

NGĀTI MUTUNGA  
O WHAREKAURI  
IWI TRUST



**AGM**

# Mihi / Karakia

NGĀTI MUTUNGA  
O WHAREKAURI  
IWI TRUST



# Resolve to accept the Apologies

# Iwi Trust Annual Report



## SUMMARY FINANCIAL PERFORMANCE

	FY24 \$	FY23 \$	Movement \$
AHC Net Income	\$2,653	\$2,901	-\$248
Add Iwi Trust Grant Revenue	\$761	\$533	\$227
Add Other Revenue	\$380	\$382	-\$2
Less Iwi Trust Governance & Operating Expense	-\$1,858	-\$1,656	-\$201
Less Iwi Trust Settlement Costs	-\$603	-\$211	-\$392
Less Grants, Donations and distributions	-\$108	-\$172	\$65
Iwi Trust Group Net Surplus	\$1,225	\$1,777	-\$551

**40 Million  
Group Equity**

**1.225 Iwi Trust  
Group Net Surplus**

# AHC Annual Report & Financials

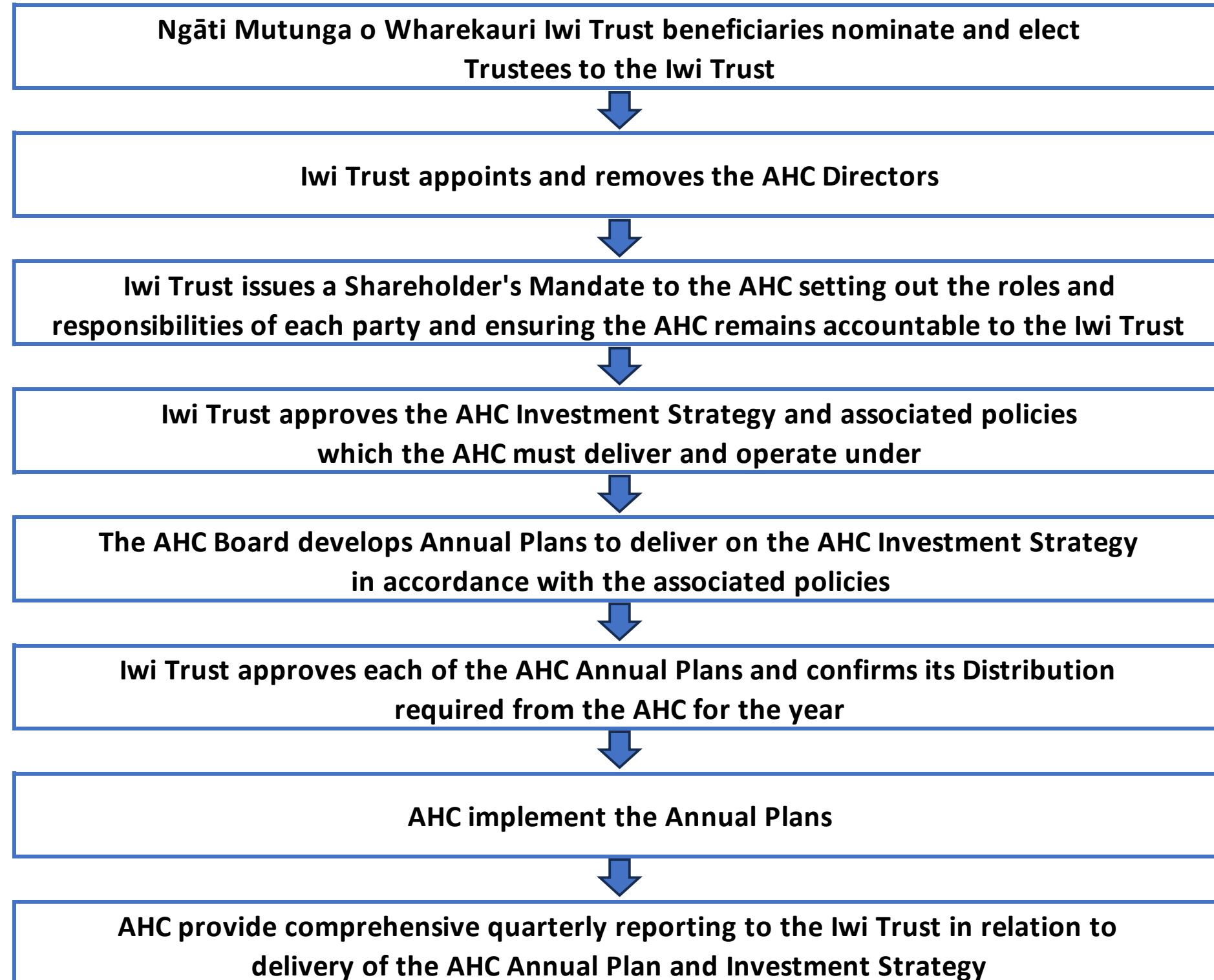
**Ngāti Mutunga o Wharekauri Iwi**

**Ngāti Mutunga o Wharekauri Asset  
Holding Company Ltd**

2023-24 Financial Year in Review

# Ngāti Mutunga o Wharekauri Iwi

## AHC Accountability Lines





# Ngāti Mutunga o Wharekauri Iwi

## AHC 2023-24 Financial Highlights

### Operating Return = Cash

- **Pre-Distribution Operating Net Profit at \$2.75m**
  - Marginal increase on Last Year's \$2.73m
  - Operating Net Profit is the AHC's cash earnings and key performance metric.
- **Pre-Distribution Operating (Cash) Return on Equity at 7.0%**
  - Largely on par with Last Year's 7.1%

### Total Return = Cash + Valuation Increases

- **Pre-Distribution Total Net Profit at \$2.65m**
  - 8.5% decrease on Last Year's \$2.90m
  - Marginal investment loss of \$0.10m versus Last Year's uplift of \$0.24m – all non-cash.
- **Pre-Distribution Total Return on Equity at 6.7%**
  - Down on Last Year's 7.5% - all driven by the lower investment value gains.

- AHC's 9-year average Operating (Cash) Return at 6.9% is materially above the 4.0% achieved by the upper quartile of the 37 Iwi / Hapū included within the ANZ's annual survey.
- AHC continues to be one of the top performing commercial Iwi entities.

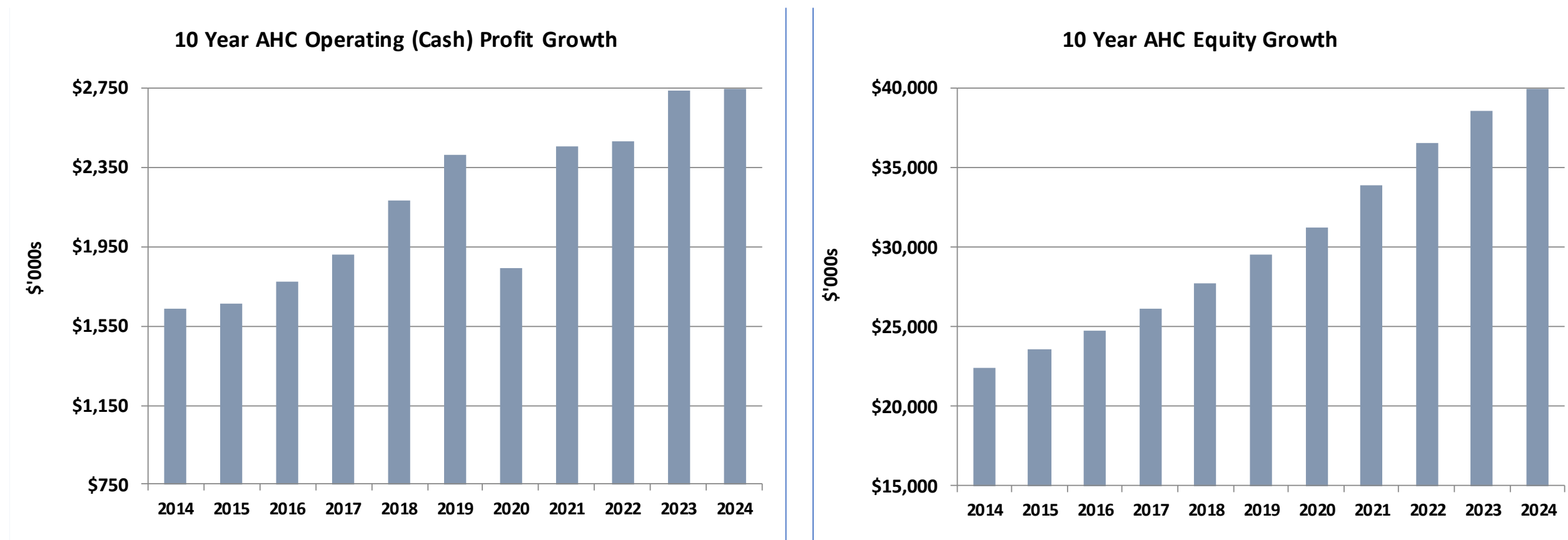
# Ngāti Mutunga o Wharekauri Iwi

## AHC 2023-24 Financial Highlights

- **\$920k (34%) of AHC's Operating Net Surplus (ie – cash surplus) distributed to the Iwi Trust**
  - \$900k (34% last year)
  - Remains below the 40% maximum
  - Continued scope to increase Iwi Trust Distributions
  
- **Equity (Net Assets) Increased \$1.4m (3.8%) from \$40.0m to \$38.6m**
  - A solid result when assessed against the very difficult economic environment.

# Ngāti Mutunga o Wharekauri Iwi

## AHC 10 Year Performance Trend



- AHC's financial performance and asset base continues to grow strongly – 2020 being the outlier due to Covid.
- Through 2023-24, AHC's cash earnings of \$2.7m were \$1.0m / 62% higher than they were in 2013-14 with earnings having grown at an average 5% pa over the 10-year period.
- AHC Equity (Net Assets) has almost doubled since 2013-14 to \$40.0m at an average 6% pa over the 10-year period while also providing \$7.4m of distributions to the Iwi Trust.
- Note – AHC's Equity (Net Assets) excludes the uplift in market value of the quota. If market value of quota is included, AHC's Equity (Net Assets) is now close to \$80m.

# Ngāti Mutunga o Wharekauri Iwi

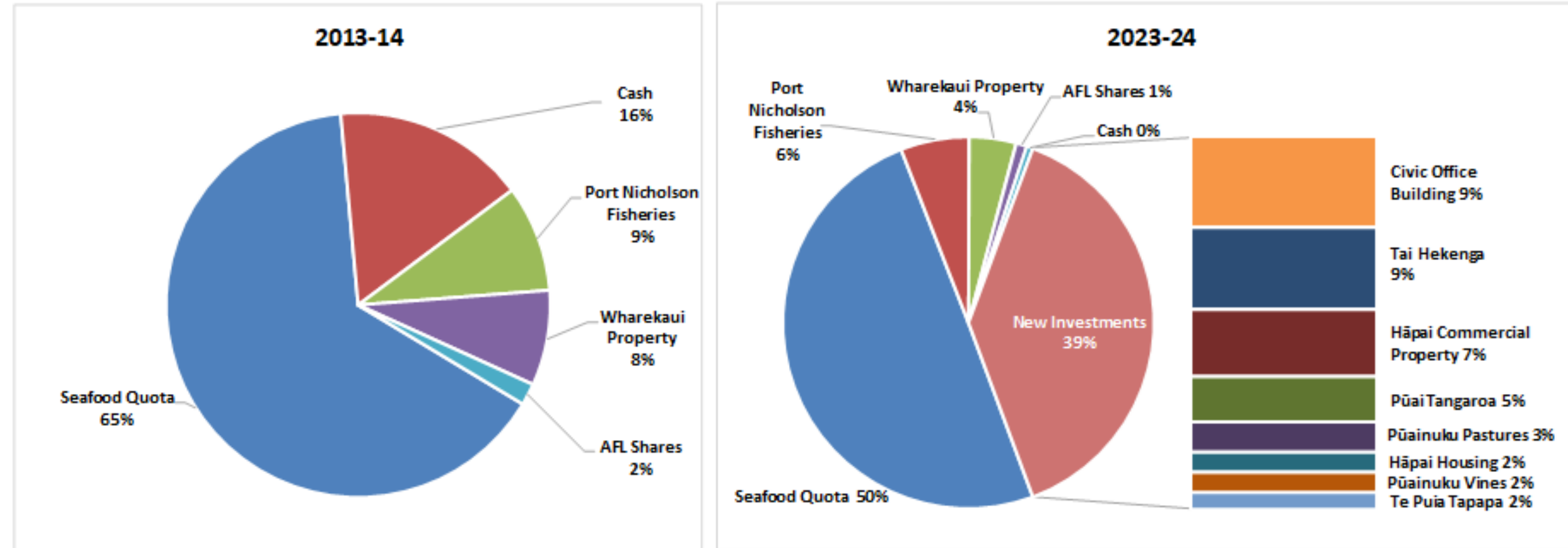
## AHC Quota Value & Support to NMoW Fishers

	AHC Volume	Market Value of Quota	NMOW Fishing Whanau
Crayfish	24mt	\$33m	21
Paua	23mt (post shelve)	\$15m	7
Blue Cod	39mt	\$4m	22
Kina	62mt	\$0.5m	9
Longline	37mt	\$0.5m	1
<b>Totals</b>		<b>\$53m</b>	<b>31</b>

- AHC supported 31 NMOW fishing whānau with quota valued at \$53m.
- AHC's total quota valued at \$61.5m – the \$53.0m allocated to NMOW fishing whānau equates c85% of AHC's total quota.
- Only deepsea (hoki, orange roughy, oreo dory, etc) and scampi not caught by NMOW Wharekauri based fishing whānau.
- Note – most of the remaining 15% quota value is deepsea allocated to Sealord which is 50% owned by Iwi including NMOW.

# Ngāti Mutunga o Wharekauri Iwi

## Growing Diversified Investment Portfolio



- AHC continues its investment portfolio diversification strategy.
- Fisheries assets – quota, AFL shares, PNF investment – still equate to the largest component of the portfolio at 50% but it has reduced from 65% 10 years ago (when AHC had no discernible diversification within its portfolio).
- AHC’s diversification has come from a number of high-quality collective iwi investments, where scale and risk is shared across like-minded Iwi, plus the Civic Office development. This has resulted in higher and more consistent cash returns against a lower overall investment portfolio risk profile.
- Ultimately AHC’s Post-Settlement target is to have 40%-50% fisheries assets / 50%-60% diversified assets including Wharekauri based infrastructure assets. Note – these percentages are based on quota being valued at cost not market value.

# Ngāti Mutunga o Wharekauri Iwi

## AHC's Collective Iwi Investments

<b>Port Nicholson Fisheries</b>	26 Iwi / Māori partners in NZ's second largest kōura harvesting and exporting business. AHC was one of the three founding parties alongside Parininihi ki Waitotara and Iwi Collective Partnership.	\$2.6m
<b>Tai Hekenga</b>	Portfolio of Crown land assets in central Wellington acquired via Taranaki Whanui ki te Upoko o Te Ika (known as The Port Nicholson Block Settlement Trust) exercising its Treaty settlement rights.	\$3.8m
<b>Hāpai Commercial Property</b>	Portfolio of commercial investment properties focused on good locations, high quality buildings and strong tenant counterparty with flexibility across the industrial, ground lease, office and bulk retail sectors.	\$3.1m
<b>Hāpai Housing</b>	Specialist multi-unit new build to rent properties and retirement villages.	\$1.0m
<b>Pūainuku Pastures</b>	Investment into Dairy Holdings Ltd, one of NZ's largest dairy operators with 59 dairy farms and 19 grazing blocks located across Canterbury, North Otago, Southland and the West Coast.	\$1.4m
<b>Pūainuku Vines</b>	Investment of 92 hectares land in the Marlborough region with water rights, planted in grapes with a long-term lease to the Giesen Group.	\$0.9m
<b>Pūai Tangaroa</b>	Portfolio of kōura quota across CRA3 (Gisborne / East Coast), CRA4 (Wairarapa / Wellington South Coast) and CRA6 (Wharekauri) together with a limited partnership stake in Port Nicholson Fisheries.	\$2.0m
<b>Te Pūia Tapapa</b>	Co-investment vehicle alongside major institutional investors to invest in large scale private equity businesses. Four investments to date – TR Group, Asia Pacifica Healthcare Group, Avanti Finance and Evolution Healthcare.	\$0.8m

# Treaty Settlement Negotiation Update 2023/24



## Moriori Proceedings March 2023

(Attorney General 1<sup>st</sup> defendant, NMoW Trustees 2<sup>nd</sup> defendants).

The Moriori claim was that the November 2022 Agreement in Principle (AIP) with Ngāti Mutunga o Wharekauri was a “reviewable decision” that was unlawful on the grounds that it:

- Breached the Treaty of Waitangi
- International Law
- The Common Law
- Tikane Moriori



## Moriori Proceedings March 2023

The remedy sought by Moriori was that the November 2022 Agreement in Principle should be set aside and that there would be no Treaty Settlement with Ngāti Mutunga o Wharekauri that recognised any rights under Article II of the Treaty of Waitangi or contained any settlement redress on Wharekauri.

## Moriori Proceedings March 2023

Moriori sought declarations from the Court that:

- Moriori alone were the customary owners exercising rangatiratanga over all of the islands of the Rekohu Group
- Any Crown obligations under Article II of the Treaty of Waitangi are owed exclusively to Moriori
- Ngati Mutunga o Wharekauri would thereby have no rights recognised under the marine and Coastal Areas Act (MACA)

(none of these declarations or similar statements are within the full and final Moriori Settlement)

## Moriori Proceedings March 2023

- Ngāti Mutunga o Wharekauri submitted that the Moriori claim should be struck out as the signing of an AIP is not a judiciable decision.
- The Crown agreed but considered that (unspecified) aspects of the Moriori claim might be re-pleaded

The Hearing was held in the Wellington High Court on 1 November 2023 before Helen McQueen J.

## Moriori Proceedings March 2023

The MIST statement of claim (on behalf of Moriori) stated that  
**“Moriori are not Māori”**

This contradicts previous Moriori positions that insisted Moriori had standing under legislation such as the Treaty of Waitangi Act 1975, Fisheries Settlement Legislation and the Māori Fisheries Act 2004 on the basis that they **were Māori**.

Support given by us for the Moriori settlement and shared redress with Moriori was provided on the misconception that Moriori are also Māori

## Shared Redress

- Although the Crown has stated that it is continuing to negotiate a settlement with NMoW, it has been **very** slow to react to a refusal by Moriori to engage on any discussions about shared redress prior to the receipt of a judgement from McQueen J.
- Shared redress set out in the Moriori Act requires reconsideration.
- The abandonment of the Crown plans for a Shared Redress Deed.
- We require a settlement that is certain in which redress is not contingent upon decisions by MIST.

# Agreed Historical Account

12 chapters agreed and under peer review by 'eminent historian' Michael Belgrave.

1. Te Hekenga o Ngāti Mutunga , Migration to Wharekauri,
2. Normanby's Instructions and the Treaty of Waitangi, the Annexation of Wharekauri 1842
3. Auckland Islands 1842-1856
4. Ngāti Mutunga o Wharekauri and the Crown 1840s to the early 1860s
5. Taranaki Land Confiscations and the Compensation Court
6. The Chatham Islands Penal Colony
7. Native Land Court
8. The Ten Owner Rule
9. Political Engagement and Government Services, Parliamentary Representation and Provincial Governments to the 1880s, The Dog Tax, The beginnings of Local Government, Crown Political Engagement with Wharekauri in the 20<sup>th</sup> Century
10. Public Works, The Taking of the Hospital Block, Roothing
11. Te Whānga, Wharekauri Fisheries, Overexploitation, The Crayfish boom, The Quota Management System
12. Socio Economic Issues, Farming and Ngāti Mutunga o Wharekauri Land, The Crown and Infrastructure, Housing, Education, Health Outcomes and Services

## Financial Redress

**The Elephant in the Room.** We do not think it is appropriate for the Minister for Treaty of Waitangi Negotiations (Hon. Paul Goldsmith) to develop a fixed view on redress before visiting Wharekauri.

Our position has been a minimum of parity with the Moriori Settlement (\$18m redress plus \$6m cultural revitalisation funding).

In 2018 Minister Little offered us \$13m redress plus \$3m cultural revitalisation funding.

Since then, we have secured the crucial 'rangatiratanga' acknowledgement.

## Post Settlement Governance Entity (PSGE)

- The Crown will only vest settlement redress in a non-charitable structure. This requires a restructuring of existing and foreseeable charitable and non-charitable activities into separate entities under the governance of a reconstituted Ngāti Mutunga o Wharekauri Trust.
- Kahui Legal and Deloittes have been retained to advise the Trust on PSGE design and implementation.
- Proposed PSGE structure and Deed will be presented for ratification alongside the Deed of Settlement.



## What Comes Next?

- A Cabinet Paper obtains approval for the key elements of our settlement (within 1 month)
- A Deed of Settlement for initialling (iDOS) is drafted that the Trust agrees is suitable for presentation to and, consideration by, iwi members (end of 2024)
- The iDOS is presented for discussion/ratification at hui (February/March 2025)
- Assuming ratification of the DoS and the PSGE at the hui, a payment on account would be sought once the PSGE and associated Charitable Investment Trust were established (April/May 2025)
- The DoS is converted into a Settlement Bill for entry into the Parliamentary legislative process for enactment (late 2026).

# **TREATY SETTLEMENT NEGOTIATION UPDATE 2023/24**

**A tribute to the work of Hariroa Daymond as a staunch  
and vigilant Treaty Settlement Negotiator on behalf of  
Ngāti Mutunga o Wharekauri 2016 to 2024**

**1. Resolve BDO to remain auditor  
for 2024**

**2. Iwi Trust to seek expressions of  
interest for the audit role to be  
presented to the 2025 AGM**

# AGM Kaunihera Kaumatua Koha



# Receive & Resolve to confirm the 2023 Minutes

NGĀTI MUTUNGA  
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IWI TRUST

# Elections

# Receive & Resolve to confirm the Annual Report 2024 & Resolve to conclude our AGM



# Karakia Whakamutunga