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TO: MEMBERS OF KATI HUIRAPA RŪNAKA KI PUKETERAKI INC. SOC

FROM: MATAPURA ELLISON

DATE: NOVEMBER 2013

RE: CHAIRPERSONS REPORT to AGM 2013

KA MATE

Ki ka tini me ka mano kua wheturangitia, haere, haere, haere atu rā. No reira, ki a rātou katoa kua hika nei mai i tērā atu Hui a Tau, moe mai koutou. Apiti hono tātai hono ka huka mate ki ka huka mate. Apiti hono tātai hono ka huka ora ki ka huka ora.

Ki te wharenui Huirapa kōrua ko Maririhau, tū mai kōrua hei whare whakaruruhau mō ka hapū e noho ai nei.

E ka huahua maha o Kati Huirapa Rūnaka ki Puketeraki, tēnā koutou, tēnā koutou, tēnā koutou katoa. He mihi mīharo ki tā tātou Upoko Rawiri rātou ko ka koroheke me ka kuia, Nāia nei te mihi mahana ki ka takatā o ia whānau whānui o Puketeraki. Heoi anō, e ka mema o te rūnaka, kia kaha, kia māia, kia manawanui.

SINCE OUR LAST AGM

The Rūnaka Executive is extremely pleased that we now have a strategic plan for the next five years that we all own collectively and that what we do within our business and cultural activities reflects the strategic vision/plan. We have benefited from another capital download from TRONT as well as Pūtea Whakamahi which continues to ramp up as planned. It seems the dreams we have had for decades may yet pass into reality within our lifetimes. We have had some changes within the Rūnaka Executive with Ria Brodie resigning earlier this year and Kiri Fraser being co-opted.

I wish to thank Ria for the contributions she made while on the Rūnaka Executive and continues to make to our rūnaka. Since the passing of Suzanne Spencer we were without a formally appointed Treasurer for quite some time. It's clear that it's not a job for the faint hearted. I was thrilled that Phillip Broughton agreed to accept this role.

Work that Runaka Executive is currently undertaking with Mike Ferrari, an external consultant is ground truthing our capacities and capabilities to be able to deliver on our Strategic Plan. The Rūnaka Executive now meets bi-monthly and it is clearly a challenge to stay strategic and resist the desire to get into the detailed areas which are now the realm of our committees.

OUR NEW COMMITTEES

The new committees have time to get some real momentum going but I'm confident we are on track. We do need to be realistic and seek to ensure the committees actually have the budgets and support to be able to accomplish the outputs expected of them.

CULTURAL ACTIVITIES

We have continued with our ambitious calendar of cultural events over the last year. It is pleasing to note that a wider spectrum of members have taken part in two wānaka/heke that

have taken place taking us around the old settlements to Whareakeake and more recently into the Waitaki district. A kōrero with our master carver James York during the last wānaka was very engaging and I look forward to this whale adornment project for Huirapa and Maririhau growing in prominence over the next year. Waka ama and paddle board activities have become a firm favourite with some hard core participants inspiring the more faint hearted of us to get out there with them.

OUR RŪNAKA OFFICE WHANAU

I take the opportunity in this report to reiterate my thanks to our staff; to Suzanne who does an amazing job maintaining oversight of our activities; Justine who greets you on entering the Rūnaka Office with a warm kia ora; Jo Silich, our highly focused accounts administrator, Aroha, who is busy with organizing and servicing hui plus the well patronized tamariki programme; Brendan and George who bring a large kete of skills to the work they do.

The Rūnaka Executive continues to use of the professional services of Gerard Devereux to back up our Rūnaka Manager.

I have indeed felt it to be an honour and privilege to serve as Chairperson of Kati Huirapa Runaka ki Puketeraki and a Rūnaka Executive which has made significant progress on many kaupapa. My heartfelt thanks goes to each and every person who has contributed to the health of our hapū based organisation.

No reira, ōku hoa, ōku kaumātua hoki, tēnā koutou, tēnā koutou, tēnā koutou katoa.

Minutes of Kati Huirapa Rūnaka ki Puketeraki Inc. Soc Annual General Meeting and Triennial Elections

Held on Sunday 4 November 2012, 11.55am at Puketeraki

Present: Matapura Ellison, Suzanne Ellison, Phillip Broughton, Roger Wyeth, Roslyn Wyeth, Hinerangi Ferrall Heath, Joan Ellison, Gisele Laven, Elsie Ellison, David Ellison, Tama Smith, Jim Williams, Brendan Flack, Lyn Carter, John Broughton, Aroha Ellison, Gerard Devereux (financial), Joy Smith (Minutes)

Mihi: Matapura Ellison

Karakia: Hinerangi Ferrall Heath

Ngā Mate: Murray Fraser, Hurene Buchanan, Michael Parata, Suzanne Spencer, Marama Higgins, Mary Heath

Apologies : Betty Apes, Pat Newman, Katharina Ruckstuhl, Mahana Walsh, Kiri Fraser, Haines Ellison, Ria Brodie, Phyllis Smith, Jenny Smith, Jo Smith, Ron McLachlan, Bruce Ritchie, Ruita Ritchie, Emma Wyeth, Colin Ellison, Hawea Ellison, Suzy Flack, Carolyn Campbell, Marama Preddy

Motion	Apologies be accepted		
	Elsie Ellison	Tama Smith	Carried

Minutes from Annual General Meeting held 6 November 2011

Motion	Adoption of Minutes from the Annual General Meeting held on 6 November 2011		
	John Broughton	David Ellison	Carried

Matters Arising -Nil

Chairpersons Report – This was taken as read

Motion	Chairpersons reports be accepted		
	John Broughton	Lyn Carter	Carried

Financial Report

The result for the year of \$196k surplus.

Queries

- Breakdown of the costs included in the legal and accounting, being \$19,838. This was KHR \$13,054 accounting services and Pūketeraki Ltd \$6,784 secretarial services
- Accounts receivable Current Assets \$214 530, this is due to the accrual by the auditors for grants for the car park & retaining wall. Lotteries Grant and TRONT Marae Development Fund \$57,400. Total \$162,400
- Non Current assets - \$200 CRT shares
- Staffing costs– Current staff are Justine Marshall, Jo Silich, Aroha Ellison, Brendan Flack, George Meikle. These positions equate to approximately 3.5FTE, this excludes the Runaka Manager who is a contractor. From time to time there are other short term contractors hired for special projects

It is evident that the Inco Soc is gathering considerable financial assets. A suggestion was made that some of this be shifted over to Pūketeraki Ltd. A Financial Planning committee (Katharina Ruckstuhl, Phillip Broughton, and Suzanne Ellison) are currently drafting a policy in relation to the management of funds. This will be presented to the Executive for discussion in the near future.

Motion	Financial Report /Audit be accepted		
	David Ellison	Phillip Broughton	Carried

Appointment of Auditor

Motion	WHK to be reappointed as the Auditor for 2012/2013.		
	Phillip Broughton	Tama smith	Carried

Election of Officers & Executive – 10 members required. Executive Officers of the Society need to be present at the meeting.

Matapura vacated the chair while nominations were called for the Chairperson. Gerard Devereux chaired the meeting in the interim

Motion	Nominated Matapura Ellison as Runaka Chairperson		
	David Ellison	Roger Wyeth	Carried

Declared elected unopposed

Matapura resumed role as chairperson

Deputy Chairperson

Motion	Nominated Tama Smith as Deputy Chair		
	David Ellison	Elsie Ellison	Carried

Treasurer

Motion	Nominated Phillip Broughton as Treasurer		
	Matapura Ellison	Elsie Ellison	Carried

Executive Members

Motion	Nominated Elsie Ellison		
	Hinerangi Ferrall Heath	Lyn Carter	Carried

Motion	Lyn Carter		
	John Broughton	Brendan Flack	Carried

Motion	Marama Preddy		
	John Broughton	Phillip Broughton	Carried

Motion	Ria Brodie		
	Hinerangi Ferrall Heath	Brendan Flack	Carried

Motion	Hinerangi Ferrall Heath		
	Brendan Flack	Elsie Ellison	Carried

TRONT Alternate position – Katharina Ruckstuhl holds this position on the Executive

Declined Nomination - Brendan Flack and Roger Wyeth declined nomination to the Executive

David congratulated the new Executive, recognising the skills they bring with them, that will add value to the Rūnaka. Key to a well-balanced organisation is steady office staff and a steady executive.

Other Business - Nil

Meeting closed 12.25pm

Kāti Huirapa Rūnaka ki Puketeraki
Incorporated Society

**KATI HUIRAPA RUNAKA ki PUKETERAKI INCORPORATED
FINANCIAL RESPONSIBILITY STATEMENT
FOR THE YEAR ENDED 30 JUNE 2013**

The Executive Committee is responsible for preparing the financial statements and ensuring that they comply with generally accepted accounting practice in New Zealand and fairly reflect the financial position of Kati Huirapa Runaka ki Puketeraki Incorporated as at 30 June 2013 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 Generally Accepted Accounting Practice.

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.

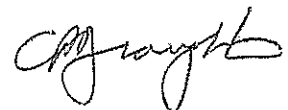
The Executive Committee are pleased to present the financial statements of Kati Huirapa Runaka ki Puketeraki Incorporated for the year ended 30 June 2013.

For and on behalf of the Executive Committee:

Executive Chair:



Executive Member



Date:

14.10.13

Date:

14-10-13

KATI HUIRAPA RUNAKA ki PUKETERAKI INCORPORATED
CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2013

	Note	Consolidated 2013 \$	Consolidated 2012 \$	Parent 2013 \$	Parent 2012 \$
REVENUE					
Te Putea Whakamahi		280,000	240,000	280,000	240,000
Te Putea Tautoko		250,000	-	250,000	-
Grants	10	16,825	201,902	16,825	201,902
Koha and Donations		8,127	10,012	8,127	10,012
Hui		81,825	100,934	81,825	100,934
Interest		38,265	44,817	30,821	25,254
Dividends		6,000	6,000	-	-
Movement in Value of Managed Investments		77,580	(32,928)	-	-
Movement in Value of 525 Blenheim Road Limited		10,869	(5,297)	-	-
Movement in Value of Kai Tahu ki Otago Limited		-	301	-	-
Sundry Income		1,906	4,143	1,906	4,143
Tamariki		762	750	762	750
Project Income	11	97,617	145,543	97,617	145,543
TOTAL OPERATING REVENUE		869,776	716,177	767,883	728,538



KATI HUIRAPA RUNAKA ki PUKETERAKI INCORPORATED
CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2013

	Note	Consolidated 2013 \$	Consolidated 2012 \$	Parent 2013 \$	Parent 2012 \$
EXPENDITURE					
ACC Levy		590	693	590	693
Advertising		579	297	579	297
Appointments Committee		3,313	-	3,313	-
Audit Fee		7,741	7,132	4,716	4,576
Bad Debts Written Off		-	44	-	44
Bank Fees and Interest		270	375	270	375
Charitable Acts		-	600	-	600
Depreciation		28,300	23,417	28,300	23,417
Earthquake Assessments		7,950	-	7,950	-
Environment		1,242	2,829	1,242	2,829
Fees paid to Executive Members and Directors		9,452	5,905	8,052	4,925
Fees paid to Financial Adviser		7,117	5,996	-	-
Freight, Cartage, Postage & Courier		1,316	1,715	1,316	1,715
General		17,429	15,319	17,334	15,135
Grant		5,000	-	5,000	-
Heat, Light & Power		15,681	14,994	15,681	14,994
Hui and Entertainment		32,057	38,225	32,057	38,225
Insurance		12,608	11,586	12,608	11,586
KiwiSaver Contributions		794	236	794	236
Koha and Donations		1,266	1,945	1,266	1,945
Management Contracted Staff		55,440	62,195	55,440	62,195
Legal and Accounting		22,629	19,838	13,472	13,054
Printing, Stationery and Copying		2,619	5,394	2,619	5,394
Rates		1,174	1,237	1,174	1,237
Repairs and Maintenance		3,833	7,810	3,833	7,810
Tamariki		7,714	3,312	7,714	3,312
Telephone, Tolls and Internet		4,226	4,493	4,226	4,493
Travel		1,448	1,573	1,355	1,510
Vehicle Costs (Office & Maintenance Department)		9,753	10,879	9,753	10,879
Wages and Salaries		134,991	126,434	134,991	126,434
Projects and Contracts- Expenditure	11	99,543	145,043	99,543	145,043
		496,075	519,516	475,188	502,953
NET SURPLUS FOR THE YEAR		373,701	196,661	292,695	225,585



KATI HUIRAPA RUNAKA ki PUKETERAKI INCORPORATED
STATEMENT OF MOVEMENTS IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2013

	Consolidated 2013 \$	Consolidated 2012 \$	Parent 2013 \$	Parent 2012 \$
OPENING EQUITY	2,282,821	2,086,160	1,831,498	1,605,913
Operating Surplus for the year	373,700	196,661	292,694	225,585
TOTAL RECOGNISED REVENUES AND EXPENSES	373,700	196,661	292,694	225,585
CLOSING EQUITY	<u>2,656,521</u>	<u>2,282,821</u>	<u>2,124,192</u>	<u>1,831,498</u>



KATI HUIRAPA RUNAKA ki PUKETERAKI INCORPORATED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2013

	Note	Consolidated 2013 \$	Consolidated 2012 \$	Parent 2013 \$	Parent 2012 \$
EQUITY		2,656,521	2,282,821	2,124,192	1,831,498
REPRESENTED BY:					
CURRENT ASSETS					
Cash at Bank - Westpac Cheque Account		36,359	38,025	30,920	32,557
Cash at Bank - Westpac Savings Account	2	157,397	29,104	157,397	29,104
Petty Cash Float and Vouchers		206	291	206	291
GST Refund		-	8,276	-	8,276
Accounts Receivable		71,653	214,530	68,298	212,374
Livestock		-	700	-	700
Prepayments		-	-	-	-
Puketeraki Limited - Advance		-	-	246,425	246,425
Investments (managed by Polson Higgs Wealth Management Limited)	7	12,494	8,859	-	-
Investments (Fixed Interest Term Deposits with Westpac)	8	917,671	534,110	840,669	470,848
TOTAL CURRENT ASSETS		1,195,780	833,895	1,343,915	1,000,575
NON-CURRENT ASSETS					
525 Blenheim Road Limited		91,341	80,472	-	-
Kai Tahu ki Otago Limited	9	58,614	58,614	25	25
Shares in CRT		200	200	200	200
Investments (managed by Polson Higgs Wealth Management Limited)	7	463,172	402,344	-	-
Investments (Fixed Interest Term Deposits with Westpac)	8	70,479	79,741	-	-
Kati Huirapa Runaka ki Puketeraki Trust	3	64,989	64,989	64,989	64,989
Plant, Property and Equipment	4	924,592	913,074	924,592	913,074
TOTAL NON CURRENT ASSETS		1,673,387	1,599,434	989,806	978,288
TOTAL ASSETS		2,869,167	2,433,329	2,333,721	1,978,863
LESS CURRENT LIABILITIES					
Accounts Payable		46,502	39,626	43,385	36,483
GST Payable		3,565	-	3,565	-
Project Funding Received in Advance	11	162,579	110,882	162,579	110,882
TOTAL CURRENT LIABILITIES		212,646	150,508	209,529	147,365
NET ASSETS		2,656,521	2,282,821	2,124,192	1,831,498



KATI HUIRAPA RUNAKA ki PUKETERAKI INCORPORATED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

Plant, Property and Equipment

Plant, Property and Equipment are recorded at cost less accumulated depreciation.

Assets have been depreciated at the following rates:

Buildings	2% Diminishing Value
Motor Vehicles	30% Diminishing Value
Furniture & Fixtures	24% Diminishing Value
Storage Unit	12% Diminishing Value
Carpet	48% Diminishing Value
Digital Camera	48% Diminishing Value
Computer Equipment	60% Diminishing Value
Photocopier	40% Diminishing Value

Accounts Receivable

Accounts Receivable are valued at estimated realisable value after due allowance for amounts which are not considered recoverable.

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

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. Other investments in this category are recorded at cost (less impairment adjustments if relevant).

Funding Received in Advance

Funding received for which funding conditions have yet to be met or the related expenditure yet to be incurred is recognised in the Statement of Financial Position as Funding Received in Advance until the funding conditions have been met or related expenditure incurred.

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 in accounting policies and they have been applied on a basis consistent with the prior year.



**KATI HUIRAPA RUNAKA ki PUKETERAKI INCORPORATED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013**

1. STATEMENT OF ACCOUNTING POLICIES

Basis of Reporting

Kati Huirapa Runaka ki Puketeraki is a society incorporated under the Incorporated Societies Act 1908, and is registered with the Charities Commission.

These financial statements are general purpose financial reports which have been prepared recognising the framework for differential reporting issued by the New Zealand Institute of Chartered Accountants. In the opinion of the Komiti, the Runaka qualifies for differential reporting as it has no public accountability and is not considered large within the terms of reference in paragraph 4.23 of the framework for differential reporting.

The Komiti has taken advantage of all available differential reporting exemptions except for FRS 19 as GST exclusive financial statements have been prepared.

The financial statements have been prepared on the basis of historical cost with the exception of certain investments as detailed below.

The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand.

Basis of Preparing 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 Puketeraki Limited.

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

Goods and Services Tax

The Statement of Financial Performance has been prepared so that all components are stated exclusive of GST. All items in the Statement of Financial Position are stated net of GST, with the exception of receivables and payables, which include GST. However Puketeraki Limited is not registered for GST

Livestock

Livestock inventory is valued at cost.

Income Tax

Kati Huirapa Runaka ki Puketeraki Incorporated is registered with the Charities Commission and therefore is exempt from tax.



KATI HUIRAPA RUNAKA ki PUKETERAKI INCORPORATED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

2. SHORT TERM DEPOSIT

	2013	2012
	\$	\$
Westpac Ready Access (on call)	<u>157,397</u>	<u>29,104</u>

3. 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.

4. PLANT, PROPERTY AND EQUIPMENT

	Cost	Dep'n This Year	Accum Dep'n	Book Value
2013	\$	\$	\$	\$
Buildings	809,661	13,189	163,417	646,244
Marae Retaining Wall	257,562	3,757	3,757	253,805
Motor Vehicles	26,928	1,449	24,060	2,868
Furniture and Fittings	16,314	717	13,061	3,253
Other Assets	16,007	422	12,485	3,522
Plant	48,048	4,756	40,445	7,603
Office Equipment	41,264	4,012	33,967	7,297
	<u>1,215,784</u>	<u>28,300</u>	<u>291,192</u>	<u>924,592</u>

	Cost	Dep'n This Year	Accum Dep'n	Book Value
2012	\$	\$	\$	\$
Buildings	809,661	13,458	150,229	659,432
Marae Retaining Wall	223,812	-	-	223,812
Motor Vehicles	26,929	2,193	22,611	4,318
Furniture and Fittings	16,314	960	12,342	3,972
Other Assets	16,008	503	12,064	3,944
Plant	49,356	1,470	42,469	6,887
Office Equipment	42,344	4,832	31,635	10,709
	<u>1,184,424</u>	<u>23,416</u>	<u>271,350</u>	<u>913,074</u>

5. CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

The Runaka has no capital commitments or contingent liabilities at balance date. (2012 Nil)

6. OPERATING COMMITMENTS

There were no operating lease commitments at balance date (2012 Nil)



KATI HUIRAPA RUNAKA ki PUKETERAKI INCORPORATED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

7. POLSON HIGGS WEALTH MANAGEMENT MANAGED INVESTMENTS

CURRENT	30 Jun 2013	30 Jun 2012
	\$	\$
Cash Accounts	12,494	8,777
Dominion Finance Term Debenture (7 Dec 2009) (in receivership)	-	82
	<u>12,494</u>	<u>8,859</u>

The above table details investments the society has in finance companies.

NON-CURRENT	30 Jun 2013	30 Jun 2012
	\$	\$
Equity Investments	390,195	325,416
Canterbury Mortgage Trust - Debenture	2,356	3,141
NZX50 Portfolio Index Fund - FONZ	70,621	73,787
	<u>463,172</u>	<u>402,344</u>

8. TERM DEPOSITS

CURRENT	30 Jun 2013	30 Jun 2012
	\$	\$
Parent		
Westpac Term Deposits	840,669	470,848
Puketeraki Limited		
Westpac Term Deposits	77,002	63,262
	<u>917,671</u>	<u>534,110</u>

NON-CURRENT	30 Jun 2013	30 Jun 2012
	\$	\$
Puketeraki Limited		
Westpac Term Deposits	<u>70,479</u>	<u>79,741</u>



KATI HUIRAPA RUNAKA ki PUKETERAKI INCORPORATED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

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.

	2013	2012
	\$	\$
Carrying amount at beginning of the year	58,614	58,313
Equity accounted earnings for the year	-	301
Carrying value at end of the year	<u>58,614</u>	<u>58,614</u>

Financial Statements for the year ended 30 June 2013 are not yet available. The carrying value of the investment is maintained as at the 30 June 2012 value.

10. GRANTS RECEIVED

	2013	2012
	\$	\$
New Zealand Lotteries Commission	-	105,000
Ngāi Tahu Fund	9,739	57,400
Otago Community Trust	-	35,000
Manawapopere Trust	297	4,502
Manawhenua Health Working Party	6,789	-
	<u>16,825</u>	<u>201,902</u>



KATI HUIRAPA RUNAKA ki PUKETERAKI INCORPORATED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

11. PROJECT ACTIVITIES
30 JUNE 2013

Brought forward from previous year

Income

Expenditure

Transferred to Income/Expenditure

Transferred to Fixed Assets

Net Expenditure

Balances as at 30 June 2013

Marae Adornment	Tatai Whakapapa	Retaining Wall	LEOTC	Te Kete Taurua	Veterans	Our Fathers and Heroes	Kahui Kaumatua	Combined Runaka	Te Mahare Matauraka
12,378	11,004	-	8,135	19,961	550	1,401	756	8,237	-
12,378	24,935		56,776						18,000
	35,939	-	64,911	19,961	550	1,401	756	8,237	18,000
1,946	2,813	1,500 (1,500)	51,404	39	100	821	44	8,237	
1,946	2,813	-	51,404	39	100	821	44	8,237	-
10,432	33,126	-	13,507	19,922	450	580	712	-	18,000



KATI HUIRAPA RUNAKA ki PUKETERAKI INCORPORATED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

11. PROJECT ACTIVITIES (continued)
30 JUNE 2013

	Wearable Arts	Huriawa Restoration	Water Quality Monitoring	Te Tiaka Mahinga Kai	Waka	Taiapure	COGS	Buff Weka	Building Leadership Capacity	Zumba	Puaki Matariki 2014	TOTAL
Brought forward from previous year												
Income	2,850	8,886	6,300	886	3,412	2,027	2,869	19,630	-	1,600		110,882
	2,903			7,500			2,700	26,500	5,000		5,000	149,314
Expenditure	5,753	8,886	6,300	8,386	3,412	2,027	5,569	46,130	5,000	1,600	5,000	260,196
Transferred to Income/Expenditure	241		6,300	5,252	4,938	1,929	2,800	9,279	1,400	2,000		101,043
Transferred to Fixed Assets					(1,526)					(400)		(1,926)
												(1,500)
Net Expenditure	241	-	6,300	5,252	3,412	1,929	2,800	9,279	1,400	1,600	-	97,617
Balances as at 30 June 2013	5,512	8,886	-	3,134	-	98	2,769	36,851	3,600	-	5,000	162,579



KATI HUIRAPA RUNAKA ki PUKETERAKI INCORPORATED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

11. PROJECT ACTIVITIES
30 JUNE 2012

Brought forward from previous year

Income

Transfers between projects

Expenditure

Transferred to Income/Expenditure

Net Expenditure

Balances as at 30 June 2012

Marae Adornment	Tatai Whakapapa	Retaining Wall	LEOTC	Te Kete Taurua	Veterans	Our Fathers and Heroes	Kahui Kaumatua	Combined Runaka	Cultural Materials	Wearable Arts
12,378	17,576	(1,257)	3,412	28,139	578	7,777	1,294	8,237	844	4,859
	2,160	35,000	56,830							1,860
12,378	19,736	33,743	60,242	28,139	578	7,777	1,294	8,237	844	6,719
	8,732	222,555 (188,812)	52,107	8,178	28	6,376	538		844	3,869
-	8,732	33,743	52,107	8,178	28	6,376	538	-	844	3,869
12,378	11,004	-	8,135	19,961	550	1,401	756	8,237	-	2,850



KATI HUIRAPA RUNAKA ki PUKETERAKI INCORPORATED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

11. PROJECT ACTIVITIES (continued)
30 JUNE 2012

	Huriawa Restoration	Water Quality Monitoring	Te Tiaka Mahinga Kai	Waka	Taiapure	COGS	Buff Weka	Zumba	TOTAL
Brought forward from previous year	5,744	-	-	2,259	1,813	2,869	4,585	3,228	104,335
Income	3,142	6,300	7,500	8,111	2,600		26,000	2,087	151,590
	8,886	6,300	7,500	10,370	4,413	2,869	30,585	5,315	255,925
Transfers between project Expenditure	-		6,614	6,958	2,386	-	10,955	3,715	333,011
Transferred to Income/Expenditure									(187,968)
Net Expenditure	-	-	6,614	6,958	2,386	-	10,955	3,715	145,043
Balances as at 30 June 2012	8,886	6,300	886	3,412	2,027	2,869	19,630	1,600	110,882



INDEPENDENT AUDITOR'S REPORT

To the Committee of Kati Huirapa Runaka ki Puketeraki Incorporated

Report on the Society and Group Financial Statements

44 York Place
Dunedin 9016 New Zealand
PO Box 188
Dunedin 9054 New Zealand
Tel +64 3 477 5790
Fax +64 3 474 1564
www.crowehorwath.co.nz

We have audited the financial statements of Kati Huirapa Runaka ki Puketeraki Incorporated ("the society") and the group, comprising the society and its subsidiary on pages 2 to 14, which comprise the Statement of Financial Position as at 30 June 2013, the Statement of Financial Performance, and Statement of Movements in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information, for both the society and the group.

Committee's Responsibility for the Consolidated Financial Statements

The Committee are responsible for the preparation and fair presentation of these consolidated financial statements in accordance with generally accepted accounting practice in New Zealand; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on financial position and financial performance.

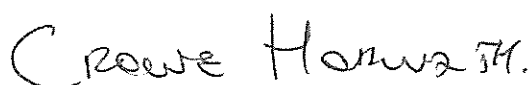
Other than in our capacity as auditor we have no relationship with, or interests in, Kati Huirapa Runaka ki Puketeraki Incorporated or its subsidiary.

Basis for Qualified Opinion on Financial Position and Financial Performance

As is common in organisations of a similar nature, control over cash revenue prior to being recorded is limited, and there are no practical audit procedures to determine the effect of this limited control.

Qualified Opinion on Financial Position and Financial Performance

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the consolidated financial statements on pages 2 to 14 present fairly, in all material respects, the financial position of Kati Huirapa Runaka ki Puketeraki Incorporated and group as at 30 June 2013 and its financial performance for the year then ended, in accordance with generally accepted accounting practice in New Zealand.

Crowe Horwath New Zealand Audit Partnership
CHARTERED ACCOUNTANTS
14 October 2013

Pūketeraki Ltd

PUKETERAKI LIMITED

Minutes of the Sixth Annual General Meeting held on 4th November 2012 at the Marae, Puketeraki, at 10.30am.

Present:

Directors and Officers of the Company: Brendan Flack, Hinerangi Ferrall- Heath and Gerard Devereux (Secretary)

Representatives of the Shareholder: Matapura Ellison, David Ellison, Suzanne Ellison, Tama Smith, Roger Wyeth, Ros Wyeth, Philip Broughton, Joan Ellison, Elsie Ellison, John Broughton, Gisele Lavin, Lyn Carter, Aroha Ellison and Jim Williams

Mihi/Welcome

Matapura had welcomed those present at the opening of the series of meetings.

Brendan, as a director of the company, assumed the chair for this meeting and also welcomed those present and declared the meeting open.

Karakia

The karakia was presented by Hinerangi.

Apologies:

Apologies from the following were noted:

Katharina Ruckstuhl (chair), Shelley Griffiths (independent director), Haines Ellison (retiring director), Betty Apes, Pat Newman, Mahana Walsh, Kiri Fraser, Ria Brodie, Phyllis Smith, Jenny Smith, Jo Smith, Ron McLachlan, Bruce Ritchie, Ruita Ritchie, Emma Wyeth, Colin Ellison, Hawea Ellison, Suzi Flack, Carolyn Campbell and Marama Preddy

IT WAS RESOLVED THAT the apologies be accepted – moved by Matapura, seconded by Elsie - carried

Minutes of the Previous Meeting

The minutes of the fifth Annual General Meeting held on 6th November 2011 were taken as read.

IT WAS RESOLVED THAT the minutes of the previous Annual General Meeting held on 6th November 2011 reflect a true and correct record, and that they be adopted – moved by Elsie and seconded by Matapura - carried

Matters Arising from the Minutes

There were no matters arising.

Chairperson's Report

The meeting was given time to read the report

IT WAS RESOLVED THAT the Chairperson's Report for the year ended 30th June 2012 as presented be received and adopted – moved by Philip and seconded by Elsie - carried

Financial Reports:

A number of queries and observations had been made via email by Roger Wyeth prior to the meeting. These queries and their answers were circulated to the meeting. Roger was satisfied with the explanations relating to specific queries regarding the Financial Reports.

However his main concern related to the loss suffered by the company during the year and he was not satisfied with the explanations provided.

Vigorous discussion ensued during which directors who are also Executive members were challenged as to their conflict of interest. Hinerangi responded advising that at Executive meeting than when appropriate their conflict is noted and they abstain from voting.

Roger considered the directors should use a more conservative approach to investment and have all the funds in the bank on Term Deposits.

Philip Broughton referred to the investment mix which he considered reasonable for the size and type of company. He felt that bank returns after inflation might preserve the capital but wouldn't have any potential to increase it.

Matapura Ellison thanked Roger for his queries and comments, and noted that Directors can be pleased that members take an interest.

Roger stated that he would like to see all the information available, but in an abbreviated form.

Gisele Lavin expressed every confidence in the Directors and suggested a review of the mix to a more conservative basis might be undertaken.

Elsie considered the mix to be satisfactory but suggested that the Investment adviser be asked to explain why the current mix is good for the company.

David advised that as transparency is paramount perhaps Directors should not be members of the Executive. He suggested there may be a communication problem between the company and those members who are more interested in the company's performance. He reiterated that all members have the right to question.

IT WAS RESOLVED THAT the Financial and Auditor's Reports for the year ended 30th June 2012 as presented be received – moved by Elsie and seconded by Suzanne - carried

Election of Auditor:

IT WAS RESOLVED THAT WHK (NZ) Limited be reappointed auditors for the ensuing year - moved by Brendan and seconded by Elsie - carried

General Business

The Chair advised the meeting that Haines Ellison had resigned as a director, and extended a vote of thanks to him for his contribution and participation in the company's affairs.

Brendan suggested that Rhodes Donald be invited to attend a Runaka meeting and explain the rationale behind the mix and range of investments.

Suzanne suggested the Directors consider how best to forward information to members.

Gisele proposed a vote of confidence in the Directors. This was seconded by Elsie and carried by the meeting.

There being no further business the Chair declared the meeting closed at 11.45pm.

Signed.....

Date.....

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New Zealand

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9 October 2013

The Directors
Pūketeraki Limited
By email

Dear Directors

Pūketeraki Limited - Investment Portfolio Commentary to 30 June 2013¹

We report to you on the investments we have managed for you over the past year.

In the year to 30 June 2013 your PHWM portfolio was up by \$70,462 (or 17%) to \$475,666. This strong performance was on the back of a poor year to June 2012 so it was pleasing to see markets rebound so strongly following the turmoil during the European debt crisis. Over the course of the year the media tended to change its focus from the lingering European debt crisis back toward the United States where the expectation is that the federal government will start to reduce its quantitative easing programme as their economy continues to improve.

Although we know that Europe is not out of the woods yet and America is dominating the headlines we also know that share markets are always looking forward and reacting to any new news that may impact share prices. We expect share markets to remain volatile as this is what they are designed to do. What we also know is that your investment portfolio is beautifully diversified so that you aren't overweighted to any particular country, sector, industry or company. You have eliminated the risk of the failure of a single investment or single country causing catastrophic damage to your portfolio.

As some sectors had grown faster than others over the year we rebalanced your portfolio in May 2013. This is a process whereby we sell some of the securities that have done well (taking profits) and use these funds to top up the securities that have underperformed. This keeps your portfolio in its agreed investment mix and prevents your portfolio from becoming overweighted to a particular sector.

At the same time as we rebalanced your portfolio we used this opportunity to further increase the diversification of our clients' portfolios by introducing the following securities:

Sector	Security
International Equities	iShares MSCI Emerging Markets
International Equities	DFA Global Core Equity – increased from 10% to 50% hedging
NZ Property	Goodman, Kiwi and Precinct Property Trusts

You manage the majority of your fixed interest securities at the bank. This has resulted in an overweight to NZ fixed interest at the expense of international fixed interest. As your overall mix is 60% growth/40% defensive we took the opportunity to rebalance the portfolio by selling growth securities (shares) to purchase international fixed interest (DFA Five Year Fixed Interest and the Global Bond Trust).

Performance of various investment classes – 1 July 2012 to 30 June 2013

International property	15.4%
International fixed interest	2.5%
New Zealand Fixed Interest	3.7%
New Zealand shares	31.2%
NZ Property	13.8%
Australian shares	9.4%
International shares	15.7%
Emerging market shares	8.0%

¹ This report covers the investments managed by Polson Higgs Wealth Management Limited. It does not include the property investment at 525 Blenheim Road, Christchurch, nor the fixed interest managed by the Company.

As you can see your NZ shares was your best performing asset class with 31.2% while your lowest return was from international fixed interest at 2.5%.

Performance since balance date 30 June 2013

Since balance date share markets have continued to rise. Your portfolio has gained \$17,340 (or 3.6%) since 30 June 2013 to \$493,006 (as at 9 October 2013). We are looking forward to another productive year ahead.

Thank you for your on-going business.

Kind regard

Polson Higgs Wealth Management Limited



PŪKETERAKI LIMITED
ANNUAL REPORT TO 30 JUNE 2013

VISION: To protect and grow the economic wealth of the Rūnaka to meet our charitable objectives, now and in the future.

MISSION: Pūketeraki Limited invests and manages the investment assets allocated by the Rūnaka in accordance with the Company's Constitution.

AIMS

- Provide regular levels of distribution to fund charitable services of the Rūnaka – half of the total income produced.
- Grow the capital faster than the rate of inflation over medium term (5-10years) – 5% above inflation.

COMPANY PROFILE

Directors: Katharina Ruckstuhl (Chairperson), Brendan Flack, Shelley Griffiths (Independent), Roger Wyeth, Hinerangi Ferrall-Heath

Company Secretary: Gerard Devereux

Investment Advisor: Polson Higgs Wealth Management (PHWM)

COMMENT FROM THE CHAIRPERSON

ANNUAL INVESTMENT PERFORMANCE COMMENTARY

The Company is pleased to report that the value of the Company's assets to the year to 30 June 2013 increased by 13% to \$723,283. This is pleasing considering the 4% decline in valuation at the same period last year. Making up the increased valuation was the investment portfolio managed by PHWM which was up by \$64,463 (or 16%) to \$475,666. The details of the portfolio managed by PHWM are given in the accompanying material.

The Company has maintained its portfolio mix of 40% "defensive" (funds that are relatively "low" risk such as property, government or company bonds and bank deposits) and 60% "growth" (sharemarket investments). The portfolio investments performed as follows:

Performance of various investment classes – 1 July 2012 to 30 June 2013

International property 15.4%

International fixed interest 2.5%

New Zealand Fixed Interest 3.7%

New Zealand shares 31.2%

NZ Property 13.8%

Australian shares 9.4%

International shares 15.7%

Emerging market shares 8.0%

As can be seen, the best performing asset was NZ shares with the worst being international and NZ fixed interest.

The investment in 525 Blenheim Road Limited yielded a consistent dividend receipt during the year of \$1,200 per share which amounted to \$6,000.

The Company holds shares in Kiwi Haka Limited which were assigned to the Company by the Incorporated Society. It is pleasing to note that post balance date Kiwi Haka Limited declared and paid a maiden dividend, of \$100 per share which amounted to \$500.

Governance

The Company held five meetings over the last financial year with one special meeting. Meeting attendance was as follows:

Ruckstuhl – 5/5	Ferrall-Heath -2/5	Wyeth – 1/1
Flack – 5/5	Griffiths – 4/5	

During the year, the Company reviewed all its key policies and guidelines at the special meeting. These documents are reviewed periodically, with the Statement of Investment Policies and Objectives and the Strategic Plan reviewed annually. These policies and guidelines guide the Directors' investment and operational procedures.

While there were no major changes in investment policy, the Company has been seeking from the Shareholder (the Incorporated Society) clearer guidelines as to their expectations of the Company. This will help to clarify such things as reporting, information flows and other issues.

The Company has also discussed the extent to which the Shareholder has a requirement for a direct annual return. The Shareholder has informed the Company that it does not require a cash repayment or dividend for the 2013 financial year. This discussion is ongoing.

Finally, the Company wishes to acknowledge the commitment of two directors who are stepping down. Shelley Griffiths has been our independent director since the inception of the Company. Her knowledge of Company Law as well as her Board experience has been invaluable to the Company. Brendan Flack has been a Director since 2008 and his broad understanding of the runaka has been appreciated. On the behalf of the Company, I would like to thank both of them.

With the resignation of Shelly and Brendan, the Company is now seeking an independent Director and another runaka Director. The process for this is undertaken by the Shareholder in line with its regulations.

RESOLUTIONS

1. That Kati Huirapa Runaka ki Puketeraki receive the Annual Audited Accounts and Annual Company Report.
2. That Kati Huirapa Runaka ki Puketeraki appoint Crowe Horwath as Auditors in 2014.

ACCOMPANYING DOCUMENTS

1. Audited Accounts
2. Polson Higgs Wealth Management Report

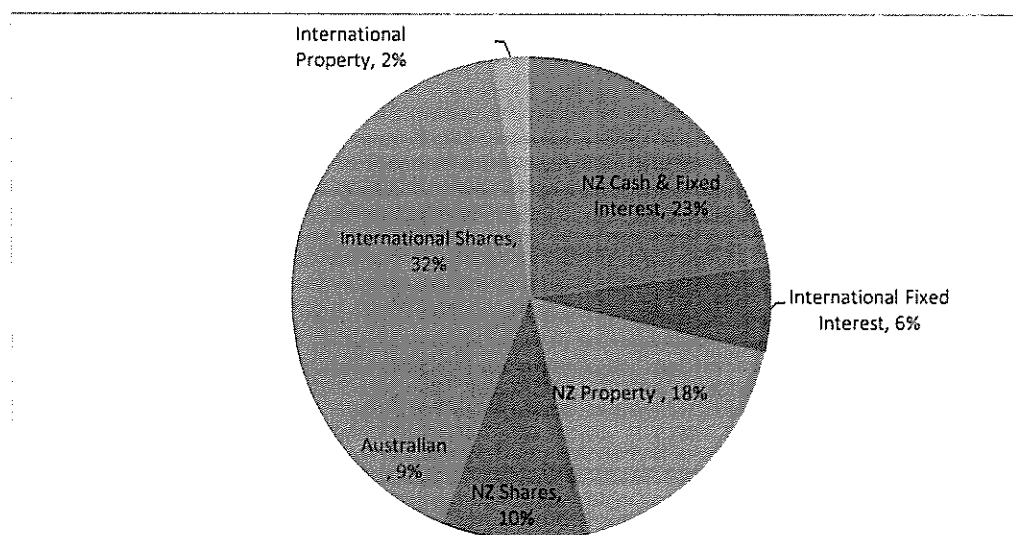
Valuation of Overall Investments, Pūketeraki Limited

As at 30 June 2013

			\$	%
NZ Cash & Fixed Interest				
Pūketeraki Ltd - Term Deposits (includes allocation to direct business)			\$147,481	21%
PHWM	CMT	\$2,356	\$14,850	2%
	Dominion	\$0		
	Aegis Cash	\$12,494		
International Fixed Interest	DFA 5yr DFIT	\$20,619	\$41,108	6%
	DFA Global Bond Trust	\$20,489		
Total Defensive			\$203,439	29%
NZ Property	525 Blenheim Road		\$88,327	12%
NZ Property	Goodman Property Trust	\$12,711	\$36,541	5%
	Kiwi Income Property Trust	\$12,540		
	Precinct Properties NZ	\$11,290		
NZ Shares	SmartFONZ		70,621	10%
Australian Shares	DFA Aust Large	\$20,243	\$66,663	9%
	DFA Aust Small	\$13,128		
	DFA Aust Value	\$33,292		
International Shares	DFA Emerging Market	\$17,678	\$228,510	32%
	DFA Global Core	\$112,784		
	DFA Global Small	\$16,866		
	DFA Global Value	\$63,925		
	iShares MSCI EM	\$17,257		
International Property	DFA Global Real Estate		\$17,373	2%
Total Growth			\$419,708	59%
Overall Total Investments			\$711,474	100%
Change over past year, at 30 June 2012			\$640,147	12.0%
The PHWM portfolio returned 17% for the year to 30 June 2013.				
The overall 12% return is after fees and excludes the running costs of the company.				

Overall Mix for Pūketeraki Limited's Investments

As at 30 June 2013



The current mix for the overall company portfolio is 59% growth/41% defensive (assuming NZ Property is defensive)

PUKETERAKI LIMITED

ANNUAL REPORT

FOR THE YEAR ENDED 30 JUNE 2013

**PUKETERAKI LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013**

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**PUKETERAKI LIMITED
COMPANY DIRECTORY
FOR THE YEAR ENDED 30 JUNE 2013**

NATURE OF BUSINESS:	Puketeraki Limited is a charitable company which aims to benefit members of Kati Huirapa Runaka ki Puketeraki and the associated community in the Otago rōhe.
REGISTERED OFFICE:	121 Grimness Street Karitane Otago
INCORPORATION NO.:	1581079
DATE OF FORMATION:	2nd December 2004
IRD NO.:	89-509-572
CHARITIES COMMISSION REGISTRATION NO.:	CC38391
DATE OF REGISTRATION:	30 June 2008
DIRECTORS:	Katharina Ruckstuhl Shelley Griffiths Brendan Richard Flack Hinerangi Ferrall-Heath Haines Peter John Ellison (resigned 5 November 2012) Roger Sinclair Erihana Wyeth (appointed 11 April 2013)
CAPITAL:	One Ordinary Share
SHAREHOLDER:	Kati Huirapa Runaka ki Puketeraki Incorporated
AUDITOR:	Crowe Horwath P.O.Box 188 DUNEDIN 9054
BANKER:	Westpac Banking Corporation Moray Place Branch P.O.Box 5432 DUNEDIN 9058
SOLICITOR:	Anderson Lloyd Lawyers Private Bag 1959 DUNEDIN 9054

**PUKETERAKI LIMITED
FINANCIAL RESPONSIBILITY STATEMENT
FOR THE YEAR ENDED 30 JUNE 2013**

The Board of Directors is responsible for preparing the Annual Report which contains the financial statements of Puketeraki Limited as at 30 June 2013, and ensuring that they comply with generally accepted accounting practice in New Zealand and give a true and fair view of the financial position of Puketeraki Limited as at 30 June 2013 and the results of their operations for the year ended on that date.

The Board of Directors considers that the financial statements of Puketeraki Limited 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 Board of Directors believe that proper accounting records have been kept which enable, with reasonable accuracy, the determination of the financial position of Puketeraki Limited and facilitate full compliance of the financial statements with the Financial Reporting Act 1993.

The Board of Directors considers that they have taken adequate steps to safeguard the assets of Puketeraki Limited, 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 and reliability of the financial statements.

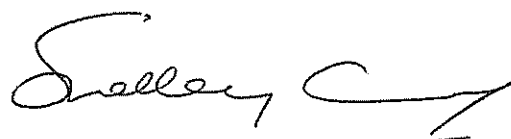
The Board of Directors is pleased to present the Annual Report which contains the financial statements of Puketeraki Limited for the year ended 30 June 2013.

For and on behalf of the Board of Directors

Director:



Director:



Date:

11.10.2013

Date:

14-10-2013

PUKETERAKI LIMITED
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2013

	<i>Note</i>	2013	2012
		\$	\$
REVENUE			
Dividends Received		6,000	6,000
Interest Received		7,444	19,563
Movement in Managed Funds		77,580	(32,928)
Equity Accounted Earnings of 525 Blenheim Road Limited		10,869	(5,297)
TOTAL REVENUE		<u>101,893</u>	<u>(12,662)</u>
EXPENDITURE			
Audit Fee		3,025	2,556
Directors Fees		1,400	980
Fees paid to Financial Advisers		7,117	5,996
General Expenses		96	184
Secretarial Fee		9,157	6,784
Travelling Expenses		93	63
TOTAL EXPENDITURE		<u>20,888</u>	<u>16,563</u>
<u>NET SURPLUS (LOSS)</u>		<u><u>81,005</u></u>	<u><u>(29,225)</u></u>



PUKETERAKI LIMITED
STATEMENT OF MOVEMENTS IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2013

	2013 \$	2012 \$
OPENING EQUITY	392,734	421,959
Net Surplus (Loss) for the year	81,005	(29,225)
TOTAL RECOGNISED REVENUES AND EXPENSES	<u>81,005</u>	<u>(29,225)</u>
<u>CLOSING EQUITY</u>	<u>473,739</u>	<u>392,734</u>



PUKETERAKI LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2013

	<i>Note</i>	2013 \$	2012 \$
EQUITY		<u>473,739</u>	<u>392,734</u>
REPRESENTED BY:			
CURRENT ASSETS			
Cash at Bank - Westpac		5,439	5,468
Interest Accrued		3,355	2,156
Investments (managed by Polson Higgs Wealth Managment Limited)	6	12,494	8,859
Investments (Fixed Interest Term Deposits with Westpac)	7	77,002	63,262
TOTAL CURRENT ASSETS		<u>98,291</u>	<u>79,745</u>
NON CURRENT ASSETS			
Equity Accounted Investment - 525 Blenheim Road Limited		91,341	80,472
Investments (managed by Polson Higgs Wealth Managment Limited)	6	463,172	402,344
Investments (Fixed Interest Term Deposits with Westpac)	7	70,479	79,741
TOTAL NON CURRENT ASSETS		<u>624,992</u>	<u>562,557</u>
TOTAL ASSETS		<u>723,283</u>	<u>642,302</u>
CURRENT LIABILITIES			
Accounts Payable		3,119	3,143
Advance from Kati Huirapa Runaka ki Puketeraki Inc	5	246,425	246,425
TOTAL CURRENT LIABILITIES		<u>249,544</u>	<u>249,568</u>
<u>NET ASSETS</u>		<u>473,739</u>	<u>392,734</u>



PUKETERAKI LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

NOTE 1 STATEMENT OF ACCOUNTING POLICIES

Reporting Entity

Puketeraki Limited is a company registered under the Companies Act 1993 and the Charities Act 2005. The company is a reporting entity for the purposes of the Financial Reporting Act 1993 and its financial statements comply with that Act.

The financial statements comprise statements of the following: accounting policies; financial performance; movements in equity; financial position; as well as the notes to these statements contained on pages 6 to 8 of this Annual Report.

Measurement Base

The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand and in accordance with the requirements of the Financial Reporting Act 1993 and the Companies Act 1998.

These financial statements have been prepared on the basis of historical cost except for the revaluation of investments as detailed below.

Specific Accounting Policies

Goods and Services Tax

Puketeraki Limited is not registered for GST. Consequently all amounts are shown inclusive of GST.

Polson Higgs Wealth Management Managed Investments

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

Impairment of Investments

If in the Directors 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

Investment in 525 Blenheim Road Limited

Puketeraki Limited has a 5.5% interest in this company.

The investment in 525 Blenheim Road Limited is recorded at the Directors' opinion of fair value. Movements in fair value are reflected in the Statement of Financial Performance.

Taxation

Puketeraki Limited is registered with the Charities Commission and is therefore exempt from income tax.

Differential Reporting

The company is an entity qualifying for differential reporting exemptions as it has no public accountability and no separation of ownership and the governing body. All available differential reporting exemptions allowed under the framework for differential reporting have been adopted.



PUKETERAKI LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

Changes in Accounting Policies

There have been no changes in accounting policies and they have been applied on a basis consistent with the prior year.

NOTE 2 RELATED PARTIES

Puketeraki Limited is a wholly owned subsidiary of Kati Huirapa Runaka ki Puketeraki Incorporated.

NOTE 3 CAPITAL

	2013	2012
	\$	\$
One ordinary share (issued for nil consideration)	-	-

NOTE 4 CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

The entity has no capital commitments or contingent liabilities at balance date. (2012 Nil)

NOTE 5 ADVANCE FROM KATI HUIRAPA RUNAKA ki PUKETERAKI INC

This advance is interest free and repayable on demand.

	2013	2012
	\$	\$
Balance at the beginning of the year	246,425	251,425
Repaid during the year	-	(5,000)
Balance as at balance date	<u>246,425</u>	<u>246,425</u>



PUKETERAKI LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

NOTE 6 POLSON HIGGS WEALTH MANAGEMENT MANAGED INVESTMENTS

CURRENT	30 Jun 2013	30 Jun 2012
	\$	\$
Cash Accounts	12,494	8,777
Dominion Finance Term Debenture	-	82
	<u>12,494</u>	<u>8,859</u>
 NON-CURRENT	 30 Jun 2013	 30 Jun 2012
	\$	\$
Equity Investments	390,195	325,416
Canterbury Mortgage Trust - Debenture	2,356	3,141
NZX50 Portfolio Index Fund - FONZ	70,621	73,787
	<u>463,172</u>	<u>402,344</u>
 TOTAL INVESTMENTS	 <u>475,666</u>	 <u>411,203</u>

NOTE 7 DEPOSITS

CURRENT	30 Jun 2013	30 Jun 2012
	\$	\$
Westpac Banking Corporation	77,002	63,262
	<u>77,002</u>	<u>63,262</u>
 NON-CURRENT	 30 Jun 2013	 30 Jun 2012
	\$	\$
Westpac Banking Corporation	70,479	79,741
	<u>70,479</u>	<u>79,741</u>
 TOTAL DEPOSITS	 <u>147,481</u>	 <u>143,003</u>



**PUKETERAKI LIMITED
STATUTORY INFORMATION
FOR THE YEAR ENDED 30 JUNE 2013**

FEES PAID TO AUDITORS

Total audit fees paid by Puketeraki Limited	\$3,025
Total fees paid to auditors for other services provided to Puketeraki Limited	-

DIRECTORS' REMUNERATION

The directors received remuneration from the company of \$1,400 during the year ended 30 June 2013 (2012 \$980).

EMPLOYEE REMUNERATION

The company does not have any employees earning remuneration in excess of \$100,000 (2012 Nil).

DONATIONS

The company paid no donations during the year ended 30 June 2013 (2012 Nil).

INDEPENDENT AUDITOR'S REPORT

To the Shareholder of Puketeraki Limited

Report on the Financial Statements

We have audited the Financial Statements of Puketeraki Limited on pages 3 to 8, which comprise the Statement of Financial Position as at 30 June 2013, the Statement of Financial Performance, and Statement of Movements in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Director's Responsibility for the Financial Statements

The Directors are responsible for the preparation of Financial Statements in accordance with generally accepted accounting practice in New Zealand and that give a true and fair view of the matters to which they relate; this includes the design, implementation and maintenance of internal control relevant to the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Financial Statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Financial Statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the Financial Statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, as well as evaluating the presentation of the Financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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

Opinion

In our opinion, the Financial Statements on pages 3 to 8:

- comply with generally accepted accounting practice in New Zealand;
- give a true and fair view of the financial position of Puketeraki Limited as at 30 June 2013 and the results of its operations for the year ended on that date.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of sections 16(1)(d) and 16(1)(e) of the Financial Reporting Act 1993, we report that:

- we have obtained all the information and explanations that we have required; and
- in our opinion proper accounting records have been kept by the company as far as appears from an examination of those records.

A handwritten signature in black ink that reads "Crowe Horwath". The signature is written in a cursive, flowing style.

Crowe Horwath New Zealand Audit Partnership
CHARTERED ACCOUNTANTS
14 October 2013

Kāti Huirapa Rūnaka ki Puketeraki Trust

KATI HUIRAPA RUNAKA KI PUKETERAKI TRUST

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

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Statement of Movements in Equity	2
Statement of Financial Position	3
Notes to the Financial Statements	4
Auditors' Report	5

KATI HUIRAPA RUNAKA KI PUKETERAKI TRUST

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2013**

	2013 \$	2012 \$
Revenue	Nil	Nil
Operating Surplus/(Deficit) for the Year	Nil	Nil

KATI HUIRAPA RUNAKA KI PUKETERAKI TRUST

**STATEMENT OF MOVEMENTS IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2013**

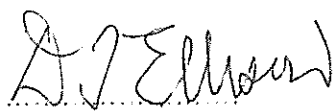
	2013 \$	2012 \$
Opening Equity	Nil	Nil
Total Recognised Revenue and Expenses	Nil	Nil
Closing Equity	Nil	Nil

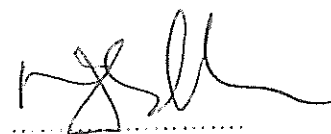


KATI HUIRAPA RUNAKA KI PUKETERAKI TRUST

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2013

	2013 \$	2012 \$
Equity Account	Nil	Nil
Represented by:		
Land – Coastal Road, Karitane	17,103	17,103
Land – Old School Property	8,979	8,979
Building – Old School Property	38,907	38,907
	64,989	64,989
Less Term Liability		
Advance – Kati Huirapa Runaka (Inc)(interest free)	64,989	64,989
Assets Less Liability	Nil	Nil


Trustee


Trustee

Date: 8 Oct 13

14.10.13

KATI HUIRAPA RUNAKA KI PUKETERAKI TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

1. STATEMENT OF ACCOUNTING POLICIES

Basis of Reporting

Kati Kuirapa Runaka ki Puketeraki Trust is registered under the Charitable Trusts Act 1957.

These financial statements are general purpose financial reports which have been prepared recognising the framework for differential reporting issued by the Institute of Chartered Accountants of New Zealand. In the opinion of the Committee, the Trust qualifies for differential reporting as it has no public accountability and is not considered large within the terms of reference in paragraph 4.23 of the framework for differential reporting.

The Trust has taken advantage of all available differential reporting exemptions.

The financial statements have been prepared on the basis of historical cost.

Goods and Services Tax

The Trust is not registered for Goods and Services Tax.

Fixed Assets

Fixed assets are recorded at cost and are not depreciated.

Changes in Accounting Policies

There have been no changes in accounting policies. All policies have been applied on bases consistent with those used in previous years.

2. KATI HUIRAPA RUNAKA KI PUKETERAKI

The old school property and the Coast Road property have been purchased from the Kati Huirapa Runaka ki Puketeraki. 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.

3. CONTINGENT LIABILITIES & CAPITAL COMMITMENTS

The Trust has no contingent liabilities or capital commitments at balance date (2012 \$Nil).

4. RELATED PARTY TRANSACTION

Except as noted in Note 2 above there have been no other related party transactions.

AJE

INDEPENDENT AUDITOR'S REPORT

To the Trustees of the Kati Huirapa Runaka ki Puketeraki Trust (the "Trust")

Report on the Financial Statements

We have audited the financial statements of the Kati Huirapa Runaka ki Puketeraki Trust on pages 2 to 4 which comprise the Statement of Financial Position as at 30 June 2013, and the Statement of Financial Performance for the year then ended, and a summary of significant accounting policies and other explanatory information.

Trustees' Responsibility for the Financial Statements

The Trustees are responsible for the preparation of these financial statements in accordance with generally accepted accounting practice in New Zealand and that give a true and fair view of the matters to which they relate, and for such internal control as the Trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view of the matters to which they relate in order to design audit procedure that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on the financial position and financial performance.

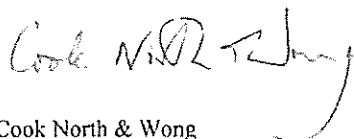
Other than in our capacity as auditor we have no relationship with or interests in the Trust.

Qualified Opinion

We have obtained all the information and explanations we have required.

As stated in note 1 on page 4, the Trust has not provided for depreciation on buildings. This is a departure from New Zealand Financial Reporting Standard 3 (FRS-3), which requires that depreciation be charged as an expense in the statement of financial performance so as to allocate the cost of the buildings over their useful lives.

In our opinion, except for the departure from FRS 3 as outlined above the financial statements on pages 2 to 4 give a true and fair view of the financial position of the Trust as at 30 June 2013 and its financial performance for the year ended on that date.



Cook North & Wong
Dunedin
14 October 2013

Restriction of Distribution or Use

This report is made solely to the Trust, as a body. Our audit work has been undertaken so that we might state to the Trust those matters which we are required to state to them in an auditors' 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 Trust, as a body for our audit work, for this report or for the opinions we have formed.