



Raukawa Iwi
Development Limited

2021
Annual Report

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WHO WE ARE

Raukawa Iwi Development Limited ('RIDL') is the investment arm of the **Raukawa Settlement Trust ('RST')**.

RST established **RIDL** to undertake all commercial and investment activities, including management of the pūtea and certain commercially relevant rights arising from RST's settlement with the Crown.

The scope and nature of commercial activities includes, but is not limited to:

- Management of the settlement pūtea of Raukawa
- Acquisition and management Settlement properties with a commercial application
- Interest in pan-iwi entities with commercial activities, such as CNI Iwi Holdings Limited
- Management of fisheries settlement through management of Raukawa Asset Holding Company Limited (a related party).



RIDL 2021 HIGHLIGHTS

\$25.9m

total comprehensive income
(before tax and donations)

A total return of

16.6%

on balance sheet equity – a record

3.7m

total donations and dividends

Total balance sheet assets of

\$186.0m

up \$21.6m on last year

**New
Investments**

in agribusiness and housing



OUR VISION

RIDL's vision is to be an outstanding iwi investment company and a respected leader within the Māori economy.

RIDL aims to grow the wealth and influence of Raukawa through excellent management of its assets in a manner that provides sustainable distributions or its shareholders, now and in the future.

Our Objectives

Excellence

Achieve leading asset-level, risk-adjusted returns

Growth

Sustain and grow distributions to fund wider Raukawa goals

Leadership

Enhance the mana of Raukawa through commercial and financial success

Integrity

Uphold and promote Raukawa values

Our Investment Approach

Disciplined

RIDL will take a long-term commercially disciplined approach to its investment decisions and will only invest where it believes it can generate appropriate risk-adjusted returns on capital.

Long-term

RIDL will invest directly into areas in which it enjoys a competitive advantage through scale, investment time horizon, statutory rights, strong relationships or existing capability. In situations where direct investment opportunities do not exist or when RIDL does not possess the required capability, RIDL will use passive financial investment.

Balanced

RIDL will seek a balanced portfolio that generates the necessary cash flow to sustain distributions but also provides for long-term capital growth.

Partnership

Working with like minded other investors, especially iwi, where we can.

FROM THE CHAIR



This past financial year has been another disrupted one for individuals, families, communities and countries. As I write this, Aotearoa once again seems to be facing further uncertainty, as we were in 2020.

Unlike RST and RCT, RIDL has the luxury of being able to focus on the narrower task of investment and finance. We think this is the best way we can help: investing appropriately to grow the wealth of Raukawa. This in turn financially supports the iwi's social and cultural priorities.

An unusual aspect of FY21 is that despite the social, travel and other chaos, investment markets have performed well and RIDL has been well positioned to benefit.

We delivered an operating return (before tax and donations) on opening equity of 12.3% and a total return (before tax and donations) of \$25.9m or 16.6%. This was a record for us both in dollar terms and in percentage return.

Such returns are all the more surprising when I look back at what I wrote this time last year:

"There was a dramatic impact on listed markets around the world and this was felt in some of our fund holdings. Some investments fell by over 10% over the February-March period when panic peaked. By year's end though almost all losses had been recovered."

I didn't realise at the time that investors and markets were witnessing the beginnings of what has turned out to be a strong economic recovery.

To a large extent, this has been driven by policy responses to the initial Covid-19 downturn.

Governments around the world have borrowed large amounts of money to spend and they have printed money to keep interest rates low and encouraged others to borrow and spend too.

The results have been uneven. Workers in some industries, especially if connected to property and construction, have often done well.

Workers in other industries have faced difficulties. But the real winner is asset values. Cheap money has pushed asset values higher – especially property and shares. These are the sorts of things RIDL invests in.

All this is a long way of saying that we are pleased to have generated a good return for Raukawa. We believe we have a good strategy that suits our goals and have implemented it prudently. But in FY21 we know we have also benefited from policy tailwinds.

“

E tōaitia ana ngā kupu whakamānawa ki te iwi kua pokea nuitia nei e ngā whakawhiunga o te tau. Ko ngā mātāpono tonu ō tō tātou iwi kua tū hei pou whakawhirinaki mā tātou e koke nei i te oranga o te iwi. Ahakoa ngā pierenuku o te wā, kua nui ngā piki, e kake tonu ana tātou i te ara ki angitu e mana ai te kōrero, kia mau, kia ora tātou.

”

Not that everything has been rosy. As I mentioned last year, we have an interest in an Australasian infrastructure fund that counts airports as its major assets. This has continued to suffer as travel into, out of and around Australasia has remained constrained. We have kept our holding in the belief that we invested for the long term and do not need to sell below what we think is long term value. We hope this does better in the coming year or two, as global travel routes re-opens.

We have not made much money on the cash we held. Interest rates have been very low in support of Covid-19 recovery. We have material cash holdings because of where we are in our investment strategy implementation and our policy of patience while we wait for the right opportunities. Cash has reduced markedly through FY21 however and will reduce further.

New investment activity

We have, however, deployed around \$20m of cash through the year as we undertook new investments.

The main ones have been:

- Increasing our commitment to Hāpai Commercial Property, alongside all the other investing iwi
- Making a commitment to a related investment vehicle that will develop housing for long term lease
- Participating in a new iwi collective known as 'Pūainuku' to acquire a minority stake in one of New Zealand's largest pastoral dairy farms. This is a major new step for us along the lines of our creation of what was to become the Hāpai partnership in 2019. We are looking to build a diversified portfolio of stakes in leading agribusinesses over the coming years
- We have also been undertaking work at the former Tokoroa East primary school site to try and develop this for a range of community, affordable and private housing.

More information on these and our assets is included in the following pages.

Our strategy

Our activity reflects our strategy.

We want to build a diversified portfolio of high-quality assets which we will hold for the long-term and we think the best way to go about this is to:

- Invest directly
- Focus on high quality
- Work with aligned other iwi to build scale and efficiency
- Move prudently

Financial highlights

Within our overall performance some standouts were:

- Hāpai Commercial – which delivered good income and very strong value gains for an operating return of 8.4% and a total return (including revaluations) of 49%
- Our interest in the Central North Island forest lands returned a bumper \$3.0m
- Our managed funds portfolio returned around 21%
- Ranginui Station had a good year with a total return of 11% and paid its first dividend. This was a good outcome and reflects a strong milk price but also the years of investment we have put into this asset.



Inter-generational focus

The dollar profit is about half the total settlement for land claims received from the Crown in 2013.

This is a tribute to the importance of time in investing, the power of compound returns and to the prudence that RST exercises on behalf of all members as shareholders. The result is the positive cycle of compound returns: higher returns allowing more reinvestment, which generates further returns.

Our goal is to grow the real wealth of Raukawa per capita.

We track this by calculating what inflation and growth in iwi membership has been since settlement. What we have been able to earn above this level counts as our real retained earnings. By the end of FY21 this stood at \$38m. This is the real value RIDL has been able to generate for Raukawa (in addition to distributions paid).

The year ahead

As I noted above, we remain beset by uncertainty as I write. We do not know what will happen with borders, immigration, lockdowns, re-openings or even with newly emergent Covid-19 variants. We are also unclear about inflation and how the Reserve Bank will choose to fight it.

We will try and keep as steady as we can and support Raukawa by running an efficient and effective investment organisation of which I hope iwi members can be proud.

We will continue to prudently implement our investment strategy and some of our key target areas are included in another section later in this report.

In fact, at time of writing and since financial year end we have concluded a further three investments:

- We invested into two Pūainuku Collective “offspring” funds to invest in further primary sector businesses. The first is a purchase and leaseback of vineyard land in Marlborough, the second into a small parcel of koura quota
- We have invested into a new member of the Hāpai family. This will focus on undertaking development projects that will be sold once completed

These vehicles are with the same investors as the initial Pūainuku dairy investment and the other Hāpai vehicles. We are building strong relationships with focused iwi investors that are mutually beneficial. This is one of our long-term goals.



Kei a koutou katoa e aku rangatira, kua roa e takahi ana i te huarahi o te ora o tō tātou iwi. Kei ngā ringaringa, ngā waewae, o inanahi, o āpōpō, o anamata. Kia kotahi te hoe, e mānū ai tātou i ngā tai tē kitea ki te taumata o angitu, o te oranga tonutanga o Raukawa te iwi, o Raukawa te tangata.



We will also be keeping our usual eye on wider economic conditions. Inflation is now at record highs. The value of money is going backwards and real returns on cash are deeply negative. Monetary and fiscal policy makers have some tough choices ahead of them to balance wider stability with jobs and growth. We see inflation as a risk and are pleased to have good exposure to relatively well protected assets. We also see New Zealand domestic growth as facing challenges and have likewise been pleased to have exposure to overseas markets through equity investment but also through some of our direct assets locally that export into markets of rising prices. As always, we will proceed with caution and patience.

Conclusion

The RIDL board has always benefited from strong communication with RST through the trustee directors working closely with the independents such as myself. This has been a key part of RIDL's success and we look forward to it continuing.

I would like to extend my personal thanks to other directors: Jon Stokes, Gaylene Roberts, Deb Davies, Vanessa Eparaima and latterly Nachele Griffiths and Kataraina Hodge.

I would like to make special mention of Vanessa - who has stepped back from RST Chair – and thank her for all the support she has given me personally and RIDL in general over the years. The financial results RIDL has achieved since its inception are in no small way due to Vanessa's drive, passion and determination that the Board would always operate at a very high level of Governance excellence. Vanessa remains a director, and we are grateful for it.

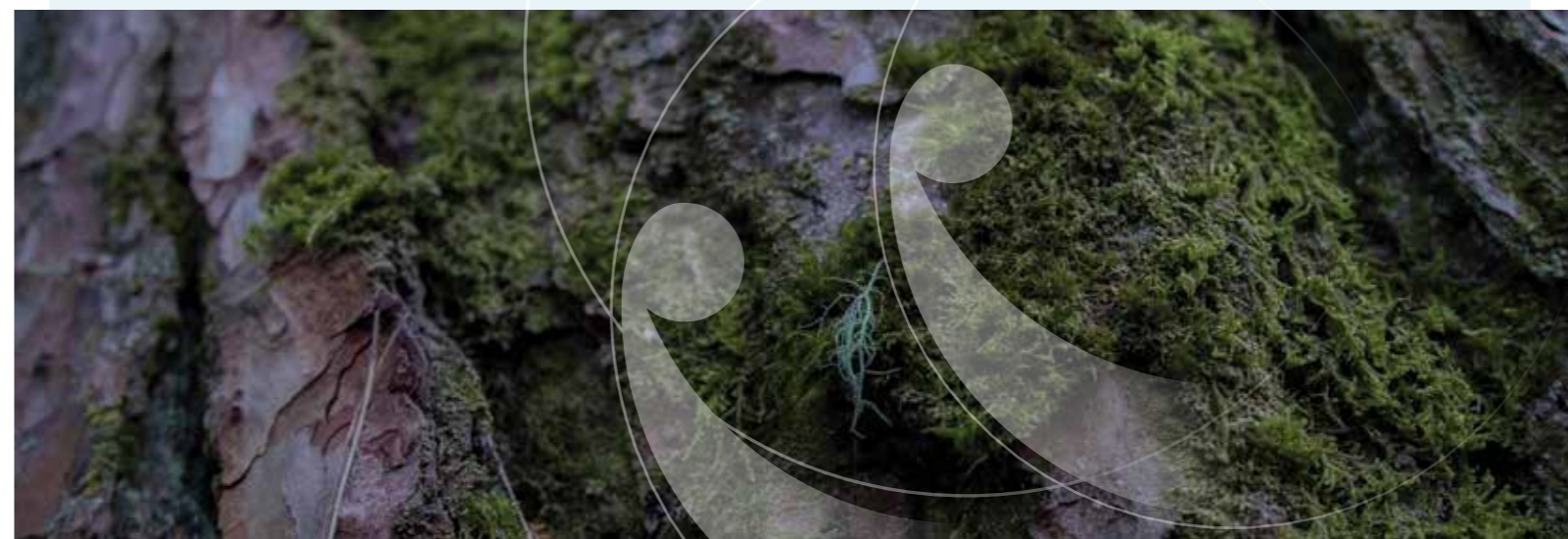
At the same time, congratulations to Kataraina on being elected as Chair of RST. We're honoured to have you on the Board with us too and hope we can support you in this coming year and into the future.

I would also like to thank Kim Blomfield for her ongoing support of RIDL and the Board, the team at our accountants, VBW, and the team at Koau who continue to provide investment and general management services to us.

Best wishes to all iwi members for the year ahead and let's hope it brings something like normality for us all.

John Spencer CNZM

Chair, Raukawa Iwi Development Limited and Raukawa Asset Holdings Company



OUR DIRECTORS



John Spencer CNZM

John Spencer is a Wellington-based businessman and company director. His background includes a period as the chief executive of NZ Dairy Group - one of the two dairy companies that merged to form Fonterra and has held a number of senior management positions in New Zealand and overseas in various industries. He previously chaired Tainui Group Holdings, Mitre 10, Kiwirail and the Tertiary Education Commission, amongst many others.

John was appointed a Companion of the New Zealand Order of Merit in June 2011 for services to business.

John was appointed independent director and chair of RIDL in August 2012.



Kataraina Hodge QSM

Kataraina Hodge is deeply embedded in Raukawa and in the Waikato region. She is the chair of the Raukawa Settlement Trust and Whakamarama marae rep.

Kataraina is Ngā Tai ki Uta Māori Ward councillor of the Waikato Regional Council and also the Council's deputy chair. She has previously served as deputy chair of RST and was Whakamarama rep from 2009. Kataraina has also acted as co general manager of RCT. She received the Queen's Service Medal for services to Māori in 2015.

In addition to her Raukawa affiliation, Kataraina has links to Ngāti Tahu/Ngāti Whaoa, Ngāti Kearoa/Ngāti Tūara, Ngāti Hauā and Ngāti Maniapoto.



Vanessa Eparaima MNZM

Vanessa is a business consultant, company director and former chief executive in the tourism sector.

She is Chair of tertiary institution Te Wānanga o Aotearoa and Co-chair of the forestry land management company CNI Iwi Land Management Ltd. She sits on a range of commercial, investment and not-for-profit boards.

Vanessa was previously Chief Negotiator for the Raukawa treaty negotiations and was the Executive Chair of the Raukawa Settlement Trust from February 2012 to mid-2021. Vanessa was also the inaugural Chair of Raukawa Iwi Development and remains a director.

Vanessa is a passionate advocate for Māori and the community, across a range of sectors. She has a strong history of working with the wider community, kaumātua, iwi chairs, Ministers, Members of Parliament, and numerous stakeholders to achieve positive outcomes for those she serves.



Debbie Davies

Debbie Davies is the Pikitu marae representative on the Raukawa Settlement Trust (RST). She has been an elected member of the Raukawa Charitable Trust Board (RCT) for eight years. Debbie is the Chair of the RCT Audit and Risk Committee.

Debbie's professional background is in farming, forestry, and the timber and energy sector.

Debbie serves as a director and trustee on a range of residential development, and not-for-profit organisations. These organisations have included the Lake Taupo Coastguards, Taupo Hospital Society, Iwi Maori Council and the Lake Taupo Basketball Association.

Debbie affiliates to Raukawa and Ngati Tuwharetoa.



Nachele Griffiths

Nachele Griffiths (known as Charlie) brings 20 years' experience in governance roles and Maori development.

Charlie is a trustee of the Raukawa Settlement Trust and marae rep for Ongaroto. She is a board member of the Waikato River Authority and a former chair of Queen Elizabeth College (Palmerston North). She also previously served as a director of Hautaki Limited.

Charlie is also a trustee of Tuaropaki Trust and a director of several of its investee companies, including Gourmet Mokai and Century Drilling.



Jon Stokes

Jon is a company director, strategic adviser and communications specialist. Jon had an earlier career in journalism and is now managing director of Stokes Communications.

Jon is also an expert in risk assessment and crisis management, focusing on best practice governance in all entities with which he has involvement.

Jon is appointed to the RIDL board as a non-trustee iwi member. He is also on the board of Te Wananga o Aotearoa, amongst others.

Jon affiliates to Raukawa and Maniapoto. Jon's marae is Whakamārama.





OUR PORTFOLIO AND FINANCIAL PERFORMANCE

Introduction

RIDL is Raukawa’s main financial arm however, for compliance purposes, settlement fisheries assets are held through RAHC, an asset holding company for the purposes of the Māori Fisheries Act.

From the point of view of portfolio structuring, investment strategy, financial risk management and financial performance, we analyse across both entities. This informal “Raukawa Commercial Group” thus covers all Raukawa’s commercial assets.

The primary way we think of these assets is in terms of the reliability of their income generation.

- Income assets deliver steady, reliable income
- Operating or growth assets deliver higher income but with more volatility
- Long term growth assets may deliver no or low income or may even require ongoing capital investment or holding costs

This classification system is the set of building blocks for our portfolio. Within it we then differentiate by investment style (such as direct or financial), asset type and other critical characteristics to manage concentration and other risks.

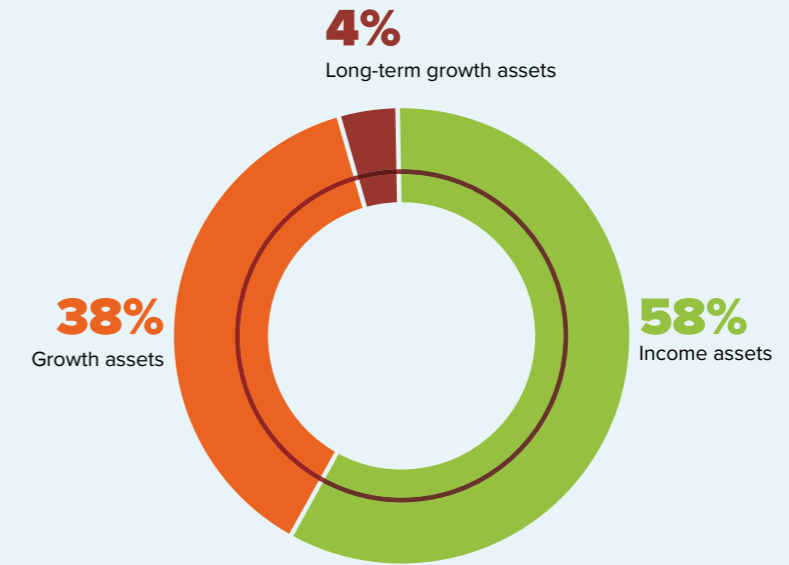
Our portfolio at the end of FY21 is to the right. This includes the CNI asset at market value (this asset does not appear on our balance sheet as it is an interest in an income stream and is covered in the notes to the accounts) and the quota in RAHC at market value (in the statutory accounts quota is recorded at cost however the market values are included in the notes).

As you can see our portfolio is becoming well diversified.

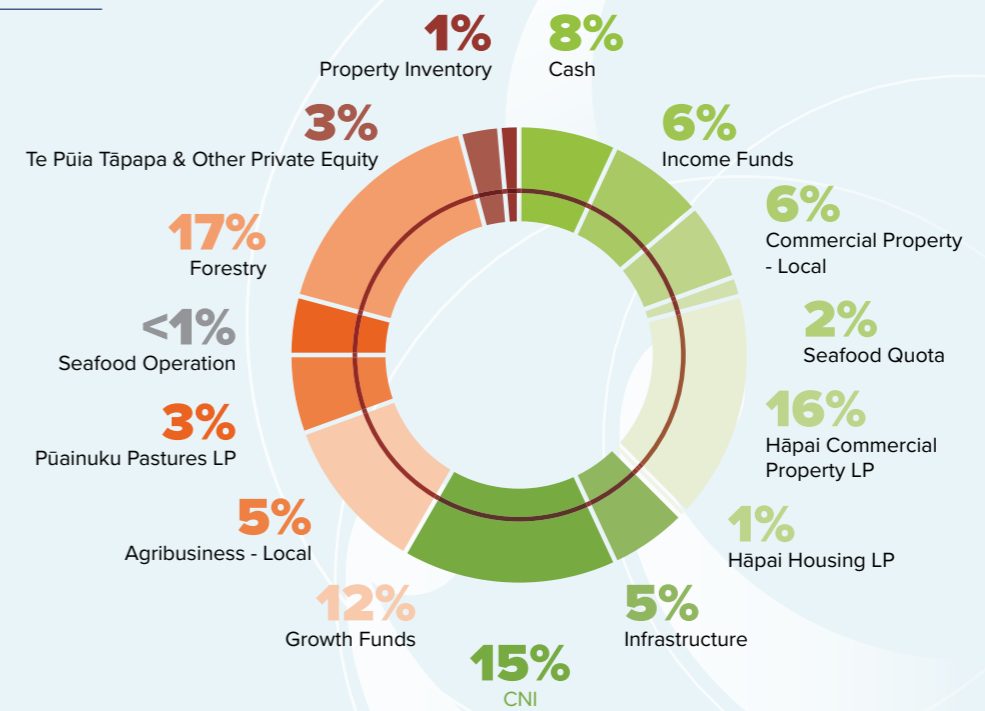
This has given us greater resilience and is delivering improved performance as we add on risks.

We feel comfortable doing this in a structured way within the broad target of a balanced portfolio. The portfolio will continue to diversify over the coming years as we reinvest and take on new assets.

Raukawa Commercial Group Portfolio by Risk FY21



Raukawa Commercial Group Portfolio by Asset FY21



FINANCIAL PERFORMANCE - RIDL

Profit and Loss

Raukawa Iwi Development Limited

Revenue	\$m 2021	\$m 2020
Finance & investment revenue	4.9	4.5
Other revenue	0.7	1.3
Changes in the Fair Value of Investment Properties	1.8	1.6
Share of the net profit/(loss) of equity accounted associates	12.50	2.6
Expenses	(0.8)	(0.9)
Net Profit before tax and donations	19.1	9.1
Other Comprehensive Income	6.8	1.0
Total Comprehensive Income before tax and donations	25.9	10.2
Tax	(0.9)	(0.7)
Donations	(3.0)	(2.7)
Total Comprehensive Income	22.0	6.7

Our revenue was made up of:

Finance & Investment Revenue

- Interest of \$0.36m
- Investment income \$1.5m comprising managed funds income and gains from private equity investments
- CNI dividend of \$2.99m

Other revenue

- Other revenue is primarily lease income and a small gain from the sale of a property

Changes in fair value of investment properties

- Our directly owned property portfolio increased in value by \$1.8m

Share of net profit/(loss) of equity accounted associates

We have several equity accounted associates – this are investee businesses where we have some control or influence and includes:

- Hāpai Commercial Property
 - Share of operating profit \$1.7m
 - Share of other gains (investment revaluation) \$7.8m NB: this is treated like directly owned investment property, for which revals come through net profit
- Kakano – Share of net profit of \$1.8m
- Ranginui Station – Share of net profit \$1.3m

Other Comprehensive Income

- Share of movement in reserves of equity accounted associates
 - Kakano – Share of other comprehensive income (OCI) -\$0.23m
 - Ranginui Station – Share of OCI - \$0.03m (previously \$0)
- Change in fair value of investments carried at fair value through other comprehensive income ('FVOCI')
 - Managed Funds had a gain of \$5.77m
 - Private Equity investments gained a further \$1.07m of value
- Also includes some minor items like FX, ADIT and NZUs



FINANCIAL PERFORMANCE - RAHC

Profit and Loss

Raukawa Asset Holding Company

Revenue	\$m 2021	\$m 2020
Ace Income	219.1	176.6
Dividends Received	114.3	145.7
Interest Received	0.1	0.1
Expenses	(46.3)	(45.2)
Net Profit before tax	289.9	277.2
Income Tax	(50.7)	(48.5)
Net Profit	239.2	228.7

Raukawa Commercial Group

- Combined as an informal 'Raukawa Commercial Group' total profit was \$26.2m
- This is before tax and donations and represents a return of 16.7% on the opening book value of equity or 13.7% including CNI at opening noted value
- Total direct management costs across the group are 0.45% on the total opening market value of equity. We remain confident that these costs compare well to other investment entities of similar size and complexity

RIDL financial position

- The RIDL statutory balance sheet value of equity (ex CNI) now sits at \$178.3m up from \$155.8m last year
- Including CNI and an adjustment for the market value of RAHC assets gives a total value of equity of \$214.6m for the Raukawa Commercial group

FINANCIAL PERFORMANCE - RCG

Balance Sheet Summary

Raukawa Commercial Group

	\$m 2021	\$m 2020
RIDL:		
Assets	186.1	164.5
Liabilities	7.8	8.7
Net Equity	178.3	155.8
CNI	32.4	35.0
RAHC:		
Assets	3.2	3.1
Liabilities	1.8	1.9
Net Equity	1.4	1.2
RAHC - adjustment for market value of quota	2.4	2.3
Total Group Equity	214.6	194.3

Distributions

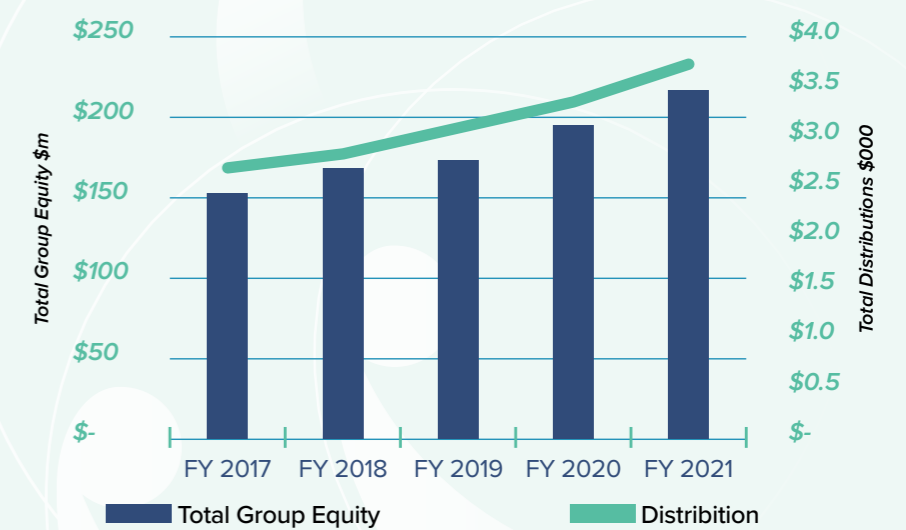
We paid a total distribution to Raukawa (dividends and donations) of \$3.7m. This was up on \$3.3m paid in FY20 and \$3.1m paid in FY19.

This growth is also reflective of the inter-generational focus that underpins so much of what we do. By gradually improving the quality of our asset base and gradually reinvesting we have been able to steadily grow the amount we can pay to RCT and RST.

We have committed to pay \$4.1m in FY22, a boost of \$400k. This is equivalent to 1.9% on opening value of equity (including the stake in CNI Iwi Holdings) and 2.3% on the book value.

This is approximately the same percentage as last year, showing the power of reinvestment to drive higher dollar value returns to RST year on year.

Raukawa Commercial Group - Distribution Growth



Over the last five years, distributions have totalled \$15.5m and we expect them to keep growing.

OUR KEY ASSETS



Hāpai Commercial

- An iwi-owned collective for investing in high quality commercial property
- Founded by Raukawa in 2019 and now has 17 investing iwi and total assets of \$136m
- Buildings in the Hawke's Bay, Dunedin, Tauranga, Christchurch and Auckland
- Tenants include the Ministry of Education, The Hawke's Bay District Health Board, professional services firms and some private industrial companies
- RIDL has an investment of \$35.3m
- Delivered a total return of 49% in FY21



Hāpai Housing

- This was formed by the same original, core Hāpai investors to develop rental housing
- Housing gives a different profile to commercial property with good value protection. It also fulfils an essential service
- The first project is in Auckland and a second one is likely to be confirmed before the end of calendar 2021
- We have committed \$7.5m and expect to see it fully called and generate income from FY23

Kakano

- A collective of six CNI iwi that owns a small stake in the standing forest at Kaingaroa
- RIDL has a stake of \$38.5m
- Delivered a total return of 4% this year however since investment in 2014 it has been one of our best performing assets. This year impacted by FX



Ranginui Station

- A 3,300 head dairy and mixed use farming operation near Mangakino that RIDL owns with Pouakani Trust and other smaller investors
- RIDL has \$12.2m invested
- Delivered a strong total return of 11% this year, buttressed by stock revaluations and a strong milk price
- Our thanks to retiring chair John Dawson for his many years work in the role

CNI Iwi Holdings Limited

CNI Iwi Holdings

- CNI Iwi Holdings oversees the land leased to the Kaingaroa forest operation
- RIDL's interest sits off balance sheet due to accounting treatment of the beneficial right to income as opposed to an asset owned outright
- We consider RIDL's interest to be worth \$32.4m at end FY21
- We received strong income of approx. \$3m this year, reflecting the rent reviews completed last year



Te Pūia Tāpapa

Te Pūia Tāpapa and other private equity

- This was formed by 26 iwi investors committing \$115.5m
- Its goal is to be a partner of choice for major New Zealand and international private equity investors
- It had completed three investments by year end including:
 - TR Group
 - Avanti Finance
 - Asia Pacific Healthcare Group
- We expect it will take several more years to get to full investment and to start generating income. We treat it as one of our 'long term growth' assets – to deliver us income in the future
- RIDL committed \$10m as one of the cornerstone investors, of which \$2.9m had been called by FY21 year end
- In addition, we have been building a portfolio of private equity investments with specialised managers
- We have supported 5 funds with 3 managers and a total commitment of \$12m of which \$3m had been called by year end. As with TPT, these are investments for the future and we have scaled our commitment accordingly



ADIT Fund

- We invest in an Australian domiciled fund that has a range of direct infrastructure assets including stakes in Melbourne airport and PowerCo (NZ) and is managed by AMP Capital
- It had been a strong performer for us prior to Covid and we expect performance to improve from here as economies and travel start to normalise
- We have \$12.1m invested

Managed funds

- Managed funds continue to give us efficient exposure to a range of hard to access risks
- We have investments with 5 managers across 6 funds and a total investment in all funds of \$40.2m
- Broadly speaking these are divided into income (33%) and growth funds (67%)
- FY21 was a bumper year for markets, especially for growth assets. Our managed funds portfolio delivered a 21% total return



RAUKAWA ASSET HOLDING COMPANY LIMITED

Raukawa Settlement Trust ('RST') is a Mandated Iwi Organisation ('MIO') as defined by the Māori Fisheries Act (the 'Act', 'MFA').

In accordance with the Act, RST has established Raukawa Asset Holding Company ('RAHC') as its Asset Holding Company ('AHC') to receive and manage the settlement fisheries interests and assets of Raukawa including settlement quota and AFL income shares. RAHC is a registered New Zealand company, number 2509675.

RAHC is bound to comply with the Act, which places restrictions on the sale and lease of settlement quota, governance and reporting.

This report has been prepared in compliance with the requirements under the Act.

Performance against annual plan FY21

RAHC measures its performance in terms of net profit before tax.

- RAHC's FY21 budget was for profit before tax of \$144k
- Actual result was \$290k due to higher quota leasing income and higher dividend

Special purpose accounts for RAHC are included at the end of this annual report.

RAHC Investments

RAHC's vision is to maximise returns from ACE and AFL shares from strong commercial management and ensure spare cash is efficiently utilised.

RAHC will seek growth opportunities for further investment in fishing assets either directly or in partnership with other aligned iwi.

- RAHC will take a long-term, commercially disciplined approach to investment decision-making and will only invest where it believes it can generate appropriate returns on capital
- RAHC will co-invest with RIDL with its primary objective to invest in fisheries assets if the right opportunities arise
- RAHC's primary focus in the coming year will be the renegotiation of fishing contracts
- Success measures include Return on Investment and Equity Growth and ensuring Sustainable Fisheries Management

RAHC invests in:

- Moana shares carried at a value of \$850,000
- Fishing quota carried at a value of \$950,000
- Loans to RIDL

RAHC carries no bank debt but has:

- An on demand in writing loan of \$1.8m from RCT

RAHC annual plan process

RAHC prepares an annual plan each year for approval by RST as MIO. For FY22 this includes:

Key strategies for use and development of settlement fisheries assets:

RAHC will:

- Lease ACE
- Own Moana shares without change
- Invest surplus funds via RIDL

Expected financial return

RAHC's budget net profit before tax for FY22 is \$273k.

RAHC ACE and quota programme FY22

RAHC generates ACE income from five separate quota parcels:

- Deep water
- Inshore
- Highly Migratory Species (HMS)
- Eels
- Scampi

These parcels are all leased to operators.

1. Deepsea – Sealord

- Same format of a base ACE price and a top up payment but with the top up expected to be reduced vs recent years
- Direct contract this time instead of sub agreement to Maniapoto
- Maniapoto offered to continue the collation of ACE for the previous group and to assist with liaison where required

2. Inshore – MOANA NZ

- Existing contract runs for two more years

3. HMS – MOANA NZ

- New contract on slightly reduced prices agreed

4. Scampi – Barine Developments

- New contract on improved base prices agreed

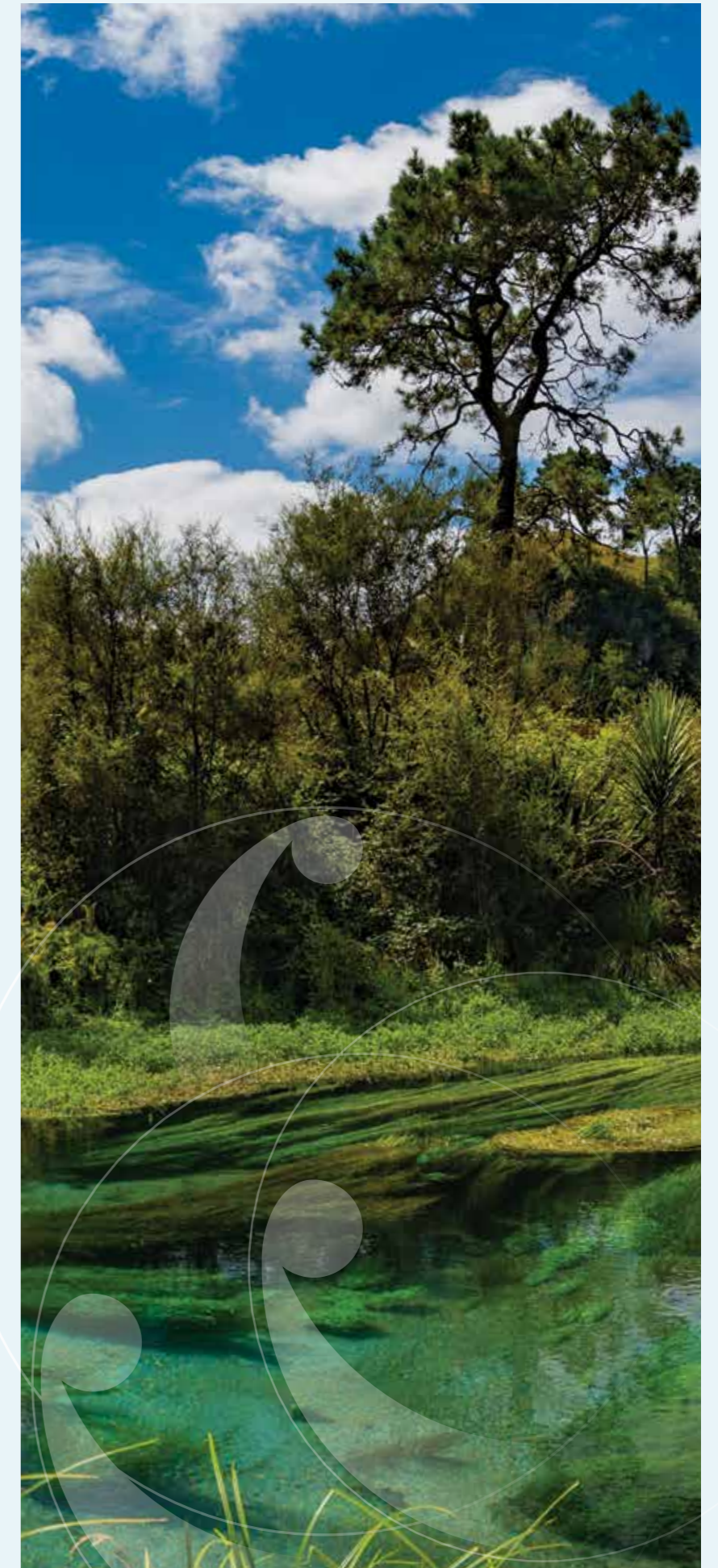
5. Eel - NZ Eel Processors

- New contract same terms

RAHC uses Arantis Limited as its ACE leasing adviser.

Constitutional amendments

There is no proposal to amend the RAHC constitution.



THE YEAR AHEAD

RIDL sets its goals for each upcoming year via the annual planning process.

The Annual Plan is prepared by RIDL management, approved and adopted by the RIDL Board and then presented to RST for ratification. Its requirements are governed by the Shareholder Agreement between RST and RIDL.

This outlines that each annual plan must cover RIDL's:

- Budget and financial performance targets
- Planned portfolio and investment activities
- Operational and non-financial objectives
- Total distributions (dividend and donations) to be made to RST and RCT

In FY22 our goals are to:

01

Manage commitments to existing collective vehicles

02

Monitor managed funds and treasury

03

Support RST/RCT as required

04

Oversee formation of new Whenua and Hapai Development investment vehicles

05

Progress local property projects including Tokoroa East and Logan Street

COMMERCIAL STRUCTURE AND ACCOUNTABILITY FRAMEWORK

Structure

RIDL is a 100% owned subsidiary of Raukawa Settlement Trust ('RST'), the post settlement governance entity for Raukawa. The shares in RIDL are held via Raukawa Settlement Trust Limited.

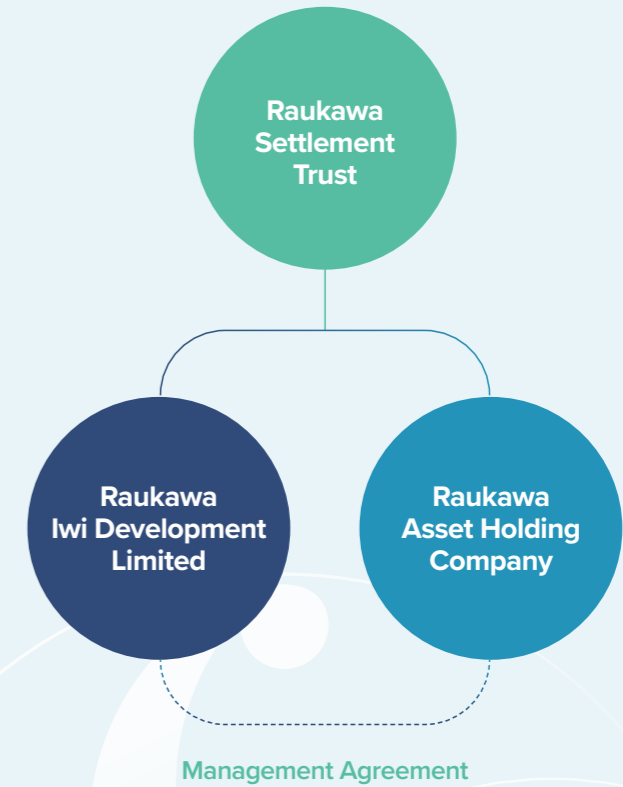
RIDL operates under the Companies Act 1993 and other relevant legislation and is governed by a board of directors. This board is appointed by RST, in conjunction with advice from the sitting board members, and in accordance with the RIDL's constitution, which specifies:

- The board of directors of the Company shall consist of a minimum of five (5) Directors and a maximum of six (6) Directors
- A minimum of fifty percent (50%) of the Directors appointed by the Shareholder must be Trustees
- A maximum of three (3) Directors appointed by the Shareholder may be Trustees.
- One of the non-Trustee directors must be a member of the Raukawa iwi

RIDL's board of directors is responsible and accountable for the company's performance including the employment and performance of management.

Commercial fisheries activity is run by Raukawa Asset Holding Company Limited ('RAHC').

RAHC has its own board comprised of Vanessa Eparaima, Jon Stokes and John Spencer (Chair). RAHC management is contracted from RIDL.



GOVERNANCE AND REPORTING

RST's responsibility, as single shareholder, for exercising strategic governance over RIDL is recognised through the strong accountability mechanisms encapsulated in the three key foundation documents:

- RIDL constitution – this was updated in 2018
- Statement of Investment Policy and Objectives (SIPO) – this was reviewed and re-approved by RST in 2020
- Shareholder's Agreement

RIDL also provides quarterly reports to RST during the financial year updating its performance and activities and will continue so to do, as well as providing timely reporting on major projects or investments.

The three foundation documents provide RIDL with the agreed parameters with which to operate and ensure that the best interest of its shareholder, being the RST, is upheld.

RESERVING

Results Summary

Raukawa Commercial Group

	\$m 2021	\$m 2020
Raukawa commercial group total return (before tax & donations)	26.2	10.4
Distribution	3.7	3.3
Capital Introduced	131.4	130.4
Inflation Reserve	19.3	13.8
Population Reserve	26.0	22.6
Real Capital	176.7	166.8
Reserves	37.9	27.5
Total Group Equity	214.6	194.3

1. Real Capital

This is the total of all initial capital and assets contributed adjusted for inflation and population growth.

It is calculated as:

- Contributed Capital - This is all settlement funds received and capitalised into the commercial entity at market value. This includes an allocation for all assets gained from the CNI settlement, despite the CNI asset not appearing on the balance sheet.

It also includes the river settlement monies capitalised to RIDL each year and the value of RAHC equity

- Inflation and Population Growth – Each year sufficient Profit and Comprehensive Income is allocated to Real Capital to match the annual rate of price and population inflation.

This uses StatsNZ data for Māori population growth RBNZ data for inflation.

2. Reserves

Reserves are the accumulation of Total Comprehensive Income to date less the allocation for Inflation and Population required to maintain the Real Capital.

There is no fixed target for Reserves but approximately 2 – 5 years' annual distributions or 5% - 10% of Real Capital then is considered reasonable.

In periods of lower yields and lower discount rates reserves may expand as valuations rise, disconnected from cash returns. This can however unwind as discount rates normalise. RIDL is comfortable with current reserves being above target given recent valuation expansion

FIVE-YEAR SNAPSHOT

Key strategic performance metrics

Raukawa Commercial Group

Results	\$ 2021	\$ 2020	\$ 2019	\$ 2018	\$ 2017
Raukawa commercial group operating profit (before tax & donations)	11,530,551	9,053,704	7,962,636	7,098,468	5,742,606
Raukawa commercial group comprehensive income (before tax & donations)	26,227,367	10,446,181	13,544,909	16,711,016	12,842,545
Distribution (donations / dividends)	3,700,000	3,299,999	3,055,673	2,784,078	2,696,279
Underlying consolidated debt (where governance control)	45,804,089	30,537,622	17,701,628	16,819,062	8,993,477

Ratios	Long term target					
Operating return as a percent of equity	4.0% - 4.5%	5.9%	5.2%	4.8%	4.6%	3.9%
Total return as a percent of equity	6.5% - 7.0%	13.5%	6.0%	8.1%	10.9%	8.7%
Distribution as a percent of equity	2.0% - 2.25%	1.9%	1.9%	1.8%	1.8%	1.8%
Distribution as a percent of operating profit	45% - 55%	32%	36%	38%	39%	47%
Underlying debt %	Max 30%	18%	14%	9%	9%	6%
Reserves as a percent of total group equity	10% - 15%	17.6%	14.1%	7.3%	8.2%	3.6%
Reserves cover of next year's distribution	3.0x - 5.0x	9.2x	7.4x	3.8x	4.5x	2.0x

FINANCIAL STATEMENTS

Raukawa Iwi Development Limited
For the year ended 30 June 2021

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ENTITY INFORMATION

Raukawa Iwi Development Limited

As at 30 June 2021

Postal address

PO Box 8, Tokoroa 3444

Nature of business

Investment

IRD Number

104-924-298

Directors

John Spencer – *Chairman*

Vanessa Eparaima

Jon Stokes

Debbie Davies

Gaylene Roberts – *ceased 10*

December 2020

Bankers

ASB Bank Limited

Bank of New Zealand Limited

Westpac New Zealand Limited

Solicitors

Mortlock McCormack Law

Chartered Accountant

Vanburwray Chartered Accountants Limited

Auditors

PricewaterhouseCoopers

Date of Formation

17 June, 2010

Shareholders

Raukawa Settlement Trust Limited
89,889,441 Ordinary Shares

Associated Entities

- Raukawa Settlement Trust
- Raukawa Charitable Trust
- Raukawa Settlement Trust Limited
- Raukawa Asset Holding Company Limited

STATEMENT OF COMPREHENSIVE INCOME

Raukawa Iwi Development Limited

For the year ended 30 June 2021

Revenue	Note*	\$ 2021	\$ 2020
Finance & Investment Revenue	3	4,907,641	4,501,818
Other Revenue	4	713,285	1,327,760
Changes in the Fair Value of Investment Properties	11	1,814,769	1,646,193
Share of net profit/(loss) of equity accounted associates	12	12,532,074	2,617,990
Total Revenue		19,967,770	10,093,760
Expenses			
Administration & Operating Expenses	5	823,608	947,118
Donation Expense		3,049,677	2,735,396
Total Expenses		3,873,285	3,682,514
Net Profit/(Loss) before tax		16,094,485	6,411,246
Tax Expense			
Tax 6		853,314	743,623
Net Profit/(Loss) after tax		15,241,171	5,667,623
Other Comprehensive Income			
Share of movement in reserves of equity accounted associates	12	(259,727)	824,119
Change in fair value of investments at FVOCI	13	6,956,792	362,064
Deferred tax recognised in equity	6	96,237	(163,797)
Total Other Comprehensive Income		6,793,302	1,022,386
Total Comprehensive Income		22,034,473	6,690,009

*Note:
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STATEMENT OF CHANGES IN EQUITY

Raukawa Iwi Development Limited

For the year ended 30 June 2021

	Share Capital	Retained Earnings	Revaluation Reserves	Total Equity
Balance at 1 July 2019	89,756,441	34,304,543	24,632,989	148,693,973
Profit for the period		5,667,624		5,667,624
Other comprehensive income not subsequently reclassified to profit & loss, net of tax			1,022,386	1,022,386
Total	89,756,441	39,972,167	25,655,375	155,383,983

Transactions with owners in their capacity as owners

Equity contribution from shareholder	1,000,000			1,000,000
Dividends paid to shareholder		- 564,603		- 564,603
	1,000,000	- 564,603	-	435,397
Balance at 30 June 2020	90,756,441	39,407,564	25,655,375	155,819,380

Balance at 1 July 2020	90,756,441	39,407,564	25,655,375	155,819,380
Profit for the period		15,241,171		15,241,171
Other comprehensive income not subsequently reclassified to profit & loss, net of tax			6,793,302	6,793,302
Total	90,756,441	54,648,735	32,448,677	177,853,853

Transactions with owners in their capacity as owners

Equity contribution from shareholder	1,000,000			1,000,000
Dividends paid to shareholder		- 536,516		- 536,516
	1,000,000	- 536,516	-	463,484
Balance at 30 June 2021	91,756,441	54,112,219	32,448,677	178,317,337

STATEMENT OF FINANCIAL POSITION

Raukawa Iwi Development Limited

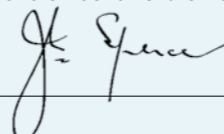
For the year ended 30 June 2021

	Note*	\$ 2021	\$ 2020
Assets			
Current Assets			
Cash and cash equivalents	7	2,762,714	3,350,244
Term Deposits	7	13,043,098	30,503,349
Trade and other receivables	8	1,367,715	264,084
Inventory	10	3,129,527	0
Income tax refund		73,581	383,705
Total Current Assets		20,376,635	34,501,382
Non-Current Assets			
Property, Plant and Equipment	9	0	315
Investment Property	11	13,080,000	13,957,000
Investments in associates	12	87,147,462	65,564,653
Intangibles	16	137,823	102,297
Investments	13	64,889,515	49,904,182
Loan receivable - Whakaaramaiti Marae Loan	17	443,005	449,074
Total Non-Current Assets		165,697,806	129,977,521
Total Assets		186,074,441	164,478,903
Liabilities			
Current Liabilities			
Trade and other payables	14	342,032	528,009
Advances from related parties	15	3,858,360	4,478,565
Total Current Liabilities		4,200,392	5,006,574
Non-Current Liabilities			
Deferred tax liability	6	3,556,712	3,652,949
Total Non-Current Liabilities		3,556,712	3,652,949
Total Liabilities		7,757,104	8,659,523
Total Assets less Total Liabilities (Net Assets)		178,317,337	155,819,380
Equity			
Share capital		91,756,441	90,756,441
Accumulated surpluses or (deficits)		86,560,895	65,062,939
Total Equity		178,317,337	155,819,380

*Note:

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Signed for and on behalf of the Board of Directors:


Director


Director

These financial statements have been prepared without conducting an audit or review engagement, and should be read in conjunction with the attached Compilation Report.

STATEMENT OF CASH FLOWS

Raukawa Iwi Development Limited

For the year ended 30 June 2021

	\$ 2021	\$ 2020
Cash Flows from Operating Activities		
Receipts from providing goods or services	586,731	3,315,064
Interest, dividends and other investment receipts	3,709,308	3,720,289
Payments to suppliers and employees	(1,806,785)	(729,555)
Donations or grants paid	(3,049,677)	(2,735,396)
Receipts from/(payments of) income taxes	(448,925)	(1,226,335)
Total Cash Flows from Operating Activities	(1,009,349)	2,344,066
Cash Flows from Investing Activities		
Receipts from sale of investment properties	735,000	139,200
Net movement of term deposits	17,460,252	(5,093,242)
Receipts from associates	3,488,984	3,330,834
Receipts from sale of investments	2,226,129	7,856,010
Repayment of loan from investments	764,932	
Purchase of investment properties	(170,679)	(30,680,607)
Loan to investments	(764,932)	
Purchase of investment in associates	(11,651,831)	
Payments to purchase investments	(11,425,683)	(2,257,489)
Derecognition of subsidiary		5,297,962
Total Cash Flows from Investing Activities	662,172	(21,407,332)
Cash Flows from Financing Activities		
Loans with related parties	(709,905)	706,198
Repayment from third party	6,068	5,766
Issue of shares	1,000,000	1,000,000
Payment of dividends	(536,516)	(564,603)
Bank Borrowings		20,540,088
Total Cash Flows from Financing Activities	(240,353)	21,687,449
Net increase/(decrease) in cash	(587,530)	2,624,184
Cash Balances		
Opening cash and cash equivalents	3,350,244	726,060
Closing cash and cash equivalents	2,762,714	3,350,244
Net change in cash for period	(587,530)	2,624,184

NOTES TO THE FINANCIAL STATEMENTS

Raukawa Iwi Development Limited

For the year ended 30 June 2021

1. Reporting Entity

Raukawa Iwi Development Limited ("RIDL", "the Company") is registered under the Companies Act 1993 and has prepared these financial statements in accordance with the Financial Reporting Act 2013. RIDL is involved primarily in property and equity investment on behalf of its parent Raukawa Settlement Trust.

In the prior years, the consolidated financial statements of RIDL presented are for the Company and its subsidiary Hāpai Commercial Property Limited Partnership ("HCPLP", formally Iwi Commercial Property Limited Partnership and formally Raukawa Property Limited Partnership), together called the Group. HCPLP is registered under Limited Partnerships Act 2008. HCPLP held and managed investment property on behalf of its parent RIDL. On 30 September 2019 the Parent disposed of 54.9% of its interest in the subsidiary which has then deconsolidated for FY20. Refer to note 12.

2. Statement of Accounting Policies

Basis of Preparation

The Company has adopted the New Zealand equivalents to International Financial Reporting Standards -Reduced Disclosure Regime ("NZ IFRS – RDR") as set out in the External Reporting Board's "Accounting Standards Framework".

The financial statements are prepared in accordance with generally accepted accounting practice in New Zealand ("NZ GAAP"). In the case of the Group, NZ GAAP means New Zealand equivalents to International Financial Reporting Standards as appropriate for Tier 2 entities who elect to apply the Reduced Disclosure Regime ("NZ IFRS RDR"). NZ IFRS RDR standards allow for a reduced disclosure regime to be applied and the RIDL has taken all disclosure concessions available. RIDL is eligible to apply Tier 2 reporting as it is not publicly accountable, and is not a large for-profit public sector entity.

Functional and presentation

All amounts have been presented in New Zealand Dollars (rounded to the nearest dollar). Transactions and balances reported in foreign currencies are translated to New Zealand Dollars at the rate prevailing on the date of the transaction.

GST

Except for trade receivables and trade payables which are stated inclusive of GST, all amounts have been reported exclusive of GST.

Changes in Accounting Policies

There have been no changes in accounting policies. Policies have been applied on a consistent basis with those of the previous reporting period.

NOTES TO THE FINANCIAL STATEMENTS

Raukawa Iwi Development Limited

For the year ended 30 June 2021

Financial Instruments - Financial Assets

Non-derivative financial assets

The Company initially recognises assets held at amortised cost on the date that they are originated. All other financial assets (including assets designated at fair value through profit or loss) are recognised initially on the trade date at which the Company becomes a party to the contractual provisions of the instrument.

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Company classifies non-derivative financial assets into the following categories: financial assets at fair value through other comprehensive income and those held at amortised cost.

A financial asset is classified at fair value through other comprehensive income if it is not classified as held for trading or is designated as such upon initial recognition. Financial assets are designated as at fair value through other comprehensive income if the financial asset is held with a business mode whose objective is achieved by collecting contractual cash flows and selling financial assets and the contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest. Attributable transaction costs are recognised in profit or loss as incurred. Financial assets at fair value through other comprehensive income are measured at fair value and changes therein are recognised in equity. Financial assets at fair value through other comprehensive income include financial derivatives.

Assets held at amortised cost

Assets held at amortised cost are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses.

Assets held at amortised cost comprise cash and cash equivalents, and trade and other receivables.

Financial Instruments - Financial Liabilities

Financial liabilities at amortised cost

The company's financial liabilities are principally borrowings and trade and other payables and are measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Use of judgements and estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are disclosed where applicable in the relevant notes to the financial statements, refer note 11 Investment property, note 12 Investments in associate regarding the fair value of the acquisition in associate HCPLP and note 21 CNI Iwi Collective Settlement.

Judgements made by management in the application of the NZ IFRS RDR that have significant effects on the financial statements are disclosed, where applicable, in the notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

Raukawa Iwi Development Limited

For the year ended 30 June 2021

Account	\$ 2021	\$ 2020
3. Finance & Investment Revenue		
Income		
Interest	361,436	710,681
Investment Income	1,557,215	1,625,858
CNI Dividend	2,988,990	2,165,279
Total Income	4,907,641	4,501,818
Total Finance & Investment Revenue	4,907,641	4,501,818

Interest income is recognised on the effective interest rate method. Investment income is income received from Managed Funds and Limited Partnerships and is recognised when it is received. CNI Dividend income is recognised when the Company's right to receive the dividend is established.

4. Other Revenue

Lease and rental income	653,470	957,669
Gain on sale of assets	58,815	55,091
Other Income	1,000	315,000
Total Other Revenue	713,285	1,327,760

Lease and rental income from operating leases accrues on a straight line basis over the term of the lease. Fair value adjustments recognised in net profit/(loss) relate to increases in the fair value movement of investment properties and recoveries of previous impairment losses and revaluation decreases expensed to profit and loss.

The investment properties are leased to tenants under operating leases with rental payable monthly.

Most RIDL property leases are long term (10 years plus). There are no lease renewals in the coming five years however two terminations are expected.

Minimum lease payment receivables on leases of investment properties are as follows:

Within one year	568,481	486,125
Between 1 and 2 years	555,165	446,042
Between 2 and 3 years	492,299	466,992
Between 3 and 4 years	439,575	466,992
Between 4 and 5 years	364,358	466,992
Later than 5 years	2,572,090	2,557,302
Total Minimum lease payment receivables on leases of investment properties are as follows:	4,991,968	4,890,445

Account	\$ 2021	\$ 2020
5. Expenses		
Accountancy Fees	47,738	36,441
Administration	92,868	104,347
Audit Fees	29,550	28,477
Communication	1,241	10,792
Depreciation	2	136
Facilities	138,191	284,928
Governance	215,586	235,614
Specialist Advice	292,928	234,342
Travel	5,504	12,041
Total Expenses	823,608	947,118

Audit fees of \$28,477 recognised in 2020 include \$5,477 payable to the auditor of the 2019 reporting period, KPMG.

6. Tax

Income Tax Expense

Net profit before income tax	16,094,485	6,411,247
Non-assessable income	(9,659,624)	(2,832,376)
Tax adjustments	(1,558,781)	670,403
Taxable profit	4,876,080	4,249,274
Tax expense at 17.5%	853,314	743,623

Deferred Tax

Asset / (Liability) opening balance	(3,652,949)	(3,489,152)
Current year movement	96,237	(163,797)
Asset / (Liability) closing balance	(3,556,712)	(3,652,949)
Made up of:	0	0
Deferred tax asset	0	0
Deferred tax liability	(3,556,712)	(3,652,949)
Net balance as per above	(3,556,712)	(3,652,949)

Income tax is recognised in net profit/(loss) except to the extent it relates to items recognised in equity. Current tax is the estimated income tax payable based on current period taxable income adjusted for amounts over or under provided in prior periods.

Deferred tax relates to the estimated future tax consequences and benefits expected resulting from timing differences between amounts recognised in net profit/(loss) under the financial reporting policies adopted by RIDL and income tax legislation.

Deferred tax assets are recognised only when there is probability they will be utilised against future taxable income.

NOTES TO THE FINANCIAL STATEMENTS

Raukawa Iwi Development Limited

For the year ended 30 June 2021

Account	\$ 2021	\$ 2020
7. Cash and Bank Balances		
Cash and bank balances	2,762,714	3,350,244
Short term deposits	13,043,098	30,503,349
Total Cash and Bank Balances	15,805,812	33,853,593

Cash and bank balances comprise cash and call accounts and other deposits held with financial institutions with maturity dates less than 3 months. Short Term Deposits include all cash investments with original maturities between 3 and 12 months. The average interest rate prevailing on cash and cash equivalents at 30 June 2021 was 1.32% (2020: 2.35%).

8. Trade and other receivables

Accounts Receivable	1,337,933	71,655
Accrued Interest	25,342	167,318
Credit Card	(104)	440
GST	4,545	24,672
Total Trade and other receivables	1,367,715	264,084

Trade and other receivables are amounts due from investing activities. They are generally due for settlement within 30 days and are therefore classified as current. Trade receivables are recognised at cost.

Account	\$ 2021	\$ 2020
9. Property, Plant and Equipment		
Buildings		
Buildings at cost	111,970	111,970
Accumulated depreciation - buildings	(111,970)	(111,970)
Total Buildings	0	0
Furniture and Fittings		
Furniture and fittings owned	3,368	3,368
Accumulated depreciation - furniture and fittings owned	(3,368)	(3,364)
Total Furniture and Fittings	0	4
Vehicles		
Vehicles owned	0	9,299
Accumulated depreciation - vehicles owned	0	(8,988)
Total Vehicles	0	311
Total Property, Plant and Equipment	0	315

Items of property, plant and equipment are recognised initially at cost and depreciated over their estimated useful lives (except for land) using the Diminishing Value method at the following rates:

Buildings - 2% of Carrying Value

Furniture & Fittings - 10-25% of Carrying Value

Motor Vehicles - 13-30% of Carrying Value

10. Inventory

Opening book value	0	0
Transfer from investment property (refer note 11)	2,238,000	0
Purchases	891,527	0
Closing book value	3,129,527	0

Inventory relates to property which has been reclassified from investment properties due to a change in use. Development commenced on these properties during the year with a view to sell and therefore these ceased to meet the definition of investment properties. Cost has been determined to be the fair value at the date of transfer.

Subsequently inventory is held at the lower of cost or net realisable value.

NOTES TO THE FINANCIAL STATEMENTS

Raukawa Iwi Development Limited

For the year ended 30 June 2021

Account	\$ 2021	\$ 2020
11. Investment Property		
Opening book value	13,957,000	22,720,249
Purchases	196,231	30,680,607
Disposals	(650,000)	(86,610)
Disposals - de-recognised upon deconsolidation of HCPLP (refer note 12)	0	(41,003,439)
Changes in fair value	1,814,769	1,646,193
Transfer to inventory	(2,238,000)	0
Closing book value	13,080,000	13,957,000

Investment properties are held by the Company to earn rental income and capital appreciation rather than for the Company's own use.

Investment properties are valued at fair value with changes in fair value recognised in profit/(loss). Fair value is assessed annually with reference to comparable property prices or by making use of yields from existing lease agreements. The key inputs under this approach are the price per square meter from current year prices. The valuation of investment properties was completed by independent professional property valuers Telfer Young Rotorua. The properties are assessed annually with detailed valuations completed every 3 years. The most current assessment was made in June 2021.

Account	\$ 2021	\$ 2020
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12. Investments in Associates

Investments in associates are those where RIDL has significant influence but not control over an investee. Significant influence arises when RIDL holds 20% - 50% of the equity and voting interests in an investee and has representation on its governing body. RIDL uses the equity method of accounting whereby it recognises its initial investment in an associate at cost or fair value, in the case of a step-disposal, and the carrying amount is increased or decreased by its proportionate share of the net profit/(loss) of the investee and its proportionate share of other comprehensive income. Net distributions, after deduction of the transaction costs received from an investee, reduce the carrying amount of the investment. No impairment for the current financial year has been recorded. (Last Year: Nil)

Kakano Investment Limited Partnership

Opening carrying value	38,771,533	36,168,250
Share of net profit/(loss) for the period	1,766,955	1,301,103
Share of other comprehensive income	(234,083)	2,603,374
Distributions received	(1,764,299)	(1,301,194)
Closing carrying value	38,540,106	38,771,533

RIDL holds a 31.5% share in Kakano Investment Limited Partnership (2020: 31.5%). Kakano is a forestry investment fund that has a 2.5% shareholding in Kaingaroa Timberlands. The cost of the investment at the time of purchase was \$17,314,510.

Ranginui Station Limited Partnership

Opening carrying value	11,198,146	12,829,876
Share of net profit/(loss) for the period	1,271,129	147,526
Share of other comprehensive income	(25,644)	(1,779,255)
Distributions received	(268,421)	0
Closing carrying value	12,175,211	11,198,146

RIDL acquired a 44.7% share in Ranginui Station Limited Partnership during the year ended 30 June 2016 and still owns 44.7% at 30 June 2021. Ranginui Station Limited Partnership owns and operates farms in the South Waikato.

NOTES TO THE FINANCIAL STATEMENTS

Raukawa Iwi Development Limited

For the year ended 30 June 2021

Account	\$ 2021	\$ 2020
Hāpai Commercial Property Limited Partnership		
Opening carrying value -1 October 2019	15,594,973	9,228,609
Capital contributed	11,651,831	5,936,867
Share of operating profit for the period	1,649,291	1,169,197
Share of other gains	7,844,698	0
Distributions received	(1,421,929)	(739,700)
Closing carrying value	35,318,864	15,594,973

Hāpai Commercial Property Limited Partnership (HCPLP) owns commercial investment properties in Tauranga, Christchurch, the Hawke's Bay, Dunedin and Auckland. RIDL holds a 34.49% share at 30 June 2021.

As at 1 July 2019, RIDL owned 100% of HCPLP. The assets and liabilities were consolidated into the RIDL group statements. At 30 September 2019, HCPLP had \$41 million investment property and \$20 million debt (borrowed post 1 July 2019), and equity owed to shareholder of a further \$20 million.

At 30 Sept 2019, additional investors were invited into the entity and that diluted interest so that RIDL's interest. This is the date of deconsolidation of the subsidiary, resulting in derecognition of \$41 million investment property assets in note 11.

The gain at disposal is calculated as the consideration for the assets derecognised less the carrying value of the asset derecognised. The consideration takes the form of returning the Capital invested of \$20 million. Of the \$20m consideration, \$9.2m was retained in the investment as an associate interest. A further \$5.9m was left in the business as RIDL's portion of the call on capital for an additional property acquisition which occurred at the same time. This left \$5.2m balance owed, which was returned to RIDL shortly after.

	\$ 2020
Fair value of the consideration	11,549,829
Fair value retained investment - acquisition of associate interest	9,228,609
Less: Carrying value of former subsidiary's net assets	-20,463,438
Gain on derecognition of subsidiary	315,000
Fair value of the consideration	9,228,609
Percentage retained of carrying value of subsidiary - 45.09%	9,226,964
Portion of gain(loss) attributed to retained associate interest	1,645

Account	\$ 2021	\$ 2020
Hāpai Housing Limited Partnership		
Opening carrying value	0	0
Capital contributed	1,113,281	0
Closing carrying value	1,113,281	0

RIDL holds a 23.44% share in Hāpai Housing Limited Partnership (HCPLP) and appoints a director to its general partner. RIDL holds a 31.5% share in Kakano Investment Limited Partnership (2020: 31.5%). Kakano is a forestry investment fund that has a 2.5% shareholding in Kaingaroa Timberlands. The cost of the investment at the time of purchase was \$17,314,510.

Investments in Associates Summary		
Opening carrying value	65,564,652	58,226,735
Capital contributed	12,765,112	5,936,867
Share of net profit/(loss) for the period	4,687,376	2,617,826
Share of other gains	7,844,698	0
Share of other comprehensive income	(259,727)	824,119
Distributions received	(3,454,649)	(2,040,894)
Closing carrying value	87,147,462	65,564,653

NOTES TO THE FINANCIAL STATEMENTS

Raukawa Iwi Development Limited

For the year ended 30 June 2021

Account	\$ 2021	\$ 2020
13. Investments		
Direct Investments		
Pūainuku Pastures Limited Partnership	7,015,403	0
Te Pūia Tāpāpa Limited Partnership	2,826,371	1,043,571
Waitaha Rebuild Fund	0	1,871,813
Total Direct Investments	9,841,774	2,915,384
Managed Funds		
AMP Capital (ADIT) Fund AUD	12,135,457	12,048,890
Aspiring Asset Management Ltd	4,756,461	3,690,349
Castle Point 5 Oceans Fund	2,364,605	2,172,394
Milford Funds Limited - Active Growth	14,226,780	11,317,057
Milford Funds Limited - Income Fund	9,916,732	8,871,157
Mint Asset Management	3,517,588	3,331,862
T. Rowe Price Global Equity Growth Fund	5,369,064	4,013,007
Total Managed Funds	52,286,687	45,444,716
Private Equity		
Direct Capital Limited Partnership	542,676	8,734
Movac Fund 5 LP	340,864	0
Pencarrow V Investment Fund Limited Partnership	1,611,550	1,535,348
Pioneer Capital Partners IV LP	15,838	0
Pioneer Capital Private Debt I LP	250,126	0
Total Private Equity	2,761,054	1,544,082
Total Investments	64,889,515	49,904,182

Investments include managed investment funds and shareholdings held by RIDL where less than 20% of the equity and voting interests in an investee are held.

The Company has made an irrevocable election to classify these investments at fair value through other comprehensive income rather than through profit or loss as the Company considers this measurement to be the most representative of the business model for these assets. These investments are carried at fair value with changes in fair value recognised in other comprehensive income and accumulated in the fair value through other comprehensive income reserve. Upon disposal any balance within the fair value through other comprehensive income reserve is reclassified directly to retained earnings and is not reclassified to profit or loss.

The Managed Funds are revalued at year end based on readily available market prices (level one on the fair value hierarchy) provided by the fund managers which were valued at market value as at 30 June 2021.

Direct investments and Private equity funds (the "entities") are recorded at fair value. The fair value is based on the net asset value of the entities in which the investment has been made. Significant assets and liabilities of these entities are held under a revaluation model and therefore the net assets are representative of the fair value. These are level 3 inputs.

Revaluation gains from the entities are recognised in other comprehensive income.

Account	\$ 2021	\$ 2020
14. Trade and other payables		
Accounts Payable	111,029	137,773
PAYE Payable	0	5,871
Accrued Expenses	193,185	365,105
Income in Advance	37,818	19,260
Total Trade and other payables	342,032	528,009

Trade and other payables are reported at their amortised cost.

15. Related Parties

Advances

Raukawa Asset Holding Company Ltd	1,209,254	1,200,000
Raukawa Charitable Trust	1,121,233	1,636,886
Raukawa Settlement Trust	1,527,873	1,641,679
Total Advances	3,858,360	4,478,565

Sales from lease and outgoings

Raukawa Charitable Trust	288,157	218,207
Total Sales from lease and outgoings	288,157	218,207

Donations and dividends paid

Raukawa Charitable Trust	3,139,519	2,827,677
Raukawa Settlement Trust	536,516	564,603
Total Donations and dividends paid	3,676,035	3,392,280

Other related parties

Director fees	167,333	233,500
Koau Capital Partners Ltd - investment management	180,000	180,000
Total Other related parties	347,333	413,500

NOTES TO THE FINANCIAL STATEMENTS

Raukawa Iwi Development Limited

For the year ended 30 June 2021

Advances made to, and received from, related parties are made interest free and are repayable on demand. No amounts due from related parties are considered past due, or impaired (2020: none).

Related parties are entities subject to common control, or those entities and individuals (including their close family members) who are able to exert significant control or influence over the entity through decision making over financial and operating policies.

Koau Capital Partners Limited are considered a related party as they provide key management functions to RIDL. Koau Capital Partners Limited are also the manager of investees Waitaha Property Rebuild Fund LP and provide on contract management services to the Hāpai whanau of vehicles (Commercial, Housing and Development) and to the Pūainuku whanau of vehicles (Pastures, Vines and Tangaroa).

The Company has a 12.5% interest in CNI Iwi Holdings Limited which allows for RIDL to appoint a director. Refer to note 21 CNI Iwi Collective Settlement for detail on RIDL's interest in the settlement assets under the trust of CNI Iwi Holdings Limited.

The Group's interests in associates are related parties. Transactions with these entities are disclosed in note 12.

Account	\$ 2021	\$ 2020
16. Intangibles		
New Zealand Units		
Opening carrying value	102,297	73,432
Change in fair value	35,526	28,865
Closing carrying value	137,823	102,297

During the 2015 year the company received 3,172 New Zealand Units (NZUs) under the New Zealand Emission Trading Scheme from the Ministry of Agriculture and Forestry. NZUs were provided to compensate the company for restrictions on future land use that may affect the forestry land value.

The NZUs are held at fair value using the market value as at year end. The gain/loss is recognised as change in fair value of the asset within the statement of comprehensive income.

Account	\$ 2021	\$ 2020
17. Loan receivable		
Whakaaratamaiti Marae Loan	443,005	449,074

The loan relates to vendor finance provided for the purchase of a property from RIDL. The finance is secured against the property.

18. Financial Instruments

Assets		
Asset at Fair Value through other comprehensive income	64,889,515	49,904,182
Financial assets at amortised cost		
Cash and cash equivalents	2,762,714	3,350,244
Whakaaratamaiti Marae Loan	443,005	449,074
Term deposits	13,043,098	30,503,349
Trade and other receivables	1,363,170	239,412
Total Financial assets at amortised cost	17,611,987	34,542,079
Total Assets	82,501,503	84,446,261
Financial liabilities at amortised cost		
Advanced from related parties	(3,923,143)	(4,478,565)
Trade and other payables	(304,214)	(508,749)
Total Financial liabilities at amortised cost	(4,227,357)	(4,987,314)
Total Financial Instruments	78,274,146	79,458,947

NOTES TO THE FINANCIAL STATEMENTS

Raukawa Iwi Development Limited

For the year ended 30 June 2021

19. Share Capital

Authorised, issued and fully paid shares at \$1 each	2021		2020	
	Number	\$	Number	\$
At 1 July	89,889,441	90,756,441	88,889,441	89,756,441
Issued during the year	1,000,000	1,000,000	1,000,000	1,000,000
At 30 June	90,889,441	91,756,441	89,889,441	90,756,441

Ordinary shares have a par value of \$1. They entitle the holder to receive dividends, and to share in the proceeds of winding up the company in proportion to the number of shares held.

20. Commitments

Capital commitments	Total Commitment	Remaining Commitment (at 30 June 2021)
	\$	\$
Hāpai Commercial	34,274,510	7,457,202
Pencarrow V	3,000,000	1,200,000
Te Pūia Tapapa	10,000,000	7,124,947
Direct Capital	3,000,000	2,457,324
Movac Fund 5	3,000,000	2,617,558
Pioneer - Debt	2,000,000	1,749,874
Hāpai Housing	7,500,000	6,386,719
Hāpai Development Property	7,500,000	7,500,000
Pūainuku Pastures	7,000,274	-
Pioneer IV	1,000,000	987,082
Total	78,274,784	37,480,706

21. CNI Iwi Collective Settlement

Raukawa is a beneficiary of the CNI Iwi Collective Settlement Act 2008. Under this Act, the group has the right to receive a shared land asset and dividends from the CNI Iwi Holdings Trust arising from income earned from the land over that period, as and when declared while it negotiates with other iwi through the Mana Whenua process over ownership of specific land titles. RIDL estimates its entitlement to dividends until 2044 to be \$32.42 million (2020: \$35.02 million) using forecast rental income earned from forestry rights on land titles discounted at a rate of 6.45% (2020: 6.45%). In 2044, title to any specific land titles the group receives from negotiations will pass to Raukawa and it will continue to be entitled to all future income from these lands. The assets have nil value in balance sheet as in accordance with NZ IAS 20, assets received for no consideration, are measured at cost (nil value).

22. Subsequent events

Capital Calls after balance date	Payments
	\$
Hāpai Development LP	190,909
Movac Fund 5 LP	93,548
Pūainuku Vines LP	1,541,206
Pūai Tangaroa LP	325,000
Total	2,150,663



Independent auditor's report

To the Directors of Raukawa Iwi Development Limited

Our opinion

In our opinion, the accompanying financial statements of Raukawa Iwi Development Limited (the Company), present fairly, in all material respects, the financial position of the Company as at 30 June 2021, its financial performance and its cash flows for the year then ended in accordance with New Zealand Equivalents to International Financial Reporting Standards Reduced Disclosure Regime (NZ IFRS RDR).

What we have audited

The financial statements comprise:

- the statement of financial position as at 30 June 2021;
- the statement of comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)) and International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

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

Independence

We are independent of the Company in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* (PES 1) issued by the New Zealand Auditing and Assurance Standards Board and the *International Code of Ethics for Professional Accountants (including International Independence Standards)* issued by the International Ethics Standards Board for Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Annual report, but does not include the financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.



When we read the other information not yet received, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Directors and use our professional judgement to determine the appropriate action to take.

Responsibilities of the Directors for the financial statements

The Directors are responsible, on behalf of the Company, for the preparation and fair presentation of the financial statements in accordance with NZ IFRS RDR, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) and ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located at the External Reporting Board's website at:

<https://www.xrb.govt.nz/assurance-standards/auditors-responsibilities/audit-report-8/>

This description forms part of our auditor's report.

Who we report to

This report is made solely to the Company's Directors, as a body. Our audit work has been undertaken so that we might state those matters which 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 Company and the Company's Directors, as a body, for our audit work, for this report or for the opinions we have formed.

The engagement partner on the audit resulting in this independent auditor's report is Matthew White.

For and on behalf of:

Chartered Accountants
9 November 2021

Hamilton

ANNUAL REPORT

Raukawa Asset Holding Company Limited
For the year ended 30 June 2021

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COMPILATION REPORT



Raukawa Asset Holding Company Limited

For the year ended 30 June 2021

Compilation Report to the Directors of Raukawa Asset Holding Company Limited

Scope

On the basis of information provided and in accordance with Service Engagement Standard 2 Compilation of Financial Information, we have compiled the financial statements of Raukawa Asset Holding Company Limited for the year ended 30 June 2021.

These statements have been prepared in accordance with the accounting policies described in the Notes to these financial statements.

Responsibilities

The Directors are solely responsible for the information contained in the financial statements and have determined that the Special Purpose Reporting Framework used is appropriate to meet your needs and for the purpose that the financial statements were prepared.

The financial statements were prepared exclusively for your benefit. We do not accept responsibility to any other person for the contents of the financial statements.

No Audit or Review Engagement Undertaken

Our procedures use accounting expertise to undertake the compilation of the financial statements from information you provided. Our procedures do not include verification or validation procedures.

No audit or review engagement has been performed and accordingly no assurance is expressed.

Independence

We have no involvement with Raukawa Asset Holding Company Limited other than for the preparation of financial statements and management reports and offering advice based on the financial information provided.

Disclaimer

We have compiled these financial statements based on information provided which has not been subject to an audit or review engagement. Accordingly, we do not accept any responsibility for the reliability, accuracy or completeness of the compiled financial information contained in the financial statements. Nor do we accept any liability of any kind whatsoever, including liability by reason of negligence, to any person for losses incurred as a result of placing reliance on these financial statements.

Vanburwray Chartered Accountants Limited

7 Liardet Street
New Plymouth

Dated: 13 August 2021

ENTITY INFORMATION

Raukawa Asset Holding Company Limited

For the year ended 30 June 2021

Nature of Business

Fishing Quota Owner

Registered Office

1-11 Raukawa Way, Tokoroa, 3444

Date of Formation

17 June 2010

Incorporation Number

2509675

New Zealand Business Number

9429031504713

IRD Number

104-924-284

Directors

Vanessa Eparaima

John Spencer

Jon Stokes

Shareholders

Raukawa Settlement Trust Limited
- 100 Ordinary Shares

Bankers

Westpac Bank

Auditors

PriceWaterhouseCoopers

Chartered Accountant

Vanburwray Chartered Accountants Limited

STATEMENT OF COMPREHENSIVE INCOME

	Note*	\$ 2021	\$ 2020
Trading Income			
ACE Income		219,084	176,624
Total Trading Income		219,084	176,624
Other Income			
Dividends Received		114,344	145,676
Interest Received		61	92
Total Other Income		114,405	145,768
Expenses			
Accountancy Fees		3,856	5,962
Bank Charges		0	0
Fisheries Levies		23,541	26,618
General Expenses		97	(0)
Management Fees		12,500	12,000
Office Expenses		0	18
Printing Stamps & Stationery		77	102
Subscriptions		516	540
Valuation Fees		3,000	0
Total Expenses		43,587	45,240
Net Profit (Loss) Before Taxation		289,902	277,152
Taxation and Adjustments			
Income Tax	3	50,733	48,502
Total Taxation and Adjustments		50,733	48,502
Net Profit (Loss) for the Year		239,170	228,650

These financial statements have been prepared without conducting an audit or review engagement, and should be read in conjunction with the attached Compilation Report.

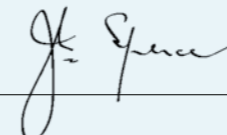
BALANCE SHEET

Raukawa Asset Holding Company Limited

For the year ended 30 June 2021

	Note*	\$ 2021	\$ 2020
Assets			
<i>Current Assets</i>			
Cash and Bank			
Westpac Call Account		30,555	30,544
Westpac Cheque Account		76,335	8,699
Total Cash and Bank		106,890	39,243
Trade and Other Receivables		119,721	14,306
Related Party Advances	5	1,209,254	1,200,000
Total Current Assets		1,435,866	1,253,549
Non-Current Assets			
Intangible Assets		950,000	950,000
Investment in Shares		850,000	850,000
Total Non-Current Assets		1,800,000	1,800,000
Total Assets		3,235,866	3,053,549
Liabilities			
<i>Current Liabilities</i>			
Trade and Other Payables		6,543	4,094
GST Payable		14,891	451
Income Tax Payable	3	6,574	5,315
Related Party Advances	5	1,800,000	1,875,000
Total Current Liabilities		1,828,008	1,884,860
Total Liabilities		1,828,008	1,884,860
Net Assets		1,407,858	1,168,689
Equity			
Retained Earnings		1,407,858	1,168,689
Total Equity		1,407,858	1,168,689

Signed for and on behalf of the Board of Directors:


Director


Director

These financial statements have been prepared without conducting an audit or review engagement, and should be read in conjunction with the attached Compilation Report.

STATEMENT OF CHANGES IN EQUITY

Raukawa Asset Holding Company Limited

For the year ended 30 June 2021

	\$ 2021	\$ 2020
Expenses		
Equity		
Opening Balance	1,168,689	940,038
Increases		
Profit for the Period	239,170	228,650
Total Increases	239,170	228,650
Total Equity	1,407,858	1,168,689

These financial statements have been prepared without conducting an audit or review engagement, and should be read in conjunction with the attached Compilation Report.

NOTES TO THE FINANCIAL STATEMENTS

Raukawa Asset Holding Company Limited

For the year ended 30 June 2021

1. Reporting Entity

Raukawa Asset Holding Company Limited is a company incorporated under the Companies Act 1993 holds fisheries assets for Ngati Raukawa Iwi.

This special purpose financial report was authorised for issue in accordance with a resolution of directors dated 11 August 2020.

2. Statement of Accounting Policies

Basis of Preparation

These financial statements have been prepared in accordance with the Special Purpose Framework for use by For-Profit Entities (SPFR for FPEs) published by Chartered Accountants Australia and New Zealand.

The financial statements have been prepared for taxation purposes and internal management purposes.

Historical Cost

These financial statements have been prepared on a historical cost basis. The financial statements are presented in New Zealand dollars (NZ\$) and all values are rounded to the nearest NZ\$, except when otherwise indicated.

Changes in Accounting Policies

There have been no changes in accounting policies. Policies have been applied on a consistent basis with those of the previous reporting period.

Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable for the sale of goods and services, excluding goods and services tax rebates and discounts, to the extent it is probable that the economic benefits will flow to the entity and revenue can be reliably measured.

Interest received is recognised as interest accrues, gross of refundable tax credits received.

Dividends received are recognised on receipt, net of non-refundable tax credits.

Accounts Receivable

Accounts receivable are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less an allowance for any uncollectible amounts. Individual debts that are known to be uncollectable are written off in the period that they are identified.

Intangible Assets

Fishing Quota is considered an indefinite life intangible asset as the quota has no expiry date, so is not amortised. It is carried at cost less any accumulated impairment losses, and is impairment testing annually. The market value at 30 June 2021 was assessed by independent valuer Donal Boyle as \$3,354,012. This is above cost and hence there is no impairment. There are no impairment losses accumulated (Last Year: \$Nil).

Financial Instruments - Financial Assets

At initial recognition the company determines the classification of financial assets as either held at cost or amortised cost.

NOTES TO THE FINANCIAL STATEMENTS

Raukawa Asset Holding Company Limited

For the year ended 30 June 2021

Amortised cost

Includes assets where the company intends to earn contractual cash flows in the nature of principal and interest payments.

Such assets are carried at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, as well as through the amortisation process.

Cost

Equity instruments are classified as held at cost. Assets are stated at cost less any accumulated impairment loss. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired.

Financial Instruments - Financial Liabilities

Financial liabilities, including borrowings and bank overdrafts, are initially measured at fair value, net of transaction costs and are subsequently measured at amortised cost using the effective interest method. Interest expenses are recognised in profit or loss on an effective yield basis.

Income Tax

Income tax is accounted for using the taxes payable method. The income tax expense in profit or loss represents the estimated current obligation payable to Inland Revenue in respect of each reporting period after adjusting for any variances between estimated and actual income tax payable in the prior reporting period.

Goods and Services Tax

All amounts are stated exclusive of goods and services tax (GST) except for accounts payable and accounts receivable which are stated inclusive of GST.

NOTES TO THE FINANCIAL STATEMENTS

Raukawa Asset Holding Company Limited

For the year ended 30 June 2021

	\$ 2021	\$ 2020
3. Income Tax Expense		
Net Profit (Loss) Before Tax	289,902	277,152
Deductions from Taxable Profit		
Losses Carried Forward	0	0
Total Deductions from Taxable Profit	0	0
Taxable Profit (Loss)	289,902	277,152
Tax Payable at 17.5%	50,733	48,502
Deductions from Tax Payable		
Opening Balance	(5,315)	(10,531)
Prior period tax paid (refunded)	(3,519)	0
Resident withholding tax paid	17	25
Imputation credits on dividends received	20,010	25,493
Income tax paid	32,966	28,199
Total Deductions from Tax Payable	44,159	43,186
Income Tax Payable (Refund Due)	6,574	5,315
4. Māori Authority Credit Account		
Māori Authority Credit Account		
Opening Balance	213,306	159,588
Increases		
Income Tax Paid	8,834	28,199
Resident Withholding Tax Paid	15	25
Māori Authority Credits on Dividends Received	20,010	25,493
Total Increases	28,859	53,717
Decreases		
Māori Authority Credits Attached to Dividends	0	0
Income Tax Refund	0	0
Total Decreases	0	0
Total Māori Authority Credit Account	242,164	213,305

NOTES TO THE FINANCIAL STATEMENTS

Raukawa Asset Holding Company Limited

For the year ended 30 June 2021

	\$ 2021	\$ 2020
5. Related Parties		
Receivables		
Raukawa Iwi Development Limited	1,209,254	1,200,000
Total Receivables	1,209,254	1,200,000
Payables		
Raukawa Charitable Trust	1,800,000	1,800,000
Raukawa Settlement Trust	0	75,000
Total Payables	1,800,000	1,875,000

Purchases from, related parties are recorded on normal commercial terms.

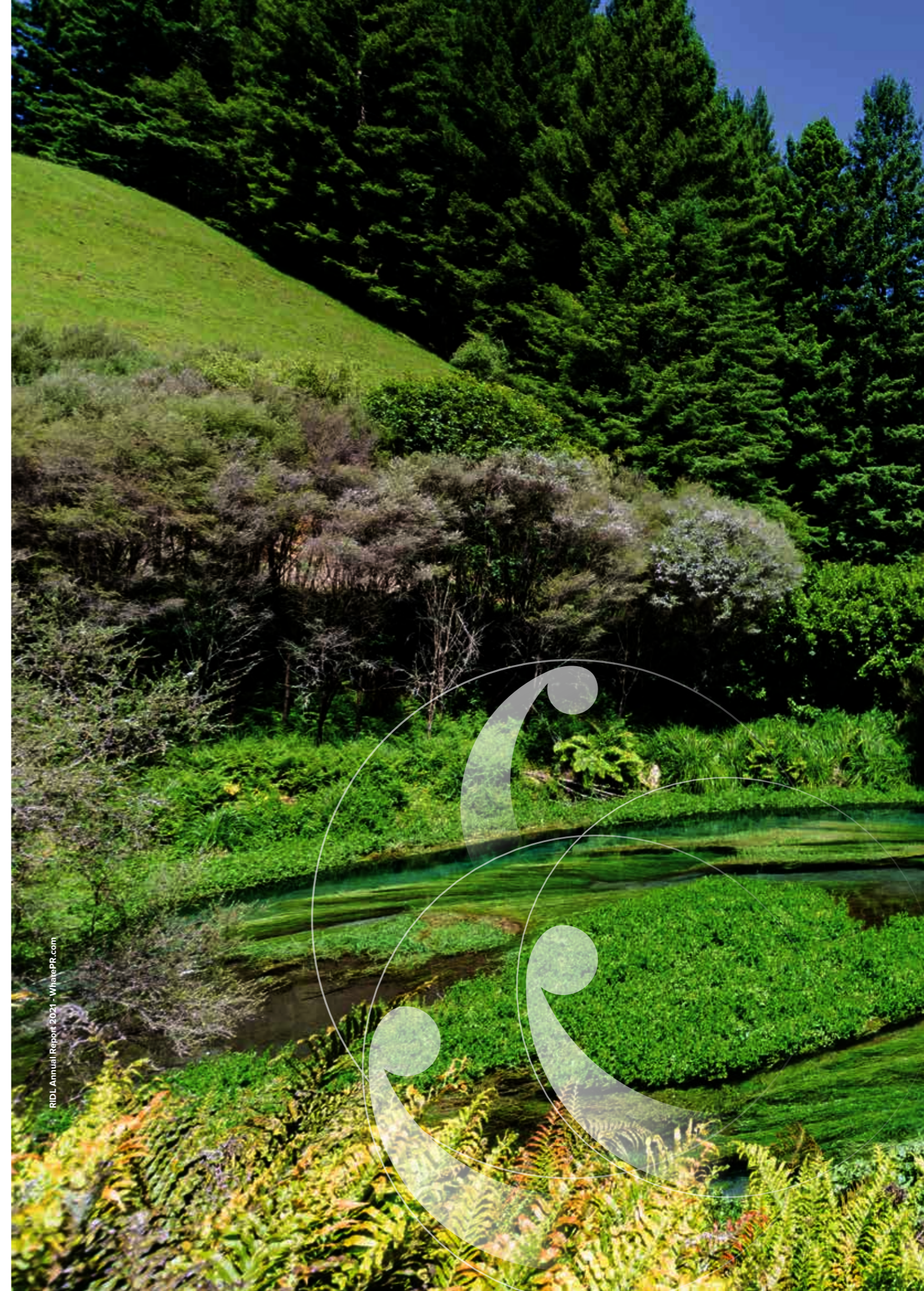
Loans from related parties are interest free and repayable on demand.

6. Parent-Subsidiary Relationships

The Company is a wholly-owned subsidiary of Raukawa Settlement Trust.

7. Subsequent Events

No significant events have occurred after reporting date (Last Year: Nil).





Raukawa Iwi
Development Limited

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