 |
| Justin Tamihana | 4,000 | 3,000 |
| Cyril Mako | 4,000 | 4,500 |
| Areti Metuamate | 4,000 | 3,750 |
| Wayne Kiriona | 4,000 | 3,000 |
| Total Trustee meeting fees | \$39,000 | \$30,750 |

Directors Fees

| | 2022 | 2021 |
|----------------------------|------------------|------------------|
| Debra Ruth Birch | 50,000 | 50,000 |
| Guy Richard Kiniwe Royal | 37,000 | 37,000 |
| Graeme Lee Hastilow | 25,000 | 25,000 |
| Antoinette Kiri Kerr | 25,000 | 25,000 |
| Dylan James Bevan Lawrence | 25,000 | - |
| | \$162,000 | \$137,000 |

Te Wānanga o Raukawa

During the year, the group purchased services from Te Wānanga o Raukawa

| | 2022 | 2021 |
|-------------------------|-------|-------|
| Office rent and support | 6,574 | 9,322 |

Tuia Group Limited

During the prior year, The Parent Trust purchased consultancy services from Tuia Group Limited, a Company in which Guy Richard Kiniwe Royal has a directorship and ownership interest. Guy Richard Kiniwe Royal was formally appointed as a Director of Raukawa ki te Tonga AHC Limited on 17 September 2019. His appointment to the Board officially began on 1 October 2019.

| | 2022 | 2021 |
|---|------|-------|
| Consulting services purchased from Tuia Group | Nil | 3,302 |

14. Key Management Compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group. This includes the five Directors, seven Trustees, Finance Manger and Office Manager.

| | 2022 | 2021 |
|---------------------------------------|-----------|-----------|
| Board Members - AHC | | |
| Number of Personnel | 5 | 4 |
| Remuneration | \$162,000 | \$137,000 |
| Trustees - Trust | | |
| Number of Personnel | 7 | 7 |
| Remuneration | \$39,000 | \$30,750 |
| Senior Leadership Team - Group | | |
| Number of Personnel | 2 | 3 |
| Remuneration | \$236,111 | \$266,994 |

15. Events After the Balance Date

There were no events that have occurred after the balance date that would have a material impact on the Performance Report (2021 - nil).



Independent Auditor's Report

TO THE TRUSTEES OF RAUKAWA KI TE TONGA TRUST

REPORT ON THE AUDIT OF THE CONSOLIDATED PERFORMANCE REPORT

Opinion

We have audited the consolidated performance report of Raukawa ki te Tonga Trust (the "Trust") and its controlled entities (the "Group") and the performance information which comprises:

- a. the consolidated statement of financial position as at 30 September 2022, and the consolidated statement of comprehensive revenue and expenses, consolidated statement of changes in net assets and consolidated statement of cash flows for the year then ended, and notes to the consolidated performance report, including a summary of significant accounting policies, set out on pages 26 to 41, and
- b. the performance information of the Group set out on pages 24 to 25 in the consolidated statement of service performance for the year ended 30 September 2022.

**Grant Thornton New Zealand
Audit Limited**

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In our opinion:

- a. the accompanying consolidated performance report presents fairly, in all material respects, the financial position of the Group as at 30 September 2022 and its financial performance and cash flows for the year then ended in accordance with Public Benefit Entity International Public Sector Accounting Standards – Reduced Disclosure Regime ("PBE IPSAS – RDR") issued by the New Zealand Accounting Standards Board, and
- b. the performance information of the Group presents fairly, in all material respects, what has been achieved in terms of reported outcomes and outputs for the year ended 30 September 2022 in accordance with Public Benefit Entity Reporting Standard 48 *Service Performance Reporting* (PBE FRS 48) issued by the New Zealand Accounting Standards Board.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)) issued by the New Zealand Auditing and Assurance Standards Board. 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, the Group.

Trustees' Responsibilities for the Consolidated Performance Report

The Trustees are responsible on behalf of the Group for:

- a. the preparation and fair presentation of the consolidated performance report in accordance with Public Benefit Entity International Public Sector Accounting Standards – Reduced Disclosure Regime (“PBE IPSAS – RDR”) issued by the New Zealand Accounting Standards Board, and for such internal control as those charged with governance determine is necessary to enable the preparation of the consolidated performance report that is free from material misstatement, whether due to fraud or error.
- b. The preparation of performance information that presents fairly what has been achieved in terms of reported outcomes and outputs in accordance with PBE FRS 48 issued by the New Zealand Accounting Standards Board.

In preparing the consolidated performance report, those charged with governance are responsible on behalf of the entity 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 those charged with governance either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

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

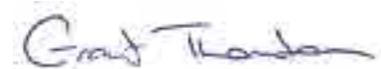
Our objectives are to obtain reasonable assurance about whether the consolidated performance report and performance information as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level 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 the consolidated performance report and the performance information.

A further description of the auditor's responsibilities for the audit of the consolidated performance report is located on the External Reporting Board's website at: <https://www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-17/>

Restriction on use of our report

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

Grant Thornton New Zealand Audit Limited



B Kennerley
Partner
Wellington
20 December 2022



Directory

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WEBSITE: www.raukawakitonga.maori.nz

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& Raukawa ki te Tonga AHC Limited
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