



2013

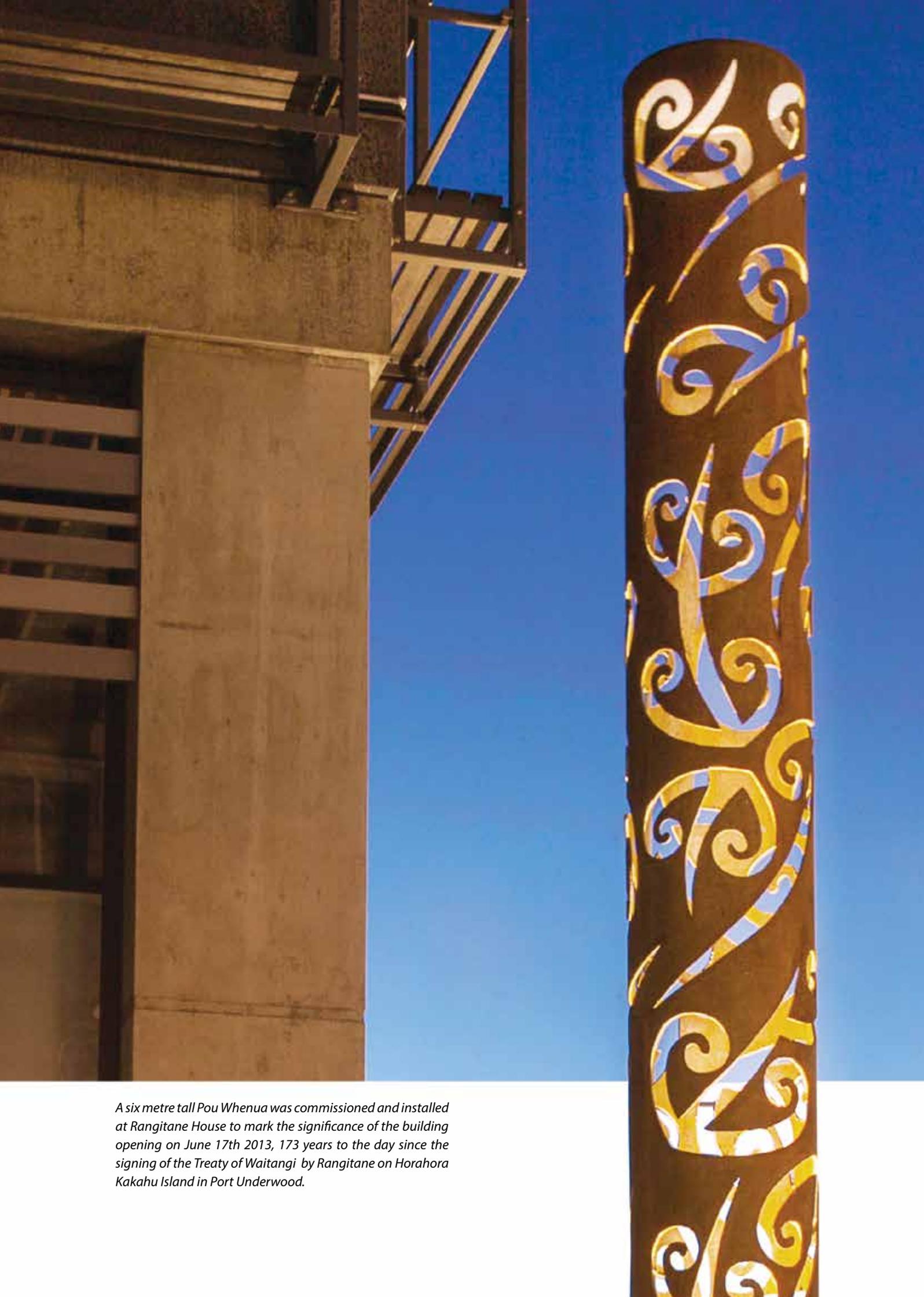
ANNUAL REPORT



Rangitane

Te Runanga a Rangitane O Wairau





A six metre tall Pou Whenua was commissioned and installed at Rangitane House to mark the significance of the building opening on June 17th 2013, 173 years to the day since the signing of the Treaty of Waitangi by Rangitane on Horahora Kakahu Island in Port Underwood.



Rangitane

Te Runanga a Rangitane O Wairau

CONTENTS	Page
Chairperson's Report	3
Auditors Certificate	10
Consolidated Group Financial Statements	11
Statement of Financial Performance	11
Statement of Movements in Members Equity	12
Statement of Financial Position	12
Notes to the Financial Statements	13 - 17
Directory	17





CHAIRPERSON'S REPORT

Ka tu ake au ki runga i te tihi o Tapuae o Uenuku.
Ka whiu aku mata ki te ipukarea o ōku mātua tupuna.
Kei puta te Wairau!!
Ngā mate o te wā nei haere, haere, haere atu rā.
Tēnā tātou ngā pakiaka morehu rātou mā kua wheturangitia.
Tātou ngā uri o Rangitāne o Wairau, Tena tātou katoa.

Welcome to the 2013 Annual Report of Te Runanga a Rangitane o Wairau. It is with pleasure that I can once again report on a successful year and comment on some of the many highlights.

STRUCTURE OF TE RUNANGA A RANGITANE O WAIRAU

Te Runanga a Rangitane o Wairau has several legal entities established to comply with various pieces of Settlement legislation.

Our structure has been developed to avoid complexity, provide flexibility, minimise costs and ensure we are best placed to take advantage of taxation and other legislative requirements.

The structure comprises: an Incorporated Society, a Charitable Trust, a Non-charitable Trust and a Limited Liability Company. The purpose of the Group is the same today as it was in 1986 when the Runanga was first formalised under the Incorporated Societies Act, which is to promote, develop, maintain, protect and administrate all things pertaining to Rangitane mana.

While these entities may operate under differing enactments and have differing responsibilities, they are required to work in concert in order to provide the widest possible benefits to the Iwi membership.

The overall structure ensures accountability to the membership through the separation of commercial and non-commercial functions and regular reporting through the established governance requirements.



Richard Bradley, Minister for Treaty Settlements Hon Chris Finlayson, Mayor Alistair Sowman and Judith MacDonald at the opening of Rangitane House.

RANGITANE HOLDINGS LTD

Rangitane Holdings Limited has enjoyed a reasonable year with a net tax paid surplus of \$196,818. This compares with \$361,930 in 2012 however that figure included a substantial one-off Quota Stocks settlement received in 2012.

While not yet at full operation, the company has been able to complete the refurbishment of the flagship investment in Rangitane House and also complete the ground floor upgrade and landscaping project, which has made a tremendous improvement to the look of the building. It is expected that the upgrade will contribute to an increase in occupancy and a higher standard of tenant as the economy in the province picks up.

Rangitane House was officially opened at dawn on 17 June 2013. The date is significant in that the Rangitane Chief Ihaia Kaikoura signed the Treaty of Waitangi in Port Underwood on this date in 1840. A commemorative plaque was unveiled as part of the celebrations by Treaty Settlements Minister Hon Chris Finlayson. I am pleased to report that the project was completed on time, under budget and with wide acclamation from the business sector of Marlborough and the wider community of Te Tau Ihu.

During the year Rangitane was able to negotiate the release of the Settlement funds. This is the first time the Crown has released funds to a Settlement Iwi before the legislation has been passed through Parliament. Work is underway to ensure the properties negotiated as part of the Settlement package transfer to the various parts of the organisation in an efficient manner once the third reading has been through the House.

The company is now well placed to make sound commercial investments both in property as well as business opportunities and equity investment. An Investment Strategy has been developed by the Directors that will ensure investments with

good return potential to grow the asset base of Rangitane, as well as providing adequate returns to the Trust for ongoing development of Rangitane Cultural and Social policies and ensuring the organisation has sound future-proofing strategies in place.

The appointment of Jim Ward as the new Business Manager for the Trust has allowed the company to take a major step forward this past year. Jim has put together a management team capable of complementing the existing governance team and growing the company's asset base and revenue stream in line with the company strategy.

The company continues to follow up potential investment opportunities. Negotiations are underway with two major national companies as well as a local business opportunity that, if successful, will deliver many benefits to the Rangitane membership.

Independent Director Bob Penington is retiring from the Board. He will continue to be available to Rangitane informally but is not seeking re-election and work is underway to seek a suitable replacement. Directors are appointed by the Trustees and it is expected that a new appointment will be made before Christmas. Bob has been a valued part of the Rangitane team since formally joining us in 2002 to assist with the Waitangi Tribunal Hearings. He has been a strong advocate for Rangitane over the years along with Dave Olliver - earning themselves the nickname of "Butterworth and Coutts" by defecting from the Marlborough District Council. I am sure you will join with me in thanking Bob for his sterling service and wishing him and his whanau well for the future.

Support for the Te Runanga a Rangitane o Wairau Incorporated Society is gaining momentum with several initiatives underway.



TE RUNANGA A RANGITANE O WAIRAU INCORPORATED

Considerable effort has been directed over the last year into re-energising the Incorporated Society and this has been well received. The return of regular Iwi hui has found support from our membership whose attendance at wananga and other Iwi events has increased, as has the growth in the number of active portfolios. Most notable is the re-establishment of the Rangitane Kaumatua Council. Lawrence MacDonald has been elected to the Chair and has initiated a range of projects and activities. The Kaumatua met recently over dinner at Ukaipo and have taken the lead to provide hospital visits and manaaki tangata packs.



An operational budget has been put in place to service the social and cultural needs of the membership. Excellent progress has been made including the development of a Scholarship Programme; the implementation of a Sponsorship Programme; quarterly wananga for the ongoing development of our culture and language, and the re-establishment of quarterly newsletters. The inaugural wananga was held at Omaka Marae in June. Thirty two members attended from as far away as Palmerston North as well as a good showing of locals.

The second wananga was held at Ukaipo with whanau coming from as far as Auckland. A visit to Te Pokohiwi was considered a highlight by those in attendance.

As reported last year \$10,000 was set aside to support the educational development of our members. I am pleased to report that fourteen members were assisted with this programme, fully expending the budget. The Trustees have agreed to support the programme again this year and Scholarship applications will be available until the end of this month ready for payment in January 2014.

A grants sponsorship programme is also available to our members. \$10,000 has been set aside and individuals can apply for this funding throughout the year.

Both programmes have been very popular with Iwi members and will continue to be supported by the Runanga.



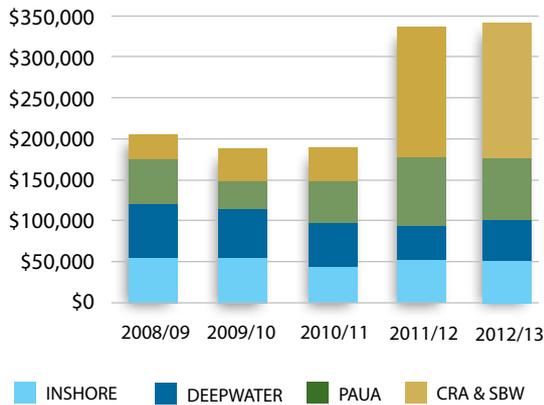
RANGITANE FISHERIES ASSETS

In 2012-13, Rangitane's April 1 quota/ACE and October 1 quota/ACE were again sold on the open-market using a competitive tender process. A wide range of fishing companies and individual fishers were provided with opportunities to participate in the tender.

The main April 1 fishstocks are southern blue whiting and rock lobster. October 1 fishstocks include a wide range of inshore and deepwater wetfish stocks as well as paua. There are a number of valuable stocks in the deepwater parcel, especially hoki and orange roughly, but there are also many deepwater stocks that are of little commercial value and therefore attract little interest from the industry.

Rangitane quota/ACE sales revenue is shown in Figure 1.

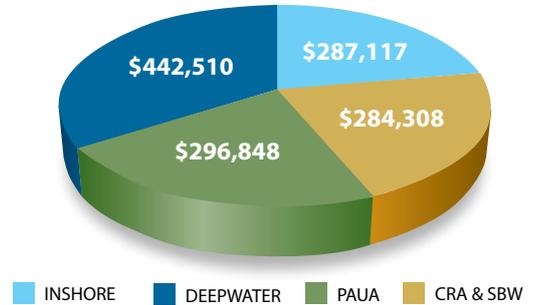
FIGURE 1.
ANNUAL RETURNS FROM ACE SALES
(Before Te Ohu charges)



Total quota/ACE returns in 2012-13 were just over \$349,000. This result was almost the same as 2011-12 with all categories of ACE showing similar returns to the previous year. Rock lobster and paua ACE sales in 2012-2013 accounted for 67% of Rangitane's total ACE income. Inshore ACE 17% of income and deepwater ACE at 16% made up the balance.

Figure 2 shows the contribution of different sectors to total returns from the sale of Rangitane quota/ACE over the last five years.

FIGURE 2.
CONTRIBUTION OF EACH SECTOR OVER LAST 5 YEARS OF ACE SALES



Over the period total revenue from the sale of Rangitane's quota/ACE has been more than \$1.3 million. Rock lobster & southern blue whiting have been the largest contributor to total ACE sales revenue at 34% followed by paua at 23%, with inshore and deepwater each at 22%. Over the past five years returns have increasingly come from rock lobster and paua ACE with a gradual decline in deepwater ACE returns.

Where will ACE returns go to in 2013-14? As there are no market issues of significance on the horizon, the direction of quota/ACE returns will largely be determined by the direction of exchange rate movements. Overall, market trading conditions for seafood in the next 6 to 12 months look likely to continue to be demanding for seafood companies and exporters. The demand and prices for ACE will remain subdued under the current high exchange rate environment.

Rangitane will continue to seek to optimise the returns from the use of its fisheries assets. Presently Rangitane owns its population-based settlement assets plus some flatfish and scallops. Rangitane is still to reach agreement with Ngai Tahu and Ngati Toa on relative shares of coastline-based assets for that area of coastline between Parinui o Whiti and the Waiautoa.



DEED OF SETTLEMENT PROGRESS

The long awaited introduction of the Treaty of Waitangi Te Tau Ihu Omnibus Settlement Bill into Parliament took place earlier this year. A small group travelled from Wairau to Parliament to support the transition of the Bill through the House. We were joined by whanau from Wellington and representatives from the other seven iwi of Te Tau Ihu. The Maori Affairs Select Komiti travelled to Blenheim, Nelson and Wellington in August to hear submissions and the third and final reading is expected to occur before Christmas.

Once enacted into legislation, we will finally have received our first ever Settlement. This coupled with the Crown's acceptance and restoration of our rights and associations with areas of historical, cultural and traditional significance will enable us to chart a new journey – one that leaves our grievances in the past and creates a new future for Rangitane.

APPOINTMENT OF TRUSTEES

In line with our Trust Deed, three Trustees were required to stand down this year as part of the rotation process and all are eligible for re-election. Trustees standing down are David Proctor, Richard Andrell and Jeffrey Hynes. At the time of calling for nominations four vacancies existed due to the resignation of a Trustee before his term was due to expire in 2014.

Nominations were received from Lawrence MacDonald, Richard Andrell, David Proctor and Tarina MacDonald. Under usual circumstances this would have required a postal ballot at considerable expense to Rangitane. In order to protect the integrity of the rotation schedule, avoid the cost of a postal ballot and bring the Trust back to full complement, Lawrence MacDonald has agreed to take on the position of the resigning Trustee for a 12 month term at which time he will retire by rotation and seek re-election for a three year term.

A paper was put to the Trustees, the Executive Komiti and the last Iwi hui recommending the above approach as a way forward.

It is my pleasure to report that David Proctor, Richard Andrell and Tarina MacDonald have been duly elected to Te Runanga a Rangitane o Wairau Charitable Trust and Non-charitable Trust for a term of three years and Lawrence MacDonald has been confirmed as a new Trustee for a one year term.

I would also like to take this opportunity to thank Jeffrey Hynes for his service. He has been a strong advocate for Rangitane over the years and his service to the Iwi is deeply appreciated.

Tenei te mihi mahana ki a koe e te Rangatira.

APPOINTMENT OF EXECUTIVE KOMITI

The Incorporated Society comprises six elected officers and portfolio convenors.

Jeffrey Hynes is retiring by rotation, Jeremy MacLeod by resignation. We have received one nomination from Tarina MacDonald. I am pleased to report that Tarina MacDonald has been elected to Te Runanga a Rangitane o Wairau Incorporated Society.



“The most significant resource and potential we have are our Iwi members.”

A NEW FUTURE

The Rangitane Deed of Settlement has provided opportunities for the development of the cultural, political, social and economic potential for future generations of Rangitane. The most significant resource and potential we have are our Iwi members - how we plan for the future will have significant impact on what we can achieve for current and future generations. The following key objectives have been developed to ensure Rangitane are well placed to capitalise on those opportunities:

- Supporting development of Maori cultural and political leadership potential within Rangitane, and across the rohe
- Ensuring governance structures contribute to the efficient and effective management of assets
- Maximising returns from the use of Rangitane settlement assets and resources
- Providing Rangitane individuals with opportunities to participate in the economy
- Building and maintaining effective external relationships within local community, government and industry
- Ensuring a sustainable environment and resources for future generations.

I would like to acknowledge our Kaumatua, Executive Komiti, Directors and Trustees for the considerable work they do in the interests of Rangitane o Wairau. Their advice, support and input is valued and has indeed positioned us well for the opportunities and challenges ahead.

On behalf of the Te Runanga a Rangitane o Wairau I would like to thank you, the membership - without your support the work of the governance and management would not be possible.

No reira ma te atua koe e manaakitia e tiakitia.

Judith MacDonald
Chairperson

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
TE RUNANGA A RANGITANE O WAIRAU TRUST**

Report on the Financial Statements

We have audited the financial statements of Te Runanga A Rangitane o Wairau Trust and Group (the 'Group') on pages 11 to 17, which comprise the statement of financial position as at 31 March 2013, and the statement of financial performance and statement of movements in members equity and for the year then ended, and a summary of significant accounting policies and other explanatory information.

This report is made solely to the members, as a body, in accordance with the Trust Deed. 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 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.

Trustees' Responsibility for the Financial Statements

The Trustees are responsible for the preparation and fair presentation of financial statements, in accordance with generally accepted accounting practice in New Zealand, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates, as well as the overall presentation of the financial statements.

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

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

Opinion

In our opinion, the financial statements on pages 11 to 17 present fairly, in all material respects, the financial position of the Group as at 31 March 2013, and its financial performance for the year ended on that date in accordance with generally accepted accounting practice in New Zealand.



Chartered Accountants
27 August 2013
Wellington, New Zealand

TE RUNANGA A RANGITANE O WAIRAU TRUST & GROUP

STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 31 MARCH 2013

	Note	Group 2013 \$	Trust 2013 \$	Group 2012 \$	Trust 2012 \$
REVENUE					
Fish Quota Revenue		342,463	342,463	348,820	348,820
Rental Income		462,982	-	428,882	-
Management Fees		-	42,000	-	38,750
Interest Received		327,613	324,297	226,475	154,322
Interest Received on Subsidiary Loans		-	-	-	102,000
Dividend Income		266,267	-	16,734	-
Other Revenue		780,400	745,400	57,772	33,914
Total Revenue		2,179,725	1,454,160	1,078,683	677,806
EXPENSES					
Fish Quota Expenses		61,760	61,760	64,940	64,940
Rental Operating Expenses		239,510	-	159,617	1,147
Social Services		14,064	14,064	23,260	23,260
Tua Matene		11,872	11,872	17,832	17,832
Salaries, Wages & Contractors		337,638	293,674	333,694	257,213
Depreciation	3	120,144	49,483	60,780	17,273
Loss on Write-off Grovetown Hall		354	354	177,562	177,562
Honoraria and Fees		161,750	71,750	161,529	75,279
Legal Fees		33,696	16,393	27,903	19,182
Occupancy Expenses		63,206	65,071	85,879	52,125
Change in Fair value of Fish Quota		20,922	40,554	53,196	53,195
Change in Fair value of Shares		17,915	-	-	-
Audit Fees		13,046	13,046	5,170	5,170
Other Expenses		287,995	268,236	128,056	141,641
Total Expenses		1,383,872	906,257	1,299,418	905,819
Operating Surplus / (Deficit) For the Period		795,853	547,903	(220,735)	(228,013)
Aquaculture Treaty Settlement		-	-	575,253	216,080
Rangitane Treaty Settlement		22,321,402	22,321,402	-	-
Taxation Expense	4	51,132	-	4,521	-
Surplus / (Deficit) For the Period, After Tax		23,066,123	22,869,305	349,997	(11,933)

These financial statements should be read in conjunction with the notes to the financial statements on pages 13 to 17.

STATEMENT OF MOVEMENTS IN MEMBERS EQUITY

FOR THE YEAR ENDED 31 MARCH 2013

	Note	Group 2013 \$	Trust 2013 \$	Group 2012 \$	Trust 2012 \$
Opening balance 1 April		10,439,421	10,076,004	9,517,000	9,515,513
Net Surplus / (Deficit) for the Year		23,066,123	22,869,305	349,997	(11,933)
Funds Settled During the Year		-	-	572,424	572,424
Total Recognised Revenue & Expenses		23,066,123	22,869,305	922,421	560,491
Closing Balance 31 March		33,505,544	32,945,309	10,439,421	10,076,004

STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED 31 MARCH 2013

	Note	Group 2013 \$	Trust 2013 \$	Group 2012 \$	Trust 2012 \$
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents		868,226	811,533	1,171,084	495,375
Short term deposits		23,468,177	23,468,177	3,104,751	3,104,751
Accounts receivable		165,708	146,838	71,050	38,413
Prepayments		73,514	-	52,534	-
GST Receivable		2,183	-	91,560	21,148
Total Current Assets		24,577,808	24,426,548	4,490,979	3,659,687
Non-Current Investments		1,504,144	5,662,085	1,313,967	5,603,812
Property, Plant and Equipment	3	7,563,450	2,924,923	4,873,680	902,765
TOTAL ASSETS		33,645,402	33,013,556	10,678,626	10,166,264
LIABILITIES					
CURRENT LIABILITIES					
Accounts payable		139,858	51,738	239,205	90,260
GST Payable		-	16,509	-	-
TOTAL LIABILITIES		139,858	68,247	239,205	90,260
NET ASSETS		33,505,544	32,945,309	10,439,421	10,076,004
TRUST FUNDS					
Funds Settled		2,082,129	2,082,129	2,082,129	2,082,129
Retained Earnings		31,423,415	30,863,180	8,357,292	7,993,875
TOTAL TRUST FUNDS		33,505,544	32,945,309	10,439,421	10,076,004

These financial statements should be read in conjunction with the notes to the financial statements on pages 13 to 17.

The financial statements were approved for issue by:



Chair - Judith MacDonald



Business Manager – Jim Ward

Dated 13 August 2013

TE RUNANGA A RANGITANE O WAIRAU TRUST & GROUP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2013

1. STATEMENT OF ACCOUNTING POLICIES

Reporting Entities

Te Runanga A Rangitane O Wairua Trust (the Trust) is a Mandated Iwi Organisation. The Trust is a charitable organisation responsible for the cultural and social aspects of iwi related matters. The Trust has a wholly owned subsidiary, Rangitane Holdings Limited that is responsible for the commercial development and investment of iwi assets. The consolidated financial statements comprise both the operations of the Trust and Rangitane Holdings Limited.

Basis for Preparation

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

The financial statements of the Trust and Group have been prepared in accordance with New Zealand Generally Accepted Accounting Principles on an historical cost basis, except as noted below in regards to fish quota, and are presented in New Zealand Dollars. They comply with approved Financial Reporting Standards (FRSs) and Statements of Standard Accounting Practice (SSAPs) as appropriate, under New Zealand GAAP.

These financial statements have been prepared in accordance with the Framework for Differential Reporting issued by the Institute of Chartered Accountants of New Zealand since the Trust and Group has no public accountability and does not qualify as large.

2. SPECIFIC ACCOUNTING POLICIES

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

2.1 Consolidation Accounting Policy

The Group financial statements are prepared by combining the financial statements of all the entities that comprise the Group, on a line by line basis. The Group consists of the Trust (the "Parent") and Rangitane Holdings Limited. Consistent accounting policies are employed in the preparation and presentation of the Group financial statements. In preparing the Group financial statements, all inter-entity balances and transactions are eliminated in full.

2.2 Cash and Cash Equivalents

Cash and cash equivalents in the Statement of Financial Position comprise cash at bank and short term deposits with an original maturity of less than three months that are readily converted to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.3 Investments

Fish Quota

Fish Quota is initially recorded at assessed fair value. The annual valuation is independently performed based upon assessed net realisable value using current market information.

Other Investments

Other investments are valued at the lower of cost or net realisable value. Where the carrying amount of an investment exceeds its recoverable amount it is written down to its recoverable amount.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2013

2.4 Foreign Currencies

Transactions in foreign currencies are recorded in New Zealand dollars by applying the exchange rates ruling at the date of the transaction. Balance sheet amounts are revalued annually to the current rate and all differences taken to the statement of financial performance.

2.5 Property Plant and Equipment

All items of Property Plant and Equipment are shown at cost less accumulated depreciation to date. Cost includes the value of consideration exchanged, or fair value in the case of donated or subsidised assets, and the costs directly attributable to bringing the item to working condition for its intended use.

Subsequent expenditure relating to an item of Property Plant and Equipment is capitalised to the initial costs of the item when the expenditure increases the economic life of the item or where expenditure was necessarily incurred to enable future economic benefits to be obtained. All other subsequent expenditure is expensed in the period in which it is incurred.

2.6 Depreciation

The annual rates of depreciation applicable are based on the estimated useful lives as follows:

- | | |
|--------------------------------|-------------|
| • Buildings | 33-50 years |
| • Plant, equipment & furniture | 2 - 8 years |
| • Motor Vehicles | 4 - 5 years |

Land and capital work in progress is not depreciated.

2.7 Accounts Receivable

Accounts receivable are recognised at the original invoice amount less any doubtful debts that are not considered reward able. Bad debts are written off in the period in which they are identified.

2.8 Taxation

The Trust is a registered Charity and is therefore exempt from income taxation.

Rangitane Holdings Limited is taxable as a Maori Authority and taxed at the rate of 17.5%.

Income tax is calculated on the taxes payable method and no account is taken of deferred tax implications.

2.9 Goods and Services Tax (GST)

These financial statements have been prepared on a GST exclusive basis except that accounts receivable, accounts payable and accrued expenses where applicable include GST.

2.10 Leases

These financial statements have been prepared on a GST exclusive basis except that accounts receivable, accounts payable and accrued expenses where applicable include GST.

2.11 Accounts Payable

Trade and other payables represent the liabilities for goods and services provided to the Trust prior to the end of the financial year that are unpaid. These amounts are usually settled within 30 days.

2.12 Employee Entitlements

All employee benefits of the Trust are expected to be settled within 12 months of balance date are measured at nominal values based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, plus annual leave earned and accrued to, but not taken at balance date.

2.13 Revenue Recognition

Revenue is recognised on the following bases:

(i) Treaty Settlements

Treaty settlements and all amounts relating thereto are accounted for on a cash basis as the amounts are received to iwi.

(ii) Contractual and Lease Revenues

Contract revenue is recognised by reference to the stage of completion of service by the Trust and Group. Amounts received in advance of the service being provided are deferred and recognised as Income in Advance.

Operating lease revenue is recognised evenly over the expected period of benefit to the Trust and Group.

(iii) Interest Income

Interest income is recognised in the period in which the interest is earned on an effective interest rate basis.

2.14 Financial Instruments

The Trust and Group do not have any off-balance sheet financial instruments. Financial instruments purchased with the intention of being held for longer than one year or until maturity are recorded at cost which is adjusted for the amortisation of premiums and accretion of discounts to maturity.

2.15 Change in Accounting Policies

The accounting policies have been applied on a consistent basis with those of the previous year.

3. PROPERTY, PLANT AND EQUIPMENT

Group 2013	Group 2013 Cost \$	Group 2013 Depreciation Expense \$	Group 2013 Accumulated Depreciation \$	Group 2013 Book Value \$
Land	1,929,950	-	-	1,929,950
Buildings	5,449,344	90,942	146,924	5,302,420
Plant, Equipment & Furniture	278,507	22,880	32,625	245,882
Motor Vehicles	35,416	6,322	20,666	14,750
Capital Work in Progress	70,448	-	-	70,448
Total Property, Plant and Equipment	7,763,665	120,144	200,215	7,563,450

Group 2012	Group 2012 Cost \$	Group 2012 Depreciation Expense \$	Group 2012 Accumulated Depreciation \$	Group 2012 Book Value \$
Land	1,929,950	-	-	1,929,950
Buildings	2,586,607	45,453	55,982	2,530,625
Plant, Equipment & Furniture	114,877	6,296	10,336	104,541
Motor Vehicles	35,416	9,031	14,344	21,072
Capital Work in Progress	287,492	-	-	287,492
Total Property, Plant and Equipment	4,954,342	60,780	80,662	4,873,680

Parent 2013	Parent 2013 Cost \$	Parent 2013 Depreciation Expense \$	Parent 2013 Accumulated Depreciation \$	Parent 2013 Book Value \$
Land	413,000	-	-	413,000
Buildings	2,274,978	20,580	24,242	2,250,736
Plant, Equipment & Furniture	276,087	22,581	32,313	243,774
Motor Vehicles	35,416	6,322	20,666	14,750
Capital Work in Progress	2,663	-	-	2,663
Total Property, Plant and Equipment	3,002,144	49,483	77,221	2,924,923

Parent 2012	Parent 2012 Cost \$	Parent 2012 Depreciation Expense \$	Parent 2012 Accumulated Depreciation \$	Parent 2012 Book Value \$
Land	413,000	-	-	413,000
Buildings	128,675	1,959	3,662	125,013
Plant, Equipment & Furniture	114,377	6,283	10,323	104,054
Motor Vehicles	35,416	9,031	14,344	21,072
Capital Work in Progress	239,626	-	-	239,626
Total Property, Plant and Equipment	931,094	17,273	28,329	902,765

Construction of the Cultural Centre was completed during the year with costs transferred from work in progress to buildings.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2013

4. TAXATION EXPENSE

	Group 2013 \$	Parent 2013 \$	Group 2012 \$	Parent 2012 \$
Operating Surplus / (Deficit)	795,853	547,903	(220,735)	(11,933)
Non-taxable Trust Income	(547,903)	(547,903)	246,569	11,933
Income Adjustments	44,235	-	-	-
Taxable Earnings for the Year	292,185	-	25,834	-
Prima facie tax (@ 17.5%)	51,132	-	4,521	-
Tax Expense for the Year	51,132	-	4,521	-

5. INVESTMENTS

	Group 2013 \$	Parent 2013 \$	Group 2012 \$	Parent 2012 \$
Aotearoa Fisheries Limited Shares	425,394	-	216,080	-
Fish Quota	751,289	372,484	772,211	413,038
Rangitane Holdings Limited Shares	-	500,000	-	500,000
Loans to Rangitane Holdings Limited	-	4,789,301	-	4,689,301
Rahotia Marine Farms Ltd Advances	311,349	-	291,649	-
Rahotia Marine Farms Ltd Shares	2,000	-	2,000	-
Bank Deposits	-	-	-	-
Other Investments	14,112	300	32,027	1,473
Total Investments	1,504,144	5,662,085	1,313,967	5,603,812

6. FINANCIAL INSTRUMENTS**Credit Risk**

Financial instruments which are potentially subject the Trust to credit risk consist of bank balances, short term bank deposits and accounts receivable. The Trust does not require collateral or security to support financial instruments. The Trust's bank and short term deposit accounts are with the BNZ bank, Westpac and ASB.

Interest Rate Risk

Financial instruments which potentially subject the Trust to interest rate risk consist of bank balances and short term bank deposits. Interest rates received are the rates prevailing on the money market at the time of investment.

Fair Value

The carrying value of the Trust's financial assets and liabilities are equivalent to their fair value.

7. CONTINGENCIES & CAPITAL COMMITMENTS

The Parent and Group have no contingent liabilities as at 31 March 2013 (2012: nil).

As part of the Settlement with the Crown the Group and Parent have agreed to acquire certain land and properties currently held by the Crown and its related entities. These assets have been agreed as to values that each will be transferred at. In total the value of these properties approximates \$19million and will be transferred once the settlement legislation has been passed by the Government.

The Parent has no other capital commitments as at 31 March 2013 (2012: \$1.5m).

8. RELATED PARTIES

The Trust undertakes various administrative tasks for Rangitane Holdings Limited and received management fees of \$42,000 (2012: \$38,750). Rangitane Holdings Limited charged the Trust rent of \$43,922 (2012: \$34,726). No interest was charged by the parent during the year on the loans made to Rangitane Holdings Limited (2012: \$102,000). The Trust has advanced \$4,789,301 (2012: \$4,689,301) which is interest bearing and repayable over a 5 year term. The Trust has sub-ordinated the loan such that repayments will not negatively impact the solvency of the subsidiary over this period.

Rangitane Holdings Limited has accounts payable of \$4,025 (2012: \$10,033) owing to the Trust as at 31 March 2013.

Rangitane Holdings Limited owns 2,000 shares (\$2,000) representing a 50% ownership interest in Rahotia Marine Farms (2011) Limited. Rangitane Holdings Limited has advanced \$305,900 to Rahotia Marine Farms (2011) Limited. Mark Peters, director of Peters Doig Limited, provides accounting services to Rangitane Holdings Limited and the Trust.

No related party amounts were written off in the year.

9. SUBSEQUENT EVENTS

A component of the settlement is access to Crown IPO's to an amount to \$1.2million. Since balance date Rangitane Trust's application for \$600,000 of Mighty River Power shares was accepted, the additional settlement amount payable has not been accounted for in the current year. While this is consistent with the previously adopted accounting policy it will mean the settlement proceeds will continue to be accounted for into the 2014 accounting period.

There were no further material subsequent events after the balance date that require disclosure to these financial statements.

DIRECTORY

Patron:	Taane MacDonald
Trustees:	Judith MacDonald David Proctor Rata Andrell Richard Andrell Jeffrey Hynes Viveyan Tuhimata-Weke
Accountants:	Peters Doig
Auditor:	Deloitte
Bankers:	ASB and BNZ
Solicitors:	Hardy-Jones Clark

TE RUNANGA A RANGITANE O WAIRAU INCORPORATED

Chair:	Richard Bradley
Komiti Members:	Judith MacDonald, Richard Andrell, Rata Andrell, Jeffrey Hynes, Lawrence MacDonald

RANGITANE HOLDINGS LIMITED

Chair:	Mark Peters
Directors:	Judith MacDonald, Richard Bradley, Bob Penington, Richard Olliver





Rangitane

Te Runanga a Rangitane O Wairau

Level 4, Rangitane House
2 Main Street
Blenheim 7201

PO Box 883
Blenheim 7240
New Zealand

Phone: 03 578 6180
Fax: 03 578 9321

www.rangitane.org.nz