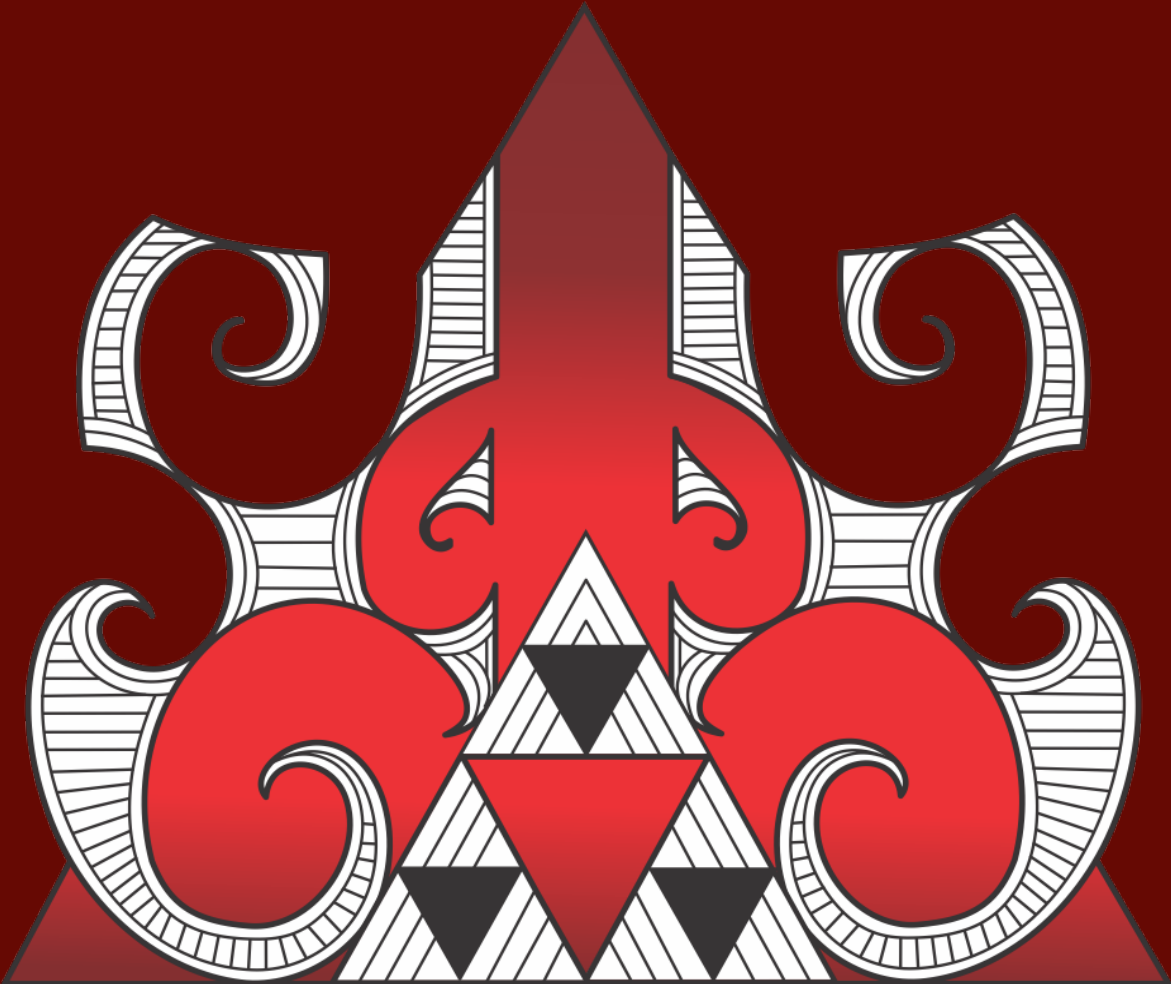


NGĀTI MĀKINO IWI AUTHORITY

ANNUAL GENERAL MEETING 2015



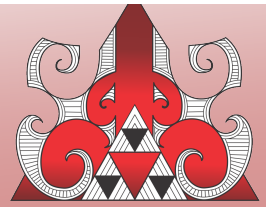


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Attachments:

1. Audited Consolidated Group Financial Statements
2. Attendance Register



Agenda

Notice is hereby given that the Annual General Meeting of the Authority will be held at Otamarakau Marae, Otamarakau on Saturday 28 November 2015 at 11am.

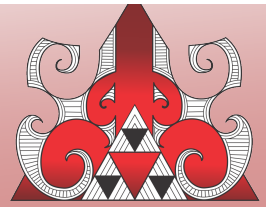
AGENDA

1. Apologies
2. Minutes & Matters Arising
3. Annual Report for the Financial Year Ended 30 June 2015:
 - a. Chairpersons Report
 - b. Summary of Approved Strategic Plan
 - c. Summary of the Audited Consolidated Group Financial Statements
4. Declaration of Results of Trustee Election
5. Appointment of Auditor recommendation
6. Trustee Remuneration Recommendation

Te Ngaru Awhimate
Chairperson

Note:

- a. Any other general business raised at the meeting will be undertaken at the discretion of the Chairperson.
- b. A copy of the annual report will be posted on the Ngati Makino website www.ngatimakino.co.nz on Saturday 31 October 2015 and hard copies will be available at the AGM.
- c. The meeting will conclude at 12.30pm



Minutes

NGATI MAKINO IWI AUTHORITY ANNUAL GENERAL MEETING (AGM) HELD AT OTAMARAKAU MARAE, SH 2, OTAMARAKAU, TE PUKE ON SATURDAY 14 FEBRUARY 2015, 10:00 A.M.

ATTENDANCE: See attached

1. **KARAKIA/MIHIMIHI** – Marilyn Williams and Peretini Te Whata.

A mihi from the Chairperson Hare Wiremu is also given.

2. **APOLOGIES** – Riria Atutahi, Paeraro Awhimate, Ngaroroa Morehu, Patsy Waiiti Atutahi, Hepa Anderson, Te Horo Francis, Jimi McLean, Ropia Paul Martin Hunuhunu, Charlie Hunuhunu, Te Hirata Sykes, Stephen Williams, Rupa Williams.

***Resolved:** That the apologies be accepted.*

***Moved:** Morris Meha*

***Seconded:** Te Ngaru Awhimate*

Carried

3. **MINUTES OF MEETING HELD 16 NOVEMBER 2013 AND MATTERS ARISING** – Chair reads the minutes of the meeting held 16 November 2013.

***Resolved:** That the minutes of the meeting held 16 November 2013 be received.*

***Moved:** Wehipu Galvin*

***Seconded:** Marilyn Williams*

Carried

Matters Arising

- a. **Pg 12. H - Investment Funds (\$15.5 million)** – Glenn provides response regarding what has been accumulated to date in terms of investment funds.

It is noted the NMAL have investments across a number of managed funds that the board meets regularly to discuss. Monthly reports are provided to the board of directors; the board of directors then reports back to the



Ngati Makino Iwi Authority on how well the investments are doing on a quarterly basis.

Further discussions required regarding investment funds.

- b. **Pg. 9 a. – Notification of AGM** – It is suggested that the NMIA review how they engage with the Iwi and look at ways to improve lines of communication.

The NMIA strategic plan may be able to address the issue of notification.

Further discussions about how to inform and engage our people is required.

Pg. 9 b. – Shared Register – There has been no progress to date with regard to a shared register, the main issue relates to privacy concerns.

4. **ANNUAL REPORT** – NMIA Annual Report is read.

- a. **Chairs Report** – Hare provides an overview of the Chair’s annual report.

Resolved: *That the Chairpersons report be received.*

Moved: *Te Ariki Morehu*

Seconded: *Morris Meha*

Carried

- b. **Summary of Approved Annual Plan** – Laurence is asked to give an overview of the Ngati Makino Iwi Authorities approved annual plan and strategic objectives.

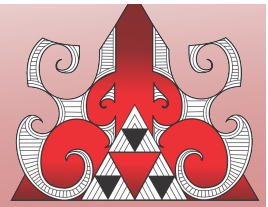
It is the Ngati Makino Iwi Authorities responsibility to submit a proposed annual plan for approval at the AGM, however, due to timeframes (AGM occurs, 6 -7 months into the current financial year) the Board can’t actually submit a proposed annual plan, as it needs to be implemented.

Resolved: *That the approved annual plan be received.*

Moved: *Morris Meha*

Seconded: *TohuRipeka Te Whata*

Carried



5. **AUDITED CONSOLIDATED FINANCIAL STATEMENTS** – Glenn is invited to present the Groups Audited Financial Statements.
- a. **“The Group”** – The group consists of “The Parent” (NMIA) and it’s “Subsidiary Company” (NMAL).
 - b. **Audited Consolidated Financial Statements** – The trust received an unmodified audit opinion which was completed 30 October 2015. The audit report indicates a true and fair representation of the Trusts accounts has been given.
 - c. **Summary of Key Features of Income** – An overview of the trusts main sources of income is given.
 - d. **Expenses** – Major expenses are clarified.
 - e. **Trustee Fees and Directors Remuneration Summarized** – Noted, the trustee payments for the year have been reduced considerably this year.

***Resolved:** That the groups audited accounts be approved.*

***Moved:** Tawhiri Morehu*

***Seconded:** TohuRipeka Te Whata*

Carried

6. **DECLARATION OF RESULTS OF TRUSTEE ELECTION** – Certificate of results for the appointment of two (2) trustees is received. Two formal nominations were acknowledged. Formal elections were not required due to the number of nominations received, equaling the number of vacancies, therefore Laurence Tamati and Hare Wiremu were duly appointed.

***Resolved:** That the declaration of results for trustee appointments are true and correct.*

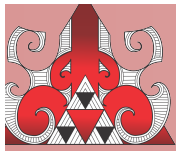
***Moved:** Te Ngaru Awhimate*

***Seconded:** Morris Meha*

Carried

7. **APPOINTMENT OF AUDITOR** – The Ngati Makino Iwi Authority seeks to confirm auditors Cookson Forbes & Associates as the trusts auditors for the 2014 – 2015 financial year.

***Resolved:** That Cookson Forbes and Associates be appointed as the Trusts auditors for the 2014-15 financial year.*



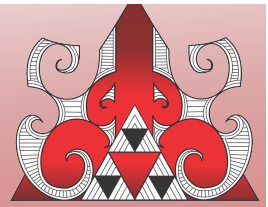
Moved: Marilyn Williams
Seconded: Raewyn Bennett
Carried

8. **TRUSTEE REMUNERATION** – Recommendation that the Trustee remuneration be maintained at the current levels.

Resolved: That the Trustee remuneration be maintained at the current levels.
Moved: Rakapurua Tipiwai
Seconded: Marilyn Williams
Carried

9. **GENERAL BUSINESS** – No matters for General Business.

10. **WHAKAMUTUNGA** – 11:34



Minutes

NGATI MAKINO IWI AUTHORITY SPECIAL GENERAL MEETING HELD AT OTAMARAKAU MARAE, SH 2, OTAMARAKAU, TE PUKE ON SATURDAY 14 FEBRUARY 2015, 11.35A.M.

1. **AMENDMENTS TO NMIA TRUST DEED** – Meeting convened to consider amendments to the Ngati Makino Iwi Authority Trust Deed.

Trust Deed

Clause 7 – Appointment of Directors – Amend heading to read “Appointment of Directors and Trustees”.

Clause 7.6 – Rotation of Directors of the Company – The current trust deed requires the board to reappoint Directors to the Company after one (1) year. Amend to reflect a 3-year term for Directors.

Clause 14.1 (c) – Current clause requires the board to present a proposed annual plan. This amendment requires the board to present “The Approved Annual Plan” rather than a “proposed annual plan”. Additional requirement.

Clause 14.9 – Current Trust Deed requires a quorum of thirty (30) adult members of the Iwi Authority for an AGM to take effect. Clause amends quorum required at an AGM from 30 – 20. “Quorum required shall be twenty (20) Adult.....”.

Second Schedule

Clause 6.1 – Current clause requires the NMIA to give notice calling for nominations for trustee positions for which elections are required at least 3 months before the AGM of the Iwi Authority for that income year. Clause has been amended to read: “NMIA shall give notice... at least 2 months before”. Decreases notice period from 3 months to 2 months.

Third Schedule

Clause 4.1 – Current clause requires trustees to have served at least one term to be eligible for appointment. Amended to read, “... must have served at least twelve (12) months to be eligible for appointment”.

2. **RECOMMENDATION TO APPROVE THE AMENDMENTS TO THE NMIA TRUST DEED** – Resolution to approve amendments.



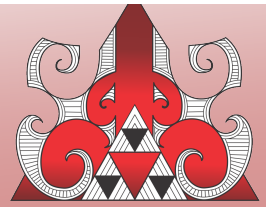
Resolved: *That the amendments to clauses, 7, 7.6, 14.1 (c), 14.9, the second schedule clause 6.1 and the third schedule 4.1 of the Ngati Makino Iwi Authority Deed of Trust be approved.*

Moved: *Tawhiri Morehu*

Seconded: *Rakapurua Tamati*

Carried

3. **WHAKAMUTUNGA – 1.00pm**



Ngati Makino Iwi Authority

Annual Report for the Financial Year Ended 30 June 2015



Chairperson's Report

He wehi ki a Ihowa i te mea ko la ra te timatanga me te whakaotinga mai o a matou e tumanako atu nei.

He mihi ki a tatou, ki a Ngati Makino i te mea ko tatou nei nga urupa hikoikoi o ratou ma kua wheturangitia

He karanga hoki ki a tatou kia huihui mai tatou I runga ano I te kaupapa o te ra.

NAU MAI PIKI MAI ATA WHAKARONGO MAI.

The Ngati Makino Iwi Authority (NMIA or the Board) meet with you today to present the annual reports pertaining to the Group for the year ending 30 June 2015.

Members are asked to bear in mind that the Group relates specifically to the NMIA and Ngati Makino Asset Ltd (NMAL). Whilst Ngati Makino Heritage Trust (NMHT) is a part of the post settlement entity, it currently acts as an entity in its own right and reports separately from the Group.

KA PU TE RUHA KA HAO TE RANGATAHI

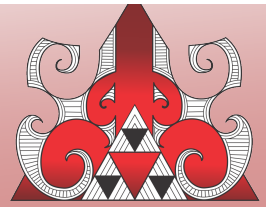
The Board began this reporting year with one Chairperson but saw fit to appoint a new one following the last AGM earlier this year. We give thanks to Mr Hare Wiremu for his continued service to the Board. Further thanks are given at this time to those current Trustees who will leave us following the election process - already started as at the time of writing this report. Margaret Williams and Paeraro Awhimate have not filed for re election. Their efforts on behalf of the Iwi and their attendance at the Board table shall be missed.

I O MAHI KATO A MAHIA

The 2014 – 15 year shall be remembered as a year of review. With an established Board (there being no electoral contest last year) and completion of the project for the rebuild of the tupuna whare Ruapotango NMIA took stock of both their structure and processes and saw need for change across the board, no pun intended.

Such change started with taking a serious look at the structure of the Board itself. By trial and error the Board have decided upon a process that will see the Board streamline itself, reducing the number of responsible Trustees on both the NMIA and NMHT.

Furthermore, the Board have investigated the operational requirements of the Trust and anticipated the future needs of the management aspect of the Group. As a direct result of that we note that the part time position contracted to the Manager of the NMHT, Jimi McLean, to manage the affairs of NMIA is deemed insufficient and we have ended that contract in anticipation of advertising the greater need of the Group and retaining a permanent solution. The Board thanks Jimi for his diligence to the Group and follow his continued employment as Manager of the NMHT with interest. Additionally our office administrator, Awhina Awhimate, has been taking advantage of the training budget to up skill her administrative abilities. Having successfully completed one set of Units, Awhina is currently seeking further opportunities to improve her abilities.



The Board is committed to reducing costs, creating efficiencies, and improving performance. We do however see the need for a more professional approach to this and the larger problems associated with the strategic direction of the Group. The resulting actions of this decision are a matter for next year's report but the current Board give notice of the retention of a professional consultancy group to design a progressive approach to our development needs. This shall be known as the SEED project and shall require the support and, from time to time, the individual input of Iwi members. Whereas the work plan of the Board and its operational arm for the 2015 - 2016 year shall drop down from the outcomes of this project the board is unable to provide you with the Key Performance Indicators that would enable Iwi members to track the progress or otherwise of the Board. No doubt this will be a matter for the Chair to report on at the next AGM.

At a meeting of the Authority on 26 March 2015 the Board had the unenviable task of censuring Mr Morris Meha for conduct unbecoming of a Trustee. This was as a direct result of a number of complaints received from Iwi members regarding Mr Meha's conduct on a number of separate occasions throughout the year. Mr Meha was subsequently served with a formal notice of censure pursuant to clause 22.1 and 22.3 of the NMIA Deed of Trust.

At a subsequent meeting in September 2015 the Board were satisfied that Mr Meha had complied with all the remedial actions required of him and within the notified timeframe so the Board resolved to take no further action. However should there be an occurrence in the future the Board will have no option than to reconvene to consider any further actions that it deems appropriate.

Once again, this year we will have sought Iwi approval of changes to our Trust Deed, the founding document which governs what the Board may or may not do. These changes empower the Board to give effect to their desire to restructure and reform the Trust as a more efficient entity including the ability to merge NMHT into the Group structure. The Board requests this particular change in anticipation that the merger will reduce the dual costs currently being charged against the separate Trusts. These changes shall have been voted on prior to the reading of this report and we, The Board, thank you the Iwi for your attendance to these matters at hand.

Also being determined today are the four (4) Trustee positions currently being contested for in this year's election the result of which shall be announced later in today's agenda. We welcome the new incoming candidates both new and old and wish them a successful term in office. I reiterate the words of Mr Wiremu in his report last year;

"I would take this opportunity to encourage and ensure that all members give due consideration to actively participating in the affairs of Ngati Makino. Fresh competent and innovative voices are always sought around the Board table"

As at previous AGM we welcome the attendance of our Group accountant Glenn Hawkins who shall present our annual accounts and, in his capacity as temporary returning officer, announce the Trustee election results. We thank Glenn and his



team at GHA for their continued support and services over the past year and look forward to another year of co-operation.

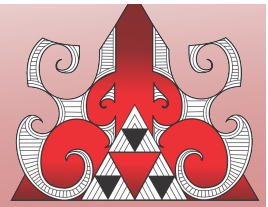
Finally we give season's greetings to one and all with the fervent wish that we all remain safe and happy in the embrace of our respective families.

I thank you all for your attendance today.

MA IHOWA KOUTOU E MANAAKI, E TIAKI

Na

Te Ngaru Awhimate
Chairperson

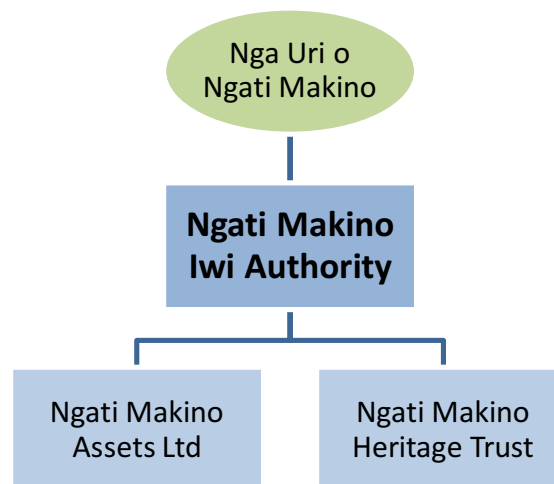


Summary of Approved Strategic Plan

Introduction:

In 2011 Ngati Makino finally achieved agreement on the settlement of its claim under Te Tiriti o Waitangi. In ratifying the settlement, iwi members agreed to form a new Post-Settlement Governance Entity (PSGE) to plan, direct and oversee the use of the assets to be received under the settlement for the benefit of Ngati Makino.

The approved PSGE required the formation of a new governance Trust, the Ngati Makino Iwi Authority (The Authority). The Authority heads a Group comprising of an Asset Holding Company (Ngati Makino Assets Ltd) and Charitable Trust (Ngati Makino Heritage Trust). Each has a special role in restoring the mana and fortunes of Ngati Makino. The table below shows the group structure:

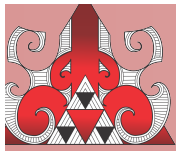


The Authority is the governing body of the Group, responsible for:

- Representing the interests of its Members,
- Advocacy with local, regional and central government, agencies and other organisations,
- Strategic oversight of Ngati Makino's settlement assets and interests.

Ngati Makino Assets Ltd (the Company) is responsible for managing the Authority's assets that are of a commercial nature, on a prudent, commercial and profitable basis, undertaking "all commercial activities of the Authority, either itself or through any subsidiary established for that purpose, on behalf of and solely for the benefit of the Authority".

The Ngati Makino Heritage Trust (The Trust) is responsible for administering the any assets as may be transferred or allocated to it for the purposes of development activities of the Group, either itself or through any subsidiary or other entity established for that purpose, on behalf of and solely for the benefit of Ngati Makino.



Initial 5 Year Strategic Plan

As one part of its responsibilities, the Authority prepared an initial Five-Year Strategic Plan (the Plan) in 2011. The Plan set out:

- a) the strategic vision of the Authority for the Group;
- b) the nature and scope of the activities proposed by the Authority for the Group in the performance of the Authorities purposes;
- c) the ratio of capital to total assets;
- d) the performance targets and measurements by which performance of the Group may be judged;
- e) the manner in which it is proposed that projected income will be dealt with; and
- f) any proposals for the on-going management of the Authorities assets having regard to the interests of all members of Ngati Makino.

The Plan drew heavily on the contributions of iwi members from wananga held in April-May 2011 where the members expressed their aspirations for Ngati Makino, and at subsequent wananga conducted late in 2011 with the Authority Trustees.

As envisaged by the Authorities Trust Deed, the Plan focussed closely on the transitional mahi of establishing the Authority and the other entities in the Group, to set the foundations for an organisation devoted to achieving the aspirations of Ngati Makino. The Plan was reviewed annually and a summary was presented at the Annual General Meeting (AGM) in 2012 and annually at subsequent AGM's.

Goals:

The goals set by the Authority are mostly based on the aspirations expressed by the iwi members in 2011. The goals are:

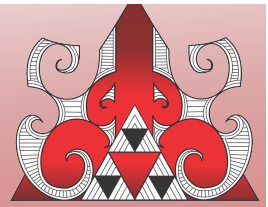
1. Organisational well-being
2. Cultural well-being
3. Environmental well-being
4. Social well-being, and
5. Economic well-being

Organisational Review:

In the 2014 financial year the Authority carried out a review of the Plan and as part of the review, joint meetings were held with the Group entities. It was subsequently decided that the key focus for the Group for the remainder of the financial year would be on building a strong and well governed organisation.

In June 2015 the Group commissioned an Organisational Review in response to consideration of the Group budgets for the 2015/16 financial year. The Group wanted to identify ways to reduce costs, create efficiencies, and improve performance.

The Organisational Review Report was completed in July 2015. The recommendations were subsequently accepted by the Group and a change program comprising the following key elements was implemented:



- Change the structures by converting the Heritage Trust to a 'bare' trust.
- Develop a shared understanding that the Authority is the focus of control for the Group
- Cut administrative costs by reducing the amount of internally focused governance activity and associated administration
- Undertake a community development (SEED) project to help set long-term objectives, identify new social projects and enterprise opportunities so Ngati Makino can take charge of their own development
- Adopt some new governing principles, and
- Goal setting across the mission fulfilment activities

At the time this report was written the community development (SEED) project was well underway and iwi consultation hui were planned for November. The Trustees are reasonably confident that the summary findings will be available to present at the AGM.



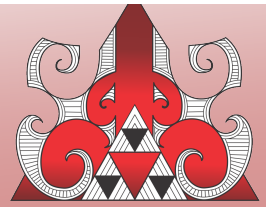
Summary of Audited Consolidated Group Financial Statements

The audited Consolidated Group financial statements for the year ended 30 June 2015 are attached to this report. Consolidated accounts are required to comply with generally accepted accounting practice under the Financial Reporting Act 1993. We provide the following summary for this financial year.

As the financial statements are reported on a group basis, these accounts summarise all transactions for Ngati Makino Iwi Authority and its subsidiary company, Ngati Makino Assets Ltd. The Auditors are Cookson Forbes & Associates of Opotiki and they have provided an unmodified (clear) audit opinion.

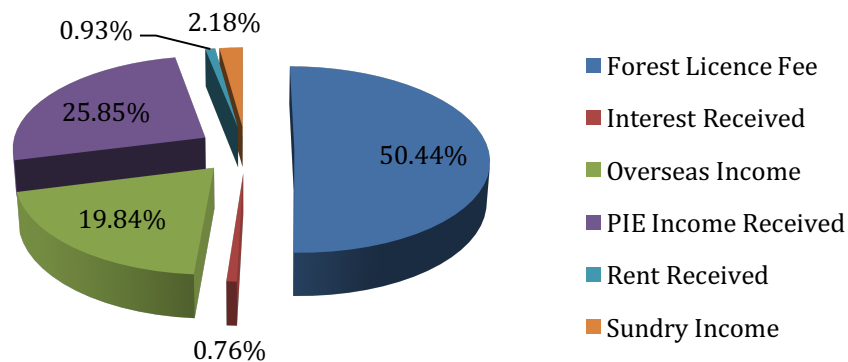
Key financial trends and information have been extracted from the financial statements, as follows:

SUMMARY OF INCOME AND EXPENDITURE	2015	2014
	\$	\$
INCOME RECEIVED		
Forest Licence Fee	484,194	476,282
Interest	7,273	230,294
Overseas Income	190,483	228,412
PIE Income Received	248,194	209,739
Rent	8,880	8,880
Sundry Income	63,969	63,969
Total Income	959,973	1,217,576
LESS EXPENDITURE		
Operating Expenses	418,008	429,096
Donation – Ngati Makino Heritage Trust	263,675	285,106
Non-deductible expenses	872	-
Total Expenditure	682,555	714,202
PLUS Unrealised Fund & Foreign Exchange Movements	1,056,554	(251,811)
LESS Tax Expense	4,401	11,414
NET OPERATING SURPLUS/(DEFICIT)	1,329,571	240,149
Debt Forgiven – Ngati Makino Heritage Trust	(58,340)	(651,160)
Net Surplus/(deficit)	\$ 1,271,231	\$ (411,011)



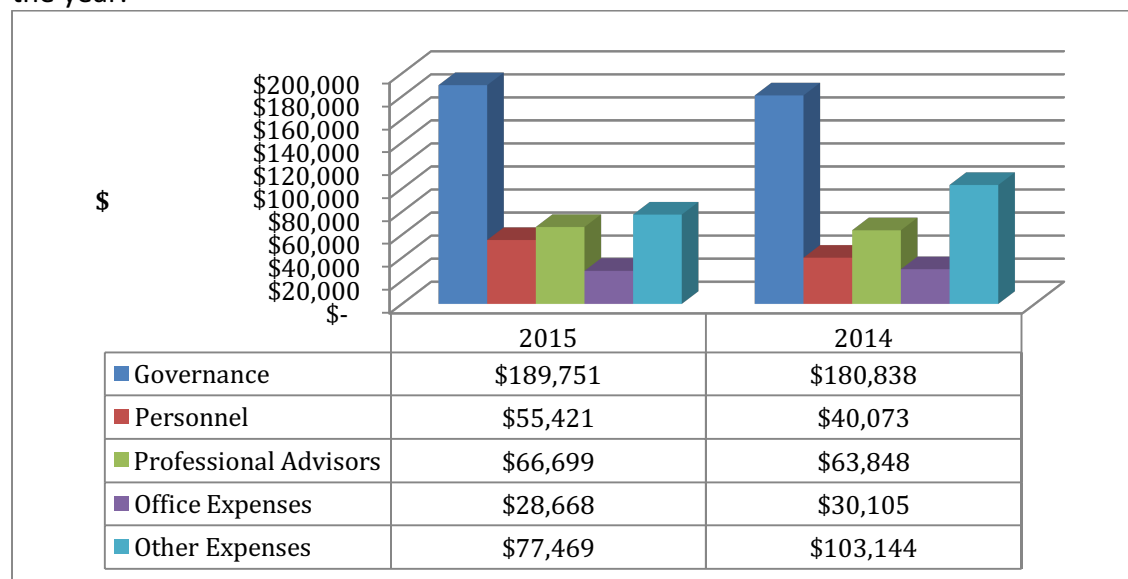
The operational outcome is a significant increase in the overall surplus to \$1,271,321 compared to a deficit of \$411,011, last year. This increase is a direct result of strong growth in the value of the investment portfolio and an improvement in foreign exchange rates.

Income is derived from the following sources:



The change in the portfolio profile from term deposits to managed funds and portfolios has led to lower investment income, but significant capital growth.

The following chart provides a summary of key operating expenses incurred during the year:



There has been a decrease in the operating expenses of \$11,088 (3%) which relate mainly to lower costs associated with the elections and special project costs. Professional advisory expenses represent accountancy, audit and legal fees.



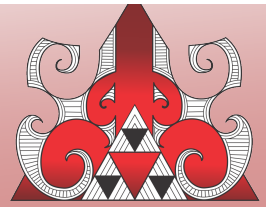
Governance costs include trustee fees, directors' fees, honoraria as well as trustee travel & accommodation, and meeting costs. Personnel expenses include wages and travel expenses. Office expenses include rent and associated office costs. Other expenses reflect all other costs of the Trust and its subsidiary.

SUMMARY OF ASSETS AND LIABILITIES	2015	2014
	\$	\$
ASSETS		
Bank Deposits and Cash	357,033	62,754
Tax Refund Due	-	66,147
Goods & Services Tax Receivable	3,745	5,516
Sundry Assets	730	-
Property & Equipment	5,954,618	5,954,164
Westpac Term Deposit	-	-
Other Investments	16,455,473	15,419,174
Total Assets	\$ 22,771,599	\$ 21,507,755
LIABILITIES		
Accounts Payable	19,840	33,560
Finance Leases	1,456	2,759
Income in Advance	408,337	403,495
Tax Payable	2,795	-
Total Liabilities	\$ 432,428	\$ 439,814
NET EQUITY	\$ 22,339,171	\$ 21,067,941

Net Equity for the Group increased by 6% or \$1,271,231 from \$21,067,941 to \$22,339,171. This is a direct result of the strong growth in the value of the investment portfolio.

Fees paid during the year to the Trustees are as follows:

TRUSTEES' PAYMENTS	Gross Fees	Travel
	\$	\$
A Awhimate	500	11,475
M Awhimate	12,000	8,013
P Awhimate	6,250	7,788
S Ngatai	7,788	6,513
L Tamati	10,000	4,076
M Williams	10,050	8,938
H Wiremu	19,550	18,738
M Meha	7,250	5,363
E Ngatai	5,188	3,800
Total	\$ 78,576	\$ 74,700



Fees paid during the year to the Directors are as follows:

DIRECTORS' REMUNERATION	2015	2014
	\$	\$
A Awhimate	20,000	20,000
L Tamati	30,000	21,667
B Tunui	20,000	20,000
I Dickson	20,000	20,000
Total	\$ 90,000	\$ 81,667



Appointment of Auditor

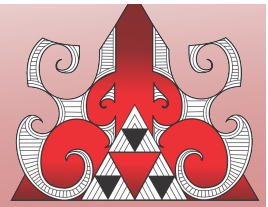
Recommendation:

“That Cookson Forbes and Associates be appointed as the Trust Auditors for the 2016 Financial Year”.

Trustee Remuneration

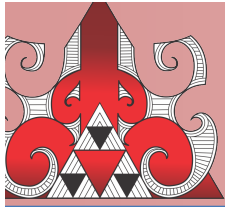
Recommendation:

“That the Trustee remuneration be maintained at the current level of \$500 per meeting”.



Trust Directory

DATE OF FORMATION	12 April 2011
NATURE OF BUSINESS	Treaty of Waitangi Settlement Organisation
BOARD OF TRUSTEES	Te Ngaru AWHIMATE (Chairman) Hare WIREMU Paeraro AWHIMATE Margaret WILLIAMS Stewart NGATAI Laurence TAMATI Elizabeth NGATAI Morris MEHA
ACCOUNTANT	Glen Hawkins & Associates Ltd
AUDITOR	Cookson Forbes & Associates
SOLICITOR	Tupono Legal
BANKER	Westpac Bank, ROTORUA
REGISTERED OFFICE	46 Jellicoe Street Shop 4, Palmer Court PO Box 479 Te Puke 3119 Telephone: 07 573 3370 Email: admin@ngatimakino.co.nz



Notes

