



**Kāti Huirapa Runaka ki Puketeraki**

Kāti Huirapa Runaka ki Puketeraki Incorporated Society

Kāti Huirapa Runaka ki Puketeraki Trust

# ANNUAL REPORT

2016-2017



*Frances Mary Hodgkins ca. 1890 Church at Puketeraki with Karitane in the background.*

*Alexander Turnbull Library, Wellington*



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**KATI HUIRAPA RUNAKA KI PUKETERAKI**  
**INCORPORATED SOCIETY**

**ANNUAL GENERAL MEETING**

**5-Nov-17**

**AGENDA**

- 1 Mihi, Karakia & Nga Mate
- 2 Apologies
- 3 Minutes of AGM 6 Nov 2016
- 4 Matters arising from AGM 2016
- 5 Chairperson's Report
- 6 Performance Report
- 7 Appointment of Auditor
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## **CHAIRPERSONS REPORT TO KATI HUIRAPA RUNAKA KI PUKETERAKI INC. SOC AGM**

**NOVEMBER 2017**

### **HE MIHI**

Ko te tuatahi he poroporoaki tēnei ki kā tini me kā mano kua wheturangitia, E kā mate kua hinga nei o ia whānau, o ia whānau, hoki wairua koutou, haere atu rā. Apiti hono tātai hono kā huka mate ki kā huka mate. Apiti hono tātai hono kā huka ora ki kā huka ora.

Ki a mātou wharenuī Huirapa, a, wharekai Maririhau, ara, ko Te Whare Karakia Hui Te Rangiora i ruka, tū mai koutou.

Ki kā pou hāki o Puketeraki, ko Kāti Huirapa, a, Kai Te Ruahikihiki hoki, whakatau mai. Nāia nei te mihi mahana ki kā whānau whānui o tātou marae o Puketeraki, o Karitāne, o Pirini Paina, o Ōkahau, o Pūrākaunui hoki. Heoi anō, e ka mema o te rūnaka, tēnā koutou, tēnā koutou, tēnā koutou katoa.

### **This year - 2017**

Outcome measurements are what it's all about in this busy world we live in. I know your Runaka Executive regularly monitors and measures project progress against the annual plan outputs, but as we head towards another AGM it's good to be asking ourselves, is what we do or have done over the last year been enjoyable? Has it given you more cultural confidence or has it benefitted our wider whānau whānui? Do you feel happy about what we have done? I may be somewhat biased but I do believe the answers to the above questions are a big yes!

In 2017 I can see that we do have some new young leaders emerging who are taking charge of a few kaupapa and we have also benefitted from pakeke who have got involved and are willing to impart their experience. However, I do want to note that nothing would be progressed unless the engine room is running well and sometimes we do continue to have human capacity challenges particularly in supporting a very strong hui calendar. It is usually the locals who carry that load.

We are lucky to have Brendan Flack and Alex Whitaker who graciously give their time and energy in support of our paepae. If we could entice a few more tāne and wāhine to step up in support of our paepae this would certainly be very welcome. We recognise however that many of our whānau would love to tautoko but the geographic distance from where they live makes it very hard for them to be involved on a regular basis.

### **Reaching out to more members**

I am often pondering how we can better reach out to whānau members. I have become increasingly aware in recent times that even though they might not be able to attend our hui, wānaka etc, many whānau members do carefully read the minutes of meetings and other reports and I will get a call now and then. This tells me that a lot of our people really do care about our marae and runaka and are concerned that things are managed well.

I think that marae culture can very intimidating to some of our whānau who might feel they aren't contributing. I would like to dispel that idea because attendance at a hui and giving some encouragement to rakatahi or pakake can be a very valuable koha or contribution that a whānau member could make.

There is a whakataukī / proverbial saying which is, "Ko tau rourou, ko taku rourou, ka ora ai te iwi", meaning, "with your basket, with my basket, our people will thrive."

### **Our Wānaka**

Over the last year we have held less wānaka but we did undertake an excellent wānaka/heke into South Otago and Southland, staying the first night at Te Rau Aroha marae at Bluff and, enriched with Dean Whaanga's korero, we followed the tupuna around Southland. Two other wānaka were postponed because of bad weather. Through this process of wānaka more people are slowly gaining a better understanding of our hapū identity and the communities who affiliate to Puketeraki Marae and Kati Huirapa Runaka ki Puketeraki.

## **The Rūnaka Executive, Operations Committee, Komiti Rapu Ara Hou, Komiti Kaupapa Taiao and He Korowai Whānau**

These committees are the engine room of our runaka.

- The Runaka Executive is now back to full strength after having some gaps, and is regularly dealing with quite complex issues. Fortunately, the Runaka Executive gets excellent support from our Runaka Manager, Suzanne Ellison and the breadth and depth of experience she has across the business.
- The Operations Committee may not be well known to our whānau whānui but they oversee the budget, annual plan and HR matters amongst other things.
- Komiti Rapu Ara Hou have been very successful in bringing on development of new ideas. The fruits of their mahi can be seen in the purchases of whenua we have made and our recent commitment to the commercialisation of the Taramea project.
- Komiti Kaupapa Taiao try to keep a myriad of environmental and conservation areas covered and those runaka members involved do important mahi, sustaining our kaitiakitanga and upholding our mana across this spectrum.
- Finally, He Korowai Whānau round off all this activity by focusing on manaakitaka ki ka whānau whānui. The kaumātua lunch is a very well supported regular initiative.

### **The way we do things**

I personally think the way we have developed to carry out the mahi of the runaka/marae works very efficiently, being a mix of the more formal Runaka Executive and less formal working committees where anyone with an interest can pop along and be involved.

I do think the way we dealt with the Taramea commercial opportunity was not optimal, in that, circumstances and timing meant this commercial opportunity was not able to be presented at our RGM for full discussion and involvement in the decision-making process. I recognised there was some disquiet expressed within our members present which needs to be noted. Including as many members in decision making processes is very important in terms of the level of comfort and transparency we have enjoyed historically. We need to think about how we might be able to improve on the Taramea process to do it better in the future.

### **Marae redevelopment**

In last year's report I predicted that by the middle of this year we should have our marae redevelopment plans signed off at an RGM, then submitted to the Section 20 Trustees, with the necessary permissions in place, thus allowing us to move on to the next stage. We haven't met that prediction, however, it's not a problem; we need to take all the time we need to get there. It's far better to have an outcome that whānau members have a strong ownership of and this takes time to build.

Brenda van Strik is convenor/chairperson of our joint Section 20 Trustee & Runaka building party and she, along with the group members are carefully working their way through the quagmire of planning and regulations before we can actually do any work. I want to reinforce to our members that this joint working group has been mandated by both the Section 20 Reserve Trustees and the runaka. It has been tasked with working towards our shared objectives of the maintenance and restoration of Hui te Rangiora as well as future proofing our whare complex.

### **In conclusion**

Finally, thanks to all runaka members who give their time, experience and energy to supporting our marae and our rūnaka projects. To our staff Suzanne, Justine, Jo, Aroha E, Aroha M, Brendan and George, he mihi mahana ki a koutou ma. To our Runaka Executive members, kia kaha rā koutou.

Well, that's it for another annual report. No reira, ōku rakatira mā, tēnā koutou, tēnā koutou, tēnā koutou katoa.

# Kāti Huirapa Runaka ki Puketeraki Incorporated Society

# Minutes of Kati Huirapa Runaka ki Puketeraki Inc. Soc. Annual General Meeting – Hui a Tau

**Held on Sunday 6 November 2016 at 10.00 am  
At Puketeraki Marae**

**Mihi whakatau:** Matapura Ellison  
**Karakia timata:** Hinerangi Ferrall Heath

**Present:** Matapura Ellison (chair), Suzanne Ellison (minutes), David Ellison, Tama Smith, Marewa Preddy, Caroline Ruckstuhl, Betty Apes, Brenda Van Strik, Hinerangi Ferrall Heath, Victoria Bryant, Phyllis Smith, Katharina Ruckstuhl, Gisele Laven, Philip Broughton, George Meikle, Brendan Flack, Suzi Flack, Khyla Russell, Jim Williams, Denise Cameron, Sam Inglis, Jeffrey Broughton, Jenny Smith, Ron McLachlan, Graeme Pepper, Ann Bateman, Kate Bateman, Gerard Devereux

Hui Rakatahi roopu - Waiariki Parata-Taiapa, Taine Russell, Zavyia Parata, Atawhai Parata Ellison, Aroha Mules, Sharlene Pepper, Hayley Bungard, Donelle Manihira, Zachariah Pepper, Cairo Griffin, Matthew Wylie, Ben Pepper, Jo Pepper, Mereana Phillips, Kaylee-May Phillips.

**2. Apologies:** Roger Wyeth, Emma Wyeth, Leeanne Phillips, Rebecca Williams, Andrea Teremoana, Joyce Freeman, Carolyn Campbell, Margaret Henderson.

<b>Motion</b>	<b>That apologies be accepted</b>		
	<b>Marewa Preddy</b>	<b>Brenda Van Strik</b>	<b>Carried</b>

## **Nga mate o te tau:**

Mahana Walsh, Rei Owens, Violet Carter, Ramarama Pratt, Matenga Taiaroa, Kevin Te Raki, Linda Grennell, Jean Howse.

## **3. Minutes of the Annual General Meeting 1 November 2015**

<b>Motion</b>	<b>That the minutes of the Annual General Meeting of 1 November 2015 be confirmed as a true record with the addition of Phyllis Smith to the record of attendance &amp; correction to the spelling of Devereux.</b>		
	<b>Katharina Ruckstuhl</b>	<b>Jeffrey Broughton</b>	<b>Carried</b>

## **4. Matters Arising**

There was one matter arising from the minutes of the 2015 Annual General Meeting.



The Runaka accountant advised that legal advice is required with regard to continuing to show the marae retaining wall as an asset of the Incorporated Society.

### 5. Chairperson's Report

The Chairperson, Matapura Ellison, presented his report.

<b>Motion</b>	<b>That we receive the Chairman's report.</b>		
	<b>Matapura Ellison</b>	<b>Phyllis Smith</b>	<b>Carried</b>

### 6. Financial Report

Philip Broughton (Treasurer) introduced the audited Kati Huirapa Runaka ki Puketeraki Inc. Performance Report for the year ended 30 June 2016.

Philip advised members that there is a new reporting regime for charities, hence the changes to this year's audited accounts, for example we now have Performance Reports not Financial Reports and there are changes in how we report things in the accounts.

The first part of the Performance Report is new & gives a background to what the Runaka is doing, this next part tries to quantify how many people have been involved in things we do. We will be reporting the success rate of these outputs year upon year.

Philip also reminded the members that the Consolidated column is the combined Incorporated Society & Company while the Parent refers to just the Incorporated Society. With regard to the net surplus for the year Philip commented that the Runaka is on the right side of the ledger this year but that will change in the next year when we'll have the cost of catch-up maintenance coming through.

The Balance sheet shows what we own and what we owe. There are net assets of \$2,260,000

Gerard added that major change in financial reporting for charities affects the 'projects' area. In the past we have kept that external project money as a liability in the balance sheet as something we owe. Under the new rules we need to show it as income in the year it comes in and expense in the year that it happens. Some years that will mean we'll show high project income but we'll need to remember that the expense might be over the next year or two.

Questions from Roger Wyeth were tabled along with the researched responses (attached following the minutes).

<b>Motion</b>	<b>That the Statement of Service Performance for the year ended 30 June 2016 be adopted.</b>		
	<b>Philip Broughton</b>	<b>David Ellison</b>	<b>Carried</b>

## 7. Appointment of Auditor, 2016-2017

<b>Motion</b>	<b>That we appoint Crowe Horwath as auditors for 2016 - 2017 financial year.</b>		
	<b>Philip Broughton</b>	<b>Marewa Preddy</b>	<b>Carried</b>

## 8. Motion to Alter Rules.

The Chairperson reminded the meeting that this motion had been discussed by the Executive and that the Runaka General Meeting in August agreed that we needed to alter the Rules to support the recruitment of members to directorships with Runaka owned companies.

That clause 14.(d)(ii) be removed from the Rules.

14. Directors Election Meetings.

(d) (ii) Nominees must have demonstrated active participation in the Runaka for a minimum of one (1) year within the last three (3) years from the date when the nominations close.

<b>Motion</b>	<b>That we remove clause 14 (d)(ii) from the Rules of Kati Huirapa Runaka ki Puketeraki Incorporated Society.</b>		
	<b>Katharina Ruckstuhl</b>	<b>Hinerangi Heath</b>	<b>Ferrall Carried</b>

## 9. Other Business

There being no other business the meeting closed at 10.155am

**Chairperson** \_\_\_\_\_

**Date** \_\_\_\_\_

**From:** Roger s & christine Wyeth [mailto:r.wyeth@xtra.co.nz]

**Sent:** Thursday, 3 November 2016 9:32 AM

**To:** Suzanne Ellison <manager@puketeraki.nz>

**Cc:** Matapura Ellison <matapura.ellison@ngaitahu.iwi.nz>

**Subject:** Annual Report Kati Huirapa Runaka ki Puketeraki Inc. Society Year Ended 30 June 2016

Tena Koe to you all.

I guess it comes as no surprise that the Runaka receives a request of a 'Please Explain' from me! But as an interested member of the Runaka I am entitled to ask and receive a response to my questions.

Firstly, may I congratulate all those concerned in achieving what appears to be a most satisfactory result for the year. Well done.

1. My main concern was that when the Annual Report for the Year Ended 30 June 2016 was received, the very first thing I noticed was that there were no comparative figures for the previous year so that one can make constructive questions. I was advised by the Office, that the Auditors had advised the Secretary (who strongly put the case for having last years figures included I might add) that this was not required. Having read the Report I note that on Page 30 'Changes In Accounting Policies' reference is made that the Inc. Society has applied the reporting concession available .... and has not presented comparative figures in the new format.. The 'prior year audited statements are appended to these financial statements'. Can I ask where these are as I don't seem to be able to locate them.

It is interesting to note that the Auditors manage to show comparative figures for the previous year when it comes to Puketeraki Limited and Kati Huirapa Runaka ki Puketeraki Trust( of which there is no activity I know), yet they cannot (or will not) do the same for the Incorporated Society (the main body) when the accounts are consolidated.

I then had to contact the Office and requested a copy of the previous year's accounts for me to make some comparisons. From an interested member's point of view, this shouldn't have to be!

#### **Comparative figures**

**With the change to the new reporting framework the impact of the change to the way in which grant revenue is recognised would have had to have been calculated at 1 July 2014 and last year financials restated. With not presenting restated comparatives (a one-off exemption available on transition to the new framework) we could reflect the change as a one line adjustment to opening equity this year.**

2. My main question really relates to Project Income & Projects & Contracts Expenditure. In previous years we have had as a note to the accounts a Summary Of Income and Expenditure spread across the various activities. This in my mind was extremely valuable as it showed where the income was received and where the monies was spent. For some reason this has been discontinued. Therefore, can such a Schedule be made available.

#### **Projects**

The Project Schedule as at 30 June 2016 is available.

As stated in my commentary for September the Project Summary will be maintained throughout the year and the necessary adjustments made for presentation of the Annual Performance Reports.

3. General Expenses show \$24536 Actual, Last Year \$20378- is there any significant item/s that ought to be included elsewhere. I am not suggesting that someone goes and analyses this but merely identifying items say over \$500.00 that need a closer look at!

General Expenses								
						2016	2015	Variance
Main variances								
Executive Costs								
Consultancy						2,660	499	2,161
<i>ASBIC Consultants - site visit and fire report on existing Marae building</i>						700		
<i>OCTA Project Management</i>						1,960		
Staff Training						4,102	1,764	2,338
<i>Project Management Fundamentals - Aroha and Waiariki</i>						2,700		
<i>Share of cost Aroha to Hawaii</i>						1,000		
<i>Meeting with staff at Moeraki</i>						87		
<i>Marae Fire Warden Training</i>						315		
Runanga Representation						1,954	4,613	(2,659)
Stoat Dog for Orokanui						2,000	-	2,000
						10,716	6,876	3,840

4. Motor Vehicle Costs show \$17297 Actual, Last Year \$15427. I am aware that an additional vehicle was purchased but the old vehicle is yet to be sold. Can we be advised if and when this is going to take place, as I cannot see how it can be justified to have surplus piece of equipment showing in our accounts when it is unnecessary.

**The truck is on listed for sale on Trade Me as an auction – buy now at \$2,700, closes Tuesday 15<sup>th</sup> November. There is a reasonable amount of interest but if it doesn't sell on Trade Me we'll take it to a dealer.**

5. The 2014/2015 Accounts included a break down of Fixed Assets covering Plant, Property & Equipment. There doesn't appear to be a similar breakdown for the 2015/2016 Accounts, or is this yet another Change in Accounting. All that appears is on Page 29 where it states the various depreciation rates of the assets.

### Fixed Assets

Yes, another change in the presentation for Charities.

This is the summary I had prepared before having to delete it.

PLANT, PROPERTY AND EQUIPMENT			Cost	Dep'n	Accum	Book Value
				This Year	Dep'n	
			\$	\$	\$	\$
Land			422,260	-	-	422,260
Buildings			921,827	15,309	207,619	714,208
Marae Retaining Wall			257,562	3,863	15,347	242,215
Motor Vehicles			55,392	7,735	28,675	26,717
Furniture and Fittings			17,013	349	14,385	2,628
Other Assets			20,994	792	13,930	7,064
Plant			69,199	4,418	53,873	15,325
Office Equipment			42,974	1,379	39,781	3,193
			1,807,220	33,845	373,610	1,433,610
			Cost	Dep'n	Accum	Book Value
				This Year	Dep'n	
			\$	\$	\$	\$
Land			422,260	-	-	422,260
Buildings			898,968	14,772	192,310	706,657
Marae Retaining Wall			257,562	3,863	11,483	246,078
Motor Vehicles			37,784	6,998	20,940	16,843
Furniture and Fittings			16,314	427	14,036	2,278
Other Assets			16,008	298	13,138	2,870
Plant			68,576	4,467	49,455	19,121
Office Equipment			42,219	1,899	38,402	3,817
			1,759,690	32,526	339,765	1,419,925

6. Te Haumi Whakamana refers to the investment that Puketeraki Limited has with Ngai Tahu Property Limited. Personally, I think for the members benefit and peace of mind, that an additional note should be added or the members are advised that this investment is guaranteed by Ngai Tahu Holdings Limited if anything were to happen to the property market, that the investment is totally secured/guaranteed by NTHL.

**Te Haumi Whakamana**

**I have made a note to discuss with the auditor next year.**

Could I ask that these matters be tabled in my absence ( an apology has already been sent to the office) and that I receive the appropriate response to the matters raised..

Nga Mihi

Roger Wyeth

**KATI HUIRAPA RUNAKA**  
**ki PUKETERAKI INCORPORATED**

**PERFORMANCE REPORT**

**FOR THE YEAR ENDED 30 JUNE 2017**

**KATI HUIRAPA RUNAKA ki PUKETERAKI INCORPORATED  
PERFORMANCE REPORT  
FOR THE YEAR ENDED 30 JUNE 2017**

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## Independent Auditor's Report

### To the Committee of Kati Huirapa Runaka ki Puketeraki Incorporated

#### Qualified Opinion

We have audited the performance report of Kati Huirapa Runaka ki Puketeraki Incorporated (the "Society") and Group on pages 5 to 6 and 8 to 20, which comprises the entity information, the statement of service performance, the statement of financial performance and statement of cash flows for the year ended 30 June 2017, the statement of financial position as at 30 June 2017, and the statement of accounting policies and other explanatory information.

In our opinion except for the possible effects of the matter in the *Basis for Qualified Opinion* section in our report:

- a) the reported outcomes and outputs, and quantification of the outputs to the extent practicable, in the statement of service performance are suitable; and
- b) the performance report on pages 5 to 6 and 8 to 20 presents fairly, in all material respects:
  - the entity information for the year then ended;
  - the service performance for the year then ended; and
  - the financial position of Kati Huirapa Runaka ki Puketeraki Incorporated and Group as at 30 June 2017, and its financial performance, and cash flows for the year then ended

in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit).

#### Basis for Qualified Opinion

Control over cash koha and donation revenue prior to being recorded is limited, and there are no practical audit procedures to determine the effect of this limited control.

There were no suitable systems in place during the period to enable the accurate recording of relevant outputs identified in the Statement of Service Performance, in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit). Because of these limitations we have been unable to obtain sufficient appropriate audit evidence to support the reporting outputs for the year. Consequently, we are unable to determine whether any adjustments to these amounts, which have been estimated by the Society and Group, are necessary.

We conducted our audit of the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)), and of the entity information and statement of service performance in accordance with the International Standard on Assurance Engagements (New Zealand) ISAE (NZ) 3000.

Our responsibilities under these 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 Society and Group in accordance with Professional and Ethical Standard 1 (Revised) *Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Responsibilities of the Committee for the Performance Report**

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

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

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

- (c) For such internal control as those charged with governance determine is necessary to enable the preparation of the performance report that is free from material misstatement, whether due to fraud or error.

In preparing the performance report, those charged with governance are responsible for assessing the Society and 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 Society and Group or to cease operations, or have no realistic alternative but to do so.

### **Auditor's Responsibilities for the Audit of the Performance Report**

Our objectives are to obtain reasonable assurance about whether the performance report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) and ISAE (NZ) 3000 will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of this performance report.

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

- Identify and assess the risks of material misstatement of the performance report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion, including performing procedures to obtain evidence about and evaluating whether the reported outcomes and outputs and quantification of the outputs to the extent practicable, are relevant, reliable, comparable and understandable. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- \* Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Society and 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 Society and 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 performance report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Society and Group to cease to continue as a going concern.
- \* Evaluate the overall presentation, structure and content of the performance report, including the disclosures, and whether the performance report represent the underlying transactions and events in a manner that achieves fair presentation.

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.

*Crowe Horwath.*

**Crowe Horwath New Zealand Audit Partnership**

CHARTERED ACCOUNTANTS

Dated at Dunedin this 8<sup>th</sup> day of September 2017

**KATI HUIRAPA RUNAKA ki PUKETERAKI INCORPORATED  
ENTITY INFORMATION  
FOR THE YEAR ENDED 30 JUNE 2017**

*'Who are we?', 'Why do we exist?'*

**Legal Name:** Kati Huirapa Runaka ki Puketeraki Incorporated

**Type of Entity:** The entity is an Incorporated Society registered under The Incorporated Societies Act 1905 and the Charities Act 2005.

**Registration Numbers:** Incorporated Society: 469967 (3 September 1990)  
Charities Commission: CC37666 (30 June 2008)

**The Entity's Mission:** "Nurturing our people and our environment"

**The Entity's Vision** The Runaka's moemoea or big dream is "To have a vibrant, energised, dynamic, multi-generational community based around the marae and the runaka that is strongly interactive in its community and environment as well as in the regional and tribal communities".

**Entity Structure:** Kati Huirapa Runaka ki Puketeraki Incorporated is an incorporated society focused on providing support for its members and education for interested members of the public.

Its operations are governed by its Rules that align with and support the requirements in the Incorporated Societies Act 1908.

The Incorporated Society is governed by an elected Executive comprising 10 members and the runaka manager which meets on a monthly basis. The Executive are in turn responsible to the Runaka which meets on a bi-monthly basis.

In addition the Incorporated Society has a number of committees that meet as required:

- Operations Committee (finance)
- Risk Management Committee
- He Korowai Whanau Komiti (oversees cultural, education, health, and social wellbeing areas)
- Komiti Kaupapa Taiao (oversees all environmental interests and relationships).

The runaka's marae, workshops and administration are located in Karitane.

The runaka's accounting requirements are performed by a paid contractor.

**KATI HUIRAPA RUNAKA ki PUKETERAKI INCORPORATED  
ENTITY INFORMATION  
FOR THE YEAR ENDED 30 JUNE 2017**

*'Who are we?', 'Why do we exist?'*

**Main Source of the Society's**

**Cash and Resources:**

Kati Huirapa Runakai ki Puketeraki Limited's income is generated from:

- Funding from Te Runanga o Ngai Tahu
- Grants and Sponsorships
- Hui activity at the marae
- Investment Income

**Main Methods used by the  
Society to Raise Funds:**

The Incorporated Society does not seek funds from the public.

**The Society's Reliance on  
Volunteers and Donated  
Goods or Services:**

The Society does not rely on volunteers and/or donated goods or services other than in some environmental activities such as tree planting.

**Contact Details:**

Marae Address: 520 Apes Road, Karitane, Otago  
Office Address: 121 Grimness Street, Karitane, Otago  
Postal Address: c/- Karitane Store, Karitane 9440  
Phone: (03) 465 7300  
Email: [office@puketeraki.co.nz](mailto:office@puketeraki.co.nz)

**KATI HUIRAPA RUNAKA ki PUKETERAKI INCORPORATED  
APPROVAL OF PERFORMANCE REPORT  
FOR THE YEAR ENDED 30 JUNE 2017**

The Executive Committee is responsible for preparing the financial statements and ensuring that they comply with Public Benefit Entity Simple Format Reporting - Accrual (Not-for-Profit) accounting standards and fairly reflect the financial position of Kati Huirapa Runaka ki Puketeraki Incorporated as at 30 June 2017 and the results of their operations for the year ended on that date.

The Executive Committee consider that the financial statements of the Runaka have been prepared using appropriate accounting policies, consistently applied and supported by reasonable judgements and estimates and that all relevant financial reporting and accounting standards have been followed.

The Executive Committee believe that proper accounting records have been kept which enable, with reasonable accuracy, the determination of the financial position of the Runaka and facilitate full compliance of the financial statements of the Runaka with the Financial Reporting Act 2013.

The Executive Committee consider that they have taken adequate steps to safeguard the assets of the Runaka, and to prevent and detect fraud and other irregularities. Internal control procedures are also considered to be sufficient to provide a reasonable assurance as to the integrity of the financial statements of the Runanga.

**The Executive Committee is pleased to present the Performance Report of Kati Huirapa Runaka ki Puketeraki Incorporated for the year ended 30 June 2017.**

For and on behalf of the Executive Committee:

Executive Chair:



Treasurer



Date:

8<sup>th</sup> Sept 2017

Date:

8<sup>th</sup> Sept 2017

**KATI HUIRAPA RUNAKA ki PUKETERAKI INCORPORATED  
STATEMENT OF SERVICE PERFORMANCE  
FOR THE YEAR ENDED 30 JUNE 2017**

*'What did we do?' and 'When did we do it?'*

**Nurturing Our People and Our Environment "He aha te mea nui o te ao? He takta, hetakata, he takatā"**

**First Priority Area - Ahi Kā. (All things pertaining to life at our home base, especially our people).**

**Objective: 1. Whānau feel they belong.**

**Outputs:**

- 80 hui hosted at the Puketeraki Marae over 163 days.
- 4 Runaka newsletters produced with 250 copies posted to members and 250 members receiving the newsletter electronically.
- 723 hits on the runaka website from 714 visitors.
  
- 3 major hui held for 120 Tamariki and Rakatahi at Puketeraki Marae plus weekly mau rakau sessions for up to 20 rakatahi as well as a range of special activities.

**Objective: 2. Manaaki exercised and that the charitable giving is effective.**

**Outputs:**

- 2 Tame Parata grants awarded, totalling \$1,000
- 5 charitable grants totalling \$1,500.

**Objective: 3. More whānau are confident in taking on cultural leadership roles.**

**Outputs:**

- 3 Building Leadership Capacity grants made totalling \$2,400.
- 1 whakapapa & history wānaka held (Murihiku) 13 participants.

**Objective: 4. Our legal structures support our aspirations & that we are well managed, accountable and a transparent organisation**

**Outputs:**

- 4 Runaka General Meetings held (1 didn't achieve a quorum)
- Annual Report with Audited accounts produced & AGM held.
- 6 bi-monthly Executive Committee meetings held.
- There are 1009 registered Runaka Members.

**KATI HUIRAPA RUNAKA ki PUKETERAKI INCORPORATED  
STATEMENT OF SERVICE PERFORMANCE  
FOR THE YEAR ENDED 30 JUNE 2017**

*'What did we do?' and 'When did we do it?'*

**First Priority Area - Ahi Kā. (All things pertaining to life at our home base, especially our people)  
(continued)**

**Objective:** 5. That we are growing our economic base and that our properties are well maintained and underpin the cultural, social and economic life of the runaka.

**Outputs:**

- Integrated Plan for 1200 Coast Rd developed & adopted.
- School of Business Summer Intern completed research project on a water based tourism venture under the guidance of Komiti Rapu Ara Hou.
- Major maintenance carried out on the Old School buildings.

**Second Priority Area – Hourua (Key partner relationships).**

**Objective:** 1. To have professional, valued, constructive governance relationships with our key partners.

**Outputs:**

- 10 Runaka members representing the runaka in a governance role with 4 organisations.
- Through our LEOTC contract with the Ministry of Education 2200 pupils from Otago schools took part in the Reo Rakatahi programme on local marae.

**Third Priority Area – Ki Waho (Runaka interests & involvements beyond our home base).**

**Objective:** 1. To have sustained, strategic, multi-faceted Treaty based relationships with identified external organisations.

**Outputs:**

- The runaka is represented on and is actively involved with 26 external organisations some of which involve multiple committees and working groups at different levels of the organisations involving 64 representatives.



**KATI HUIRAPA RUNAKA ki PUKETERAKI INCORPORATED**  
**CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE**  
**FOR THE YEAR ENDED 30 JUNE 2017**

*'How was it funded?' and 'What did it cost?'*

	Note	Consolidated This Year \$	Parent This Year \$	Consolidated Last Year \$	Parent Last Year \$
<b>REVENUE</b>					
<b>Donations and other similar revenue</b>					
Koha and Donations		10,040	10,040	5,110	5,110
<b>Interest, dividends and other investment revenue</b>					
Interest Received		33,557	19,645	32,220	22,670
Dividends Received		7,111	-	6,700	-
Movement in Value of Investments		121,482	15,300	58,896	33,076
		162,150	34,945	97,816	55,746
<b>Revenue from providing goods and services</b>					
Hui Activities		106,399	106,399	86,932	86,932
Te Putea Whaka		454,000	454,000	400,000	400,000
Other Operating Revenue	13	34,219	34,219	21,170	21,170
Project Income		163,218	163,218	140,566	140,566
		757,836	757,836	648,668	648,668
<b>TOTAL OPERATING REVENUE</b>		<b>930,026</b>	<b>802,821</b>	<b>751,594</b>	<b>709,524</b>
<b>EXPENDITURE</b>					
<b>Costs relating to providing goods and services</b>					
Hui related costs		44,235	44,235	49,955	49,955
<b>Donations Made</b>					
Koha and Donations		1,374	1,374	1,180	1,180
Koha to Puketeraki Limited	3	-	50,000	-	-
<b>Other expenses</b>					
Audit Fee		8,413	5,287	8,372	5,391
Bank Fees and Interest		347	347	363	363
Depreciation		30,615	30,615	33,845	33,845
Fees paid to Executive Members and Directors		18,000	15,000	19,125	16,125
Other Operating Expenses	13	476,243	458,297	411,141	394,217
Projects and Contracts- Expenditure		158,994	158,994	138,112	138,112
<b>TOTAL OPERATING EXPENDITURE</b>		<b>738,221</b>	<b>764,149</b>	<b>662,093</b>	<b>639,188</b>
<b><u>NET SURPLUS FOR THE YEAR</u></b>		<b>191,805</b>	<b>38,672</b>	<b>89,501</b>	<b>70,336</b>

	Consolidated 2017 \$	Parent 2017 \$	Consolidated 2016 \$	Parent 2016 \$
<b>OPENING ACCUMULATED FUNDS</b>	3,143,521	2,262,415	2,882,021	2,020,080
Impact of adoption of PBE SFR-A (NFP)	-	-	171,999	171,999
Operating Surplus (Deficit) for the year	191,805	38,672	89,501	70,336
<b>TOTAL RECOGNISED REVENUES AND EXPENSES</b>	191,805	38,672	261,500	242,335
<b>CLOSING ACCUMULATED FUNDS</b>	<b>3,335,326</b>	<b>2,301,087</b>	<b>3,143,521</b>	<b>2,262,415</b>

**KATI HUIRAPA RUNAKA ki PUKETERAKI INCORPORATED  
CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2017**

*'What the entity owns' and 'What the entity owes'*

	Note	Consolidated 30 June 2017 \$	Parent 30 June 2017 \$	Consolidated 30 June 2016 \$	Parent 30 June 2016 \$
<b>ACCUMULATED FUNDS</b>		<b>3,335,326</b>	<b>2,301,087</b>	<b>3,143,521</b>	<b>2,262,415</b>
<b>REPRESENTED BY:</b>					
<b>CURRENT ASSETS</b>					
Cash at Bank - Westpac Cheque Account		73,470	67,872	26,892	24,009
Cash at Bank - Westpac Savings Account	1	76,098	76,098	53,436	53,436
Cash on Hand, Petty Cash Float and Vouchers		160	160	667	667
Accounts Receivable		51,248	45,492	27,874	25,193
GST Receivable / (Payable)		(5,981)	(5,981)	2,383	2,383
Livestock		-	-	1,178	1,178
Prepayments		1,602	1,602	18,516	18,516
Investments (managed by Polson Higgs Wealth Management Limited)	7	10,280	-	11,779	-
Investments (Fixed Interest Term Deposits with Westpac)	8	644,903	582,875	614,827	561,770
<b>TOTAL CURRENT ASSETS</b>		<b>851,780</b>	<b>768,118</b>	<b>757,552</b>	<b>687,152</b>
<b>NON-CURRENT ASSETS</b>					
525 Blenheim Road Limited		151,180	-	143,546	-
Kai Tahu ki Otago Limited	9	152,802	152,802	137,502	137,502
Shares in Farmlands Co-operative (CRT)		330	330	330	330
Investments (managed by Polson Higgs Wealth Management Limited)	7	646,220	-	557,503	-
Investments (Fixed Interest Term Deposits with Westpac)	8	-	-	59,137	-
Investments (Te Haumi Whakamana)	10	156,378	-	54,539	-
Kati Huirapa Runaka ki Puketeraki Trust	2	64,989	64,989	64,989	64,989
Plant, Property and Equipment	4	1,407,695	1,407,695	1,433,607	1,433,607
<b>TOTAL NON CURRENT ASSETS</b>		<b>2,579,594</b>	<b>1,625,816</b>	<b>2,451,153</b>	<b>1,636,428</b>
<b>TOTAL ASSETS</b>		<b>3,431,374</b>	<b>2,393,934</b>	<b>3,208,705</b>	<b>2,323,580</b>
<b>LESS CURRENT LIABILITIES</b>					
Accounts Payable		96,048	92,847	62,828	58,809
Project Funding Received in Advance	14	-	-	2,356	2,356
<b>TOTAL CURRENT LIABILITIES</b>		<b>96,048</b>	<b>92,847</b>	<b>65,184</b>	<b>61,165</b>
<b>NET ASSETS</b>		<b>3,335,326</b>	<b>2,301,087</b>	<b>3,143,521</b>	<b>2,262,415</b>

**KATI HUIRAPA RUNAKA ki PUKETERAKI INCORPORATED**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2017**

*How the entity has received and used cash"*

	Consolidated 30 June 2017 \$	Parent 30 June 2017 \$	Consolidated 30 June 2016 \$	Parent 30 June 2016 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Te Putea Whakamahi	454,000	454,000	400,000	400,000
Receipts from providing goods and services	135,807	135,807	111,963	111,963
Koha receipts	7,429	7,429	5,838	5,838
Grants	2,045	2,045	12,267	12,267
Interest, dividends, and other investment receipts	14,416	302	10,531	489
Rental income	6,270	6,270	6,010	6,010
Sale of Assets	2,250	2,250	-	-
Net GST Refunded	-	-	-	-
Net Project Income	118,847	118,847	50,311	50,311
	-	-	-	-
Payments to suppliers, employees and executive	(610,717)	(595,316)	(545,297)	(531,951)
Koha paid to Puketeraki Limited	-	(50,000)	-	-
Net GST Paid	(10,296)	(10,296)	(8,290)	(8,290)
Cash Flows from other operating activities	-	-	-	-
<b>TOTAL CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>120,051</b>	<b>71,338</b>	<b>43,333</b>	<b>46,637</b>
<b>CASH FLOWS FROM INVESTMENT AND FINANCING ACTIVITIES</b>				
Receipts from the sale of investments	54,002	-	53,256	-
Payments to purchase capital items	(104,813)	(4,813)	(96,052)	(46,052)
<b>CASH FLOWS FROM INVESTMENT AND FINANCING ACTIVITIES</b>	<b>(50,811)</b>	<b>(4,813)</b>	<b>(42,796)</b>	<b>(46,052)</b>
<b>NET INCREASE IN CASH</b>	<b>69,240</b>	<b>66,525</b>	<b>537</b>	<b>585</b>
<b>CASH BALANCES</b>				
Cash and cash equivalents at the beginning of the period	80,328	77,445	79,791	76,860
Cash and cash equivalents at the end of the period	149,568	143,970	80,328	77,445
<b>Net change in cash for the period</b>	<b>69,240</b>	<b>66,525</b>	<b>537</b>	<b>585</b>
Cash at Bank - Westpac Current Account	73,470	67,872	26,892	24,009
Cash at Bank - Westpac Savings Account	76,098	76,098	53,436	53,436
	<b>149,568</b>	<b>143,970</b>	<b>80,328</b>	<b>77,445</b>

**KATI HUIRAPA RUNAKA ki PUKETERAKI INCORPORATED  
STATEMENT OF ACCOUNTING POLICIES  
FOR THE YEAR ENDED 30 JUNE 2017**

*'How did we do our accounting?'*

**Basis for Preparation**

Kati Huirapa Runaka ki Puketeraki Incorporated is deemed a public benefit entity for financial reporting purposes, as its primary objective is to provide services to the community for social benefit, and the Incorporated Society has been established to support that primary objective.

The Incorporated Society has elected to apply PBE-SFR-A(NFP) Public Benefit Entity Simple Format Reporting Accrual (Not for Profit) on the basis that it does not have public accountability and has total annual expenses of equal to or less than \$2,000,000. All transactions in the Performance Report are reported using the accrual basis of accounting. The Performance Report is prepared under the assumption that the Incorporated Society will continue to operate in the foreseeable future.

These financial statements have been prepared on the basis of historical cost except for investments; these are carried at fair value. For these investments Public Benefit Entity Standards NZ IPSAS with Reduced Disclosure Regime Accounting Standards have been applied (PBE Tier 2).

**Basis for Preparation of the Consolidated Financial Statements**

***Subsidiaries***

Subsidiaries are those entities controlled, directly or indirectly, by the Incorporated Society. The financial statements of the subsidiaries are included in these financial statements using the purchase method of consolidation. This is applicable to the Incorporation's 100% equity investment in investment in Puketeraki Limited.

Intra group transactions are eliminated in preparing the consolidated financial statements.

**Accounting for Associates**

Associates are those entities over which the Incorporated Society is able to exert significant influence but which are neither subsidiaries nor joint ventures. Investments in associates are accounted for using the equity method. Under the equity methods, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the Society's share of the profit or loss of the associate after the date of acquisition.

The Incorporated Society generally deems it has significant influence over another entity when it has over 20% of the voting rights.

The Incorporated Society's share of the associate's profit or loss is recognised in the statement of financial performance. The cumulative movements are adjusted against the carrying amount of the investment.

**Revenue**

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Incorporated Society and revenue can be reliably measured. Revenue is measured at the fair value of consideration received.

***Reserved Funding***

To the extent that there is a condition attached to funding received that would give rise to a liability to repay funding or to return a granted asset (a "use or return condition"), a deferred revenue liability is recognised instead of revenue. Revenue is then recognised only once the Incorporated Society has satisfied these conditions.

**KATI HUIRAPA RUNAKA ki PUKETERAKI INCORPORATED  
STATEMENT OF ACCOUNTING POLICIES  
FOR THE YEAR ENDED 30 JUNE 2017**

*'How did we do our accounting?'*

**Income Tax**

The entity is registered with the Charities Commission and is therefore exempt from income tax.

**Accounts Receivable**

Accounts receivable are stated at their estimated realisable value

**Property, Plant and Equipment**

Property, plant and equipment are included at cost less aggregate depreciation. The depreciation rates used are:

Buildings	1.5%	SL
Buildings	2% - 16%	DV
Vehicles	30% - 36%	DV
Plant	20% to 67%	DV
Other Assets	10% - 20%	DV
Furniture and Fittings	8% to 48%	DV
Office Equipment	20% - 60%	DV

**Investments**

Investments are stated at fair value, except for term deposits which are stated at cost.

**Goods and Services Tax**

Kati Huirapa Runaka ki Puketeraki Incorporated is registered for Goods and Services Tax (GST). Consequently all amounts are stated exclusive of GST except for accounts payable and accounts receivable which are stated inclusive of GST.

However, Puketeraki Limited is not registered for GST and therefore the financial statements which have been consolidated into these financial statements are GST inclusive.

**Bank Accounts and Cash**

Bank accounts and cash in the Statement of Cash Flows comprise Westpac current and on call balances.

**525 Blenheim Road Limited**

Subsidiary company Puketeraki Limited has a 5.5% interest in this company. The interest is recorded at the Directors' opinion of fair value. Movements in fair value are reflected in the Statement of Financial Performance.

**Kai Tahu Ki Otago Limited**

The entity has a 25% interest in this company. The investment is accounted for using the equity method.



**KATI HUIRAPA RUNAKA ki PUKETERAKI INCORPORATED  
STATEMENT OF ACCOUNTING POLICIES  
FOR THE YEAR ENDED 30 JUNE 2017**

*'How did we do our accounting?'*

**Te Haumi Whakamana**

This investment is carried at assessed fair value by the Directors with movement in fair value reflected in the Statement of Financial Performance.

**Managed Investments**

These investments are managed by Polson Higgs Wealth Management Ltd. Investments in this category that comprise equity investments are recorded at market value with unrealised gains and losses reflected in the Statement of Financial Performance.

**Impairment Adjustments**

If in the Executive Committee's opinion the estimated recoverable amount of an investment is less than its carrying amount, the investment is written down to its recoverable amount, and an impairment adjustment is recognised in the statement of financial performance

**Changes in Accounting Policies**

There have been no changes to accounting policies during the year.

**KATI HUIRAPA RUNAKA ki PUKETERAKI INCORPORATED**  
**NOTES TO THE STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2017**

**1. SHORT TERM DEPOSIT**

	2017	2016
	\$	\$
Westpac Ready Access (on call)	<u>76,098</u>	<u>53,436</u>

**2. KATI HUIRAPA RUNAKA KI PUKETERAKI TRUST**

The old school property and the Coast Road property belong to the Kati Huirapa Runaka ki Puketeraki Trust. The Trust owes the Runaka for these assets. The revenue and expenses for these assets are met by the Runaka and the surplus (if any) is used to offset Runaka administration costs. As at balance date it had been agreed that the Trust be wound up and the assets and liabilities transferred to the Runaka, and the necessary legal procedures were in place to achieve this.

**3. PUKETERAKI LIMITED**

In October 2016 the Runaka initially advanced \$50,000 to Puketeraki Limited specifically for investment in Te Haumi Whakamana. It was later agreed by the Board to forgive this advance and treat it as koha to Puketeraki Limited.

**4. PLANT, PROPERTY AND EQUIPMENT**

2017	Opening Carrying Amount	Purchases	Sales/ Disposals	Current Year Depreciation and Impairment	Opening Carrying Amount
		\$	\$	\$	\$
Land	422,260	823	-	-	423,083
Buildings	714,206	563	-	14,942	699,827
Marae Retaining Wall	242,215	-	-	3,863	238,352
Motor Vehicles	26,717	1,200	95	6,093	21,729
Furniture and Fittings	15,325	1,304	-	3,194	13,435
Other Assets	7,064	-	-	791	6,273
Plant	2,628	-	-	384	2,244
Office Equipment	3,192	908	-	1,348	2,752
	<u>1,433,607</u>	<u>4,798</u>	<u>95</u>	<u>30,615</u>	<u>1,407,695</u>

2016	Opening Carrying Amount	Purchases	Sales/ Disposals	Current Year Depreciation and Impairment	Opening Carrying Amount
		\$	\$	\$	\$
Land	422,260	-	-	-	422,260
Buildings	706,658	22,858	-	15,310	714,206
Marae Retaining Wall	246,078	-	-	3,863	242,215
Vehicles	16,843	17,609	-	7,735	26,717
Plant	19,121	622	-	4,418	15,325
Other Assets	2,870	4,986	-	792	7,064
Furniture and Fixtures	2,278	699	-	349	2,628
Office Equipment	3,817	753	-	1,378	3,192
Total	<u>1,419,925</u>	<u>47,527</u>	<u>-</u>	<u>33,845</u>	<u>1,433,607</u>

**5. CAPITAL COMMITMENTS**

The Group had no capital commitments as at balance date (2016 \$nil).



**KATI HUIRAPA RUNAKA ki PUKETERAKI INCORPORATED  
NOTES TO THE STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2017**

**6. OPERATING COMMITMENTS**

A contract with Fuji Xerox was entered into for the lease of a photocopier in November 2016.

	2017	2016
Less than one year	3,216	-
Between one and five years	11,256	-
More than five years	-	-
<b>Total</b>	<u><u>14,472</u></u>	<u><u>-</u></u>

**7. POLSON HIGGS WEALTH MANAGEMENT MANAGED INVESTMENTS**

**CURRENT - Puketeraki Limited**

	30 Jun 2017	30 Jun 2016
	\$	\$
Cash Accounts	10,280	11,779
	<u><u>10,280</u></u>	<u><u>11,779</u></u>

The above table details investments Puketeraki Limited has in finance companies.

**NON-CURRENT - Puketeraki Limited**

	30 Jun 2017	30 Jun 2016
	\$	\$
Equity Investments	645,220	468,370
Canterbury Mortgage Trust - Debenture	1,000	2,809
NZX50 Portfolio Index Fund - FONZ	-	86,324
	<u><u>646,220</u></u>	<u><u>557,503</u></u>

**8. TERM DEPOSITS**

**CURRENT**

	30 Jun 2017	30 Jun 2016
	\$	\$
<b>Parent</b>		
Westpac Term Deposits	582,875	561,770
<b>Puketeraki Limited</b>		
Westpac Term Deposits	62,028	53,057
	<u><u>644,903</u></u>	<u><u>614,827</u></u>

**NON-CURRENT**

	30 Jun 2017	30 Jun 2016
	\$	\$
<b>Puketeraki Limited</b>		
Westpac Term Deposits	-	59,137
	<u><u>-</u></u>	<u><u>59,137</u></u>



**KATI HUIRAPA RUNAKA ki PUKETERAKI INCORPORATED  
STATEMENT OF ACCOUNTING POLICIES  
FOR THE YEAR ENDED 30 JUNE 2017**

**9. EQUITY SHARE OF INVESTMENT IN ASSOCIATED COMPANY**

Kati Huirapa Runaka ki Puketeraki Incorporated hold 25% of the shares in Kai Tahu Ki Otago Limited.

	2017	2016
	\$	\$
Carrying amount at beginning of the year	137,502	104,425
Equity accounted earnings for the year	15,300	33,077
Carrying value at end of the year	<u>152,802</u>	<u>137,502</u>

**10. TE HAUMI WHAKAMANA**

This investment is managed by Ngai Tahu Property Limited, and involves several buildings with Crown leases. Runanga have the opportunity to invest or divest on an annual basis. The maximum investment per Runanga is \$500,000.

	2017	2016
	\$	\$
Investments in Te Haumi Whakamana are held by Puketeraki Limited	<u>156,378</u>	<u>54,539</u>

**11. GRANTS RECEIVED**

	2017	2016
	\$	\$
Manawapopere Trust	-	164
COGS	<u>1,778</u>	<u>2,750</u>
	<u>1,778</u>	<u>2,914</u>

**12. RELATED PARTY**

Matapura Ellison is Chairman of Kati Huirapa Runaka ki Puketeraki Incorporated.

He is contracted with the Runaka under a Contract for Service to provide education services funded under the Te Mahare Matauraka Project.

There were no payments due to Mr Ellison under the Contract for Services at balance date.

Mr Ellison has the use of paddocks owned by the Runanga and reimburses the runaka for the rates. During the year to 30 June 2017 \$938 was invoiced to Wainui Enterprises (Mr Ellison's operating entity) with \$479 owing as at balance date.

Description of Related Party Relationship	Description of the Transaction	2017	2017	2016	2016
		\$	\$	\$	\$
		Value of Transactions	Amount Outstanding	Value of Transactions	Amount Outstanding
Mr Matapura Ellison, Chair of the Runaka	Reimbursement of rates for use of paddocks	938	479	1,232	334

Philip Broughton is Treasurer of Kati Huirapa ki Puketeraki Incorporated.

He is a Consultant with Polson Higgs, Chartered Accountants and Business Advisers. The majority shareholders of Polson Higgs Wealth Management which manages the investment portfolio of Puketeraki Limited are partners of Polson Higgs.

**KATI HUIRAPA RUNAKA KI PUKETERAKI INCORPORATED**  
**STATEMENT OF ACCOUNTING POLICIES**  
**FOR THE YEAR ENDED 30 JUNE 2017**

13. OTHER OPERATING REVENUE	Note	Consolidated 2017	Parent 2017	Consolidated 2016	Parent 2016
Grants	11	1,778	1,778	2,914	2,914
Depreciation Recovered		1,861	1,861	-	-
Rental Income		6,443	6,443	-	-
Sundry Income		23,419	23,419	14,442	14,442
Tamariki		718	718	3,814	3,814
<b>TOTAL OTHER OPERATING REVENUE</b>		<b>34,219</b>	<b>34,219</b>	<b>21,170</b>	<b>21,170</b>

OTHER OPERATING EXPENSES	Note	Consolidated 2017	Parent 2017	Consolidated 2016	Parent 2016
<b>Other expenses</b>					
ACC Levy		260	260	1,497	1,497
Advertising		391	391	436	436
Charitable Acts		1,300	1,300	1,700	1,700
Environment		-	-	1,761	1,761
Fees paid to Financial Adviser		9,490	-	8,802	-
Freight, Cartage, Postage & Courier		2,340	2,340	1,429	1,429
General		23,491	23,206	24,536	24,310
Heat, Light & Power		14,313	14,313	15,105	15,105
Insurance		15,410	15,410	13,770	13,770
KiwiSaver Contributions		3,787	3,787	3,701	3,701
Legal and Accounting		22,252	14,104	22,772	14,923
Printing, Stationery and Copying		7,817	7,817	5,312	5,312
Rates		3,926	3,926	3,726	3,726
Repairs and Maintenance		64,318	64,318	9,415	9,415
Tamariki		9,293	9,293	10,353	10,353
Telephone, Tolls and Internet		4,525	4,525	4,652	4,652
Te Raukura Tame Parata		1,500	1,500	-	-
Travel		2,005	1,982	1,116	1,070
Vehicle Costs		13,906	13,906	17,297	17,297
Wages and Salaries		275,919	275,919	263,760	263,760
<b>TOTAL OTHER EXPENSES</b>		<b>476,243</b>	<b>458,297</b>	<b>411,140</b>	<b>394,217</b>



**KATI HUIRAPA RUNAKA ki PUKETERAKI INCORPORATED  
STATEMENT OF ACCOUNTING POLICIES  
FOR THE YEAR ENDED 30 JUNE 2017**

**14. DEFERRED FUNDING**

	<b>2017</b>	<b>2016</b>
Hardship Fund	-	\$2,356

The Incorporated Society receives funding for specific purposes. Unexpended funding where agreed upon services or conditions have not been fully completed at balance date and for which a use or return obligation exists are recognised as deferred funding.

**15. EVENTS AFTER BALANCE DATE**

No significant events have occurred after balance date (2016: \$nil).





# Kāti Huirapa Runaka ki Puketeraki Trust

**KATI HUIRAPA RUNAKA KI PUKETERAKI**  
**TRUST**

**ANNUAL GENERAL MEETING**

**5-Nov-17**

**AGENDA**

- 1 Mihi & Karakia
- 2 Apologies
- 3 Minutes of AGM 6 Nov 2016
- 4 Matters arising from AGM 2016
- 5 Trustees' Report
- 6 Financial Report
- 7 Appointment of Auditor
- 8 Other Business

**Kāti Huirapa Rūnaka ki Puketeraki Trust**  
**Annual General Meeting – Hui a Tau**  
**Held on Sunday 6 November 2016 at 11.15am**  
**At Puketeraki Marae**

**Present:** Matapura Ellison (Chair), Suzanne Ellison (minutes), David Ellison, Tama Smith, Marewa Preddy, Caroline Ruckstuhl, Betty Apes, Brenda Van Strik, Hinerangi Ferrall Heath, Victoria Bryant, Phyllis Smith, Katharina Ruckstuhl, Gisele Laven, Philip Broughton, George Meikle, Brendan Flack, Suzi Flack, Khyla Russell, Jim Williams, Denise Cameron, Sam Inglis, Jeffrey Broughton, Jenny Smith, Ron McLachlan, Graeme Pepper, Ann Bateman, Kate Bateman.

At the invitation of the chairperson the following motion was put & agreed.

<b>Motion</b>	<b>That the mihi, karakia and apologies from the Incorporated Society AGM also applied to this meeting.</b>		
	<b>Phyllis Smith</b>	<b>Marewa Preddy</b>	<b>Carried</b>

**Mihi whakatau:** Matapura Ellison

**Karakia timata:** Hinerangi Ferrall Heath

**2. Apologies:** Roger Wyeth, Emma Wyeth, Leeanne Phillips, Rebecca Williams, Andrea Teremoana, Joyce Freeman, Carolyn Campbell, Margaret Henderson.

<b>Motion</b>	<b>That apologies be accepted</b>		
	<b>Marewa Preddy</b>	<b>Brenda Van Strik</b>	<b>Carried</b>

**3. Minutes of AGM 1 Nov 2015**

<b>Motion</b>	<b>That the minutes of the Annual General Meeting of 1 November 2015 with the addition of Phyllis Smith to the list of those present be accepted as a true record.</b>		
	<b>Phyllis Smith</b>	<b>Khyla Russell</b>	<b>Carried</b>

**4. Matters Arising**

The Trust has been reviewed & the Trustees are taking to the Runaka General Meeting a recommendation to wind up the Trust and transfer the assets to the Runaka Incorporated Society.

## 5. Trustees Report

After a long period of service Mahana Walsh resigned last year. Peter Ellison & Marewa Preddy were appointed as Trustees alongside the remaining Trustees, David Ellison & Matapura Ellison. The Trustees have held 2 meetings since the last AGM. It was noted that providing there is agreement by the Runaka the Trust will be wound up during this financial year.

## 6. Financial Report

There is nil income & expenditure, the audit is a record of the land and buildings owned by the trust to which there has been no change during the financial year.

<b>Motion</b>	<b>That we adopt the Performance Report for the year ended 30 June 2016.</b>		
	<b>Khyla Russell</b>	<b>Tama Smith</b>	<b>Carried</b>

## 7. Appointment of the Auditor 2015 -16

<b>Motion</b>	<b>That we appoint Cook North &amp; Wong as auditors for 2016 - 2017 financial year.</b>		
	<b>Brenda Van Strik</b>	<b>Phil Broughton</b>	<b>Carried</b>

## 8. Other Business:

There being no other business the Annual General Meeting closed at 11.20am.

**Chairperson** \_\_\_\_\_

**Date** \_\_\_\_\_



**KATI HUIRAPA RUNAKA KI PUKETERAKI TRUST**

**Performance Report**

**For the year ended:**

**30 JUNE 2017**

**Contents**

	Page
<b>Non-Financial Information:</b>	
Entity Information	1
Statement of Service Performance	2
<b>Financial Information:</b>	
Statement of Receipts and Payments	3
Statement of Resources and Commitments	4
Notes to the Performance Report	5 & 6
Auditors' Report	7 & 8

**KATI HUIRAPA RUNAKA KI PUKETERAKI TRUST**

**Entity Information**

**"Who are we?", "Why do we exist?"**

**For the year ended:  
30 JUNE 2017**

**Legal Name of Entity:** KATI HUIRAPA RUNAKA KI PUKETERAKI TRUST

**Type of Entity and Legal Basis (if any):** CHARITABLE TRUST

**Registration Number:** 492542

**Entity's Purpose or Mission:**

The purpose of the Trust is to hold the land and building located at 121 Grimness Street, Karitane, that formed part of the Ngai Tahu settlement with the Crown. The Trust also holds the title to land at 1160 Coast Road, Karitane.

**Entity Structure:**

The Trust is administered by three trustees who are elected by the membership of Kati Huirapa Runaka ki Puketeraki Incorporated.

**Main Sources of the Entity's Cash and Resources:**

The Trust has no cash transactions.

**Main Methods Used by the Entity to Raise Funds:**

The Trust is not involved in any fund raising.

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

The Trust has no reliance on volunteers other than the unpaid services of the elected trustees. The Trust receives no donated goods.

**Additional Information**

**Contact details**

**Physical Address:** 121 Grimness Street, Karitane, Otago

**Postal Address:** c/- Karitane Store, Karitane 9440

**Phone/Fax:** 03 4657300

**Email/Website:** manager @ puketerak.nz

**KATI HUIRAPA RUNAKA KI PUKETERAKI TRUST**

**Statement of Service Performance**

**"What did we do?"**

**For the year ended**

**30 JUNE 2017**

**Description of the Entity's Outcomes:**

The Trust's only activity is holding title to land and buildings.

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

	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>
	<b>This Year</b>	<b>This Year</b>	<b>Last Year</b>
	Nil	Nil	Nil

**KATI HUIRAPA RUNAKA KI PUKETERAKI TRUST**


**Statement of Receipts and Payments**  
**"How was it funded?" and "What did it cost?"**  
**For the year ended:**  
**30 JUNE 2017**


	Notes	Actual This Year \$	Budget This Year \$	Actual Last Year \$
Operating Receipts		Nil	Nil	Nil
<b>Total Operating Receipts</b>		<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
Operating Payments		Nil	Nil	Nil
<b>Total Operating Payments</b>		<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>Operating Surplus or (Deficit)</b>		<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
Capital Receipts		Nil	Nil	Nil
Capital Payments		Nil	Nil	Nil
<b>Increase/(Decrease) in Bank Accounts and Cash</b>		<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
Bank accounts and cash at the beginning of the financial year		Nil	Nil	Nil
<b>Bank Accounts and Cash at the End of the Financial Year</b>		<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>Total Bank Accounts and Cash at the End of the Financial Year</b>		<b>Nil</b>	<b>Nil</b>	<b>Nil</b>

**KATI HUIRAPA RUNAKA KI PUKETERAKI TRUST**  
**Statement of Resources and Commitments**  
**"what the entity owns?" and "what the entity owes?"**  
**As at**  
**30 JUNE 2017**

SCHEDULE OF RESOURCES	This Year \$	Last Year \$
<b>Bank Accounts and Cash (from Statement of Receipts and Payments)</b>	Nil	Nil
<b>Other Resources</b>		
	<b>Cost</b>	<b>Cost</b>
<b>Description and Source of Value (cost)</b>		
Land - 1160 Coast Road, Karitane	17,103	17,103
Land - Old School Property at 121 Grimness Street, Karitane	8,979	8,979
Building - Old School Property at 121 Grimness Street, Karitane	38,907	38,907

SCHEDULE OF COMMITMENTS	This Year \$	Last Year \$
<b>Money Payable by the Entity</b>		
<b>Description</b>	<b>Amount</b>	<b>Amount</b>
Loans payable	64,989	64,989

  
 \_\_\_\_\_  
 Trustee

  
 \_\_\_\_\_  
 Trustee

Date: 18 September 2017

**KATI HUIRAPA RUNAKA KI PUKETERAKI TRUST**

**Notes to the Performance Report**

**For the year ended  
30 JUNE 2017**

**Note 1: Accounting Policies "How did we do our accounting"**

**Basis of Preparation**

KATI HUIRAPA RUNAKA KI PUKETERAKI TRUST is permitted by law to apply PBE SFR-C (NFP) Public Benefit Entity Simple Format Reporting - Cash (Not-For-Profit) and has elected to do so. All transactions are reported in the Statement of Receipts and Payments and related Notes to the Performance Report on a cash basis.

**Goods and Services Tax (GST)**

KATI HUIRAPA RUNAKA KI PUKETERAKI TRUST is not registered for GST. Therefore amounts recorded in the Performance Report are inclusive of GST (if any).

**KATI HUIRAPA RUNAKA KI PUKETERAKI TRUST**  
**Notes to the Performance Report**  
**For the year ended**  
**30 JUNE 2017**

**Notes 2 & 3**

**Note 2: Related Party Transactions**

There were no transactions involving related parties during the financial year. (Last Year - Nil)

**Note 3: Events After the Balance Date**

The trustees had passed a resolution to wind-up the Trust and distribute the property and funds at book value to Kati Huirapa Runaka ki Puketeraki Incorporated Society which was approved by Runaka members at the 2016 Annual General Meeting.

Subsequent to the year end the necessary documentation is being prepared by the Trusts's lawyers. Following execution of the documents the Trust will be wound-up and the assets and liabilities transferred to the Runaka.

## INDEPENDENT AUDITOR'S REPORT

To the Trustees of the Kati Huirapa Runaka ki Puketeraki Trust.

### Opinion

We have audited pages 3 to 6 of the performance report of Kati Huirapa Runaka ki Puketeraki Trust (the "Trust"), which comprises the statement of receipts and payments for year ended 30 June 2017, the statement of resources and commitments as at 30 June 2017, and the notes to the performance report, including a summary of significant accounting policies.

In our opinion, the accompanying performance report present fairly, in all material respects, the statement of receipts and payments for the year ended June 30, 2017, and the statement of resources and commitments as at June 30, 2017 in accordance with Public Benefit Entity Simple Format reporting – Cash (Not-For-Profit) Standards 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)). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Trust in accordance with Professional and Ethical Standard 1 (Revised) *Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

### Emphasis of Matter

We draw attention to Note 3 of the performance report, which states that a resolution to wind-up the Trust has been passed and approved by the Runaka at the 2016 Annual General Meeting. The necessary documentation is being prepared by the Trust's lawyers. Following the execution of the documents the Trust will be wound-up and the assets and liabilities transferred to the Runaka.

### Responsibilities of Those Charged with Governance for the Performance Report

Those charged with governance are responsible on behalf of the Trust for the preparation of the performance report in accordance with Public Benefit Entity Simple Format Reporting – Cash (Not for Profit) Standards, and for such internal control as those charged with governance determine is necessary to enable the preparation of the performance report that is free from material misstatement, whether due to fraud or error.

In preparing the performance report, those charged with governance are responsible on behalf of the Trust for assessing the Trust'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 intends to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

### Auditor's Responsibilities for the Audit of the Performance Report

Our objectives are to obtain reasonable assurance about whether the performance report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's



report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) 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 this performance report.

A further description of the auditor's responsibilities for the audit of the performance report is located at the XRB's website at [https://xrb.govt.nz/Site/Auditing\\_Assurance\\_Standards/Current\\_Standards/Description\\_Auditors\\_responsibilities.aspx](https://xrb.govt.nz/Site/Auditing_Assurance_Standards/Current_Standards/Description_Auditors_responsibilities.aspx).

**Restriction of Distribution or Use**

This report is made solely to the Trustees, as a body. Our audit work has been undertaken so that we might state to the Trustees 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 Trustees, as a body, for our audit work, for this report or for the opinions we have formed.



Cook North & Wong  
Dunedin

Date: 18 September 2017



