

# **Objective**

The Palmerston North Māori Reserve Trust is an Ahu Whenua Trust constituted under Section 244 of Te Ture Whenua Māori Act 1993.

The Trust is governed by a board of nine Trustees, with Liz Mellish being the current Chairman. Current Trustees are Mark Te One, Takiri Cotterill, Jeanie Hughes, Paula King, Matthew Love-Parata, Wiki Michalanney, Ann Reweti and Aisha Ross.

## Mihi

Tuia i runga, Tuia i raro

Tuia i te here tāngata, ka rongo te pō ka rongo te ao.

Engā whānau whānui

Kei rōtō i ngā kainga, i runga i ngā marae hūri noa

te motu me te waipounamu rānei.

Tēnā koutou katoa.

E ngā tini me ngā mano haere atu rā.

Oti atu.

E te hūnga ora, kia kaha, kia māia, kia manawanui.





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# section one **General**

# Notice of Annual General Meeting

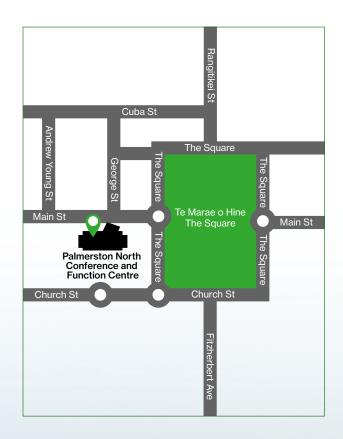


#### PALMERSTON NORTH MĀORI RESERVE TRUST ANNUAL GENERAL MEETING

Saturday 28 August 2021, 10:00am Palmerston North Conference and Function Centre 354 Main Street, Palmerston North, 4410

#### **AGENDA**

Mihi Whakatau / Karakia
Apologies
Minutes of 2020 Annual General Meeting
Report from the Chairman and Trustees
Election of Managing Trustees
Financial Report
Appointment of Auditor
Trustee Remuneration
Annual Distribution
Karakia Whakamutunga



# Report from the Chairman and Trustees



Tū Tama Roto, Tū Tama Waho.

> Tēna koutou katoa kua tae mai nei ki tēnei pānui ki te mau mai i ngā kaupapa. Ka nui te hari mo tō koutou manawa nui ki te huihui mai ki te whakatakoto i ngā pitopito kōrero e pā ana ki tēnei hui. <sup>99</sup>







It is with pleasure I write for our Annual Report the journey of 2020 – 2021 on behalf of our Trustees and management team.

I acknowledge those tūpuna who have passed within this year and there are as always tūpuna who have made a considerable impact on our daily lives as whānau. As I write in this time of Puanga, Matariki the time of reflection and preparation, it is right to begin our journey gathering all those who passed and placing them in our hearts to be the shining stars of the heavens. Haere aturā.

I am writing this whilst the Wellington region is in Level 2 lockdown, so the background of us working with the constant threat of COVID-19 is still truly apparent. However despite the background of COVID-19 the Trust is in very good heart and our business certainly reflects that.

The Trust is going through some huge changes in our management company, Hikoikoi Management Ltd. The biggest change is the retirement of Keith Hindle. Keith has been trying to retire for well over a year now and it is a mark of his committment to the two Trusts and our people that Keith has stayed supporting us until we found a suitable replacement. Not an easy task. I know that Keith and Karen are looking forward to having their golden years playing golf, returning to their beloved South Island and relaxing with a bottle of wine. We are sad to farewell Keith, but Karen will be glad to have him to herself.

We are also farewelling Tracey Heffernan our Accountant and wish her well in her new mahi. In the last year we have seen Gilbert and Cherie Douglas retire from Ngā Tekau A & D Service and by the time we all meet at the AGM in August we will have a new team to introduce to you.





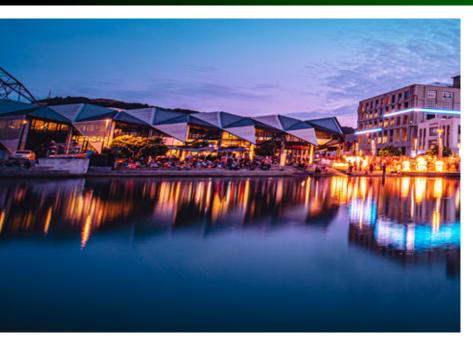
Of course with farewelling Keith we have the opportunity of welcoming Mike Helleur to the leadership role at Hīkoikoi Management Ltd. Mike brings with him an excitement to the role and a wide variety of business experience in property. Mike is well known in the Palmerston North business scene and we are looking forward to introducing him to you all in August.

On the property front we are still very busy with the completion of Steves Tyres on Grey Street, the build at Rangitikei Street which you can see as you drive down Rangitikei Street. Baxter's nine two bedroom apartments are yet to be started and we have needed to slow that project due to accessing materials for the build.

We have purchased the leasehold interest of 121 Grey Street which is a cause for celebration, removing that old Reserve Land status.

What is clear in Palmerston North is that land values have risen steadily over time and strongly in the last year as the strategic vision of the Council comes to fruition. That vision is that Palmerston North has become the transport and distribution hub for the North Island. You will see in our large increase in profit how we have benefited from that growth.

As our technical worlds move at pace and the use of cheques has disappeared and with the mobility of information through mobile phones, i-pads, computers and even television we are changing the format of our Annual Report. Rather than printing hundreds of reports and posting them to find many of the whānau have shifted or their circumstances have changed, we too are changing how we reach you and what methods we use to tell our story. We continue to use the methods of advertising the AGM through the newspapers, newsletter, website and facebook





pages. The Annual Report will be available on our website from August www.pnmrt.maori.nz

Otherwise a phone call to the office in August 0508 445 645 would see one posted to you.

These new methods are the way of the future and I am sure will decrease much waste lowering our carbon footprint as we develop policies and strategies for the next twenty years.

This segways nicely into other work the whānau are doing with Councils to address climate change and our younger people are providing advice and input into Hutt City Council's policies and strategies to reduce their impact on the planet. We continue to undertake beach cleans in Wellington at Whairepo Lagoon and Hīkoikoi where we do beach planting. Again our young people in our Waka Ama club are keen helpers and are active in this mahi.

Our kaumātua are now visiting every Monday and Tanea Pahina is our co-ordinator who has a busy programme for them. Tanea has been watchful of their COVID-19 vaccination programme ensuring they are able to be scheduled in and monitored. The kaumātua often attend functions to support our Pae and we certainly appreciate their presence. Tanea and Kathleen are looking to get more kaumātua in attendance and using the database to track you down.

Takiri and the Manaia Raranga Rōpū are at Hīkoikoi every Thursday enjoying their passion for weaving and growing their beautiful skills. Sharee and Moana with their Te Reo programme operate in Raumati at Hīkoikoi, their classes have a strong rōpū who grow in confidence year on year. Sam Kahui and the Waka Ama club paddle all year round and retain our presence on Te Whanganui a Tara.





Te Raukura, The Wharewaka has faced many COVID-19 challenges and currently the Karaka Cafē is closed on Mondays and Tuesdays. We are pleased to report that the function, conferencing side of the business is doing well. The tourism business of waka and walking is hibernating until such time as we as a nation are vaccinated and the world gets vaccinated to a high degree.

We did have a really good Waitangi Day and birthday celebration and are currently planning for Puanga, Matariki in 2022.

Our education programme Kura Ahurea grows from strength to strength and we highlighted that in the July newsletter. All in all we are in positive mode and our staff are performing so well and building their knowledge in all aspects of Te Ao Māori and the business.

I must thank all our trustees who have set the strategy and followed through and represented us well in all forums.

Ngā Mihi

Liz Mellish, MNZM

Chairman

Palmerston North Māori Reserve Trust

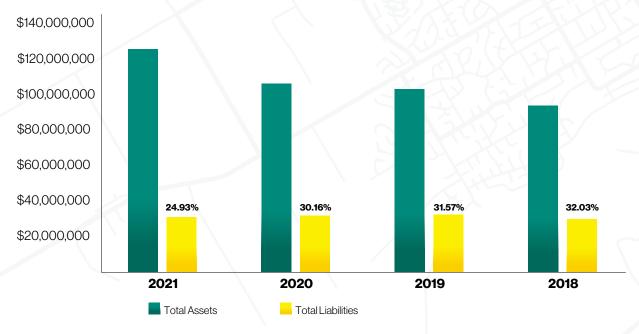
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## **Statistical Information**

2021	2020	2019	2018
1,111	1,089	1,062	1,023
190,831.866	190,831.866	190,831.866	190,831.866
\$126,275,864	\$106,866,812	\$103,551,766	\$94,595,230
\$31,483,338	\$32,227,472	\$32,693,479	\$30,301,892
\$94,792,526	\$74,639,340	\$70,858,287	\$64,293,338
\$496.73	\$391.13	\$371.31	\$336.91
\$6,709,747	\$6,962,983	\$6,685,786	\$6,326,330
\$3,106,334	\$2,814,819	\$2,494,796	\$2,624,138
\$16,287,518	\$1,788,500	\$5,423,062	\$2,604,104
\$21,099,093	\$4,733,444	\$7,512,696	\$6,670,778
\$954,159	\$954,159	\$954,159	\$1,049,575
\$5.00	\$5.00	\$5.00	\$5.50
	1,111 190,831.866 \$126,275,864 \$31,483,338 \$94,792,526 \$496.73 \$6,709,747 \$3,106,334 \$16,287,518 \$21,099,093 \$954,159	1,111 1,089 190,831.866 190,831.866 \$126,275,864 \$106,866,812 \$31,483,338 \$32,227,472 \$94,792,526 \$74,639,340 \$496.73 \$391.13 \$6,709,747 \$6,962,983 \$3,106,334 \$2,814,819 \$16,287,518 \$1,788,500 \$21,099,093 \$4,733,444 \$954,159 \$954,159	1,111       1,089       1,062         190,831.866       190,831.866       190,831.866         \$126,275,864       \$106,866,812       \$103,551,766         \$31,483,338       \$32,227,472       \$32,693,479         \$94,792,526       \$74,639,340       \$70,858,287         \$496.73       \$391.13       \$371.31         \$6,709,747       \$6,962,983       \$6,685,786         \$3,106,334       \$2,814,819       \$2,494,796         \$16,287,518       \$1,788,500       \$5,423,062         \$21,099,093       \$4,733,444       \$7,512,696         \$954,159       \$954,159       \$954,159

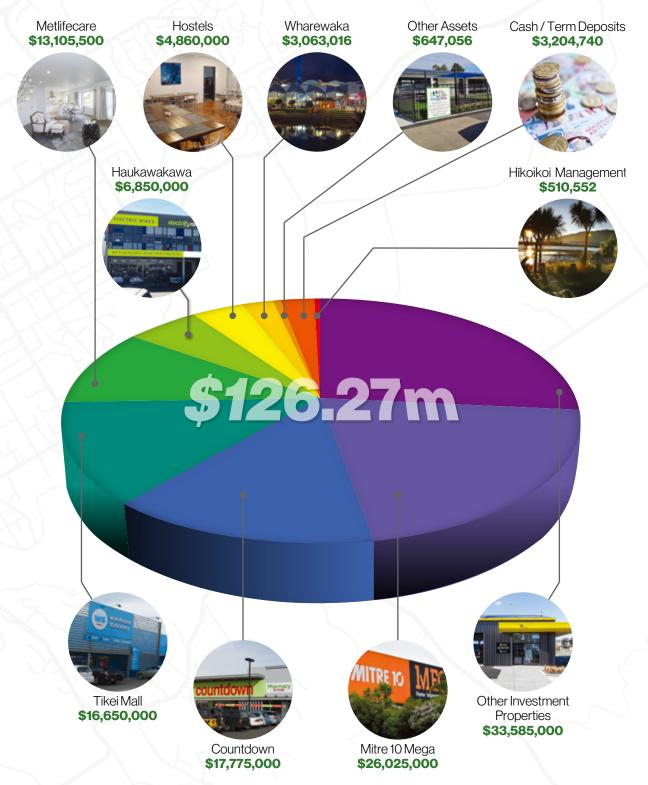
#### **DEBT TO TOTAL ASSETS RATIO**

The illustration below shows the movement in the debt to total assets ratio over the past four years. As at 31 March 2021 the debt to total assets ratio is 24.93%, that is, the total liabilities of the Trust is 24.93% of the Trust's total assets. This is a strengthening of 5.23% from 31 March 2020.

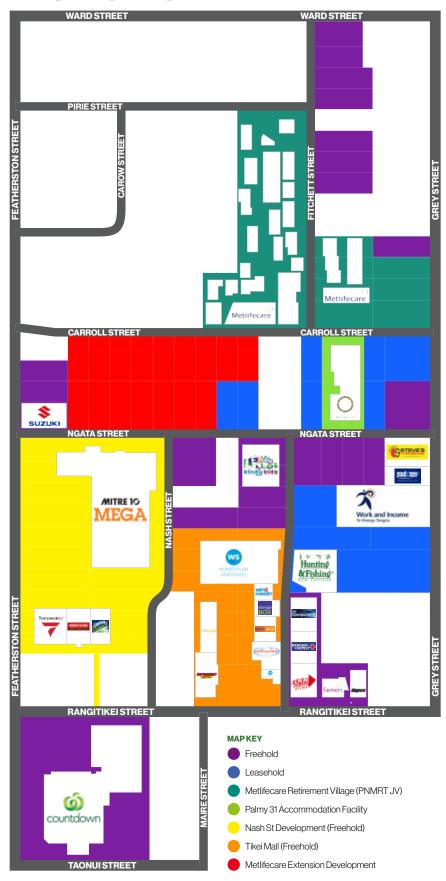


#### **TOTAL ASSETS**

The illustration below shows the breakdown of the total assets of the Trust in graphical form. The graph shows in dollar terms the holdings of the Trust as at 31 March 2021. The diversified nature of the portfolio means that any risk is spread across a range of holdings and returns are generated from a range of sources reducing any potential losses in one particular area.



# **Property Map**



NOTE: Baxter's, 9 Ranfurly St, Palmerston North not shown on map.

## Keith Hindle

Tēnā koutou Ko The Remarkables tōku maunga Ko Shot Over River tōku awa Ko Queenstown tōku wā kāinga Ko Keith Hindle tāku ingoa

Keith has worked for the Wellington Tenths Trust and Palmerston North Māori Reserve Trust since 2005 as the Business Manager for Hīkoikoi Management Limited. He studied at Otago University and holds a Commerce Degree. Keith went on to work in a chartered accounting firm in Dunedin which soon merged with KPMG. Keith spent 2 years in London working for KPMG then returned home to Aotearoa with his family and became a partner of KPMG for over 30 years. He then moved on to become the CEO of Kensington Swan Wellington for 2 years.



Keith is married to Karen and has one daughter living in Australia and the other two in Aotearoa. Keith will now be found either enjoying time with his whānau or back at his home in Queenstown where you will find him on the golf course.

On behalf of both Trusts we wish Keith all the best for the future while acknowledging the huge contribution he and his whānau have made over the past 15 years.

Mauri Ora.

## Michael Helleur

Tēnā koutou No Tāmaki Makaura ahau E tipu ana au ki Whanganui Ko Ruapehu tōku maunga Ko Whanganui tōku awa Ko Michael Helleur tāku ingoa

Michael (Mike) joined Wellington Tenths Trust and Palmerston North Māori Reserve Trust in July 2021. With 30 years of executive experience in management roles Mike has been responsible for leading growth and opportunities across varying commercial sectors and industries. Mike's experience includes working within real estate, property and property management, media, marketing, manufacturing, retail/wholesale, hospitality, entertainment and export.



Mike has a desire to contribute to the success and growth of the Trusts, to share his commercial and personal expertise and knowledge and an interest in learning, working within, and appreciating a Māori cultural environment. Taking on responsibility to enhance, develop and grow the business and its people, he wishes to present and lead advancement through opportunities, so that people of Te Ātiawa/Taranaki iwi katoa benefit. Mike aspires to create long term opportunities for our rangatahi and future generations through that growth and prosperity across the Trusts learnings, initiatives, developments, and successes.

On a personal note, Mike has three tamariki, son Brendan lives in London, and two daughters Janelle and Emma (and mokopuna) live in Australia. Mikes partner Linda currently lives in Whanganui. His interests are in making life better for others, people and personal development. Mikes hobbies include painting, photography, a passion for art collecting/supporting contemporary Māori artist (A Wehipeihana), staying at his cabin in Apiti, walking, travel and riding his Harley Davidson.

#### **Qualifications**

**Bachelor Degree** 

BAPPMGT, Double Major: Strategic Management, Innovation and Entrepreneurship





## Metlifecare Palmerston North Village

Palmerston North Village is set amongst established gardens and has a wonderful sense of community and companionship. Located in the heart of Palmerston North, residents are close to shops, cafes, restaurants, galleries and many other attractions that the city has to offer.

At Palmerston North Village villa and chalet, residents enjoy independent living while knowing they are in a secure environment with the added reassurance of being linked to a 24-hour emergency call system. For residents after additional services such as cleaning, laundry, meals and personal care services, then serviced apartments are the perfect solution with tailor made packages to suit and should your needs change

the team at Metlife are able to offer rest home level care in selected serviced apartments. Palmerston North Village also offers both rest home and residential hospital level care on-site.

#### **Metlifecare New Development**

In June 2021 Trustees and staff welcomed the new CEO Earl Gasparich along with the Board of Directors from Metlifecare to Hīkoikoi with a pōwhiri. The meeting that followed at Hīkoikoi has further strengthened our commitment to our new development with Metlifecare and our joint venture partnership. The team working on the new development are excited to see the progress and with regular meetings planned for the remainder of the year with the development set to begin.

## By the **Numbers**

38 BED REST-HOME HOSPITAL CARE-HOME

SERVICED APARTMENTS

**T** STUDIO APARTMENTS CERTIFIED TO PROVIDE REST-HOME LEVEL CARE

\$13.1 MILLIO

MILLION DOLLARS -CURRENT ASSET VALUE

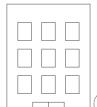
**50%** 

JOINT VENTURE OWNER

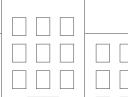
**65** 

**STAFF**EMPLOYED

99 INDEPENDANT VILLAS













## Student Accommodation Baxter's and Palmy 31

The Trust owns two popular student accommodation facilities in Palmerston North, known as Baxter's and Palmy 31, each of 55 rooms and 85 rooms respectively. Located to the south of the Square in Palmerston North's CBD, Baxter's caters more to the Massey University students given its proximity to the campus. To the North of the Square sits Palmy 31, which is the preferred accommodation facility for students at UCoL, with the UCoL campus a short distance from the facility on Ngata Street.

Both facilities offer a strong community feel in a homely environment and each room includes an ensuite, with communal kitchen and lounge arrangements. With wifi internet access, electricity and off-street parking included in the rent rates, these facilities are very popular in the market.

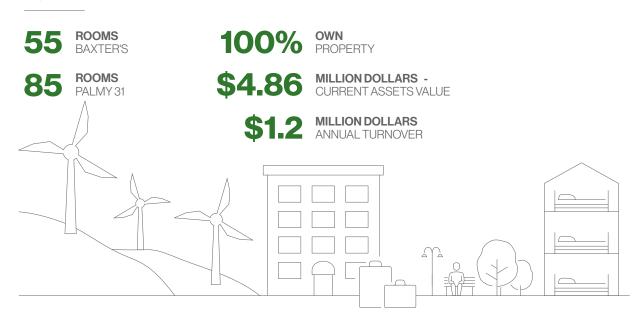
#### **Baxters Limited**

Baxter's sits one block southwest of The Square in the heart of Palmerston North and offers good proximity to Massey University within five minutes' drive. Secure apartment living at these facilities offers independence, private ensuite bathrooms, secure car parking, communal cooking facilities and a fully furnished studio apartment unit. All with a fantastic sense of community.

#### Palmy 31

Palmy 31 accommodation facilities has been designed to provide spacious, independent and secure apartment living in the heart of Palmerston North City. Palmy 31 is located to the north of the CBD at 31 Ngata Street and has 85 studio apartments, again with a mix of single and double sized units.

## By the **Numbers**







# Steve's Tyre Service **Grand Opening**

#### Celebrating Steve's Tyre Services new building.

Construction has been completed on Steve's Tyre Services new building at 67-71 Grey Street. The opening ceremony on 15 April was held at dawn and undertaken by kaumātua from Rangitāne as mana whenua in Palmerston North. The dawn ceremony was very much appreciated by the tenants, Colspec and Chapple Architecture and attended by PNMRT trustees and staff and the weather couldn't have been better.

The previous building occupied by Steve's Tyres will nowbeused as a mechanical workshop to complement the tyre service business. Trustees are very pleased to deliver another very successful project that will serve as a great asset and investment.









## Learn A Lot Kindy Kidz Early Childcare Centre

#### Growing up and learning through play.

Learn A Lot Kindy Kidz is a centrally located Childcare centre offering childhood education and care for children from three months to six years old. Established in 2008 by Kellie Carr, a qualified Early Childhood Teacher, Learn A Lot Kindy Kidz prides itself on its whanaungatanga—kinship, and close connection between staff, whānau and children.

The team at Learn a Lot Kindy Kidz enhance early childhood development by introducing new skills and growing self-esteem through positive play and discovery. Learn a Lot Kindy Kidz help them grow their cultural awareness by developing their awareness to diversity, using Te Reo and fostering knowledge of tangata whenua and tikanga Māori.

## By the **Numbers**

65 CHILD LICENSE CAPACITY

\$2.15 MILLION DOLLARS - CURRENT ASSET VALUE

9 TEACHERS & MANAGEMENT

100% OWN PROPERTY

3 INDIVIDUALISED LEARNING AREAS





# Showcasing Tikei Mall

#### Rangitikei Street's large format retail mall.

Tikei Mall is a large format retail development on Rangitikei Street that currently houses eight tenancies.

Ranging in floor size from 125 square metres to 3,000 square metres and including large national brands, this shopping complex is a popular destination for shopping and dining and provides a solid return on investment for the Trust.

With brands including Warehouse Stationery, Super Cheap Auto, Lighting Plus, Storage Box, Breakers Café, Flex Fitness, Wet & Forget, Bargain Chemist, the Look Smart Store and VR Concepts, the variety of tenancies is clear and the future of the complex is strong.







# Showcasing Mitre 10 Mega

#### **Anchor tenant, Mitre 10 Mega**

Completed in 2011, this former residential block of land was rezoned through the development process to allow for large format retail shopping. With Mitre 10 Mega as the anchor tenant, this is a hugely popular destination for shoppers and a high performing site for the Mitre 10

Mega brand, with its close proximity to the city centre. Complementing the Mitre 10 Mega space are three further national brands including Lighting Direct, Reduced to Clear and Torpedo7.







## Showcasing Haukawakawa Limited Partnership

#### 81-95 Thorndon Quay, Wellington

Haukawakawa Limited properties in Thorndon Quay, Wellington provide the Trust future development opportunities.

#### 81 Thorndon Quay

Introducing you to our tenants at 81 Thorndon Quay.

- ▶ Wilson Carparking
- ▶ Leaders Real Estate

#### 89-95 Thorndon Quay

- ▶ Wellington Electric Bikes
- ▶ Birthright
- ► Creative Costume Hire
- Mary Potter Hospice
- First Floor (Vacant)

Currently the first floor is vacant, for any enquiries contact info@tekau.maori.nz







## Rangatahi Leadership Wānanga Registrations Open

Our week-long Rangatahi Leadership Wānanga is for rangatahi aged between 13-17 years of age that have a direct line of whakapapa to the original tūpuna of Palmerston North Māori Reserve Trust and/or Wellington Tenths Trust.

Applications to go into the draw to attend our 2021 Rangatahi Leadership Wānanga are now open. The wānanga is scheduled to run from Monday 11 October through to Friday 15 October 2021. Successful applicants will stay for four nights at the Trust's site in Hīkoikoi, Petone, Wellington.

The aim is to take our rangatahi on a journey of exploration, to find out who their people are, where their people are from, learn what the iwi is doing today, and how they can be our next generation of future leaders. Their connection to their people and place will be built up over the week through various korero and activities.

For further information and an application pack please contact us at the Executive Office: info@tekau.maori.nz or phone 0508 445 645 or 04 473 2502





Summarised
Consolidated
Financial
Statements

#### Summarised Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 March 2021

		2021	2020
	Note	2021 \$	\$
	Note	,	Ş
Gross Rental Income	1	6,678,888	6,868,991
Other Income		30,859	93,992
Total Income		6,709,747	6,962,983
Direct Property Expenses	1	(2,090,882)	(2,362,274)
Administration Expenses	2	(860,178)	(943,855)
Other Expenses		(57,027)	(53,898)
Total Expenses		(3,008,087)	(3,360,027)
Operating Profit before Net Financing Costs		3,701,660	3,602,956
Net Finance Costs		(595,326)	(788,137)
Operating Profit after Net Financing Costs		3,106,334	2,814,819
Share of Metlifecare Palmerston North Limited Investment Property Revaluation for the year		894,250	113,500
Share of Metlifecare Palmerston North Limited Profit for the y	ear	1,380,250	616,500
Investment Property Revaluation	3	16,287,518	1,788,500
Other Non-Operating Revenue/(Expenses)		(13,346)	(65,462)
Profit Before Income Tax		21,655,006	5,267,857
Income Tax Expense		(555,913)	(534,413)
Total Comprehensive Income/Profit for the year	·	\$21,099,093	\$4,733,444

#### Palmerston North Māori Reserve Trust

#### **Summarised Statement of Cash Flows**

For the year ended 31 March 2021

	2021 \$	2020 \$
Cash Receipts from Tenants	6,843,334	6,860,279
·		, ,
Cash Paid to Suppliers and Employees	(3,029,474)	(3,329,803)
Other Operating Activities	(1,177,062)	(1,199,300)
Net Cash Inflow/(Outflow) from Operating Activities	2,636,798	2,331,176
Purchase of Investment Property	(1,173,182)	(764,057)
Proceeds from Sale of Investment Property	-	2,400,000
Other Investing Activities	181,218	41,356
Net Cash Inflow/(Outflow) from Investing Activities	(991,964)	1,677,299
Net Cash Inflow/(Outflow) from Financing Activities	(960,000)	(460,000)
Distributions Paid to Owners	(878,116)	(1,061,496)
Net Increase/(Decrease) in Cash and Cash Equivalents	(193,282)	2,486,979
Cash and Cash Equivalents at Beginning of Year	3,398,022	911,043
Cash and Cash Equivalents at End of Year	\$3,204,740	\$3,398,022

#### Summarised Consolidated Statement of Changes in Equity

For the year ended 31 March 2021

	2021	2020
	\$	\$
Balance at beginning of year	74,639,340	70,858,287
Profit for the year	21,099,093	4,733,444
Other Movements	8,251	1,769
Distributions Declared	(954,159)	(954,159)
Balance at end of the year	\$94,792,526	\$74,639,340

#### Palmerston North Māori Reserve Trust

#### **Summarised Consolidated Statement of Financial Position**

As at 31 March 2021

Note	2021	2020
	\$	\$
Discretionary Reserve	82,034	73,783
Retained earnings	94,710,492	74,565,557
Total Equity	\$94,792,526	\$74,639,340
Cash and Cash Equivalents	3,204,740	3,398,022
Other Current Assets	152,333	187,907
Total Current Assets	3,357,073	3,585,929
Other Non-Current Assets	265,317	251,369
Related Party Receivables 4	3,650,259	3,697,510
Investment Property Work in Progress	152,715	871,004
Investment Properties 3	105,745,000	87,430,000
Investment in Metlifecare Palmerston North Limited	13,105,500	11,031,000
Total Non-Current Assets	122,918,791	103,280,883
Total Assets	126,275,864	106,866,812
Unclaimed Distributions	1,647,723	1,579,930
Other Current Liabilities	1,858,726	1,759,696
Total Current Liabilities	3,506,449	3,339,626
Interest-Bearing Loans and Borrowings	27,078,323	28,038,323
Other Non-Current Liabilities	898,566	849,523
Total Non-Current Liabilities	27,976,889	28,887,846
Total Liabilities	31,483,338	32,227,472
Net Assets	\$94,792,526	\$74,639,340

#### **Notes to the Summarised Consolidated Financial Statements**

For the year ended 31 March 2021

A summary of the Palmerston North Māori Reserve Trust and its controlled entities (the Group) audited financial statements for the year ended 31 March 2021 are shown in the Financial Summary section of this annual report.

The Summarised Financial Statements have been prepared in accordance with FRS-43: Summary Financial Statements.

The amounts stated in these summary financial statements have been extracted from the full financial statements of the Group dated 23 June 2021, of which an unqualified opinion was given by our auditors, Crowe New Zealand Audit Partnership.

The summary financial statements do not include all disclosures provided in the full financial statements and cannot be expected to provide as complete understanding as provided by the full financial statements of the Group.

The summarised financial statements should be read in conjunction with the statement of accounting policies and notes to the full audited financial statements.

The full financial statements have been prepared in accordance with NZ GAAP. They comply with New Zealand equivalents to International Financial Reporting Standards Reduced Disclosure Regime ("NZ IFRS RDR"). The Group is eligible to report in accordance with NZ IFRS RDR on the basis that it does not have public accountability and is not a large for-profit public sector entity.

The full financial statements were authorised for issue by the Trustees on 23 June 2021. Copies of these are available from the Executive Office and at https://pnmrt.maori.nz/

#### 1. RENTAL INCOME

Rental income from investment property (net of incentives provided to lessees) is recognised in profit or loss on a straight-line basis over the term of the lease.

Leases are operating leases and are classified as an operating lease when the Group substantially retains all the risks and rewards incidental to ownership of the investment property.

Tikei Mall
Nash Street Development
Countdown Supermarket
Hostel Accommodation
Thorndon Quay - Haukawakawa LP
Other

Tikei Mall
Nash Street Development
Countdown Supermarket
Hostel Accommodation
Thorndon Quay - Haukawakawa LP
Other

	2021	
Gross Rental Income	Direct Property Expenses	Net Rental Income
\$	\$	\$
1,205,341	(276,979)	928,362
1,647,775	(305,239)	1,342,536
1,245,500	(95,960)	1,149,540
1,009,052	(671,710)	337,342
251,628	(152,215)	99,413
1,319,592	(588,779)	730,813
\$6,678,888	\$(2,090,882)	\$4,588,006

	2020	
Gross Rental Income	Direct Property Expenses	Net Rental Income
\$	\$	\$
1,197,657	(290,345)	907,312
1,727,497	(315,047)	1,412,450
1,245,500	(97,355)	1,148,145
1,108,842	(671,977)	436,865
204,948	(150,348)	54,600
1,384,547	(837,202)	547,345
\$6,868,991	\$(2,362,274)	\$4,506,717

#### **Notes to the Summarised Consolidated Financial Statements**

For the year ended 31 March 2021

#### 2. ADMINISTRATION EXPENSES

	2021	2020
	\$	\$
Accountancy Fees	47,589	50,275
Audit Fees	34,414	31,782
Bank Charges	3,036	8,878
Cleaning & Laundry	2,323	3,833
Consultancy Fees	3,624	-
Executive Office	436,928	472,701
General Expenses	7,625	5,876
Insurance	28,401	27,164
Koha	400	1,093
Legal Fees	25,104	39,055
Owners' Meetings	35,054	40,130
Postage, Printing & Stationery	1,386	1,293
Memberships & Subscriptions	10,086	11,007
Tangi Contributions	1,400	1,000
Telephone & Internet	2,647	3,104
Trustees' Fees	188,000	188,000
Trustees' Expenses	32,161	58,664
	\$860,178	\$943,855

#### 3. INVESTMENT PROPERTIES

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment property is measured at cost on initial recognition and subsequently at fair value with any change therein recognised in profit or loss.

Investment property comprises a number of commercial and residential properties that are leased to third parties, and a number of bare development properties. For residential properties the lease terms range from six months to 12 months and commercial properties have leases negotiated with periods ranging from three years to 15 years with various rights of renewals.

The Group's accounting policies for investment properties require the determination of fair value. Fair values have been determined for measurement purposes based on the following method. When applicable, further information about the assumptions made in determining fair values is disclosed in this note.

Highest and best use has been determined as each of the investment property's current use and therefore fair value has been determined as follows:

#### Notes to the Summarised Consolidated Financial Statements

For the year ended 31 March 2021

#### 3. INVESTMENT PROPERTIES CONTINUED

An external, independent valuation company (Colliers International (Wellington Valuation) Limited), having appropriate recognised professional qualifications and recent experience in the location and category of property being valued, values the Group's investment property portfolio every year. The fair values are based on market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably.

In the absence of current prices in an active market, the valuations are prepared by considering the estimated rental value of the property. A market yield is applied to the estimated rental value to arrive at the gross property valuation.

Valuations reflect, when appropriate, the type of tenants actually in occupation or responsible for meeting lease commitments or likely to be in occupation after letting vacant accommodation, the allocation of maintenance and insurance responsibilities between the Group and the lessee, and the remaining economic life of the property. When rent reviews or lease renewals are pending with anticipated reversionary increases, it is assumed that all notices, and when appropriate counter-notices, have been served validly and within the appropriate time.

Colliers International (Wellington Valuation) Limited have valued all investment properties for financial reporting purposes at 31 March 2020 and 31 March 2021.

	2021	2020
	\$	\$
Balance at 1 April	87,430,000	85,641,500
22 - 24 Ngata Street Development	1,201,135	-
Steve's Tyres Development	816,460	-
Other Developments	9,887	-
	2,027,482	-
Change in fair value	16,287,518	1,788,500
Balance at 31 March	\$105,745,000	\$87,430,000

#### Notes to the Summarised Consolidated Financial Statements

For the year ended 31 March 2021

#### 3. INVESTMENT PROPERTIES CONTINUED

Carrying Value of Individual Properties: 2021 Additions	Fair Value	2020
\$ \$	\$	\$
Countdown Supermarket - 247-271 Rangitikei Street, PN 17,775,000 -	2,375,000	15,400,000
Tikei Mall - 168-208 Rangitikei Street, PN 16,650,000 -	2,650,000	14,000,000
Nash St Dev(Mitre 10 Mega)-250-270 Featherston Street, PN 26,025,000 -	5,475,000	20,550,000
60,450,000	10,500,000	49,950,000
Hostels		
Palmy 31-29 & 31 Ngata Street, 40 & 42 Carroll Street, PN 2,900,000 -	500,000	2,400,000
Baxters - 9-17 Ranfurly Street, PN 1,960,000 -	310,000	1,650,000
	-	
4,860,000	810,000	4,050,000
Other		
272-276 Featherston Street, PN 1,250,000 -	100,000	1,150,000
61-65 Grey Street, PN 1,000,000 -	100,000	900,000
67-71 Grey Street, PN 1,250,000 816,460	(71,460)	505,000
77-83 Grey Street, PN 680,000 -	100,000	580,000
152-166 Rangitikei Street, PN 1,800,000 -	45,000	1,755,000
38 Carroll Street, PN 410,000 9,887	160,113	240,000
46 Carroll Street & 33 Ngata Street, PN 2,470,000 -	480,000	1,990,000
35 Grey Street, PN 450,000 -	135,000	315,000
33-41 Grey Street, PN 2,350,000 -	275,000	2,075,000
51-59 Grey Street, PN 2,430,000 -	140,000	2,290,000
121 Grey Street, PN 510,000 -	75,000	435,000
19 Ngata Street, PN 420,000 -	100,000	320,000
21 Ngata Street, PN 440,000 -	85,000	355,000
27 Ngata Street, PN 420,000 -	100,000	320,000
32 Ngata Street, PN 620,000 -	25,000	595,000
34 Ngata Street, PN 580,000 -	40,000	540,000
26 Fitchett Street, PN 545,000 -	80,000	465,000
30 Fitchett Street, PN 645,000 -	125,000	520,000
34 Fitchett Street, PN 665,000 -	115,000	550,000
40 Fitchett Street, PN 630,000 -	50,000	580,000
42 Fitchett Street, PN 520,000 -	80,000	440,000
46/46a Fitchett Street, PN 600,000 -	40,000	560,000
48/48a Fitchett Street, PN 620,000 -	100,000	520,000
3 Nash Street & 16 Ngata Street, PN 780,000 -	40,000	740,000
9 - 15 Nash Street & 26 Ngata Street PN 1,150,000 -	75,000	1,075,000
22 - 24 Ngata Street, PN 2,150,000 1,201,135	168,865	780,000
28a/b/ & 30/30b Ngata Street, PN 1,400,000 -	200,000	1,200,000
81 - 87 Thorndon Quay & 89 - 95 Thorndon Quay, Wgtn 6,850,000	675,000	6,175,000
8 - 28 Carroll Street & 3 - 17 Ngata Street, PN 6,800,000 -	1,340,000	5,460,000
40,435,000 2,027,482	4,977,518	33,430,000
\$105,745,000 \$2,027,482	\$16,287,518	\$87,430,000

#### Notes to the Summarised Consolidated Financial Statements

For the year ended 31 March 2021

#### 4. RELATED PARTY TRANSACTIONS

Related party relationships are detailed below. The balances below have arisen from a combination of trading activities and loans.

Transactions with related parties are to be settled in cash. None of these balances are secured. There have been no impairments of related party balances during the year (2020: nil) and there have been no write-offs of related party balances during the year (2020: nil).

Related Party Balances at year end included:

	2021 \$	2020 \$
Receivable from Loans - Wharewaka o Poneke Charitable Trust	3,063,016	3,063,016
Receivable from Trading Activities & Loans - Hīkoikoi Management Ltd	510,552	557,803
Receivable from Loans - Ngahuru Charitable Trust	76,691	76,691
	\$3,650,259	\$3,697,510
Related Party Balances	2 (50 250	2 (07 540
Non-Current Related Party Receivables	3,650,259	3,697,510
	\$3,650,259	\$3,697,510
Reconciliation		
Balance at Beginning of Year	3,697,510	3,642,939
	· · ·	, ,
Net Payments/(Receipts)	(47,251)	54,571
Balance at End of the Year	\$3,650,259	\$3,697,510

The ultimate Parent of the Group is Palmerston North Māori Reserve Trust.

#### Subsidiaries

Set out below is the significant subsidiaries of the Group:

	Principal Activity	Balance Date	Place of Business/Country of Incorporation	Ownership Percentage 2021	Ownership Percentage 2020
Baxters Limited	Hostel Accommodation	March	NZ	100%	100%
Haukawakawa Ltd Partnership	Investment Property	March	NZ	100%	100%

#### Notes to the Summarised Consolidated Financial Statements

For the year ended 31 March 2021

#### 4. RELATED PARTY TRANSACTIONS CONTINUED

#### **Other Related Parties**

In addition to the above, Palmerston North Māori Reserve Trust is related to the following entities:

ENTITY RELATIONSHIP

Wharewaka o Poneke Charitable Trust PNMRT has the right to appoint two trustees

Wharewaka o Poneke Enterprises Limited Common Trusteeship / Directorship

Wellington Tenths TrustCommon TrusteeshipsNgahuru Charitable TrustCommon Trusteeships

#### Transactions with related parties

**Related Party Transactions included:** 

	2021	2020
	\$	\$
Interest received from Wharewaka o Poneke Charitable Trust	60,375	114,375
Interest received/(paid) from/(to) Wellington Tenths Trust	-	4,024
Interest received from Hīkoikoi Management Limited	28,830	36,179
Executive office fees charged by Hīkoikoi Management Limited	(436,928)	(472,701)
	\$(347,723)	\$(318,123)

Balances of Related Party Loans are required to be settled in cash.

Executive office fees are charged by Hikoikoi Management Limited covering expenses incurred in the management and administration of the Palmerston North Māori Reserve Trust and Wellington Tenths Trust.

#### **Trustee Remuneration**

Trustee fees are determined by way of resolution at the Trust's Annual General Meeting. Trustee remuneration by trustee is as follows:

	2021	2020
	\$	\$
Liz Mellish (Chairman)	60,000	60,000
Jeanie Hughes	16,000	16,000
Paula King	16,000	16,000
Matthew Love-Parata	16,000	16,000
Wiki Michalanney	16,000	16,000
Ann Reweti	16,000	16,000
Aisha Ross	16,000	16,000
Mark Te One	16,000	16,000
Takiri Cotterill	16,000	16,000
	\$188,000	\$188,000



Crowe New Zealand Audit Partnership Level 1, Findex House, 57 Willis St, Wellington 6011, New Zealand PO Box 11976, Manners St, Wellington, 6142 Main: +64 4 471 0006 Fax: +64 4 566 6077

# To the Beneficial Owners of Palmerston North Māori Reserve Trust Independent Auditor's Report

Report on the Summary Financial Statements

#### **Opinion**

The summary financial statements, which comprise the summary balance sheet as at 31 March 2021, the summary statement of comprehensive income, summary statement of changes in equity and summary statement of cash flows for the year then ended, and related notes, are derived from the audited financial statements of Palmerston North Maori

#### Reserve Trust for the year ended 31 March 2021.

In our opinion, the accompanying summary financial statements are consistent, in all material respects, with the audited financial statements, in accordance with FRS-43: Summary Financial Statements issued by the New Zealand Accounting Standards Board.

#### **Summary Financial Statements**

The summary financial statements do not contain all the disclosures required by New Zealand equivalents to International Financial Reporting Standards Reduced Disclosure Regime (NZ IFRS RDR). Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements and the auditor's report thereon. The summary financial statements and the audited financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited financial statements.

#### The Audited Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated 23 June 2021. That report also includes a statement that the engagement partner on the audit resulting in the auditor's report was Les Foy.

#### **Directors' Responsibility for the Summary Financial Statements**

Directors are responsible on behalf of the entity for the preparation of the summary financial statements in accordance with FRS-43: Summary Financial Statements.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (New Zealand) (ISA (NZ)) 810 (Revised), Engagements to Report on Summary Financial Statements.

Other than in our capacity as auditor we have no relationship with, or interests in, Palmerston North Maori Reserve Trust.

#### Report on Other Legal and Regulatory Requirements

The Owners' Register conforms and has been properly kept in accordance with the requirements of the Trust Deed.

**Crowe New Zealand Audit Partnership** 

**CHARTERED ACCOUNTANTS** 

23 June 2021

The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is the Crowe Australasia external audit division. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

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# section three Appendices

# Appendix One

### **Minutes**

Palmerston North Māori Reserve Trust Annual General Meeting held on Saturday 5 September at 1.30pm at Pipitea Marae, Thorndon, Wellington

#### TRUSTEES PRESENT

Liz Mellish, Mark Te One, Matthew Love-Parata, Jeanie Hughes, Takiri Cotterill, Paula King, Wiki Michalanney, Ann Reweti. Aisha Ross

#### **ADVISERS PRESENT**

Aaron Titter, Ben Westerman, Christine Beavis, Yvonne Westerman

#### **EXECUTIVE OFFICE AND WELLINGTON OFFICE**

Keith Hindle, Christine Fox, Vicki Hollywell, Kathleen Thompson, Tracey Heffernan, Mo Imrie, Helen Lloyd

#### **ATTENDANCE**

Alamaine McGregor, Anahera Ramsbottom, Anaru Adams, Anihaka Marino, Ann Reweti, Anne Somerville, Ben Westerman, Carrie Tantrum, Chris Sedgwick, Christine Beavis, Colleen James Makowharemahihi, Dianne Andrews, Dione King, Doug Donelan, Doug Workman, Helena Ramsbottom, Hera Hailwood, Jean Cameron, Joseph Ramsbottom, Julia Marino, Karen Ramsbottom, Karin Tucker, Krystal Adamson, Les Foy, Liz Mellish, Mahara Okeroa, Mana Jenkins, Matthew Love-Parata, Murray Fake, Ngaire Robinson, Richard Te One (Snr), Skye Hailwood, Sonia Rogers,

Ngarauru Makowharemahihi, Ngawai King, Paul Michalanney, Paula King, Poiria Love Erskine, Robyn Henare, Taylor Ramsbottom, Te Aroha Henare, Te Karanga Marino, Tony Nuku, Tracey Cameron-Arnold, Tracey Evans.

#### **APOLOGIES**

Allan Brown, Annie Te One, Atamira Te Paki, Carson Robinson, David Love, Dinah King, Marika Kupe-Grant Mauriri, Hine Love-Thompson, June Hagan, Kereana Leith, Kevan Gooch, Kim Matenga, Linda Solomon and Sharus Lawrence, Marama Love, Margaret Reriti, Matthew Reweti, Miriama Te One, Mohi Te One. Morrie Love. Meko Mauriri. Patricia Hemara-Wahanui, Peter & Grace Luke, Piri Te Paki, Phenessa Cosgrove, Reena Huntley, Mona Huntley, Stephen Murray, Tuhi Tuhipo McGregor, Tui Love, Vaughan Gooch, Wikitoria Gear, Wanda Whānau, Tom Taumanu, James Taumanu.

#### **MIHI WHAKATAU AND KARAKIA TIMATANGA**

Mark Te One opened meeting with mihi and karakia followed by waiata 'E Nga Iwi o Te Motu Nei'.

#### **HOUSEKEEPING**

Chairman Liz Mellish explained the housekeeping for Pipitea Marae and COVID-19 rules and regulations for this Annual General Meeting. Reminded owners to complete attendance register for contact tracing purposes and welcomed all those attending webinar. Any questions can be directed through to: info@tekau.maori.nz and will be addressed following the meeting on Monday.

#### **INTRODUCTIONS**

Chairman Liz Mellish invited Trustees to introduce themselves to those attending this meeting and acknowledged Trustees for all work that is done during the year.

# MINUTES OF THE 2019 ANNUAL GENERAL MEETING

#### Resolution

Trustees have reviewed the minutes and recommend that beneficial owners accept the Minutes of the 2019 Annual General Meeting as a true and correct record.

Moved: James Makowharemahihi Seconded: Pamela Workman

#### **CARRIED UNANIMOUSLY**

# MATTERS ARISING FROM THE PREVIOUS MINUTES

Trustees believe that matters arising from the Annual General Meeting are covered in the reports which follow.

#### **ELECTION OF MANAGING TRUSTEES**

The three-year term of Managing Trustees, Takiri Cotterill, Paula King retired by rotation at this annual general meeting and they have offered themselves again.

There were no other candidates nominated for the Managing Trustee positions and therefore an election is not required.

Congratulations to Takiri and Paula.

# Report from the Chairman and Trustees

### **TE WHENUA**

#### **Key Headlines**

During COVID-19 the Trust offered tenants a reduction in rent for two months in Level 4 and have now restored their normal rent.

#### Learn a Lot - Kindy Kidz and Littleez

Early childhood centre was built and now completed during COVID-19. It is located on corner of Ngata and Nash Street Lane. Of note the design of three kete are a key feature at the centre to identify Palmerston North Māori Reserve Trust as owners. This type of design will continue on all new buildings.

#### Countdown Rangitikei Street

Corner Featherston and Rangitikei Street. Business has been going well particularly during COVID-19 and therefore there was no decrease in rent for the owners. A review of accounts will be undertaken this year to ensure that owners are receiving a return on investment as agreed on lease.

#### **Metlifecare Ltd**

Joint venture with Metlifecare.

#### Mitre 10 Mega

Owned 100% - some negotiation was done during lockdown and this was restored as levels eased.

#### Tikei Mall

During COVID-19 the Trust offered tenants a 50% reduction on rent and operating costs for two months in Level 4 and have moved some tenants back gradually. Lines of communication have been open and are ongoing.

#### Wharenoho

- Baxters / Palmy 31.
- Strategic decision made to move investment from housing to commercial property.

# **TE TĀNGATA**

#### **Owners Database and Successions**

Congratulate Kathleen Thompson for all the work done to manage owners database, working with Māori Land Court staff to tidy up successions, searching out owners and successions. Increase in paid out distribution to 62% more this year. Our owners hui 2019 held in Taranaki and Nelson was a success.

#### Rangatahi Wānanga 2020

Due to COVID-19 the wānanga 2020 was deferred until next year. Highlights of the 2019 wānanga included trips to Matiu Island and Dowse Museum. Thanks to the team who facilitated wānanga programme and worked with Rangatahi during the weeklong programme.

#### Cultural and Social - Hīkoikoi Rōpū

Exciting to see activities being undertaken at Hikoikoi that of course have been impacted by COVID-19. Contact tracing and sign in procedures are in place at Hikoikoi, however some of the groups are now meeting online and the kaumātua rōpū meetings have ceased for the immediate future.

Groups operating at Hīkoikoi include:

- Te Rōpū Kaumātua o Hīkoikoi weekly hui are suspended until 2021 with regular contact being continued for the remainder of the year.
- Te Rōpū Raranga o Manaia The raranga rōpū have just completed a piece called 'Wheturangi' this has been worked on for many months and will be blessed at Hīkoikoi on 6th September for its journey to Johnsonville Library (Waitohi).
- Hīkoikoi Waka ama Club current membership 106.
- Te Puna Ihi Manaaki teaching has continued using zoom (online platform) reaching approximately 70 people.

## TE AO ĀMUA

#### **Strategic Direction**

Liz outlined the Trusts three-year strategy providing direction for the Trust, and influenced by these four pou:

- ▶ Property/Economic
- **▶** Environmental
- **▶** Cultural
- ▶ Social

#### **Short Term Focus**

As directed by owners Trustees are focusing direction in the short term on the following:

- Property Development Palmerston North
- Property Development Wellington
- Strengthen relationship with local government both in Wellington and Palmerston North.
- Education Kura Ahurea
- Electronic Database for Rangatahi and Pakeke strengthening those connections, remaining socially connected and extending our reach to advertise the activities of the Trusts.

#### **Baxters Hostel Development**

Resource consent has been granted to build nine two-bedroom units (for whānau) to be completed by 2021. Concept plan is now moving to design features and owners will be updated as this development progresses.

#### **Carroll/Ngata Street Development**

Plan to build 39 housing units on this piece of land with Metlifecare. Indications of interest from another group and owners will be updated as discussions progress regarding this site.

#### Rangitikei Street Development

Concept plans developed and interest from three tenants, the building will be completed late 2021.

#### **Steve's Tyre Service Development**

Development is located across the road on Grey Street from the original building that has experienced earthquake issues. Expected to be completed by end of 2020.

# Wharewaka o Poneke Enterprises – Kura Ahurea

Our education programme Kura Ahurea is being delivered to teachers in twenty-three mainstream primary schools after successful pilot programme was undertaken in 2018. Supported by Ministry of Education, Kura Ahurea will continue to be developed to include four taumata that will be delivered to tamariki from Year 1-8 in both the Hutt and Wellington.

Stories and images were created as part of an exhibition 'Ngā Pou o Roto' launched at Matariki 2020 at Te Raukura. Merchandise has also been developed and launched (examples at meeting in foyer). Marketing will continue to secure additional enrolments from schools during 2020-2021.

#### **Questions from the floor:**

Question from James Wharemakomahihi regarding social housing and developments for owners. Response from the Chair is that Trustees are considering ways in which this can be achieved that will create a fair and equitable platform for owners. Keen to have further discussion.

#### **FINANCIAL REPORT**

Aaron Titter presented the financial report for the year ended 31 March 2020 as follows:

#### **Total Assets**

The assets of the Trust now total \$106.8 million. The total of your investment properties makes up \$87.4 million of this amount, with the full break down discussed in a later slide and on page 18 of your annual report.

#### **Debt to Equity Ratio**

Trend is showing a reduction on liability and an increase in assets through a combination of paying down the bank debt and an increase in asset values. In four years, we have improved our equity by 5%.

#### **Statement of Financial Performance**

The statement of profit and loss is shown on page 16 of your annual report. Starting at the top, total revenue from your properties increased by approximately \$280,000. This is attributable primarily to the Nash Street rental income and an increase in hostel income. This detail can be seen on page 32 of your annual report.

At the same time our direct property expenses increased by approximately \$186,000 which is attributable mainly to repairs and maintenance expenditure of residential properties along with increased expenses related to the Haukawakawa Thorndon Quay property and hostel accommodation. Tikei Mall and Nash Street expenses decreased, with countdown staying consistent.

As a result, the net income from properties increased by approximately \$36,000.

Administration expenses decreased by approximately \$64,000 from 2019 to 2020. The detail of what comprises the administration expenses is shown in note 15 on page 34 of your annual report. The main decreases were legal fees and trustees' expenses.

Net financing costs of the trust continue to decrease as total debt decreases and your trust sources better interest rates.

This leaves your trust with an operating profit of just over \$2.8 million for 2020 versus \$2.5 million for 2019.

The next line is your share of the after-tax profit of Metlifecare followed by the revaluation of your properties.

After deducting income tax on the profits generated, we end up at a net surplus after tax of \$4.73 million versus \$7.51 million for 2019. Overall, another excellent result.

#### **Net Assets**

We now move onto the statement of financial position, or what you own less what you owe.

Total current assets are \$3.58 million for 2020. This included approximately \$3.5 million of cash reserves. The loans to Hikoikoi, the Wharewaka, and Ngahuru Charitable Trust are approximately \$3.69 million.

Your trust has an equity investment in Metlifecare which has a book value of just over \$11 million.

Investment properties the trust owns have a book value of \$87.43 million after accounting for the revaluation increase which has lifted the value of properties. Movements in this property value are outlined in note 3 on pages 24 and 25 of your annual report.

Current liabilities have stayed consistent with 2019 and the term liabilities of the trust have decreased by approximately \$460,000 which is the loan repayments being made.

Deducting total liabilities from the total assets shows a net asset value for your trust of \$74.6 million for 2020 versus \$70.8 million for 2019.

#### **Statement of Cash Flows**

The last statement talks about is the statement of cash flows on page 21 of your annual report.

Your trust generated \$2.3 million from its operations, which includes rents less expenses, including interest.

A net \$1.67 million was received from investments, which includes distributions from Metlifecare and repayments from to related entities.

\$460,000 was repaid to Westpac in respect of the trust mortgages.

And finally, \$1 million was distributed to you as owners either for last year's dividend, or for historic amounts where owners have been identified and funds distributed.

This results in net cash on hand of \$3.4 million in the trust operating accounts.

#### Resolution

It is hereby resolved that beneficial owners approve the audited Financial Statements for the year ended 31 March 2020 as a true and correct record of the Trust's financial position.

Moved: Mathew Love Parata
Seconded: Ria Erskine

#### **CARRIED UNANIMOUSLY**

#### TRUSTEE REMUNERATION

Proposed to remain the same as 2019.

#### Resolution

Trustees recommend that the Trustee Remuneration remain the same level as for 2019:

Chairman: \$60,000 per annum Trustees (each): \$16,000 per annum

Moved: Te Karanga Marino Seconded: Karen Tucker

#### **CARRIED UNANIMOUSLY**

No discussion followed on resolution.

#### **DISTRIBUTION**

Trustees have agreed to retain the share rate from 2019 – of \$5.00 per share.

#### Resolution

Trustees resolved to recommend to beneficial owners that a distribution of \$5.00 per share, being a total commitment of 190,831.866 = \$954,159.30

Moved: Liz Mellish

Seconded: James Wharemakomahihi

#### **CARRIED UNANIMOUSLY**

The distribution is paid into bank accounts in the last week of November. Please ensure your data is current. Reminder distribution is tax free.

#### **AUDITORS RESOLUTION**

Liz acknowledged presence of Les Foy from Crowe New Zealand Audit Partnership.

#### Resolution

It is hereby resolved that beneficial owners appoint Crowe New Zealand Audit Partnership as the independent auditors for the Palmerston North Māori Reserve Trust for the year ending 31 March 2021.

Moved: Mana Jenkins

Seconded: Pam Workman

#### **CARRIED UNANIMOUSLY**

#### **CURRENT ECONOMIC SITUATION**

Accounts are to March 2020 and we went into Level 4 at end of March and therefore below is an outline of current economic situation, this will without a doubt have an impact on Trust. Key points:

- COVID-19 impact is unpredictable
- We have not lost any tenants
- Cash Flow has been maintained
- Balance Sheet is very strong
- Proceeding with developments
- Owners can be assured costs are continually under review

#### THANKS TO OUR ADVISORS / HĪKOIKOI MANAGEMENT TEAM

The Chairman thanked each of the Trustees for their hard work, and their support. She thanked Aaron Titter, Nigel Moody, Paul and Keri Retimanu, Yvonne and Ben Westerman and the team for their day to day help with the properties. The biggest thanks went to the staff, noting that it is a very small staff that runs a \$100 million business. The Chairman also acknowledged that the driving force behind all this laid at the feet of Keith Hindle who has negotiated hard on all transactions on behalf of the Chairman and Trustees and thanked him for this work.

#### KARAKIA WHAKAMUTUNGA

To finish proceedings a 'Karakia mō Matariki' written and recorded by Ben Ngaia for Matariki as a celebration of coming through COVID-19. This karakia was gifted to Wellington by Wharewaka o Pōneke and produced by WellingtonNZ. Karkaia played in conclusion of AGM along with celebration waiata 'Poi E' the original video/recording by Patea Māori Club.

# Appendix Two

### **Trustee Profiles**

#### **TRUSTEE**



Liz Mellish (Chairman)

Tribal Affiliations: Te Ātiawa, Taranaki, Ngāti Ruanui

Liz Mellish is the current Chairman of the Palmerston North Māori Reserve Trust. She was elected a Trustee in 1994. Liz is currently a self-employed contractor and holds directorships, trusteeships and Chair roles on many boards and trusts in Aotearoa. Liz's vision for the Trusts is to ensure the economic, social, cultural and environmental outcomes for the Trust and its owners are reached.

Liz has lived her entire life in the Wairarapa predominantly in Featherston with her husband Graham. She has three daughters and nine mokopuna.

Liz interests are reading, walking, white baiting, gardening and spending time with her whānau.



Mark Te One

Tribal Affiliations: Te Ātiawa, Taranaki

Mark has been a Trustee for many years and during this time been at the forefront of influencing and negotiating with Central and Local Government on many levels. Mark was hugely involved with the Treaty Claim for Port Nicholdson and is well versed in the history of Te Ātiawa and Taranaki whānau in Wellington. He attended the Waitangi Tribunal hearings and worked alongside our historians, lawyers, owners and other Trustees.

Mark is involved on many levels within the trust and among many things is a member on the DHB Maori Health Committee. His personal interests include whānau, sport and music.



**Takiri Cotterill** 

Tribal Affiliation: Te Ātiawa

As a Trustee for the Palmerston North Māori Reserve Trust Takiri brings a passion to see whānau, hāpu and iwi development in all aspects of our lives. With experience as a Company Director for Alpha Corporation Limited and Coastland Shoppingtown Limited. Takiri really enjoys being involved as a Ngahuru Charitable Trust Trustee, supporting social and cultural development initiatives that come under the Wellington Tenths Trust and Palmerston North Māori Reserve Trust umbrella. Takiri has been coordinator of Te Rōpu Raranga o Manaia for the past 11 years which is supported by the Ngahuru Charitable Trust. Takiri has 30 years social work experience working in the area of whānau Māori well-being including community development and working with Rangatahi and Tamariki care and protection.

#### **TRUSTEE**



**Ann Reweti** 

Tribal Affiliations: Te Ātiawa, Taranaki, Ngāti Tama, Ngāti Tara

Ann was appointed as a Trustee of the Palmerston North Māori Reserve Trust in 2009. She is also a Trustee of Te Wharewaka o Pōneke Charitable Trust.

Ann has worked for Wellington City Libraries for over 30 years of her working life with her latest tenure there from 1992-present as the Business Development Customer Specialist, Māori. Ann has a Bachelor of Mātauranga Māori (BMM)1997, and a Bachelor of Māori and Information Management (BMIM) 2002 from Te Wānanga o Raukawa.

Ann supervised the production of four volumes of Nga Tūpuna o Te Whanganui-a-Tara – which has around 100 profiles of our people migrating to and living in this rohe from 1830 onwards.



Wiki Michalanney

Tribal Affiliations: Te Ātiawa, Ngāti Maniapoto

Wiki was elected to the Palmerston North Māori Reserve Trust in 2010.

Wiki lives in Waitara, Taranaki. She is a Justice of the Peace and a Marriage Celebrant and continues to provide administrative and project management support for the Te Ātiawa Kaumātua Housing Trust and is a Trustee for Ngāti Rahiri Hapū and Maniaroa Pā Trust in Mokau, and is an independent appointee working with Marae Trustees on the Owae Marae redevelopment project.

Wiki is a Life Member of the Māori Women's Welfare League, Waitara Branch Treasurer/Secretary, and in 2018 was elected President Aotea Region. She has held numerous other positions for the league, Treasurer, Area Representative, and Project Coordinator. Wiki would like to share this quote 'The best preparation for tomorrow is doing your best today.'

Tatau Tatau.



**Paula King** 

Tribal Affiliations: Ngaruahine, Ngati Ruanui, Te Ātiawa, Taranaki lwi

Proudly Taranaki born and bred, Paula lives in Hawera. Her qualifications and experience are in Business (Trustee and Company Director), Education (Head of Department - Accounting, Economics and Financial Literacy; and Careers Advisor), and Property Management. Paula utilises these skills as a member of our Audit and Risk Committee.

In the community Paula has volunteered as a Teacher Aide, Budget Advisor, and Auditor. She has also served as a coach, manager and administrator for multiple sporting codes. Paula has a personal interest in whakapapa research and relishes spending time with her whānau.

#### TRUSTEE



**Jeanie Hughes** 

Tribal Affiliations: Te Ātiawa, Taranaki.

Born and raised at Waiwhetu, Jeanie is the youngest child of four children and the only daughter of Manu and Jean Taumanu.

Jeanie has been a Trustee on the Wellington Tenths Trust and the Palmerston North Māori Reserve Trust since 2006. Her motivation for being a Trustee is "is it right for our owners?" as being a Trustee is a huge commitment and a lot of responsibility. Jeanie was raised to be honest, with principles, and will help anyone if asked and if warranted. She is retired, a mother to one daughter, and nanny to six mokopuna. She enjoys golf and belongs to Cambridge Golf Club, loves music and her whānau.



Aisha Ross

Tribal Affiliations: Ngāruahine, Te Ātiawa, Taranaki, and Ngāti Ruanui iwi whakapapa.

Aisha has recently accepted an appointment as General Partner with Hillfarrance, a New Zealand based venture capital firm with offices in Auckland and the Waikato. Aisha brings his expertise and passion for empowering entrepreneurs to build sustainable, successful businesses that embrace and project te ao Māori.

Aisha has an extensive background and is accomplished in management and marketing, as well as governance and business strategy. He has held a number of governance roles in the dairy, fishery, and commercial and residential property sectors. He is also a Masters graduate of Waikato University and Masters candidate at Tech Future Lab NZ.



**Matthew Love-Parata** 

Tribal Affiliations: Te Ātiawa, Taranaki, Ngāti Tama, Ngāti Te Whiti, Ngāti Toa

Matthew has been a Trustee with the Palmerston North Māori Reserve Trust from 1988-2012, and a Trustee with both the Palmerston North Māori Reserve Trust and the Wellington Tenths Trust since 2013. His focus in both Trusts is towards growing our portfolio's, developing the assets for our owners, making good decisions (with risk averse progress), and looking to the future to improve support for our people.

With an extensive background in the building industry, Matthew is an experienced Trustee supporting property development initiatives.

He is blessed with a daughter Trudy and son Darren, with Adrienne (D. 1989), and blessed again with two more tamariki with his marriage to Joanne. Joshua and Louie are now both at Auckland University. They have three wonderful mokepuna.











**Phone:** 04 473 2502 or **Freephone:** 0508 445 645 Email: info@tekau.maori.nz

# Palmerston North Māori Reserve Trust **Proxy Form 2021**

<u>I</u>		
OF		
BEING AN OWNER IN THE PALMERS	TON NORTH MĀORI RESERVE TRUST	
SHAREHOLDER NUMBER		
DO HEREBY APPOINT		
OR FAILING HIM/HER		
	ND VOTE ON ALL MATTERS AT THE ANNI DN SATURDAY 28 AUGUST 2021, AND AT A	
DATED THIS	DAYOF	2021
SIGNATURE OF OWNER		
IN THE PRESENCE OF WITNESS (SEE 11.25 OF THE ATTACHED PROXY VOTING	RULES)	
OCCUPATION		
ADDRESS		

#### **NOTES:**

The proxy form when completed must either be handed in at the meeting or lodged with the secretary or the executive office of the Trust before 10.00am on the working day before the meeting (see 11.26 of the attached Proxy Voting Rules) A proxy must be an owner or a descendant of an owner (see 11.23 of the attached Proxy Voting Rules)



# Palmerston North Māori Reserve Trust **Proxy Voting Rules**

The rules are contained at clause 11 of the Trust Deed and are set out as follows:

#### **PROXY**

- **11.23** A proxy must be an owner or a descendant of an owner.
- **11.24** If an owner giving the proxy is opposed to:
  - a any exchange;
  - **b** any lease;
  - c any other proposed resolution;

he or she is entitled to direct his or her proxy to vote against any of these. For that purpose he or she must write in the space provided on the proxy such directions as he or she requires, namely:

- **d** I direct my proxy to vote against any exchange; or
- **e** I direct my proxy to vote against any lease of the land; or
- **f** I direct my proxy to vote against the proposed resolution.
- **11.25** The persons following are qualified to act as witness to a signature on a proxy form:

Kaumātua

Solicitor of the High Court

Justice of the Peace

Officer of the Māori Land Court

Licensed Interpreter of the Māori language

Registered Medical Practitioner

Officiating Minister

Registered Nurse

Registered School Teacher

Officer of the Department of Justice

Chartered Accountant.

11.26 The proxy form when completed must either be handed in at the meeting or lodged with the secretary or the executive office of the Trust before 10.00am on the working day before the meeting.

#### INSTRUMENT OF APPOINTMENT

- 11.27 No person shall be entitled to vote as proxy at a meeting unless the chairperson of the meeting is satisfied that the instrument containing his or her appointment is prima facie in order.
- 11.28 If any instrument of appointment is ruled by the chairperson to be out of order, the reason for the ruling shall be certified on the instrument.
- 11.29 The chairperson of the meeting shall, on request, give to any person entitled to vote at the meeting an opportunity to inspect any instrument of appointment which has been lodged and to raise any objection to the instrument.

# CANCELLATION AND LAPSE OF APPOINTMENT

- 11.30 An appointment as proxy may be cancelled by the person who has given the proxy by writing by him or her and either lodged at the notified office of the Trust before 10.00 am on the last working day before the day of the meeting or lodged with the chairperson of the meeting.
- 11.31 An appointment as proxy shall lapse on the death of the person giving the proxy or on the cancellation of the appointment as provided in the immediately preceding subclause.
- 11.32 If a person who has appointed a proxy attends the meeting personally and notifies the chairperson that he or she is present and the chairperson notifies the meeting accordingly the proxy shall not vote for him or her after the chairperson's notification, but the validity of voting which has already been completed prior to that notification to the meeting shall not be affected thereby.



# Palmerston North Māori Reserve Trust **Contact us...**

#### **Executive Office**

24d Marine Parade, Hikoikoi, Petone PO Box 39294, Lower Hutt 5045

Phone: 04 473 2502

Freephone: 0508 445 645 Email: info@tekau.maori.nz

Web: www.tekau.maori.nz

#### **Executive Office Staff**

Mike Helleur, Chief Executive Officer
Vicki Hollywell, Operations Manager
Christine Fox, Trust Secretary
Kathleen Thompson, Database Administrator
Mo Imrie, Administrator
Tanea Pahina, Kaumātua Health & Well-Being Co-ordinator
Helen Lloyd, Kura Ahurea Programme Administrator

#### **Wellington Office**

Level 1, Te Raukura, (Te Wharewaka) 2 Taranaki Street, Wellington PO Box 24599, Wellington 6146

Phone: 04 901 3332

Phone: 04 901 3333 (Wharewaka Tours)

#### Wharewaka o Poneke Tours Staff

Christine Fox, Tourism Manager

#### Ngā Tekau Alcohol & Drug Service

Lena Leatherby, Senior Clinician Maree Robertson, Student Clinician



