

# Kāti Huirapa Rūnaka ki Puketeraki

**ANNUAL REPORT**  
**2022 - 2023**





**ANNUAL GENERAL MEETING: PUKETERAKI MARAE SUNDAY 5TH NOVEMBER 2023 starting at 10am**

**Zoom meeting link**

<https://us02web.zoom.us/j/7057003364?pwd=N2FNbk5rSm5SOEVOU1A4elpMTFVqdz09>

Meeting ID: 705 700 3364      Passcode: korero

Zoon Dial-in number - +64 9 884 6780, +64 3 659 0603 and +64 4 886 0026

Meeting ID: 705 700 3364      Passcode: 756921

Cover page-

View of Hikaroroa in the distance as seen through the waharoa at Puketeraki Marae.

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Taramea Fragrance Limited

**TARAMEA FRAGRANCE LIMITED****ANNUAL GENERAL MEETING****5th NOVEMBER 2023****AGENDA**

- 1 Mihi
- 2 Karakia
- 3 Apologies
- 4 Chairperson's Report
- 5 Performance Report
- 7 Adoption of Annual Report
- 8 Appointment of Auditor
- 9 Other Business

## Taramea Fragrance Limited

### Minutes of the Annual General Meeting – Hui a Tau Held on 10.26am, Sunday 6 November 2022 At Puketeraki Marae

Present: Jeffrey Broughton (Chair), Katharina Ruckstuhl

Representatives of the Shareholder:

Matapura Ellison (chair), Suzanne Ellison, David Thomas, Jennifer Thomas, Graeme Thomas, Marlene McDonald, Shane Te Raki, Gisele Laven, Katharina Ruckstuhl, Carolyn Campbell, Emma Wyeth, Roger Wyeth, Jeffrey Broughton, Fiona Curd, Jason Te Raki, Phil Broughton, Kiri Parata, Zayia Parata, Brendan Flack, Brenda Van Strik, Betty Apes, Ann Bateman, Kate Bateman (by video), Shane Ellison (by video).

Nga mate o te tau:

Queen Elizabeth II, Peter Ramsden, Keri Hulme, Maika Mason, Marama Kupa, Tā Wira Gardiner, Paul Ropata, Lex Kent, Joy McLeod, Hawea Ellison, Dame Aroha Reriti-Crofts, Hariata Manawatu, Margaret Henderson, Hohepa Briggs, Alan te Raki, Terry Ryan, Tui Tau, Garrow Grant.

Apologies:

David Ellison, Pat Newman, Suzanne Smith, Jenny Smith, Peter Ellison, Adam Keane, Jo Keane, Phyllis Smith, Colin Ellison, Mauraka Edwards, Marewa Preddy, George Tripp, Bridget Stewart, Caroline Ruckstuhl. Ritchie Smith, Sam Inglis, Bridget Giesen, Suzi Flack, Waiariki Parata Taiapa, Te Anahera Parata, Hinerangi Ferrall Heath, David Thomas Jnr, Rauhina Scott Fyfe, Ron McLachlan, Jody Hohaia, Ian Brown.

In attendance: Vivienne Seaton (Company Secretary)

**1.0 Mihi whakatau:** Matapura Ellison

**2.0 Karakia tīmata:** Matapura Ellison

**3.0 Minutes of the Annual General Meeting held on 7 November 2021**

*It was moved (Katharina Ruckstuhl, seconded Fiona Curd) that the minutes of the annual general meeting held on 7 November 2021. Carried.*

**4.0 Chair's report**

The Chair's report was noted.

J Broughton recorded thanks to B Giesen for her significant work for the Company.

He noted that the Company's initial plan had been to sell to gift outlets, mainly for the Chinese tourism market. However, since tourism was impacted by the Covid19 pandemic, the Company has been in a holding pattern and just 226 units were sold in the year to 30 June 2022, with 2,500 held in stock.



Expenses have been well managed during the period with a loss of just \$233 recorded. During the year, funding was obtained to support marketing initiatives on social media and a recent item on the television news programme, Seven Sharp, was also noted.

The Incorporated Society initially advanced \$150k for this start-up Company and that funding has been utilised. Further Crown funding opportunities are being pursued to assist with research and product development.

Looking forward, the Board is considering various options for the business, including reviewing the product lines and possible partnering opportunities with the key focus on identifying the best product / market fit. That has included considering marketing research on the high-end New York fragrance market.

## **5.0 Financial report for the year to 30 June 2022**

*It was moved (Jeffrey Broughton, seconded Carolyn Campbell) to adopt the audited financial report for the year to 30 June 2022. Carried.*

## **6.0 Appointment of auditor**

*It was moved (Philip Broughton, seconded Emma Wyeth) to appoint Audit Professionals as auditor for the year to 30 June 2023. Carried.*

The meeting closed at 10.26 am.

Signed.....

Date .....

## **TARAMEA FRAGRANCE LIMITED - CHAIRPERSON'S REPORT**

The 2023 financial year has showed some positive signs for Taramea Fragrance Limited and the operation is getting close to covering its operations with revenue generation.

A breakeven would have been achieved but for a requirement to renew some packaging at short notice to maintain supplier to retailers. Our retail presence has continued to strengthen with support provided by the Rūnaka office and sales growing organically without a sales force. We continue to grow and reactivate retail partners and see sales continue through our online presence.

We raised our profile through a segment on Seven Sharp which enabled us to highlight Taramea as a fragrance ingredient and we will continue to grow this awareness over the year. We would like to plan for a harvest with Puketeraki whanau in March 2024.

Nā Bridget Giesen, Chairperson.





**TARAMEA FRAGRANCE LIMITED**

**PERFORMANCE REPORT**

**FOR THE YEAR ENDED 30 JUNE 2023**

# **TARAMEA FRAGRANCE LIMITED**

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## **Independent Auditor's Report**

to the Shareholder of Taramea Fragrance Limited

### **Our Qualified Opinion**

We have audited the financial statements of Taramea Fragrance Limited (the Company) which comprise the statement of financial position as at 30 June 2023 and the statement of financial performance, statement of movements in equity and statement of cash flows for the year then ended, and notes to the financial statements which include a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present, in all material respects, the financial position of the Company as at 30 June 2023 and its financial performance and cash flows for the year ended on that date in accordance with the accounting standard, Public Benefit Entity Simple Format Reporting-Accrual (Not-For-Profit).

### **Basis for Qualified Opinion**

Control over the revenues from the sales of Mea Fragrance prior to being banked is limited. It was not practicable to extend our examination of such income beyond the accounting for amounts received as shown by the accounting records of the Company, or to determine the effect of the limited control.

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 Company 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 the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants (IESBA Code)*, 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 qualified opinion.

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

### **Information Other than the Financial Statements and Auditor's Report**

Other information included in the Annual Report with the financial statements comprises the entity information and statement of service performance. The Directors are responsible for this other information. Our qualified opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. We are required to report any misstatement of other information. We have nothing to report in this regard.

### **Directors' Responsibilities for the Financial Statements**

The Directors are responsible, on behalf of the Company, for the preparation and presentation of the financial statements in accordance with the accounting standard, Public Benefit Entity Simple Format Reporting-Accrual (Not-For-Profit) and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

A further description of our responsibilities for the audit of the financial statements is located on the External Reporting Board website: [https://xrb.govt.nz/Site/Auditing\\_Assurance\\_Standards/Current\\_Standards/Page8.aspx](https://xrb.govt.nz/Site/Auditing_Assurance_Standards/Current_Standards/Page8.aspx)

### **Material Uncertainty Related to Going Concern**

We draw attention to note 8 in the financial statements which states that the Company's liabilities exceed its assets at 30 June 2023. As stated in note 8, these events or conditions, along with other matters as stated in note 8, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

This report is made solely to the Company's shareholder. Our audit work has been undertaken so that we might state to the shareholder those matters which we are required to state 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 Company and the Company's shareholder, for our audit work, for this report or for the opinions we have formed.

*Audit Professionals Limited*  
Chartered Accountants  
2 October 2023

Dunedin



# TARAMEA FRAGRANCE LIMITED

## ENTITY INFORMATION

FOR THE YEAR ENDED 30 JUNE 2023

<b>Legal Name:</b>	Taramea Fragrance Limited
<b>Type of Entity:</b>	<p>Taramea Fragrance Limited is a Company registered under the Companies Act 1993.</p> <p>It is a subsidiary of Puketeraki Limited.</p> <p>The Company was incorporated in October 2019 and commenced trading from that date.</p>
<b>Registration Number:</b>	<p>Company: 7732337</p> <p>Charities Services: CC57509</p> <p>Inland Revenue: 130-265-901</p>
<b>Nature of Business</b>	This is the development, manufacture and marketing of fragrances based on the Taramea plant, using the brand name of MEA.
<b>The Entity's Mission:</b>	<p>The story of Taramea as displayed on the packaging:</p> <p>"Taramea is an ancient native fragrance of New Zealand. For centuries our Ngai Tahu ancestors climbed into the mountains, passing glacial lakes, and travelled through alpine forests to harvest Taramea. They plaited the leaves and heated them over many days to extract the aromatic resin.</p> <p>This treasure was highly sought after and traded throughout Aotearoa. Today MEA is sustainably hand-harvested from these same southern lands and blended with the highest quality fragrance ingredients to bring our traditions to you."</p> <p>The beneficiaries of the Company's success are the registered members of Kati Huirapa Runaka ki Puketeraki by sharing these beautiful fragrances and their Māori cultural history with both New Zealand and international visitors.</p> <p>This is the Company's mission.</p>
<b>Company Structure:</b>	<p>The Constitution does not limit the number of directors.</p> <p>There are currently five directors.</p> <p>Directors during the year are:</p> <p>Jeffrey Broughton</p> <p>Katharina Ruckstuhl</p> <p>Samuel Inglis</p> <p>Richie Smith</p> <p>Bridget Giesen</p> <p>The accounting and secretarial requirements are performed by a paid contractor.</p>
<b>Contact Details:</b>	<p>Physical Address: 128 Stornaway Street, Karitane</p> <p>Postal Address: c/- Karitane Store, Karitane 9440</p> <p>Phone: (03) 465 7300</p> <p>Email: <a href="mailto:manager@puketeraki.nz">manager@puketeraki.nz</a></p>

# TARAMEA FRAGRANCE LIMITED

## ENTITY INFORMATION (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023

**Main Source of Cash  
and Resources:**

Sales of product and related party borrowings.

**Main Methods Used  
to Raise Funds:**

Marketing of product.

**Reliance on Volunteers:**

The Company relies on gifts of volunteer time and expertise to complete work in many essential roles such as governance work.

# TARAMEA FRAGRANCE LIMITED

## STATEMENT OF SERVICE PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2023

### Description of the Entity's Outcomes:

Through the hand-harvesting of the leaves of the taramea plant, and the development, manufacture and marketing of the resulting fragrances, to share Māori cultural history with both New Zealand and international visitors.

### Description and Quantification of the Entity's Outputs:

	<b>2023</b>	<b>2022</b>
	<b>Units</b>	<b>Units</b>
Sales to June	232	226
Budgeted sales per quarter 415 units	1,660	1,660



# TARAMEA FRAGRANCE LIMITED

## APPROVAL OF FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2023

The Board of Directors is responsible for preparing the Annual Report which contains the financial statements of Taramea Fragrance Limited as at 30 June 2023, and ensuring that they comply with the stated accounting policies of the Company, and fairly reflect the financial position of Taramea Fragrance Limited as at 30 June 2023, and the results of its operations for the year ended on that date.

The Board of Directors considers that the financial statements of Taramea Fragrance 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 Taramea Fragrance Limited.

The Board of Directors considers that they have taken adequate steps to safeguard the assets of Taramea Fragrance 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.

In accordance with Section 211 (3) of the Companies Act 1993 the Company's Shareholder has agreed that the disclosures in paragraphs (a) and (e) to (j) of Section 211 (1) of the Act are not required.

**The Board of Directors is pleased to present the Annual Report which contains the financial statements of Taramea Fragrance Limited for the year ended 30 June 2023.**



Director

29 September 2023

Date



Director

29 September 2023

Date

# TARAMEA FRAGRANCE LIMITED

## STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2023

	Notes	2023 \$	2022 \$
<b>REVENUE</b>			
Revenue from Providing Goods or Services			
Sales of Mea Fragrance		9,055	5,773
		<u>9,055</u>	<u>5,773</u>
<b>Total Revenue</b>		<u>9,055</u>	<u>5,773</u>
<b>LESS EXPENSES</b>			
Cost of Providing Goods or Services			
Audit Fee		500	500
Bank Fees and Charges		203	197
Commission		188	-
Consulting & Accounting		905	2,615
Cost of Sales	1	1,353	1,318
General Expenses		10	44
Management Services		934	-
Packaging		4,350	-
Postage		360	206
Printing & Stationery		12	-
Rent		391	-
Stocks Written Off	1	1,369	-
Website		1,436	1,126
		<u>12,011</u>	<u>6,006</u>
<b>Total Expenses</b>		<u>12,011</u>	<u>6,006</u>
<b>(Deficit) for the year</b>		<u>(2,956)</u>	<u>(233)</u>

# TARAMEA FRAGRANCE LIMITED

## STATEMENT OF MOVEMENTS IN EQUITY FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023 \$	2022 \$
<b>Revenue and Revaluations</b>			
(Deficit) for the year		(2,956)	(233)
<b>Total Revenues and Revaluations</b>		<u>(2,956)</u>	<u>(233)</u>
<b>Equity at the Beginning of the Year (Deficit)</b>		(35,141)	(34,908)
<b>Capital Introduced</b>	3	-	-
		<u>(38,097)</u>	<u>(35,141)</u>
Less Dividends Paid		-	-
<b>Equity at the End of the Year (Deficit)</b>		<u><u>(38,097)</u></u>	<u><u>(35,141)</u></u>

# TARAMEA FRAGRANCE LIMITED

## STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

	Notes	2023 \$	2022 \$
<b>Current Assets</b>			
Westpac Current Account		14,616	16,646
Accounts Receivable		851	-
Stock on Hand	2	12,978	15,700
GST Refund due		530	52
<b>TOTAL ASSETS</b>		<b>28,975</b>	<b>32,398</b>
<b>Current Liabilities</b>			
Accounts Payable		113	102
Sundry Creditors		500	1,480
		613	1,582
<b>Long Term Liabilities</b>			
Advances:			
Kati Huirapa Runaka ki Puketeraki Incorporated	7	61,174	60,672
Puketeraki Limited	7	5,285	5,285
		66,459	65,957
<b>TOTAL LIABILITIES</b>		<b>67,072</b>	<b>67,539</b>
<b>NET (LIABILITIES)</b>		<b>(38,097)</b>	<b>(35,141)</b>
<b>EQUITY</b>			
Paid up Share Capital	3	100	100
Accumulated Deficits	4	(38,197)	(35,241)
<b>TOTAL EQUITY - (DEFICIT)</b>	8	<b>(38,097)</b>	<b>(35,141)</b>

# TARAMEA FRAGRANCE LIMITED

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2023

	2023 \$	2022 \$
<b>Cash flow from Operating Activities</b>		
<i>Cash was provided from/(applied to):</i>		
Receipts - sales of goods or services	8,202	5,773
Payments	(10,256)	(7,120)
Net movement in GST	(478)	120
<b>Net cash from/(used in) operating activities</b>	<b>(2,532)</b>	<b>(1,227)</b>
<b>Cash from Financing Activities</b>		
<i>Cash was provided from/(applied to):</i>		
Advance from Related Party	502	-
Repayment of Advance	-	(929)
<b>Net cash from/(used in) financing activities</b>	<b>502</b>	<b>(929)</b>
<b>Net (decrease) in cash</b>	<b>(2,030)</b>	<b>(2,156)</b>
Cash at beginning of the year	16,646	18,802
<b>Cash at the end of the year</b>	<b>14,616</b>	<b>16,646</b>
<b>Cash held in Bank Account at 30 June 2023</b>	<b>14,616</b>	<b>16,646</b>

# TARAMEA FRAGRANCE LIMITED

## STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 30 JUNE 2023

### Reporting Entity

Taramea Fragrance Limited is a Company incorporated in New Zealand and registered under the Companies Act 1993. The Company is also a registered charity and is eligible and has elected to apply the Tier 3 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 less than \$2,000,000 for the most recent reporting periods.

Taramea Fragrance Limited is involved in the business of perfumery.

### Statement of Compliance and Basis of Preparation

The accounting principles recognised as appropriate for the measurement and reporting of the Statement of Financial Performance and Statement of Financial Position on an historical cost basis, using the accrual basis of accounting, are followed by the company. The information is presented in New Zealand dollars. It is assumed that the Company will continue as a going concern.

### Specific Accounting Policies

The following specific accounting policies which materially affect the measurement of the Statement of Financial Performance and Statement of Financial Position have been applied.

#### a) Revenue

Revenue is recognised when product is sold to customers.

#### b) Expenses

Expenses have been classified on their business function.

#### c) Accounts Receivable

Accounts Receivable are recognised at estimated realisable value.

#### d) Plant and Other Assets

The Company owns no capital assets.

#### e) Stock on Hand

Stock on hand is recorded at cost price.

#### f) Income Tax

Due to its Charitable Status no income tax is payable.

#### g) Goods and Services Taxation (GST)

The Company is registered for GST. Revenues and expenses have been recognised in the financial statements exclusive of GST except that irrecoverable GST input tax has been recognised in association with the expense to which it relates. All items in the Statement of Financial Position are stated exclusive of GST except for receivables and payables which are stated inclusive of GST.

### Changes in Accounting Policies

There have been no changes in accounting policies. Policies have been applied on a consistent basis with those of the previous period.



# TARAMEA FRAGRANCE LIMITED

## NOTES TO THE PERFORMANCE REPORT FOR THE YEAR ENDED 30 JUNE 2023

<b>NOTE 1</b>	<b>COST OF SALES</b>	<b>2023</b>	<b>2022</b>
	The Cost of Sales consists of:	\$	\$
	Distillation and Harvest	-	-
	Testing MEA	-	-
		<u>-</u>	<u>-</u>
	Plus Opening Stock	15,700	17,018
	Less Closing Stock	<u>(12,978)</u>	<u>(15,700)</u>
		<u><b>2,722</b></u>	<u><b>1,318</b></u>

The \$2,722 cost of sales comprise \$1,353 normal costs (2022: \$1,318) and \$1,369 for stocks that had passed their expiry date and needed to be written off.

### NOTE 2 STOCK ON HAND

Taramea and Water	1,258		1,376	
Taramea and Wood	864		974	
Taramea and Herb	7		50	
Dark Skies	<u>97</u>		<u>293</u>	
	2,226 @ \$5.83	<u>12,978</u>	2,693	<u>15,700</u>
		<u><b>12,978</b></u>		<u><b>15,700</b></u>

### NOTE 3 SHARE CAPITAL

The Company has issued 100 ordinary shares fully paid.  
All shares have equal voting rights.

<b>NOTE 4</b>	<b>ACCUMULATED DEFICITS</b>	<b>2023</b>	<b>2022</b>
		\$	\$
	Opening Balance	(35,241)	(35,008)
	Plus:		
	Net (Deficit)	(2,956)	(233)
	Accumulated Deficits Closing Balance	<u><b>(38,197)</b></u>	<u><b>(35,241)</b></u>

# TARAMEA FRAGRANCE LIMITED

## NOTES TO THE PERFORMANCE REPORT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023

### NOTE 5 CONTINGENT LIABILITIES

The Company has no contingent liabilities as at 30 June 2023 (2022: NIL).

### NOTE 6 CAPITAL COMMITMENTS

The Company has no capital commitments as at 30 June 2023 (2022: NIL).

### NOTE 7 ADVANCES FROM KATI HUIRAPA RUNAKA ki PUKETERAKI INCORPORATED AND PUKETERAKI LIMITED

The Company is a wholly owned subsidiary of Puketeraki Limited which in turn is a wholly owned subsidiary of Kati Huirapa Runaka ki Puketeraki Incorporated.

These entities provided cash advances totalling \$66,459 to 30 June 2023 (2022: \$65,957).

The advances are unsecured and interest free with no fixed form of repayment. These entities are expected to provide continuing finance to the Company.

### NOTE 8 DEFICIT IN EQUITY

Sales are to a large part reliant on international visitors. The effect of the Covid-19 lockdown and border closure substantially affected turnover.

As a result of a trading deficit of the Company's activities its liabilities exceed its assets by \$38,097 at 30 June 2023. (its liabilities exceed its assets by \$35,141 at 30 June 2022).

Although the position is better than the initial financial forecasts the Directors of the Company acknowledge it is not a satisfactory position and are taking steps to improve the trading performance in future, subject to a return of international travel.

The financial statements are prepared on a going concern basis and the Company is dependent on continued financial support from its shareholder. However there is a material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. Therefore it may not be able to realise its assets and discharge its liabilities in the normal course of business.

### NOTE 9 RELATED PARTIES

Taramea Fragrance Limited is a wholly owned subsidiary of Puketeraki Limited.

Puketeraki Limited is a wholly owned subsidiary of Kāti Huirapa Runaka ki Puketeraki Incorporated. Refer to Note 7.

Jeffrey Broughton is a Director of Puketeraki Limited and an Executive committee member of Kati Huirapa ki Puketeraki Incorporated and is a consultant with Findex, a division of Findex NZ, Chartered Accountants who from 1 October 2021 have provided accounting support for the Company and related entities.

# TARAMEA FRAGRANCE LIMITED

## NOTES TO THE PERFORMANCE REPORT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023

### NOTE 10 SUBSEQUENT EVENTS

There were no subsequent events that would have a material impact on these financial statements.

### NOTE 11 COVID-19 VIRUS

The Covid-19 pandemic has significantly affected the activities of the Company due to sales being heavily reliant on international visitors. However, its shareholder has committed to providing ongoing support as visitors return to New Zealand.



Pūketeraki Limited



**PŪKETERAKI LIMITED**

**ANNUAL GENERAL MEETING**

**5th NOVEMBER 2023**

**AGENDA**

- 1 Mihi
- 2 Karakia
- 3 Apologies
- 4 Minutes of the previous Annual General Meeting
- 5 Chairperson's Report
- 6 Performance Report
- 7 Adoption of Annual Report
- 8 Appointment of Auditor
- 9 Other Business

**Puketeraki Limited**

**Minutes of the Annual General Meeting – Hui a Tau**

**Held on 10.26am, Sunday 6 November 2022**

**At Puketeraki Marae**

Present: Jeffrey Broughton (Chair), Katharina Ruckstuhl

Representatives of the Shareholder:

Matapura Ellison (chair), Suzanne Ellison, David Thomas, Jennifer Thomas, Graeme Thomas, Marlene McDonald, Shane Te Raki, Gisele Laven, Katharina Ruckstuhl, Carolyn Campbell, Emma Wyeth, Roger Wyeth, Jeffrey Broughton, Fiona Curd, Jason Te Raki, Phil Broughton, Kiri Parata, Zayia Parata, Brendan Flack, Brenda Van Strik, Betty Apes, Ann Bateman, Kate Bateman (by video), Shane Ellison (by video).

Nga mate o te tau:

Queen Elizabeth II, Peter Ramsden, Keri Hulme, Maika Mason, Marama Kupa, Tā Wira Gardiner, Paul Ropata, Lex Kent, Joy McLeod, Hawea Ellison, Dame Aroha Reriti-Crofts, Hariata Manawatu, Margaret Henderson, Hohepa Briggs, Alan te Raki, Terry Ryan, Tui Tau, Garrow Grant.

Apologies: David Ellison, Pat Newman, Suzanne Smith, Jenny Smith, Peter Ellison, Adam Keane, Jo Keane, Phyllis Smith, Colin Ellison, Mauraka Edwards, Marewa Preddy, George Tripp, Bridget Stewart, Caroline Ruckstuhl. Ritchie Smith, Sam Inglis, Bridget Giesen, Suzi Flack, Waiariki Parata Taiapa, Te Anahera Parata, Hinerangi Ferrall Heath, David Thomas Jnr, Rauhina Scott Fyfe, Ron McLachlan, Jody Hohaia, Ian Brown.

In attendance: Vivienne Seaton (Company Secretary)

**1.0 Mihi whakatau:** Matapura Ellison

**2.0 Karakia tīmata:** Matapura Ellison

**3.0** Minutes of the Annual General Meeting held on 7 November 2021

*It was moved (Matapura Ellison, seconded Philip Broughton) that the minutes of the annual general meeting held on 7 November 2021. Carried.*

**4.0 Chair's report**

The Chair's report was noted. J Broughton reported that the Board continues to take a long-term view of investments noting that the \$105k loss recorded in the year to 30 June 2022 followed a \$0.5m surplus the previous year and reflected strong performance in the context of prevailing market conditions.

He commented that the Board has listened to Runaka members regarding the investment strategy, including obtaining input from the wānanga that was held in February of this year that was facilitated by financial advisers. The Incorporated Society is now putting together its investment framework and policies and the Company will align its investment strategy accordingly. A draft is expected to be provided for feedback in February / March 2023.

J Broughton confirmed that the portfolio is presently widely diversified and that the Company does not knowingly invest in any unethical organisations. He noted that the Board includes some very experienced Directors with specific expertise in governance of investment portfolios.

**5.0 Adoption of annual report**

*It was moved (Katharina Ruckstuhl, seconded Emma Wyeth) to adopt the audited financial report for the year to 30 June 2022. Carried.*

**6.0 Appointment of auditor**

*It was moved (Matapura Ellison, seconded Philip Broughton) to appoint Audit Professionals as auditor for the year to 30 June 2023. Carried.*

The meeting closed at 10.32 am.

Signed.....

Date .....

## **PŪKETERAKI LIMITED- CHAIRPERSON'S REPORT**

The 2023 year has seen a rebound in our portfolio. The Company has made a profit of \$286,592. This includes the Incorporated Society gifting the Company \$200,000 which is included as revenue for the Company.

For the first time, our Te Haumi Whakamana investments made a loss of \$90,000 due to a decrease in the property valuation.

The Company is working with the Executive to finalise the investment framework which will set a reset in how we manage our funds.

Nā Jeffrey Broughton, Chairperson





**PUKETERAKI LIMITED**

**PERFORMANCE REPORT**

**FOR THE YEAR ENDED 30 JUNE 2023**

**PUKETERAKI LIMITED  
PERFORMANCE REPORT  
FOR THE YEAR ENDED 30 JUNE 2023**

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## ***Independent Auditor's Report***

to the Shareholder of Pūketeraki Limited

### **Our Opinion**

We have audited the financial statements of Pūketeraki Limited (the Company and Group) which comprise the statements of financial position as at 30 June 2023 and the statements of financial performance, statements of movements in equity and statements of cash flows for the year then ended, and the statement of accounting policies and other explanatory information.

In our opinion, the financial statements included in the accompanying Performance Report present fairly, in all material respects, the financial position of the Company and Group as at 30 June 2023 and their financial performance and cash flows for the year ended on that date in accordance with the accounting standard, Public Benefit Entity Simple Format Reporting-Accrual (Not-For-Profit).

### **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 Company 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 the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants (IESBA Code)*, 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 auditors we have no relationship with, or interests in, the Company and Group.

### **Information Other than the Financial Statements and Auditor's Report**

Other information included in the Performance Report with the financial statements comprises the entity information, approval of financial report and the statement of service performance. The Directors are responsible for this other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. We are required to report any misstatement of other information. We have nothing to report in this regard.

### **Directors' Responsibilities for the Financial Statements**

The Directors are responsible, on behalf of the Company and Group, for the preparation and fair presentation of the financial statements in accordance with Public Benefit Entity Simple Format Reporting-Accrual (Not-For-Profit) and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

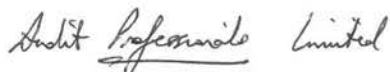
In preparing the financial statements the Directors are responsible for assessing the Company and Group's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company and Group or to cease operations, or have no realistic alternative but to do so.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

A further description of our responsibilities for the audit of the financial statements is located on the External Reporting Board website: [https://xrb.govt.nz/Site/Auditing\\_Assurance\\_Standards/Current\\_Standards/Page8.aspx](https://xrb.govt.nz/Site/Auditing_Assurance_Standards/Current_Standards/Page8.aspx)

This report is made solely to the Company and Group's shareholder. Our audit work has been undertaken so that we might state to the Company and Group's shareholder those matters which we are required to state 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 Company and Group and the Company and Group's shareholder, for our audit work, for this report or for the opinions we have formed.



Chartered Accountants  
2 October 2023

Dunedin

**PUKETERAKI LIMITED  
ENTITY INFORMATION  
FOR THE YEAR ENDED 30 JUNE 2023**

<b>Legal Name:</b>	Puketeraki Limited
<b>Type of Entity:</b>	<p>Puketeraki Limited is a company registered under the Companies Act 1993 and the Charities Act 2005.</p> <p>It is a subsidiary of Kati Huirapa Rūnaka ki Puketeraki Incorporated.</p>
<b>Registration Numbers:</b>	<p>Company: 1581079</p> <p>Charities Commission: CC38391</p>
<b>The Entity's Mission:</b>	<p>Puketeraki Limited invests and manages the investment assets allocated by the Rūnaka in accordance with the Company's constitution.</p> <p>Its vision is to protect and grow the economic wealth of the Rūnaka to meet our charitable objectives, now and in the future.</p> <p>Its aim is to provide regular levels of distribution to fund the charitable services of the Rūnaka and to protect the capital by achieving an acceptable rate of return.</p> <p>The beneficiaries of the Company's success are the registered members of Kati Huirapa Runaka ki Puketeraki.</p> <p>The Rūnaka's marae, workshops and administration are located in Karitane. The Rūnaka provides cultural teaching, education and training opportunities to its members and the greater public, as well as involvement in environmental and conservation matters.</p>
<b>Company Structure:</b>	<p>The Constitution does not limit the number of directors.</p> <p>There are currently five directors, all drawn from the membership of the Rūnaka.</p> <p>Directors during the year were Jeffrey Broughton (Chair), Katharina Ruckstuhl, Sam Inglis, Richie Smith and Bridget Giesen.</p> <p>The accounting and secretarial requirements are performed by a paid contractor.</p>
<b>Main Source of the Company's Cash and Resources:</b>	Puketeraki Limited's revenue is generated from investment returns.
<b>Main Methods used by the Company to Raise Funds:</b>	The Company does not seek funds from the public.
<b>The Company's Reliance on Volunteers and Donated Goods or Services:</b>	The Company does not rely on volunteers and/or donated goods or services.
<b>Contact Details:</b>	<p>Physical Address: Grimness Street, Karitane</p> <p>Postal Address: c/- Karitane Store, Karitane 9440</p> <p>Phone: (03) 465 7300</p> <p>Email: <a href="mailto:office@puketeraki.co.nz">office@puketeraki.co.nz</a></p>
<b>Auditors:</b>	<p>Audit Professionals Limited</p> <p>PO Box 620</p> <p>Dunedin</p>



**PUKETERAKI LIMITED**  
**APPROVAL OF PERFORMANCE REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2023**

The Board of Directors is responsible for preparing the Annual Report which contains the financial statements of Puketeraki Limited as at 30 June 2023, and ensuring that they comply with generally accepted accounting practice in New Zealand and fairly reflect the financial position of Puketeraki Limited as at 30 June 2023, 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 believes 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 requirements for reporting as a Registered Charity.

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.

In accordance with Section 211 (3) of the Companies Act 1993 the Company's Shareholder has agreed that the disclosures in paragraphs (a) and (e) to (j) of Section 211 (1) of the Act are not required.

**The Board of Directors is pleased to present the Performance Report which contains the financial statements of Puketeraki Limited for the year ended 30 June 2023.**


For and on behalf of the Board of Directors

Chair: Jeffrey Broughton



Date: 29 September 2023

Director: Bridget Giesen



Date: 29 September 2023

**PUKETERAKI LIMITED**  
**STATEMENT OF SERVICE PERFORMANCE**  
**FOR THE YEAR ENDED 30 JUNE 2023**

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

The Company's objective is to increase the value of its investment portfolio, and to create an income stream to support the charitable services of its shareholder, Kati Huirapa Runaka ki Puketeraki Incorporated.

A portion of the company's wealth is in managed funds, some are in property investments managed by Ngai Tahu Property, and some are in Bank Term Deposits.

The shareholder can request the Company to retain all earnings for future growth.

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

The Company's success is measured by both cash returns and capital movements. The latter is determined by the ebb and flow of global markets, and the prevailing rates of exchange at any point in time.

- To protect and grow the economic wealth of the Rūnaka
  - the Company's objective is to achieve a return of 5% above inflation (estimated long-term at 2%)
  - Investments are diversified over the various investment types available
- - The Company's objective is to distribute 50% of its cash surplus to the Runaka, when required and practical

Measure	Aim	This Year	Last Year
To grow the assets of the company above the rate of inflation (long-term assumption 2%) and to provide a capital return of 5% per annum above inflation	7% growth in asset value	3%	-4%
Preserve the charitable status of the company			
Invest in a balance of income and capital growth	80% growth, 20% defensive	80/20	79/21
Protect the capital by taking a fully diversified approach to investment			
If required allocate around half of the net cash income after taking into account any capital losses suffered for funding charitable purposes and reinvest the balance of the cash income to compound and grow the putea			



**PUKETERAKI LIMITED**  
**STATEMENTS OF FINANCIAL PERFORMANCE**  
**FOR THE YEAR ENDED 30 JUNE 2023**

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

	Note	Consolidated 2023 \$	Parent 2023 \$	Consolidated 2022 \$	Parent 2022 \$
<b>REVENUE</b>					
<b>Revenue from Providing Goods or Services</b>					
Sales of Mea Fragrance		9,055	-	5,773	-
		9,055	-	5,773	-
<b>Donations, Fundraising and Similar Revenue</b>					
Gifting of Loan from Kati Huirapa Runaka ki Puketeraki	6	200,000	200,000	-	-
		200,000	200,000	-	-
<b>Interest, Dividends and Other Investment Revenue</b>					
Dividends Received - 525 Blenheim Road Limited		7,222	7,222	7,222	7,222
Dividends Received - Te Haumi Whakamana		45,546	45,546	44,442	44,442
Interest Revenue		418	418	58	58
Movement in Managed Funds		164,314	164,314	(153,970)	(153,970)
Increase/(Decease) in Value of 525 Blenheim Road Limited		(8,908)	(8,908)	14,838	14,838
Increase/(Decrease) in Value of Te Haumi Whakamana	5	(90,914)	(90,914)	21,809	21,809
		117,678	117,678	(65,601)	(65,601)
<b>TOTAL REVENUE</b>		326,733	317,678	(59,828)	(65,601)
<b>EXPENDITURE</b>					
<b>Costs of Providing Goods or Services</b>					
Audit Fee		3,800	3,300	3,780	3,280
Consultancy & Accounting Fees		4,154	3,249	12,171	9,557
Cost of Sales - Taramea Fragrance Limited		2,722	-	1,318	-
Fees paid to Financial Advisers		21,114	21,114	21,430	21,430
General Expenses		2,651	51	1,625	51
Packaging Fees		4,350	-	-	-
Secretarial Fee		7,692	6,758	5,348	5,348
		46,483	34,472	45,672	39,666
<b>TOTAL EXPENDITURE</b>		46,483	34,472	45,672	39,666
<b>NET SURPLUS/(DEFICIT) FOR THE YEAR</b>		<b>280,250</b>	<b>283,206</b>	<b>(105,500)</b>	<b>(105,267)</b>

**PUKETERAKI LIMITED**  
**STATEMENTS OF MOVEMENTS IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2023**

	Consolidated 2023 \$	Parent 2023 \$	Consolidated 2022 \$	Parent 2022 \$
<b>OPENING EQUITY</b>	2,599,532	2,629,388	2,705,032	2,734,655
Net Surplus (Deficit) for the year	280,250	283,206	(105,500)	(105,267)
<b>TOTAL RECOGNISED REVENUES AND EXPENSES</b>	280,250	283,206	(105,500)	(105,267)
<b><u>CLOSING EQUITY</u></b>	<b><u>2,879,782</u></b>	<b><u>2,912,594</u></b>	<b><u>2,599,532</u></b>	<b><u>2,629,388</u></b>

**PUKETERAKI LIMITED**  
**STATEMENTS OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2023**

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

	Note	Consolidated 30 June 2023 \$	Parent 30 June 2023 \$	Consolidated 30 June 2022 \$	Parent 30 June 2022 \$
<b>CURRENT ASSETS</b>					
Cash at Bank - Polson Higgs Wealth Management	4	40,593	40,593	33,611	33,611
Cash at Bank - Westpac Main Account		30,706	16,090	103,700	87,054
		71,299	56,683	137,311	120,665
Accrued Revenue		22,941	22,941	22,219	22,219
GST Refund Due		530	-	52	-
Accounts Receivable		851	-	-	-
Advance to Taramea Fragrance Limited	7	-	-	-	-
Stock on Hand		12,978	-	15,700	-
<b>TOTAL CURRENT ASSETS</b>		<b>108,599</b>	<b>79,624</b>	<b>175,282</b>	<b>142,884</b>
<b>NON CURRENT ASSETS</b>					
Equity Investment - 525 Blenheim Road Limited		191,472	191,472	200,380	200,380
Equity Investment - Taramea Fragrance Limited	7	-	-	-	-
Investment - Te Haumi Whakamana	5	766,769	766,769	857,683	857,683
Investments (managed by Polson Higgs Wealth Management Limited)	4	1,880,537	1,880,537	1,634,318	1,634,318
<b>TOTAL NON CURRENT ASSETS</b>		<b>2,838,778</b>	<b>2,838,778</b>	<b>2,692,381</b>	<b>2,692,381</b>
<b>TOTAL ASSETS</b>		<b>2,947,377</b>	<b>2,918,402</b>	<b>2,867,663</b>	<b>2,835,265</b>
<b>CURRENT LIABILITIES</b>					
Accounts Payable		6,421	5,808	7,459	5,877
Loan - Kati Huirapa Runaka ki Puketeraki Incorp.		61,174	-	60,672	-
<b>TOTAL CURRENT LIABILITIES</b>		<b>67,595</b>	<b>5,808</b>	<b>68,131</b>	<b>5,877</b>
<b>NON-CURRENT LIABILITIES</b>					
Advance - Kati Huirapa Runaka ki Puketeraki Incorp	6	-	-	200,000	200,000
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>-</b>	<b>-</b>	<b>200,000</b>	<b>200,000</b>
<b>NET ASSETS</b>		<b>2,879,782</b>	<b>2,912,594</b>	<b>2,599,532</b>	<b>2,629,388</b>
<b>REPRESENTED BY:</b>					
Retained Earnings		2,593,716	2,626,528	2,419,545	2,449,401
Share Revaluation Reserve		286,066	286,066	179,987	179,987
<b>EQUITY</b>		<b>2,879,782</b>	<b>2,912,594</b>	<b>2,599,532</b>	<b>2,629,388</b>

**PUKETERAKI LIMITED**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

*'How the entity has received and used cash'*

	Consolidated 30 June 2023 \$	Parent 30 June 2023 \$	Consolidated 30 June 2022 \$	Parent 30 June 2022 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from providing goods and services	8,202	-	5,773	-
Interest, dividends, and other investment receipts	101,861	101,861	106,408	106,408
Payments to suppliers and directors	(44,659)	(34,403)	(45,970)	(38,850)
Net movement in GST	(478)	-	120	-
<b>TOTAL CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>64,926</b>	<b>67,458</b>	<b>66,331</b>	<b>67,558</b>
<b>CASH FLOWS FROM INVESTING AND FINANCING ACTIVITIES</b>				
Net receipts/payments from the purchase/sale of investments	(131,440)	(131,440)	(223,986)	(223,986)
Advance from Kati Huirapa Runaka ki Puketeraki Inc	502	-	200,000	200,000
Repayment of Advance from Kati Huirapa Runaka ki Puketeraki Inc	-	-	(929)	-
<b>CASH FLOWS FROM (TO) INVESTING AND FINANCING ACTIVITIES</b>	<b>(130,938)</b>	<b>(131,440)</b>	<b>(24,915)</b>	<b>(23,986)</b>
<b>NET INCREASE (DECREASE) IN CASH</b>	<b>(66,012)</b>	<b>(63,982)</b>	<b>41,416</b>	<b>43,572</b>
<b>CASH BALANCES</b>				
Cash and cash equivalents at the beginning of the period	137,311	120,665	95,895	77,093
Cash and cash equivalents at the end of the period	71,299	56,683	137,311	120,665
<b>Net change in cash for the period</b>	<b>(66,012)</b>	<b>(63,982)</b>	<b>41,416</b>	<b>43,572</b>
Cash at Bank - Polson Higgs Wealth Management	40,593	40,593	33,611	33,611
Cash at Bank - Westpac Current Account (Puketeraki)	16,090	16,090	87,054	87,054
Cash at Bank - Westpac Current Account (Taramea)	14,616	-	16,646	-
	<b>71,299</b>	<b>56,683</b>	<b>137,311</b>	<b>120,665</b>

## **PUKETERAKI LIMITED**

### **STATEMENT OF ACCOUNTING POLICIES**

### **FOR THE YEAR ENDED 30 JUNE 2023**

#### ***'How did we do our accounting?'***

##### **Reporting Entity**

Puketeraki Limited is a Company registered under the Companies Act 1993 and the Charities Act 2005.

The financial statements comprise statements of the following: Accounting Policies, Service Performance, Financial Performance, Financial Position, and Cash Flows as well as the Notes to these statements contained on pages 13 and 14 of this Performance Report.

##### **Basis for Preparation**

The Company is deemed a public benefit entity for financial reporting purposes, as its primary objective is to provide financial support to its related entity, Kati Huirapa Runaka ki Puketeraki Incorporated, to ensure that this entity is able to carry out its objectives.

The Company 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 entity will continue to operate in the foreseeable future.

These financial statements have been prepared on the basis of historical cost except for investments which 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 Company.

The financial statements of the subsidiary is included in these financial statements using the purchase method of consolidation. This is applicable to the Company's 100% equity investment in Taramea Fragrance Limited.

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

##### **Specific Accounting Policies**

###### **Goods and Services Tax**

Puketeraki Limited is not registered for GST whereas the subsidiary is registered. Consequently all amounts in the parent company reports are shown inclusive of GST and in the consolidated figures the amounts include the subsidiary's GST exclusive figures.

###### **Revenue**

Revenue is recognised when product is sold and investment revenue is earned.

###### **Investments**

Investments are financial assets of the Company and are initially measured at fair value, plus direct attributable transaction costs.

The Company classifies its financial assets into the following categories: Amortised cost and fair value.

**PUKETERAKI LIMITED**  
**STATEMENT OF ACCOUNTING POLICIES (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2023**

*'How did we do our accounting?'*

**a) Amortised Cost**

These are the debt securities which the Company has the positive intent and ability to hold to maturity. They comprise fixed interest bonds managed by Polson Higgs Wealth Management Limited and the advance to Taramea Fragrance Limited. They are subsequently measured at amortised cost using the effective interest method, less any impairment losses.

**b) Fair Value**

These are non-derivative financial assets that are designated as financial instruments held at fair value. They comprise the Te Haumi Whakamana investment, 525 Blenheim Road Limited investment and the equity investments managed by Polson Higgs Wealth Management Limited. They are subsequently measured at fair value with gains or losses recognised in revenue and expenses. The unrealised gain on equity investments is shown as a separate reserve.

**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.

**Investment in 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.

**Taxation**

Puketeraki Limited is a registered Charity and exempt from income tax.

**Advance**

Advance received from Kati Huirapa Runaka ki Puketeraki Incorporated is measured at cost and is unsecured.

**Changes in Accounting Policies**

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

**PUKETERAKI LIMITED**  
**NOTES TO THE PERFORMANCE REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**NOTE 1 RELATED PARTIES**

Puketeraki Limited is a wholly owned subsidiary of Kati Huirapa Runaka ki Puketeraki Incorporated. The balance of the 2022 loan of \$200,000 was gifted in May 2023. (2022: The Runaka advanced \$200,000 to Puketeraki Limited during the year).

Jeffrey Broughton is a Director of Puketeraki Limited and an Executive committee member of Kati Huirapa ki Puketeraki Incorporated and is a consultant with Findex, division of Findex NZ, Chartered Accountants who from 1 October 2021 have provided accounting support for the Company and associated Group. In 2023, \$2,825 were paid to Findex NZ for the accounting services provided (2022: \$5,260).

**NOTE 2 CAPITAL**

	30 Jun 2023	30 Jun 2022
	\$	\$
One ordinary share (issued for nil consideration)	-	-

**NOTE 3 CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES**

The Company has no capital commitments or contingent liabilities at balance date (2022 \$Nil).

**NOTE 4 POLSON HIGGS WEALTH MANAGEMENT MANAGED INVESTMENTS**

<b>CURRENT</b>	30 Jun 2023	30 Jun 2022
	\$	\$
Cash Accounts	40,593	33,611
	<u>40,593</u>	<u>33,611</u>
 <b>NON-CURRENT</b>	 30 Jun 2023	 30 Jun 2022
	\$	\$
Fixed Interest Bonds	526,872	469,854
Equity Investments	1,353,665	1,164,463
	<u>1,880,537</u>	<u>1,634,317</u>
 <b>TOTAL MANAGED FUNDS</b>	 <u>1,921,130</u>	 <u>1,667,928</u>

The equity investments are all in listed entities and comprise New Zealand shares 17% (2022 17%), Australian shares 10% (2022 11%) and international equities 73% (2022 72%).

**PUKETERAKI LIMITED**  
**NOTES TO THE PERFORMANCE REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**NOTE 5 INVESTMENT - TE HAUMI WHAKAMANA**

This investment is managed by Ngāi 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 \$3,000,000.

Te Haumi Whakamana is an unsecured loan and does not give the Rūnanga any interest (direct or indirect) in the Crown Portfolio. However a guarantee has been provided by Ngāi Tahu Holdings Corporation (NTHC) whereby NTHC will meet all Ngāi Tahu Property obligations if they remain unmet 30 days from the date they are due.

The decrease in this investment during the year declined by \$90,914 decrease in value (2022: \$21,809 increase in value).

**NOTE 6 ADVANCE FROM KATI HUIRAPA RUNAKA KI PUKETERAK**

During the year ended 30 June 2023 the \$200,000 loan was formally gifted to Puketeraki Incorporated. (2022: In September 2021 the Company received a loan of \$200,000 from Kati Huirapa Runaka ki Puketeraki Incorporated).

**NOTE 7 INVESTMENT IN TARAMEA FRAGRANCE LIMITED**

Taramea Fragrance Limited commenced in October 2019. It is a wholly owned subsidiary of Puketeraki Limited with a 30 June balance date. It is involved in the marketing and sales of Taramea perfumery.

Taramea Fragrance Limited has separate audited financial statements to 30 June 2023 which disclose a deficit in equity.

As at the 30 June 2023, Puketeraki Limited had advanced \$5,285 and \$100 in shares to Taramea Fragrance Limited (2022: advanced \$5,285 and \$100 in shares)

There is a provision for the advance and investment in shares was made in prior years to recognise that the balances are not recoverable based on the Company's financial position. There were no advances or repayments during the year (2022: no advance or repayment).

**NOTE 8 EVENTS AFTER BALANCE DATE**

No significant financial events occurred after balance date.



## Karitāne Māori Tours Limited

**KARITĀNE MĀORI TOURS LIMITED**

**ANNUAL GENERAL MEETING**

**5th NOVEMBER 2023**

**AGENDA**

- 1        Mihi
- 2        Karakia
- 3        Apologies
- 4        Minutes of the previous Annual General Meeting
- 5        Director's Report
- 6        Performance Report
- 7        Adoption of Annual Report
- 8        Appointment of Auditor
- 9        Other Business

**Minutes of the Annual General Meeting – Hui a Tau**  
**Held on 10.32am, Sunday 6 November 2022**  
**At Puketeraki Marae**

**Present:**

Matapura Ellison (chair), Suzanne Ellison, David Thomas, Jennifer Thomas, Graeme Thomas, Marlene McDonald, Shane Te Raki, Gisele Laven, Katharina Ruckstuhl, Carolyn Campbell, Emma Wyeth, Roger Wyeth, Jeffrey Broughton, Fiona Curd, Jason Te Raki, Phil Broughton, Kiri Parata, Zayia Parata, Brendan Flack, Brenda Van Strik, Betty Apes, Ann Bateman, Kate Bateman (by video), Shane Ellison (by video), Jeffrey Broughton, Katharina Ruckstuhl.

**Nga mate o te tau:**

Queen Elizabeth II, Peter Ramsden, Keri Hulme, Maika Mason, Marama Kupa, Tā Wira Gardiner, Paul Ropata, Lex Kent, Joy McLeod, Hawea Ellison, Dame Aroha Reriti-Crofts, Hariata Manawatu, Margaret Henderson, Hohepa Briggs, Alan te Raki, Terry Ryan, Tui Tau, Garrow Grant.

**Apologies:**

David Ellison, Pat Newman, Suzanne Smith, Jenny Smith, Peter Ellison, Adam Keane, Jo Keane, Phyllis Smith, Colin Ellison, Mauraka Edwards, Marewa Predy, George Tripp, Bridget Stewart, Caroline Ruckstuhl, Ritchie Smith, Sam Inglis, Bridget Giesen, Suzi Flack, Waiariki Parata Taiapa, Te Anahera Parata, Hinerangi Ferrall Heath, David Thomas Jnr, Rauhina Scott Fyfe, Ron McLachlan, Jody Hohaia, Ian Brown.

**In attendance:** Vivienne Seaton (minutes)

**1.0 Mihi whakatau:** Matapura Ellison

**2.0 Karakia tīmata:** Matapura Ellison

**3.0 Minutes of the Annual General Meeting held on 7 November 2021**

*It was moved (Katharina Ruckstuhl, seconded Emma Wyeth) that the minutes of the annual general meeting held on 7 November 2021, subject to correcting the spelling of the late Sandra Cook's name. Carried.*

**4.0 Chair's report**

The Chair's report was noted.

Suzanne Ellison noted that the Company has benefited from Te Puni Kōkiri funding for expertise to support rebuilding the business while it is closed because of the Covid19 pandemic. In addition, a staff member from the Dunedin City Council (DCC) has been seconded at DCC's cost. Now that business is starting again, the Company is facing a challenge in obtaining workers. Focus has been given to diversifying operations that would enable longer periods of work to be offered, with bike tours now being developed alongside the waka tours.











Runaka members will consider whether they have contacts who may be interested in work, with whānau to be prioritised but training can be provided for others to lead tours if needed. A suggestion to communicate the opportunity with other local businesses will be followed up.

Key markets are the international tourism and local education markets. The tours do not attract EOTC funding so the product is fully priced.

The Company's funding position is tight but further capitalisation is not currently needed as income streams will commence soon, though noting that the Company is still very much in a start-up stage.

## **5.0 Financial report for the year to 30 June 2022**

*It was moved (Katharina Ruckstuhl, seconded Emma Wyeth) to adopt the audited financial report for the year to 30 June 2022. Carried.*

## **6.0 Appointment of auditor**

*It was moved (Suzanne Ellison, seconded Philip Broughton) to appoint Audit Professionals as auditor for the year to 30 June 2023. Carried.*

The meeting closed at 10.50 am.

Signed.....

Date .....

## Karitāne Māori Tours

Tēna koutou katoa,

Naia te mihi mahana ki a koutou ki te whānau whānui o Ruahikihiki, o Huirapa hoki e tū nei i Puketeraki. Tēnā koutou, tēnā koutou, tēnā koutou katoa.

In last year's Annual Report we talked about the journey that Karitāne Māori Tours (KMT) has been on since it was established in 2018 and our plans to re-set and re-launch our fledgling business. Since last November KMT has been 'back on the water' and also on the land taking groups around Huriawa. Under the management of Chris Wilson KMT has been in a consolidation phase putting into action the plans made during the Covid downtime and adjusting to the new operating environment. While we are still consolidating as a business it has been encouraging for all involved to have forward bookings and to be delivering tours which means we have ended the financial year with money in the bank.

Groups from the tertiary sector such as Uni Flats, Te Wānanga o Aotearoa and school groups have provided the majority of bookings, with a new sector of business groups (team building) rounding out the client list. There are some tourist bookings but at the moment it is a small part of what KMT is delivering. Chris is working with Sport Otago to tailor a programme for schools that would meet their criteria for funding that if approved would allow us to significantly increase the number of tours that we do with schools in Otago.

Chris has been building the KMT crew and is still looking for others, especially Rūnaka members, to join. If paddling waka ama is not for you then there are opportunities on land as the DCC Hāpori Fund application for Cycle Tours has finally been approved and we are in the process of buying the necessary equipment (bikes, trailer, gear) and developing the kōrero for the tour. The bicycle tour will take guests from Hui Te Rangiora along Apes Road and Merton Station Rd to Waikouaiti River, visiting marshes and the estuary with kōrero about vegetation, foraging and the birds of Karitane. Chris would love to hear from anyone interested in joining the Karitāne Māori Tours team.

I would like to extend my thanks to Chris, Kane Holmes, Ricky & Tuihana Ngamoki, Jo Silich and all who have worked for and contributed to Karitāne Māori Tours over the past year. The KMT teams' ability to provide a way safely and knowledgeably that is also engaging for manuhiri to experience something of our history and culture is fundamental to operating in this space. I would also like to acknowledge the on-going mentoring from Jonni Morrison-Deaker. Thank you all for your mahi over the past year.

Kā mihi nui,

Suzanne Ellison

Director





# **KĀRITANE MĀORI TOURS LIMITED**

## **PERFORMANCE REPORT**

**FOR THE YEAR ENDED 30 JUNE 2023**

# KĀRITANE MĀORI TOURS LIMITED

## PERFORMANCE REPORT FOR THE YEAR ENDED 30 JUNE 2023

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## **Independent Auditor's Report**

to the Shareholder of Kāritane Māori Tours Limited

### **Our Qualified Opinion**

We have audited the financial statements of Kāritane Māori Tours Limited (the Company) which comprise the statement of financial position as at 30 June 2023 and the statement of financial performance, statement of movements in equity and statement of cash flows for the year then ended, and notes to the financial statements which include a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present, in all material respects, the financial position of the Company as at 30 June 2023 and its financial performance for the year ended on that date in accordance with the accounting standard, Public Benefit Entity Simple Format Reporting-Accrual (Not-For-Profit).

### **Basis for Qualified Opinion**

In common with other organisations of a similar nature, control over the revenues from tours and kayak hire prior to being banked is limited. It was not practicable to extend our examination of such income beyond the accounting for amounts received as shown by the accounting records of the Company, or to determine the effect of the limited control.

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 Company 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 the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants (IESBA Code)*, 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 qualified opinion.

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

### **Information Other than the Financial Statements and Auditor's Report**

Other information included in the Annual Report with the financial statements comprises the entity information and statement of service performance. The Director is responsible for this other information. Our qualified opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. We are required to report any misstatement of other information. We have nothing to report in this regard.

### **Director's Responsibilities for the Financial Statements**

The Director is responsible, on behalf of the Company, for the preparation and presentation of the financial statements in accordance with the accounting standard, Public Benefit Entity Simple Format Reporting-Accrual (Not-For-Profit) and for such internal control as the Director determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements the Director is responsible for assessing the Company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the Director either intends to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

A further description of our responsibilities for the audit of the financial statements is located on the External Reporting Board website: [https://xrb.govt.nz/Site/Auditing Assurance Standards/Current Standards/Page8.aspx](https://xrb.govt.nz/Site/Auditing_Assurance_Standards/Current_Standards/Page8.aspx)

### **Material Uncertainty Related to Going Concern**

We draw attention to note 8 in the financial statements which states that the Company's liabilities exceed its assets at 30 June 2023. As stated in note 8, these events or conditions, along with other matters as stated in note 8, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

This report is made solely to the Company's shareholder. Our audit work has been undertaken so that we might state to the shareholder those matters which we are required to state 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 Company and the Company's shareholder, for our audit work, for this report or for the opinions we have formed.



Chartered Accountants  
2 October 2023

Dunedin

# KĀRITANE MĀORI TOURS LIMITED

## ENTITY INFORMATION

FOR THE YEAR ENDED 30 JUNE 2023

<b>Legal Name:</b>	Kāritane Māori Tours Limited
<b>Type of Entity:</b>	<p>Kāritane Māori Tours Limited is a Company registered under the Companies Act 1993.</p> <p>It is a subsidiary of Kati Huirapa Rūnaka ki Puketeraki Incorporated. The Company was incorporated in August 2018 and commenced trading in September 2018.</p> <p>The company's was granted charitable status on 18 July 2019.</p>
<b>Registration Numbers:</b>	<p>Company: 6992253</p> <p>Charities Services: CC56920</p>
<b>Nature of Business</b>	Tourism Activities
<b>The Entity's Mission:</b>	<p>Kāritane Māori Tours Limited provides waka tours on Waikouaiti River, and walking tours of Huriawa Peninsula.</p> <p>Participants learn the stories, customs and traditions of local māori, whilst learning the skills required to paddle a waka, whilst those undertaking the walking tour learn the history and stories of the pa (fortified village) that existed on the peninsula.</p> <p>Those on the waka tour can plant harakeke (flax) on the spit which helps restore the native coastal environment.</p> <p>The beneficiaries of the company's success are the registered members of Kati Huirapa Runaka ki Puketeraki by sharing their Māori cultural history with both New Zealand and international visitors.</p>
<b>Main Source of Cash and Resources:</b>	Tours and kayak hire revenue
<b>Company Structure:</b>	<p>The Constitution does not limit the number of directors.</p> <p>There is currently one director.</p> <p>The Director during the year was:</p> <p>Suzanne Ellison appointed 3 April 2019</p> <p>The accounting and secretarial requirements are performed by a paid contractor.</p>
<b>Contact Details:</b>	<p>Physical Address: 128 Stornaway Street, Karitane</p> <p>Postal Address: c/- Karitane Store, Karitane 9440</p> <p>Phone: (03) 465 7300</p> <p>Email: <a href="mailto:manager@puketeraki.nz">manager@puketeraki.nz</a></p>

# KĀRITANE MĀORI TOURS LIMITED

## ENTITY INFORMATION (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023

### Main Methods Used

**to Raise Funds:** Managing tour bookings and kayak hirings.

**Reliance on Volunteers:** The Company relies on gifts of volunteer time and expertise to complete the governance work.



# KĀRITANE MĀORI TOURS LIMITED

## STATEMENT OF SERVICE PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2023

### Description of the Entity's Outcomes:

To provide both waka and walking tours where participants learn about the customs, traditions and history of the local māori.

### Description and Quantification of the Entity's Outputs:

	2023	2022
Number of participants		
1. Tertiary Sector	73	-
2. School Students	1,287	82
3. Tourists	25	-
4. Community	70	40

# KĀRITANE MĀORI TOURS LIMITED

## APPROVAL OF FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2023

The Director is responsible for preparing the Annual Report which contains the financial statements of Kāritane Māori Tours Limited as at 30 June 2023, and ensuring that they comply with the stated accounting policies of the Company, and that they fairly reflect the financial position of Kāritane Māori Tours Limited as at 30 June 2023, and the results of their operations for the year ended on that date.

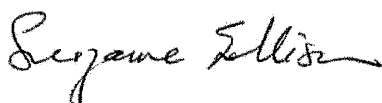
The Director considers that the financial statements of Kāritane Māori Tours Limited have been prepared using appropriate accounting policies, consistently applied and supported by reasonable judgements and estimates and that all relevant financial reporting and accounting standards have been followed.

The Director believe that proper accounting records have been kept which enable, with reasonable accuracy, the determination of the financial position of Kāritane Māori Tours Limited.

The Director considers that they have taken adequate steps to safeguard the assets of Kāritane Māori Tours 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.

In accordance with Section 211 (3) of the Companies Act 1993, the Company's Shareholder has agreed that the disclosures in paragraphs (a) and (e) to (j) of Section 211 (1) of the Act are not required.

**The Director is pleased to present the Annual Report which contains the financial statements of Kāritane Māori Tours Limited for the year ended 30 June 2023.**




---

Director

29/09/2023

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Date

# KĀRITANE MĀORI TOURS LIMITED

## STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023 \$	2022 \$
<b>Revenue</b>			
<b>Revenue from Providing Goods or Services</b>			
Revenue from Tours and Kayak Hire	1	30,693	2,696
<b>Total Revenue</b>		<b>30,693</b>	<b>2,696</b>
<b>Less Expenses</b>			
<b>Costs of Providing Goods or Services</b>			
Accountancy Fees		1,630	2,940
Advertising		225	-
Assets costing under \$500		373	-
Audit Fee		1,500	1,500
Bank Fees and Charges		187	204
Computer Expenses		65	-
Health & Safety		175	54
Insurance		819	717
Kai		182	-
Koha Paid		235	-
Marketing		-	(13)
Printing, Postage & Stationery		23	-
Repairs & Maintenance		108	-
Staff Training & Welfare		173	-
Subscriptions		1,356	1,219
Telephone and Internet		719	930
Trailer Costs		-	28
Travel Expenses		2,286	60
		10,056	7,639
<b>Volunteer and Employee Related Costs</b>			
ACC Levy		69	125
KiwiSaver Employer Contributions		399	-
Staff - Guides		540	-
Wages		16,243	2,672
		17,251	2,797
<b>Other Expenses</b>			
Depreciation		2,275	2,953
<b>Total Expenses</b>		<b>29,582</b>	<b>13,389</b>
<b>Surplus/Deficit) for the year</b>		<b>1,111</b>	<b>(10,693)</b>



# KĀRITANE MĀORI TOURS LIMITED

## STATEMENT OF MOVEMENTS IN EQUITY FOR THE YEAR ENDED 30 JUNE 2023

	2023 \$	2022 \$
<b>Revenue and Revaluations</b>		
Surplus/(Deficit) for the year	1,111	(10,693)
<b>Total Revenues and Revaluations</b>	<u>1,111</u>	<u>(10,693)</u>
<b>Equity at the Beginning of the Year (Deficit)</b>	(144,003)	(133,310)
<b>Equity at the End of the Year (Deficit)</b>	<u><u>(142,892)</u></u>	<u><u>(144,003)</u></u>

# KĀRITANE MĀORI TOURS LIMITED

## STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

	Note	2023 \$	2022 \$
<b>Current Assets</b>			
Westpac Current Account		17,640	8,625
Westpac Debit Card Account		-	104
		<u>17,640</u>	<u>8,729</u>
Accounts Receivable		-	200
GST Receivable		-	532
		<u>17,640</u>	<u>9,461</u>
<b>Non-Current Assets</b>			
Plant and Other Assets	2	8,932	11,207
<b>TOTAL ASSETS</b>		<u>26,572</u>	<u>20,668</u>
<b>Current Liabilities</b>			
GST Payable		3,244	-
Creditors and Accrued Expenses		2,817	2,851
Employee Costs Payable		1,603	56
		<u>7,664</u>	<u>2,907</u>
<b>Long Term Liabilities</b>			
Advances from Kāti Huirapa Runaka ki Puketeraki	7	161,800	161,764
<b>TOTAL LIABILITIES</b>		<u>169,464</u>	<u>164,671</u>
<b>NET LIABILITIES</b>		<u>(142,892)</u>	<u>(144,003)</u>
<b>ACCUMULATED FUNDS</b>			
Paid up Share Capital	3	100	100
Accumulated Deficits	4	(142,992)	(144,103)
<b>TOTAL ACCUMULATED FUNDS - (DEFICIT)</b>	8	<u>(142,892)</u>	<u>(144,003)</u>

# KĀRITANE MĀORI TOURS LIMITED

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2023

*'How the entity has received and used cash'*

	2023	2022
	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from Waka tours and kayak hire	30,893	3,280
Net GST Movement	3,648	(2,861)
	34,541	419
Payments to management, employees and suppliers	(25,666)	(11,910)
<b>TOTAL CASH FLOWS FROM (TO) OPERATING ACTIVITIES</b>	<b>8,875</b>	<b>(11,491)</b>
<b>CASH FLOWS FROM INVESTMENT AND FINANCING ACTIVITIES</b>		
Advance - Kati Huirapa Runaka ki Puketeraki	36	-
<b>CASH FLOWS FROM INVESTMENT AND FINANCING ACTIVITIES</b>	<b>36</b>	<b>-</b>
<b>NET INCREASE/(DECREASE) IN CASH</b>	<b>8,911</b>	<b>(11,491)</b>
<b>CASH BALANCES</b>		
Cash and cash equivalents at the beginning of the period	8,729	20,220
Cash and cash equivalents at the end of the period	17,640	8,729
<b>Net change in cash for the period</b>	<b>8,911</b>	<b>(11,491)</b>
Cash at Bank - Westpac Current Account	17,640	8,625
Cash at Bank - Westpac Debit Card Account	-	104
	<b>17,640</b>	<b>8,729</b>

# KĀRITANE MĀORI TOURS LIMITED

## STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 30 JUNE 2023

### Reporting Entity

Kāritane Māori Tours Limited is a Company incorporated in New Zealand and registered under the Companies Act 1993. The company is also registered charity and is eligible and has elected to apply Tier 3 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 less than \$2,000,000 for the most recent reporting period.

Kāritane Māori Tours Limited is involved in the business of Tourism Activities.

### Statement of Compliance and Basis of Preparation

The accounting principles recognised as appropriate for the measurement and reporting of the Statement of Financial Performance and Statement of Financial Position on an historical cost basis, using the accrual basis of accounting, are followed by the Company. The information is presented in New Zealand dollars. It is assumed that the Company will continue as a going concern.

### Specific Accounting Policies

The following specific accounting policies which materially affect the measurement of the Statement of Financial Performance and Statement of Financial Position have been applied.

#### a) Revenue

Revenue is recognised when services are provided to the customer.

#### b) Expenses

Expenses have been classified on their business function.

#### c) Bank Accounts

Bank accounts and cash in the Statement of Cash Flows comprise bank balances with original maturities of 90 days or less.

#### d) Accounts Receivables

Accounts Receivables are recognised at estimated realisable value.

#### e) Plant and Other Assets

Plant and Other Assets are recognised at cost less aggregate depreciation. Depreciation has been calculated using the maximum rates permitted by the Income Tax Act 2007 as an estimate of the assets useful lives. Gains and losses on disposal of fixed assets are recognised in the Statement of Financial Performance in the year the asset is disposed of.

Plant	20% DV
Other Assets	10% - 50% DV

#### f) Income Tax

The Company was registered as a charity on 18 July 2019. Accordingly it is exempt income tax.

# KĀRITANE MĀORI TOURS LIMITED

## STATEMENT OF ACCOUNTING POLICIES (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023

### g) Goods and Services Taxation (GST)

The Company is registered for GST.

Revenues and expenses have been recognised in the financial statements exclusive of GST except that irrecoverable GST input tax has been recognised in association with the expense to which it relates.

All items in the Statement of Financial Position are stated exclusive of GST except for receivables and payables which are stated inclusive of GST.

### Changes in Accounting Policies

There have been no changes in accounting policies. Policies have been applied on a consistent basis with those of the previous period.

# KĀRITANE MĀORI TOURS LIMITED

## NOTES TO THE PERFORMANCE REPORT FOR THE YEAR ENDED 30 JUNE 2023

### NOTE 1 REVENUE FROM TOURS AND KAYAK HIRE

	2023	2022
	\$	\$
Tours: Awa	417	-
Awa Iti	2,352	174
Whenua	1,296	-
University Bespoke	7,093	-
Community	990	557
General Bespoke	9,411	-
Schools	9,134	1,965
	<u>30,693</u>	<u>2,696</u>
	<u><u>30,693</u></u>	<u><u>2,696</u></u>

### NOTE 2 PLANT & OTHER ASSETS

	Cost	Depreciation Charged	Accumulated Depreciation	Closing Book Value
	\$	\$	\$	\$
<b>Plant &amp; Equipment 2023</b>				
Plant	23,727	2,003	15,715	8,012
Other Assets	6,047	272	5,127	920
<b>Total Property, Plant &amp; Equipment</b>	<u><u>29,774</u></u>	<u><u>2,275</u></u>	<u><u>20,842</u></u>	<u><u>8,932</u></u>

	Cost	Depreciation Charged	Accumulated Depreciation	Closing Book Value
	\$	\$	\$	\$
<b>Plant &amp; Equipment 2022</b>				
Plant	23,727	2,504	13,712	10,015
Other Assets	6,047	449	4,855	1,192
<b>Total Property, Plant &amp; Equipment</b>	<u><u>29,774</u></u>	<u><u>2,953</u></u>	<u><u>18,567</u></u>	<u><u>11,207</u></u>

### NOTE 3 SHARE CAPITAL

The Company has issued 100 ordinary shares fully paid. The shares were initially issued to Puketeraki Limited but were transferred to Kati Huirapa Runaka ki Pukteraki Incorporated during the 2019 financial year. All shares have equal voting rights.

# KĀRITANE MĀORI TOURS LIMITED

## NOTES TO THE PERFORMANCE REPORT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023

<b>NOTE 4</b>	<b>ACCUMULATED DEFICITS</b>	<b>2023</b>	<b>2022</b>
		<b>\$</b>	<b>\$</b>
	Opening Balance	(144,103)	(133,410)
	Plus:		
	Net Surplus/(Deficit)	1,111	(10,693)
	Less:		
	Dividend Paid	-	-
	<b>Accumulated Deficits Closing Balance</b>	<b>(142,992)</b>	<b>(144,103)</b>

### NOTE 5 CONTINGENT LIABILITIES

The Company has no contingent liabilities as at 30 June 2023 (2022: Nil).

### NOTE 6 CAPITAL COMMITMENTS

The Company has no capital commitments as at 30 June 2023 (2022: Nil).

### NOTE 7 ADVANCES FROM KĀTI HUIRAPA RUNAKA ki PUKETERAKI INCORPORATED

The Company is a wholly owned subsidiary of Kati Huirapa Runaka ki Puketeraki Incorporated, who have provided cash advances totalling \$161,800 as at 30 June 2023. The advances are unsecured, interest free with no fixed form of repayment, the Runaka is expected to provide continuing finance to the Company. (2022: \$161,764)

### NOTE 8 DEFICIT IN EQUITY

As a result of the accumulated trading deficit in the Company's activities its liabilities exceed its assets by \$142,892 at 30 June 2023 (2022: \$144,003). The financial statements are prepared on a going concern basis and the Company is dependent on continued financial support from its Shareholder, who has confirmed that financial support will continue to be provided and reviewed on an annual basis. However there is a material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. Therefore it may not be able to realise its assets and discharge its liabilities in the normal course of business.

### NOTE 9 RELATED PARTIES

Apart from the related party transactions arising as stated in Note 7, there were no other related party transactions during the year (2022: same).

# KĀRITANE MĀORI TOURS LIMITED

## NOTES TO THE PERFORMANCE REPORT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023

### NOTE 10 COVID-19 VIRUS

The Covid-19 virus pandemic, which resulted in lockdowns in 2020 and 2021, has had a significant impact on the future activities of the Company. However, this should not affect future activities with restrictions being lifted and international visitors returning to New Zealand

### NOTE 11 SUBSEQUENT EVENTS

There were no significant events after balance date that impact these financial statements.



Kāti Huirapa Rūnaka ki Puketeraki  
Incorporated Society

**KĀTI HUIRAPA RŪNAKA KI PUKETERAKI**  
**INCORPORATED SOCIETY**

**ANNUAL GENERAL MEETING**

**5th November 2023**

**AGENDA**

- 1            Mihi, Karakia & Nga Mate
- 2            Apologies
- 3            Confirmation of the Minutes of AGM 6 November 2022
- 4            Matters arising from 6 November AGM
- 5            Chairperson's Report
- 6            Performance Report
- 7            Adoption of Annual Report
- 8            Appointment of Auditor
- 9            Other Business

## **Minutes of Kāti Huirapa Rūnaka ki Puketeraki Inc. Soc. Annual General Meeting – Hui a Tau**

**Held 11.00am, Sunday 6 November 2022  
At Puketeraki Marae**

**Mihi whakatau:** Matapura Ellison

**Karakia tīmata:** Matapura Ellison

**Present:** Matapura Ellison (chair), Suzanne Ellison (minutes), David Thomas, Jennifer Thomas, Graeme Thomas, Marlene McDonald, Shane Te Raki, Gisele Laven, Katharina Ruckstuhl, Carolyn Campbell, Emma Wyeth, Roger Wyeth, Jeffrey Broughton, Fiona Curd, Jason Te Raki, Phil Broughton, Kiri Parata, Zayvia Parata, Brendan Flack, Brenda Van Strik, Betty Apes, Ann Bateman, John Broughton (arrived 11.05)

**Attending via Zoom:** Kate Bateman, Shane Ellison

**Nga mate o te tau:** Queen Elizabeth II, Peter Ramsden, Keri Hulme, Maika Mason, Marama Kupa, Tā Wira Gardiner, Paul Ropata, Lex Kent, Joy McLeod, Hawea Ellison, Dame Aroha Reriti-Crofts, Hariata Manawatu, Margaret Henderson, Hohepa Briggs, Alan te Raki, Terry Ryan, Tui Tau, Garrow Grant.

**2. Apologies:** David Ellison, Pat Newman, Suzanne Smith, Jenny Smith, Peter Ellison, Adam Keane, Jo Keane, Phyllis Smith, Colin Ellison, Mauraka Edwards, Marewa Preddy, George Tripp, Bridget Stewart, Caroline Ruckstuhl. Ritchie Smith, Sam Inglis, Bridget Giesen, Suzi Flack, Waiariki Parata Taiapa, Te Anahera Parata, Hinerangi Ferrall Heath, David Thomas Jnr, Rauhina Scott Fyfe, Ron McLachlan, Jody Hohaia, Ian Brown.

<b>Motion</b>	<b>That apologies be accepted.</b>		
	<b>Fiona Curd</b>	<b>Jennifer Thomas</b>	<b>Carried</b>

### **3. Confirmation of the minutes of the Annual General Meeting 7 November 2021**

<b>Motion</b>	<b>That with the correction to the spelling of Sandra Cook that the minutes of the Annual General Meeting of 7 November 2021 be confirmed as a true record</b>		
	<b>Emma Wyeth</b>	<b>Ann Bateman</b>	<b>Carried</b>

#### **4. Matters Arising from 7 November 2021 AGM**

There were no matters arising.

#### **5. Chairperson's Report**

Matapura Ellison spoke to his report then invited question or comments particularly on how we can help people to be involved and to connect with whānau who are not participating in the Rūnaka.

There was a request for more whānau events as we are moving back to normal.

There was also a question about the functioning of the Marae Reserve Trustees. The Trustees last met 4 months ago. The Trustees are appointed by the Māori Land Court and have obligations under Te Ture Whenua Act 1993 to the hapū rather than to the Rūnaka. The Rūnaka works in co-operation with the Marae Trustees.

<b>Motion</b>	<b>That we adopt the Chairman's report.</b>		
	<b>Matapura Ellison</b>	<b>Katharina Ruckstuhl</b>	<b>Carried</b>

#### **6. Performance Report**

Philip Broughton, Treasurer, introduced the Performance Report for the year ended 30 June 2022 and led the meeting through the report.

The meeting agreed the 'rainy day' the Rūnaka has been saving for has arrived and that the Rūnaka is in a reasonable position for getting through this period.

<b>Motion</b>	<b>That the Performance Report for Kati Huirapa Runaka ki Puketeraki for the year ended 30 June 2022 be approved.</b>		
	<b>Phil Broughton</b>	<b>John Broughton</b>	<b>Carried</b>

Matapura expressed appreciation on behalf of the Rūnaka to Philip for guiding the Rūnaka through this period.

#### **7. Appointment of Auditor, 2022 - 2023**

<b>Motion</b>	<b>That we retain Audit Professionals as auditors for the financial year ending 30 June 2023.</b>		
	<b>Philip Broughton</b>	<b>Jeffrey Broughton</b>	<b>Carried</b>

## 8. Proposed Changes to the Constitution

Motion	That we the members of the Rūnaka hereby revoke the current rules of Kati Huirapa Rūnanga ki Puketeraki Incorporated and adopt the rules presented to the November 2022 Annual General Meeting		
	Emma Wyeth	Marlene McDonald	Carried unanimously.

A Special Meeting to confirm the change will be held in one month.

## 9. Other Business

**Securing marine space aquaculture.** Brendan reported that following on from the last Rūnaka General Meeting in October where support was expressed for looking into securing water space for aquaculture work is beginning on an application based on 25 years of the Taiapure management & University of Otago mapping of the area. Security of food sovereignty & potential commercial opportunities are the underpinning purposes.

Motion	That the meeting record a vote of thanks to Aroha and her team working in the marae kitchen for the wonderful kai they produce for hui after hui.		
	John Broughton	Emma Wyeth	Carried

Appreciation was also expressed to Suzanne and the Rūnaka staff for their sterling work throughout the year.

Matapura thanked everyone for attending the AGM meetings and for their input during the day. There being no other business he called on Jeffrey to conclude the meeting with karakia.

The meeting was declared closed at 11.36am

Chairperson \_\_\_\_\_

Date \_\_\_\_\_

**TO: KĀTI HUIRAPA RŪNAKA KI PUKETERAKI INC. SOC**  
**DATE: NOVEMBER 2023**  
**HUI: AGM**

### **Introduction**

Ko te tuatahi he poroporoaki tēnei ki kā tini me kā mano kua wheturakitia, E kā mate kua hika nei o ia whānau, o ia whanau, 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 mātau wharehau Huirapa, a mātau wharekai Maririhau rātau 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 Puketeraki, o Karitāne, o Puketeraki, 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 2023**

Outcome measurement is how we try to determine the value of projects . I know your Rūnaka Executive regularly monitors and measures project progress against the annual plan outputs but as we head towards another AGM it's a good open question to be asking ourselves:

- Has the effort we have all put in over the last year been enjoyable?
- Has a particular project given you more cultural confidence?
- Have our wider whānau whānui living beyond our takiwā benefited in some meaningful way?
- Do you feel happy about what we have done?

Sometimes the answer is absolutely clear but sometimes when projects are multi-year it is harder to quantify.

In 2023 I can see that we do have some younger emerging leaders who have stepped up to represent us on some kaupapa and we have also benefitted from some pakeke who have stepped up to mentor these rakatahi and impart their experience. Sometimes our paepae is light on experienced kaikōrero and kaikaraka. We are lucky to have Mauraka Edwards in a kai hāpai role and he takes on quite a lot in this space and his availability has helped a lot.

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 many of our whānau would love to tautoko but the geographic distance from where they live make 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. Many whānau members do carefully read the minutes of meetings etc and I will get a call now and then about an issue



of interest or concern. Our people really do care a lot about our marae and that our tikaka and kawa is managed right.

I think that marae culture can be very intimidating to some of our whānau who might hold feelings of not being able to contribute, who might feel they do not have enough te reo Māori. There are many ways to contribute other than on the paepae. Being there at a hui and giving some encouragement to rakatahi or pakeke is a valuable koha or contribution that a whānau member could make. There is a whakataukī/proverbial saying which goes "Ko tau rourou, ko taku rourou, ka ora ai te iwi. Meaning "with your basket, with my basket, our people will thrive."

### **The Rūnaka Committees**

These committees are the engine room of our rūnaka.

- The Rūnaka Executive is not at full strength but is regularly dealing with quite complex issues. Fortunately, the Rūnaka Executive gets excellent support from our Rūnaka Manager Suzanne in the breadth and depth of experience she has across our activities. I think sharing the Chairing of our meetings is working well and brings a real freshness. Thankyou Emma for your contribution here.
- The Operations Committee may not be well known to our whānau whānui but they oversee the budget and annual plan, HR matters amongst other things.
- Komiti Rapu Ara Hou have been very successful in bringing on development of new ideas.
- Komiti Kaupapa Taiao try and keep a myriad of environmental and conservation areas covered and those rūnaka members involved do important mahi sustaining our kaitiakitanga and upholding our mana across this spectrum. We have added strength with Malcom and Matt coming in to tautoko this committee.
- He Korowai Whānau round off all this activity by focusing on manaakitaka ki kā 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 rūnaka/marae works very efficiently, being a mix of the more formal Rūnaka Executive and less formal working committees where anyone with an interest can pop along and be involved.

### **Marae Redevelopment**

I had previously predicted that by the middle of this year we should have our plans signed off at a RGM, then submitted to the Section 20 Trustees and hopefully the necessary permissions in place allowing us to move on to the next stage. We've had a bit of a hiatus and haven't met that benchmark however I don't think it's a big problem; we need to take all the time we need to get an outcome that whānau members have a strong ownership of and this does takes time to build.

Brenda van Strik is convenor/chairperson of our joint Section 20 Trustee & Rūnaka building party and she, along with the group members did make some good progress carefully picking a path through the quagmire of planning regulations we have to deal with. I am keen to see this joint trustee/rūnaka building party re-engaged and I want to make the point to our members that this

joint working group has been mandated by both the Section 20 reserve trustees and the rūnaka. A further reminder that they are tasked to get on and work towards our shared objectives, in this case maintenance on Huitangiora and future proofing our whare complex.

### **In conclusion**

Finally, thanks to all rūnaka members who give their time, experience and energy to supporting our marae and our rūnaka projects. To Suzanne and all our kaimahi, he mihi mahana ki a koutou katoa. To our Rūnaka 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.

**Noho ora mai, Matapura Ellison, Chairperson, KHR**

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

**PERFORMANCE REPORT**

**FOR THE YEAR ENDED 30 JUNE 2023**

**KATI HUIRAPA RUNAKA ki PUKETERAKI INCORPORATED  
PERFORMANCE REPORT  
FOR THE YEAR ENDED 30 JUNE 2023**

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## Independent Auditor's Report

to the Members of Kāti Huirapa Rūnaka Ki Puketeraki Incorporated

### Our Qualified Opinion

We have audited the performance report of Kāti Huirapa Rūnaka Ki Puketeraki Incorporated (the Society) and the Society and its subsidiary (the Group) which comprise the statements of financial position as at 30 June 2023 and the entity information, the statement of service performance, the statements of financial performance and statements of cash flows for the year then ended, and the statement of accounting policies and other explanatory information.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of 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;
- (b) the accompanying performance report presents fairly, in all material respects, the parent and consolidated financial position of the Society and Group as at 30 June 2023 and their entity information, service performance, financial performance and cash flows for the year ended on that date in accordance with the accounting standard, Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit).

### Basis for Qualified Opinion

In common with other organisations of a similar nature, control over the revenues from cash koha, donations, Hui activities and other similar revenue prior to being banked is limited. It was not practicable to extend our examination of such income beyond the accounting for amounts received as shown by the accounting records of the Society and Group, or to determine the effect of the limited control.

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)) and the International Standard on Assurance Engagements (New Zealand) ISAE (NZ) 3000 (Revised). 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 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 the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants (IESBA Code)*, 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 qualified opinion.

Other than in our capacity as auditors we have no relationship with, or interests in, the Society or its subsidiaries.

### Executive Committee's Responsibilities for the Performance Report

The Executive Committee is 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, statements of financial performance, statements of financial position, statements of cash flows, and the accounting policies and notes to the performance report, in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit); and
- (c) such internal control as the Executive Committee determines 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 the Executive Committee is responsible for assessing the Society's 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 the Executive Committee either intends 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, 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, 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 our responsibilities for the audit of the performance report is located on the External Reporting Board website: [https://xrb.govt.nz/Site/Auditing\\_Assurance\\_Standards/Current\\_Standards/Page7.aspx](https://xrb.govt.nz/Site/Auditing_Assurance_Standards/Current_Standards/Page7.aspx)

This report is made solely to the Executive Committee as a body. Our audit work has been undertaken so that we might state to the Society's Executive Committee those matters which we are required to state 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 Society and the Society's Executive Committee, as a body, for our audit work, for this report or for the opinions we have formed.

*Audit Professionals Limited*

Chartered Accountants

3 October 2023

Dunedin



**KATI HUIRAPA RUNAKA ki PUKETERAKI INCORPORATED**  
**ENTITY INFORMATION**  
**FOR THE YEAR ENDED 30 JUNE 2023**

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

<b>Legal Name:</b>	Kati Huirapa Runaka ki Puketeraki Incorporated		
<b>Type of Entity:</b>	The entity is an Incorporated Society registered under The Incorporated Societies Act 1905 and the Charities Act 2005.		
<b>Registration Numbers:</b>	Incorporated Society:	469967	(3 September 1990)
	Charities Commission:	CC37666	(30 June 2008)
<b>The Entity's Mission:</b>	"Nurturing our people and our environment"		
<b>The Entity's Vision</b>	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".		
<b>Entity Structure:</b>	<p>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.</p> <p>Its operations are governed by its Rules that align with and support the requirements in the Incorporated Societies Act 1908.</p> <p>The Incorporated Society is governed by an elected Executive comprising 7 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.</p> <p>Committee Members at balance date were: Matapura Ellison (Chair), Philip Broughton (Treasurer), Katharina Ruckstuhl, Jeffrey Broughton, Peter Ellison, Jason Te Raki, Emma Wyeth, Kate Bateman and Suzanne Ellison (Runaka Manager).</p>		



**KATI HUIRAPA RUNAKA ki PUKETERAKI INCORPORATED**  
**ENTITY INFORMATION (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2023**

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

**Entity Structure: (continued)** In addition the Incorporated Society has a number of committees that meet as required:

- Operations & Risk 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.

**Main Source of the Society's Cash and Resources:** Kati Huirapa Runaka ki Puketeraki Incorporated's revenue is generated from:

- Funding from Te Runanga o Ngai Tahu
- Koha, grants and sponsorships
- Hui activity at the marae
- Investment revenue
- Any agreed surplus on social contracts

**Main Methods used by the Society to Raise Funds:** From time to time the Runaka applies for philanthropic funds.

**The Society's Reliance on Volunteers and Donated Goods or Services:** The Society is fortunate to have a number of volunteers who serve on committees on our behalf and support the activities of the Runaka and marae.

**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:	<a href="mailto:admin@puketeraki.nz">admin@puketeraki.nz</a>

**KATI HUIRAPA RUNAKA ki PUKETERAKI INCORPORATED  
APPROVAL OF PERFORMANCE REPORT  
FOR THE YEAR ENDED 30 JUNE 2023**

The Executive Committee is responsible for preparing the performance report and ensuring that they comply with Tier 3 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 2023 and the results of their operations and cash flows 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 2023.**

For and on behalf of the Executive Committee:

Executive Chair: .....



Date 02/10/2023 .....

**KATI HUIRAPA RUNAKA KI PUKETERAKI INCORPORATED**  
**STATEMENT OF SERVICE PERFORMANCE**  
**FOR THE YEAR ENDED 30 JUNE 2023**

*'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 takata, he takata, he takata"

<b>Description of the Entity's Outcomes:</b>
Whanau feel like they belong here and are taking our culture forward.
Te Taiao is highly valued and is intact so that kai and other cultural resources are available to our whanau in the future.
Key strategic alliances are formed that advance the values of the Runaka.

<b>Description and Quantification of the Entity's Outputs</b>			
	<b>2023</b>		<b>2022</b>
Manaaki is extended; the giving is effective and is in line with the charitable status of the Runaka.	\$10,892		\$8,461
Koha is tikaka driven and given at the discretion of the Runaka Executive.	\$26,370		\$3,380
Celebrations and general events are held for members (includes MKW and Waitangi Day)	\$2,611		\$261
Special opportunities are provided for Kaumatua.	\$409		\$2,695
Opportunities to engage and build whanaukataka are provided for Tamariki and Rakatahi	\$5,048		\$3,252
Marae bookings	105		59
Runaka newsletters produced quarterly	0		1
Regular e-pānui sent to members	Achieved		Achieved
Monthly contributions to Te Pānui Runaka	6 out of 7		Achieved
Website providing accessible and relevant information for members and general public	15,001 visits		12,651 visits
Number of requests for consultation / approval	278		108
Staff Training	\$2,051		\$1,027

**KATI HUIRAPA RUNAKA ki PUKETERAKI INCORPORATED**  
**STATEMENTS OF FINANCIAL PERFORMANCE**  
**FOR THE YEAR ENDED 30 JUNE 2023**

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

	Note	Consolidated 2023 \$	Parent 2023 \$	Consolidated 2022 \$	Parent 2022 \$
<b>REVENUE</b>					
<b>Donations and other similar revenue</b>					
Koha and Donations		23,949	23,949	13,315	13,315
<b>Interest, dividends and other investment revenue</b>					
Interest Revenue		64,737	64,319	10,575	10,517
Dividends Revenue		52,768	-	51,664	-
Movement in Value of Investments		109,534	45,042	(77,037)	40,286
		227,039	109,361	(14,798)	50,803
<b>Revenue from providing goods or services</b>					
Hui, Tourist Activities and Sale of MEA Fragrances		165,656	125,908	34,402	25,933
Te Putea Whakamahi		563,073	563,073	531,703	531,703
Other Operating Revenue	1	5,660,984	5,660,984	131,011	131,011
Project Revenue		660,976	660,976	483,313	483,313
		7,050,689	7,010,941	1,180,429	1,171,960
Covid-19 Wage Subsidy		4,672	4,672	3,236	3,236
<b>TOTAL OPERATING REVENUE</b>		<b>7,306,349</b>	<b>7,148,923</b>	<b>1,182,182</b>	<b>1,239,314</b>
<b>EXPENSES</b>					
<b>Costs relating to providing goods or services</b>					
Audit Fee		10,900	5,600	10,780	5,500
Bank Fees		743	556	729	525
Hui related costs		48,265	48,265	14,687	14,687
MEA related costs		7,072	-	1,318	-
Other Operating Expenses	2	339,425	295,680	233,246	186,736
Projects and Contracts- Expenses		297,888	297,888	262,948	262,948
		704,293	647,989	523,708	470,396
<b>Volunteer and employee related costs</b>					
Fees paid to Executive Members and Directors		13,500	13,500	13,500	13,500
Other Employee Related Costs	3	730,483	713,232	649,781	646,984
		743,983	726,732	663,281	660,484
<b>Donations made</b>					
Gift of Loan to Puketeraki Limited	9	-	200,000	-	-
Koha and Donations		26,605	26,370	8,380	8,380
		26,605	226,370	8,380	8,380
<b>Other expenses</b>					
Depreciation		58,703	56,428	54,735	51,782
Provision - Advance to Karitane Maori Tours Ltd	10	-	(1,111)	-	10,693
Provision - Advance to Taramea Fragrance Limited	11	-	2,956	-	22,026
		58,703	58,273	54,735	84,501
<b>TOTAL OPERATING EXPENDITURE</b>		<b>1,533,584</b>	<b>1,659,364</b>	<b>1,250,104</b>	<b>1,223,761</b>
<b>NET SURPLUS / (DEFICIT) FOR THE YEAR</b>		<b>5,772,765</b>	<b>5,489,559</b>	<b>(67,922)</b>	<b>15,553</b>

**KATI HUIRAPA RUNAKA ki PUKETERAKI INCORPORATED**  
**STATEMENTS OF FINANCIAL PERFORMANCE (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2023**

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

	Consolidated 2023 \$	Parent 2023 \$	Consolidated 2022 \$	Parent 2022 \$
<b>OPENING EQUITY</b>	6,545,147	3,915,859	6,613,069	3,900,306
Operating Surplus/(Deficit) for the year	5,772,765	5,489,559	(67,922)	15,553
<b>TOTAL RECOGNISED REVENUES AND EXPENSES</b>	5,772,765	5,489,559	(67,922)	15,553
<b>CLOSING EQUITY</b>	<b>12,317,912</b>	<b>9,405,418</b>	<b>6,545,147</b>	<b>3,915,859</b>

**KATI HUIRAPA RUNAKA ki PUKETERAKI INCORPORATED**  
**STATEMENTS OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2023**

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

	Note	Consolidated 30 June 2023 \$	Parent 30 June 2023 \$	Consolidated 30 June 2022 \$	Parent 30 June 2022 \$
<b>CURRENT ASSETS</b>					
Cash and Cash Equivalents	4	2,370,801	2,281,861	446,010	299,970
Accounts Receivable and Income Accrued		239,073	215,281	99,468	77,492
Prepayments		37,187	37,187	822	822
Investments (Westpac Term Deposits)		4,314,406	4,314,406	795,014	795,014
MEA Stocks on Hand		12,978	-	15,700	-
<b>TOTAL CURRENT ASSETS</b>		<b>6,974,445</b>	<b>6,848,735</b>	<b>1,357,014</b>	<b>1,173,299</b>
<b>NON-CURRENT ASSETS</b>					
Shares in 525 Blenheim Road Limited	5	191,472	-	200,380	-
Shares in Aukaha (1997) Limited	6	379,296	379,296	334,254	334,254
Shares in Farmlands Co-operative (CRT)		330	330	330	330
Shares in Karitane Maori Tours Limited		-	100	-	100
Investments (managed by Polson Higgs Wealth Management Limited)	7	1,880,537	-	1,634,318	-
Investment in Te Haumi Whakamana	8	766,769	-	857,683	-
Advance to Puketeraki Limited	9	-	-	-	200,000
Advance to Karitane Maori Tours Limited	10	-	18,908	-	17,761
Advance to Taramea Fragrance Limited	11	-	28,362	-	30,816
Workshop Building Alterations - Office Space		61,178	61,178	-	-
Property, Plant and Equipment	12	2,349,721	2,340,790	2,378,988	2,367,781
<b>TOTAL NON CURRENT ASSETS</b>		<b>5,629,303</b>	<b>2,828,964</b>	<b>5,405,953</b>	<b>2,951,042</b>
<b>TOTAL ASSETS</b>		<b>12,603,748</b>	<b>9,677,699</b>	<b>6,762,967</b>	<b>4,124,340</b>
<b>LESS CURRENT LIABILITIES</b>					
Accounts Payable		133,847	124,609	102,234	92,311
Employee Costs Payable		94,984	93,381	85,652	85,652
GST Payable		21,692	18,978	17,730	18,314
Revenue Received in Advance		35,313	35,313	12,204	12,204
<b>TOTAL CURRENT LIABILITIES</b>		<b>285,836</b>	<b>272,281</b>	<b>217,820</b>	<b>208,481</b>
<b>NET ASSETS</b>		<b>12,317,912</b>	<b>9,405,418</b>	<b>6,545,147</b>	<b>3,915,859</b>
<b>REPRESENTED BY:</b>					
<b>ACCUMULATED FUNDS</b>					
Accumulated Surpluses		11,296,335	8,669,907	5,629,649	3,180,348
Land and Building Revaluation Reserve	13	735,511	735,511	735,511	735,511
Share Revaluation Reserve		286,066	-	179,987	-
		<b>12,317,912</b>	<b>9,405,418</b>	<b>6,545,147</b>	<b>3,915,859</b>



**KATI HUIRAPA RUNAKA ki PUKETERAKI INCORPORATED**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

*How the entity has received and used cash"*

	Consolidated 30 June 2023 \$	Parent 30 June 2023 \$	Consolidated 30 June 2022 \$	Parent 30 June 2022 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Te Putea Whakamahi	563,073	563,073	531,703	531,703
TRONT Putea	5,538,927	5,538,927	-	-
Other receipts from providing goods and services	927,335	888,240	612,301	603,248
Koha and donation receipts	23,949	23,949	13,315	13,315
Grants	120,342	120,342	232,043	125,635
Interest, dividends, and other investment receipts	149,748	47,882	12,964	12,964
MSD Covid-19 Wage Subsidy (refund)	4,672	4,672	3,236	3,236
Payments to suppliers, employees and executive	(1,664,353)	(1,594,566)	(1,142,477)	(1,084,597)
Net GST Movement	3,834	664	(28,807)	(26,066)
<b>TOTAL CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>5,667,522</b>	<b>5,593,183</b>	<b>234,278</b>	<b>179,438</b>
<b>CASH FLOWS FROM INVESTMENT AND FINANCING ACTIVITIES</b>				
Receipts from increase in Bank term deposits	(3,519,391)	(3,519,391)	(12,716)	(12,716)
Net receipts from the purchase/sale of investments	(131,440)	-	(223,986)	-
Payments to purchase plant and equipment	(90,724)	(90,724)	(78,437)	(78,437)
Loan to Karitane Maori Tours Limited	(58)	(58)	-	-
Advances - Taramea Fragrance Limited	(1,119)	(1,119)	-	929
Advances - Puketeraki Limited	-	-	-	(200,000)
New Bank term deposit and interest reinvested	-	-	-	-
Payments to purchase investments	-	-	-	-
<b>CASH FLOWS TO INVESTMENT AND FINANCING ACTIVITIES</b>	<b>(3,742,732)</b>	<b>(3,611,292)</b>	<b>(315,139)</b>	<b>(290,224)</b>
<b>NET (DECREASE)/INCREASE IN CASH</b>	<b>1,924,790</b>	<b>1,981,891</b>	<b>(80,861)</b>	<b>(110,786)</b>
<b>CASH BALANCES</b>				
Cash and cash equivalents at the beginning of the year	446,011	299,970	526,871	410,756
Cash and cash equivalents at the end of the year	2,370,801	2,281,861	446,011	299,970
<b>Net change in cash for the year</b>	<b>1,924,790</b>	<b>1,981,891</b>	<b>(80,861)</b>	<b>(110,786)</b>
Cash at Bank - Westpac Current Account	171,052	122,705	306,750	194,425
Cash at Bank - Westpac Savings Account	157,585	157,585	101,600	101,600
Cash at Bank - Short Term Deposit	2,000,000	2,000,000	-	-
Cash at Bank - Debit card	612	612	2,066	1,962
Cash at Bank - Petty Cash Float and vouchers	959	959	1,983	1,983
Polson Higgs Wealth Management	40,593	-	33,611	-
	<b>2,370,801</b>	<b>2,281,861</b>	<b>446,010</b>	<b>299,970</b>

Note that cash and cash equivalents at the end of the year exclude Westpac term deposits which are disclosed separately.

## KATI HUIRAPA RUNAKA ki PUKETERAKI INCORPORATED

### STATEMENT OF ACCOUNTING POLICIES

### FOR THE YEAR ENDED 30 JUNE 2023

#### *'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 certain investments which 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 Incorporated Society's 100% equity investment in Puketeraki Limited and 100% investment in Karitane Maori Tours 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 (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2023**

***'How did we do our accounting?'***

**Income Tax**

The entity is registered with the Charities Commission and is 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 or gifted values less aggregate depreciation. The depreciation rates used are:

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

**Investments**

Investments are financial assets of the Company and are initially measured at fair value, plus directly attributable transaction costs.

The Company classifies its financial assets into the following categories: Amortised cost and fair value.

**a) Amortised Cost**

These are the debt securities which the Company has the positive intent and ability to hold to maturity. They comprise fixed interest bonds managed by Polson Higgs Wealth Management Limited and the advance to Taramea Fragrance Limited. They are subsequently measured at amortised cost using the effective interest method, less any impairment losses.

**b) Fair Value**

These are non-derivative financial assets that are designated as financial instruments held at fair value. They comprise the Te Haumi Whakamana investment, Aukaha (1997) Limited investment, 525 Blenheim Road Limited investment and the equity investments managed by Polson Higgs Wealth Management Limited. They are subsequently measured at fair value with gains or losses recognised in revenue and expenses. The unrealised gain on equity investments is shown as a separate reserve.

**KATI HUIRAPA RUNAKA ki PUKETERAKI INCORPORATED  
STATEMENT OF ACCOUNTING POLICIES (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2023**

*'How did we do our accounting?'*

**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 with maturities of 90 days or less.

**Changes in Accounting Policies**

There have been no changes to accounting policies during the year. Policies have been applied on a consistent basis with those of the previous period.

**KATI HUIRAPA RUNAKA ki PUKETERAKI INCORPORATED**  
**NOTES TO THE PERFORMANCE REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**1. OTHER OPERATING REVENUE**

	Consolidated 2023 \$	Parent 2023 \$	Consolidated 2022 \$	Parent 2022 \$
Grants Received:				
Department of Corrections	-	-	1,399	1,399
Dunedin City Council - Maori Capability	25,000	25,000	25,000	25,000
Manawapopere Trust	233	233	-	-
Otago Community Trust	50,000	50,000	10,000	10,000
Te Putahitanga O Te Waipounamu	-	-	10,000	10,000
Te Runanga o Ngai Tahu	-	-	56,000	56,000
Tribal Properties	20,000	20,000	20,000	20,000
Tront	2,000	2,000	-	-
	97,233	97,233	122,399	122,399
Rental Revenue	6,018	6,018	5,358	5,358
Sundry Revenue	18,806	18,806	3,254	3,254
TRoNT Putea	5,538,927	5,538,927	-	-
<b>TOTAL OTHER OPERATING REVENUE</b>	<b>5,660,985</b>	<b>5,660,984</b>	<b>131,011</b>	<b>131,011</b>

**2. OTHER OPERATING EXPENSES**

	Consolidated 2023 \$	Parent 2023 \$	Consolidated 2022 \$	Parent 2022 \$
<b>Other expenses</b>				
Accounting Fees	24,876	19,092	34,356	19,245
Advertising	1,043	818	371	371
Appointment Committee	-	-	288	288
Charitable Acts	10,892	10,892	8,461	8,461
Covid-19 Support	268	268	4,321	4,321
Environment	2,226	2,226	3,758	3,758
Fees paid to Financial Adviser	21,114	-	21,430	-
Postage & Courier	4,224	4,224	4,608	4,608
General	68,772	63,797	31,072	28,186
Heat, Light & Power	20,375	20,375	13,063	13,063
Insurance	30,685	29,866	24,601	23,884
Management Services	-	-	-	-
Merchandise for resale	10,018	10,018	2,673	2,673
Printing, Stationery and Copying	8,640	8,617	8,180	8,180
Rates	4,617	4,617	4,258	4,258
Repairs and Maintenance	85,296	85,188	32,056	32,056
Secreterial Fees	7,692	-	5,348	-
Tamariki/Rakatahi	5,048	5,048	3,252	3,252
Telephone, Tolls and Internet	7,372	6,653	7,564	6,634
Travel	5,257	2,971	1,594	1,534
Vehicle Costs	21,010	21,010	21,992	21,964
<b>TOTAL OTHER EXPENSES</b>	<b>339,425</b>	<b>295,680</b>	<b>233,246</b>	<b>186,736</b>

**KATI HUIRAPA RUNAKA ki PUKETERAKI INCORPORATED**  
**NOTES TO THE PERFORMANCE REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**3. OTHER EMPLOYEE RELATED COSTS**

	Consolidated 2023 \$	Parent 2023 \$	Consolidated 2022 \$	Parent 2022 \$
<b>Other employee related costs</b>				
ACC Levy	1,486	1,417	2,425	2,300
KiwiSaver Contributions	8,601	8,202	8,273	8,273
Wages and Salaries	435,658	418,875	399,627	396,955
Wages Related to Project	284,738	284,738	239,456	239,456
<b>TOTAL OTHER EMPLOYEE RELATED COSTS</b>	<b>730,483</b>	<b>713,232</b>	<b>649,781</b>	<b>646,984</b>

**4. CASH AND CASH EQUIVALENTS**

	Consolidated 2023 \$	Parent 2023 \$	Consolidated 2022 \$	Parent 2022 \$
Cash at Bank - Westpac Cheque Account	171,052	122,705	306,750	194,425
Cash at Bank - Westpac Savings Account	157,585	157,585	101,600	101,600
Cash at Bank - Short term Deposit	2,000,000	2,000,000	-	-
Cash at Bank - Polson Higgs Wealth Management Limited	40,593	-	33,611	-
Cash at Bank - Debit Card	612	612	2,066	1,962
Cash on Hand, Petty Cash Float and Vouchers	959	959	1,983	1,983
<b>TOTAL OTHER OPERATING REVENUE</b>	<b>2,370,801</b>	<b>2,281,861</b>	<b>446,010</b>	<b>299,970</b>

**5. 525 BLENHEIM ROAD LIMITED**

Subsidiary company Puketeraki Limited has a 5.5% interest in this company (2022: 5.5%). The interest is recorded at the Directors' opinion of fair value. Movements in fair value are reflected in the Statement of Financial Performance.

**6. SHARES IN AUKAHA (1997) LIMITED**

Kati Huirapa Runaka ki Puketeraki Incorporated hold 20% of the shares in Aukaha (1997) Limited. The share of earnings is recorded each year.

	2023 \$	2022 \$
Carrying amount at beginning of the year	334,254	293,968
Equity accounted earnings for the year	45,042	40,286
Carrying value at end of the year	<u><u>379,296</u></u>	<u><u>334,254</u></u>

**KATI HUIRAPA RUNAKA ki PUKETERAKI INCORPORATED**  
**NOTES TO THE PERFORMANCE REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2023**

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

**CURRENT - Puketeraki Limited**

	2023	2022
	\$	\$
Cash Accounts	40,593	33,611
	<u>40,593</u>	<u>33,611</u>

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

**NON-CURRENT - Puketeraki Limited**

	2023	2022
	\$	\$
Fixed Interest Bonds	526,872	469,854
Equity Investments	1,353,665	1,164,463
	<u>1,880,537</u>	<u>1,634,317</u>

The equity investments are all in listed entities and comprise New Zealand shares 17% (2022: 17%) Australian shares 10% (2022: 11%) and International equities 73% (2022: 72%)

**8. INVESTMENT IN 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 currently \$1,500,000. It is carried at an assessed fair value. A guarantee has been provided by Ngai Tahu Holdings Corporation.

	2023	2022
	\$	\$
Investments in Te Haumi Whakamana are held by Puketeraki Limited	<u>766,769</u>	<u>857,683</u>

**9. ADVANCE TO PUKETERAKI LIMITED**

In June 2018 the Runaka advanced \$1,000,000 to Puketeraki Limited for investment.

In December 2019, the Runaka advanced another \$7,500 to Puketeraki Limited for the investment in Taramea Fragrance Limited.

This advance is unsecured, interest free and repayable upon demand.

In June 2020 the Runaka gifted the \$1,000,000 advance to Puketeraki Limited permanently.

In September 2021, the Runaka advanced \$200,000 to Puketeraki Limited for investment.

In May 2023 the Runaka gifted the \$200,000 advance to Puketeraki Limited permanently.

**10. ADVANCE TO KARITANE MAORI TOURS LIMITED**

A tourist adventure attraction offering a waka experience from Karitane started operating in July 2018. The original shareholder was Puketeraki Limited but at the end of March 2019 the shareholding was transferred to the Runaka.

As at 30 June 2023 \$161,800 (2022:\$161,764) had been advanced. This loan has been provided against to recognise that the loan is unlikely to be fully recovered.

The Company incurred a surplus of \$1,111 (2022: deficit \$10,693), resulting in a deficit in equity in their books as at 30 June 2023 of \$142,892 (2022: \$143,003).



**KATI HUIRAPA RUNAKA ki PUKETERAKI INCORPORATED**  
**NOTES TO THE PERFORMANCE REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**11. ADVANCE TO TARAMEA FRAGRANCE LIMITED**

This enterprise was initially developed as a joint venture with Ngai Tahu. In August 2019 it was taken over by Kati Huirapa Runaka ki Puketeraki Incorporated with the governance role assigned to Puketeraki Limited. The taramea plant is found in southern New Zealand. The aromatic resin of the taramea fragrance is extracted from the hand harvested plant. The Company is responsible for overseeing the development, manufacture, blending and marketing of the product using the brand name of MEA.

The Runaka had committed \$150,000 to funding the project and its initial operation. As at 30th June 2023 \$61,174 (2022: \$61,601) had been advanced by the Runaka and \$5,285 (2022: \$5,284) by Puketeraki Limited. This loan has been provided against to recognise that the loan is unlikely to be fully recovered. The Company incurred a deficit of \$2,956 (2022: \$233) to 30 June 2023, resulting in a deficit in equity in their books as at 30 June 2023 of \$38,097 (2022: \$35,141).

**12. PROPERTY, PLANT AND EQUIPMENT**

<b>2023 - Parent</b>	<b>Opening Carrying Amount</b>	<b>Purchases / Revaluation</b>	<b>Sales/ Disposals</b>	<b>Current Year Depreciation and Impairment</b>	<b>Closing Carrying Amount</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Land	863,583	-	-	-	863,583
Buildings	1,182,048	20,503	-	29,904	1,172,647
Marae Retaining Wall	222,898	-	-	-	222,898
Motor Vehicles	32,247	-	-	8,897	23,350
Furniture and Fittings	19,769	1,980	-	4,535	17,214
Other Assets	13,216	7,063	-	3,326	16,953
Plant	29,820	-	109	7,383	22,328
Office Equipment	4,200	-	-	2,383	1,817
	<b>2,367,781</b>	<b>29,546</b>	<b>109</b>	<b>56,428</b>	<b>2,340,790</b>
<b>2023 - Subsidiary</b>					
Plant and Equipment	11,207	-	-	2,274	8,931
	<b>2,378,988</b>	<b>29,546</b>	<b>109</b>	<b>58,702</b>	<b>2,349,721</b>

<b>2022 - Parent</b>	<b>Opening Carrying Amount</b>	<b>Purchases / Revaluation</b>	<b>Sales/ Disposals</b>	<b>Current Year Depreciation and Impairment</b>	<b>Closing Carrying Amount</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Land	863,583	-	-	-	863,583
Buildings	1,191,661	20,502	-	30,115	1,182,048
Marae Retaining Wall	222,898	-	-	-	222,898
Motor Vehicles	22,956	15,652	-	6,361	32,247
Furniture and Fittings	3,024	19,180	-	2,435	19,769
Other Assets	4,080	11,824	-	2,688	13,216
Plant	28,150	8,981	-	7,311	29,820
Office Equipment	4,774	2,298	-	2,872	4,200
	<b>2,341,126</b>	<b>78,437</b>	<b>-</b>	<b>51,781</b>	<b>2,367,781</b>
<b>2022 - Subsidiary</b>					
Plant and Equipment	14,160	-	-	2,953	11,207
	<b>2,355,286</b>	<b>78,437</b>	<b>-</b>	<b>54,734</b>	<b>2,378,988</b>

The Society owns properties at 1160, 1161 and 1200 Coast Road, Waikouaiti, 121 Grimness Street and 128 Stornaway Street, Karitane. The most recent rateable valuations of these properties total \$2,315,000. The book value of the land and buildings will be recovered through future use.

**KATI HUIRAPA RUNAKA ki PUKETERAKI INCORPORATED**  
**NOTES TO THE PERFORMANCE REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2023**

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

The Kati Huirapa Runaka ki Puketeraki Trust was dissolved on 26 September 2017.

The old school property and the Coast Road property previously held by the Trust were transferred to the Runaka as at that date, and the debt relating to these assets was forgiven.

The Executive agreed that these assets be shown at the rating values relevant to the properties.

Revaluing these properties to latest rateable valuation in 2018 increased the value of the properties by \$735,511 which is recorded in a land and buildings revaluation reserve.

**14. CAPITAL AND OPERATING COMMITMENTS**

The Group had no capital commitments as at balance date (2022 \$nil).

A 5 year contract with Fuji Xerox was entered into for the lease of a photocopier in May 2021.

	2023	2022
	\$	\$
Less than one year	2,877	2,877
Between one and five years	5,516	8,393
<b>Total</b>	<b>8,393</b>	<b>11,270</b>

**15. RELATED PARTIES**

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

Mr Ellison has the use (2/3) of paddocks owned by the Runaka and reimburses the Runaka for the rates due.

Jeffrey Broughton is a Executive committee member of Kati Huirapa ki Puketeraki Incorporated and is a consultant with Findex a division of Findex NZ, Chartered Accountants who from 1 October 2021 have provided accounting support for the Runaka group.

Philip Broughton is Treasurer of Kati Huirapa ki Puketeraki Incorporated and is a Director of Aukaha (1997) Limited. Runaka has invested in Aukaha (1997) Limited's shares for a total amount of \$379,296 (2022: \$334,254). Runaka also provide project management services to Aukaha (1997) Limited.

Description of Related Party Relationship	Description of the Transaction	2023	2023	2022	2022
		\$	\$	\$	\$
		Value of Transactions	Amount Outstanding	Value of Transactions	Amount Outstanding
Mr Matapura Ellison, Chair of the Runaka	Reimbursement of rates for use of paddocks	\$666	\$666	\$782	\$1,171
Mr Jeffrey Broughton, Executive Member of the Runaka and Consultant of Findex	Provide accounting services	\$19,092	\$4,795	\$19,245	\$1,315
Mr Philip Broughton, Treasurer of the Runaka and Director of Aukaha (1997) Limited	Project Revenue	\$5,136	\$0	\$0	\$0

**KATI HUIRAPA RUNAKA ki PUKETERAKI INCORPORATED  
NOTES TO THE PERFORMANCE REPORT (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2023**

**16. CONTINGENT LIABILITIES**

There are no contingent liabilities or guarantees as at balance date (2022: Nil)

**17. INVESTMENT - NEW ZEALAND CENTRE OF DIGITAL EXCELLENCE LIMITED**

The Society acquired 1,275 shares in New Zealand Centre of Digital Excellence Limited (12.75% of the share capital). These shares were acquired during the 2023 financial year for no cost. The Company receives grants to distribute to the gaming development industry in Dunedin without financial return to its shareholders.

**18. EVENTS AFTER BALANCE DATE**

No significant events have occurred after balance date that would impact these financial statements.





