

Chairperson's Report for Annual General Meeting 27 November 2016

Tukuna kia rere ngā mihi ki te Atua i runga rawa - te tīmatangata me te whakamutunga o ngā mea katoa.

E kore e mutu ngā mihi ki ngā mate maha mai i ngā tōpito e whā o te motu, o tīra nō te ao whānui nui tonu. Moe mai i ngā ringaringa kaha o te Atua.

Kei te iti me te rahi - tātou ko te hunga matatahi o Te Ātiawa ki Te Tau Ihu - nau mai ki te pānui o te wā.

Tēnā koutou katoa ngā uri manawhenua Te Ātiawa Ki Te Tau Ihu o te Waka a Maui.

To all whānau pani and whanaunga who have lost treasured members of their whānau. Our sincere prayers and thoughts in your loss.

Kia ora koutou

As another year in Te Ātiawa evolution draws to a close, it is a pleasure to present this annual report of the Te Ātiawa o Te Waka-a-Māui Trust and the Te Ātiawa Manawhenua Ki Te Tau Ihu Trust to you, the members.

Before moving too far into this report however, I must again record the sad loss of our friend and colleague Pat Park during the year. Pat's contribution will be missed.

Normally I would endeavour to select a number of new themes to highlight in this annual report, however this year it is more appropriate to mainly focus upon updating the significant work-streams that were started some time ago. I would like to be able to report that these areas have been dealt with and can be struck off our 'to-do list'. Bedding in to the post settlement environment continues to present many new and significant issues to be dealt with. Since we last reported to you there has been considerable work undertaken on your behalf on a wide range of issues.

The following few paragraphs are intended to give you a feel for the types of things that have engaged us over the reporting period.

Transitioning to Post Settlement structure is ongoing. Addressing the Trust structures and optimising these to take account of our post settlement tax position has been a challenging task for the GM and advisors. The project to review our current structures and processes has taken longer than we had initially envisaged, but we remain focussed on having this completed within the next 6 months. As previously advised, resulting from this process will be some rearrangement of the current management agreements and profit sharing arrangements with our subsidiary entities. Whilst many of the changes will not be obvious immediately, where we

are able, or are required by necessity, we will implement things progressively. An example of this, is the extraordinary donation from Totaranui Ltd to the Charitable Trust in the last financial period. This is not only indicative of the performance of the company for the period but also the desire of Trustees to maximise the benefits to the members.

The establishment of an Investment Advisory Committee (IAC) was discussed in my last report to you. Since that time, the IAC has been fully constituted with the appointment of Peter Allport to the Committee. Peter has also accepted the role of Chair of the IAC. The key piece of work being carried out by the IAC is the development of the Te Ātiawa Statement of Investment Policies and Objectives (SIPO). The SIPO will be a key document for Te Ātiawa, and will inform and guide your decision-makers when considering future investment, and managing the risks around the Te Ātiawa portfolio, whilst ensuring that as best possible we protect our settlement and grow the economic base of the iwi in support of cultural revitalisation, and the other goals we aspire to. The preparation of the SIPO has been challenging for all involved, but I am happy to report that significant progress has been made and we expect the final document to be ratified by the Board soon. The IAC has also been active in assessing and advising Trustees on a number of business and investment related proposals during the year, including opportunities for beekeeping/manuka honey production and the New Zealand King Salmon share offer.

The SIPO development process has highlighted a number of areas where Te Ātiawa assets are not performing adequately for us. There will be further assessment of all our assets over time, and where appropriate the Trustees will consider courses of action to improve performance. It may be that the divesting of some assets may provide the best long term outcome for us. Where our constitution requires we will bring these options to you as appropriate.

Finally, in this section I would like to raise the matter of Constitutional efficiency. In this regard, I refer to the current requirements of our Trust Deed around voting in Trustee elections. Our current process includes postal, electronic and 'on the day voting'. Historically, we have seen that very few votes are cast on the day and rarely (if at all) that small number of votes has any influence on the outcome of the vote. This results in delays in finalising election results, in some cases to days after the event. Also, there is a significant extra cost to managing this process. I am proposing that we do away with 'on the day voting', thereby ensuring that final results will be available at the meeting. The benefit of financial efficiency is an added bonus. I would like to hear members' views on this.

Performance of Trust Entities. The detailed audited consolidated financial statements are available later in this report, I encourage you to read these. The reports show the consolidated performance of the Trusts for the financial period, and also the unconditional auditor's report. This is a good result for us, and endorsement that our governance and management of your assets meets required standards. Can we improve? Of course we can, and we will endeavour to do so in future.

Aquaculture Settlement – In July 2015, the Tasman and Marlborough Regional Aquaculture Agreements were signed at Parliament, Wellington. The signing was the culmination of a number of years' work for our negotiators and resulted in a settlement of approx. \$38m being secured for the iwi of Te Tau Ihu. To date, \$1.4m of this sum has been banked into Trust accounts. The allocation of the remaining funds has, however, been subject to a dispute between a number of parties. Largely, the resolution of the dispute is beyond Te Ātiawa control, nevertheless our mandated representatives will be continuing to work and assist wherever possible to unlock the Te Ātiawa share of the funds currently held in trust.

Expanse of Engagement. With settlement comes a growing list of obligations and also expectations by external agencies for iwi engagement. It is clear to me that Te Ātiawa (or any post settlement iwi for that matter) has neither the resources nor the need to engage with all parties who seek our attention. Upholding our treaty settlement is a priority, as is taking and creating opportunities for achieving the goals you have set us. The growing demands on the Trust from a broad range of parties dictates that we need to be very clear on our objectives, and ruthless in our application of resources. There are not enough resources to satisfy all demands, both internal and external, on us. The input and assistance of members in giving clarity to your Board is vitally important. Only by understanding fully what is actually important to Te Ātiawa will we be able to meet your expectations.

The review and development of the Strategic Plan 'E Titia' has been one initiative taken to the people this last year. The high level strategic Vision, Tikanga, and Kaupapa (areas of priority action) have been well defined. The next stage of the process is to put in place the implementation plan.

Additionally, the Board has started reviewing old and developing new Policies, which will assist in clarifying our decision making processes. These policies will be available on the website as they are completed.

Protection of interests. Ensuring the integrity of our settlement is of paramount importance. Related in part to this is maintaining our presence as manawhenua and kaitiaki across the rohe that are important to us. At times, this places the Board in a position where we must face challenges from our neighbours. Last year I shared with you the case of kaitiakitanga in relation to Taonga Tūturu. I can confirm that this case remains unresolved and is currently within Māori Land Court processes. Also, disputes over rights in Kura Te Au (Tory Channel) are ongoing. The Board remains conscious of the cost of defending our position around these matters, but also remain resolute that Te Ātiawa mana is non-negotiable.

Before closing this part of the report I would like to reinforce that ultimately the Trusts exist for your benefit. The Board needs to hear from you as we progress along this path. In your busy lives, I ask you to spare a moment and try to think of ways that the Trust should be meeting our obligations to you all, and also provide us with guidance as to how we may achieve this. I will ask again the same questions I included last year, as their relevance remains.

- What do you consider should be the areas where most effort should be directed?
- What type of investments/risks are you comfortable with?
- How best to achieve revitalisation of Te Reo, Te Ātiawatanga, and iwi communication with and between members?
- What are your long term aspirations for your mokopuna and how can the iwi assist?

In closing this Chair's foreword to the Annual report I would like to thank all those who have made contributions to our journey over the last year. The input from members and non-members at all levels has been considerable and at times unrecognised. Thank you.

Ngā Mihi, nā



Glenice