

Hoea ra



Ngāti Kahungunu Iwi
INCORPORATED

Annual Report 2003 - 2004

Published 2004

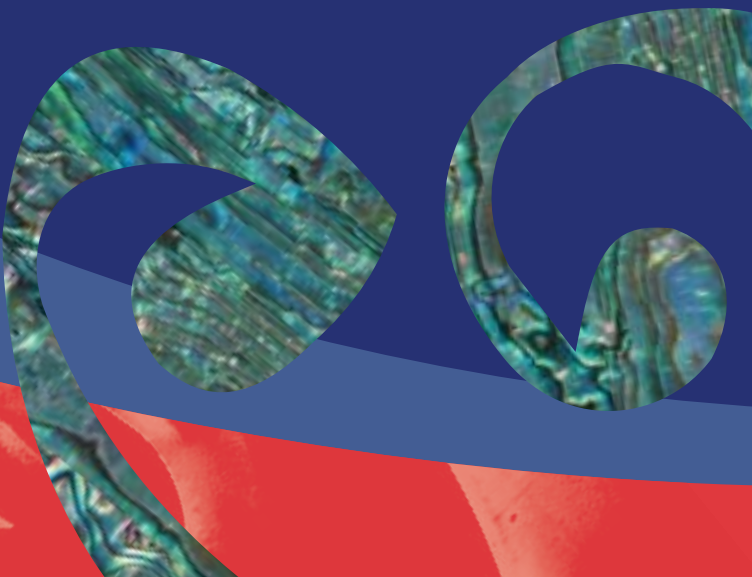


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Board 2004



Ngahiwi Tomoana
Chairman



Christine Teariki
Deputy Chairperson



Sophie Keefe
Kaumatua



William Blake
Kaumatua



Albert Walker
Wairoa Taiwhenua



Aotearoa Karauria
Wairoa Taiwhenua



Bevan Taylor
Te Taiwhenua o
Te Whanganui a Orotu



Tipu Tareha
Te Taiwhenua o
Te Whanganui a Orotu



Hawira Hape
Te Upoko o te Ika/
Manawatu Taurahere



Ngatai Huata
Te Taiwhenua
o Heretaunga



John Nepe Apatu
Tamatea
Taiwhenua



Jill Munro
Tamatea
Taiwhenua



Linette Rautahi
Tamaki Nui
a Rua Taiwhenua



Paora Ropiha
Te Waipounamu
Taurahere



Mihi Namana
Wairarapa
Taiwhenua



Owen Purcell
Nga Parirau o
Te Ika Taurahere



Pita Sharples
Tamaki-makau-rau/
Te Raki Taurahere

Not pictured

Lester White - Te Taiwhenua o Heretaunga

Matai Broughton - Tamaki Nui a Rua Taiwhenua

Cheryl Broughton-Kurei - Wairarapa Taiwhenua

Chairperson's Report



“Whaia Te Tuhonohono”

Tena ra koutou nga Tukematanui o Kahungunu.

Tino rangatiratanga is probably an overused term these days but in our visions and plans we have achieved some of our stated targets for the year.

On the economic front, we gained consent to establish the largest mussel farm in the country which will mean employment, income and export potential. It also ensures that kuku will return to whanau and hapu menus.

The Hikoi and associated activities opposing the proposed Foreshore and Seabed Bill monopolized much of the political domain but equally important were the Aquaculture Reform Bill and the Fisheries Settlement Bill. The manner in which Ngāti Kahungunu interest and rights have been subverted in these Bills requires that a Ngāti Kahungunu voice be inside parliament rather than at the flimsy whim of it.

Matauranga, Housing and Hauora Runanga pursued greater sector recognition for iwi plans and strategies and have ground down massive hurdles in the way of our progress.

A Kahungunu Cultural Centre is taking real shape and should be realized within the next five years in conjunction with two local authorities.

Disputes with Rangitane and Rongomaiwahine over fisheries remain unresolved and ultimately will require judicial declaration, free from parliamentary interference.

There has been the normal tension between taiwhenua-centric, hapu-centric and whanau-centric advocates. Ngāti Kahungunu Iwi Incorporated has stayed at arms length from government service contracts, have assisted hapu pursuit of landbased Treaty Claims while strategic plans have revolved around whanau and mokopuna. The Fisheries Settlement Assets will remain at iwi level though benefits will flow to iwi members through various mechanisms.

We look forward to another vital and challenging year with two iwi commercial companies kicking in, the arrival of fisheries assets, continued constitutional evolution, greater marae contact through Taiwhenua with increased cultural and political activities.

Kahungunu was a passionate and energetic tipuna. We all possess this energy and passion. Lets use it.

Once again I am pleased to present this Annual Report for 2004.

Whaia te maramatanga

Me te aroha

Tatau tatau e

Ngahiwi Tomoana
Chairman

General Manager's Statement

**“Ruia taitea, kia tu ko taitaka anake.”
“Concentrate on the essential”**

The priority focus for the organisation for the 2003/2004 year was Tinorangatiranga. Triennial elections were held throughout the year with the election for Chair and Deputy Chair of Ngāti Kahungunu Iwi Incorporated concluding in April 2004. Attention returned to recruiting Directors for the Iwi Companies that would receive and manage the fisheries assets for Ngāti Kahungunu. These people, when appointed, will work with the board to grow the Iwi's asset base and extend the range of economic activity for the Iwi over the next 25 years.

Whanautanga activity focused on development of the long to medium term strategic plans and the implementation phase commencing in some activity areas, particularly education, health and housing as alliances with crown partners were strengthened. There were substantial increases in funding to support individual, and collective achievements through scholarships and grants.

Exercising Kahungunutanga to celebrate, promote and advance the Iwi's presence in our communities occurred throughout the rohe through support to Matariki events, Kahungunu Waitangi celebrations and the exhibition, Kahungunu, ka moe...ka puta...Te hokinga mai o te whare wananga. Annual and Biennial cultural events were sponsored. The inaugural Ngāti Kahungunu super 12 performing arts competition, organized by Whaariki Trust, was hugely popular with a sell out performance.

Amongst all this activity we were able to secure through negotiations, \$2.7 million of funds in trust for the benefit of Ngāti Kahungunu. As a result, our net equity position for the year has more than doubled from 2002/2003 to \$3,742,221.

I acknowledge and pay tribute to my small but dedicated team who work tirelessly to support and promote Ngāti Kahungunu.

Ahakoia he iti, he pounamu

Aramanu Ropitini
General Manager



Ngāti Kahungunu Iwi Incorporated Staff



Naumai Ropitini
Kaiwhina - Database Support



Rohitha Ruwanmalie
Kaimahi Kaute - Finance Officer



Taanga Lawrence
Kaitautoko - Personal Assistant



Kym Hamilton
Kaiwhakahaere Matauranga -
Education Manager



Danielle Keil-Lambert
Kaiwhakahaere Tari -
Administration Officer



Ruth Wong
Kaiwhakawhitiwhiti Korero -
Communication Officer

Objective:

Provide quality leadership to drive the political, cultural, economic and social development of Ngāti Kahungunu Iwi.

Election 2004

Ngāti Kahungunu Iwi Incorporated operates a representative model for governance with its Board Members representing constituents from geographic areas both within and external to the Iwi rohe. Elections across the rohe saw marae/hapu select their representatives to Taiwhenua Boards. Eligible registered members in Taiwhenua were then able to elect their representatives to the Ngāti Kahungunu Iwi Incorporated Board. The third phase of the election process returned Ngahiwi Tomoana to the Chair and Christine Teariki to the position of Deputy Chair in April 2004.

In order to ensure mandated, democratically elected representation for Iwi members in Taiwhenua and Taura here groups and the Ngāti Kahungunu Iwi Incorporated Board, a series of procedures needed to occur, including updating of constitutions to provide the same opportunities for participation for members everywhere. Over the past three elections, Ngāti Kahungunu Iwi Incorporated has moved from voting at hui, then at polling booths and finally to postal voting. Taiwhenua and Taura here are required to follow the same procedures and hold postal elections across their registered membership where there is more than one candidate for a position. These procedures continue to be refined.

Objective:

Develop opportunities for economic success of the Iwi's businesses.

Treaty Claims

Ngāti Kahungunu Iwi Incorporated initiated a claims strategy in July 1999 to facilitate the effective settlement of claims for the benefit of the whanau and hapu of Ngāti Kahungunu. The board has continued to support the strategy.

Recent activities include the release of the Waitangi Tribunal report for the Mohaka ki Ahuriri claims, urgent inquiry into the governments proposal for the foreshore and seabed, hearings for the Wairarapa/Tararua claims, development work on the Wairoa claims and the Heretaunga/Tamatea claims and the Napier Hospital claimants pre-negotiation talks with the Crown.

Ngāti Kahungunu Iwi Incorporated has been working toward allocation of the fisheries settlement assets for a number of years including development work on Ngāti Kahungunu commercial structure. The Maori Fisheries Act 2004 was finally passed in September 2004.

Foreshore and Seabed Hikoi

Our hikoi protested Government plans for alienating the foreshore and seabed from Maori ownership. Ngāti Kahungunu Iwi Incorporated, with hikoi organisers Moana Jackson and Mereana Pitman, supported by whanau from Mahia to Whanganui a Tara launched the greatest health, education and political campaign experienced by our people in recent years. We thank our people for participating in this event, that united not only our own Iwi, but all of Maoridom.

Whanautanga - Mauri Ora

Reclaiming our values and improving our health and standard of living

Objective:

Strong vibrant healthy whanau.

Planning and implementation

Te Waka, the Iwi's 25 year vision, identified a need for improved health, housing education and social services and opportunities for Ngāti Kahungunu. Strategic plans have been developed and we aim to work with central and local government, Taiwhenua and Maori providers as well as private sector providers to achieve our goals in these areas.

Hauora

In 2003 the Runanga Hauora was restructured to include Maori Health Provider representation. The Runanga Hauora meets regularly with the Hawkes Bay District Health Board to ensure prominence for Maori Health issues in the DHB decision making process. The result of this relationship is agreement to work together on priority health issues of diabetes, immunisation and improved access to quality health services. Taiwhenua in Wairarapa and Tamaki Nui a Rua have relationships with the District Health Boards through mana whenua boards in their areas. Representation from Wairarapa to Wairoa ensures a rohe wide focus to the work of the Runanga.

Members of the Runanga hauora are:

Wairoa	Dr Rangimarie Turuki Rose Pere; Vera Ormsby-Keefe
Te Whanganui a Orotu	Fred Reti; Papara Carroll (Chair)
Heretaunga	Patrick LeGeyt; Tom Mulligan (Deputy Chair)
Tamatea	Brenda Kupa White; John Nepe Apatu
Tamaki Nui a Rua	Irene Gregory; Linette Rautahi
Wairarapa	Kim Smith

Housing

A housing working group was established in August 2003 to develop a strategy for housing for Ngāti Kahungunu. The strategic housing outlook was prepared for consultation hui which were held in Taiwhenua July-August. Implementation of the strategy commences late 2004.

Members of the housing working group are:

Wairoa	Edward Te Kahika supported by Bill Greening
Te Whanganui a Orotu	Tipu Tareha
Heretaunga	Alice Hopa
Tamatea	John Nepe Apatu
Tamaki Nui a Rua	Linette Rautahi
Wairarapa	Charles Morunga
Housing New Zealand	Earl Hope-Pearson

Matauranga

The Matauranga Board have been meeting to develop a strategy to meet the diverse education needs of Ngāti Kahungunu tamariki and whanau and that allows us to monitor achievement in schools. This work has been funded through a contract with the Ministry of Education and builds on the Ngāti Kahungunu Matauranga Plan completed in 2003. Supporting our whanau and tamariki, has been the main focus for discussions and planning.

The board completed a two-day governance training workshop with Wellington firm Parearau, attended a regional hui taumata with Education Ministers and have supported Tuwharetoa in the production of a student video for the National Hui Taumata.

The Matauranga board regretfully accepted the resignation of our long serving Tamaki Nui a Rua representative Warren Chase, who has taken up the challenge of working more closely with his kohanga reo.

Members of the Matauranga Board are:

Board Convener	Christine Teariki
Wairoa	Te Mini Smith
Te Whanganui a Orotu	Marama Ngawhika
Heretaunga	Heke Turoa Huata
Tamatea	Reihana Sciascia
Tamaki Nui a Rua	Linette Rautahi
Wairarapa	Connie Oneroa
Ministry of Education	Meagan Joe and Hawea Tomoana

Scholarship 2003/2004

60 education scholarships valued at \$1,000 each were awarded to students in the final year of their degree or doing postgraduate study. The recipients of scholarships were profiled in the June 2004 edition of Hoesa Ra and a special evening, hosted by the Ngāti Kahungunu Matauranga Board was held in July to honour the recipients and present them with their scholarships.

Communication

Communication with whanau, is provided for through many media including website (www.kahungunu.iwi.nz), Hoesa Ra, our newsletter, is distributed to every registered member household, regular letters to marae, email panui ki te iwi, radio Kahungunu, hui and reports via Taiwhenua, Taura here and Board delegates.

Registered membership has increased by 2,000 to over 15,000.

The office fielded around 2000 registration and 1000 whakapapa inquiries this year and is kept busy assisting general and topical inquiries on a daily basis.

Ngāti Kahungunu comment was sought after by the media particularly around the Foreshore and Seabed Hikoi and topical political issues.

Kahungunutanga - Mauri Ora

The retention of our uniqueness

Objective:

To strengthen the heart and foundation of the iwi by promoting and supporting cultural development.

Kahungunu Cultural Centre

The concept of a Kahungunu Cultural Centre has been discussed for almost a decade. Consultation was part of the marae hikoī in 2002 and in 2003 a focus was convened to ensure that Ngāti Kahungunu contribute to the design and development of the Kahungunu Cultural Centre alongside the Hawkes Bay Cultural Trust. In February 2004 a Memorandum of Understanding between Ngāti Kahungunu Iwi Incorporated, Napier City Council, Hastings District Council and the Hawkes Bay Cultural Trust was signed to establish protocols for working together on the development and enhancement of cultural facilities in Hawkes Bay.

Kahungunu, Ka Moe...Ka Puta... Exhibition

He Kahui Wairarapa in partnership with National Library, Wairarapa Cultural Trust and Ngāti Kahungunu Iwi Incorporated hosted the third exhibition: "Kahungunu, Ka Moe...Ka Puta... Te Hokinga mai o te Whare Wananga". This partnership commenced in May 2003 and concluded in July 2004, when the group agreed to formally dissolve, the Wairarapa showing of the exhibition having been successfully completed. The exhibition was staged at Aratoi Wairarapa Museum of Art & History, Masterton from May 1st – July 3rd 2004. The following are extracts from evaluation reports of our partners:

"...the Library would like to pay tribute to our partner Ngāti Kahungunu Iwi Incorporated recognising that this project has been yet another opportunity for us to work in collaboration with a much valued and respected associate. It has been a privilege to work closely again with your Chairperson and General Manager who continues to demonstrate a loyal, strategic and compassionate approach to empowering the many sections of the tribe to build their own capacity..."

"The record breaking attendance at Aratoi of more than 28,000, fully justified, the decision by the steering committee to have free entry to the exhibition and its outstanding events programme. We note that in the visitor research survey the extent of the age range of visitors was remarkable in that it included both ends of the spectrum from pre-schoolers right through to senior citizens, many of whom made repeat visits."

"The willingness to be a risk taker in situations where people in the wider community expected us to fail. We did it because the faith we have in our awesome tupuna and their ability to influence our generation over a hundred years after they lived."

"...the whole was considerably more than the sum of the parts. The enthusiasm from our community, the entertainers, the leaders and the wairua from the people of Wairarapa was an extremely good tohu for the exhibition..."

"...In cultural capital the significant expense as an investment will return all that our tupuna dreamed about, Wairarapa Maori as world citizens grounded in their whenua."

Sponsorship 2003/2004

Ngāti Kahungunu Iwi cultural and sporting sponsorships were distributed for events, teams and individuals as follows:

National representatives

Heretaunga Wahine Basketball S Te Hau	Masters Tournament Hawke's Bay U18 Girls' National Hockey Tournament
J Wilkes	Division 2 National Swimming Championship - Invercargill
Hawke's Bay Softball	NZ Women's U19 Tournament - North Harbour
Te Matau A Maui Touch Hawke's Bay Softball Tamatea Rugby Club	NZ Maori National Tournament NZ Women's U17 Tournament National Aotearoa Maori Rugby League Tournament - Auckland
R Belmont J Edwards C August K Kareana Hawke's Bay Rugby League	NZ Women's Billiard & Snooker Tournament NZ U16 Girls' National Hockey Tournament NZ Kick Boxing Tournament NZ Kick Boxing Tournament National Aotearoa Maori Rugby League Tournament - Auckland

International representatives

J Young	NZ U18 Men's Hockey Team Tournament - Australia
K Benston	Commonwealth Cup Amateur Boxing Championship - Malaysia
H Elliot	NZ U19 Rugby World Championship - South Africa
J Ferguson A Tuck	NZ Women's Rugby Sevens - Hong Kong NZ Youth Women's Polo Team Oceania Competitions - Australia
R Rapaea T Wairama S Taylor	NZ U19 Softball Series - Japan Taekwondo 5th World Championship NZ Paralympic Wheelchair Rugby Olympic Team
D Whaiora Crouch W Poutawa	International Kick Boxing Federation Title Hip Hop World Championship - Australia

Events

Gifted Sands 2004 Exhibition	Kahungunu visual arts exhibition & workshops
Paki Paki Bilingual School	Kahungunu primary school's culture festival
Sports Hawke's Bay	Kahungunu Maori sports awards
Taradale High School	Secondary schools kapa haka festival
Ngāti Kahungunu Ki Te Wairoa	Regional kappa haka competition
Tautoko Wahine Trust	Mana Wahine week
Tautoko Wahine Trust	Wahine taumata
Whaariki Trust	Ngāti Kahungunu super 12 performing arts competition

Ngāti Kahungunu Iwi Incorporated continues support to Kahungunu/Waitangi celebration, Matariki celebration across the iwi rohe, Kahungunu secondary and primary schools kapa haka festivals and Iwi sports tournament and awards. Many of these events involve the community as Ngāti Kahungunu exercises its manaakitanga role.

It is our practice to profile the recipients of sponsorship in our newsletter Hoia Ra.

Statement of Financial Performance

FOR THE YEAR ENDED 30 JUNE 2004

		Consolidated		Parent	
		2004	2003	2004	2003
		\$	\$	\$	\$
INCOME					
Administration Income	2	107,797	157,023	93,749	111,319
Hi Ika Income	3	4,282,417	1,942,092	4,282,417	1,942,092
Matauranga	5	188,683	38,485	188,683	38,485
Hauora	6	110,035	70,836	110,035	70,836
Mana Lending	7	47,660	188	47,660	188
Mauri Ora	8	8,377	44,798	8,377	44,798
Taiao	9	1,778	-	1,778	-
Housing	10	9,058	56,199	9,058	-
Merchandising	11	18,554	12,589	18,554	12,589
Governance	12	34,534	16,341	34,534	16,341
		4,808,893	2,338,551	4,794,845	2,236,648
LESS EXPENDITURE					
Administration	2	109,288	136,943	104,485	102,439
Hi Ika	3	1,355,251	991,579	1,355,251	991,579
Communication	4	56,407	98,699	56,407	98,076
Matauranga	5	151,269	38,485	151,269	38,485
Hauora	6	58,249	59,876	58,249	59,876
Mana Lending	7	184	100	184	100
Mauri Ora	8	187,312	128,666	187,312	128,666
Taiao	9	6,306	-	6,306	-
Housing	10	10,957	158,733	10,957	683
Merchandising	11	12,401	10,513	12,401	10,513
Governance	12	462,678	341,397	572,754	524,438
		2,410,301	1,964,991	2,515,574	1,954,855
Net Surplus/(Deficit) for year		2,398,593	373,560	2,279,272	281,793

Statement of Movements in Equity

FOR THE YEAR ENDED 30 JUNE 2004

Opening Balance as at 1 July 2003	1,573,628	1,200,068	1,678,079	1,396,286
Net Surplus/Deficit for the year	2,398,593	373,560	2,279,272	281,793
Total recognized revenues & expenses	2,398,593	373,560	2,279,272	281,793
Distributions				
Taiwhenua/Taurahere distribution	(230,000)	-	(230,000)	-
	3,742,221	1,573,628	3,727,351	1,678,079

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

Statement of Financial Position

AS AT 30 JUNE 2004

		Consolidated		Parent	
		2004	2003	2004	2003
		\$	\$	\$	\$
ASSETS					
NON CURRENT ASSETS					
Property	13	280,022	285,141	280,022	285,141
Motor Vehicles & Plant	14	92,205	82,085	92,205	82,085
Investment	15	376,132	402,509	375,232	399,208
Total Non Current Assets		748,359	769,735	747,459	766,434
CURRENT ASSETS					
Bank Accounts	16	1,483,999	1,450,951	1,483,545	1,443,260
Debtors		232,688	473,598	201,556	442,465
Accrued ACE settlement	3	2,744,056	-	2,744,056	-
Petty Cash		72	100	72	100
Petrol Vouchers		700	1,000	700	1,000
Prepayments		78,971	2,522	78,971	2,522
Stock in Hand	17	12,533	7,503	12,533	7,503
Accrued Income		3,118	34,315	3,118	34,315
Total Current Assets		4,556,137	1,969,989	4,524,551	1,931,165
TOTAL ASSETS		5,304,496	2,739,724	5,272,010	2,697,599
LIABILITIES					
NON CURRENT LIABILITIES					
Loan	18	68,034	-	68,034	-
Finance Lease	19	22,008	-	22,008	-
Total Non Current Liabilities		90,042	-	90,042	-
CURRENT LIABILITIES					
Creditors		168,976	305,329	156,357	279,942
Provision for reparation cost		17,640	17,640	12,640	12,640
Funds held in trust	16	1,192,785	649,024	1,192,785	649,024
Loan due within 1 year	18	22,857	116,188	22,857	-
Finance lease within 1 year	19	8,252	-	8,252	-
Income in Advance		61,723	77,914	61,723	77,914
Total Current Liabilities		1,472,233	1,166,095	1,454,617	1,019,520
TOTAL LIABILITIES		1,562,275	1,166,095	1,544,659	1,019,520
NET EQUITY		3,742,221	1,573,629	3,727,351	1,678,079

These financial statements authorised for issue by the board of trustee 11 November 2004



Chairman



Trustee

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

Notes to and Forming Part of the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2004

1 STATEMENT OF ACCOUNTING POLICIES

Reporting Entity

Ngāti Kahungunu Iwi Incorporated (the society) is an incorporated society established in 1988 under the Incorporated Societies Act 1908.

Ngāti Kahungunu Iwi Incorporated has several subsidiary companies.

The reporting entity comprises the society and consolidated group of the society and its subsidiaries.

Measurement Base

The accounting principles recognised as appropriate for the measurement and reporting of earnings and financial position on an historical cost basis are followed.

Differential Reporting

The society qualifies for differential reporting as the business is not publicly accountable, and not large in size. The society has taken advantage of all available differential reporting exemptions.

Specific Accounting Policies

The specific accounting policies which materially affect the measurement of financial performance and financial position have been applied.

(a) Operating Revenue

This represents revenue earned from the sale of the society's products and services, net of any credit allowed.

(b) Fixed Assets

Fixed Assets are stated at cost less accumulated depreciation.

(c) Depreciation

Depreciation has been calculated using rates permitted by the Income Tax Act 1994

Vehicles	20-32% DV
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Buildings	2% SL
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Computer Equipment & Plant	10-50% DV
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(d) Investments and Advances

Investments and Advances are recorded at cost or estimated net realisable value if there has been a permanent diminution in value.

(e) Income Tax

The society is not subject to taxation as it has attained charitable status for income tax purposes. These Financial statements must be read in conjunction with the accompanying Notes.

(f) Inventory

Inventories are valued at the lower of cost and net realisable value.

(g) Debtors

Debtors are stated at their estimated net realisable value.

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

Notes to and Forming Part of the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2004

(h) Advances and Provisions

Loan advances are recorded net of any specific provision for doubtful amounts.
There are no general provisions for doubtful debts.

(i) Consolidation

The purchase method of consolidation has been applied in preparing the consolidated financial statements. All inter entity transactions and balances have been eliminated on consolidation.

Changes in Accounting Policies

The current year financial statements report Taiwhenua /Taurahere distribution in the Statement of Movements in Equity. This is a change on prior year disclosure which reported in Hi Ika Expenses. The effect of this change is to increase the reported net surplus by \$230,000.

There have been no other changes in the accounting policies during the year. All other policies have been consistently applied.

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

Notes to and Forming Part of the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2004

	Consolidated		Parent	
	2004	2003	2004	2003
	\$	\$	\$	\$
2 ADMINISTRATION				
Admin Income				
Administration fee (external)	1,300	2,630	1,300	2,630
Interest on investments	90,206	85,008	85,216	81,008
Written off investment recovered	6,618	-	-	-
Building rental	4,200	4,200	4,200	4,200
Depreciation Recovered	-	24,206	-	-
Sundry Income	5,473	40,979	3,033	23,481
	<u>107,797</u>	<u>157,023</u>	<u>93,749</u>	<u>111,319</u>
Admin Expenses				
ACC	777	15,674	984	2,956
Accountancy fees	11,480	12,924	8,715	4,396
Audit fees	13,652	19,701	11,577	11,451
Small Assets	2,949	1,317	2,949	1,317
Bank fees	1,381	1,912	1,310	1,205
Building R&M	10,778	25,337	10,778	24,636
Consultancy	408	395	408	395
Depreciation Building	4,496	3,872	4,496	3,872
Depreciation Motor Vehicles	23,170	29,799	23,170	28,630
Depreciation Plant	12,403	17,577	12,403	16,836
Equipment Lease	7,477	7,480	7,477	7,480
Equipment R&M	4,621	3,891	4,621	3,891
General office expenses	1,146	1,492	1,047	1,185
Insurance	3,516	4,648	3,516	3,265
IT services	4,411	3,788	4,411	3,788
Power	2,956	2,380	2,956	2,380
Salaries	228,120	177,941	228,120	177,941
Stationery	4,812	3,440	4,812	3,440
Subscriptions	1,268	1,894	1,268	1,894
Telephone/Communications	12,033	10,325	12,033	10,325
Travel/Accommodation	4,109	4,761	4,109	4,761
Training/Conferences	4,477	4,545	4,477	4,545
Vehicle other	6,747	6,184	6,747	6,184
less Recharges	(257,899)	(224,334)	(257,899)	(224,334)
	<u>109,288</u>	<u>136,943</u>	<u>104,485</u>	<u>102,439</u>

Notes to and Forming Part of the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2004

	Consolidated		Parent	
	2004	2003	2004	2003
	\$	\$	\$	\$
3 HI IKA				
Hi Ika Income				
Quota lease wetfish	1,512,707	986,096	1,512,707	986,096
Quota profit share wetfish	183,981	677,030	183,981	677,030
Rock Lobster lease	101,463	262,956	101,463	262,956
Prior Year ACE Settlement (i)	2,483,637	-	2,483,637	-
Other	-	1,059	-	1,059
Research/eels	629	14,951	629	14,951
	<u>4,282,417</u>	<u>1,942,092</u>	<u>4,282,417</u>	<u>1,942,092</u>
Hi Ika Expenses				
Admin fee	196,344	219,621	196,344	219,621
Committee Expenses	2,328	8,757	2,328	8,757
Consultancy	10,381	42,874	10,381	42,874
Eel Management	8,925	16,634	8,925	16,634
Hui costs	1,837	1,005	1,837	1,005
Legal fees	-	4,311	-	4,311
Quota costs	420,662	416,762	420,662	416,762
Prior Year ACE Admin cost (i)	112,456	-	112,456	-
Provision of Funds held in Trust (ii)	543,761	-	543,761	-
Salary Eel Research	-	4,410	-	4,410
Taiwhenua/Taurahere distribution	-	217,400	-	217,400
Telephone/Communications	886	440	886	440
Travel/Accommodation	4,101	12,988	4,101	12,988
Treaty Tribes	53,570	46,377	53,570	46,377
	<u>1,355,251</u>	<u>991,579</u>	<u>1,355,251</u>	<u>991,579</u>

- (i) Funds Previously held by Te Ohu Kai Moana, pending resolution of the coastline dispute with Rangitane, have been released subsequent to balance date and shared on an agreed basis between the parties. The current years income and expenses include quota proceeds for the year 1995 to 2003. The net effect on the current year result is \$ 2,371,181.
- (ii) The Maori Fisheries Act 2004 was passed into law on 25 September 2004. This legislation provides mechanisms for recognising Rongomaiwahine a Mandated Iwi Organisation for the purposes of the Act. Funds previously received are held on trust by Ngāti Kahungunu Iwi Incorporated for Rongomaiwahine pending their becoming a Mandated Iwi Organisation. The Te Ohu Kai Moana Disputes Working Group provides for funds from all fisheries sources to be held in trust pending resolution of the dispute. Prior to the passing of the Act the board considered the likelihood of paying out the full amount of the funds to be remote. Consequently an adjustment of \$ 543,761 to the amount held in trust is required in the current year.

Notes to and Forming Part of the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2004

	Consolidated		Parent	
	2004	2003	2004	2003
	\$	\$	\$	\$
4 COMMUNICATIONS				
Comm Expenses				
Advertising & Promotions	12,747	9,959	12,747	9,959
Consultancy	-	25,556	-	25,556
Newsletter & publications	27,502	34,712	27,502	34,089
Research & Development	-	3,800	-	3,800
Postage/Courier	2,428	4,978	2,428	4,978
Registration	5,545	15,273	5,545	15,273
Telephone 0800	2,050	1,984	2,050	1,984
Website	6,135	2,437	6,135	2,437
	<u>56,407</u>	<u>98,699</u>	<u>56,407</u>	<u>98,076</u>
5 MATAURANGA				
Matauranga Income				
MOE Contracts	185,207	38,485	185,207	38,485
Others	3,476	-	3,476	-
	<u>188,683</u>	<u>38,485</u>	<u>188,683</u>	<u>38,485</u>
Matauranga Expenses				
Governance				
Committee Expenses	10,989	7,530	10,989	7,530
Hui Costs	3,007	2,753	3,007	2,753
Training/Conference	13,355	-	13,355	-
Admin				
General Admin Expenses	21,297	3,647	21,297	3,647
Consultancy /Personnel	61,177	22,660	61,177	22,660
Rent /Overheads	22,186	1,895	22,186	1,895
Vehicle Expenses	9,802	-	9,802	-
Projects				
Te Reo	9,456	-	9,456	-
	<u>151,269</u>	<u>38,485</u>	<u>151,269</u>	<u>38,485</u>
6 HAUORA				
Hauora Income				
DHB Contracts	110,035	70,836	110,035	70,836
	<u>110,035</u>	<u>70,836</u>	<u>110,035</u>	<u>70,836</u>
Hauora Expenses				
Governance				
Committee Expenses	30,710	10,421	30,710	10,421
Consultancy	13,235	44,238	13,235	44,238
Hui costs	4,304	717	4,304	717
Admin				
Admin fee	10,000	4,500	10,000	4,500
	<u>58,249</u>	<u>59,876</u>	<u>58,249</u>	<u>59,876</u>

Notes to and Forming Part of the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2004

	Consolidated		Parent	
	2004	2003	2004	2003
	\$	\$	\$	\$
7 MANA LENDING				
Mana Income				
Dividends	194	46	194	46
Mana-Interest Received	38	142	38	142
Bad debts recovered	47,428	-	47,428	-
	<u>47,660</u>	<u>188</u>	<u>47,660</u>	<u>188</u>
Mana Expenses				
Legal fees	184	100	184	100
	<u>184</u>	<u>100</u>	<u>184</u>	<u>100</u>
8 MAURI ORA				
Mauri Ora Income				
Art & Culture	7,000	533	7,000	533
Ka Moe...Ka puta...Exhibition	-	18,889	-	18,889
Sports	-	1,100	-	1,100
Te Manu Tipi	1,377	24,276	1,377	24,276
	<u>8,377</u>	<u>44,798</u>	<u>8,377</u>	<u>44,798</u>
Mauri ora Expenses				
A&C-Arts & Culture Centre	18,025	-	18,025	-
A&C-events	42,868	22,943	42,868	22,943
A&C-Wananga	3,111	742	3,111	742
A&C-Whakairo	1,800	-	1,800	-
Ka moe ka puta-expenses	30,165	22,107	30,165	22,107
Kaumataua-Expenses	2,500	7,514	2,500	7,514
Scholarships	60,000	18,040	60,000	18,040
Sponsorship	26,745	25,198	26,745	25,198
Sports	457	7,886	457	7,886
Te Manu Tipi	1,641	24,236	1,641	24,236
	<u>187,312</u>	<u>128,666</u>	<u>187,312</u>	<u>128,666</u>
9 TAIAO				
Taiao Income				
Wairua Trust	1,778	-	1,778	-
	<u>1,778</u>	<u>-</u>	<u>1,778</u>	<u>-</u>
Taiao Expenses				
Consultancy	4,889	-	4,889	-
Wairua Trust	1,417	-	1,417	-
	<u>6,306</u>	<u>-</u>	<u>6,306</u>	<u>-</u>

Notes to and Forming Part of the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2004

	Consolidated		Parent	
	2004	2003	2004	2003
	\$	\$	\$	\$
10 HOUSING				
Housing Income				
House Sales	-	56,199	-	-
Other	9,058	-	9,058	-
Total Income Housing	9,058	56,199	9,058	-
Housing Expenses				
Flaxmere Land Rates	679	683	679	683
Committee fee	9,411	-	9,411	-
Hui Costs	867	-	867	-
Work in Progress	-	450	-	-
Purchases	-	40,818	-	-
Subcontracts	-	27,797	-	-
Lease interest	-	4,790	-	-
Bank Interest	-	2	-	-
Plant hire	-	3,323	-	-
Telephone	-	4,584	-	-
Vehicle Expenses	-	4,693	-	-
Wages	-	71,593	-	-
Total Expenses Housing	10,957	158,733	10,957	683
11 MERCHANDISING				
Sales	18,554	12,589	18,554	12,589
Cost of Sales	12,401	10,513	12,401	10,513
Gross Margin	6,153	2,076	6,153	2,076

Notes to and Forming Part of the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2004

	Consolidated		Parent	
	2004	2003	2004	2003
	\$	\$	\$	\$
12 GOVERNANCE				
NKII Income				
Koha	1,960	-	1,960	-
Other	32,574	16,341	32,574	16,341
	<u>34,534</u>	<u>16,341</u>	<u>34,534</u>	<u>16,341</u>
NKII Expenses				
Committee Expenses	51,107	41,615	51,107	41,615
Consultancy	3,341	9,907	3,341	9,907
Hui costs	14,514	15,654	14,514	15,654
Koha	4,581	12,683	4,581	12,683
Company setup	24,614	-	24,614	-
Legal fees	123,792	68,915	123,792	68,915
Executive Salary & Honoraria	94,386	71,720	94,386	71,720
Executive Expenses	48,052	48,926	48,052	48,926
Training/Conferences	4,446	16,091	4,446	16,091
Vehicle Expenses	11,798	9,886	11,798	9,886
Reparation Costs	-	5,000	-	-
Tu Kahu Loan Guarantee	-	-	120,511	-
Write off of Tu Kahu Advance	-	-	-	144,773
Write off of TRONK Investment	-	6,000	(10,435)	84,268
Write off Investment	-	140	-	-
Bad Debt written off	-	34,860	-	-
Foreshore & Sea bed	76,275	-	76,275	-
Election Expenses	12,335	-	12,335	-
Less Recharges-Board	(6,564)	-	(6,564)	-
	<u>462,677</u>	<u>341,397</u>	<u>572,753</u>	<u>524,438</u>

	Consolidated			Parent	
	Original Cost	Current Year Dpn	Accum Dpn	2004 Closing Value	2003 Closing Value
13 PROPERTY					
Land & Buildings	320,808	4,496	40,786	280,022	285,141
14 MOTOR VEHICLES & PLANT					
Vehicles	99,335	23,170	34,126	65,209	52,698
Plant & Machinery	120,520	12,558	80,966	26,996	29,387
	<u>219,855</u>	<u>35,728</u>	<u>115,092</u>	<u>92,205</u>	<u>82,085</u>

Notes to and Forming Part of the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2004

	Consolidated		Parent	
	2004	2003	2004	2003
	\$	\$	\$	\$
15 INVESTMENTS				
<i>Investments in subsidiaries</i>				
Shares Tronk (100%)	-	-	15,732	15,732
Shares Tukahu (100%)	-	-	100	100
			15,832	15,832
<i>Shares</i>				
Napier Mussels Ltd (40%)	80,000	80,000	80,000	80,000
<i>Advances</i>				
Mana Debtors	-	995	-	19,822
Te Kupenga	-	54,000	-	-
Moteo Vineyard	-	20,000	-	-
Tamaki Nui A rua	54,820	54,820	54,820	54,820
Tamatea	46,010	47,760	46,010	47,760
Wairarapa	(290)	(658)	(290)	(658)
	100,540	176,917	100,540	121,744
<i>Amount due from Subsidiaries and Associates</i>				
Napier Mussels Ltd	195,592	145,592	195,592	145,592
TRONK	-	-	(16,732)	36,040
	195,592	145,592	178,860	181,632
	376,132	402,509	375,232	399,208

Advances include an amount to Napier Mussels Limited for on going development of the mussel farming venture.

16 BANK ACCOUNTS

Bank of NZ

Cheque Account	5,909	102,302	5,455	94,611
Mana Account	27,354	2,199	27,354	2,199
Call Account	1,933	142,019	1,933	142,019
	35,196	246,520	34,742	238,829

Term Deposits

Term Deposit NKII @ 5.65%	82,876	-	82,876	-
Research trust @ 5.65%	1,537	-	1,537	-
Term Deposit @ 4.25%	131,106	124,127	131,106	124,127
Term Deposit @ 5.65%	64,341	61,286	64,341	61,286
Term Deposit @ 5.65%	227,002	215,948	227,002	215,948
Term Deposit @ 5.65%	146,078	138,967	146,078	138,967
Term Deposit @ 5.60%	261,537	248,761	261,537	248,761
Term Deposit @ 5.60%	108,623	103,341	108,623	103,341
Term Deposit @ 5.65%	201,556	191,745	201,556	191,745
Term Deposit @ 5.55%	155,524	120,256	155,524	120,256
Term Deposit @ 5.65%	68,623	-	68,623	-
	1,448,803	1,204,431	1,448,803	1,204,431
	1,483,999	1,450,951	1,483,545	1,443,260

The deposits totalling \$ 1,192,785 arise from fishing receipts and are being held subject to resolution of disputes regarding allocation.

Notes to and Forming Part of the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2004

	Consolidated		Parent	
	2004	2003	2004	2003
	\$	\$	\$	\$
17 STOCKS ON HAND				
Clothing, Caps, Flags, Stationery	12,533	7,503	12,533	7,503
	<u>12,533</u>	<u>7,503</u>	<u>12,533</u>	<u>7,503</u>

18 LOANS

Housing Corporation of New Zealand	90,891	116,188	30,891	-
Less Payable within 1 year	22,857	116,188	22,857	-
	<u>68,034</u>	<u>-</u>	<u>68,034</u>	<u>-</u>

The loan is interest free (unless in default) and repayable by monthly instalments over seven years. The loan is secured by a mortgage over land.

19 FINANCE LEASES

Total Installments Outstanding	38,302	-	-	-
Less Interest not yet due	8,042	-	-	-
	<u>30,260</u>	<u>-</u>	<u>-</u>	<u>-</u>
Payable within 1 year	8,252	-	-	-
1 - 2 years	8,252	-	-	-
2 - 5 years	13,756	-	-	-
	<u>30,260</u>	<u>-</u>	<u>-</u>	<u>-</u>

The interest rate is 11.25%

20 RELATED PARTY TRANSACTIONS

The society enters into transactions with and on behalf of its subsidiaries Te Runanganui O Ngāti Kahungunu Ltd and Tu Kahu Ltd.

The society collects and distributes funds on behalf of and to constituent Taiwhenua and Taurahere organisations. There are common board members between the society and the Taiwhenua and Taurahere organisations.

21 SECURITIES & GUARANTEES

Bank borrowings are secured by registered first mortgage over the property.

22 CAPITAL COMMITMENTS

There are no commitments for capital expenditure at balance date.

23 SUBSEQUENT EVENTS

There have been no events subsequent to balance date that have an effect on these financial statements other than those referred to in note 3.

DENT ROBERTSON & PARTNERS

To the Members of Ngāti Kahungunu Iwi Inc

We have audited the financial report on pages 8 to 19. The financial report provides information about the past financial performance and financial position of Ngāti Kahungunu Iwi Inc (the society) and group as at 30 June 2004. This information is stated in accordance with the accounting policies set out on page 10 and 11.

Board's Responsibilities

The Board is responsible for the preparation, in accordance with New Zealand law and generally accepted accounting practice, of a financial report which fairly reflects the financial position of the society and group as at 30 June 2004 and of the results of operations for the year ended 30 June 2004.

Auditors' Responsibilities

It is our responsibility to express an independent opinion on the financial report presented by the Board and report our opinion to you.

Basis of Opinion

An audit includes examining on a test basis, evidence relevant to the amounts and disclosures in the financial report. It also includes assessing:

- the significant estimates and judgements made by the Board in the preparation of the financial report, and
- whether the accounting policies are appropriate to the society and group circumstances, consistently applied and adequately disclosed.

We conducted our audit in accordance with generally accepted auditing standards in New Zealand. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary. We obtained sufficient evidence to give reasonable assurance that the financial report is free from material misstatements, whether caused by fraud or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial report.

Other than in our capacity as auditors we have no other relationship with or interests in the society or its subsidiary companies.

Unqualified Opinion

We have obtained all the information and explanations that we have required.

In our opinion, the financial report on pages 8 to 19 fairly reflects the financial position of the society and group as at 30 June 2004 and the results of operations for the year ended on that date.

Our audit was completed on 11 November 2004 and our unqualified opinion is expressed as at that date.



Dent Robertson & Partners
Chartered Accountants
Hastings, New Zealand



Ngāti Kahungunu Iwi

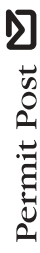
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