



PETER BARKER accountants

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8 November 2011

NGAI TAI KI TAMAKI TRIBAL TRUST

INDEPENDENT AUDITOR'S REPORT

To the Beneficiaries of Ngai Tai Ki Tamaki Tribal Trust

Report on the Financial Statements

We have audited the financial statements of Ngai Tai Ki Tamaki Tribal Trust on pages 2 to 12, which comprise the Statement of Financial Position as at 31 March 2011 and the Statement of Financial Performance and Statement of Movements in equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Trustees Responsibility for the Financial Statements

The Trustees are responsible for the preparation and fair presentation of these 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 Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of 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 accounting policies used and the reasonableness of accounting estimates, as well as evaluating the overall presentation of the financial statements.

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

Other than in our capacity as auditor we have no relationship with, or interests in, Ngai Tai Ki Tamaki Tribal Trust.

Opinion

In our opinion, the financial statements on pages 2 to 12 present fairly, in all material respects, the financial position of Ngai Tai Ki Tamaki Tribal Trust as at 31 March 2011, and its financial performance for the year then ended in accordance with generally accepted accounting practice in New Zealand.

Emphasis of Matter

We draw your attention to the notes to the Financial Statements in regards to contingent liabilities and the potential impact of an adverse outcome of the current court action on the going concern assertion. Our opinion is not qualified in this respect.

Other Matter

The 2010 corresponding figures are based on the draft unaudited accounts to 31 March 2010 prepared by BDO Spicers.

Report on Other Legal and Regulatory Requirements

In accordance with the Trusts Crown Forest Rental Trust contracts we report that:

- The financial statements have been properly audited in accordance with IAS's (NZ)

In accordance with appendix 2 of the Office of Treaty Settlements Claimant Funding Policy and Guidelines (April 2008):

- I am a Chartered Accountant in public practice
- I am independent of Ngai Tai Ki Tamaki Tribal Trust
- Expenses funded by the Office of Treaty Settlements relate directly to the negotiation of the Treaty Claim.



Peter T W Barker B Com, CA

CHARTERED ACCOUNTANT

NGA102



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NGAI TAI KI TAMAKI TRIBAL TRUST

MAORI TRIBAL AUTHORITY

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TRUST DIRECTORY
AS AT 31 MARCH 2011

Nature of Business	Maori Tribal Authority
Place of Business	102 Maraetai Drive Maraetai Auckland
Trustees	Listed in the Statement of Accounting Policies
Accountant	Business One Ltd Thames
Auditor	Peter Barker Accountants
Bankers	Bank of New Zealand
Solicitors	Kitt Littlejohn & McCaw Lewis Chapman

STATEMENT OF FINANCIAL PERFORMANCE - RMA
FOR THE YEAR ENDED 31 MARCH 2011

	2011	2010
	\$	\$
RMA & RELATED PROJECTS		
Trading Income		
RMA & LGA Meeting Income	255,041	88,405
Direct Costs		
RMA Costs	16	12,526
Salaries & Wages	102,209	13,538
Total Direct Costs	102,225	26,064
Percentage of Income	40.1%	29.5%
Profit (Loss) After Direct Costs	152,816	62,341
Non-Trading Income		
Koha	-	20,000
Interest Received	84	10
Hauraki Collective Income	53,187	-
CFRT - RMA Reimbursements	29,710	-
IRD Debt Written Off	137,536	-
Reimbursed Expenditure - General	1,916	-
Fisheries Distributions - HMTB	40,000	-
Reversal of 2010 Audit Fee	10,000	-
Total Non-Trading Income	272,433	20,010
Net Income (Loss) Before Overhead Expenses	425,249	82,351
Overhead Expenses:		
ACC Levies	110	-
Accountancy - BDO	197,190	74,050
Administration Expenses	1,543	1,850
Audit Fee	-	10,000
Bad Debts Written Off	500	-
Bank Fees & Charges	3,248	157
Communications	-	292
Contractors	76,163	18,161
Electricity & Gas	661	-
General Expenses	208	-
Governance	-	25,934
Historical Costs Accepted	28,929	-
Hui	498	2,177
Insurance	1,837	-
Interest Paid - Bank Accounts	3,878	45
Interest Paid - BDO Spicers	7,500	-
Interest Paid - BNZ Loan	7,343	-
Legal Fees	97,441	4,413
Vehicle Expenses & Travel	30,762	-
Office Expenses	12,918	251
Subscriptions & Licences	48	-
Telephone & Internet	3,096	2,081
Total Cash Overheads	473,873	139,411
Total RMA Project Expenses	473,873	139,411
Surplus (Deficit) From RMA & Related Projects	(48,624)	(57,060)

STATEMENT OF FINANCIAL PERFORMANCE - CFRT
FOR THE YEAR ENDED 31 MARCH 2011

	2011	2010
	\$	\$
CFRT PROJECTS		
Income		
CFRT Deposits	825,193	34,125
Overhead Expenses:		
CFRT Administration Expenses	223,941	-
CFRT Communications	61,264	-
CFRT Governance	73,736	-
CFRT Negotiations	224,432	-
CFRT Specialist Advice	145,246	-
CFRT Expenses - 2010	-	38,596
Total Cash Overheads	728,619	38,596
Funds Not Yet Applied	96,574	-
Total CFRT Project Expenses	825,193	38,596
Surplus (Deficit) From CFRT Projects	-	(4,471)

STATEMENT OF FINANCIAL PERFORMANCE - OTS
FOR THE YEAR ENDED 31 MARCH 2011

	2011	2010
	\$	\$
OTS PROJECTS		
Income		
OTS Deposits	6,000	150,000
Overhead Expenses:		
OTS Administration Expenses	3,077	-
OTS Negotiations	3,238	-
OTS Expenses - 2010	-	152,787
Total Cash Overheads	6,315	152,787
Total OTS Project Expenses	6,315	152,787
Surplus (Deficit) From OTS Projects	(315)	(2,787)

STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31 MARCH 2011

	2011	2010
	\$	\$
Income		
RMA, CFRT and OTS Contract Income	1,086,234	272,530
Direct Costs		
RMA Costs	16	12,526
Salaries & Wages	102,209	13,538
Total Direct Costs	102,225	26,064
Percentage of Income	9.4%	9.6%
Surplus (Deficit) After Direct Costs	984,009	246,466
Non-Trading Income		
Koha	-	20,000
Interest Received	84	10
Hauraki Collective	53,187	-
CFRT - RMA Reimbursements	29,710	-
IRD Debt Written Off	137,536	-
Reimbursed Expenditure	1,916	-
Fisheries Distributions - HMTB	40,000	-
Reversal of 2010 Audit Fee	10,000	-
Total Non-Trading Income	272,433	20,010
Net Surplus (Deficit) Before Overhead Expenses	1,256,442	266,476
Overhead Expenses:		
ACC Levies	110	-
Accountancy	197,190	74,050
Administration Expenses	228,561	1,850
Audit Fee	-	10,000
Bad Debts Written Off	500	-
Bank Fees & Charges	3,248	157
CRFT Expenses	-	38,596
Communications	61,264	292
Contractors	76,163	18,161
Electricity & Gas	661	-
General Expenses	207	-
Governance	73,736	25,934
Historical Costs Accepted	28,929	-
Hui	498	2,177
Insurance	1,837	-
Interest Paid - Bank	3,878	45
Interest Paid - BDO Spicers	7,500	-
Interest Paid - BNZ Loan	7,343	-
Legal Fees	97,441	4,413
Negotiations	227,671	-
Vehicle Expenses & Travel	30,762	-
Office Expenses	12,918	251
OTS Expenses	-	152,787
Specialist Advice	145,246	-
Subscriptions & Licences	48	-
Telephone & Internet	3,096	2,081
Total Cash Overheads	1,208,807	330,794

These financial statements must be read in conjunction with the accompanying Notes

STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 31 MARCH 2011

	2011 \$	2010 \$
Depreciation	6,076	1,685
CFRT Funds Not Yet Applied	96,574	-
Total Overhead Expenses	1,311,457	332,479
Surplus (Deficit) For The Year	(55,015)	(66,003)
 Allocated as Follows:		
Trustees Surplus (Deficit)	(55,015)	(66,003)
	(55,015)	(66,003)

NGAI TAI KI TAMAKI TRIBAL TRUST
MAORI TRIBAL AUTHORITY

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2011

	2011	2010
	\$	\$
CURRENT ASSETS		
Cash & Bank		
BNZ OTS Account	230	51,248
BNZ Account	5,510	-
BNZ CFRT Account	109,139	-
Prepayments		
Prepayments	1,955	-
Receivables		
Debtors - Accounts Receivable	83,554	41,056
GST Refund Due	-	3,124
Tax Refund Due	32	4
Total Current Assets	200,420	95,432
NON-CURRENT ASSETS		
Fixed Assets		
As Per Schedule	5,363	5,759
Total Non-Current Assets	5,363	5,759
Total Assets at Book Value	205,783	101,191
CURRENT LIABILITIES		
Creditors and Borrowings		
BNZ Overdraft	-	19,964
BNZ Overdraft	-	14
Accounts Payable - Creditors	130,334	127,216
Accrued Liabilities	-	20,000
Accrued Holiday Pay	2,536	-
Disputed Invoices - P. Karaka	6,750	-
Historical Liabilities	-	162,536
GST Payable	4,468	-
Unspent CFRT Funds	96,574	-
Total Current Liabilities	240,662	329,730
NON-CURRENT LIABILITIES		
Term Borrowings		
BDO Auckland Loan	148,675	-
BNZ Loan	100,000	-
Total Non-Current Liabilities	248,675	-
Total Liabilities	489,337	329,730
Net Liabilities	(283,554)	(228,539)

Which is represented by the Trust Funds

TRUST FUNDS		
Trust Capital	(283,554)	(228,539)
Total Trust Deficit	(283,554)	(228,539)

For and on behalf of the Trustees

.....

Trustee

.....Date

STATEMENT OF MOVEMENTS IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2011

	2011	2010
	\$	\$
TRUST CAPITAL & TRUSTEES ACCOUNT		
Equity (Deficit) At Beginning Of The Period	(228,539)	(162,536)
RECEIPTS AND REVALUATIONS		
Trustees Surplus (Deficit)	(55,015)	(66,003)
Equity (Deficit) as at 31 March 2011	(283,554)	(228,539)

NGAI TAI KI TAMAKI TRIBAL TRUST
MAORI TRIBAL AUTHORITY

STATEMENT OF FIXED ASSETS AND DEPRECIATION
FOR THE YEAR ENDED 31 MARCH 2011

ASSET DESCRIPTION	DEPN RATE & TYPE	% PVT USE	COST ON HAND	OPENING BOOK VALUE	ADDITIONS	DATE OF ADDITION	SALE PRICE	PART SALE PRICE	PROFIT (LOSS)	DISPOSAL DATE	ORIGINAL COST	CAPITAL GAIN (LOSS)	DEPN	ACCUM DEPN	PRIVATE DEPN	ACCUM PRIVATE DEPN	CLOSING BOOK VALUE
Office Equipment																	
Computer Equipment	60.0D		6,326	4,941	-	01/04/09	-	-	-		-	-	2,965	4,350	-	-	1,976
Office Equipment	80.4D		1,118	818	-	01/04/09	-	-	-		-	-	658	958	-	-	160
Laptop DV6-2117	60.0D		1,332	-	1,332	17/05/10	-	-	-		-	-	734	734	-	-	598
Notebook VPCEB33FGWI	50.0D		1,348	-	1,348	12/11/10	-	-	-		-	-	279	279	-	-	1,069
Toshiba Copier 451C	48.0D		3,000	-	3,000	29/04/10	-	-	-		-	-	1,440	1,440	-	-	1,560
			13,124	5,759	5,680		-	-	-		-	-	6,076	7,761	-	-	5,363
Total Assets																	
			13,124	5,759	5,680		-	-	-		-	-	6,076	7,761	-	-	5,363

This financial statement must be read in conjunction with the accompanying Notes

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2011

STATEMENT OF ACCOUNTING POLICIES

Accounting Entity

The attached financial accounts are those of the Ngai Tai Ki Tamaki Tribal Trust. The Trust is a Maori Tribal Authority and is a legally mandated entity for the negotiation and settlement of Ngai Tai Ki Tamaki Treaty of Waitangi claims. The Trust is a public benefit entity and is a registered charitable organisation with the Charities Commission.

The financial statements have been prepared in accordance with generally accepted accounting principles applicable in New Zealand (NZ GAAP) as they apply to entities applying differential reporting exemptions.

The financial statements are presented in NZ dollars rounded to the nearest dollar.

Differential Reporting

The Ngai Tai Ki Tamaki Tribal Trust qualifies for differential reporting exemptions under the following criteria:

The Trust is not publically accountable

The Trust is not large, as defined in the framework for differential reporting.

The Trust has applied all applicable differential reporting exemptions.

Measurement Base

The measurement base adopted is historical cost. Accrual accounting is used to match expenses and revenues.

The accounts have been prepared on a going concern basis, subject to the contingent liabilities note below.

The 2010 comparative figures are draft only and have not been audited.

Accounts Receivable

Accounts Receivable are stated at their anticipated realisable value.

Income Tax

Income tax in the statement of financial position consists of RWT deducted from interest.

Income tax expense has not been provided for in these accounts as the Trust is a registered charity under the Charities Act 2005 and has no taxable income.

Goods and Services Tax (GST)

The financial statements have been prepared on a GST exclusive basis. Accounts Receivable and Accounts Payable are recorded in the Statement of Financial Position inclusive of GST. GST owing to or by the entity at balance date as recorded in the Statement of Financial Position, has been determined on an accruals basis.

Changes in Accounting Policies

Accounting policies applied have been consistent throughout the period. Comparative figures provided are draft and unaudited, as no final accounts were prepared for the 2010 year.

Fixed Assets

Fixed assets are stated at cost less aggregate depreciation. Any assets leased by the entity that incorporate rights of ownership for the entity in the future have been included on the schedule of fixed assets with a corresponding liability for future lease payments in the statement of financial position. Lease payments that do not confer rights of ownership are included in the determination of operating profits in equal instalments over the term of the lease.

These financial statements must be read in conjunction with the accompanying Notes.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2011

Depreciation

Depreciation has been calculated using the rates provided for taxation purposes in the Income Tax Act 2007. The particular rates and method of depreciation applied are as recorded on the Schedule of Fixed Assets that form part of these financial statements.

Bank Overdraft

The bank overdraft has a limit of \$100,000. The facility is unsecured and repayable on demand.

Historical Liabilities

In 2010 a historical liability of \$162,536 was recorded to allow for accrued IRD tax liabilities and penalties outstanding at balance date.

The Trust reached a settlement with IRD during the 2011 year which result in a payment of \$25,000 being made to IRD as full and final settlement of the liabilities. The difference in the amount owing and the settlement reached has been recorded as income in the statement of financial performance.

Operating Lease Commitments

During the period \$23,775 of operating lease payments relating to rent of premises and lease of two Toyota Hilux utes was recognised as an expense in the financial statements.

Lease Commitments

2011

Less than one year	\$30,882 excl GST
Between one and five years	\$31,189 excl GST
More than five years	\$Nil. excl GST

The office premise lease commenced on the 1st January 2011, has one right of renewal and a final expiry date of 31 December 2012.

The Toyota Hilux lease's commenced on the 3rd of May 2010 with a final termination date of 3rd May 2013.

Revenue Recognition & Restrictions

RMA revenue is recognised on an invoice basis.

CFRT and OTS revenue is recognised when the associated expenditure has been paid or incurred. Unspent CFRT or OTS funding at balance date is recorded as a liability.

Funding received from the Office of Treaty Settlements (OTS) and Crown Forestry Rental Trust (CFRT) are restricted funds and are earmarked to cover costs incurred in reaching settlement with the crown. Funds received from OTS and CFRT are kept in separate bank accounts.

Related Party Transactions

The following related party transactions occurred during the period:

<u>Name</u>	<u>Relationship</u>	<u>Nature of Transactions</u>
Lucy Steel T/A Tahuri 8 Ltd.	Trustee	Negotiator
James Brown	Trustee	Negotiator
Laurie Beamish T/A Maka Fishing Ltd	Trustee	Negotiator
Carmen Kirkwood	Trustee	Negotiator
Billy Brown	Trustee	RMA Co-ordinator & Website Maintenance
Dave Beamish	Trustee	RMA Employee
Denny Kirkwood	Related to Trustee	Administration Services

These financial statements must be read in conjunction with the accompanying Notes.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2011

Liabilities

All liabilities are unsecured.

Provisions

A provision for employee benefits is recognised as a liability when benefits are earned but not paid.

Holiday leave is calculated on an actual entitlement basis at the greater of the average or current hourly earnings in accordance with the Holidays Act 2003.

Capital Expenditure Commitments

\$Nil (2010: \$Nil.)

Contingent Liabilities and Assets

From 9 March 2004 until 14 March 2009, the Trust affairs were administered by interim trustees appointed by the High Court of New Zealand. During that period, the court approved payment of fees and expenses incurred by the interim trustees subject to verification of the expenses and ability of the Trust to make payment.

As at balance date the interim trustees have yet to provide verification of expenses incurred to the court, and the trust has limited ability to make payment should verification be provided. Should verification be provided to the court some expenses may become payable, the amount and timing of which cannot be reliably determined at balance date, and no accrual has been included.

The value of the costs under dispute are \$615,268 and the realisation of these contingent liabilities may affect the Trust as a going concern.

The Trust is also holding in its bank account funds from Watercare Services which are subject to legal action with a former trustee. The value of the funds under dispute are \$6,750.

Subsequent Events

There were no material events subsequent to balance date.

Audit

These financial statements have been audited. The comparative figures for the 2010 year are unaudited