

Kāi Tahu  
titi ā kai, titi  
ā manawa.



## Annual Report Summary 2016

For the full online Annual Report please visit [www.ngaitahu.iwi.nz](http://www.ngaitahu.iwi.nz)



Te Rūnanga o **NGĀI TAHU**



Te Rūnanga o Ngāi Tahu Representatives. Absent: James Daniels (Wairewa Rūnanga) and Tahu Pōtiki (Te Rūnanga o Ōtākou). Hoani Langsbury (back row: 3rd from left) is the Te Rūnanga o Ōtākou Alternate.

## From the Kaiwhakahaere and CEO

### *Kāi Tahu tītī ā kai, tītī ā manawa*

It is almost 20 years since we signed Te Kēreme and over the years since, we have worked hard to build a solid economic foundation of which we can be proud. Our responsibility to whānau, however, extends beyond the financial and as we move into our next phase, we are making the shift to ensure our Ngāi Tahu values are demonstrated in every aspect of our business. Manawa Kāi Tahu is a sustainability and values-based framework in development across Te Rūnanga Group that will refocus our accountability in the areas of cultural, social, environmental and economic performance. Our first report will be available at Hui-ā-Tau.

Our focus on accountability also led to the introduction of Whatumanawa, the organisational wellness survey carried out in 2015. The survey was conducted across the Group to look at our organisational behaviours and delivery of outcomes to whānau. The results indicated that there were a number of areas we could improve on including better communications from the executive and wider dissemination of news and information. A number of activities were implemented in response and the feedback has been positive.

In keeping with our vision, we are committed to developing and implementing programmes that engage, honour, empower and enable our people and communities to be the best they can be – from pēpi to kaumātua – in pursuit of whānau rangatiratanga. To accelerate these aspirations, we have set up a new tribal economies team, Tokona te Ao, whose mission it is to create opportunities for business and enterprise development, housing and home ownership and employment pathways.

Innovation and technology are the way of the future and we need to be leading the charge by creating opportunities in this sphere that target future opportunities for rangatahi. We have partnered with Te Tapuae o Rehua, NZQA and Callaghan Innovation to take ten Year 9 and ten rangatahi to Silicon Valley in San Francisco to attend a five-day science, technology, engineering and mathematics (STEM) boot camp. Our Mātauranga and Tribal Economies teams have also come together to develop a 10-week coding club programme for Year 7 – 9 students. Exposure to computer programming, whether it be the creation of digital games, books or other communication technologies is a positive way to move rangatahi from purely consumers to producers of technology.

This year we celebrate the 10-year anniversary of three important tribal initiatives: Aoraki Bound, Whai Rawa and

the Ngāi Tahu Fund. All have undergone review at this important milestone to ensure they remain relevant and continue to enhance the personal, cultural and financial growth of whānau and communities.

We have initiated a climate change project to look at how issues such as rising sea levels and increasing temperatures are impacting on our rohe and aim to have this completed by the end of June 2017. We have also been working to improve our relationship with the Department of Conservation both at a Te Rūnanga and Papatipu Rūnanga level and have initiated discussions to develop a relationship engagement framework. One of the key purposes of this framework will be to agree a set of protocols centred around our joint responsibilities relating to the Treaty of Waitangi and our Ngāi Tahu Deed of Settlement with the Crown.

Once again we must congratulate Ngāi Tahu Holdings (NTH) on another stellar financial performance across the Group which this year resulted in a \$44.2m distribution to Te Rūnanga. We have been strengthening our relationship with NTH as we work together to bring the values to the forefront of everything we do through Manawa Kāi Tahu. We are delighted with the progress NTH is making in this area as they work to weave the values across the various entities. It is important to note several prestigious awards bestowed on our commercial businesses this year with NTH winning the Outstanding Business Leadership Award at the Māori Business Leaders Awards, Ngāi Tahu Tourism's Dart River Jet winning gold in the Product Innovation category at the Chinese Tourist Welcome Awards in Beijing and Ngāi Tahu Farming being shortlisted as finalists in the prestigious Ahuwhenua Trophy BNZ Māori Excellence in Farming Award – our congratulations to all our staff involved with our commercial entities.

The past few months have been challenging for the organisation. We would like to acknowledge the commitment and professionalism of staff in staying focused on what matters – working towards fulfilment of our aspirations for positive whānau outcomes – thank you for staying strong on this kaupapa - tīhei mauri ora!

*M W Solomon*

**Tā Mark Solomon, KNZM**  
Kaiwhakahaere

*Arihia Bennett*

**Arihia Bennett, MNZM**  
Chief Executive Officer



## From the Chair and Chief Executive

One of the things we strive for, is going about our business in line with our values. Greater alignment of our activities to these values has been a key focus this year as we move towards a reporting framework that shifts the emphasis from largely economic performance to include environmental, social and cultural accountability to Ngāi Tahu whānui.

Manawa Kāi Tahu is a new initiative being implemented across both Ngāi Tahu Holdings (NTH) and the Office to help us identify, measure and where necessary, change the way we operate. For NTH it's not just about what we achieve, but how we do it. While we have made significant progress, we have a way to go. Manawa Kāi Tahu, amongst a range of other initiatives across the Te Rūnanga Group, is a positive step towards ensuring our efforts keep improving.

Our financial performance has once again exceeded our forecast expectations with a Net Operating Surplus of \$104.0m (FY15 \$75.7m). This exceptional result reflects strong results across almost all our businesses including very strong residential sales at Wigram Skies and Prestons and the ongoing strength of kōura sales in China.

Shareholder equity was \$1.2b (FY15 \$1.1b). Our annual distribution to Te Rūnanga for FY16 was \$44.2m. In total \$396m has been distributed since Settlement.

The sale of an additional 80 residential sections over budget and the consistently strong performance of the investment portfolio has resulted in an EBIT of \$70.2m for Ngāi Tahu Property (NTP). As previously flagged, the need to explore potential new markets beyond Te Waipounamu has seen NTP expand their interests into the North Island, establishing an Auckland office and confirming their first residential development project at Hobsonville Point in partnership with New Zealand Superannuation and New Ground Capital.

The upturn in the tourism sector has resulted in a record year for Ngāi Tahu Tourism, a particularly pleasing result and testament to their growth strategy and commitment to delivering premium product experiences to their customers.

High prices and increased demand for kōura in Asia has netted Ngāi Tahu Seafood (NTS) another great result ending the year with an EBIT of \$24.6m (FY15 \$20.9m).

Not surprisingly it was a tough year for Ngāi Tahu Farming in their first year of operation as a stand-alone entity. There were a number of ongoing challenges in the dairy sector with the result being a significant downturn in milk payout prices. Strong beef and log prices helped to offset the lower dairy prices. Ngāi Tahu Forest Estates was transferred to Ngāi Tahu Farming on 1 January.

During the year we made two significant investments, purchasing 50 percent shareholdings in both mānuka honey producer Watson & Son and transport company Hilton Haulage. Both of these businesses are whānau owned and operated, take a long-term intergenerational approach and fit well with our values and vision.

Once again we sold down a portion of our Ryman shares. In keeping with the investment strategy our intention is to keep our investment in Ryman at around 10 percent of our overall portfolio.

In January we farewelled Tony Sewell from NTP. For more than 20 years Tony headed our property group and was instrumental in the exponential growth in property assets over his tenure. David Kennedy is the newly appointed Chief Executive. David was previously an NTP board member for six years before stepping down to take up his new position. In April we also welcomed Joseph Thomas as the NTS Chief Executive. We are delighted to have both David and Joseph on board.

Across the Holdings Group we have a commitment to creating opportunities for growing iwi capability in all areas of our business. Manawa Nui, the associate director programme and the Matakahi tertiary Scholarships are among a suite of successful initiatives on offer.

We welcome the new health and safety legislation and see looking after our people as critical and a core part of our values. A group-wide strategy has been developed to ensure all of our activities have the required measures in place to guarantee the safety of their teams.

As we look to the future our priorities are threefold: To continue to embed an approach to business that reflects our values and Ngāi Tahu whānui expectations; make decisions around what we do with our rural land holdings (where we are 'overweight' per our investment policy framework); and, focus on realising the potential of our recent investments while retaining a sharp focus on our core businesses.

At the heart of our success are our team of passionate professionals who share a commitment to our long-term vision and values and work hard to maximise the potential of our businesses on behalf of Ngāi Tahu whānui – e kore rawa tēnei puna whakamihī e mimiti noa.

**Trevor Burt**  
Chair

**Mike Sang**  
Chief Executive

## Te Rūnanga o Ngāi Tahu and Ngāi Tahu Charitable Trust

The following Summary Group Financial Statements have been extracted from the audited Full Group Financial Statements dated 17 September 2016. The Full Group Financial Statements were prepared in accordance with New Zealand Generally Accepted Accounting Practice ("NZ GAAP"). The Group is a public benefit entity and has made an explicit statement of compliance with Public Benefit Entity International Public Sector Accounting Standards ("PBE IPSAS") and other applicable Financial Reporting Standards, as applicable for Tier 1 not for profit public benefit entities in the Full Group Financial Statements. The Summary Group Financial Statements cannot be expected to provide as complete an understanding as provided by the Full Group Financial Statements. An unmodified audit opinion was issued on the Full Group Financial Statements.

The Summary Group Financial Statements have been examined by the Group's auditor for consistency with the Full Group Financial Statements and their audit report on the Summary Group Financial Statements has been attached.

Further details about the Group's Financial Performance and Financial Position can be obtained from the Full Group Financial Statements.

Each Tribal member is entitled to obtain upon request a copy of the Full Group Financial Statements. Requests should be made to the Office of Te Rūnanga o Ngāi Tahu – Attention: Jeff Goldsmith.

The Rūnanga Representatives authorised the issue of the Full Group Financial Statements on 17 September 2016.

Summary Group Statement of Comprehensive Income

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Summary Group Statement of Changes In Equity

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Summary Group Statement of Financial Position

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Summary Group Statement of Cash Flows

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## Summary Group Statement of Comprehensive Income

For the Year Ended 30 June 2016

	Notes		2016 \$000	2015 \$000
Revenue	1	Includes sales (mainly relating to farming, seafood, tourism and properties) interest income, rents received, dividends and income from investments.	384,631	333,670
Cost of Sales			(179,484)	(161,486)
<b>Gross Profit</b>			<b>205,147</b>	<b>172,184</b>
Other Income			10,918	11,381
Operating Expenses			(112,836)	(101,791)
Borrowing Costs			(8,064)	(7,952)
Share of Profit from Associates and Joint Ventures using the Equity Method	6	Includes our share of Whale Watch Kaikōura, Hilton Haulage, Go Bus, Watson & Son and Waikato Milking Systems.	8,876	2,423
<b>Net Operating Surplus before Tribal Activities, Tax, Revaluations and Other Significant Items</b>			<b>104,041</b>	<b>76,245</b>
Net Gain on Sale of Non-Current Assets			83,915	15,042
Net Impairment Losses on Non-Current Assets	1		(3,360)	(2,276)
Insurance Proceeds			8,111	21
Net Gain from Fair Value Adjustments on Investment Properties			22,098	28,604
Net (Loss) on Fair Value Adjustments on Other Non-Current Assets	1	Includes sale of Ryman shares.	(4,036)	(212)
<b>Trading Surplus prior to Tribal Activities and Taxation</b>			<b>210,769</b>	<b>117,424</b>
Income relating to Tribal, Rūnanga and Whānau Distributions	2		5,368	5,578
Operating expenses – Te Rūnanga o Ngāi Tahu			(16,996)	(14,592)
Tribal, Rūnanga and Whānau Distributions and Expenses	2	Includes rūnanga distributions, marae development, Whai Rawa, kaumātua and Ngāi Tahu Fund distributions, protection of natural resources, publications, communications and expenses for other tribal programmes.	(30,156)	(26,307)
Relativity and Fisheries Settlement	3		42	28,582
Other Income			469	429
Net (Loss) on Sale of Non-Current Assets			(15)	(1,285)
Net Impairment Losses on Non-Current Assets	1		(10)	(10)
<b>Surplus for the Year before taxation</b>			<b>169,471</b>	<b>109,819</b>
Income tax expense	10		(739)	(455)
<b>Surplus for the Year</b>			<b>168,732</b>	<b>109,364</b>
<b>Other Comprehensive (Expense) and Revenue</b>				
Share of equity accounted Associates other comprehensive income			(49)	111
Share of equity accounted Joint Ventures other comprehensive income			1,154	(1,062)
Gain on revaluation of property, plant and equipment			6,427	12,102
Exchange differences on translating foreign operations			(1,977)	1,407
Movement in asset revaluation reserve - available-for-sale			(45,567)	(33,469)
Movement in hedge reserve			(4,237)	(11,017)
<b>Other Comprehensive (Expense) / Revenue for the Year</b>			<b>(44,249)</b>	<b>(31,928)</b>
<b>Total Comprehensive Revenue for the Year</b>			<b>124,483</b>	<b>77,436</b>

This Statement is to be read in conjunction with the Notes to the Summary Group Financial Statements attached.

Te Rūnanga o Ngāi Tahu and Ngāi Tahu Charitable Trust  
**Summary Group Statement of Changes In Equity**

For the Year Ended 30 June 2016

	2016 \$000	2015 \$000
<b>Balance at the beginning of the year</b>	<b>1,149,140</b>	<b>1,075,029</b>
<i>Net (Loss) / Gain recognised directly in equity</i>		
Investments in equity instruments valuation movement	(45,567)	(33,469)
Property, plant and equipment valuation movement	8,184	12,102
Translation of foreign operations	(2,037)	1,400
Cash flow hedge movement	(4,829)	(11,961)
	(44,249)	(31,928)
<i>Profit / (Loss) for the Year:</i>		
- Te Rūnanga o Ngāi Tahu and Ngāi Tahu Charitable Trust	168,690	109,435
- Non-controlling interest	42	(71)
	168,732	109,364
<b>Total comprehensive income for the year</b>	<b>124,483</b>	<b>77,436</b>
Acquisition of additional non-controlling interest in subsidiary	0	(2,714)
Sale of non-controlling interest in subsidiary	0	(443)
Distributions	(84)	(168)
<b>Balance at end of year</b>	<b>1,273,539</b>	<b>1,149,140</b>

This Statement is to be read in conjunction with the Notes to the Summary Group Financial Statements attached.

Te Rūnanga o Ngāi Tahu and Ngāi Tahu Charitable Trust  
**Summary Group Statement of Financial Position**

As at 30 June 2016

	Notes	2016 \$000	2015 \$000
<b>Current Assets</b>			
Cash and Cash Equivalents		8,755	20,886
Receivables and Prepayments	Monies owed to Ngāi Tahu by our customers.	32,780	17,027
Inventories		10,328	9,151
Inventories – Property	Stock of fish, annual catch entitlement, marine farm crops, retail merchandise and parts stock.	25,870	57,617
Derivative Financial Assets		1,653	132
Non-Current Assets classified as Held for Sale		2,170	400
<b>Total Current Assets</b>		<b>81,556</b>	<b>105,213</b>
<b>Non-Current Assets</b>			
Accounts Receivable	Properties and sections planned to be sold within 12 months.	2,146	723
Inventories – Property		15,418	31,049
Property, Plant and Equipment	4 Residential and Commercial Development Property.	305,517	266,917
Biological Assets		36,502	33,485
Investment Properties	5	405,578	361,144
Investments in Equity Instruments	7	239,899	275,118
Interest in Associates and Joint Ventures	6	212,878	75,363
Derivative Financial Assets		388	335
Fish Quota and Marine Farm Licences	8	143,268	138,355
Goodwill and Other Intangibles		60,705	60,279
<b>Total Non-Current Assets</b>	Includes shares in Ryman Healthcare and Aotearoa Fisheries.	<b>1,422,299</b>	<b>1,242,768</b>
<b>Total Assets</b>		<b>1,503,855</b>	<b>1,347,981</b>
<b>Current Liabilities</b>			
Payables and Accruals		62,525	47,593
Provisions		6,426	6,571
Borrowings	9	3,560	524
Derivative Financial Liabilities		2,714	5,483
<b>Total Current Liabilities</b>	Includes our share of Whale Watch Kaikōura, Hilton Haulage, Go Bus, Watson & Son and Waikato Milking Systems.	<b>75,225</b>	<b>60,171</b>
<b>Non-Current Liabilities</b>			
Borrowings	9	123,314	133,462
Provisions		20,613	0
Derivative Financial Liabilities		11,164	5,208
<b>Total Non-Current Liabilities</b>	Includes syndicated debt facility.	<b>155,091</b>	<b>138,670</b>
<b>Total Liabilities</b>	Funds received from the original Crown Settlement and subsequent Fisheries, Aquaculture and Relativity Settlements.	<b>230,316</b>	<b>198,841</b>
<b>Net Assets</b>		<b>1,273,539</b>	<b>1,149,140</b>
<b>Equity</b>			
Trust Funds in Perpetuity		335,704	335,662
Reserves		937,140	812,741
<b>Tribal Equity</b>	The net worth of Ngāi Tahu as measured in the Group Financial Accounts.	<b>1,272,844</b>	<b>1,148,403</b>
Non-Controlling Interest		695	737
<b>Total Equity</b>		<b>1,273,539</b>	<b>1,149,140</b>

This Statement is to be read in conjunction with the Notes to the Summary Group Financial Statements attached.

Te Rūnanga o Ngāi Tahu and Ngāi Tahu Charitable Trust  
**Summary Group Statement of Cash Flows**

For the Year Ended 30 June 2016

	2016	2015
	\$000	\$000
<b>Cash Flows from Operating Activities</b>		
Cash receipts from Customers	254,734	225,292
Cash paid to Suppliers and Employees	(238,474)	(200,629)
Sale of Inventories – Property	129,893	120,039
Purchase of and expenditure on Development Properties	(45,498)	(67,286)
Relativity Settlement Received	0	29,971
Tribal distributions	(17,802)	(13,142)
Dividends received	5,279	8,004
Interest paid	(9,360)	(8,855)
Interest received	1,005	684
Tax paid	(1,010)	(13)
<b>Net Cash Inflow from Operating Activities</b>	<b>78,767</b>	<b>94,065</b>
<b>Cash Flows from Investing Activities</b>		
Purchase of Property, Plant and Equipment	(39,528)	(32,182)
Sale of Property, Plant and Equipment	832	559
Earthquake Insurance Proceeds received	161	21
Purchase of and expenditure on Investment Properties	(28,096)	(18,326)
Sale of Investment Property	26,451	154
Purchase of Investments in Equity Instruments	(26,873)	(23,627)
Sale of Investments in Equity Instruments	80,302	16,052
Acquisition of Investments in Other Entities	(90,910)	(51,145)
Acquisition of Additional Non-Controlling Interest	0	(2,714)
Acquisition of Business	0	(340)
Sale of Business	0	604
Purchase of Biological assets	(4,467)	(18,444)
Purchase of Intangibles	(452)	(1,351)
Sale of Intangibles	4,669	0
Purchase of and expenditure on Fish Quota and Marine Farm Resource Consents	(5,981)	(8,043)
<b>Net Cash (Outflow) from Investing Activities</b>	<b>(83,892)</b>	<b>(138,782)</b>
<b>Cash Flows from Financing Activities</b>		
(Repayment) / Drawdown of Borrowings (net)	(6,922)	39,982
Payment of Distribution to Minority Shareholder	(84)	(168)
<b>Net Cash (Outflow) / Inflow from Financing Activities</b>	<b>(7,006)</b>	<b>39,814</b>
<b>Net (Decrease) in Cash and Cash Equivalents</b>	<b>(12,131)</b>	<b>(4,903)</b>
Cash and Cash Equivalents at 1 July	20,886	25,789
<b>Cash and Cash Equivalents at 30 June</b>	<b>8,755</b>	<b>20,886</b>

This Statement is to be read in conjunction with the Notes to the Summary Group Financial Statements attached.

# Te Rūnanga o Ngāi Tahu and Ngāi Tahu Charitable Trust

## Notes to the Summary Group Financial Statements

For the Year Ended 30 June 2016

### REPORTING ENTITY

Te Rūnanga o Ngāi Tahu is a body corporate incorporated in New Zealand by section 6 of the Te Rūnanga o Ngāi Tahu Act 1996 and Ngāi Tahu Charitable Trust is a charity registered under the Charities Act 2005.

It is a public benefit entity for the purposes of financial reporting in accordance with the Financial Reporting Act 2013 and is domiciled in New Zealand.

Te Rūnanga o Ngāi Tahu is responsible for the overall governance of Ngāi Tahu affairs, the representation of the tribe's interests, the protection and advancement of the rights of the members of Ngāi Tahu Whānui, and delivering social, cultural and development programmes to Ngāi Tahu members and their communities. Ngāi Tahu Holdings Corporation manages the commercial activities and assets that have been placed in the Ngāi Tahu Charitable Trust, being primarily property investment, property development, farming, tourism, fishing and investment activity in New Zealand.

Te Rūnanga o Ngāi Tahu and the Ngāi Tahu Charitable Trust have common beneficiaries.

### BASIS OF PREPARATION

The Summary Group Financial Statements have been prepared:

- in accordance with Generally Accepted Accounting Practice in New Zealand ("NZ GAAP") as it relates to summary financial statements as appropriate for public benefit entities. They comply with PBE FRS 43 Summary Financial Statements;
- in New Zealand dollars rounded to the nearest thousand dollars and;
- on the basis of historical cost, except for the revaluation of certain assets and liabilities.

These summary financial statements do not include all disclosures provided in the full financial statements and cannot be expected to provide as complete an understanding as provided by the full financial statements from which they are extracted.

The Group Financial Statements were authorised for issue by Te Rūnanga o Ngāi Tahu on 17 September 2016.

### BASIS OF COMBINATION

The Summary Group Financial Statements include the financial statements of Te Rūnanga o Ngāi Tahu and Ngāi Tahu Charitable Trust and its subsidiaries and controlled entities. Control is achieved where the entity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The trusts have been aggregated by combining on a line by line basis the financial statements of the trusts and their subsidiaries, associates and joint ventures with the consolidated financial statement of Te Rūnanga o Ngāi Tahu and Ngāi Tahu Charitable Trust and its subsidiaries. Combination is from the date control is transferred to the Group and is discontinued from the date control ceases.

The financial statements of the members of the Group are prepared using consistent accounting policies and the same reporting period.

The Summary Group Financial Statements have been adjusted to eliminate the effect of significant intra-group transactions.

### ACCOUNTING POLICIES

Accounting policies that are relevant to the understanding of the financial statements and summarise the measurement basis are provided throughout the notes to the financial statements. The accounting policies have been consistently applied to the periods in these financial statements.

### CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires management to exercise its judgement in applying the Group's accounting policies.

The full financial statements provide detail behind critical estimates and judgements. These summary group financial statements should be read in conjunction with the full financial statements.

Estimates and judgements are reviewed by management on an on-going basis, with revisions recognised in the period in which the estimate is revised and in any future periods affected. Areas of estimate or judgement that have most significant impact on the amounts recognised in the financial statements are:

- Fair value of Investment Properties
- Costs to Complete – Inventories - Properties
- Fair value of Property, Plant and Equipment
- Fair value of Assets and Liabilities Acquired
- Impairment of Fish Quota
- Impairment of Goodwill and Other Intangibles
- Fair value of Biological Assets

**Notes to the Summary Group Financial Statements (continued)**

For the Year Ended 30 June 2016

**1. Income and Expenses**

	2016	2015
	\$000	\$000
<b>Revenue</b>		
Revenue from the sale of goods	290,799	248,307
Revenue from the rendering of services	66,476	57,441
Rental received from properties	24,464	25,045
Recoverable property operating expenses	2,892	2,862
Foreign exchange gains on sale of goods	0	15
	<b>384,631</b>	<b>333,670</b>

**Recognition and measurement**

Revenue is the fair value of the consideration received or receivable, net of GST, discounts and rebates. Revenue is recognised when it is probable that the economic benefits will flow to the Group and that it can be reliably measured. Revenue from the sale of goods is recognised when title has been transferred and the benefits of ownership and risk pass to the customer. Revenue from services is taken to the profit and loss when the service is actually provided. Rental income is recognised on a straight line basis over the lease term including any lease incentives and initial direct costs.

**Net Impairment Losses on Non-Current Assets:**

Property, plant and equipment	(1,206)	(2,824)
Investments in equity instruments	(3,978)	(135)
Intangible assets	(15)	0
Carbon credits (Reversal of Impairment)	1,829	673
	<b>(3,370)</b>	<b>(2,286)</b>
Trading Operations	(3,360)	(2,276)
Tribal Activities	(10)	(10)
	<b>(3,370)</b>	<b>(2,286)</b>
<b>Net (Loss) on Fair Value Adjustments on Other Non-Current Assets</b>		
Financial assets held for trading	(3,515)	4,739
Biological assets	(1,053)	(3,329)
Hedge accounted foreign exchange contracts	970	(1,622)
Contingent consideration	(438)	0
	<b>(4,036)</b>	<b>(212)</b>

**Notes to the Summary Group Financial Statements (continued)**

For the Year Ended 30 June 2016

**2. Tribal, Rūnanga and Whānau Distributions**

	2016	2015
	\$000	\$000
<b>Income relating to Tribal, Rūnanga and Whānau Distributions</b>		
External Funding Received (Non-Exchange Revenue)	2,754	3,165
Other Income	2,614	2,413
	<b>5,368</b>	<b>5,578</b>
<b>Less: Expenses</b>		
Rūnanga Direct Distributions & Development & Tribal Economies	(12,693)	(9,899)
Culture and Identity	(2,169)	(2,703)
Earthquake Recovery	(30)	(66)
Mātauranga Grants and Development Expenses, Iwi Capability and Kaumātua Distributions	(4,555)	(3,621)
Natural Resources, Tribal Properties and Mahinga Kai	(2,831)	(2,580)
Strategy and Influence	(1,077)	(1,647)
Whai Rawa Distributions and Operating Expenses	(4,729)	(3,963)
Tribal Engagement	(2,072)	(1,828)
	<b>(30,156)</b>	<b>(26,307)</b>
	<b>(24,788)</b>	<b>(20,729)</b>

The above costs represent the direct costs of the programmes only and do not include an allocation of general operational and administrative expenses.

**Recognition and measurement – Grants and External Funding**

Revenues from non-exchange transactions is recognised when the Group obtains control of the transferred asset (cash, goods or services), and:

- it is probable that the economic benefits or service potential related to the asset will flow to the Group and can be measured reliably; and
- the transfer is free from conditions that require the asset to be refunded or returned to the funding entity if the conditions are not fulfilled.

To the extent that there is a condition attached that would give rise to a liability to repay the grant amount or to return the granted asset, a deferred revenue liability is recognised instead of revenue. Revenue is then recognised only once the Group has satisfied these conditions.

**3. Relativity and Fisheries Settlements**

The following payments were received as an outcome of Crown settlements – Ngāi Tahu Deed of Settlement (Relativity) and Māori Fisheries settlement and were recognised as tribal income:

Relativity settlement money	0	17,471
Fisheries settlement assets	42	11,111
	42	28,582

Ngāi Tahu Fisheries Settlement Ltd (NTFSL) is a Ngāi Tahu asset holding company under the Māori Fisheries Act 2004. Details of NTFSL's annual plan for FY16 and its performance against that annual plan can be found on the Ngāi Tahu intranet (and are available on request) along with NTFSL's annual plan for FY17. NTFSL's annual plans are developed using the Letter of Expectation (issued by Te Rūnanga) and Statement of Corporate Intent (issued by NTFSL) process used throughout the Te Rūnanga Group. During FY16 NTFSL did not sell or exchange any settlement quota, nor did NTFSL (or its subsidiaries) change its constitutional documents and there are no plans to make such changes in FY17. NTFSL and Ngāi Tahu Seafood Limited (NTS) have entered into a Management Agreement and a ACE Sales Agreement whereby NTS manages NTFSL's operations and ACE (excluding regional development fish stocks). During FY16, NTFSL continued the process of repatriating residual fisheries assets that are held by Te Ohu Kai Moana.

**Notes to the Summary Group Financial Statements (continued)**

For the Year Ended 30 June 2016

**4. Property Plant and Equipment****Key judgements and estimates**

The asset class farm land and buildings are valued at fair value on an annual basis. This requires an estimation of current market values by independent registered valuers. An independent peer review process is also undertaken on this asset class involving another independent registered valuer. The valuation of the completed Dairy Farms at Te Whenua Hou has been one of the key items of discussion and sensitivity in preparing the financial statements.

	<b>2016</b>	<b>2015</b>
	<b>\$000</b>	<b>\$000</b>
<b>Net Book Value</b>		
Land and Buildings at Cost	60,011	48,508
Farm Land and Buildings at Fair Value	196,837	175,699
High Country Stations ("Taonga") at Cost	5,173	5,313
Plant, Office and Computer Equipment at Cost	41,367	28,789
Work in Progress at Cost	2,129	8,608
	<b>305,517</b>	<b>266,917</b>

**Recognition and Measurement**

Farm land and buildings are stated at fair value at the date of revaluation less any subsequent depreciation and impairment losses. All other property, plant and equipment are stated at cost less depreciation and impairment losses.

**Fair value and revaluation of farm land and buildings**

Revaluations are performed by professionally qualified valuers on an annual basis or when there are indicators that the asset value has moved materially.

Increases in value arising from revaluation are recognised in other comprehensive income and accumulated in the asset revaluation reserve – properties. Decreases in revaluation are recognised in profit or loss unless it directly offsets a previous increase of the same asset in the asset revaluation reserve.

On disposal, the portion of the asset revaluation reserve which relates to that asset, is transferred directly to retained earnings.

Any accumulated depreciation at the date of revaluation is eliminated.

**Depreciation**

Depreciation is charged to write down the value of the asset on straight line basis to an estimated residual value over their economic lives. Land and work in progress are not depreciated.

**Impairment of asset**

The asset value is written down immediately to its recoverable amount if the asset's carrying value is greater than its estimated recoverable amount.

**Disposal of asset**

Gains and losses arising on disposal are determined as the difference between the sale proceeds and the carrying amount of the asset. This is recognised in profit or loss. Any balance in the revaluation reserve relating to this asset is transferred to retained earnings.

**Notes to the Summary Group Financial Statements (continued)**

For the Year Ended 30 June 2016

**5. Property Assets - Investment Properties****Key judgements and estimates**

In estimating the fair value of investment properties, the Group engaged independent registered valuers and has undertaken an independent peer review process on sensitive investment properties where another independent registered valuer is engaged.

	2016	2015
	\$000	\$000
<b>At Fair Value</b>		
Investment Property – Commercial	188,700	166,776
Investment Property – Crown / Local Authority	137,825	142,995
Investment Property – Forestry Land	10,179	15,373
Investment Property under Construction	68,874	36,000
	<b>405,578</b>	<b>361,144</b>

**Recognition and Measurement**

Investment Property includes properties held to earn rental income and/or for capital appreciation that are not occupied by the Group. These properties are measured at fair value on an annual basis. Gains or losses arising from a change in fair value are included in profit or loss in the period in which they arise.

**6. Investments in Other Entities****Key judgements and estimates**

On acquisition of an interest in a joint venture, the assets and liabilities of the joint venture are required to be measured at fair value. This requires the estimation of current market values.

**Interest in Associates and Joint Ventures**

Whale Watch Kaikōura Limited	10,223	9,170
Other Associates	3,029	3,037
<b>Associates – Total</b>	<b>13,252</b>	<b>12,207</b>
Hilton Haulage Transport Limited Partnership	38,127	0
Ngāi Tahu Tainui Go Bus Holdings Limited	50,537	48,572
Watson & Son Limited Partnership	92,822	0
Waikato Milking Systems Limited Partnership	16,622	14,494
Other Joint Ventures	1,518	90
<b>Joint Ventures – Total</b>	<b>199,626</b>	<b>63,156</b>
<b>Combined Group's Total Interest</b>	<b>212,878</b>	<b>75,363</b>

**Notes to the Summary Group Financial Statements (continued)**

For the Year Ended 30 June 2016

**6. Investments in Other Entities continued**

	2016 \$000	2015 \$000
Combined Group's Share of Operating Profit		
Whale Watch Kaikōura Limited	1,806	728
Other Associates	(8)	8
<b>Associates – Total</b>	<b>1,798</b>	<b>736</b>
Hilton Haulage Transport Limited Partnership	(963)	0
Ngāi Tahu Tainui Go Bus Holdings Limited	2,646	632
Watson & Son Limited Partnership	4,646	0
Waikato Milking Systems Limited Partnership	795	1,054
Other Joint Ventures	(46)	1
<b>Joint Ventures – Total</b>	<b>7,078</b>	<b>1,687</b>
	<b>8,876</b>	<b>2,423</b>

**Recognition and Measurement**

A joint venture is an entity where the Group has joint control with one or more parties.

An associate is an entity where the Group has significant influence, being the ability to participate in the financial and operating decisions of the entity.

Interests in associates and joint ventures are accounted for using the equity method of accounting where the investment is recorded at cost plus its share of any profit or loss during the ownership period. Any dividends received are deducted from the investment value.

**7. Investments in Equity Instruments****Financial assets carried at fair value through profit or loss (FVTPL)**

Exchange traded funds		33,610	26,535
<b>Available for sale investments at fair value</b>			
Ryman Healthcare Limited shares	Listed shares	156,496	205,793
Summerset Group Limited shares	Listed shares	0	5,340
Fonterra Co-operative Group Limited shares	Co-operative shares	6,218	5,288
Agria Asia Investment Limited shares	Unlisted shares	9,214	10,449
Pioneer Capital Partners II Limited Partnership	Private Equity Fund	6,079	3,765
Pacific Equity Partners Fund V-C Limited Partnership	Private Equity Fund	7,909	6,914
Next Capital III Limited Partnership	Private Equity Fund	7,034	3,191
Amuri Irrigation Co Limited	Unlisted shares	4,302	0
Pukeko Pictures Limited Partnership	Unlisted shares	2,403	1,631
Sundry investments	Unlisted shares	2,134	1,712
		<b>201,789</b>	<b>244,083</b>
<b>Available for sale investments carried at cost less accumulated impairment</b>			
Aotearoa Fisheries Limited income shares	Listed shares	4,500	4,500
		<b>239,899</b>	<b>275,118</b>

## Notes to the Summary Group Financial Statements (continued)

For the Year Ended 30 June 2016

### 7. Investments in Equity Instruments continued

#### Recognition and Measurement

Investments in an entity where the Group does not have significant influence, joint control or control are split between:

Long-term hold investments (Available for Sale financial assets) – the values of these investments are stated at fair value with any change in value taken to an asset revaluation reserve within equity except for dividends, foreign exchange gains and loss and cumulative impairment losses. When this investment is impaired or disposed of, the cumulative gain / loss is taken to the profit or loss.

Investments held for trading (FVTPL) – this investment is recorded at fair value with any changes in value being taken to the profit or loss account.

Dividends from these investments are recognised in the profit or loss when the right to receive the dividend is established.

### 8. Intangible Assets – Fish Quota and Marine Farm Licences

#### Key judgements and estimates

The Group determines whether fish quota is impaired at least on an annual basis. Impairment of fish quota has been assessed by comparing the book value to a three year rolling average of broker prices as valued by independent registered valuers or the value in use model.

	2016	2015
	\$000	\$000
<b>At Cost</b>		
Fish Quota - Wetfish – Inshore	25,176	25,176
Fish Quota - Wetfish – Deepwater	18,458	18,458
Fish Quota - Koura	62,029	58,198
Fish Quota - Pāua	17,721	17,721
Fish Quota - Other	11,220	11,178
Marine Farm Licences	8,664	7,624
	<b>143,268</b>	<b>138,355</b>

#### Recognition and Measurement

Fish quota and marine farm licences are both indefinite life intangible assets and are recorded at cost less impairment.

**Notes to the Summary Group Financial Statements (continued)**

For the Year Ended 30 June 2016

**9. Borrowings**

	2016 \$000	2015 \$000
<b>Current borrowings</b>		
Te Haumi Whakamana (unsecured)	2,700	0
Other unsecured borrowings	378	0
Other secured borrowings	482	524
	3,560	524
<b>Non-current borrowings</b>		
Syndicated Bank Debt Facility (secured) <sup>(1)</sup>	123,000	133,000
Other secured borrowings	314	462
	123,314	133,462
	<b>126,874</b>	<b>133,986</b>

<sup>(1)</sup> The syndicated debt is secured by a deed of negative pledge and guarantee over all the assets of Ngāi Tahu Holdings Corporation Limited and its guaranteeing subsidiaries.

The total debt facility is \$320,000,000 being Facility A of \$40,000,000 expiring 17 December 2016, Facility B of \$90,000,000 expiring 17 December 2017, Facility C of \$90,000,000 expiring 17 December 2018 and Facility D of \$100,000,000 expiring 17 December 2020.

The financial covenants under this facility have been fully complied with during the financial year.

Interest is currently payable at between 2.91% - 3.04% per annum (2015: 3.92% - 4.31% per annum).

**Recognition and Measurement**

Borrowings are initially measured at fair value, net of transaction costs. They are subsequently measured at amortised cost (using the effective interest method). Fees for establishing new borrowings are spread over the term of those borrowings.

**10. Income Tax Payable**

<b>Income Tax Expense</b>		
Current tax expense	641	492
Adjustments recognised in the current year in relation to the current tax of prior years	20	(37)
Tax expense of Joint Ventures	78	0
Total current tax expense	739	455

An income tax liability of \$103,000 (2015: \$452,000) relating to the current year is included in Current Liabilities under Payables and Accruals.

**Recognition and measurement**

Te Rūnanga o Ngāi Tahu is taxed on its business income at the Māori Authority tax rate, being 17.5% at reporting date.

Certain entities within the Group have charitable status and accordingly have no taxation liability.

Other entities within the Group, including Te Rūnanga o Ngāi Tahu, that are not charitable, are taxable. In this instance, current tax is calculated by using tax rates and tax laws that are in place at the reporting date.

**Notes to the Summary Group Financial Statements (continued)**

For the Year Ended 30 June 2016

**11. Related Parties****Transactions with related parties involving shareholder entities**

There are material transactions between the entities within the Group during the current financial year. The related parties involved were Ngāi Tahu Charitable Trust, Ngāi Tahu Development Corporation and Te Rūnanga o Ngāi Tahu. All transactions have been eliminated on combination.

**Transactions with related parties involving joint venture entities**

The acquisition of Watson & Son Limited Partnership, classified as a joint venture, included a contingent consideration in the purchase price based on the Limited Partnership reaching certain profit targets. This amount is included in Payables and Accruals under Current Liabilities of \$16,949,771 and Provisions under Non-Current Liabilities of \$20,175,525.

**Transactions involving Whai Rawa Fund Trust**

The Group Financial Statements include distributions paid or declared to Whai Rawa Fund Trust for \$3,292,104 (2015: \$2,717,118).

**12. Employee Bands**

The number of employees or former employees of the Combined Group, not being directors, who received remuneration and other benefits (not including redundancy compensation) valued at or exceeding \$100,000 during the financial year under review are outlined in the table below. This is gross remuneration based on actual cash payments.

The bands have increased from \$10,000 bands in the year ended 30 June 2015 to \$50,000 bands in the year ended 30 June 2016. The employee numbers in 2015 have been updated to reflect this change.

Remuneration	Remuneration excluding Long Term Incentives and Commission Payments		Total Remuneration	
	2016	2015	2016	2015
\$800,000 - \$850,000	0	0	0	1
\$750,000 - \$799,999	0	0	1	0
\$700,000 - \$749,999	0	1	1	1
\$650,000 - \$699,999	0	0	0	0
\$600,000 - \$649,999	1	1	1	2
\$550,000 - \$599,999	2	0	1	1
\$500,000 - \$549,999	0	0	2	0
\$450,000 - \$499,999	1	1	1	3
\$400,000 - \$449,999	5	4	3	2
\$350,000 - \$399,999	3	1	3	2
\$300,000 - \$349,999	3	4	4	2
\$250,000 - \$299,999	8	6	8	7
\$200,000 - \$249,999	8	11	8	11
\$150,000 - \$199,999	29	22	29	22
\$100,000 - \$149,999	67	49	66	47
	<b>127</b>	<b>100</b>	<b>128</b>	<b>101</b>

As a result of restructuring within the Combined Group, there were cash payments in the current year for redundancies, early retirement and termination payments, not included in the table above, of \$421,000.

## Notes to the Summary Group Financial Statements (continued)

For the Year Ended 30 June 2016

### 13. Key management Personnel Compensation

All Directors of the Group are non-executive and are not involved in the day-to-day operations of the Group. The following fees have been paid to the Group's Directors:

	2016 \$000	2015 \$000
<b>Ngāi Tahu Holdings and Ngāi Tahu Capital</b>		
Trevor Burt (Chair) <sup>†*</sup>	106	106
Catherine Drayton <sup>†</sup>	61	61
Paul Silk <sup>*</sup>	50	50
<b>Ngāi Tahu Holdings only</b>		
Quentin Hix <sup>†</sup>	56	56
Tutehounuku Korako <sup>*</sup>	50	50
Samford Maier <sup>†*</sup>	61	61
	<b>384</b>	<b>384</b>

Ngāi Tahu Holdings Corporation Group Committees include: <sup>†</sup>Audit and Risk Committee, <sup>\*</sup>Remuneration Committee, <sup>\*</sup>Safety and Risk Committee. The make-up of the committees is as at 30 June 2016.

**Notes to the Summary Group Financial Statements (continued)**

For the Year Ended 30 June 2016

**13. Key management Personnel Compensation continued**

	2016 \$000	2015 \$000
<b>Ngāi Tahu Farming<sup>(1)</sup></b>		
Gill Cox (Chair) †	77	74
Barry Bragg <sup>(2)</sup>	41	41
Richard Braddock†	46	42
Andrew MacFarlane*	44	42
Richie Smith†*	41	43
Gail Tipa*	41	42
	290	284
<b>Ngāi Tahu Property</b>		
Barry Bragg (Chair)†*	86	99
Anthony Beverley <sup>(3)</sup>	20	0
Richard Braddock <sup>(4)</sup>	24	48
Susan Huria*	50	48
David Kennedy <sup>(5)</sup>	8	50
David Kerr <sup>(3)</sup>	20	0
Peter Nevan†*	48	35
Michael Weatherall†	50	50
	306	330
<b>Ngāi Tahu Seafood</b>		
Craig Ellison (Chair) <sup>(6)†*</sup>	61	0
Richard Janes <sup>(6)†*</sup>	35	0
Maria Pera†*	44	41
Robert Pooley <sup>(7)†*</sup>	53	44
Richard Punter <sup>(8)†*</sup>	7	41
Brian Rhoades <sup>(9)†*</sup>	18	74
Greg Summerton†*	41	47
<b>Ngāi Tahu Seafood Australia Pty</b>		
Andrew Ferguson	12	13
	271	260

Ngāi Tahu Holdings Corporation Group Committees include: † Audit and Risk Committee \*Remuneration Committee, \*Safety and Risk Committee. The make-up of the committees is as at 30 June 2016.

<sup>(1)</sup> All Ngāi Tahu Farming directors were appointed on 1 July 2014, <sup>(2)</sup> Appointment ended 30 June 2016, <sup>(3)</sup> Appointed from 1 February 2016, <sup>(4)</sup> Appointment ended 31 December 2015, <sup>(5)</sup> Appointment ended 28 July 2015, <sup>(6)</sup> Appointed from 1 September 2015, <sup>(7)</sup> Robert Pooley is also a director of Ngāi Tahu Seafood Australia Pty Limited, <sup>(8)</sup> Appointment ended 17 August 2015, <sup>(9)</sup> Appointment ended 31 August 2015.

**Notes to the Summary Group Financial Statements (continued)**

For the Year Ended 30 June 2016

**13. Key management Personnel Compensation continued**

	2016 \$000	2015 \$000
<b>Ngāi Tahu Tourism</b>		
Sarah Smith (Chair) <sup>† * °</sup>	68	17
Paul Bingham <sup>(10)</sup>	31	0
David Hawkey <sup>(10)</sup>	31	0
Phillip Broughton <sup>(11)</sup>	17	41
David Clarke <sup>(12)</sup>	0	24
Ross Keenan <sup>(9)</sup>	18	73
Tahu Kingi-Pōtiki <sup>† * °</sup>	41	41
Stuart McLauchlan <sup>† * °</sup>	41	7
Anthony Marks <sup>(12)</sup>	0	41
	<b>247</b>	<b>244</b>
<b>Total Directors Fees</b>	<b>1,498</b>	<b>1,502</b>
<b>Te Rūnanga o Ngāi Tahu Representatives</b>		
Tā Mark Solomon – Kaiwhakahaere	235	250
Lisa Tumahai – Deputy Kaiwhakahaere	113	128
Tā Mark Solomon <sup>(a)(g)</sup>	45	45
Lisa Tumahai <sup>(h)</sup>	65	65
Tutehounuku Korako <sup>(15)</sup>	0	26
Karen Coutts <sup>(13)</sup>	10	0
Elizabeth Cunningham <sup>(b)(d)(g)</sup>	45	46
James Daniels <sup>(g)</sup>	45	45
Matapura Ellison <sup>(c)(f)(h)(i)</sup>	46	45
Gail Gordon <sup>(14)</sup>	4	0
David Higgins <sup>(13)</sup>	44	53
Quentin Hix <sup>(g)</sup>	45	45
Gabrielle Huria <sup>(b)</sup>	45	45
Jo McLean <sup>(h)</sup>	45	45
Terry Nicholas <sup>(a)(h)</sup>	45	45
Maria Pera <sup>(g)</sup>	45	45
David Perenara-O'Connell <sup>(g)</sup>	45	45
Tahu Potiki <sup>(g)</sup>	65	65
Tim Rochford <sup>(h)</sup>	45	45

Ngāi Tahu Holdings Corporation Group Committees include: † Audit and Risk Committee °Remuneration Committee, °Safety and Risk Committee. The make-up of the committees is as at 30 June 2016.

Te Rūnanga o Ngāi Tahu Representative Committees include: (a) Audit and Risk Committee, (b) Remuneration Committee, (c) Cultural Mapping Committee, (d) Hazardous Substances and New Organisms Committee, (e) Ngāi Tahu Fund Committee, (f) Ngāi Tahu Pounamu Recovery Committee, (g) Te Apārangi Committee, (h) Te Here Committee, (i) Te Pae Kōrako Committee. The make-up of the committees is as at 30 June 2016.

(9) Appointment ended 31 August 2015, (10) Appointed from 1 October 2015, (11) Appointment ended 30 November 2015, (12) Appointments ended in prior financial year, (13) Appointment from / ended 1 June 2016, (14) Appointment from 10 April 2016, (15) Appointments ended in prior financial year

**Notes to the Summary Group Financial Statements (continued)**

For the Year Ended 30 June 2016

**13. Key management Personnel Compensation continued**

	2016 \$000	2015 \$000
<b>Te Rūnanga o Ngāi Tahu Representatives continued</b>		
Ashley Warnes <sup>(16)</sup>	41	19
Michael Skerrett <sup>(a)(h)</sup>	45	45
Ngaire Tainui <sup>(a)(h)</sup>	45	45
Ann Wakefield <sup>(h)(i)</sup>	46	45
<b>Total Representative Fees</b>	<b>1,209</b>	<b>1,237</b>
Total Directors Fees (as above)	1,498	1,502
Total Representative Fees (as above)	1,209	1,237
Independent Audit & Risk and Remuneration Committee members	48	18
Short Term Benefits for Senior Management Positions <sup>(17)</sup>	4,521	3,697
<b>Total Key Management Personnel Compensation</b>	<b>7,276</b>	<b>6,454</b>

Te Rūnanga o Ngāi Tahu Representative Committees include: <sup>(a)</sup> Audit and Risk Committee, <sup>(b)</sup> Remuneration Committee, <sup>(c)</sup> Cultural Mapping Committee, <sup>(d)</sup> Hazardous Substances and New Organisms Committee, <sup>(e)</sup> Ngāi Tahu Fund Committee, <sup>(f)</sup> Ngāi Tahu Pounamu Recovery Committee, <sup>(g)</sup> Te Apārangi Committee, <sup>(h)</sup> Te Here Committee, <sup>(i)</sup> Te Pae Kōrako Committee. The make-up of the committees is as at 30 June 2016.

<sup>(16)</sup> Appointment ended 10 April 2016, <sup>(17)</sup> Includes 11 senior management positions (2015: 12).

**14. Contingent Liabilities**

A contingent liability is a liability that is not sufficiently certain to qualify for recognition on the balance sheet due to the uncertainty of a future event occurring.

There were no contingent liabilities at 30 June 2016 (June 2015: \$nil).

**15. Subsequent Events**

On the 4th August 2016, Ngāi Tahu Tourism entered into a conditional Sale and Purchase agreement to purchase Glacier Southern Lakes Helicopters. This transaction settled on 31st August 2016. The purchase price allocation is still to be completed by management.

Ngāi Tahu Capital has committed up to \$25m into an investment fund, Mouac Fund 4 LP. There is no fixed term for this fund, the capital committed will be called over the life of the fund.

There are no other material events subsequent to balance date.

## INDEPENDENT AUDITOR'S REPORT ON THE SUMMARY FINANCIAL STATEMENTS TO THE MEMBERS OF TE RŪNANGA O NGĀI TAHU AND NGĀI TAHU CHARITABLE TRUST

### Report on the Summary Financial Statements

The accompanying summary group financial statements of Te Rūnanga o Ngāi Tahu and Ngāi Tahu Charitable Trust ('the Group') on pages 5 to 21, which comprise the summary group statement of financial position as at 30 June 2016, and the summary group statement of comprehensive income, summary group statement of changes in equity and summary group statement of cash flows for the year then ended, and related notes, are derived from the audited financial statements of the Group for the year ended 30 June 2016. We expressed an unmodified audit opinion on those financial statements in our report dated 17 September 2016.

The summary group financial statements do not contain all the disclosures required for full financial statements under Public Benefit Entity Standards. Reading the summary group financial statements, therefore, is not a substitute for reading the audited financial statements of the Group.

This report is made solely to the members, as a body, for the purpose of expressing an opinion on the summary group financial statements for the year ended 30 June 2016. Our audit has been undertaken so that we might state to the members those matters we are required to state to them in an auditor's report on summary group financial statements and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the members as a body, for our audit work, for this report, or for the opinions we have formed.

### Rūnanga Representatives' Responsibility for the Summary Group Financial Statements

The Rūnanga Representatives are responsible on behalf of the company for the preparation of a summary of the audited financial statements, in accordance with FRS-43: *Summary Financial Statements*.

### Auditor's Responsibility

Our responsibility is to express an opinion on the summary group financial statements based on our procedures, which were conducted in accordance with International Standards on Auditing (New Zealand) (ISA (NZ)) 810: *Engagements to Report on Summary Group Financial Statements*.

Our firm carries out other assignments for the Group in the area of regulatory disclosure audits, data analytics, taxation services and the provision of due diligence work. In addition to this, partners and employees of our firm deal with the Group on normal terms within the ordinary course of trading activities of the business of the Group. These services have not impaired our independence as auditor of the Group. The firm has no other relationship with, or interest in, the Group or any of its subsidiaries.

### Opinion

In our opinion, the summary group financial statements derived from the audited group financial statements of Te Rūnanga o Ngāi Tahu and Ngāi Tahu Charitable Trust for the year ended 30 June 2016 are consistent, in all material respects, with those financial statements, in accordance with FRS-43: *Summary Financial Statements*.



**Chartered Accountants**  
**17 September 2016**  
**Christchurch, New Zealand**

This audit report relates to the summary group financial statements of Te Rūnanga o Ngāi Tahu and Ngāi Tahu Charitable Trust for the year ended 30 June 2016 included on the Te Rūnanga o Ngāi Tahu website. Te Rūnanga o Ngāi Tahu and Ngāi Tahu Charitable Trust's governing body is responsible for the maintenance and integrity of the Te Rūnanga o Ngāi Tahu website. We have not been engaged to report on the integrity of the Te Rūnanga o Ngāi Tahu website. We accept no responsibility for any changes that may have occurred to the summary group financial statements since they were initially presented on the website. The audit report refers only to the summary group financial statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these summary group financial statements. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the audited summary group financial statements and related audit report dated 17 September 2016 to confirm the information included in the audited summary group financial statements presented on this website. Legislation in New Zealand governing the preparation and dissemination of financial statements and summary group financial statements may differ from legislation in other jurisdictions.

Te Rūnanga o Ngāi Tahu and Ngāi Tahu Charitable Trust

## Directory

### Corporate Office

Te Whare o Te Waipounamu

15 Show Place

Addington

Christchurch

P O Box 13-046

Christchurch

Phone: 03 366 4344

Website: [www.ngaitahu.iwi.nz](http://www.ngaitahu.iwi.nz)

Email: [info@ngaitahu.iwi.nz](mailto:info@ngaitahu.iwi.nz)

### Auditor

Deloitte

### Solicitors

Anderson Lloyd Lawyers

Bell Gully

Buddle Findlay

Chapman Tripp

### Bankers

Bank of New Zealand

Commonwealth Bank of Australia

ASB Bank Limited

Westpac Banking Corporation Limited

ANZ National Bank Limited



Te Rūnanga o NGĀI TAHU