

**Ngati Rangiteaorere Koromatua Council**

**Consolidated Financial Statements**

**For the Year Ended 31 March 2021**

## **FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021**

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## **COUNCIL DIRECTORY AS AT 31 MARCH 2021**

<b>Settlement:</b>	14 June 2013
<b>IRD Number:</b>	114-518-727
<b>Principal Activity of Council:</b>	Tribal authority
<b>Location of Council:</b>	Mataikotare Marae Mataikotare Road Te Ngae Rotorua
<b>Trustees:</b>	Kereama Pene Dr Kenneth Kennedy Herbert Hapeta Jr Donna Hall Rangimahuta Easthope Waereti Tait-Rolleston Dale Eru
<b>Bankers:</b>	Westpac NZ Limited Rotorua Branch
<b>Accountants:</b>	Goldsmiths Chartered Accountants Level 1 189 The Strand Whakatane, 3120
<b>Auditors:</b>	William Buck Audit (NZ) Ltd The Collective Tauranga 3112

## Ngati Rangiteaorere Koromatuā Council Independent auditor's report to the Trustees

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the special purpose consolidated financial statements of Ngati Rangiteaorere Koromatuā Council (the Council), which comprise the statement of financial position as at 31 March 2021, and the statement of comprehensive income and statement of changes in equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying special purpose consolidated financial statements of the Council are prepared, in all material respects, in accordance with the accounting policies outlined in Note 1 to the consolidated financial statements.

#### 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 consolidated Financial Statements section of our report. We are independent of the Council in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

#### Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 to the consolidated financial statements, which describes the basis of accounting. The consolidated financial statements have been prepared to enable the Council to report to its trustees.

#### Trustees' Responsibilities

The trustees are responsible on behalf of the Council for the preparation of consolidated financial statements prepared in accordance with the accounting policies disclosed in Note 1 to the consolidated financial statements, and for such internal control as the trustees determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error. The trustees are also responsible for the selection of accounting policies that are appropriate for the Council.

In preparing the consolidated financial statements, the trustees are responsible for assessing the Council'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 trustees either intend to liquidate the Council 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 consolidated 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 consolidated financial statements.

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

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

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

The engagement director on the audit resulting in this independent auditor's report is Richard Dey.

## **Restriction on Distribution and Use**

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



**William Buck Audit (NZ) Limited**

Tauranga

25 November 2022

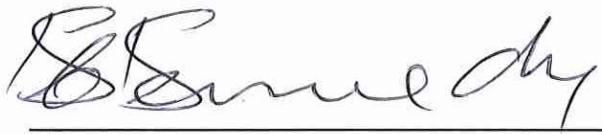

**STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2021**

	Note	This Year	Last Year - Not consolidated
<b>Trust Equity And Reserves</b>			
Trust Equity		3,817,579	3,877,283
Asset Revaluation Reserve	9	7,324,040	4,857,010
Whakapoungakau Shareholders' Funds	9	<u>(42,061)</u>	<u>(42,061)</u>
		11,099,558	8,692,232
<b>Current Liabilities</b>			
Accounts Payable		151,122	82,587
GST Payable		326	3,424
Provision for Taxation	3	28,922	-
David Rawiri George Loan		500,000	226,750
Haparangi A4 Charitable Trust		240,000	-
Income in Advance - Te Matawai Grant		-	17,063
Lease Received in Advance - VT Trading Ltd		8,587	8,587
Remaining interests in Whakapoungakau 4F2		16,252	16,252
Remaining interests in Whakapoungakau 4J		25,809	25,809
Timberlands Rent in Advance		11,946	11,946
V T Trading Ltd		25,000	-
VT Contracting Ltd		400	400
Loans Secured (Current Portion)	8	<u>74,628</u>	<u>29,595</u>
		1,082,991	422,412
<b>Non Current Liabilities</b>			
Loans	8	<u>1,854,795</u>	<u>1,120,812</u>
<b>Total Equity &amp; Liabilities</b>		<u>\$14,037,345</u>	<u>\$10,235,456</u>
<b>Current Assets</b>			
Cash at Bank	2	137,279	48,731
Roto-Ora Limited		12,458	12,458
Tikitere Trust		12,131	12,131
Rates paid in advance		-	8,422
Deposit 17b Hawthornden Drive	11	609,202	222,933
Accounts Receivable		122,416	17,038
National General Services Limited		10,519	10,519
Whakapoungakau Lands Ltd		50	50
Taxation Refund Due	3	-	2
Stock on Hand		29,129	-
		933,185	332,284
<b>Non Current Assets</b>			
<b>Property, Plant and Equipment</b>			
As per Schedule	5	12,492,910	9,832,126
<b>Investments</b>			
Other Investments	7	-	71,045
<b>Intangibles</b>			
Goodwill		611,250	-
<b>Total Assets</b>		<u>\$14,037,345</u>	<u>\$10,235,456</u>

The accompanying notes and audit report form part of these financial statements.


**Goldsmiths**  
Chartered Accountants

**STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2021**

	Note	This Year	Last Year - Not consolidated
 _____ Trustee			
		<u>24/11/2022</u> Date	
 _____ Trustee			
		<u>24/11/2022</u> Date	

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The accompanying notes and audit report form part of these financial statements.

**Goldsmiths**  
Chartered Accountants



**STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 31 MARCH 2021**

	Note	This Year	Last Year - Not consolidated
<b>Income</b>			
Hay Sales		360,542	15,379
Grazing - Year Round		314,412	-
Grazing - Winter		14,119	-
Grazing on Nursery Block		12,458	4,695
		701,531	20,074
<b>Cost Of Sales</b>			
Hay Costs		185,844	-
Closing Stock		29,129	-
		156,715	-
<b>Cost of Sales</b>		156,715	-
<b>Gross Margin</b>		544,816	20,074
<b>Investment And Other Income</b>			
Lease & Rental Income		206,159	215,672
Grant Income		22,063	25,188
Interest & Other Income		305	5
		228,527	240,864
<b>Total Income</b>		773,343	260,938
<b>Expenses</b>			
Administration, Consultancy & Legal Expenses		53,630	36,815
Bad Debt Allowance		94,105	0
Standing Charges		36,276	21,271
Operational Expenses		237,357	24,827
Interest Charges		126,072	81,057
Repairs & Maintenance		17,618	6,526
Lease Rentals		101,827	0
Trustees Fees & Staff Expenses		53,422	32,707
Other Expenses		22,997	29,728
		743,303	232,930
<b>Total Cash Expenses</b>		743,303	232,930
<b>Net Cash Surplus</b>		30,041	28,008
<b>Non Cash Expenses</b>			
Depreciation		23,026	3,364
		7,015	24,644
<b>Net Profit Before Tax</b>		7,015	24,644
Less Tax on Trustees Income	3	28,925	-
		28,925	-
<b>Net Profit (Loss) Transferred To Equity</b>		\$(21,910)	\$24,644

The accompanying notes and audit report form part of these financial statements.


**Goldsmiths**  
Chartered Accountants



**STATEMENT OF MOVEMENTS IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2021**

	<i>Note</i>	<i>This Year</i>	<i>Last Year - Not consolidated</i>
Net Surplus (Deficit)		(21,910)	24,644
<b><i>Total Recognised Revenues and Expenses</i></b>		<b>(21,910)</b>	<b>24,644</b>
Equity at Start of Period		8,692,232	8,667,588
		<b>8,670,321</b>	<b>8,692,232</b>
<b><i>Movements in Reserves</i></b>			
Asset Revaluation Reserve	<b>9</b>	2,467,030	-
<b><i>Total Movements in Reserves</i></b>		<b>2,467,030</b>	<b>-</b>
<b><i>Other Movements</i></b>			
Pre-aquisition share of profit/(loss)		(37,793)	-
<b><i>Total Equity And Reserves At End Of Period</i></b>		<b>\$11,099,558</b>	<b>\$8,692,232</b>

The accompanying notes and audit report form part of these financial statements.



**Goldsmiths**  
Chartered Accountants

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

### **1 Statement Of Accounting Policies**

These financial statements are the consolidated financial statements for the group consisting of Ngati Rangiteaorere Koromatua Council and its subsidiary NRKC Holdings Limited. Ngati Rangiteaorere Koromatua Council is a Council established by a Trust Deed dated 14 June 2013.

These financial statements are a special purpose report prepared for internal management, the Council financiers and Income Tax purposes. The Council has had these Financial Statements audited under Section 10.2 of the Trust Deed.

#### **Measurement System**

The accounting principles recognised as appropriate for the measurement and reporting of earnings and financial position on a historical cost basis have been used, with the exception of certain items for which specific accounting policies have been identified.

#### **Going Concern**

These financial statements have been prepared on the basis that the Council is a going concern.

#### **Consolidations**

The consolidated financial statements comprise the financial statements of Ngati Rangiteaorere Koromatua Council and its controlled entities (the "Group") as at 31 March 2021.

Controlled entities are all those entities over which the Council has the power to govern the financial and operating policies so as to obtain benefits from their activities.

The financial statements of the controlled entities are prepared for the same reporting period as the Council, using consistent accounting policies. In preparing the consolidated financial statements, all inter-entity balances, transactions, unrealised gains and losses resulting from intra-group transactions and dividends have been eliminated in full.

Controlled entities are fully consolidated from the date on which control is obtained by the Group and cease to be consolidated from the date on which control is lost. Assets, Liabilities, income and expenses of a controlled entity acquired or disposed of during the year are included in the financial statements from the date the Group gains control until the date the Group ceases to control the controlled entity.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

### ***Business Combinations***

Business combinations are accounted for using the acquisition method. The acquisition method involves recognising at acquisition date, separately from goodwill, the identifiable assets acquired, the liabilities assumed and any non-controlling interest in the acquiree. The identifiable assets acquired, and the liabilities assumed are measured at their acquisition date fair values. The cost of an acquisition is measured as the aggregate of the consideration transferred (measured at acquisition date fair value) and the amount of any non-controlling interests in the acquiree. For each business combination, the Group measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the Group's operating and accounting policies, and other pertinent conditions as at the acquisition date.

If the business combination is achieved in stages any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in surplus or deficit. It is then considered in the determination of goodwill.

### ***Goodwill***

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all off the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the re-assessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in surplus or deficit.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

The Council holds a 75% ownership share in V T Contracting Limited through its subsidiary NRKC Holdings Limited. The goodwill held in the financial statements of V T Contracting Limited amounts to \$815,000 and the NRKC Holdings Ltd share of that amounts to \$611,250. This is reported in the Statement of Financial Position. There has been no impairment loss to the value of the goodwill.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

### ***Property, Plant, Equipment and Depreciation***

Land, Buildings and Property Improvements are initially recognised at cost and then revalued on a cyclical basis every three years as determined by the most recent valuation provided by the local council for rating purposes. Revaluation gains are recognised in the Statement of Movements in Equity in the year of the valuation. Revalued assets are not depreciated. All properties are now valued at the current rating valuation including the property at 206F State Highway 30 which was previously valued at cost.

Plant & Equipment and Office Furniture & Equipment are stated at historical cost less any accumulated depreciation and impairment losses. Historical cost includes expenditure directly attributable to the acquisition of assets, and includes the cost of replacements that are eligible for capitalisation when these are incurred. Depreciation is provided at the maximum rates allowed by the Inland Revenue Department.

### ***Valuation of Inventories***

Inventories are valued at the lower of cost and net realisable value. Cost has been assigned to inventory items on hand at balance date using the first-in first-out basis.

### ***Taxation***

The settlement of Treaty of Waitangi claims are not 'business activities' and therefore are not subject to taxation. However, the Council is subject to tax on other income, such as interest received and other taxable activities.

### ***Maori Authority***

Ngati Rangiteaorere Koromatua Council has been granted Maori Authority status for taxation purposes.

### ***Accounts Receivable***

Accounts Receivable are stated at their estimated realisable value after allowing for all bad debts.

### ***Investments***

Investments are stated at cost with the exception of investments in listed companies which are stated at valuations. Revaluation gains or losses are recognised in the Statement of Financial Performance.

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

Financial information in these accounts is recorded exclusive of GST with the exception of receivables and payables, which include GST. GST payable or receivable at balance date is included in the appropriate category in the Statement of Financial Position.

### ***Basis of Consolidation***

The consolidated Financial Statements comprise the Statements of the Company and its 100% owned subsidiary Company, NRKC Holdings Limited as at 31 March 2021. The Company is a New Zealand Tax Resident Company incorporated under the Companies Act 1993. Controlled entities are all those entities over which the Company has the power to govern that financial and operating policies so as to obtain benefits from their activities.

The controlled entity has been consolidated from the date on which control was obtained by the Company and will cease from the date on which control is lost. Assets, liabilities, income and expenses of the controlled entity are included in the Financial Statements from the date that control was gained. The controlled entity produces Financial Statements in its own right.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

### **Changes in Accounting Policies**

These are the first set of consolidated financial statements for the Council. The land and buildings are now all valued at the 3 yearly government rateable value. Other than these there have no other changes in accounting policy and all other policies have been applied on the same bases as previous years.

### **2 Cash at Bank**

	<i>This Year</i>	<i>Last Year</i>
ANZ Bank NZ Ltd - Goldsmiths Trust Account	34,150	30,418
Kiwibank Limited	87,093	-
Westpac NZ 00 Account	999	-
Westpac NZ Ltd	15,037	18,313
	<u>\$137,279</u>	<u>\$48,731</u>

### **3 Taxation**

	<i>2021</i>	<i>2020</i>
Net Surplus per Accounts	7,015	24,644
<b>Addback</b>		
Entertainment - Non Deductible	-	450
Late Payment Penalties	-	1,107
Loan Establishment Fees	-	5,000
Koha	(300)	-
Te Arawa Waka Fisheries	(5,000)	(5,000)
NRKC Holdings Ltd Surplus/(Deficit)	61,547	-
Company formation expenses	445	-
Consolidation Balances	(107,930)	-
Koha	-	1,193
Audit Fee Accrual	6,700	5,750
Te Matawai Grant	(17,063)	(20,188)
Te Matawai Expenses	18,210	20,188
Mataikotare Marae Trust Asset Impairment	94,105	-
Taxable Surplus	<u>57,729</u>	<u>33,143</u>
<b>Less</b>		
Tax Losses Brought Forward	<u>(402,522)</u>	<u>(435,665)</u>
Loss Carried Forward	<u>\$ (344,793)</u>	<u>\$ (402,522)</u>
Taxation	28,925	-
Opening Balance	(2)	(11)
Refund Received	-	11
	<u>28,923</u>	<u>-</u>
<b>Less</b>		
RWT Paid	<u>2</u>	<u>2</u>
Tax Payable (Refundable) as per Statement of Financial Position	<u>\$28,922</u>	<u>\$(2)</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

<b>4 Maori Authority Credit Account</b>	<b>This Year</b>	<b>Last Year</b>
Opening Balance	30,652	30,662
<b>Add</b>		
RWT Paid	2	2
<b>Less</b>		
Refund Received	-	11
	\$30,653	\$30,652

The closing MACA balance is available to be attached to dividends issued.

<b>5 Property, Plant And Equipment Summary</b>			
<b>2021</b>	<b>Cost</b>	<b>Accum Deprn</b>	<b>Book Value</b>
Land	4,682,412	-	4,682,412
Land Revaluation	4,823,588	-	4,823,588
Property Improvements - at Cost	326,865	18,317	308,548
Improvements Revaluation	2,500,452	-	2,500,452
Buildings - At Cost	15,000	-	15,000
Plant & Equipment - at Cost	81,422	9,493	71,929
Motor Vehicles - at Cost	102,000	11,280	90,720
Furniture & Fittings - at Cost	549	287	262
	\$12,532,287	\$39,377	\$12,492,910
<b>2020</b>			
Land	4,682,412	-	4,682,412
Land Revaluation	3,496,500	-	3,496,500
Property Improvements - at Cost	290,663	13,555	277,108
Improvements Revaluation	1,360,510	-	1,360,510
Buildings - At Cost	15,000	-	15,000
Plant & Equipment - at Cost	2,844	2,541	303
Motor Vehicles - at Cost	-	-	-
Furniture & Fittings - at Cost	549	255	294
	\$9,848,477	\$16,351	\$9,832,126

**6 Land And Building Valuations**

The following are valuations of properties located at:

	<b>Date</b>	<b>Valuer</b>	<b>Amount</b>
Cookson Road, Tikitere - Whakapoungakau Blocks	01/07/2020	Opteon Technologies Ltd	\$1,599,000
Te Ngae Farm Blocks - Block XIV Rotoiti	01/07/2020	Opteon Technologies Ltd	\$7,686,000
206F State Highway 30	01/07/2020	Opteon Technologies Ltd	\$755,000
Lot 2, 108 Lake Rotokawau Rd	01/07/2020	Opteon Technologies Ltd	\$965,000
Lot 1, 108 Lake Rotokawau Rd	01/07/2020	Opteon Technologies Ltd	\$1,310,000

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

<b>7</b>	<b>Other Investments</b>	<b>2021</b>	<b>2020</b>
	Mataikotare Marae Trust	-	71,045

The Trust has made payments on behalf of the Marae to 31 March 2021 amounting to \$94,105 (2020 - \$71,045). The Trustees have considered that the balance is impaired and has been treated as a bad debt. The Trust will continue to seek repayment of the balance owed from the Marae in the future.

	<b>Maturity Date</b>	<b>Remaining Term (Months)</b>	<b>Interest Rate</b>	<b>2021</b>	<b>2020</b>
<b>8</b>	<b>Loans</b>				
	Westpac NZ Ltd - 91 Loan	02/05/2023	25	-	39,279
	Westpac NZ Ltd - 91 Loan	14/08/2022	16	-	765,516
	Westpac NZ Ltd - 92 Loan	02/05/2023	25	-	1,050,000
	Current Portion			74,628	29,595
				<u>\$1,929,423</u>	<u>\$1,150,407</u>

The Loans with the Westpac Bank are secured over Lot 1 & Lot 2 Rotokawau Road by way of first registered mortgage.

<b>9</b>	<b>Reserves</b>	<b>2021</b>	<b>2020</b>
	<b>Asset Revaluation Reserve</b>		
	Opening Balance	4,857,010	4,857,010
	Movement	2,467,030	-
		<u>\$7,324,040</u>	<u>\$4,857,010</u>
	<b>Whakapoungakau Shareholders' Funds</b>		
	Opening Balance	<u>(42,061)</u>	<u>(42,061)</u>

In 2015, the Trust purchased land at Cookson Road, Tikitere, achieved through the purchase of 81.29167 shares in Part Whakapoungakau 4J Block and 133.25 shares in Part Whakapoungakau 4F2 Block as well as Freehold Land. The remaining Maori interests in Whakapoungakau 4J of 11.70833 shares have a value of \$25,808.68, and in Whakapoungakau 4F2 of 7.5 shares have a value of \$16,252.22. The court appointed Goldsmiths, Chartered Accountants as agent for the remaining Maori owners. The funds are to be held for distribution to the remaining Maori owners, who indicated their desire to sell their interests in the land to the Trust. There was a 6-month grace period from purchase date in which the Maori owners could transfer their land interests to the Trust; in such cases the conveyance of that land will be completed by Goldsmiths as the Court appointed agent (Te Ture Whenua Maori Act 1993, Section 157(1)).

### **10** **Events Occurring After Balance Date**

On 24 December 2021 an unconditional agreement for the sale of the house at Lot 1 108 Rotokawau Road was entered in to. On 3 November 2021 the loan to Haparangi A4 Charitable Trust was repaid and on 23 December 2021 the loan to David Rawiri George was repaid in full.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

### 11 *Contingent Liabilities*

There are no contingent liabilities at year end (31 March 2020: \$Nil).

### 12 *Capital Commitments*

The Trust has an unconditional contract to purchase 17B Hawthornden Drive, Tikitere, Rotorua for \$1,800,000.00 plus GST. The Settlement Date was 31 March 2021, and the Trust was due to pay a deposit of \$990,000.00 by 31 March 2020. Due to Covid-19 this deposit was not paid and by agreement with the vendors, reached in July 2020, a \$200,000.00 part payment of the deposit was made. Interest on the outstanding deposit was paid at a rate of 7% to 31 March 2021. The final Settlement Date has been extended to 30 September 2021 by agreement with the vendors and the settlement was completed on that date. (2020 - purchase of 17B Hawthornden Drive and purchase of hay and cattle grazing business)

### 13 *Related Parties*

Donna Hall is a Trustee for this Council and is also a principal for Woodward Law, which occasionally acts as a type of bank for the Council, by advancing funds to pay some expenses, and acting as their legal advisors. These transactions have been conducted under normal commercial terms.

The Council occupies facilities belonging to Mataikotare Marae Trust (Waiohewa Marae). Three Trustees, Rangimahuta Easthope, Kereama Pene and Herbert Hapeta Jnr, were also Trustees of Mataikotare Marae Trust. During this financial year the Council paid \$Nil (2020: \$NIL) to go towards the Marae Development Project. The Council paid insurance, repairs and lawn mowing costs and received koha on behalf of the Mataikotare Marae Trust. These transactions amounted to \$23,060 (2020: \$13,815) and this balance has been treated as a loan in the current year but has been impaired and written off. Other than these there were no other material related party transactions.

Kereama Pene is a Trustee for this Council as well as the Director of National General Services Limited. He has received no payments during the year. During prior years the Council paid expenses on behalf of National General Services Limited totalling \$10,519. That amount was outstanding at Balance Date (2020 : \$10,519). Dr Ken Kennedy is a Trustee for this Council and was appointed as a Director of NRKC Holdings Limited. He received no payments as a Director during the year.

During the year the Trust borrowed \$240,000 (2020: \$Nil) from the Haparangi A4 Charitable Trust on which Donna Hall is a Trustee.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**14 Trustees Remuneration**

Ngati Rangiteaorere Koromatua Council paid Trustee Remuneration in the year ended 31 March 2021 as follows.

	<b>2021</b>	<b>2020</b>
K Pene	7,164	5,373
Dr. K Kennedy	17,313	5,373
R Easthope	7,164	5,373
H Hapeta	1,792	0
W Tait-Rolleston	1,194	0
D Eru	0	0
	<u>34,627</u>	<u>16,119</u>