

RAKIURA  
MAORI LAND TRUST

ANNUAL REPORT 2012





## MISSION STATEMENT

Tē nei kaupapa nui o te  
Kaporeihana tiaki whenua  
Mā ori ki rakiura:

Tiakina ō na putea, ō na  
Whenua i tukua;

Ma tē poari te nei pauapapa  
Nui e ehai ake nei:

Ka kō rerotia ki ō na rō pū  
Honohono;

Ka whakahā ere ō na take  
Katoa i te pono;

Ka whanaketia tō na ohā ki  
I tukua mō ngā rō pū  
Honohono, mō ngā uri e  
Muri ake nei.

This is the mission statement for Rakiura Maori Land Trust:

To guard/protect its financial resources and its land holdings it has received;  
It is for the board in its pursuits, to:  
Liaise with its affiliated groups;  
Manage all of its affairs transparently/truthfully;  
Advance its legacy it has received for its affiliated groups and for the  
descendents of this and future generations.



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## GOVERNANCE SUMMARY

<b>Ethical Conduct</b> – including the use of formal codes of ethics	<ul style="list-style-type: none"><li>– The entity continues to develop its Code of Conduct in line with the Governance policy document, which gives guidance on the standards of behaviour expected from Trustees.</li><li>– There are also formal meeting guidelines for the owners AGM process.</li></ul>
<b>Trust Board Composition and Performance</b>	<ul style="list-style-type: none"><li>– Following the passing of Susanne Spencer in January, her position has remained vacant. This position will be filled at the next AGM.</li><li>– The trustees attend training in the area of governance and in the area's of benefit to the trust.</li><li>– The Trust Board performance is reviewed annually.</li></ul>
<b>Sub-committees</b> – including composition of committees	<ul style="list-style-type: none"><li>– Sub-committees are formed to monitor and manage specific aspects of operations, investments or special projects. The committees include trustees and seek external involvement where necessary.</li></ul>
<b>Reporting and Disclosure</b> – including regular reporting and certification of financial statements	<ul style="list-style-type: none"><li>– The board of trustees reviews regular management reports against budget, including reviewing the annual business plan.</li><li>– In addition they approve the annual financial statements.</li></ul>
<b>Remuneration</b> – of Trustees	<ul style="list-style-type: none"><li>– The meeting fees and honoraria paid to trustees were approved by owners.</li><li>– Services provided to the trust by the trustees in their professional capacity are approved by the Trustee group and reported in the annual report.</li></ul>
<b>Risk Management</b> – including levels of disclosure	<ul style="list-style-type: none"><li>– Risk Management practices are reviewed informally by the Trust Board throughout the year, whether these be investment risks, hunting or walking track activities, land management obligations, legal considerations, project Management, staffing and external resource management.</li><li>– All trustees are involved in decision making.</li></ul>
<b>Subsidiary Board</b>	<ul style="list-style-type: none"><li>– The governance structure for Rakiura Wildlife Experiences Limited is currently undergoing a change to enable all trustees in Rakiura Maori Land Trust to be directors of the subsidiary entity.</li></ul>
<b>Auditors</b>	<ul style="list-style-type: none"><li>– An independent audit is completed on the Financial Statements each year. Feedback is provided on internal controls systems and procedures.</li></ul>
<b>Owner Relations</b>	<ul style="list-style-type: none"><li>– The Trust Board reports to owners via newsletters, the annual report, AGM and more recently via the website <a href="http://www.visitrakiura.co.nz">www.visitrakiura.co.nz</a></li></ul>
<b>Stakeholder Interests</b> – addressing the interests of stakeholders	<ul style="list-style-type: none"><li>– The Trust Board endeavours to address the interests of all stakeholders.</li></ul>
<b>Maori Land Court (MLC) Review</b>	<ul style="list-style-type: none"><li>– The Maori Land Court undertakes a review of the trust on a five yearly cycle. The last review was undertaken in December 2008. A copy of the review is available to owners from the MLC. The next review is due in December 2013.</li></ul>





## TRUSTEES REPORT

The following is the Trustees report on the activities of the Rakiura Maori Land Trust for the 2011/2012 financial year. Unfortunately, this year has seen the loss of one of our serving Trustees, Suzanne Spencer, who lost her battle with illness in January. Suzanne remained an active trustee right up until her passing. The trust, on behalf of all beneficial owners and fellow trustees, express their most sincere condolences to Suzanne's whānau along with our gratitude for the assistance, support and commitment she made during her almost six years with us. She will be sadly missed and not easily replaced.

Once again, the year has been extremely challenging as the continued weakening of the economy both within New Zealand and abroad has kept investment returns low. This is reflected in the continuing low income because of our primary reliance on investment revenue. The outlook for reduced income looks set to continue as we rollover maturing investments during the present period. Many of them, in terms of yield, have held up well until now, providing a better than current market rate of return. This was due to the higher interest rates achieved at the time of lodgement. However, those investments now due for renewal will only achieve the existing lower market rates, which further reduce available income to the trust.

While the primary source of income remains in Term Investments this is obviously going to have the greatest impact on our revenue. With the outlook not expected to improve significantly in the near future, (the next twelve to eighteen months), the trust needs to adjust its operation to reflect the current situation by looking at cost structures and attempting to initiate alternative revenue streams.

With the need to operate within current income levels the trust has no choice but to seriously reduce overheads and delay further investment in development until the economy shows definite signs of improvement and our investment income is showing real signs of increasing. Development opportunities now need to be restricted to situations where the risk is low and positive returns can be obtained quickly to remove further drains on the trusts funds during any initial setup period. This has been done by diminishing non-essential activities. We have slowed our land management activities to essential items only to ensure we don't lose our previous gains.

To reduce the overall cost of governance we have reduced the number of trustees from seven to five as provided for with the Trust Deed. This is an appropriate number as we decrease the activities being undertaken. In addition to this we have condensed formal trustee meetings from around six or seven a year to three or four a year. Equally we are ensuring that meeting length is kept to less than a day wherever possible. The effect of this is now coming through. Over the coming twelve months we will look at holding video conference meetings to further reduce travel costs.

Current and future trustees will need to continue focusing on cost reduction until such time as income and source of income improves. This will ensure the Trust is in the best position to take advantage of future potential associated with an improved economic outlook.

However, while we pursue the reduction of costs and our conservative approach to development of the trusts activities, this does not signal an end to development but rather an indication that things must progress with lower risk over longer timeframes than previously envisaged. The opportunity for continued development of tourism activities remain a strong focus for the trust. The foundation for achieving this will be leveraging strong partnerships with those already operating successfully within the tourism industry and where we are an equal partner who can complement what other's bring to the table. Going forward, the delivery models will need to reflect the lower risk profile we are seeking.

### TOURISM BUSINESS

Following external advice from within the industry with well-established advisors, the trust agreed to suspend activities while we endeavour to put together a strong partnership to provide the best opportunity for achievement. This is not



going to be an easy nor short process coupled with the need to operate within our current financial means. Our planned objective (for the last seven years) has been to successfully complete our development into tourism and we are determined to do so at the earliest opportunity. The need to preserve the value of our kiwi viewing product over the longer term makes it essential that we don't damage the quality of the activity in the short term through an inappropriate entry.

During the year it became apparent that this critical development was going to cause a conflict with other operators on the island. While there has always been a commitment by the trust to work with other operators in a cooperative manner this was going to be difficult to achieve if we continued with this product at this time.

The overall success of our tourism business will be based on viewing Kiwi in the wild and it is extremely important that we do this correctly to gain the necessary financial success over the longer term. These finances will provide the basis for the development of other products that will have a longer lead time before they generate success.

To date we have already learnt a lot from the two seasons that we setup and operated the business. We have acquired support assets and facilities that will become a fundamental part of our tourism trade. We have put in place the systems and processes that can be used when required to successfully operate. We have learnt many lessons that will help us with implementation in the future and within partnerships that will greatly enhance every aspect of our intended activity. Ultimately this is our best opportunity to reduce our reliance on investment income and produce alternative revenue streams.

## HUNTING

Hunting has remained a positive opportunity over the last year and has not experienced any noticeable drop off in demand with the generally sluggish economy. The development of our hunting activity has continued and is now starting to make a positive contribution to the overall financial position. The hunters are now better aware of the full package service we use and have provided positive feedback to the model. We are seeing more hunters coming from the North Island and Australia as our package makes it easy for them to start the trip by flying in to Invercargill.

Hunting is a stable product for the trust with potential for further development as hunting opportunities in other areas decline through alternative land usage. There is a lower risk profile for development of hunting because it is an established business with existing and continuing demand. Equally there is minimal on-going investment required and lower direct operational overheads than other product options currently available

The one risk we face in the provision of our hunting packages is the heavy reliance on a number of third party providers that in turn make up a large part of the input costs. Over the last three years some of these costs have dramatically increased in some cases by nearly 40%. The trust has had no choice but to pass on these costs to our customers, which obviously has had a major effect on the price of our product. While the use of third party providers reduces our fixed overheads because of the pay as you use structure, continued increases of this kind would not be sustainable and other options for the supply of these services may need to be considered. Work on alternatives is an on-going focus for us.

The major challenge with hunting is to manage the administration overhead to ensure we can generate a reasonable rate of return for the effort, risk and investment required to offer the product. Failure to keep the cost of administering in check will simply see an increase in turnover being eaten up through a reducing margin and thus a reduced profit. While current delivery of the product is not perfect it is improving and ensuring that increased turnover provides an increased return.



## FUTURE

For now the trust must continue to focus on the extension of the sluggish economy and its heavy reliance on investment income. We need to successfully operate within this environment before we will be able to take advantage of an improved economic outlook, that will come as it always does, following a downturn.

The trust has significant assets and it's important that we take every step to preserve their value at the present and long into the future. Successful businesses need to be able to adapt to the 'now' and be prepared for the future; Rakiura Maori Land Trust has proven it is capable of achieving this.

I think it is worth reflecting on our past to see just how far we have actually come. For nearly eighty years (before the trust was formed in the 1980's), there was virtually no activity within or on our land to save it from acquisition by the Crown. Over the following twenty years the trust started to develop from nothing with nothing, to something. Now in the last 10 years we have seen the trust become a very active and progressive identity developing opportunities to go forward and get closer to making the land the productive vehicle it was always meant to be.

We have now developed a healthy interest in the trusts activities with beneficial owners and provided opportunities for many to renew their connection with Rakiura to ensure that our land will be in good hands for future generations. The current situation of slowing our progress is just a small step in the continuous growth of the Trust from its very simple beginnings. Today's activities are still moving the trust forward and still represent a rate that exceeds more than has been achieved in most of the preceding history of the trust's existence.

The future for the trust will always be to focus on its development as a fully functional Trust bringing land assets into production wherever possible so that we can continue to improve the value of the land on behalf of the beneficial owners. It would be all too easy to sit back and simply hold the land in title and let it, along with its assets, become irrelevant.

The trustees will continue to focus on improvement to better serve its owners and provide more opportunities for them to remain connected and proud of their connection to Rakiura and its whenua. This will always need to be at a sustainable pace within the resources available to the trust and its trustees at any given point in time.

Continued development and maintenance of partnerships remains fundamental to our long term future and success along with the activities it is engaged in, business or otherwise. This will ensure the most stable and secure means of moving forward as we seek to reduce errors, learn from the experience of others, and find individuals we wish to work with to enhance RMLT's development as a trustworthy organisation that has the full support of its owners.

Our driving force continues to be the determination to ensure Rakiura Māori Land does not become just another mark on the map that everyone has forgotten about. We will ensure that everyone is proud to be associated and connected to their whenua in the future ake ake ake.

Finally, as mentioned in previous years' reports we must continue to look at the resources to ensure our future objectives can be achieved in a timely and professional manner. We will strive for further developmental progress for your ultimate benefit and continue to work for you in the months ahead as we move closer to attaining our dreams of a secure and productive future for the Trust and the lands that we administer for you.

**Rakiura Maori Land Trustees**





# ACCOUNTANT'S REPORT

Welcome to the 2012 financial section of the Annual Report. We have been invited by the Trustee's to present this brief summary of the results.

## OVERVIEW

The trust has made a loss of \$110,225 before transfers and unrealised gains/losses for the 30 June 2012 financial year (2011 \$258,531), and a combined loss of \$153,575 for the same period (2011 \$355,599). The Trust sought to reduce costs in 2012 and the success of this has been reflected in the decrease in the loss for 2012.

Our brief highlights of the 12 months are best covered under the following headings.

## INVESTMENT RETURNS

Investment markets both in New Zealand and around the world are still being affected by the global recessions, financial credit crunch, bank & finance company failures and investor panic. The Trust has weathered this storm largely unscathed.

Interest rates on fixed interest type investments have declined in the period as expected and returns are less than anticipated. The Trustees take a prudent approach to investing, with preference given to the quality of the investment as opposed to interest rates. This philosophy continues to serve the trust well.

The trust has over \$7.6 million in assets and investment, 60% of these being Fixed Interest and Bonds. Investments are held with Spicers Portfolio Management and RaboDirect - the highest rated bank in New Zealand.

## SPECIAL PROJECTS

The Trustees worked on a number of special projects including:

- Revision of the Hunting activities
- The continuation of the Te Manawhenua project aimed at determining where Maori lands are located across the South Island
- The continued development of the tourism business venture on the Island

## TAX LOSSES

The Trust holds an exemption certificate to enable it to receive Gross Interest with no Resident Withholding Tax (RWT) deducted, thereby utilising tax losses brought forward from prior years when dividend streams attracted Imputation credits. Tax losses stand at approximately \$2.8 million. The cash effect to the trust is approximately \$492,370, and the trusts goal is to have this released as fast as possible by utilising the exemption certificate strategy.

## DATABASE MANAGEMENT

Time spent on the database involves processing successions and ensuring contact details for owners were updated in order to maintain the integrity of the database. In total a further \$60,171 of unclaimed dividends was released this financial year.

Kia Ora  
Mark Tynan

Director  
Ashton Wheelans Limited  
Christchurch

Trust Accountants & Administrators.

**STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE TWELVE MONTHS ENDED 30 JUNE 2012**

	Notes	Consolidated		Parent	
		2012	2011	2012	2011
		\$	\$	\$	\$
Interest & Investments	2	372,081	464,809	372,081	464,803
Trading Activities	2	108,216	67,507	-	(204)
Lease Income	2	4,672	4,431	6,472	4,431
Other Income	2	2,151	2,777	8,666	1,718
<b>Total Revenue</b>		<b>487,120</b>	<b>539,524</b>	<b>387,219</b>	<b>470,748</b>
Operating Expenses	3	(541,577)	(734,311)	(400,729)	(572,498)
Project Expenses	4	(854)	(8,260)	(854)	(8,260)
<b>Total Operating Expenditure</b>		<b>(542,431)</b>	<b>(742,571)</b>	<b>(401,583)</b>	<b>(580,758)</b>
Earnings before interest, taxation and depreciation		(55,311)	(203,047)	(14,364)	(110,010)
Depreciation	9	(96,025)	(146,798)	(93,622)	(142,766)
Gain/(Loss) on Disposal of Fixed Assets		(463)	(151)	(463)	(151)
Earnings before interest and taxation		(151,799)	(349,996)	(108,449)	(252,927)
Interest Expense		(1,776)	(5,603)	(1,776)	(5,603)
<b>Net Surplus before Taxation</b>		<b>(153,575)</b>	<b>(355,599)</b>	<b>(110,225)</b>	<b>(258,530)</b>
Taxation	7	-	-	-	-
<b>Operating Surplus after Taxation</b>		<b>(153,575)</b>	<b>(355,599)</b>	<b>(110,225)</b>	<b>(258,530)</b>
Unrealised Gains/(Losses) on Investments		8,067	2,746	8,067	2,746
Operating Surplus/(Deficit) after Unrealised Investment Gains/(Losses)		(145,509)	(352,854)	(102,158)	(255,785)
Transfer to Special Funds	13/14	(141,259)	(258,867)	(141,259)	(258,867)
<b>Total to Retained Earnings</b>		<b>(286,768)</b>	<b>(611,721)</b>	<b>(243,417)</b>	<b>(514,652)</b>

**STATEMENT OF MOVEMENTS IN EQUITY  
FOR THE TWELVE MONTHS ENDED 30 JUNE 2012**

	Notes	Consolidated		Parent	
		2012	2011	2012	2011
		\$	\$	\$	\$
Opening Equity		5,425,630	5,867,907	5,676,827	6,022,035
Operating Surplus/(Deficit) after Unrealised Investment Gains/(Losses)		(145,509)	(352,854)	(102,158)	(255,785)
Transfers shown directly against costs		-	(89,423)	-	(89,423)
<b>Total Recognised Revenue &amp; Expenses</b>		<b>5,280,121</b>	<b>5,425,630</b>	<b>5,574,669</b>	<b>5,676,827</b>
Distributions Declared in the Period		-	-	-	-
<b>Closing Equity</b>		<b>5,280,121</b>	<b>5,425,630</b>	<b>5,574,669</b>	<b>5,676,827</b>
Represented By:					
Special Reserves	13	4,664,074	4,637,087	4,664,074	4,637,087
Other Reserves	14	939,375	825,103	939,375	825,103
Accumulated Retained Earnings		(323,328)	(36,560)	(28,780)	214,637
<b>Trust Funds</b>		<b>5,280,121</b>	<b>5,425,630</b>	<b>5,574,669</b>	<b>5,676,827</b>



# RAKIURA MAORI LAND TRUST

## STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2012

Notes	Consolidated		Parent	
	2012	2011	2012	2011
	\$	\$	\$	\$
Trust Funds	5,280,121	5,425,630	5,574,669	5,676,827
<b>Total Equity</b>	<b>5,280,121</b>	<b>5,425,630</b>	<b>5,574,669</b>	<b>5,676,827</b>
Represented By:				
Cash	5 117,259	559,978	90,349	554,693
Receivables	5 103,159	146,427	86,023	101,617
Current Investments	8 918,272	2,514,058	918,272	2,514,058
Inventory	5 1,525	1,525	-	-
Prepayments	5 33,802	29,698	31,664	27,306
<b>Current Assets</b>	<b>1,174,017</b>	<b>3,251,686</b>	<b>1,126,308</b>	<b>3,197,674</b>
Payables	6 (106,196)	(130,634)	(78,649)	(128,297)
Unspent Grants	6 (125,464)	(148,410)	(125,464)	(148,410)
<b>Current Liabilities</b>	<b>(231,660)</b>	<b>(279,044)</b>	<b>(204,113)</b>	<b>(276,707)</b>
<b>Net Working Capital</b>	<b>942,357</b>	<b>2,972,642</b>	<b>922,195</b>	<b>2,920,967</b>
Property, plant and equipment	9 1,041,273	1,102,178	1,032,459	1,090,961
Term Investments	8 5,710,546	3,827,273	6,034,070	4,141,362
<b>Non Current Assets</b>	<b>6,751,819</b>	<b>4,929,451</b>	<b>7,066,529</b>	<b>5,232,323</b>
Hire Purchase Contracts	11 -	(2,237)	-	(2,237)
Unclaimed Dividends	12 (2,414,055)	(2,474,226)	(2,414,055)	(2,474,226)
<b>Term Liabilities</b>	<b>(2,414,055)</b>	<b>(2,476,463)</b>	<b>(2,414,055)</b>	<b>(2,476,463)</b>
<b>Net Assets</b>	<b>5,280,121</b>	<b>5,425,630</b>	<b>5,574,669</b>	<b>5,676,827</b>

For and on behalf of the Trust, dated 19 September 2012

Stephen Harteveld  
Kaiwhakahaere

Richard Manning  
Hekeretari

These Financial Statements should be read in conjunction with the accompanying Notes to the Financial Statements





# RAKIURA MAORI LAND TRUST

## NOTES TO THE FINANCIAL STATEMENTS FOR THE TWELVE MONTHS ENDED 30 JUNE 2012

### (1) STATEMENT OF ACCOUNTING POLICIES

#### **Reporting Entity**

Rakiura Maori Land Trust is a Trust formed under the Te Ture Whenua Maori Land Act 1993 and is a reporting entity for the purposes of the Financial Reporting Act 1993.

#### **Statement of Compliance and Basis of Preparation**

The financial statements of Rakiura Maori Land Trust have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand (NZ GAAP).

The Trust qualifies for differential reporting as it is not publicly accountable and is not large as defined by the Differential Reporting Framework. The Trust has taken advantage of all available differential reporting exemptions.

The Trust has not adopted New Zealand International Financial Reporting Standards (NZ IFRS) as the Trust had the option to choose based on the criteria set out by the Accounting Standards Review Board. The Trust is not an issuer, is not large, and is not required to file its financial statements.

The accounting principles recognised as appropriate in the measurement and reporting of the financial performance and financial position on a historical cost basis are followed by the Trust. The information is presented in New Zealand dollars.

#### **Basis of Preparing Combined Financial Statements**

(a) **Subsidiaries**

Subsidiaries are those entities controlled, directly or indirectly, by the Trust. Where an entity becomes part of the Group during the year, the results of the entity are included in the combined results from the date the control commenced. Subsidiaries are consolidated using the purchase method, and all inter-entity transactions are eliminated in the consolidated financial statements.

(b) **Parent**

The Parent is defined as being Rakiura Maori Land Trust.

#### **Specific Accounting Policies**

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

(a) **Revenue**

Revenue is recognised when goods and services are invoiced, and when the risks/rewards of the invoiced items have transferred to the buyer. Any revenue received in advance is recognised as a liability.

(b) **Expenses**

Expenses have been classified on their business function.

(c) **Accounts Receivable**

Accounts Receivable is recognised at estimated realisable value.



(d) **Property, Plant and Equipment**

Property, Plant and Equipment are recognised at cost less aggregate depreciation. Depreciation has been calculated using the maximum rates permitted by the Income Tax Act 2007. Gains and losses on disposal of fixed assets are taken into account in determining the operating result for the year.

The land owned by Rakiura Maori Land Trust on Stewart Island (legally administered by the Trustees on behalf of the Beneficial Owners) was vested to the trust under the Te Ture Whenua Maori Land Act 1993. The land was vested for nil consideration and as such recorded at nil cost.

Land and Buildings owned by Rakiura Maori Land Trust in Bluff are recorded at cost.

(e) **Income Tax**

The income tax expense recognised in the Statement of Financial Performance is the estimated income tax payable in the current year, adjusted for any differences between the estimated and actual income tax payable in prior years. Deferred Tax is not accounted for.

(f) **Goods and Services Tax (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.

(g) **Unspent Grants**

Grants received but not fully expended are shown as current liabilities.

(h) **Investments**

Investments are stated at market value. Changes in the unrealised value of investments are recognised in the statement of financial performance. Bonds and fixed interest investments are recorded at cost, with any differences to the face value being recorded as interest received throughout the term of the investment.

**Changes in Accounting Policies**

There have been no changes in accounting policies since the date of the last financial statements. All other policies have been applied on a basis consistent with those used in previous years.

## (2) DETAILS OF REVENUE

	Consolidated		Parent	
	2012	2011	2012	2011
	\$	\$	\$	\$
Investment Returns	68,850	149,278	68,850	149,278
Interest Income	303,231	315,531	303,231	315,524
Total Interest and Investments	372,081	464,809	372,081	464,802
Charter Receipts	-	5,431	-	-
Ferry Receipts	-	5,523	-	-
Hunting Permits	108,216	56,553	-	(204)
Total Trading Income	108,216	67,507	-	(204)
Hut Rental	-	-	1,800	-
DOC Rental Receipts	4,672	4,431	4,672	4,431
Total Lease Income	4,672	4,431	6,472	4,431
Commissions Received	1,629	2,268	144	1,439
Management Fees	-	-	8,000	-
Venue Hire	522	278	522	278
Sundry Income	-	231	-	-
Total Other Income	2,151	2,777	8,666	1,717
Total Revenue	487,120	539,524	387,219	470,746

## (3) DETAILS OF OPERATING EXPENSES

	Consolidated		Parent	
	2012	2011	2012	2011
	\$	\$	\$	\$
ACC Levies	1,756	780	528	769
Employment Consultancy	2,599	1,620	2,599	-
KiwiSaver Employer Contributions	-	68	-	68
Staff Training	-	3,392	-	3,392
Uniforms	-	1,531	-	-
Wage & Office Services	80,790	134,550	79,771	101,622
Total Human Resource Expenditure	85,145	141,941	82,898	105,851
Boat Expenses	2,109	5,992	-	-
Cleaning	27	2,101	27	2,101
Land Management	12,453	-	12,453	-
Pest Control	4,247	44,137	4,247	44,137
Repairs	8,670	8,988	8,670	8,177
Rubbish Removal	-	83	-	-
Security	393	406	393	389
Signage	-	70	-	70
Vehicle Expenses	1,334	4,047	-	-
Total Repairs & Maintenance Expenditure	29,233	65,824	25,790	54,874
Accountancy Fees	29,621	49,238	23,175	37,847
Administration	56,128	81,039	45,899	60,522
Advertising	705	500	-	-
Audit - External Costs	12,676	12,542	12,676	12,542
Bank & Credit Card Fees	772	629	506	463
Business Consultancy	9,406	19,415	9,303	19,415
Computer Costs	13,220	22,946	12,781	21,027
Eftpos Terminal & Credit Card Receipts	3,603	2,983	1,020	1,147
Insurance	17,742	8,283	17,742	8,283
IRD Interest & Penalties	178	-	178	-
Legal Costs	-	-	-	-
Printing, Postage & Stationery	1,703	3,907	1,123	2,997
Total Trust Administration Expenditure	145,754	201,482	124,403	164,243
Administration of Owners Database	27,864	46,664	27,864	46,664
Memorials & Acknowledgements	-	701	-	701
Newsletters & Communications	8,325	3,744	8,325	3,744
Printing, Postage & Stationery	-	1,247	-	1,247
Total Owners Administration Expenditure	36,189	52,356	36,189	52,356





### (3) DETAILS OF OPERATING EXPENSES (CONTD)

	Consolidated		Parent	
	2012	2011	2012	2011
	\$	\$	\$	\$
Entertainment	-	165	-	30
Equipment Hire	-	91	-	91
Freight	309	1,335	231	1,206
General Expenses	1,859	6,519	1,541	5,213
Koha Paid & Gifts	1,826	1,700	1,686	1,700
Power & Gas	2,562	3,491	2,562	3,041
Promotional Expenses	1,043	1,758	1,043	1,758
Rates	2,240	2,185	2,240	2,185
Rent	-	(1,093)	-	-
Subscriptions & Licences	2,648	2,403	2,457	1,425
Telecommunications	8,961	9,305	6,174	6,628
Trade Discount Given	-	108	-	-
Wharf Fees	784	1,177	-	-
<b>Total Operating Expenditure</b>	<b>22,232</b>	<b>29,144</b>	<b>17,934</b>	<b>23,277</b>
Accommodation & Travel	2,300	2,211	2,300	2,211
Advertising	-	-	-	-
AGM Sundry Expenses	-	3,018	-	3,018
Annual Report Costs	7,624	7,307	7,624	7,307
Consultancy Fees	333	2,269	333	2,269
Equipment Hire	152	-	152	-
Kai Costs	2,765	-	2,765	-
Koha Paid & Gifts	1,600	1,070	1,600	1,070
Marae & Hall Hire	-	-	-	-
Printing, Postage & Stationery	4,211	10,989	4,211	10,989
<b>Total AGM Expenditure</b>	<b>18,985</b>	<b>26,864</b>	<b>18,985</b>	<b>26,864</b>
"The Destination" Costs	-	104,201	-	104,201
Less Contribution from Owners	-	(14,778)	-	(14,778)
Less Contribution from Section 218 Reserve	-	(89,423)	-	(89,423)
<b>Total "The Destination" Expenditure</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Allowances & Honoraria	21,000	43,750	21,000	43,750
Consultancy Fees	-	8,098	-	8,098
Directors Expenses	-	3,840	-	-
General Expenses	-	185	-	185
Insurance - Public Liability	6,604	6,018	2,757	2,596
Telecommunications	2,987	3,007	2,987	3,007
Travel & Meeting Costs	46,452	45,807	46,452	43,841
Trustee Expenses Reimbursed	-	-	-	-
Trustee Life Insurance	4,158	3,799	4,158	3,799
Trustee Training & Education	63	14,616	63	14,616
<b>Total Governance Expenditure</b>	<b>81,264</b>	<b>129,120</b>	<b>77,417</b>	<b>119,892</b>
Fund Manager Monitoring Fees	15,282	18,213	15,282	18,213
Investment Consultancy	1,831	6,207	1,831	6,207
<b>Total Investing Activity Expenditure</b>	<b>17,113</b>	<b>24,420</b>	<b>17,113</b>	<b>24,420</b>
Administration	-	-	-	-
Accommodation & Travel	15,842	14,895	-	-
Charter Expenses	43,949	26,721	-	280
Doubtful Debts	37,340	-	-	-
Equipment Rental	5,445	2,843	-	-
Fuel	600	1,009	-	-
Freight	508	280	-	-
General Hunting Related Costs	1,386	1,401	-	445
Hut Levies	500	-	-	-
<b>Total Hunting Activity Expenditure</b>	<b>105,570</b>	<b>47,149</b>	<b>-</b>	<b>725</b>
Boat Expenses & Fuel	-	8,235	-	-
Subcontracted Charters	-	1,467	-	-
Commissions	-	477	-	-
Marketing	92	5,834	-	-
<b>Total Tourism Activity Expenditure</b>	<b>92</b>	<b>16,013</b>	<b>-</b>	<b>-</b>
<b>Total Expenditure</b>	<b>541,577</b>	<b>734,313</b>	<b>400,729</b>	<b>572,502</b>

#### (4) DETAILS OF PROJECT EXPENSES

	Notes	Consolidated		Parent	
		2012	2011	2012	2011
		\$	\$	\$	\$
Feasibility Costs		283	6,801	283	6,801
Tourism Consultancy		571	1,459	571	1,459
Total Project Expenditure		854	8,260	854	8,260

#### (5) DETAILS OF CURRENT ASSETS

	Notes	Consolidated		Parent	
		2012	2011	2012	2011
		\$	\$	\$	\$
Westpac - Cheque		57,585	39,119	30,715	34,095
Westpac - Ready Access		-	232,979	-	232,979
Westpac - Distribution		832	1,720	832	1,720
Westpac - DebitPlus		7	65	-	-
Petty Cash		33	196	-	-
Rabo Bank		58,802	285,899	58,802	285,899
Total Cash		117,259	559,978	90,349	554,693
Accounts Receivable		26,725	16,659	21,782	28,821
Income Tax Refund	7	22,614	4,776	22,614	4,776
GST Receivable		46,161	5,865	41,627	-
Accruals		7,659	119,127	-	68,020
Total Receivables		103,159	146,427	86,023	101,617
Prepaid Insurance, Licences & Subscriptions		29,005	22,038	26,867	19,645
Great Plains Consultancy		4,797	7,661	4,797	7,661
Total Prepayments		33,802	29,699	31,664	27,306
Inventory		1,525	1,525	-	-
Total Inventory		1,525	1,525	-	-
Total Current Assets		255,745	737,629	208,036	683,616

#### (6) DETAILS OF CURRENT LIABILITIES

	Consolidated		Parent	
	2012	2011	2012	2011
	\$	\$	\$	\$
Accounts Payable	51,127	59,696	32,269	56,040
Current Portion Hire Purchase Agreements	2,237	37,305	2,237	37,305
GST Payable	-	-	-	4,045
PAYE Payable	-	347	-	347
Accruals	52,832	33,286	44,143	30,560
Total Payables	106,196	130,634	78,649	128,297
Unspent TPK Grants	125,464	148,410	125,464	148,410
Total Grants	125,464	148,410	125,464	148,410
Total Current Liabilities	231,660	279,044	204,113	276,707

## (7) TAXATION

Taxation is calculated as follows:

	Consolidated		Parent	
	2012	2011	2012	2011
	\$	\$	\$	\$
Operating Surplus/Loss Before Taxation	(153,575)	(355,599)	(110,225)	(258,531)
Add/(Less) Non Deductible Items	66,415	33,515	30,630	30,790
Add/(Less) Non Assessable Items	90,432	(265,269)	39,326	(214,163)
	3,272	(587,353)	(40,269)	(441,904)
Less Loss Brought Forward	(3,072,853)	(2,485,500)	(2,773,275)	(2,331,370)
Assessable Income for Taxation	(3,069,581)	(3,072,853)	(2,813,544)	(2,773,274)
Tax @ 17.5% (2011 19.5%)		-	-	-
Resident Withholding Tax Credits	(22,614)	(4,776)	(22,614)	(4,776)
Income Tax Payable (Refund Due)	(22,614)	(4,776)	(22,614)	(4,776)

## (8) INVESTMENTS

	Maturity	Face Value	Yield Rate	Consolidated		Parent	
				2012	2011	2012	2011
				\$	\$	\$	\$
ANZ National Bank	2/03/2012	1,109,000	7.60%	-	1,087,963	-	1,087,963
Contact Energy	15/05/2014	627,000	8.00%	654,791	654,791	654,791	654,791
Fonterra	10/05/2015	624,000	7.75%	638,194	638,194	638,194	638,194
Vector Limited	15/10/2014	451,000	7.80%	486,633	491,727	486,633	491,727
Auckland City Council	24/03/2015	464,000	6.28%	489,179	495,117	489,179	495,117
BNZ	27/05/2015	434,000	8.68%	485,813	486,939	485,813	486,939
ANZ National Bank	13/03/2019	500,000	6.25%	525,947	-	525,947	-
BNZ	20/12/2018	343,000	6.10%	355,604	-	355,604	-
Cash Management Account	N/A	N/A	N/A	18,272	26,095	18,272	26,095
Total Fixed Interest & Bond				3,654,433	3,880,826	3,654,433	3,880,826
NZ Bond Income Fund				950,874	714,189	950,874	714,189
Total Equities				950,874	714,189	950,874	714,189
ANZ Term Deposit	4/08/2014		8.30%	373,308	346,114	373,308	346,114
RaboDirect Term Deposits	4/07/2011	200,000	4.25%	-	200,000	-	200,000
	7/09/2011	200,000	3.50%	-	200,000	-	200,000
	4/10/2011	200,000	4.80%	-	200,000	-	200,000
	4/10/2011	200,000	4.80%	-	200,000	-	200,000
	7/12/2011	200,000	4.20%	-	200,000	-	200,000
	7/12/2011	200,000	4.20%	-	200,000	-	200,000
	7/03/2012	200,000	4.30%	-	200,000	-	200,000
	10/07/2012	200,000	4.20%	200,000	-	200,000	-
	31/08/2012	100,000	3.60%	100,000	-	100,000	-
	12/11/2012	200,000	4.30%	200,000	-	200,000	-
	30/11/2012	100,000	4.25%	100,000	-	100,000	-
	19/06/2017	400,000	5.63%	400,000	-	400,000	-
	19/06/2017	350,000	5.67%	-	-	350,000	-
UDC Term Deposit	11/05/2013	300,000	4.90%	300,000	-	300,000	-
Total Cash				2,023,308	1,746,114	2,023,308	1,746,114
CRT Shares				203	203	203	203
Advance to Subsidiary				-	-	323,524	314,089
Total Other Investments				203	203	323,727	314,292
Total Investments				6,628,818	6,341,332	6,952,342	6,655,421
Allocated as follows:							
Current Investments				918,272	2,514,058	918,272	2,514,058
Term Investments				5,710,546	3,827,274	6,034,070	4,141,363
Total Investments				6,628,818	6,341,332	6,952,342	6,655,421



## (9) PROPERTY, PLANT & EQUIPMENT

Consolidated	Cost	Depreciation Charged	Accumulated Depreciation	Closing Book Value
Freehold Land	5,426	-	-	5,426
Buildings & Huts	671,123	12,937	58,315	612,808
Property Improvements	70,733	3,733	11,080	59,653
Office Equipment	18,357	534	16,219	2,138
Computer Equipment & Software	196,728	22,489	174,194	22,534
Plant & Equipment	58,812	9,055	25,441	33,371
Vessel	373,823	41,812	135,103	238,720
Motor Vehicles	26,041	3,869	13,577	12,464
Café Equipment	46,408	1,596	2,649	43,759
Fixed Asset Clearing	10,400	-	-	10,400
<b>Total Property, Plant &amp; Equipment 2012</b>	<b>1,477,851</b>	<b>96,025</b>	<b>436,578</b>	<b>1,041,273</b>

Consolidated	Cost	Depreciation Charged	Accumulated Depreciation	Closing Book Value
Freehold Land	5,426	-	-	5,426
Buildings & Huts	667,041	19,994	45,378	621,663
Property Improvements	64,423	3,477	7,346	57,077
Office Equipment	18,357	665	15,685	2,672
Computer Equipment & Software	200,850	54,023	155,365	45,485
Plant & Equipment	58,812	7,206	16,387	42,425
Vessel	350,105	55,123	93,291	256,814
Motor Vehicles	26,041	5,255	9,707	16,334
Café Equipment	46,408	1,054	1,054	45,354
Fixed Asset Clearing	8,928	-	-	8,928
<b>Total Property, Plant &amp; Equipment 2011</b>	<b>1,446,391</b>	<b>146,797</b>	<b>344,213</b>	<b>1,102,178</b>

Parent	Cost	Depreciation Charged	Accumulated Depreciation	Closing Book Value
Freehold Land	5,426	-	-	5,426
Buildings & Huts	671,123	12,937	58,315	612,808
Property Improvements	70,733	3,733	11,080	59,653
Office Equipment	18,357	534	16,219	2,138
Computer Equipment & Software	194,599	22,489	172,619	21,980
Plant & Equipment	55,680	8,766	24,863	30,817
Vessel	373,823	41,812	135,103	238,720
Motor Vehicles	13,157	1,755	6,399	6,758
Café Equipment	46,408	1,596	2,649	43,759
Fixed Asset Clearing	10,400	-	-	10,400
<b>Total Property, Plant &amp; Equipment 2012</b>	<b>1,459,706</b>	<b>93,622</b>	<b>427,247</b>	<b>1,032,459</b>

Parent	Cost	Depreciation Charged	Accumulated Depreciation	Closing Book Value
Freehold Land	5,426	-	-	5,426
Buildings & Huts	667,041	19,994	45,378	621,663
Property Improvements	64,423	3,477	7,346	57,077
Office Equipment	18,357	665	15,685	2,672
Computer Equipment & Software	198,721	53,193	153,789	44,932
Plant & Equipment	55,680	6,979	16,098	39,582
Vessel	350,105	55,123	93,291	256,814
Motor Vehicles	13,157	2,281	4,644	8,513
Café Equipment	46,408	1,054	1,054	45,354
Fixed Asset Clearing	8,928	-	-	8,928
<b>Total Property, Plant &amp; Equipment 2011</b>	<b>1,428,246</b>	<b>142,766</b>	<b>337,285</b>	<b>1,090,961</b>

## (10) INVESTMENT IN SUBSIDIARY

The Trust holds shares in the following:

	Principle Activity	Balance Date	Issued Shares	Unpaid Capital	2012 Holding	2011 Holding
Rakiura Wildlife Experiences Limited t/a Te Manu Adventures	Tourism	30 June	100	100	100%	100%



### (11) HIRE PURCHASE CONTRACTS

	Maturity	Interest	Consolidated		Parent	
			2012	2011	2012	2011
			\$	\$	\$	\$
Yamaha Finance	11/11/2011	4.99%	-	11,873	-	11,873
Microsoft Financing	10/07/2012	10.10%	2,237	27,669	2,237	27,669
			2,237	39,542	2,237	39,542
Less Current Portion (maturing within 12 months)			(2,237)	(37,305)	(2,237)	(37,305)
Total Term Portion of Hire Purchase Contracts			-	2,237	-	2,237

### (12) UNCLAIMED DIVIDENDS

	Consolidated		Parent	
	2012	2011	2012	2011
	\$	\$	\$	\$
Opening Balance	2,474,226	2,501,202	2,474,226	2,501,202
Less Distributions Released during the year	(80,171)	(26,976)	(60,171)	(26,976)
Total Unclaimed Dividends	2,414,055	2,474,226	2,414,055	2,474,226

### (13) SPECIAL FUNDS & RESERVES

Consolidated	Land	Owners	Lords River	Trust
	Management	Register	Section	Administration
	Reserve	Administration	Distribution	Administration
	Reserve	Reserve	Reserve	Reserve
	\$	\$	\$	\$
Opening Balance	2,623,088	180,303	619,499	1,214,197
Inflation/Capital Adjustments	25,316	8,535	29,325	-
Costs Subsidised	-	(36,189)	-	-
Total Special Funds & Reserves 2012	2,648,404	152,649	648,824	1,214,197

Consolidated	Land	Owners	Lords River	Trust
	Management	Register	Section	Administration
	Reserve	Administration	Distribution	Administration
	Reserve	Reserve	Reserve	Reserve
	\$	\$	\$	\$
Opening Balance	2,491,903	222,044	587,011	1,214,197
Inflation/Capital Adjustments	131,185	12,289	32,488	-
Costs Subsidised	-	(54,030)	-	-
Total Special Funds & Reserves 2011	2,623,088	180,303	619,499	1,214,197

Parent	Land	Owners	Lords River	Trust
	Management	Register	Section	Administration
	Reserve	Administration	Distribution	Administration
	Reserve	Reserve	Reserve	Reserve
	\$	\$	\$	\$
Opening Balance	2,623,088	180,303	619,499	1,214,197
Inflation/Capital Adjustments	25,316	8,535	29,325	-
Costs Subsidised	-	(36,189)	-	-
Total Special Funds & Reserves 2012	2,648,404	152,649	648,824	1,214,197

Parent	Land	Owners	Lords River	Trust
	Management	Register	Section	Administration
	Reserve	Administration	Distribution	Administration
	Reserve	Reserve	Reserve	Reserve
	\$	\$	\$	\$
Opening Balance	2,491,903	222,044	587,011	1,214,197
Inflation/Capital Adjustments	131,185	12,289	32,488	-
Costs Subsidised	-	(54,030)	-	-
Total Special Funds & Reserves 2011	2,623,088	180,303	619,499	1,214,197

- (a) The Land Management Reserve is inflation adjusted annually to preserve the original provision set aside. The restoration work on the Neck was subsidised from this reserve.
- (b) The Owners Register Administration Reserve is inflated by a notional annual return on capital less the actual costs of running the owners database.

- (c) The Lords River Section Distribution Reserve is inflated by a notional return on capital, and is subject to top ups as the trustees determine.
- (d) The Trust Administration Reserve is adjusted depending on the annual result less transfers to other reserves, including top ups as determined by the trustees in order for the trust to survive in perpetuity.

**(14) OTHER RESERVES**

	Consolidated		Parent	
	2012	2011	2012	2011
	\$	\$	\$	\$
Opening Balance	825,103	777,591	825,103	777,591
Interest on Unclaimed Funds	114,272	136,935	114,272	136,935
Less Contribution to "The Destination"	-	(89,423)	-	(89,423)
Section 218 Reserve Closing Balance	939,375	825,103	939,375	825,103

**(15) RELATED PARTY TRANSACTIONS**

Honorariums are paid to the trustees in accordance with the approval of the owners present at prior AGMs. In addition, meeting costs are paid to trustees, as is reimbursement of travel.

One trustee has provided services beyond their role as trustee. Stephen Harteveld has been employed on a part-time basis as manager of the Trust. The amounts paid are on an arms length basis and in line with commercial rates.

The Trust has supported its subsidiary entity, Rakiura Wildlife Experiences, since inception and to-date has advanced \$323,604.

**(16) LEASE COMMITMENTS**

Commitments existing under operating leases relate to the hire of EFTPOS Terminals. These commitments expire as set out below. No new leases have been signed during the financial year.

	Consolidated		Parent	
	2012	2011	2012	2011
	\$	\$	\$	\$
Current Portion	698	2,392	75	897
Non-Current Portion	-	698	-	75
Total Operating Leases	698	3,090	75	972

Commitments also exist under finance leases relating to the purchase of computer software and vessel outboard motors. These commitments expire as set out below:

	Consolidated		Parent	
	2012	2011	2012	2011
	\$	\$	\$	\$
Current Portion	2,237	37,305	2,237	37,305
Non-Current Portion	-	2,237	-	2,237
Total Finance Leases	2,237	39,542	2,237	39,542

**(17) CAPITAL COMMITMENTS**

Capital commitments exist at balance date totalling \$34,100 (2011 nil). This figure consists of \$15,000 for the Chew Tobacco Hut, and \$19,100 for the Slipway.

**(18) CONTINGENT LIABILITIES**

Contingent liabilities outstanding at the end of the quarter amount to 100 shares unpaid capital relating to the investment in Rakiura Wildlife Experiences Limited (2011 - 100 shares unpaid capital relating to the investment in Rakiura Wildlife Experiences Limited).





TO THE TRUSTEES OF

RAKIURA MAORI LAND TRUST

### Report on the Financial Statements

We have audited the financial statements of Rakiura Maori Land Trust and Group on pages 7 to 17, which comprise the consolidated and separate statements of financial position as at 30 June 2012, and the consolidated and separate statements of financial performance and statements of movements in equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

#### Trustees' Responsibility for the Financial Statements

The Trustees' are responsible for the preparation and fair presentation of financial statements, in accordance with generally accepted accounting practice in New Zealand, and for such internal control as the Trustees' determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibilities

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

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

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

Other than in our capacity as auditor, we have no relationship with or interests in Rakiura Maori Land Trust and or any of its subsidiaries.

#### Opinion

In our opinion, the financial statements on pages 7 to 17 present fairly, in all material respects, the financial position of Rakiura Maori Land Trust and Group as at 30 June 2012, and its financial performance for the year ended on that date in accordance with generally accepted accounting practice in New Zealand.

Chartered Accountants  
19 September 2012  
Christchurch, New Zealand

# AGM MINUTES 2011

The Chairperson of the Trust called the meeting to order at 1.00PM on the Sunday 16<sup>th</sup> October 2011, location Te Rau Aroha Marea Bluff.

**Karakia:** Phillip Smith was asked to open the meeting with a Karakia

**Welcome:** The Chair welcomed owners and invited guests

**Memorials:** The Chair asked that through the following motion the meeting observe a minutes silence for those owners who had passed away

Moved Murray Shuttleworth **That the meeting observe a moments silence for those who have past away since the last AGM and that we add a special consideration for the family of Jason Wright who passed away in recent days under tragic circumstances.** Seconded Simon Gomez.

## **Confirmation of Chairperson:**

Moved Murray Shuttleworth That **Stephen Harteveld, Chairperson of the Rakiura Maori Land Trust, be appointed as meeting Chairperson of the RMLT AGM for 2011.** Seconded Theona Heaslip. Carried unanimously.

## **Appointment of Scrutineers and Tellers:**

Moved Stephen Harteveld **That Melissa-Lee Mitchell be appointed Scrutineer, and that Helen Williams and Astrid Brocklehurst be appointed Tellers for the duration of the meeting** Seconded Ulva Goodwillie.

**Quorum:** The Chairman asked the secretary to confirm that there was a quorum to hold the legal meeting. The secretary confirmed the number exceeded the ten required under the standing orders. The meeting proceeded.

## **Attendees: Owners:**

**Alan Garth, Rowena Bryan, Phillip Smith, Dick Ryan, Richard Manning, Hom Ryam, Michael Goomes, Ulva Goodwille, Peter Goomes, Simon Gomez, Rosemary Taiaroa, Wendy Hallet, Jill Skerrett, Arthur Clark, R Waddel, Janine Karetai, Maria Pera, Chris Pike, Terry Broad, Murray Shuttleworth, Tahu Potiki, Shayne Spencer, Tania Manning, Anne Robertson, Betty Henry, Cyril Gilroy, Eric Brown, Geoff Young.**

## **Potential owners:**

**Stephen Harteveld, Suzanne Spencer, Lee Fewster.**

## **Guests:**

**Wendy Nicholas, Frank Stean, Carol Pike, Terry Nicholas, Jenny Garth.**

## **Standing orders:**

Moved Chris Pike **That the standing orders as covered in schedule 2 of the RMLT Trust Deed be confirmed as the Standing Orders for the RMLT 2011 AGM** Seconded Terry Broad. Carried unanimously

## **Confirmation of the Agenda:**

Moved Michael Goomes **That the Meeting Agenda (as formally notified to beneficial owners prior to the RMLT AGM for 2011) be confirmed** Seconded Jill Skerrett. 2<sup>nd</sup> call, 3<sup>rd</sup> call, Carried unanimously

## **Variation of Agenda items:**

Moved Betty Henry **That the Chairperson has the right (in accordance with section 2 Order of Business within Schedule 2 of the RMLT Trust), to vary the order of the Agenda Items** Seconded Theona Heaslip. Carried unanimously.



**Meeting Material:** The Chair confirmed with owners that they understood how to use the voting card they received with their meeting material. This was explained as follows:

**General:** The trust is made up of a number of different sections and where a matter relates solely to a section or group of sections only those owners with interests in those sections will be able to participate within those discussions and vote on the outcomes. However, today there are no specific sectional business items on the agenda.

**Voting Cards:** (White) for those people who are able to vote at this meeting you will have a voting card. If you have proxy votes allocated to you the Scrutineer will indicate the number of votes that will be included in the tally when you cast your personal vote. The proxy votes are cast in the same direction as the holder and may only be used for the sections the holder is entitled to vote in.

**Speaking at the meeting:** The Chair reminded the meeting to clearly state their name prior to speaking so the Minute's Secretary can record this. Please wait until this has been confirmed before continuing to speak.

**Voting Numbers:** The Chair asked for the voting numbers to be confirmed by the secretary.

Present at the meeting: 41

Present able to vote: 27

Postal Votes Received: 1

Proxy Votes: 6

Alternates Appointed:

Total: 34 votes

Invalid: 0

**Double Voting:** The Chair asked the meeting to consider the action on double voting through the following  
Moved Murray Shuttleworth **That if an owner has voted by postal, proxy, or appointed an 'Alternate' and is present at the meeting then only the vote they cast at the meeting shall be valid. Where an owner has voted by more than one means using postal and/or proxy and/or an 'Alternate' and they are not present at the meeting then their vote shall be declared invalid as covered on the voting papers.** Seconded Simon Gomez.

**Apologies:** The Chair explained apologies are just the people who have contacted the office to have an apology placed in the minutes not a list of people who haven't turned up. The Secretary read out those apologies received:

Moved Terry Broad **That the apologies that have been received be recorded in the minutes of the meeting**  
Seconded Anne Robertson.


**Marie Foster, Avis Kilpatrick, Andrys Underwood (nee Smith), Jan McEwen, Graham Sherbud, Max Stronach, Irene Wybrow, Sydney Stronach, Phylis Smith, Meikle Whanau, Judi & Ross Manning, Arthur Miller, Shona Jarmin, Mirie McAvinue, Ann Fogarty, Gary Smith, Mark Tynan, Tui Bragg, Jean Duff, Ruth Brandon, Anne Roha Valli, Huirapa Manning.**

**2010 Meeting Minutes:** The Chair called for support from the meeting to have the minutes from last year's AGM as read.

Moved Michael Goomes **That the minutes of the 2010 Annual General Meeting of RMLT that have been circulated and available prior to the meeting be taken as read to the meeting** Seconded Hom Ryan. Carried unanimously.

**Amendments to attendees:** Judi Manning, Chris Pike, Bradley Pike. Page three should read Dick Ryan, not Disk Ryan.





The Chair sought approval from the meeting that the minutes for the 2010 AGM are taken as a record of that meeting through the following motion.

Moved Theona Heaslip **That the minutes of the 2010 RMLT AGM that have been presented to the meeting be taken as a true and proper record of that meeting** Seconded Ulva Goodwille. 2<sup>nd</sup> call, 3<sup>rd</sup> call, Carried unanimously.

#### **Matters arising from the minutes for 2010**

**Jill Skerrett** - enquired as to tourism packages for local operators where commissions were paid for referrals.

**Stephen Harteveid** - commissions were paid for referrals under Te Manu Adventures for charters and Kiwi spotting bookings. To go beyond this, the trust would need to evaluate the effects to margins.

**Ulva Goodwille** - asked why the website had not been updated.

**Stephen** - the focus had been to put the products in place, how to market these products and work on infrastructure to support those products.

**Ulva** - asked why the financial accounts couldn't be circulated in advance of the AGM meeting?

**Stephen** - the rationale was to provide some incentive for owners to receive the accounts prior to others by turning up at the meeting. This had been the general practice; no agenda motions to the contrary had been received at past AGMs, though discussions along similar lines were recalled. No precedent applied.

**Jill** - challenged that position.

**Stephen** - no rule in trust Deed, situation open to meeting if it was the wish of the meeting to change this.

**Simon Gomez** - wished to discuss the company's financial performance.

**Stephen** - explained the agenda process.

**Tahu Potiki** - expressed real concern for the people at the meeting and what they felt about the commercial activities of the company. People getting information on the day as to the financial performance was no longer adequate. Putting a 14 day provision in place was seen as the best option to have accounts in advance.

**Stephen** - as to meeting process, everyone is aware of what is on the agenda. This trust is one of the better trusts on disclosure. Problems in the past with misinterpretation, direct access to information by having the accountant (AWH) present at the meeting ensures transparency.

**Tahu Potiki** - acknowledged efforts of RMLT on disclosure. Though wished to move a motion to have accounts 14 days in advance of the AGM.

**Ulva** - highlighted again, it has been the subject at the past several AGM's.

**Stephen** - explained meeting procedure of bringing forward agenda items by way of motion in the first mail out. This ensured all owners had the right to cast their vote democratically on the second mail out.

**Cyril Gilroy** - expressed he was happy with the process.

**Jill Skerrett** - **Motion, that RMLT send out the financial reports with the agenda at least two weeks in advance of the AGM meeting. Seconded, Ulva Goodwille.**

**Stephen** - can accommodate business of the meeting.

**Stephen** - put the motion, put three times, **motion carried.**

**Lee Fewster** - enquired as to future use of the Bluff office.

**Stephen** - the trust doesn't have a specific use for the Bluff office at present, other than for meetings periodically.

**Lee** - enquired whether any Lord's River funds were being used for the Neck project.

**Stephen** - no, the same policies with the financials were being applied as past years.

**Trustees Report:** The Chair asked the meeting for the right to present the report from the Trustees.

Moved Jill Skerrett **That the Chairman of RMLT Stephen Harteveid, be asked to present the report from the Trustees for the 2010-2011 year** Seconded Tahu Potiki. Carried unanimously.



**The Trust Report covered:**

**Rakiura 2010 AGM**

**Purchase of Rakiura Building (Elgin Terrace)**

**Business (Te Manu Adventures)**

**Hunting**

**Future Direction**

Questions from the floor:

**Janine Karetai** – asked what the Trust paid for the Rakiura building.

**Simon Gomez** – enquired of Employment Contracts and Job Descriptions being in place.

**Stephen Hartevelde** – explained the background to employment of staff and issues around determining current staff's role.

**Simon** – a contract would allow for the statutory 90 days probationary period.

**Jill Skerrett** – will this cover the skipper on the MV Matariki.

**Tahu Potiki** – supported the Trust's direction, however, questioned the wisdom around the appointment of directors. There ought to be more independent directors with specific tourism experience. Some with expertise would give their time freely to be involved with the Island because of what it represents.

**Stephen** – of the prospective partners the Trust is in discussion with, some are major tourism operators. We are only in year two of the Business Plan.

**Ulva Goodwille** – supports Tahu, conflict with governance and operational side of the business model.

**Simon** – trustees as directors are responsible.

**Stephen** – the cost of professional directors being paid must be evaluated, do we invest more money? The company is in a transitional stage.

**Jill** – agreed with what was being said, but it was critical that the collective remains strong.

**Stephen** – don't want history to be repeated through security of lands being forfeited if the business goes into liquidation. Te Manu Adventures is not a single owner operator business. Greater number of bums on seats required in performance to cover higher overheads.

**Tahu** – can't behave like an owner operator, best practice principals.

**Stephen** – shall we back out of this?

**Tahu** – what is the cut off point?

**Stephen** – we decided yesterday 90 days.

**Tahu** – at the end of 90 days, best practice.

**Janine Karetai** – expressed a view of greater expertise. Opportunity to head hunt professional directors.

**Jill** – agreed with what RMLT was doing in tourism, time to run the business professionally.

**Stephen** – expressed a view to change the constitution of the Trust. Owners have the control to elect trustees.

**Ulva** – expressed a view that cultural and environmental values were imperative as guiding principles.

**Wendy Hallet** – RMLT business ventures on Rakiura were detrimental to other island ventures.

**Stephen** – decisions are made in the best interests of our owners.

**Leon Fife** – the trustees have no intention of dumping on other Rakiura owners in operation on the Island.

**Murray Shuttleworth** – support the work the Trust has done so far.

**Receiving the Trustees Report:** The Chair sought support from the meeting for receipt of the Trustees Report by the Chairperson through the following motion.

Moved Murray Shuttleworth **That the Trustees report for 2010/2011 as presented by the Chairperson of RMLT, Stephen Hartevelde, be noted as received by the meeting Jill Skerrett.** Carried unanimously



**Financial Statement:** The Chair sought support from the meeting for the presentation of the Financial Statements by Melissa-Lee Mitchell through the following motion.

Moved Simon Gomez **That the Audited Financial Statements for the RMLT for 2010/2011 Year be presented to the meeting by Melissa-Lee Mitchell of Ashton Wheelans and Hegan** Seconded Suzanne Spencer. Carried unanimously.

Melissa-Lee Mitchell presented the financial statements and provided commentary on them.

**Questions taken from the floor**

**Janine Karetai** – sought clarification of the wages (\$134K).

**Receive Financial Statements:** The Chair called for support from the meeting for receipt of the Financial Statements by Melissa-Lee Mitchell through the following motion.

Moved Chris Pike **That the Financial Statements for 2010/2011 as presented by Melissa-Lee Mitchell of Ashton Wheelans & Hegan be noted as received by the meeting** Seconded Simon Gomez. Carried unanimously.

**Auditors Report:** The Chair sought support from the meeting for the presentation of the Auditors Report by Melissa-Lee Mitchell through the following motion.

Moved Murray Shuttleworth **That the Auditors Report for RMLT for 2010/2011 be presented to the meeting by Melissa-Lee Mitchell of Ashton Wheelans & Hegan** Michael Goomes. Carried unanimously.

Melissa-Lee Mitchell presented the Auditor's report.

**Receive Auditors Report:** The Chair called for support from the meeting for receipt of the Auditors Report by Mark Tynan through the following motion.

Moved Allan Gath **That the Audit Report for 2010/2011 prepared by Cook Adam Ward Wilson and presented by Mark Tynan of Ashton Wheelans & Hegan be noted as received by the meeting** Seconded Simon Gomez. The Chairman called three times Carried unanimously.

**Introduction of General Business:** No items were raised.

**Tourism Business Report:** The Chair called for support from the meeting to provide a report on The Neck for all owners.

**Leon Fife** gave a Power Point presentation.

**Questions from the floor:**

**Riki Topi** – asked about the pest eradication on Lord's River. He was willing to help undertake free of charge if the Trust was prepared to provide the bait and stations.

**Appointment of Auditor:** The Chair requested the meeting to appoint the Auditors of the Trust for 2011/2012 financial year.

Moved Jill Skerrett **That the beneficial owners of the Rakiura Maori Land Trust wish to appoint Deloitte's as the Auditors of the Trust for the 2011/2012 financial year** Seconded Theona Heaslip

**Election of Trustees:** The Chair explained that only one nomination was received by the required date for the two vacant positions. Richard Manning has subsequently received a nomination for the second available position. However, under Section 6 Trust Deed Clause (e), where insufficient nominations have been received there is then an opportunity to receive oral nominations from the floor. The process for this can then be kicked off through support for the following motion.

Moved Ulva Goodwille **That nominations for Suzanne Spencer and Richard Manning be confirmed as nominations for the two vacant positions of trustees, and that further nominations may be made in accordance with section 6 Trustee Clause (e) of the Trust Deed. In the event that there are more than two nominations for the two vacant positions an election will be held on the voting form**





**approved by the Trustees, which will be combined with any postal votes received to fill the two vacancies** Seconded Anne Robertson.

There were no nominations from the floor.

**Appointment of Trustees:** The Chair asked the meeting to confirm the result of the election.

Moved Murray Shuttleworth **That the meeting confirm Richard Manning and Suzanne Spencer as the recommended appointment of trustees for RMLT for the two current vacancies and that these appointments are recommended to the Maori Land Court for the next three years** Seconded Chris Pike

**Acknowledge of Phillip Smith:** A taonga was presented to Phillip for his services to the Trust.

**Destroying the Voting Papers:** The Chair requested the meeting to consider the following

Moved Richard Manning **That the voting papers used during today's meeting be destroyed by the**

**Scrutineer** seconded Dick Ryan.

The Chair thanked everyone for their attendance.

Dick Ryan on behalf of the trustees and owners thanked the Chair for his efforts in chairing the meeting.

The meeting was declared closed at 4.30PM



## ACKNOWLEDGEMENTS

**He aha te mea nui o te ao?**

**He tangata! He tangata! He tangata!**

What is the most important thing in the world?

It is people! It is people! It is people!



The Trustees for the Rakiura Maori Land Trust wish to express their condolences to the family of Suzanne Spencer who passed away this year.

**Kei konā te aroha me te whakaaro**

