



Raukawa ki te Tonga Trust
ANNUAL REPORT 2024



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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 ki te Tonga 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 2023.

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.

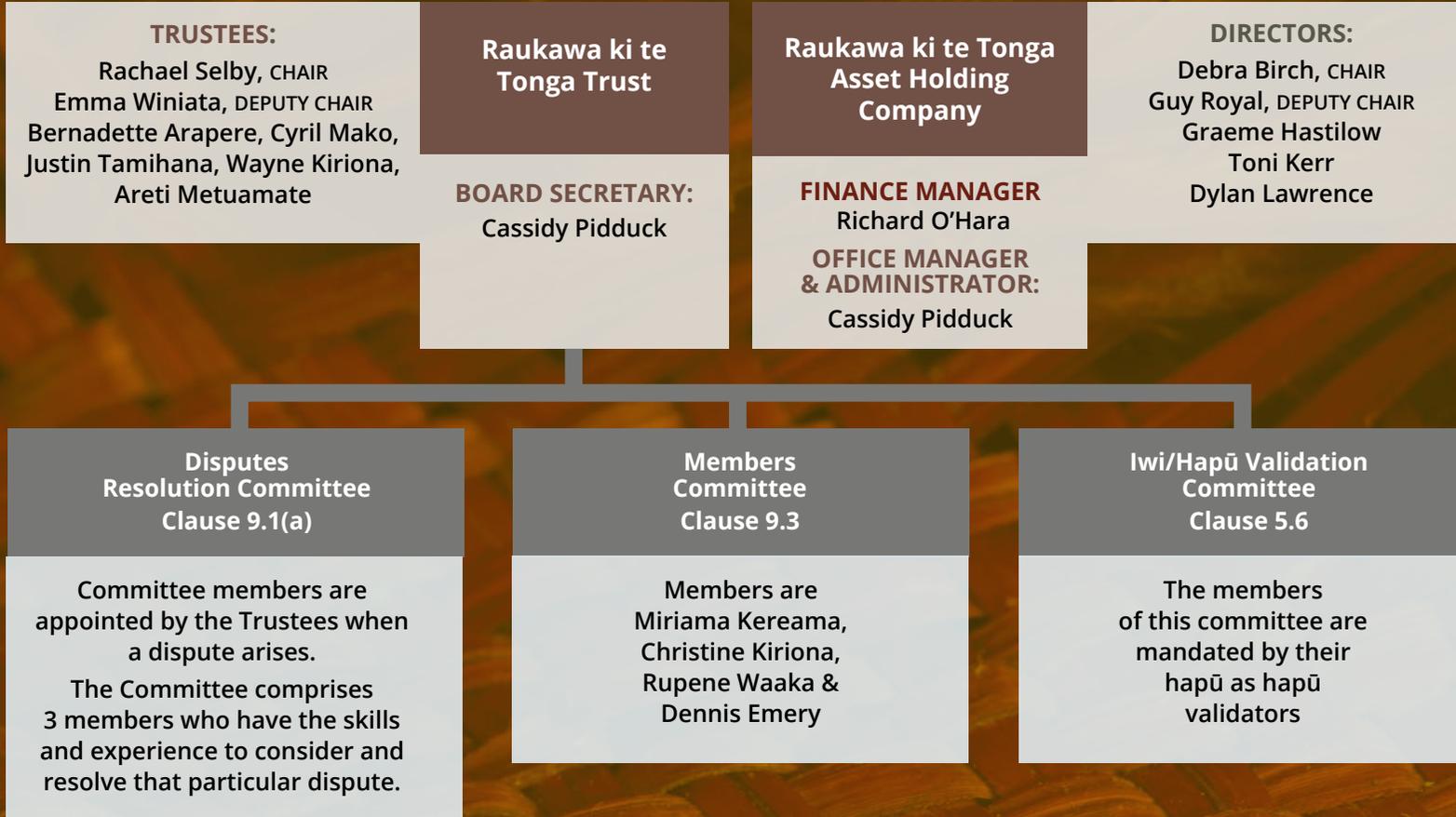
Tuia rātou i te pō, tuia tātou i te ao marama, tuia e te piringa, tuia e ōna uri, inā hoki nā rātou te karanga kia huia mai ki runga ki te papa e takoto ake nei.

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 tātou katoa i ngā tini āhuatanga o te wā, erangi rawa ko ērā nō te ringa kaha o Aitua. Kua nuku atu ēnei i te ao matemate nei kia moe mai rātou ki roto ki ngā ringaringa o Te Runga Rawa.

He kōrero ēnei mō ngā mahi a Raukawa ki te Tonga Trust rāua ko tana roopū āwhina ko Raukawa ki te Tonga AHC Ltd.

Over the past year we have gathered momentum to focus on events that have been our key goals. These include changes to the Trust Deed; Trustees elections; preparation for the Marine and Coastal Area (MACA) High Court Hearings; registration of members and seven regular meetings of the Trust.

At the Annual General Meeting in April 2023 we received a report from Mihiarangi Piripi (Whaia Legal) on the proposed changes to the Trust Deed to be considered by members. A thorough review had been undertaken and discussed with the Trustees before being tabled at the AGM. Since September 2011 we had eight election rounds. One of the important changes was the disestablishment of the rotational election system. This resulted in all trustees standing down in 2023 and seeking re-election. While ten candidates stood for the seven positions on the Trust, the seven sitting members were re-elected for a 3-year term. Thanks to all candidates who offered their skills to the Trust and to members for participating in the election. We now move to a three yearly cycle.

Changes to the Trust Deed confirmed the ability of the Trust to hold meetings virtually. This has proven to be a satisfactory way of dealing with Trust business, with all trustees confident in participating in this way. We have worked together for six years and look forward to a further three year term.

The work that has been a challenge for us all in the past year has been the preparation for the MACA Hearings scheduled for the High Court in Wellington in May and June 2024. Eighteen affidavits were completed and filed in November 2023 in preparation for the Hearings. We acknowledge the research and investigation that was undertaken for this work. In the next year there will again be a round of intense preparation for the Court.

Elections and Court Hearings draw heavily on our funds and hence we have not been able to make distributions in the past year. We look forward to a time when this can be resumed.

The Asset Holding Company has continued to manage the Trust's assets following a period of volatility. We have a strong Board of Directors ably led by Chair, Debra Birch and Deputy Chair, Guy Royal. With Toni Kerr, Graeme Hastilow and Dylan Lawrence the AHC has worked effectively as a team to grow the assets of the Trust. They report quarterly to the Board and work in co-operation with the Trust, Finance Manager, Richard O'Hara and Administrator, Cassidy Pidduck. Our thanks to you all. Ngā mihi nui ki a koutou katoa



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 \$13,020 provided to support hui at Marae.
- Evidence to support the Raukawa ki te Tonga Takutai Moana Marine and Coastal Area Claim was gathered from 16 tangata whenua for submission to the Court on 13 November 2023. This was supported by a historian report and tikanga brief.
- Since inception the Trust has provided \$936,586 in distributions for projects and Marae fish.
- The Trust opted for our Tuna ACE to remain with Te Ohu Kaimoana for the 2022/2023 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 Raukawa ki te Tonga members. Our registration database is now just over 12,000 validated members.

Registering as an Iwi member gives you access to a range of benefits, such as;

- Helping you connect with your Marae, Hapū and Iwi
- E-pānui about Trust business
- Voting rights for Trustee elections
- Confirmation of Iwi registration to support scholarship applications
- A link for your Tamariki and Mokopuna to connect with their Iwi

Your registration brings benefit to the Iwi through the following:

- Understanding the age demographics, location and any hapū affiliations of our people
- A voice when representing the collective interests of Raukawa ki te Tonga with regard to fisheries
- Evidence to support statistics for the Iwi. This may be to support claims or submissions.
- Contributing to a whakapapa tree that will assist with future registrations as our Iwi grows.

During the 2023 year the Trust has focussed efforts on transitioning to electronic filing, along with new registrations and maintaining contact details of existing records. Some 6,000 forms have been scanned and filed in the cloud.

Our new MaoriMe platform has increased connections with members living outside the rohe. This also allows members to update their details as they need.

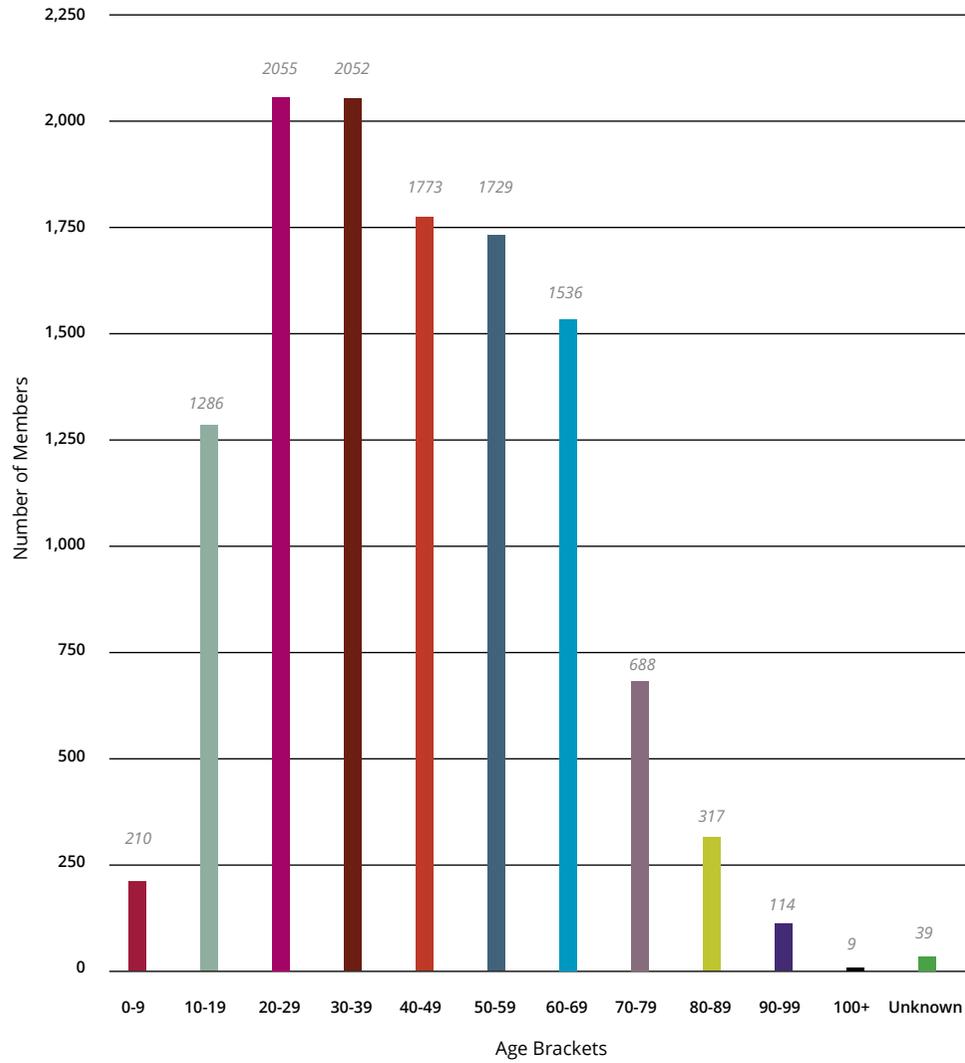
We continue to update the register when contact details change. As we move to an electronic world our preferred contact is by email. To provide your email or update your postal address please email us at the address below.

Please encourage your whānau networks to register by collecting registrations on behalf of your whānau and by helping our kaumatua and rangatahi register.

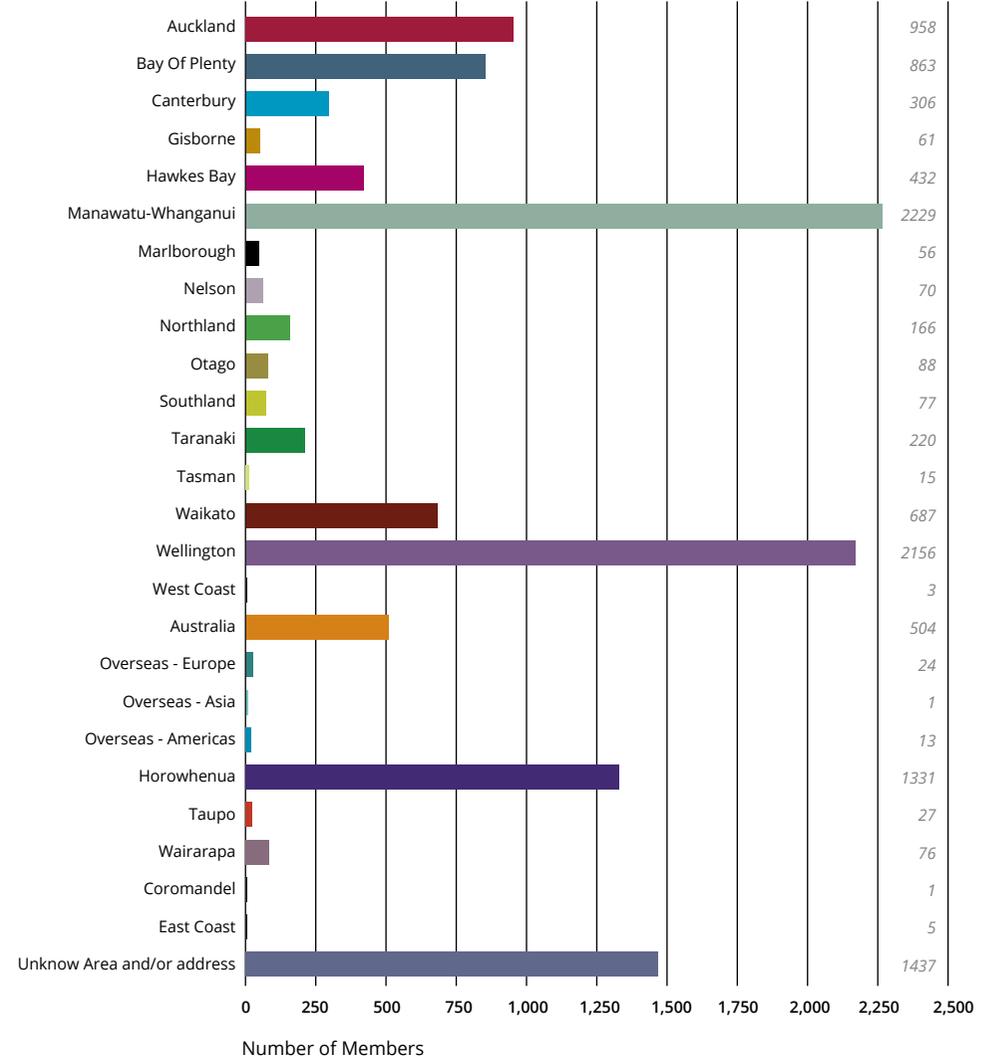
New registrations, changes to contact details, births and family bereavements can be emailed to registrations@raukawakitonga.maori.nz

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

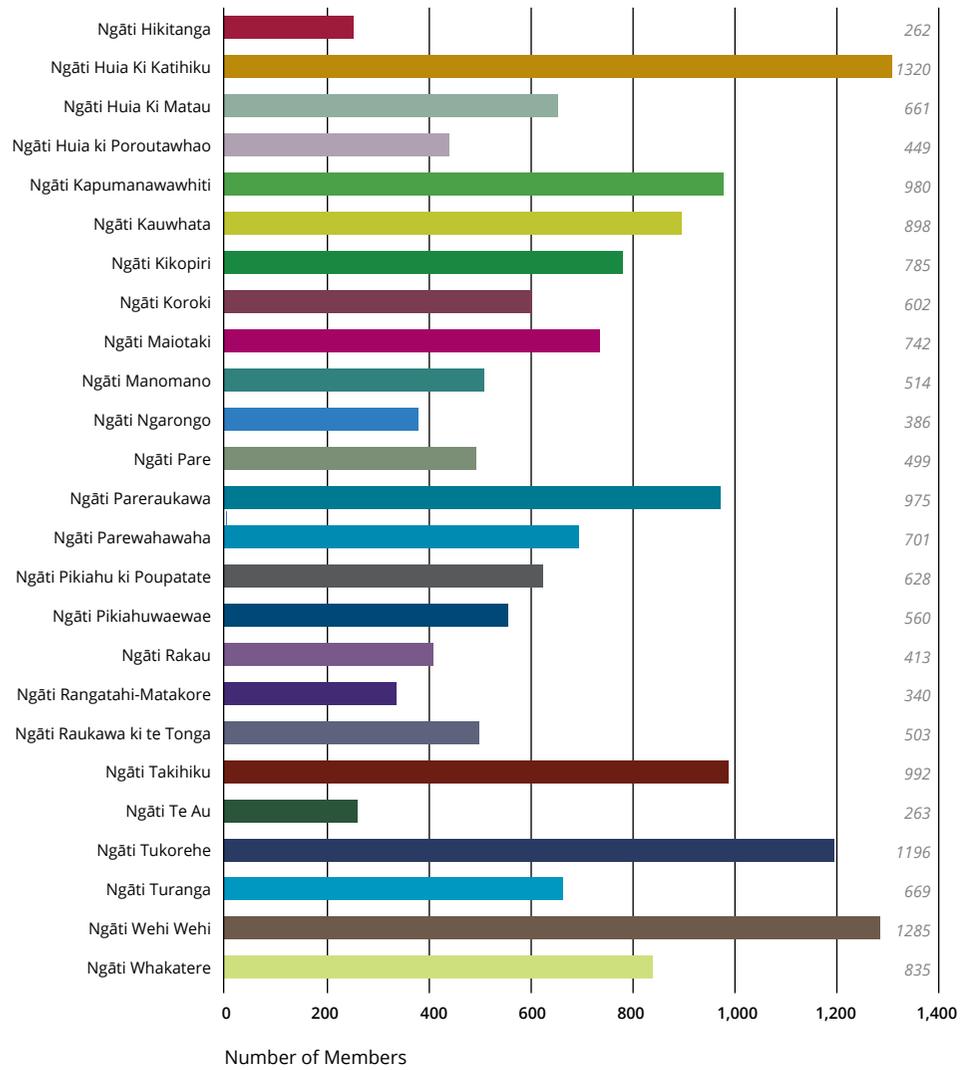
Verified Members by Age



Verified Members by Geographic Location



Verified Members by Hapū/Iwi Affiliations



Accountability

Strategic Plan

1 October 2021 –
30 September 2024

Te Tūruapō | Vision

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

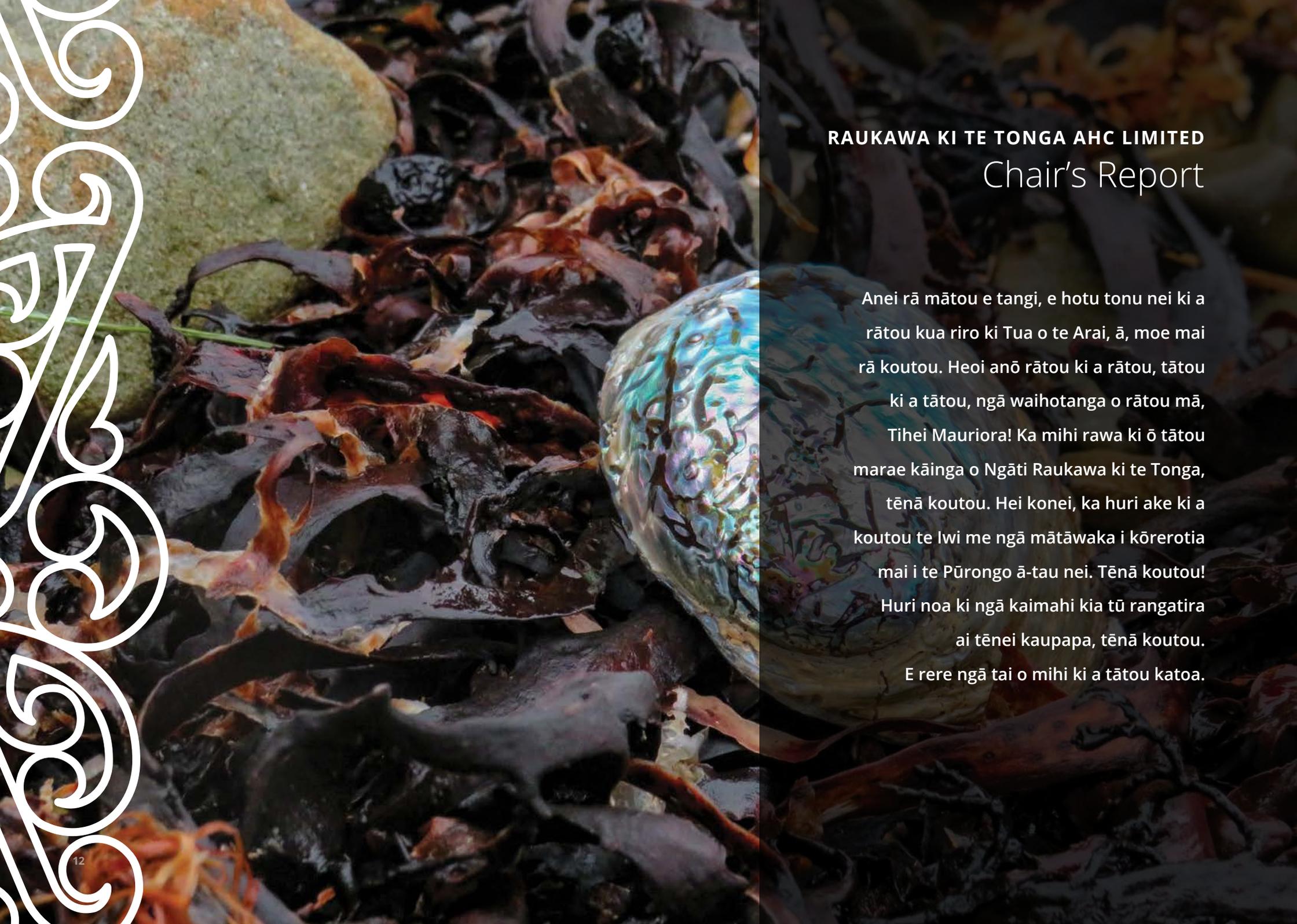
We will give expression to Kaupapa Tuku Iho in our actions and decision making: Manaakitanga, Wairuatanga, Ūkaipōtanga, Whanaungatanga, Rangatiratanga, Kaitiakitanga, Kotahitanga, Pūkengatanga, Whakapapa, Te reo

Strategic Plan: Objectives, Strategies, Actions and Outcomes

Objectives	Strategies	Actions - YE2023	Outcomes - YE2023	Actions - YE2024
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.	Planned for 2024.	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.	Ongoing discussions to develop a plan.	Record the history of Fisheries for Raukawa.
	Operate Strategic Governance over AHC and monitor its performance.	Agree on a Letter of Expectation between the Trust and AHC. Monitor expectations agreed in the letter.	Complete	Agree on a Letter of Expectation between the Trust and AHC and Monitor expectations agreed in the letter.
		Regular reporting from AHC to MIO.	Complete. Quarterly reports received.	Regular reporting to the MIO from the AHC.
		Monitor how the AHC gives expression to Kaupapa. Continue ESGC framework development and implementation.	Environmental, Social, Governance and Cultural Review and reporting being developed.	Monitor how the AHC gives expression to Kaupapa. Continue ESGC framework development and implementation.
	Represent a Kaitiaki Kaimoana voice on behalf of Raukawa ki te Tonga. Kaitiakitanga, Rangatiratanga	Ensure that the MIO is represented on relevant forums.	Represented at relevant conferences and hui, and monitor submissions on fisheries.	Ensure that the MIO is represented on relevant forums.
		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).		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.	Engagement with neighbours further advanced in 2023. Resolutions anticipated in 2024.	Progress/Finalise inshore Fisheries Dispute with Rangitane and Muāupoko. Engage in Māori Land Court action to resolve the dispute.
		Progress Marine and Coastal Area Claim.	Evidence gathered and filed in Court on 13 Nov 2023.	Progress Marine and Coastal Area Claim.

Objectives	Strategies	Actions - YE2023	Outcomes - YE2023	Actions - YE2024
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).	Planned for 2024.	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.	Planned for 2024.	Investigate hiring someone to deliver on the long term programme.
		Continue our current Distribution Policy (putea and fish). Explore alternative methods of distributions.	Review for 2024. Fish distributions continue.	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. Increase Iwi registrations to 12,000.	Reached 12005 registrations including those who have passed away.	Continue to improve and update the Iwi register data. Increase Iwi registrations to 12,500. Increase MaoriMe Connections to 1,500.
		Continue to improve our Iwi register processes and systems. Increase MaoriMe Connections to 1,000.	914 MaoriMe connections.	Continue to improve our Iwi register processes and systems.
	Better Understand the needs and expectations of our whānau.	Set up an account with Te Whata and analyse report on this information.	Account set up 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.	To progress in 2024.	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. Four E-pānui distributed during the year.	Communications Plan developed. Execution underway.	Execute our communications plan. Four E-pānui distributed during the year. Improve the profile of our website calendar.
		Plan Iwi and other relevant events to attend and promote registrations.	Planning as part of communication strategy.	Plan Iwi and other relevant events to attend and promote registrations.

Objectives	Strategies	Actions - YE2023	Outcomes - YE2023	Actions - YE2024
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.	Planned for 2024.	Identify any skills gaps and work towards closing any gaps.
		Identify training requirements and implement appropriate training.	Planned for 2024.	Identify training requirements and implement appropriate training.
	Ensure we are operating efficiently and according to best practice including our kaupapa	Meet our legislative compliance requirements. Investigate moving to one three-year election cycle.	Transition to one three-year election cycle is complete. Legislative requirements are being met.	Meet our legislative compliance requirements.
		Investigate management support for the Trust (for Fisheries capability and to deliver on long-term plan for hapū/Marae support).	Planned for 2024.	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.	Policies reviewed periodically and new policies developed 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.	Environmental, Social, Governance and Cultural kaupapa framework being refined.	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. Meet annually with Te Rūnanga o Raukawa to report on our activities. Ensure regular communication with Raukawa-wide entities.	Discussions underway. Plan to meet for 2024. Attended TROR hui. Regular engagement with Raukawa-wide entities is improving.



RAUKAWA KI TE TONGA AHC LIMITED
Chair's Report

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 lwi 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.

Tēnā tātou katoa,

The last few years have been challenging for whānau and businesses alike. Whilst we breathed a sigh of relief as the disruptions of the COVID-19 pandemic were left behind, global supply chains, geo-political risks and the after-effects of the pandemic are still being felt. In addition, weather-related events have become increasingly frequent, creating challenges for many and impacting the way people live and do business. To add to the uncertainty, interest rates and inflation remain at levels not seen for some time and New Zealand is transitioning to a new government.

The AHC Board had been proactively managing the portfolio to provide downside protection and position ourselves for future investment opportunities. This was primarily by increasing cash reserves and increasing the allocation to defensive asset classes such as fixed income which have outperformed. The AHC Board have remained focused on achieving the best possible outcome for Raukawa ki te Tonga, protecting and growing our pūtea and have delivered a better than expected result for the last financial year.

During the year, the commercial property on Riverbank Road and the investment in Partners Life were sold. Both investments had performed well for the AHC, generating a combined gain of \$372k. In addition, our listed portfolio of investments performed ahead of benchmarks, generating a 9 per cent return for the year.

We maintain a cautious outlook for the year ahead. As our fisheries portfolio forms 60 per cent of our total investments, we are exposed to both quota pricing and the performance of AFL which are still recovering from the impacts of COVID-19 and its flow-on effects. We continue to actively manage the balance of the portfolio to optimise returns and grow the asset base while delivering a target dividend to the Trust.

Once again, I would like to thank our small management team of Richard O'Hara and Cassidy Pidduck and our Board of Directors, Guy Royal, Graeme Hastilow, Toni Kerr, and Dylan Lawrence, for their professionalism and unwavering dedication and passion.

The Board is pleased to announce a dividend, payable to the Trust, of \$234,702 for the year ending 30 September 2023.

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



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. She received the Te Tohu Kahukura Māori Leadership in Finance Award from INFENZ in 2023.



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 provides accounts and office support to a number of entities in the rohe. She has been a part of the Raukawa ki te Tonga Group since

2016. Cassidy is of Te Ati Awa ki Whakarongotai descent and was raised in Otaki where she still lives with her partner and four tamariki.

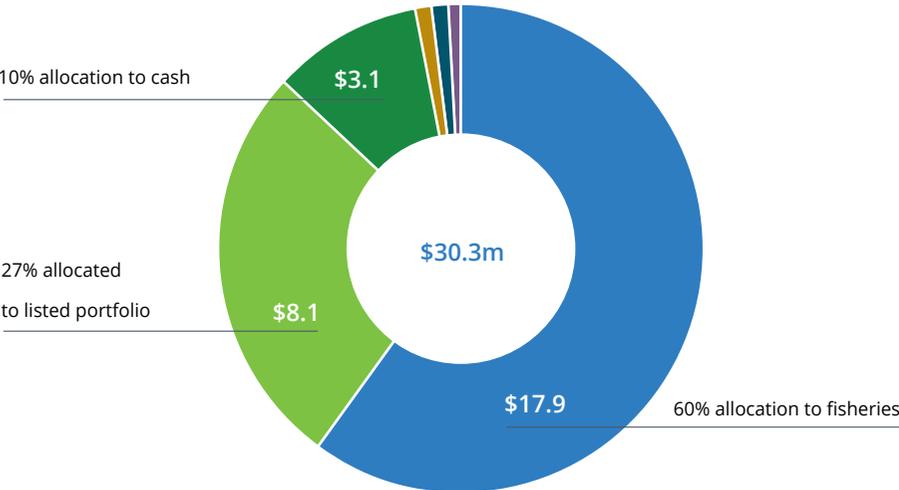


Assets and Investments



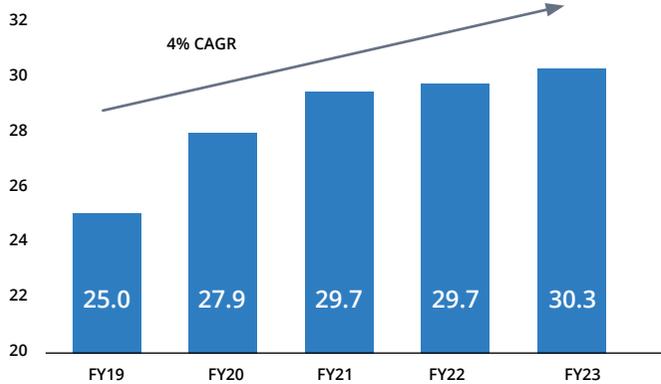
Finances at a glance

Net Asset Summary – Sept 2023 (\$ millions)

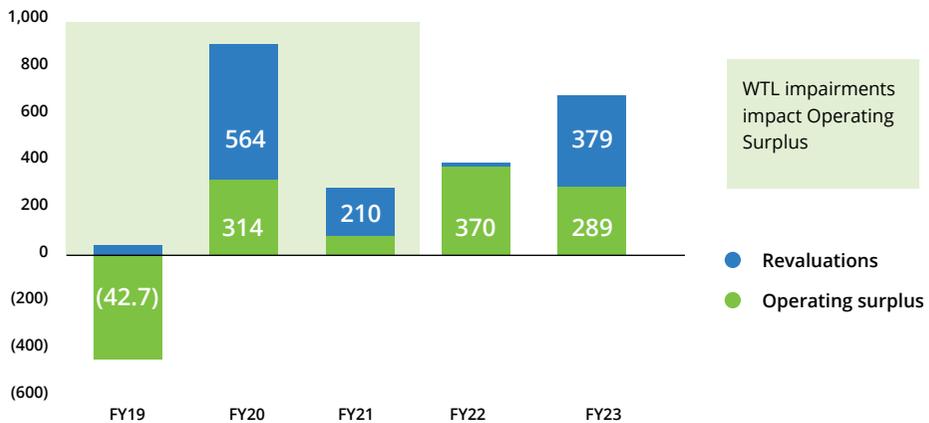


- Fisheries
- Listed Diversified Portfolio
- Cash
- Fixed Income
- Shares in unlisted Companies
- Private Equity

Net Asset Value (\$ millions)



Net Surplus (\$ thousands)



Highlights for the financial year ending 30 September 2023

- Since 30 September 2019, the net assets of the AHC have increased from \$25.0m to \$30.3m, representing a 4 per cent annual growth rate. In the financial year ending 30 September 2023, the net asset value increased by 2 per cent. The increase was predominantly related to an increase in the listed portfolio, which increased by 9 per cent during the year.
- During the year, three investments have been exited, which proved to be successful investments for the AHC. These investments are summarised below:
 - After a strategic review, Riverbank Road was sold to the long-term tenant in February 2023 for \$650k. The property was purchased by the AHC in 2019 for \$510k, therefore a capital gain of \$140k has been generated in addition to the steady rental income during the period of ownership.
 - Japanese life insurer Dai-ichi Life acquired 100 per cent of the shares in Partners Group Holdings Limited (Partners Life) with a headline purchase price of NZ\$980m. The AHC invested \$250k in Partners Life, and the final consideration received was \$482k. This represents a \$232k (93 per cent) gain on sale.
 - In 2019, the AHC provided a loan to Taranaki Whānui Limited for \$1m, which was subsequently increased to \$1.5m. In July 2023, Taranaki Whānui repaid the full amount of the loan on the expiration of the loan term. This concluded a successful investment for the AHC and has resulted in the development of a strong commercial relationship between the two entities.
- One new investment was executed in December 2022 which was a loan to The Wellington Company (TWC). The total loan provided was \$6.5m, of which the AHC provided \$500k. The remainder of the loan was provided by Tauhara North No.2 Trust (Tauhara North). Funding was used to support TWC's social and affordable housing business ("Bode"), along with residential property developments in Paraparaumu, Avalon and Amberly. This is the first investment that the AHC has executed alongside Tauhara North No.2 Trust.
- Fisheries remains the largest investment for the AHC which includes shares in Aotearoa Fisheries Limited (AFL) and quota. The dividend from AFL has been under pressure in the wake of Covid-19 and the recent challenges for the sector due to increased operating costs. However, income generated from the sale of ACE has been steadily improving since 2020. This has partly benefited from amalgamating and selling the AHC's ACE with Whanganui Iwi Fisheries Limited and Ngā Wairiki - Ngāti Apa Developments Limited. As a result of having a larger package of ACE available, the level of interest in the ACE has improved, and prices received have increased.
- On 30 September 2023, the AHC was overweight cash, which was intentional given the current challenges the economy is experiencing with high interest rates, high inflation and geopolitical tension. After the balance day, a portion of this cash was deployed into cash-enhanced funds to capitalise on the high-interest rates available whilst maintaining liquidity.

Investment portfolio and asset allocation

The AHC was established as the commercial organisation to manage the settlement assets and investments of Raukawa ki te Tonga Trust (the Trust) on a commercial and sustainable basis. As at 30 September 2023, the investment portfolio was valued at approximately \$30m.

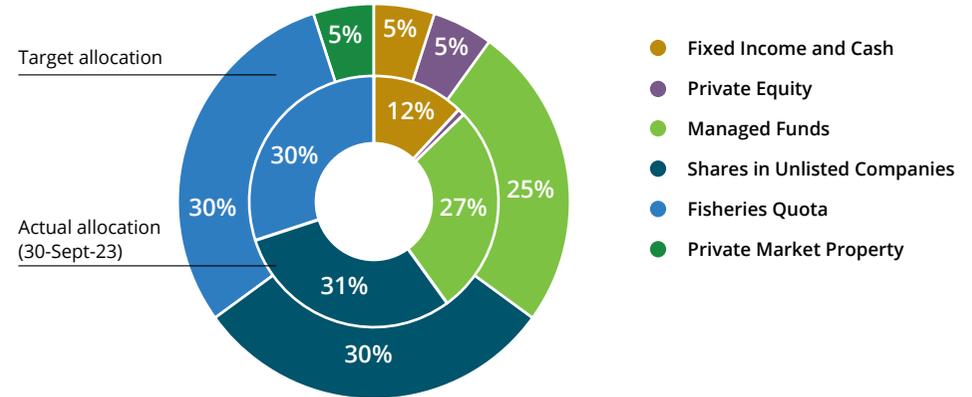
During the year, the Board completed its periodic review of the investment policies which are ultimately approved by the Trust. In response to feedback from the Trust, the target asset allocation has been adjusted to focus on delivering a target dividend. As a result, the target allocation to defensive assets has increased from 35 per cent to 45 per cent.

The AHC continues to invest in a diversified investment portfolio. The objective of diversification is to develop an investment portfolio of various asset classes which have limited correlation and, therefore, react differently to market conditions. As a result, the overall return of the portfolio should be less volatile over time. However, the portfolio is constrained by being overweight to fisheries (settlement) assets.

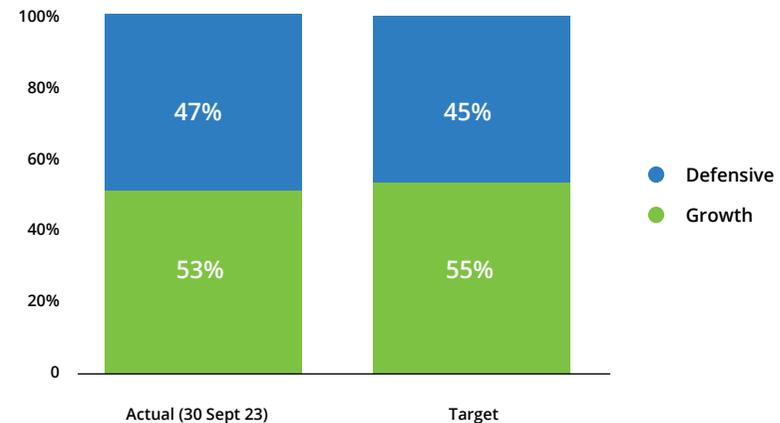
The chart to the right, shows the asset allocation as at 30 September 2023 relative to the Strategic Asset Allocation (target allocation) and the allocation to defensive and growth assets.

Whilst the allocation to growth and defensive is broadly aligned with the target, the AHC is currently overweight Cash and Fixed Income and underweight Private Market Property and Shares in Unlisted Companies. The Directors expect to re-deploy cash into direct investments over the next 24 months, when appropriate opportunities are identified.

Strategic Asset Allocation



Allocation to Growth and Defensive

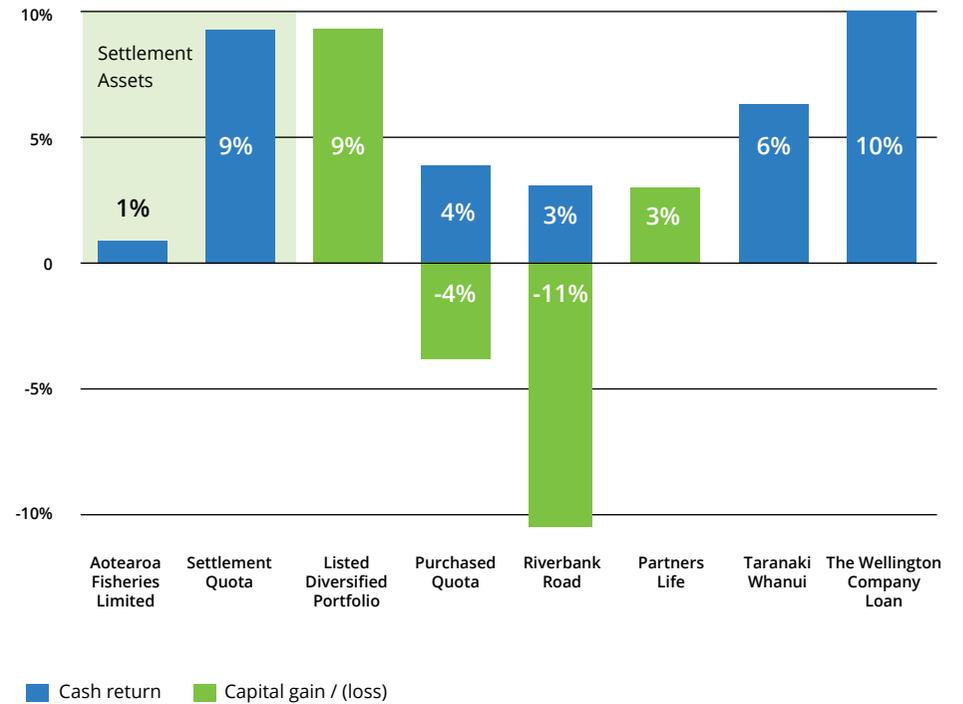




Investment returns

The chart below displays the returns (realised and unrealised) associated with each investment for the year ending 30 September 2023:

Investment returns - 12 months ending 30 September 2023



Note: The loans to Taranaki Whanui and The Wellington Company had annualised interest rates of 7% and 12% respectively. The returns shown in the chart above are slightly lower as both loans were outstanding for part of the year.

Commentary regarding the returns is provided below:

- Southern Hops, Maui Capital Private Equity and Oriens Capital Private Equity are excluded from the chart as no return was recognised in the financial year.
- Aotearoa Fisheries Limited and Settlement quota generated 1 per cent and 9 per cent cash return, respectively. These investments are recognised on the balance sheet at cost price given the lack of liquidity associated with settlement assets. Given Aotearoa Fisheries Limited is the largest investment of the AHC, the relatively low return has a material impact on the financial performance of the AHC.
- The Listed Diversified Portfolio performed well, generating a 9 per cent return. This is in line with the benchmark for a growth-orientated investment portfolio.
- Purchased Quota generated a 4 per cent cash return which was offset by a 4 per cent capital loss. The capital loss is based on a 3rd party quota valuation which identified a reduction in value of the paua quota due to certain areas being monitored for sustainability reasons. This is particularly the case for Marlborough which is experiencing warmer water temperatures.
- Riverbank Road experienced an 11 per cent capital loss relative to its value on 30 September 2022. This is consistent with the reduction of commercial and residential property valuations nationally.
- The value of Partners Life, when exited, was slightly higher than the carrying value therefore a 3 per cent capital gain was recognised.
- The loans to Taranaki Whānui Limited and The Wellington Company performed well, generating a cash return of 6 per cent and 10 per cent respectively (noting that these loans were owing for part of 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 dividend policy requires 40 per cent of the net operating surplus, after the deduction of CPI on its liquid assets and an allocation to the 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 2023 is \$234,702 which will be paid when requested by the Trust.



RAUKAWA KI TE TONGA TRUST GROUP
Consolidated Performance Report
for the Year Ended 30 September 2023

Entity Information

RAUKAWA KI TE TONGA TRUST GROUP

For the year ended 30 September 2023

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

There is no reliance on volunteers and/or donated goods or services. 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

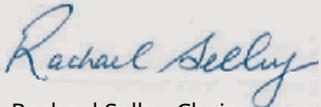
RAUKAWA KI TE TONGA TRUST GROUP

For the year ended 30 September 2023

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 2023.

APPROVED

For and on behalf of the Trustees



Rachael Selby, Chairperson

Date: 21 December 2023



Emma Winiata, Deputy Chairperson

Date: 21 December 2023

Statement of Consolidated Service Performance

RAUKAWA KI TE TONGA TRUST GROUP

For the year ended 30 September 2023

Description of Entity's Outcomes

Raukawa ki te Tonga (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

Continue providing fish distributions as requested by Marae.

MEASURE	TARGET	ACTUAL	OUTCOME
FY23: Value of fish parcels provided.	Estimate of \$15,000	\$13,020	Achieved
FY22: Value of fish parcels provided.	Up to \$15,000	\$7,161	Achieved

PERFORMANCE MEASURE 2

Increase Iwi Membership

MEASURE	TARGET	ACTUAL	OUTCOME
FY23: Number of registered Iwi Members.	12,000	12,005	Achieved
FY22: Number of registered Iwi Members. Increase by 150		167	Achieved

PERFORMANCE MEASURE 3

Increase MaoriMe Registrations

MEASURE	TARGET	ACTUAL	OUTCOME
FY23: Number of MaoriMe profiles linked to Iwi Registrations.	1,000	914	Not Achieved
FY22: 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	TARGET	ACTUAL	OUTCOME
FY23: Number of board hui	>5	6	Achieved
FY22: Number of board hui	>5	6	Achieved

PERFORMANCE MEASURE 5

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

MEASURE	TARGET	ACTUAL	OUTCOME
FY23: Not applicable	Not applicable	Not applicable	Not applicable
FY22: Value of distributions provided	\$110,000	\$113,381	Achieved

The Company

PERFORMANCE MEASURE 1

Increase exposure to direct investment opportunities.

MEASURE	TARGET	ACTUAL	OUTCOME
FY23: One or more private market investment and/or private market property transaction	> =1	1	Achieved
FY22: Screen ten or more direct investment opportunities.	>10	>16	Achieved

PERFORMANCE MEASURE 2

Asset allocation in line with the Strategic Asset Allocation.

MEASURE	TARGET	ACTUAL	OUTCOME
FY23: Not applicable	Not applicable	Not applicable	Not applicable
FY22: Asset allocation to growth assets of 65% (+/- 5%)	65%	59%	Not achieved

Note: in FY22, the Directors made a conscious decision to increase the allocation to cash given market volatility and to prepare for future investment opportunities. In FY23, this performance measure has been reviewed and updated during the year to a 55% allocation to growth rather than 65%.

PERFORMANCE MEASURE 3

Maximise returns from fisheries assets.

MEASURE	TARGET	ACTUAL	OUTCOME
FY23: Collaborate with one or more iwi to sell ACE.	> = 1	2	Achieved
FY22: Generate interest from 5 or more parties for the sale of ACE	> = 5	6	Achieved

PERFORMANCE MEASURE 4

Environmental, Social, Governance and Cultural (ESGC) register.

MEASURE	TARGET	ACTUAL	OUTCOME
FY23: Maintain an ESGC register for 100% of direct investments.	100%	100%	Achieved
FY22: Framework/tool developed and applied to 100% of investments in the portfolio.	100%	100%	Achieved

PERFORMANCE MEASURE 5

Increase collaboration with iwi.

MEASURE	TARGET	ACTUAL	OUTCOME
FY23: Collaborate with two or more iwi commercial entities to consider direct investments.	>2	> 5	Achieved
FY22: 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	TARGET	ACTUAL	OUTCOME
FY23: Number of board hui held during the year.	> = 6	6	Achieved
FY22: 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 2023

ACCOUNT	NOTES	2023	2022
Revenue			
Revenue from exchange transactions			
Investment Income	5	\$1,764,461	306,063
Other Revenue	5	762,577	628,447
Total Revenue from exchange transactions		2,574,128	934,509
Finance Revenue			
Income	5	135,164	105,000
Total Finance Revenue		135,164	105,000
Total Revenue		2,709,292	1,039,509
Expenses			
Other Expenses	6	925,018	815,354
Total Expenses		925,018	815,354
Surplus/(Deficit) for the Year		1,784,274	224,155
Other Comprehensive Revenue and Expenses			
Capital Gain/(Loss) on Sale of Asset		(65,492)	0
Revaluation of Equity Investments		(867,648)	12,431
Total Other Comprehensive Revenue and Expenses		(933,140)	12,431
Total Comprehensive Revenue and Expenses Attributable to Owners		851,134	236,586

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 2023

ACCOUNT	2023	2022
Total Equity		
Accumulated Comprehensive Revenue and Expense		
Opening	4,707,174	4,547,732
Surplus/(Deficit) for the year	1,784,274	224,155
Capital Gain/(Loss) on Sale of Assets	(65,492)	0
Funds Transferred to Capital Preservation Reserve	(328,910)	(64,714)
Total Accumulated Comprehensive Revenue and Expense	6,097,045	4,707,174
Equity Investment Revaluation Reserve		
Opening	3,387,092	3,374,661
Net Change in Fair Value	(867,648)	12,431
Total Equity Investment Revaluation Reserve	2,519,444	3,387,092
Capital Funds received from Te Ohu Kaimoana		
Opening Balance	12,487,093	12,487,093
Total Capital Funds received from Te Ohu Kaimoana	12,487,093	12,487,093
Capital Funds received from Te Rūnanga o Raukawa		
Opening Balance	5,861,019	5,861,019
Total Capital Funds received from Te Rūnanga o Raukawa	5,861,019	5,861,019

ACCOUNT	2023	2022
Capital Preservation Reserve		
Opening	2,379,247	2,314,533
Transfer of Funds to Reserve from Accumulated Comprehensive Revenue and Expenses	328,910	64,714
Total Capital Preservation Reserve	2,708,157	2,379,247
Capital Funds received from Parent Trust		
Opening Balance	1,108,989	1,108,989
Total Capital Funds received from Parent Trust	1,108,989	1,108,989
Total Equity	30,781,747	29,930,613

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 2023

ACCOUNT	NOTES	30 SEP 2023	30 SEP 2022
Assets			
Current Assets			
Cash and Cash Equivalents	7	3,231,056	866,888
Receivables from Exchange Transactions	7	361,158	166,032
Other Current Assets	7	806,152	96,775
Total Current Assets		4,398,365	1,129,694
Non-Current Assets			
Property, Plant and Equipment	9	1,560	1,561
Investments	7	26,611,071	26,653,427
Receivables	7	0	1,500,000
Investment Property	7	0	728,500
Total Non-Current Assets		26,612,632	28,883,489
Total Assets		31,010,997	30,013,1832

ACCOUNT	NOTES	30 SEP 2023	30 SEP 2022
Liabilities			
Current Liabilities			
Trade and Other Creditors	8	210,440	75,087
GST Payable	8	18,809	7,483
Total Current Liabilities		229,250	82,570
		229,250	82,570
Total Assets less Total Liabilities (Net Assets)		30,781,747	29,930,613
Equity			
Total Reserves		30,781,747	29,930,613
Total Equity		30,781,747	29,930,613

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 2023

ACCOUNT	2023	2022
Cashflow		
Cash Flows from Operating Activities		
Receipts from Goods and Services	686,682	723,574
Interest and other Investment Receipts	243,117	106,827
Payments to Providers and Employees	(909,574)	(962,650)
Receipts from Māori Authority Tax Credits	96,774	0
Total Cash Flows from Operating Activities	116,999	(132,249)
Cash Flows from Investing and Financing Activities		
Receipts from Dividends	158,545	250,995
Disposal of Investments	2,665,173	0
Movement in Intercompany Loans	(13,216)	(6,762)
Purchase of Investments	(515,000)	(250,000)
Purchase of Property, Plant and Equipment	(1,243)	0
Total Cash Flows from Investing and Financing Activities	2,294,259	(5,767)
Net Increase/(Decrease) in Cash	2,364,168	(138,016)
Cash Balances		
Cash and Cash Equivalents at Beginning of Period	866,888	1,004,903
Cash and Cash Equivalents at End of Period	3,231,056	866,888
Net Change in Cash for Period	2,364,168	(138,016)

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 2023

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 and amended 1 August 2023.

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 subsidiary Raukawa ki te Tonga AHC Limited (the "Company"). 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

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

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 \$47,090 (2021: \$62,757) from Te Ohu Kaimoana and \$232,886 of the funds received are yet to be spent.

Revenue Recognition from Non-Exchange Transactions

Grant Revenue

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 Liabilities

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

Financial Asset

Receivable - The Wellington Company (TWC)

In November 2022, an opportunity came-about to co-invest with another Māori investment entity to provide a loan to TWC. The total loan was \$6.5 million of which the Group provided \$500,000.

A loan issued has the following terms:

- **Loan principal:** \$500,000
- **Contractual interest rate:** 18 month loan at 12%.
- **Repayment schedule:** Principal payable at maturity, with interest paid quarterly in arrears
- **Security:** Shares in a company that owns commercial property assets.

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.

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 property at 44 Riverbank Road, Ōtaki, Kapiti Coast was sold to Matta I Limited on 28 February 2023 (the tenant at the time) for \$650,000. This transaction occurred after a strategic review by the board which suggested that the property would require a material amount of maintenance capex (relative to the property value) in the future to ensure the property would be fit-for-purpose going forward.

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. As at 30 September 2022, the fair value of the property was \$728,500. The value when the property was sold reflects the downward trend for commercial property values. The loss on sale of the investment property has been recorded in other comprehensive revenue and expense.

	2023	2023	2022	2022
	Land	Buildings	Land	Buildings
Opening Balance	285,000	443,500	285,000	443,500
Sale Price	254,290	395,710	Nil	Nil
Loss on Sale	30,710	47,790	Nil	Nil
Closing Balance	Nil	Nil	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 (Normal) 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 2023, the Purchased Quota has been revalued to \$5,412,005.

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.

On 19 December 2022 an additional 5,800 bonus shares were issued in lieu of a dividend, the Company now holds 11,600 shares. 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, who undertake the monitoring of the investment. This portfolio is globally diversified, which holds around 12.5% in fixed income, cash and gold, 70% in equities, 10% in inflation protected assets and 7.5% in alternative assets. 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 acquired 100% of the shares in Partners Group Holdings Limited with a headline purchase price of NZ\$980m. A compulsory sale was triggered as 83% of shareholders agreed to the sale, with an offer value of \$5.63 per share. The sale was completed in May 2023,

generating a gain on sale of \$13,008 which has been recorded in the other comprehensive revenue and expense.

Maui Capital Aqua Fund - The valuation provided in the Quarterly Report dated 30 June 2023 was \$0.43 per share. This is one cent above the carrying value of \$0.42 per share. Given the difference is immaterial, we have elected to adopt the lower value of \$42,000 as the fair value. Limited liquidity exists however it is noted that the fund is being shut down with the aim to liquidate all investments within the next 12 months. Partners Life (which was the largest investment) was sold during the year. Maui Capital is audited by a big four entity therefore there is reasonable confidence that valuation and reporting is based on robust processes and methodologies.

Southern Hops Limited - Southern Hops Limited is still very early in its life cycle with only one small crop to-date. The first crop of a material size is expected to be harvested in March 2024. Whilst the recent capital raise would suggest that the value of Group's investment has increased by approximately \$250k, the value uplift will ultimately depend on the performance of the underlying hop garden and the ability to sell the hops at expected prices. The hop industry is facing challenges globally with a general over-supply. As such, the quality of hops produced has become more important than it was historically. The fair value of \$400,000 that has been adopted is based on the cost price, the valuation will be reviewed after the next harvest which will provide a reasonable guide on production yield, hop quality and sales price relative to the forecast.

Oriens Capital Fund 2 - Oriens Capital Fund 2 has made three investments with 42% of committed capital called which equates to \$210,000 for the Group. The quarterly report dated 30 June 2023 suggests the total value to paid in capital is 0.89x implying a decrease in the value relative to the value of capital called. Given the fund has only been operating circa two years and has only

called 42% of the committed capital, the fund is relatively early in its life cycle. Before any investments are realised, asset values are likely to be volatile and new and existing investments will likely change materially from where they are today. As such, and given the relatively immaterial downside movement in valuations relative to cost, the fair value of \$210,000 has been adopted based on the cost price.

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 Company 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 Company 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 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 \$328,910 (2022: \$64,714). 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.

ACCOUNT	2023	2022
5. Analysis of Revenue		
Revenue from exchange transactions		
Investment Revenue		
Dividends Received	1,725,954	304,236
Interest Income	38,507	1,827
Total Investment Revenue	1,766,551	306,063
Other Receipts		
Kiln Lease Income	0	9,000
Other Revenue	189,854	35,598
Funds - Te Ohu Kaimoana	47,090	62,757
Quota Income	553,894	476,965
Rent Received	18,829	44,127
Total Other Receipts	809,667	628,447
Total Revenue from exchange transactions	2,574,128	934,509
Revenue from Finance Income		
Interest Income - The Wellington Company	49,151	0
Interest Income - Taranaki Whānui Limited	86,014	105,000
Total Revenue from Finance Income	135,164	105,000
Total Revenue	2,709,292	1,039,509

ACCOUNT	2023	2022
6. Analysis of Expenses		
Other Expenses		
Accounting Fees	10,620	12,721
Administration and Election Fees	37,365	56,031
Audit Fees	57,920	32,000
Bank Fees	231	160
Communications	24,410	25,655
Computer Expenses	803	573
Depreciation	1,244	1,551
Directors Fees	162,000	162,312
Donations	13,020	65,798
Insurance	6,200	5,950
Legal Expenses	190,048	31,112
MACA Research	15,225	15,870
MAF, SeaFIC and FishServe Fees	83,399	74,942
Management Expenses	180,000	180,000
Meeting Expenses	3,002	2,097
Office and Rent Expenses	7,174	7,534
Postage, Printing and Stationery	6,131	8,011
Portfolio Management Fees	30,250	29,680
Repair and Maintenance	0	11,489
Secretarial Services	45,940	42,500
Subscriptions	1,976	2,585
Telephone and Internet	488	87
Travel and Accommodation	7,073	4,097
Trustee Fees	39,000	39,000
Valuation Fees	1,500	3,600
Total Other Expenses	925,018	815,354
Total Expenses	925,018	815,354

ACCOUNT	2023	2022
7. Analysis of Assets		
Current Assets		
Bank accounts and cash		
Cheque Accounts	985,771	73,612
Call Accounts	2,245,285	793,275
Total Bank accounts and cash	3,231,056	866,888
Debtors and prepayments		
Accounts Receivable	361,158	166,032
Total Debtors and prepayments	361,158	166,032
Other current assets		
Maori Authority Tax Credits	302,042	96,775
Receivable - The Wellington Company	504,110	0
Total Other current assets	806,152	96,775
Non Current Assets		
Receivables		
Taranaki Whānui Ltd	0	1,500,000
Total	0	1,500,000
Investment Property		
Land	0	285,000
Buildings	0	443,500
Total Investment Property	0	728,500

ACCOUNT	2023	2022
Equity Investments		
Equity investment designated at fair value through other comprehensive revenue and expenses		
Maui Capital Aqua Fund	42,000	75,000
AHC Diversified Portfolio	8,062,189	7,420,858
Aotearoa Fisheries Limited	8,959,631	8,959,631
Purchased Quota	5,412,005	5,608,527
Partners Life	0	469,165
Total	22,475,825	22,533,181
Equity investments measured at cost		
Oriens Capital Fund 2	210,000	195,000
Southern Hops Limited	400,000	400,000
Settlement Quota	3,525,246	3,525,246
Total	4,135,246	4,120,246
Total Equity Investments	26,611,071	26,653,427

ACCOUNT	2023	2022
8. Analysis of Liabilities		
Current Liabilities		
Trade and other creditors		
Accounts Payable	161,020	67,208
Other Creditor	47,150	6,619
PAYE Payable	2,270	1,260
Total Trade and other creditors	210,440	75,087
Other current liabilities		
GST Payable	18,809	7,483
Total Other current liabilities	18,809	7,483
Total Current Liabilities	229,250	82,570

9. Property, Plant and Equipment

2023	OFFICE EQUIPMENT	TOTAL
Cost	14,957	14,957
Accumulated Depreciation	12,153	12,153
Depreciation	1,244	1,244
Net Book Value	1,560	1,560
2022	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

10. Commitments

There are no commitments entered into As at 30 September 2023.

11. Contingent Liabilities and Guarantees

There are no contingent liabilities or guarantees As at 30 September 2023 (2022 - nil).

12. Related Party Transactions

Group Information on Subsidiaries

NAME OF SUBSIDIARY	PRINCIPAL ACTIVITIES	COUNTRY OF INCORPORATION	INTEREST PERCENTAGE	
			2023	2022
Raukawa ki te Tonga AHC Limited	Investment Company	NZ	100%	100%

Funds advanced to Subsidiary Company

The dividend paid from the Company to the Trust is calculated every year however the Trust has historically requested the cash it requires and surplus funds were held by the Company and classified as 'funds advanced to Subsidiary

Company'. This allowed the Company to invest the funds as deemed appropriate until they were required by the Trust. In the year-ending 30 September 2023, all dividends owing to the Trust were paid.

	2023	2022
Opening Balance 1 October	157,826	276,785
Dividend received from Subsidiary Company	100,114	8,203
Fish distributions paid to Marae on behalf of Parent Trust	13,020	7,162
Funds received from Subsidiary Company	257,940	120,000
Closing Balance 30 September	(\$13,020)	\$157,826

Trustees and Directors

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

Trustee Fees	2023	2022
Rachael Selby	15,000	15,000
Emma Winiata	4,000	4,000
Bernadette Arapere	4,000	4,000
Justin Tamihana	4,000	4,000
Cyril Mako	4,000	4,000
Areti Metuamate	4,000	4,000
Wayne Kiriona	4,000	4,000
	\$39,000	\$39,000

Directors Fees	2023	2022
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	25,000
	\$162,000	\$162,000

Te Wānanga o Raukawa

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

	2023	2022
Office rent and support	6,574	6,574

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.

	2023	2022
Board Members - Company		
Number of Personnel	5	5
Remuneration	\$162,000	\$162,000
Trustees - Trust		
Number of Personnel	7	7
Remuneration	\$39,000	\$39,000
Senior Leadership Team - Group		
Number of Personnel	2	2
Remuneration	\$225,940	\$236,111

13. Related Parties

There were no events that have occurred after the balance date that would have a material impact on the Performance Report (2022 - 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") which comprise:

- a. The consolidated financial statements set out on pages 26 to 41, which comprise the consolidated statement of financial position as at 30 September 2023, and the consolidated statement of comprehensive revenue and expense, consolidated statement of changes in net assets, and consolidated cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies; and
- b. the consolidated statement of service performance on pages 24 to 26.

In our opinion, the accompanying consolidated performance report present fairly, in all material respects:

- a. the financial position of the Group as at 30 September 2023 and its financial performance and cash flows for the year then ended; and
- b. the service performance for the year ended 30 September 2023 in accordance with the Group's service performance criteria

in accordance with the Public Benefit Entity Standards issued by the New Zealand Accounting Standards Board.

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Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)) and the audit of the service performance information in accordance the International Standard on Assurance Engagements (New Zealand) (ISAE (NZ)) 3000 (Revised) 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 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 interest in, the Group.

Responsibilities of Those Charged with Governance for the Consolidated Performance Report

Those charged with governance are responsible on behalf of the Group for:

- (a) the preparation and fair presentation of the consolidated financial statements and consolidated statement of service performance in accordance with Public Benefit Entity Standards issued by the New Zealand Accounting Standards Board;
- (b) service performance criteria that are suitable in order to prepare service performance information in accordance with {Public Benefit Entity Standards; and
- (c) such internal control as those charged with governance determine is necessary to enable the preparation of the consolidated financial statements and statement of service performance that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated performance report, those charged with governance on behalf of the Group are responsible 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 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 and the consolidated performance report 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}.

As part of an audit in accordance with ISAs (NZ) and ISAE (NZ) 3000 (Revised), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and the service performance information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of the group's internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the use of the going concern basis of accounting by those charged with governance and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements and the service performance information, including the disclosures, and whether the consolidated financial statements and the service performance information represents the underlying transactions and events in a manner that achieves fair presentation.
- Perform procedures to obtain evidence about and evaluate whether the reported outcomes and outputs, and quantification of the outputs to the extent practicable, are relevant, reliable, comparable and understandable.

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

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
 21 December 2023

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