



**Rangitāne o Wairau Settlement Trust
and**

Te Rūnanga a Rangitāne o Wairau Trust

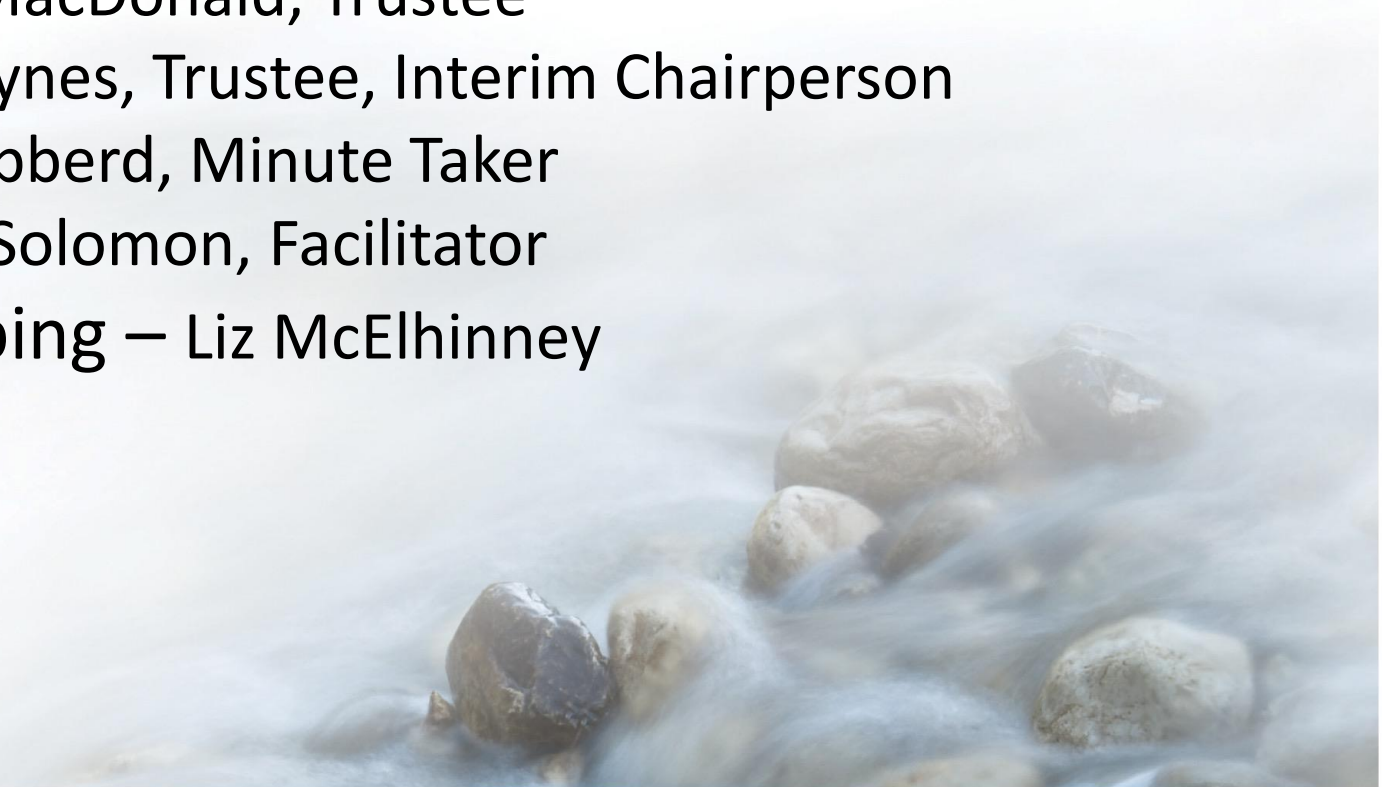
Annual General Meetings

Ūkaipō, Grovetown

Saturday 18 February 2017, 10:30am

MIHIMIHI

- Mihi Whakatau / Karakia / Hīmene
- Introductions
 - Jeremy MacLeod, Trustee
 - Haysley MacDonald, Trustee
 - Wendy Hynes, Trustee, Interim Chairperson
 - Corey Hebberd, Minute Taker
 - Sir Mark Solomon, Facilitator
- Housekeeping – Liz McElhinney
- Present
- Apologies

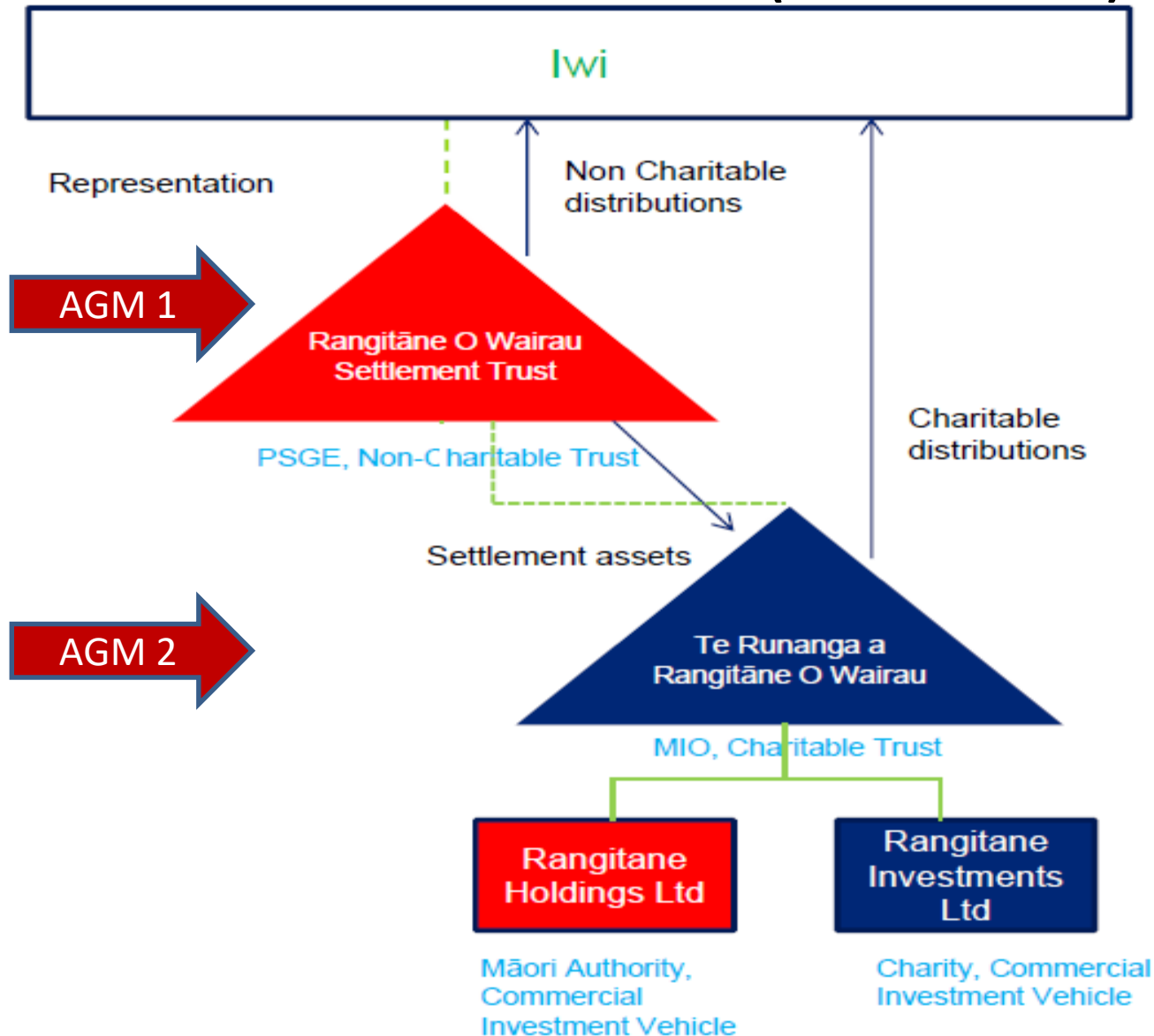


VOTE COLLECTION

- Isiah Roberts from Electionz.com
- Anyone who has a voting paper with them can put it in the ballot box at the back of the room
- Anyone who wishes to cast a special vote can complete a registration form and voting paper and put it in the ballot box at the back of the room



THE GROUP (since Jul 2014)



Terminology

- **RoW** – Rangitāne o Wairau
- **The Settlement Trust** –
Rangitāne o Wairau Settlement Trust
- **The Trust** –
Te Rūnanga a Rangitāne o Wairau Trust
- **The Inc** –
Te Rūnanga a Rangitāne o Wairau Incorporated
- **RHL** – Rangitāne Holdings Limited
- **RIL** – Rangitāne Investments Limited
- **MBC** – Marlborough Boys' College

Who's who?

Settlement Trust and Charitable Trust Trustees

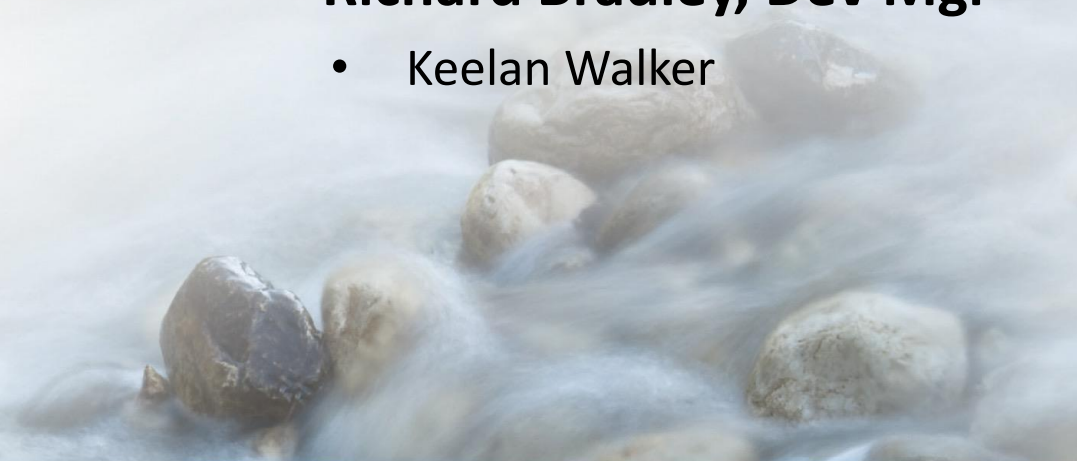
- Wendy Hynes (Interim Chair)
- Jeremy MacLeod
- Haysley MacDonald

RHL and RIL Directors

- Ross Butler (Chair)
- Brett Sutton
- Judith MacDonald
- Richard Bradley

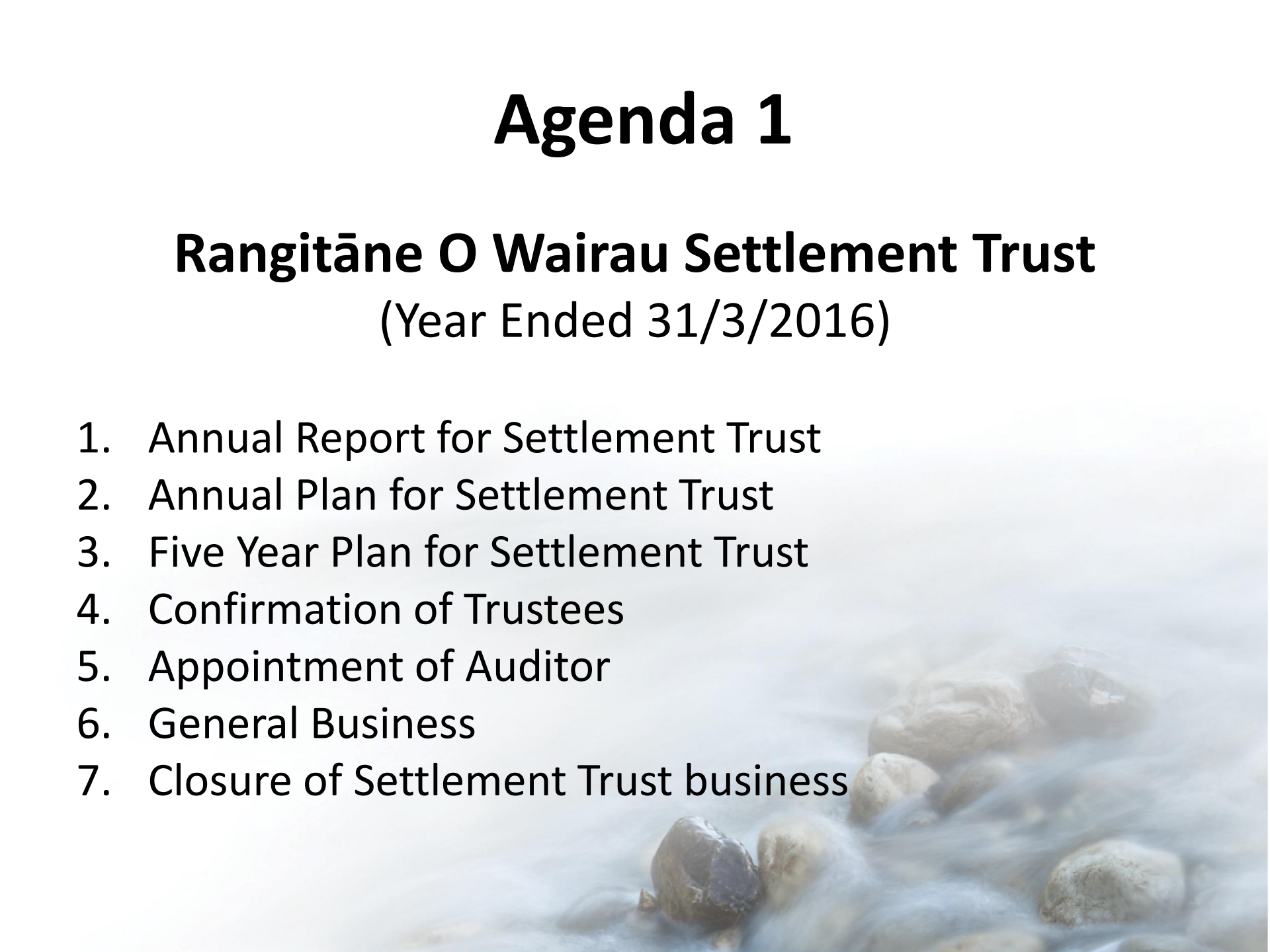
Staff

- **Liz McElhinney, Gen Mgr**
 - Janine Thompson
 - Diane Ryan
 - Sandra Evers
 - Jodie Palatchie
- **Richard Bradley, Dev Mgr**
 - Keelan Walker



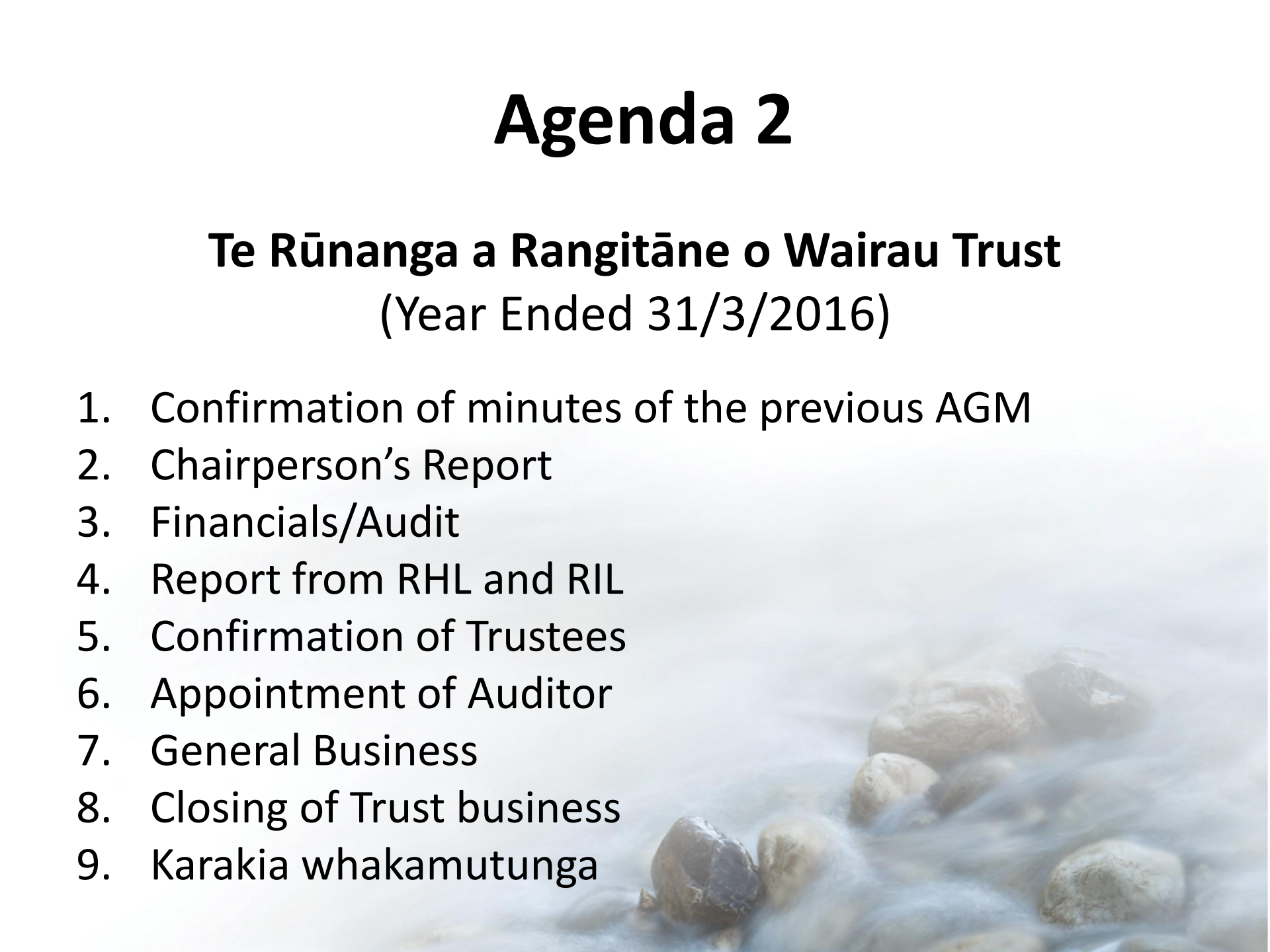
Agenda 1

Rangitāne O Wairau Settlement Trust (Year Ended 31/3/2016)

1. Annual Report for Settlement Trust
 2. Annual Plan for Settlement Trust
 3. Five Year Plan for Settlement Trust
 4. Confirmation of Trustees
 5. Appointment of Auditor
 6. General Business
 7. Closure of Settlement Trust business
- 

Agenda 2

Te Rūnanga a Rangitāne o Wairau Trust (Year Ended 31/3/2016)

1. Confirmation of minutes of the previous AGM
 2. Chairperson's Report
 3. Financials/Audit
 4. Report from RHL and RIL
 5. Confirmation of Trustees
 6. Appointment of Auditor
 7. General Business
 8. Closing of Trust business
 9. Karakia whakamutunga
- 

Annual General Meetings

- The Trust Deeds require that an Annual General Meeting be held for both:
 - The Settlement Trust and
 - The Trust
- The Annual Report is a consolidated view of reporting and planning for the whole Group
- The business of the Settlement Trust is transacted by the Trust




Motion

Due to the consolidation
of annual reporting and planning
in the Annual Report
and to avoid duplication,
all agenda items be deferred
to and included in the AGM for
Te Rūnanga a Rangitāne o Wairau Trust

Close Rangitane o Wairau Settlement Trust AGM

Te Rūnanga a Rangitāne o Wairau Trust

AGENDA

1. Minutes of AGM 21 November 2015
 2. Annual Report/Plan
 - Chairperson's Report
 - Performance
 - Financial Report
 - RHL/RIL Report
 - Auditor's Report
 3. Appointment of Auditor
 4. Confirmation of Trustees
 5. General Business
- 

PREVIOUS MINUTES

AGM 21 Nov 2015

- Corrections
- Clarification
- Changes



ANNUAL REPORT/PLAN

- Chairperson's Report – Tarina MacDonald
- Annual Report/Plan – Tarina MacDonald
- Financial Report –
- RHL/RIL Report – Directors
- Auditor's Report – Trevor Deed, Deloitte



Chairperson's Report Annual Report/Plan

- Taken as read
- Questions for Tarina MacDonald



FINANCIAL REPORT

At a glance

- Group Income **\$2.396m** (up \$507k or 27%)
- Group Expenditure **\$1.949m** (up 267k or 16%)
- Operating Surplus **\$448k** (up \$240k or 116%)
- Return on Assets in RHL **.30%**
- Return on Assets in RIL **5.38%**
- One purchase – Auckland Point School \$579k
- One sale – Rahotia Marine Farm \$577k

Financials

Frequently Asked Questions

- **Legal Fees** – were all for legal costs
- **Consultancy Fees (page 21)** – increase of \$267k mainly due to TDB \$134k for Statement of Investment Policy and Objectives (SIPO)
- **Consultancy Fees – Other** - WHK Accounting, WordWorks Corporate, electionnz.com, Telfer Young Ltd, SupremeLink Ltd, Ngati Apa ki te Ra To Charitable Trust, Willis New Zealand Ltd
 - Relatively small amounts that didn't need to be disclosed separately

RHL/RIL REPORT

- Questions for Directors



AUDITOR'S REPORT

The Audit Process

- The **financial year** is 1/4/2015 – 31/3/2016
- **Diane Ryan** manages the day to day accounts and monthly reporting to Kendons
- **Kendons** in Lower Hutt manage the monthly accounts and reporting back to RoW
- **Kendons** in Lower Hutt provide the year-end Financial Statements
- **Deloitte** audit the Financial Statements

The Audit Result

- The Trust and Group opinions were issued 28 Aug 2016
- The Company opinions were issued 26 Jul 2016
- All are “clean’ and unqualified
- The accountants’ involvement significantly improved the audit process and timing in 2016
- No changes to accounting policies or assets from 2015
- Key decisions by Trustees and Directors are:
 - land and buildings assets are recorded at cost
 - fish quota and listed shares recorded at quoted market value

Key Audit Findings

- Key audit finding as noted in the Audit Committee hui minutes as follows:
 - *The lack of internal controls and delegated authorities continue to remain a significant risk. Rangitane has been extremely slow in addressing these issues and they require immediate focus. Ross advised these issues are a priority, and that the Trust is considering and, if appropriate, approving a set of delegated authorities at this weekend's Hui.*



Key Audit Findings cont'd

- *Trevor further noted that it was not sufficient to simply “approve” the delegated authorities ... it is imperative that all Trustees, Directors and Management understand and adhere to the delegated authorities. This education programme should also extend to explaining the difference between conflicts, interests, and conflicts of interests, and what Trustee, Director and Management obligations are in respect of each.*



Frequently Asked Questions

- Will there be a review of the settlement transactions and tax implications as agreed at the Blenheim Roadshow in 2016?
 - If the Trustees require a review, yes we will support that process
- Are you satisfied that best practice controls are in place to protect our financial interests?
 - The DFA process is not complete and in itself is a significant risk however our audit testing has not found any material issues in payments approved during the year

Frequently Asked Questions cont'd

- Are you satisfied with in house management of our financials?
 - Independent accountant, Kendons are supporting the financial processes. We support this approach
- Has the Group met all of its tax obligations during the year?
 - Yes, we believe so



Appointment of Auditor

4.13 Accounts and Audit:

- (a) The Trustees shall keep an account or accounts at such bank or banks as the Trustees may decide. Cheques, withdrawals and authorities shall be signed or endorsed, as the case may be, by such person or persons (including in all instances at least one Trustee) as the Trustees may decide.
- (b) The Trustees shall cause true accounts for each financial year to be kept in accordance with generally accepted accounting practice of all receipts, credits, payments, assets and liabilities of the Trust Fund and all such other matters necessary for showing the true state and condition of the Trust. The accounts of the Trust shall be audited at least once in each year by a chartered accountant (not being a Trustee) appointed in that capacity by the Trustees.
- (c) Nothing in this clause 4.13 shall derogate from any other obligations of the Trustees in respect of accounts and audits.

- The Trustees are discussing auditing services with Deloitte and PriceWaterhouseCoopers
- We will confirm the Auditor for 2016-2017 by end March 2017

CONFIRMATION OF TRUSTEES

- Election Result
- Thank you to the candidates
- Thank you to the outgoing trustees



GENERAL BUSINESS

- Heritage NZ case
- Marlborough Boys College (transfer)
- Incorporated Society
- Marlborough Boys College (new site)



Heritage NZ case

- At the 2015 AGM, statements were made about a Heritage NZ case against Phillip and Haysley MacDonald regarding the historic Kowhai Pa
- They were subsequently accused by Heritage NZ of constructing a fence line and clearing scrub without permission on a site close to Kowhai Pa, between Jul and Sep 2015
- They had purchased the land in 2004 and it had been farmed by its pakeha owners since 1923
- NO DOCUMENTATION had been tabled at the Trust about this prior to the charges being laid
- Heritage NZ and the MacDonalds have reached an agreement which includes a site survey of all their land and a contribution to complete further survey work in the area
- The charges were withdrawn by Heritage NZ on 9 Feb 2016 and the parties look forward to working together in future

Marlborough Boys College (transfer)

- MBC was part of the settlement package in 2010
- Due to issues with the “title”, there was a delay in the transfer of the “title” only, from the Crown
- Since Jul 2014 though, the ‘beneficial owner’ of MBC has been RIL. This means RIL receives the benefit (income) and meets any costs
- The “title” was finally ready for transfer to RoW in Dec 2015
- Statements were made last year about tax issues caused by the delay in signing off the transfer
- The title for MBC was transferred to the Settlement Trust in Sep 2016. The beneficial owner remains RIL



Incorporated Society

- The Inc was created in 1987 by/for the people
- Its purpose is to deliver social and cultural benefits
- Wendy Hynes was elected the Chairperson in Feb 2016
- Wendy submitted a report for 2015/2016 to the Trust
- Wendy submitted a plan for 2016/2017 to the Trust
- This was more than previously submitted by Inc officials
- The governance, elected officials and funding of the Inc were removed by the Trust in May 2016
- All social and culture activities became the responsibility of the General Manager

Marlborough Boys College (new site)

- In Nov 2015, the Ministry of Education decided that MBC and MGC would vacate their current properties and co-locate at a new location
- The Waterlea Racecourse was the preferred site till Dec 2016
- In Dec 2016, Phillip and Haysley MacDonald's Alabama Road property became the Ministry's preferred site
- On 8 Dec 2016 Haysley MacDonald provided a Declaration of Interest regarding the MBC site to me
- RIL own MBC. Haysley is not a Director of RIL and has no part in RIL decision-making
- Any decisions regarding the vacating of MBC at the Charitable Trust table will not involve Haysley



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Wendy Hynes
Interim Chair
Rangitane o Wairau

08/12/16

Re: School's Site

Dear Wendy

I am writing to you in my capacity as a Director and Shareholder of Montford Corporation and as a Trustee of Rangitane's two Trust's.

As you know, Montford owns land at Alabama Road where I live with my family and where we have established a vineyard.

I have been advised this week that the land on which I live is the preferred site for the new school project the Ministry of Education is considering undertaking in Blenheim. This information is confidential for the time being and please keep it confidential.

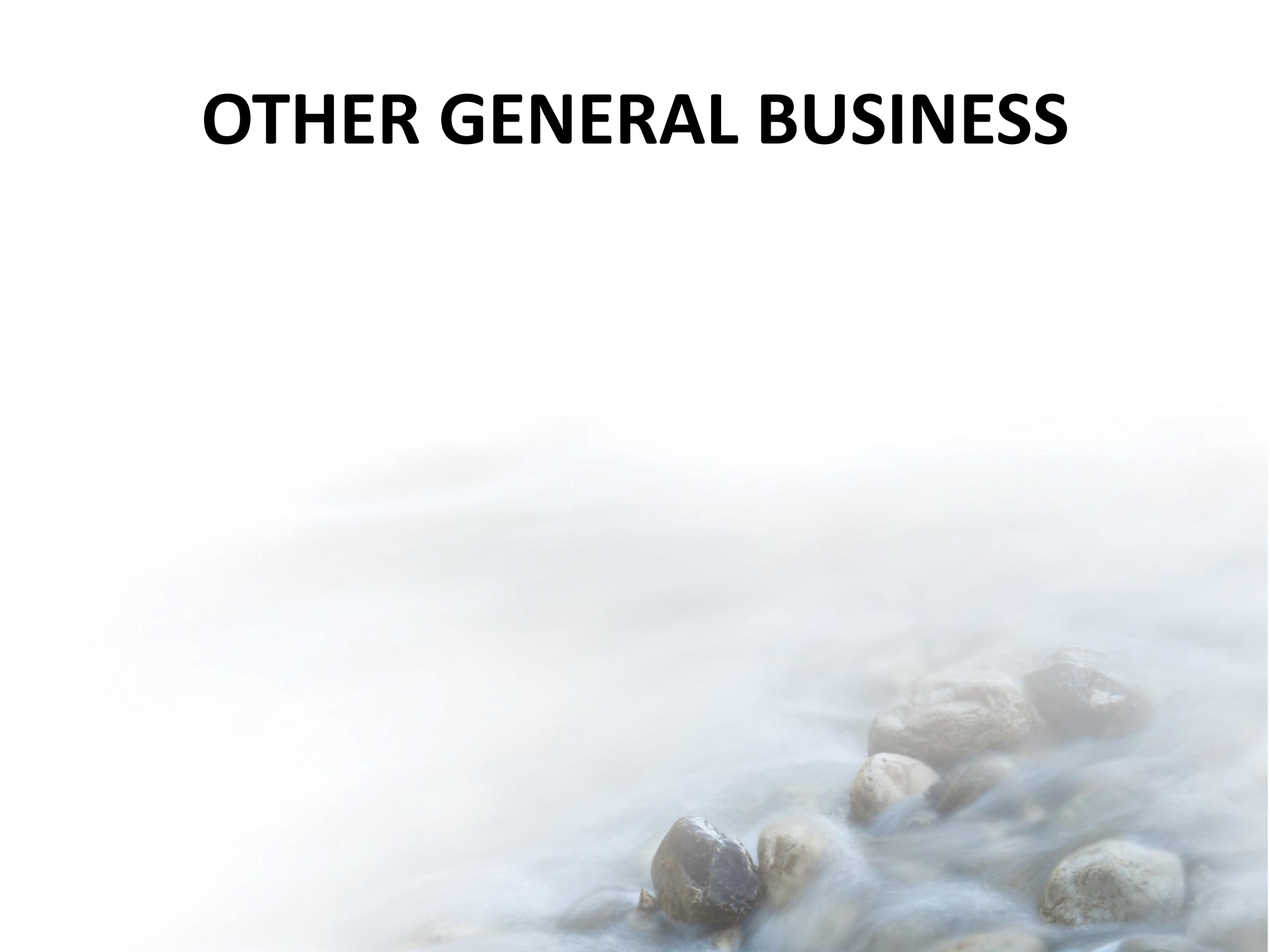
I would like to make full disclosure to you of everything I know about this at this stage so that any issues arising from my role as trustee can be considered in relation to any decisions which need to be made in connection with the Marlborough Boys College site. I believe that this matter should be declared in the Trustees' interests register, if there is such a thing, or formally noted by you. As we both know, we are in a holding pattern for the time being until the elections and so it is unlikely that we as Trustees will be required to make any decisions in relation to the Marlborough Boys College site in this interim period. If we are, then I would not participate in those decisions. I suggest that when the new trustees are known and we meet in the New Year we address these issues and any protocols regarding decision making in relation to the Boys College site at that time.

Please let me know if you have any questions or alternative proposals about how to deal with this.

Yours sincerely

Haysley MacDonald

OTHER GENERAL BUSINESS





Kei puta te Wairau!