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# Mihi

Tuiā te rangi e tu iho nei

Tuiā te papa e takoto nei

Tuiā te aroha ki a Ihowā i te wāhi ngaro

Tōrere te ao, tōrere te pō

Ko te aroha e kī ake nei

Ko te aroha e kore e mīmiti mō rātau te iwi nui kua wheturangitia

Ko te aroha ano hoki e herea nei tātau ia tātau te iwi e mahue ki muri nei

Tēnā kōutou, ā, kia ora huihui ai tātau katoa



## Introduction

A year gone already and another Christmas nearly upon us. A recent trip to the Haumako Tara orchard with our Kaumātua Kaunihera reminded us that it was only just a year ago that we welcomed our cadets onto Te Rauhina Marae. This year saw many of our strategic projects begin to evolve and grow with an 18-hectare orchard established at Marumaru in partnership with Ohuia. Our resource consent for the 56-home development at Te Rauā has been approved with negotiations underway with Government for a \$22.8 million grant. Along with the purchase of 100 hectares of whenua at Waihirere/Whakapau for development, these are all significant milestones in providing jobs and homes for whānau.

We provided an initial investment for each Kāhui to begin creating their taiao plans. We held a series of online wānanga with whānau about Wai Māori and how we might engage with the Crown to express our rangatiratanga over wai. These are both very important kaupapa to protecting and restoring our wai me te taiao. The Board also established a new standing committee for taiao, made up of representatives from Kāhui, to support this mahi.

The appointment of new directors and a General Manager in our commercial arm with whakapapa to the rohe was a milestone in growing Māori capability. Renata Hakiwai and Dee-Ann Wolferstan joined the commercial board, with Waylyn Tahuri-Whaipakanga and Denise Eaglesome-Karekare appointed to our new housing company. These boards will be supported by Rawinia Kamau, who started as General Manager - Commercial.

Unfortunately, we were not isolated from the impacts of a major global economic downturn with our equity remaining relatively the same as last year. However, the Trust increased the risk level this year after our combined risk and strategic wānanga with the commercial board, allowing our commercial arm to make some key investment decisions into growth assets that will generate good annual returns into the future. We were able to double the annual distribution to Kāhui this year compared to last year and guarantee this as a minimum for two years.

The Trust is grateful for the continued support of our beneficial owners, ngā Kāhui me ngā whānau o te rohe. We are also humbled by the response we have had in our own people wanting to take up key roles within the organisation. Attracting the skills and expertise of our own to help us grow has been a purposeful strategy by the Trust in advancing our collective aspiration of mana motuhake.

Nā reira, nō mātau te hōnore kia kōkiri tonutia tō tātau kaupapa ki mua. Ko te tumanako kia tau iho te tauwhirotanga o te wāhi ngaro ki runga ia kōutou mō te roanga o tēnei tau e tu mai nei.

Ngā mihi nui

Jens Jung

Tātau Tātau o te Wairoa Trust

LEWIS RATAPU (General Manager)

Tātau Tātau o te Wairoa Trust



# Tātau Tātau o Te Wairoa Trust Annual General Meeting 2022

Taihoa Marae, 172 State Highway 2, Wairoa 4108 2pm, Saturday 26 November 2022

The AGM will be livestreamed. Details will appear on our Facebook page closer to the date of the AGM, or you can email contact@ttotw.iwi.nz for further information.

## **AGENDA**

- 1. Mihi
- 2. Karakia
- 3. Trust Annual Report
- 4. Audited Financial Statements
- 5. Appointment of the Independent Auditor
- 6. Approval of the Directors' Remuneration
- 7. General Business
- 8. Kai o te Ahi

## RESOLUTIONS

The Tātau Tātau Kāhui Representatives will be seeking the approval of adult registered members on the following resolutions:

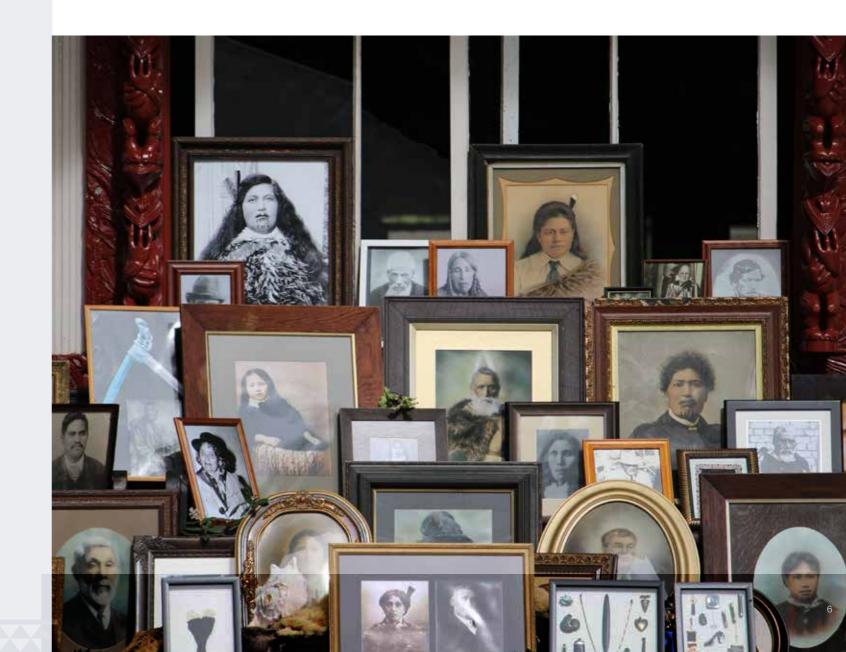
- 1. That the Tātau Tātau o Te Wairoa Trust Annual Report 2022 and the duly audited Consolidated Financial Statements for the period ending 30 June 2022 be adopted.
- 2. That the appointment of BDO Gisborne Limited as the Independent Auditor for the 2022/2023 Income Year be approved.
- 3. That the Tātau Tātau o Te Wairoa Trustee Limited Director Remuneration Levels for the 2022/2023 Income Year be approved.

## About Tātau Tātau o Te Wairoa Trust

Tatau Tatau o Te Wairoa Trust is the culmination of a 30+ year journey to settle historic Te Tiriti o Waitangi claims for the area between Tūranganui-a-Kiwa and Mōhaka.

We reached settlement with the Crown in 2016. Tātau Tātau o Te Wairoa Trust was then created as the Post-Settlement Governance Entity (PSGE) to manage our settlement assets. Our settlement became law on 6 September 2018 and was an historic occasion for all our iwi, hapū, and whānau who will benefit from the many years of hard work that our tūpuna started.

Our members approved the final representation and asset arrangement model for the Trust in November 2018. Since then we have been implementing this structure, rolling out key projects and workstreams which are discussed further in this report, and maintaining the Tātau Tātau Kāhui Representation system to represent our people and Kāhui on the Trust, and subsequent Kāhui activities.



# Whakapūmau what remains constant

Our collective values that we practice:



## Rangatiratanga

Collaborative, transparent and sound governance and leadership



## Whanaungatanga

Promoting our connection to ensure harmony and solidarity



## Manaakitanga

Uplifting the mana of others through kindness, hospitality, and mutual respect



## Tiakitanga

Supporting and promoting the restoration and protection of our natural environment



## Wairuatanga

Respecting and exercising the spiritual dimension of our world

## The moemoeā for our organisation is a shared aspiration for our beneficiaries:

"The whānau, hapū and iwi of Te Rohe o Te Wairoa are prosperous, healthy and aspirational; proudly identifying and connecting with Te Ao Māori; kaitiaki for a restored natural environment; and informed key decision-makers for our future."

## Our kaupapa is to:

- Responsibly manage our asset base for intergenerational benefits
- · Own decisions that lead to positive change
- · Partner with people who contribute to the development of whānau, hapū and iwi
- Utilise our collective of Kāhui for greater impact

Our aspirations are ambitious and wide-reaching, encompassing economic, social, cultural and environmental goals. These form the core themes, or strategic pou, which are integrated across our planning processes.



Mana Māori
Pride of identity
and connection



**Tāngata**Resilience and wellbeing of the people



Taiao

Health of the natural environment

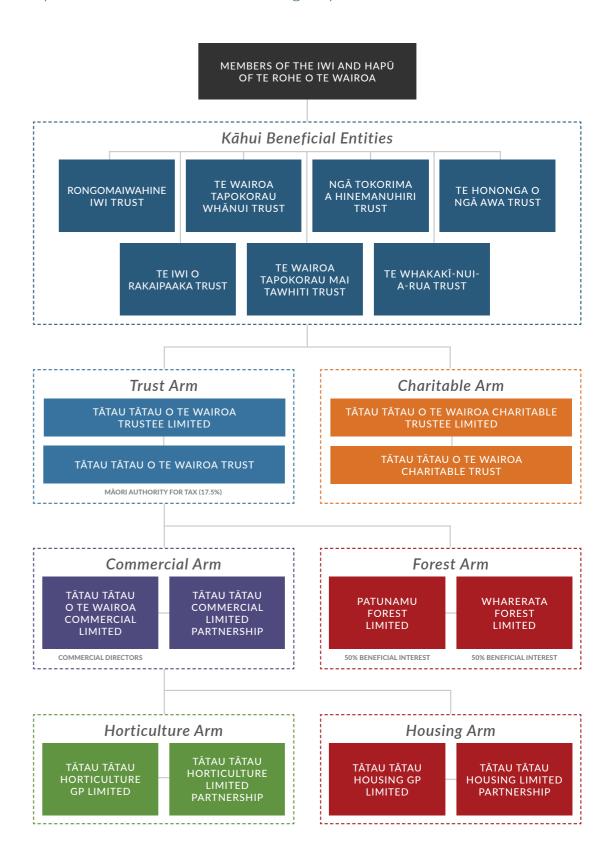


Te Pātaka

# Wealth and organisational strength of the people

# Our group structure

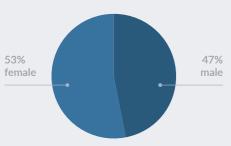
Our Unit Trust Model and Kāhui Representation are what makes up our Tātau Tātau o Te Wairoa group structure.



TĀTALLTĀTALLO TE WALDOA ANNUAL DEDORT 2022

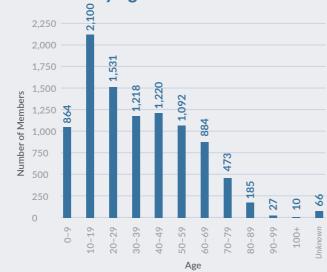
# Our registered members

# Members by gender



9,633 total members

# Members by age



# Members by geographic location



# Members by Kāhui affiliations



# Our Kāhui and Hapū



#### **RONGOMAIWAHINE IWI**

Ngāi Te Rākatō Ngāti Hikairo Ngāti Hinewhakāngi (also known as Hinewhata) Ngāti Meke Ngāi Tama (including Ngāti Ruawharo) Ngāi Tārewa Ngāi Tū (including Ngāi Takoto)



#### NGĀTI RAKAIPAAKA

Ngāti Rangi Ngāi Te Rehu Ngāi Tamakahu Ngāi Tureia Ngāi Te Kauaha/Ngāti Kauaha



## NGĀ TOKORIMA A HINEMANUHIRI

Ngāi Tamaterangi Ngāti Mākoro Ngāti Hingāngā Ngāi Pupuni Ngāti Pareroa Ngāti Poa Ngāi Tamatea Ngāti Hinetū Ngāti Mihi Ngāti Hineterā



## TE HONONGA O NGĀ AWA

Ngāti Hingāngā

(also known as Te Aitanga a Pourangahua)

Ngāti Kōhatu (also known as

Ngāti Hinehika)

Ngāti Hinemihi Ngāti Hikatu

> Ngāti Puku Ngāti Peehi

Ngāti Hinepehinga Wairoa Waikaremoana

Māori Trust Board

The Whaanga Whānau Hinemanuhiri ki Waipaoa Whānau



## WHAKAKĪ NUI-A-RUA

Ngā hapū o Whakakī, being:

Ngāti Hine Te Pairu Ngāti Hinepua Ngāi Te Ipu Ngā hapū o Iwitea, being: Ngāi Tahu Ngāti Ruapani Ngāti Urewera Ngāti Hinepua Ngāi Tūpaka Ngāi Te Kakari Ngāti Matawhāiti Ngāti Hikawhare Ngāi Te Koara Ngāi Te Rangihauene

Ngāti Hineringa Ngāti Pukukaraka Ngāti Pokino Ngāti Hau

Ngāti Rua Ngāti Kahina

Ngāti Kipamaro Ngāti Kakahi

Ngāti Kaituna Ngāti Patutai

Ngāti Mātuahanga

Ngãi Teki Ngãi Te Ariari Ngã hapū o Ngāmotu, being: Kaahu Te Uri o Te O Ngã Huka o Tai Te Aitanga a Puata Ngãti Mātua Ngāti Koropī Ngãi Tarita Ngãi Te Rangituanui Ngāti Hikatu



## TE WAIROA TAPOKORAU MAI TAWHITI

Te Aitanga a Puata
Ngāti Kurupakiaka
Ngāti Tiakiwai
Ngāti Momokore
Ngāti Waiaha
Ngāi Te Rangituanui
Ngāi Taitaui
Ngāti Mātangirau
Te Uri o Te O
Ngāi Tauira
Ngāti Matua
Ngāti Matua
Ngāti Kaahu (acknowledged
with Iwitea)
Ngāti Koropi



## TE WAIROA TAPOKORAU WHĀNUI

Ngāti Moewhare
Ngāi Te Apatu
Ngāi Tānemitirangi
Iwi Kātea
Ngāi Tauira
Ngāi Te Kapuamātotoru
Ngāti Kuruhiwi
Ngāti Ngakautaoweka
Ngāti Pukupepepi
Ngāti Rāhui
Ngāi Tamao
Ngāti Tawarangi
Ngāi Te Aorangi

ĀTAU TĀTAU O TE WAIROA ANNUAL REPORT 2022

# Continuing the journey of mana motuhake

Our plans revolve around building a strong foundation for whānau to flourish into the future, growing our Māori economy and providing warm dry homes. We are taking an eco-systems approach that links and strengthens everything together. Creating jobs, careers and businesses. Building homes and a horticultural industry. Retaining our mātauranga and restoring key environments. Placing whānau wellbeing at the centre keeps us all connected through a common aspiration of mana motuhake.



TĀTAU TĀTAU O TE WAIROA ANNUAL REPORT 2022





# Report of activities

FINANCIAL YEAR 2021/22: NURTURING GROWTH

Tātau Tātau o Te Wairoa Trust

Providing value to our members comes through investing in areas that continue to enable us to achieve our goals.

Over the past year, our Board and operations across all our entities have continued to progress actions across our four strategic pou – Mana Māori, Tāngata, Taiao, Te Pātaka — and we are pleased to present the following summaries of our mahi to you.

These summaries cover the key activities of Tātau Tātau o Te Wairoa Trust; Tātau Tātau Commercial Limited Partnership, Tātau Tātau Horticulture and Tātau Tātau Housing Limited Partnership; as grouped under our four pou. We also present report summaries from Wharerata Forest Ltd and Patunamu Forest Ltd.

# DEFERRED SETTLEMENT PROPERTY (DSP)

The process to purchase these properties began in June 2020 and will likely be completed around June 2023. The Trust and Kāhui have taken our time to undertake due diligence, ensuring that we have viable development options and can achieve the lowest purchase price possible from the Crown.



As a result, we have reached an agreed purchase price for all properties, except Mahia East Coast Rd Forest, of around \$2.7 million. This is \$317,000 lower than our original estimated values in 2020, and \$335,000 lower than the Crown's proposed 2022 values.

Housing feasibilities were completed on seven of these properties, yielding a possible 77 homes at an estimated cost of around \$29.2 million.

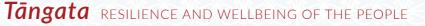


# DEPARTMENT OF CONSERVATION PARTNERSHIP AGREEMENT

We met with the then Conservation Minister Kiri Allan and senior department staff in March 2022 in a mana-tomana relationship with the Department of Conservation (DoC). Moving the Conservation Management Strategy boundaries in the north was a major discussion point, amongst many other aspirations we had for the reserves. Funds were received from DoC and given to Kāhui to assist with their taiao planning. An operational partnership hui was held later between DoC, Trust staff and Kāhui to discuss key policies and provide an opportunity for Kāhui to begin talking to their aspirations for reserves in their rohe.









#### KAWAU TIRIPOU

We are now in the second and final year of this project. This year was focused on building a Geospatial Information System (GIS) and learning about story mapping as a tool for capturing historical knowledge about different sites around the rohe. The project aims to reflect Māori understandings of time and space and to allow hapū storytelling using multimedia sources, integrated with layers of historical, environmental, social and economic data. This mātauranga can be preserved, understood, and handed on to future generations.



# TĀTAU TĀTAU O TE WAIROA ANNUAL REPORT 2022

#### TE RAUA

Te Raua is our cornerstone residential development - the first in a series we hope to build on urban and rural Māori land. Our vision is to create a safe and affordable living environment for a wide range of whānau and kaumātua households, promoting intergenerational wellbeing and whānau ora. At the heart of the development is an innovative kaumātua housing solution, Tokotoko, that allows pakeke to live well in the community. This includes a large, supported living whare and smaller standalone homes, offering a continuum of housing support that keeps kaumātua well and connected to whānau.



Around our kaumātua are family homes, with mostly three and four bedrooms on separate lots. These are connected through a scheme plan that encourages whānau activities across ages and with the environment. This is achieved through smart design of greenspaces, including a large green area all planted with rongoā and kai. The development programme will initially focus on affordable rental housing but, over time, the Board hopes to create pathways to home ownership via rent-to-own shared home ownership initiatives.

#### токотоко

At the heart of the development will be Tokotoko pakeke village. Our preferred scheme for Tokotoko features 13 one and two-bedroom independent living units for kaumātua singles and couples, as well as 12 studio units plus a flat within an Abbeyfield-style supported living complex. All will be grouped around a shared open space area.



The supported living whare will operate along similar lines to Te Āhurutanga, Te Taiwhenua o Heretaunga's purpose-built kaumātua whare in Flaxmere. It will enable us to provide safe and affordable housing for older pakeke who find it difficult to manage on their own, and who might otherwise be pushed towards rest home care or forced to live alone or with whānau in overcrowded conditions. We expect that the lounge and kitchen facilities in the supported living complex will become a focal point for all those living at the heart of Te Raua.



#### THE WHITIWHITI ORA PROJECT

The Whitiwhiti Ora project is a partnership between the Our Land & Water National Science Challenge and the tripartite partners of Tātau Tātau o Te Wairoa Trust, Wairoa District Council and Hawke's Bay Regional Council. Manaaki Whenua, on behalf of the National Science Challenge, spent well over a year negotiating with the tripartite to identify a common kaupapa that had national significance but brought local benefits to Wairoa. In this project, we are studying the impacts of sediment on mahinga kai and other cultural values in the Wairoa River.

In Year One we employed

Arna Galvan and Katarina

Kawana. They developed

values in and around the

two local researchers,

describe and capture

awa. They interviewed whānau in the lower

river to understand the current state of values

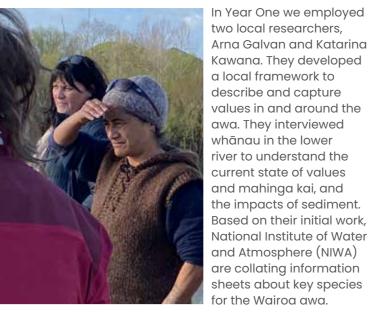
and mahinga kai, and

the impacts of sediment.

are collating information

sheets about key species

for the Wairoa awa.



▶ Local researchers, Arna Galvan and

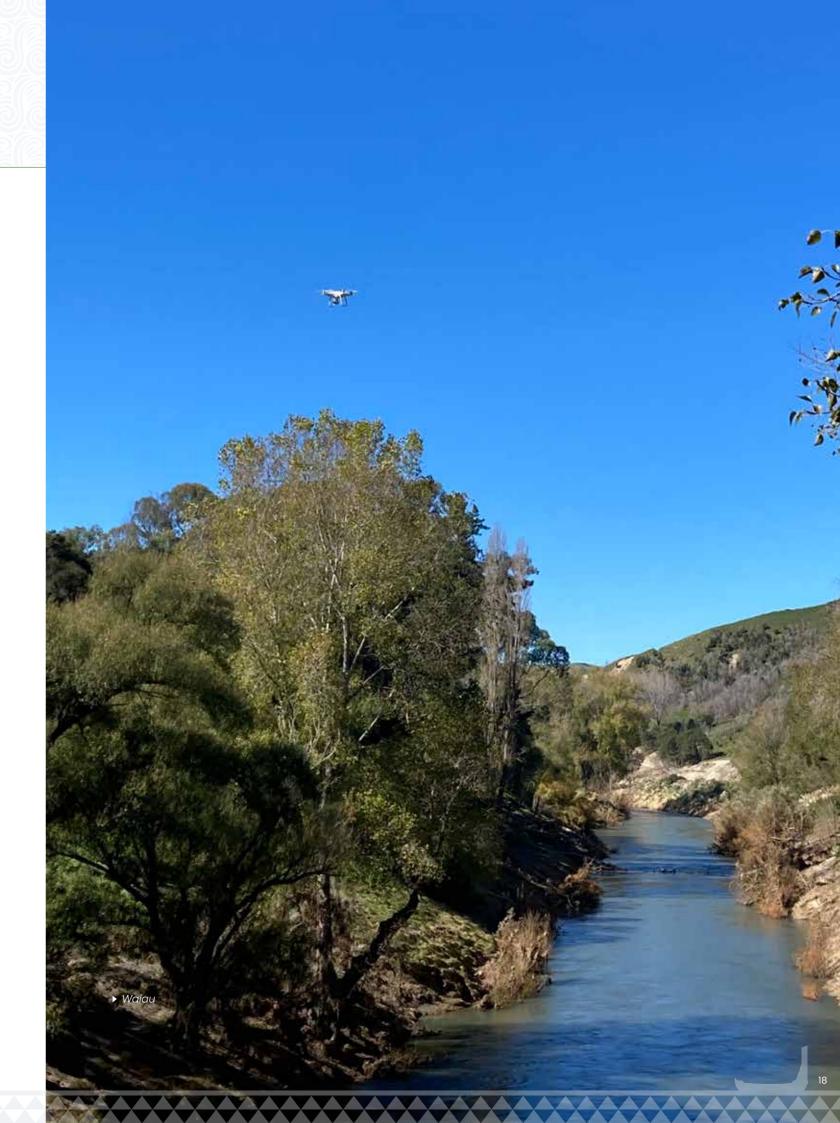
Also in Year One, Manaaki Whenua used a model to estimate the amount of sediment that is typically lost through our waterways in a year: it is enough to fill 666 Olympicsized swimming pools. They estimated the impacts of climate change, and by the end of the century, it could be 37-69 percent



In Year Two, our local researchers are refining and extending their framework further upstream and including historical data as well. Together we will use all this information, from mātauranga and science, to understand what the impacts of sediment are on the river. Importantly, we are also starting to explore what we can do to begin to restore the health of these values in our awa.

One of the most interesting journeys the project partners have been on is working to blend our mātauranga, with the western science of the Whitiwhiti Ora project team. This has provided valuable insight into the challenge this brings but has enriched and reinforced the importance of working in partnership to achieve the outcome.

This project will give us a valuable baseline for the condition of our awa, and an approach to assess the impacts of future activities in a way that honours and reflects our knowledge and cultural values. We hope that this work will help inform the development of our Taiao plans and Hawke's Bay Regional Council's upcoming Kotahi process and future monitoring, ultimately leading to reduced sedimentation and improved health of our



# Te Pātaka wealth and organisational strength of the people



### TE PĀTAKA HANGARAU

The Trust continued our assessment and due diligence on acquiring a new database for membership. A lot of work has been done in the background, although our customer-facing assets such as our website and registration form are still the same. We updated our last technology assessment of our current database, creating a new set of policies, securing a new network partner, and completing a full migration to Microsoft. All of this ensures we have a secure environment for our data, histories, personal and collective mātauranga.

We met with a couple of iwi to understand their information systems and membership management. We also engaged with a few government departments and participated in projects including the design of an All-of-Government digital strategy and the lwi Affiliation Decision Making Group with the Registrar of Birth, Deaths and Marriages. This work ensures that we don't create a system that costs more to maintain in the future and that we have access to information about our rohe and our people that the Government holds.

We have completed the design of our own indigenous data model and are currently looking for a partner to build our Customer Relationship Management system.

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"...secure environment for our data, histories, personal and collective mātauranga"

#### PATUNAMU FOREST LIMITED

The 2021/22 year has seen a gearing up of the forestry sector as the effects of COVID-19 have diminished. Our financial performance for the year lists assets of \$16,371,616 with liabilities of \$243,088 giving a net asset value of \$16,128,528 (2021: \$13,688,087). The difference has been due to a higher rental income for the forest, lower consultancy fees and a higher spot price for New Zealand Emission Units as of 30 June 2022.

Patunamu Forest Ltd (PFL) Directors have had very positive meetings with Sean McBride, the General Manager for Juken NZ (JNL). We are in the process of developing an improved reporting framework, which will align with our eventual lwi Forest Licence Agreement with JNL. The relationship has several elements, including greater engagement by shareholders directly in the forests for recreational and cultural purposes. The relationship with the Wairoa Hunting Club (WHC) has been maintained this year again with the assistance of our executive with the hunting permit process.

We are assisting the Forest Access
Committee established by the Tātau
Tātau o Te Wairoa Trust to investigate the
broadening of access to the forests. PFL
have coordinated another firewood drop to
the seven Kāhui this year. Twenty-one bin
loads of wood will be delivered thanks to
JNL and the Trust. The firewood will require
splitting and is supplied before Christmas to
allow for drying over the summer.

## WHARERATA FOREST LIMITED

The 2021/2022 year has been another strategically focussed year for Wharerata Forest Trust. We completed a review of our Trust Deed which included several wānanga with our owners. The reviewed Trust Deed enables us to achieve our purpose to be "an exemplar forest and forest asset manager" and to grow our sustainable forest asset base to 25,000 hectares.

We continue to monitor Juken New Zealand (JNL) activities on our whenua including:

- Health & Safety Wharerata Forest Limited (WFL) and JNL are co-designing a H&S system that incorporates Tikanga Māori values.
- Taiao our Taiao Management Plan is currently being considered by our owners. This will frame our expectations and reporting requirements for JNL operations on our whenua.

- Wāhi Tapu we commenced development of a Wāhi Tapu management plan to understand our sites, relocate, protect and manage those sites and values, and share the knowledge with our whānau.
- Employment opportunities WFL monitors new employment and contract opportunities within JNL and passes employment opportunities onto our owners for distribution among the whānau.
- Cadetship WFL requires JNL to offer an annual cadetship during the Christmas holidays. 2022/2023 will be the first year of the cadetships. An initial job description has been provided by JNL and is being considered by WFL.
- 6. Hunting access our whānau continue to enjoy access for hunting through the Wairoa Hunting Club. We are also working with the Forest Access Committee to investigate an access system that engages the wider whānau.

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# TĀTAU TĀTAU COMMERCIAL LIMITED PARTNERSHIP (TTCLP)

## Chair's report

It is a privilege to serve Tātau Tātau o Te Wairoa and to provide an update from the Commerical Board. This past year has been pleasing with meaningful progress made with a number of strategic priorities and yet on the other hand, the challenging market conditions resulting in an unrealised loss on managed funds.

This report provides an update on the last financial year as well as detail on where the pūtea is invested, a timeline of highlights, key strategic priorities, a high-level dashboard update and financial summary. Our goal is to provide more meaningful information on progress.

Firstly, with our people during the year we said goodbye to the inaugural Commercial Board Chair, Tony Gray. Tony's commitment and contribution to establish the Commercial Board was significant and we thank him for his mahi. At the same time we welcomed new Directors, Renata Hakiwai and Dee-Ann Wolferstan who both bring considerable skills, expertise and capability to the Commercial Board. We were pleased to announce the appointment of Rawinia Kamau as General Manager and Irene Raihania as Business Administrator. These staff appointments were important and provide the well overdue management required for the commercial portfolio.

Unfortunately, one aspect of the past year has been the collapse in the financial markets with the Ukraine War, COVID-19, inflation pressure and rising interest rates, which some commentators say is worse than both the 1987 crash and the 2008 Global Financial crisis. This has had a significant impact on the managed funds portfolio which sits at \$36.6 million or 37% of total assets. Due to these market conditions the managed funds declined by \$5.6 million.

The Commercial Board is not happy with this decline and a conscious decision has been made to steadily reduce the exposure to managed funds and shift to income producing direct investment/assets. The managed funds portfolio is being reviewed on a weekly basis.

With that in mind the TTCLP balance sheet currently stands at \$100.1 million and the operating cash surplus generated this year from TTCLP was \$1.56 million (last year \$1.3 million). Once the Tātau Tātau Horticulture LP operating loss of (\$698k) is deducted, the operating profit was \$866k. (Last year: \$1.54 million including Tātau Tātau Horticulture LP grant revenue).

Over the past three years TTCLP has distributed \$5.4 million to the Trust and when these distributions are added back, the equity position would be \$1.8 million up from inception (as at 31 July 2022).

See table below for showing the total assets this year compared to last year as well as current portfolio split.

Asset Class	30 June 2022 (FY22)	30 June 2021 (FY21)
Managed Funds	\$36,607,839	\$53,050,414
Cash and Term Deposits	\$29,340,917	\$40,721,939
Ports	\$3,966,344	\$4,903,844
Agriculture/ Horticulture	\$6,344,817	\$1,700,000
Commercial Property	\$16,223,540	\$4,989,800
Private Equity	\$5,807,765	-
Residential Property	\$1,500,000	-
Other Assets	\$300,612	\$316,427
Total	\$100,091,834	\$105,682,424

#### Strategic Priorities Update

This year the Commercial Board has focused its time and energy into the following strategic imperatives, which are the fundamental platforms that will drive future growth. These are as follows:

#### A. Haumako is the Tātau Tātau o Te Wairoa horticulture business in Wairoa.

Haumako	30 June 2022 (FY22)	30 June 2021 (FY21)
Capital Investment vs Budget Commitment	\$6.3m	\$1.7m

The first step was to establish the Tara Joint Venture with Ohuia Incorporation which has resulted in 18 hectares of Envy Apple being planted under a partnership with Turners and Growers. The Haumako Board has developed a pipeline of land opportunities through local whanaungatanga as well as investigation on water supply. The horticulture business continues to build capacity and capability with its people. We said farewell to inaugural General Manager, Clare Easton and welcomed interim General Manager, Martyn King. The pipeline is looking solid for Haumako and we are likely to see this steadily scale up over the coming years.

The advantages and benefits of this investment importantly include social outcomes that are delivered, with employment opportunities for whānau with ongoing skill development and in four years' time the pūtea/financial returns generated will be significant.

The TTCLP Commercial Board has determined the projected financial returns from Haumako will be hard to achieve elsewhere, with the projected Internal Rate of Return in the vicinity of 10-15%.

One of the initiatives currently being explored is the onboarding of suitable strategic investors who can help fund the expansion of Haumako. We will report on this next year.

## B) Tātau Tātau Housing

Tātau Tātau Housing	30 June 2022 (FY22)	30 June 2021 (FY21)
Capital Investment	\$1.5m	N/A

Given the settings across the country and housing shortage in Wairoa, the Commercial Board commenced the resource consent process for 30 three-bedroom and up to 26 kaumātua homes. A resource consent was secured for the Te Raua development and a process run with the Ministry of Housing & Urban Development (MHUD). It is our pleasure to report that a \$22.8 million grant was offered by MHUD to deliver the

56 homes as affordable rentals. As mentioned earlier, we welcomed new Chair Waylyn Tahuri-Whaipakanga and independent director, Denise Eaglesome-Karekare.

This is a significant achievement for Tātau Tātau and a good example of collaboration within the Tātau Tātau o Te Wairoa Group.

TĀTAU TĀTAU O TE WAIROA ANNUAL REPORT 2022

# Te Pātaka wealth and organisational strength of the people



#### C) Whakapau Farm

Two years ago the Commercial Board held discussions with the Whakapau Farm owners regarding a potential acquisition and at that time the discussion was unsuccessful. When the opportunity came up earlier in the year to acquire the 109-hectare Whakapau Farm, the Commercial Board capitalised on the opportunity. This 109 hectares of whenua provides Tātau Tātau with a land holding in the heart of Wairoa as well as providing land for the implementation of the horticulture strategy.

A study will be conducted and master developed looking at best use over the coming year. In the meantime, a maize growing agreement was signed with Powdrell Services Ltd over 39 hectares and the remainder will be used to fatten cattle under a lease arrangement. A deposit was paid and the whenua settled post balance date.

#### D) RFL Foundations

During the year a \$4.6 million investment was completed into RFL, a national foundations business with turnover of around \$70 million.
RFL is a contract flooring/foundations business which works with a number of the National Group Builders and retirement village operators. This

opportunity has created several employment/ apprenticeship opportunities as well as generating cash distributions of around 8% to 10%. We encourage Tātau Tātau whānau members to put their name forward if they are interested.

## E) PMG Funds

A decision was made to increase the stake in PMG Funds given the strong performance of this industrial and commercial property operator. This increased the PMG Funds investment up to \$10 million with a 3% underwrite fee being received for the Hastings Farmers building as well as the 5.26% annual cash distributions from the Generation Fund and 5.74% from the Pacific Property Fund.

PMG has been one of the solid contributors to the operating cash surplus. The Pacific Property Fund delivered an 8% capital gain and was one of our best performers.

#### F) Mackerseys Property

A further \$2 million was placed in a Mackerseys Property fund bringing the total with Mackerseys to \$6 million.

## G) Managed Funds

As has been highlighted, managed funds have been volatile and the market conditions extremely challenging. During the year the decision was made to start reducing the managed funds portfolio. This was driven by a number of reasons, the first being the volatility in the markets, second the purchase of Whakapau Farm and third the funding potentially required for the DSP purchases. As a result, earlier in the year we divested and sold down \$15 million and converted into term deposits and other investments.

The unrealised loss from the managed funds year end results at the end of the current reporting quarter saw the value of managed funds decrease (\$5,601,625). The most notable reductions in value were from Forsyth Barr (\$1,260,697), Harbour (\$542,835), Mint (\$1,032,234), Milford (\$739,321) and T Rowe Price (\$1,198,959).

Managed Funds (\$)	30 June 2022 (FY22)	30 June 2021 (FY21)
Castle Point	4,796,538	-
Forsyth Barr	7,717,310	4,007,752
Harbour	4,864,032	7,806,867
KKR	2,220,716	2,702,579
Milford	4,557,940	15,440,201
Mint	8,650,263	15,433,881
Quay Street		7,659,134
T Rowe Price	3,801,041	-
Total	36,607,839	53,050,414

#### HAUMAKO

We have made steady progress over the year in our first orchard development, Haumako Tara, at Marumaru in partnership with Ohuia Incorporation adding a further eight hectares of apple this year. This venture has provided ample opportunities to learn, for both our staff and as an organisation new to the industry. We farewelled Clare Easton, our first General Manager and welcomed new members to the management and operations team, all of whom are from home. Besides the work in our Haumako Tara orchard, the team has spent time working and learning in Hastings at the Sunfruit packhouse and with Turners & Growers. Our partnerships with Wairoa Young Achievers Trust and Eastern Institute of Technology have also been pivotal in developing our new workforce and cadets.

The work with our whenua Māori landowners continues to progress with land feasibility studies, governance training, and ecological and cultural impact assessments. Water has been a major focus over the year at an individual development and overall catchment level. Remediation for potential flooding, water storage, water salinity and a wider strategy for enhancing te mana o te wai are factors requiring careful consideration and planning. We are working closely with local and central government agencies to assist and resource these activities. A key priority is to also bring in a strategic capital partner to help fund the delivery of the horticulture strategy.

In the meantime, we have an interim General Manager in place as we recruit for a permanent replacement and look ahead to next year's planting season.



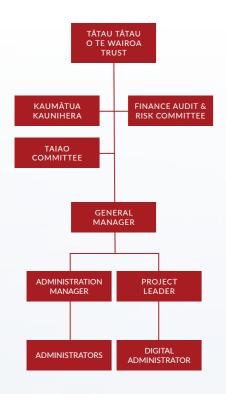




ĀTAU TĀTAU O TE WAIROA ANNUAL REPORT 2022

# He Tāngata: Our people

## Tātau Tātau o Te Wairoa Trust



The operations team went through a few changes this year with staff leaving and starting. Pahemata Robinson started as our Digital Administrator in April and looks after the membership database as well as supporting the rollout and user support of our new office systems. Leo Koziol started as Taiao Project Manager at the end of November 2021 on a fixed term contract to 30 June 2022. Leo's role was to facilitate taiao planning with Kāhui. We also farewelled from our admin team, Tenille Brady and Evelyn Ross. We thank them all for their contributions over the year.

RONGOMAIWAHINE IWI Leon Symes (Chair)

TE HONONGA O NGĀ AWA Apiata Tapine

NGĀTI RAKAIPAAKA Graeme Symes JP

TE WAIROA TAPOKORAU WHĀNUI Phillip Beattie

WHAKAKĪ NUI-A-RUA Pieri Munro (Deputy Chair), MNZM

NGĀ TOKORIMA A HINEMANUHIRI Alexander Maehe

TE WAIROA TAPOKORAU MAI TAWHITI Oha Manuel

GENERAL MANAGER Lewis Ratapu

PROJECT LEADER Benita Tahuri

ADMINISTRATOR Sharlene Wairau

DIGITAL ADMINISTRATOR Pahemata Robinson

## Tātau Tātau Commercial Limited Partnership



BOARD
Jason Rogers (Chair)
Michael Crawford
Rangituanui Manuel
Dee Ann Waolferstan
Renata Hakiwai

GENERAL MANAGER Rawinia Kamau

BUSINESS ADMINISTRATOR Irene Raihania

We said goodbye to the inaugural Commercial Board Chair, Tony Gray. Tony's commitment and contribution to establishing the Commercial Board was significant and we thank him for his efforts. At the same time, we welcomed new directors Renata Hakiwai and Dee-Ann Wolferstan, who both bring considerable skills, expertise, and capability to the Commercial Board. We were pleased to announce the appointment of Rawina Kamau as General Manager and Irene Raihania as Business Administrator. These staff appointments were important and provide the well overdue management required for the commercial portfolio.

# He Tāngata: Our people

## Tātau Tātau Horticulture Limited Partnership



We bid farewell to our inaugural General Manager, Clare Easton, and appointed Martyn King as interim as we recruit a permanent replacement. Clare's hard work to establishing Haumako as a foundation to the strategy has been enormous. The vision that Clare and the Board have created has been a motivating factor in attracting our people to come and work for the organisation. We are humbled by the enthusiasm of our staff who want to be a part of our vision for our whenua and people.

#### BOARD

Tom Keefe (Chair) Leon Symes Phillip Beattie Rangituanui Manuel Michael Crawford

INTERIM GENERAL MANAGER Martyn King

BUSINESS SUPPORT MANAGER Rowena Christie

ADMINISTRATOR Sharlene Wairau

WHENUA MĀORI COORDINATOR Justin Kaimoana

OPERATIONS MANAGER Mark Thompson

WORKFORCE MANAGERS
Donald Carrol and Frank King

ASSISTANT ORCHARD MANAGER Bree Martinac

CADETS

Jayden King
Kyoni Te Amo
Daytona Rigby-Dean
Duani Manuel
George Cox
Rome Robinson-Kawana
Sirius Tamati-Smith
Riddick Niania

## Kaumātua Kaunihera

As per the Trust Deed, the Kaumātua Kaunihera consists of seven members reflecting one nominated kaumātua per Kāhui. The role of the Kaunihera is to provide advice to the Boards and Kāhui in relation to tikanga, reo, kawa, whakapapa and mātohu. The Kaunihera also provides development oversight to the vision and strategic objectives of the group.

The current members are:

NGĀ TOKORIMA A HINEMANUHIRI Cordry Huata (Chair)

NGĀTI RĀKAIPAAKA Mana Hunkin (Deputy Chair)

TE WHAKAKĪ-NUI-A-RUA Walter Wilson

TE HOHONGA O NGĀ AWA Richard Niania

TE WAIROA TAPOKORAU WHĀNUI John Waihape

RONGOMAIWAHINE Irene Campbell

TE WAIROA TAPOKORAU WHĀNUI John Waihape

TE WAIROA TAPOKORAU MAI TAWHITI Hine Kohn

## Finance Audit & Risk Committee

As per the Trust Deed, the Finance Audit & Risk Committee was established to provide advice to the Board and management on its responsibilities relative to financial reporting, financial regulatory compliance, financial risk and audit.

Highlights this year were the review and development of this year's Audit Plan and the development of Group financial policies.

The committee members are:

Pieri Munro (Chair)
Phillip Beattie
Michael Crawford

Regular attendees by invitation are:

Leon Symes (Trust Chair)

Lewis Ratapu (Trust General Manager)

Rawinia Kamau (General Manager - Commercial)

**Tarrant Cotter & Co** (Accountants)

# He Tāngata: Our people

Taiao Committee

The Trust established a new Standing Committee for taiao, moving the existing Taiao Project Committee to report directly to the Board.

The new approach provides the best way to navigate a very complex environment across a wider set of stakeholders, further complicated by the number of government environmental reforms underway. The transition to a standing committee means that the Board can have a direct relationship with the Committee and vice versa, requesting and receiving advice directly. We can start to work on rohe wide or Tātau Tātau level policy, as well as support projects directly such as Kāhui taiao planning.

The current members are:

NGĀTI RĀKAIPAAKA Leana Barriball (Chair)

NGĀ TOKORIMA A HINEMANUHIRI Katarina Kawana

TE WHAKAKĪ-NUI-A-RUA Liz Palmer

TE HONONGA O NGĀ AWA Michelle McIlroy

TE WAIROA TAPOKORAU WHĀNUI Katarina Edwards

RONGOMAIWAHINE Shelly Rogers

TE WAIROA TAPOKORAU MAI TAWHITI Arahia Campbell



# **AGM** resolutions

## 1. Annual Report 2022 and the duly audited Financial Statements

As a matter of good governance and for transparency, and as required under the Tātau Tātau o Te Wairoa Trust Deed, this Annual Report (including financial statements) has been prepared for 2022 to ensure all members of Tātau Tātau o Te Wairoa Trust are up to date with the activities of the Trust.

The Consolidated Financial Statements were prepared by Tarrant Cotter & Co and audited by BDO Gisborne Limited.

## The following resolution is therefore proposed:

"That the Tātau Tātau o Te Wairoa Trust Annual Report 2022 and the duly audited Consolidated Financial Statements for the period ending 30 June 2022 be adopted."

# 2. Appointment of the Auditor

Clause 19.3 of the Trust Deed provides that the Independent Auditor shall be appointed by the Trustees prior to the end of the Income Year to which the audit relates and, where possible, the fee of the auditor shall also be fixed at that time.

No Trustee or Director of the Corporate
Trustee or employee of the Trust (including
any firm of which such a person is a
member or employee) may be appointed
as the independent auditor. For the
avoidance of doubt, the Trust's accountant
shall not be appointed as the independent

auditor. Clause 23.2(c) of the Trust Deed requires that the appointment of the Independent Auditor for the next Income Year 2022/2023 be authorised by a resolution of the Adult Registered Members of Tātau Tātau o Te Wairoa present at the Annual General Meeting.

It is proposed that BDO Gisborne Limited be appointed the auditor for Tātau Tātau o Te Wairoa Group for the 2022/2023 Income

#### The following resolution is therefore proposed:

"That the appointment of BDO Gisborne Limited as the Independent Auditor for the 2022/2023 Income Year be approved."

## 3. Remuneration

The Board asked the Institute of Directors in NZ (IoD) Inc to undertake a formal review of board fees as noted in last year's AGM minutes. The IoD previously undertook a fee review for TToTW in June 2017, followed by an update in April 2019. The review considered relevant market data from the IoD fees survey 2021–22, research of fees in comparator organisations, information submitted by the Trust on the scope and time commitments of the roles, and the nature and complexity of our organisation's industry or operating environment.

Overall the review identified that current fees aligned to the lower quartile of comparator survey data. The scope and time commitments required of the directors and the deputy chairperson were significantly higher than comparator organisations.

The IoD recommended that fees should therefore align to the median range based on the scope and demands of the Board's roles. The recommended rates for the Director's fee were \$35,000 - \$40,000, Chairperson fee \$60,000 - \$65,000 and Deputy Chairperson fee \$45,500 - \$52,000.

The Directors having considered the IoD's report recommend that the board's remuneration be adopted as below:

Directors: \$37,500 per annum
 Deputy Chairperson: \$45,500 per annum
 Chairperson: \$60,000 per annum

### The following resolution is therefore proposed:

"That the Tātau Tātau o Te Wairoa Trustee Limited Director Remuneration Level for the 2022/2023 Income Year be approved."



ĀTAU TĀTAU O TE WAIROA ANNUAL REPORT 2022



# Tātau Tātau o Te Wairoa - Annual General Meeting 2021

Minutes of the Tatau Tatau o Te Wairoa Annual General Meeting held Saturday 20th November 2021 at 10am at Takitimu Marae, Waihirere Road, Wairoa

## KARAKIA

Cordry Huata

MIHI

Pieri Munro

## TRUSTEE APOLOGIES

Graeme Symes

Apiata Tapine

(for lateness as at Pohaturoa Farm AGM)

## TRUSTEES PRESENT

Pieri Munro Leon Symes

Alex Maehe Phillip Beattie

Apiata Tapine (arrived late) Oha Manuel

## COMMERCIAL BOARD

Tony Gray Rangi Manuel

Tom Keefe

(Tātau Tātau Horticulture Limited Partnership)

## IN ATTENDANCE

Lewis Ratapu Rawinia Kamau

(General Manager) (Commercial Project Manager)

Benita Tahuri Evelyn Ross

(Project Leader) (Administration Manager/Scribe)

Tenille Brady (Administrator)

## TRUSTEES' ANNUAL REPORT

The Chairperson addressed the meeting apologising for the delay as we awaited the 80 beneficiaries required for a quorum. This has been achieved by those in attendance at the marae and those present on the livestream. The chairperson acknowledged the presence of Cordy Huata, Chair of the Kaumātua Kaunihera, Gary Mayo from Tarrant & Cotter and Hayden Keast from BDO. He referred to the agenda as set out in the distributed Annual Report.

#### **RESOLUTION 1**

That the reports on the operations of Tātau Tātau o Te Wairoa Trust by the elected Tātau Tātau Kāhui Representatives during the preceding Income Year be received.

**CARRIED:** 

Wendy Johnson/Bubby McGregor

## **AUDITED FINANCIAL STATEMENTS**

The Commercial Board presented to the meeting and questions were taken from the floor. Net operating profit for the year was \$1.6 million with comprehensive income of \$3.0 million. The total equity as at the end of the year is \$105.9 million. This was a solid performance in challenging times. However, we were not out of the woods yet with a global pandemic, uncertainty in the global economy, volatile market with rising interest rates. Going forward the Trust and Commercial Board will focus on long-term investment in Wairoa through horticulture and housing. We also needed to maintain a balance in the portfolios, manage risk and generate greater yields.

### **RESOLUTION 2**

That the Tātau Tātau o Te Wairoa Trust Annual Report and duly audited consolidated financial statements for year ending 30 June 2021 be adopted.

CARRIED:

Huia Huata/Ira Heyder

## APPOINTMENT OF THE INDEPENDENT AUDITOR

Hayden Keast from BDO Gisborne attended to present the Auditors' Report for the year. There were no major issues as per the letter on pages 63 and 64 of the Annual Report. Following discussion, the following resolution was therefore proposed.

#### **RESOLUTION 3**

That the appointment of BDO Gisborne Limited as the Independent Auditor for the 2021/2022 Income Year be approved.

CARRIED:

Katarina Kawana/Theresa Smith

## APPROVAL OF THE TRUSTEES' REMUNERATION

The Chairperson advised that a review by the Institute of Directors had been undertaken of the directors' remuneration level as per page 32 of the Annual Report. The review recommended that the director fees be increased to align to the median range based on the scope and demands of the Board's roles. Discussion from the floor ensued about the decrease in distributions to Kāhui that year compared to previous years and therefore the directors should not expect to receive an increase. Key performance indicators will be established next year to assist with measuring the performance of the board. The resolution was put to the floor and lost by a majority of votes of those in attendance.

#### **RESOLUTION 4**

That the Tātau Tātau o Te Wairoa Trust Limited Director Remuneration Level for the 2021/2022 Income Year be approved.

Lost by majority against.

## GENERAL BUSINESS

## HOUSING

It was requested that the Trust look at purchasing homes that came up for sale in Wairoa to house our whānau. The Trust's strategy is to build new homes rather than buy existing homes as we require 150 homes now for the population we have. The Trust also did not want to compete with whānau who may be purchasing existing homes.

## RESIDENTIAL HOME FOR HAPŪ MĀMĀ

Requested support to purchase a home for hapū māmā with young children. There were limited residential options in Wairoa for mothers who are pregnant or with young children needing support with parenting. He Korowai Aroha is operated by Kahungunu Executive which provides antenatal education and parenting programmes for mothers and their whānau.

## SCHOLARSHIPS & SPONSORSHIP

There have been requests from clubs and also from parents with rangatahi who need support for tertiary education. The Trust needs to develop a policy in conjunction with Kāhui.

MEETING CLOSED: 12.30PM KARAKIA: Cordry Huata

