

6 February 2021

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# Iwi Investment Report 2020



**TDB**  
ADVISORY

TDB Advisory Limited  
L5, Wakefield House  
90 The Terrace  
P.O. Box 93  
Wellington  
New Zealand

Tel (+644) 934 8740  
Email: [info@tdb.co.nz](mailto:info@tdb.co.nz)

#### Principal contacts for this report:

Phil Barry  
[phil.barry@tdb.co.nz](mailto:phil.barry@tdb.co.nz)  
021 478 426

Lachlan Graham  
[lachlan.graham@tdb.co.nz](mailto:lachlan.graham@tdb.co.nz)  
027 940 6194

#### Disclosure and disclaimer

TDB Advisory (TDB) has provided independent financial and investment advice to many iwi, including Ngāi Tahu, Waikato-Tainui, Tūhoe and Rangitāne o Wairau. Nigel Atherfold is a director of Ngāi Tahu Farming. This report, however, is based solely on publicly available information.

This report has been prepared by TDB with care and diligence. The analysis has been done at a high level based on public information. All the iwi reviewed in this report were given the opportunity to comment on a draft of the report, although they bear no responsibility for the final product. We would like to acknowledge the valuable contributions of all the iwi who provided comments on the draft report. Neither TDB nor the iwi that have been reviewed in this report warrant or guarantee the accuracy of the information in this document. This report has been produced on a pro bono basis. The research is objective and TDB does not seek to make or infer any normative judgements on the governance or investment strategy of any iwi. Not every iwi in NZ is reviewed in this report and the conclusions derived in this report are not to be taken as representative of any other iwi.

Caution should be taken about making inferences regarding the relative performance of iwi. The financial information in this report does not take into account investment risk. Furthermore, the dates of the settlements differ and some are quite recent so different time periods and time horizons will impact on the short-term financial results. In addition, the published financial information of the iwi does not take into account option values (e.g., rights of first refusal and deferred selection options), strategic priorities and non-financial objectives unique to each iwi.

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# Overview

This report reviews the corporate structures, investment strategies and investment performances of nine iwi in New Zealand. With combined assets of around \$5.7b, the iwi covered in this report are: Ngāi Tahu, Ngāpuhi, Ngāti Awa, Ngāti Pāhauwera, Ngāti Porou, Ngāti Whātua Ōrākei, Raukawa, Tūhoe and Waikato-Tainui. The combined assets of these nine iwi account for an estimated 60% of all post-settlement iwi assets, which we estimate to be worth around \$9.8b. TDB's 2020 Iwi Investment Report covers the same eight iwi as the TDB 2019 Iwi Investment Report, with the addition of Ngāti Pāhauwera - a relatively small iwi based in northern Hawke's Bay.



2020 was a challenging year for the iwi with Ngāi Tahu, Tūhoe and Waikato-Tainui reporting negative returns on assets. Of these three iwi, Tūhoe had the lowest return, at -2.2%. Ngāpuhi, Ngāti Awa, Ngāti Porou and Raukawa achieved positive returns ranging from 2.3% to 4.4%, all below our benchmark of 5.0%. Ngāti Pāhauwera and Ngāti Whātua Ōrākei both had a return on assets of 5.5%, exceeding our 5.0% benchmark.

The nine iwi have similar corporate structures. There is typically an overarching trust that makes decisions about distributions to iwi members and the non-financial objectives of the group, while a separate commercial entity manages the group's commercial assets and makes investment decisions with a commercial mandate. A variety of investment approaches have been adopted by the nine iwi, summarised in Table 1 below.

**Table 1: Summary of investment strategies, 2019**

	Total assets \$, million	Asset classes	Largest asset class	Management approach	Gearing %
Ngāi Tahu	1,830	6	Property	Largely active	13
Ngāpuhi	65	5	Fishing	Largely passive	0
Ngāti Awa	156	6	Primary industries	Mixed	12
Ngāti Pāhauwera	93	5	Forestry	Largely active	11
Ngāti Porou	259	6	Financial assets	Largely passive	6
Ngāti Whātua Ōrākei	1,337	1	Property	Active	20
Raukawa	183	7	Cash	Mixed	0
Tūhoe	373	6	Financial assets	Largely passive	0
Waikato-Tainui	1,428	6	Property	Largely active	12

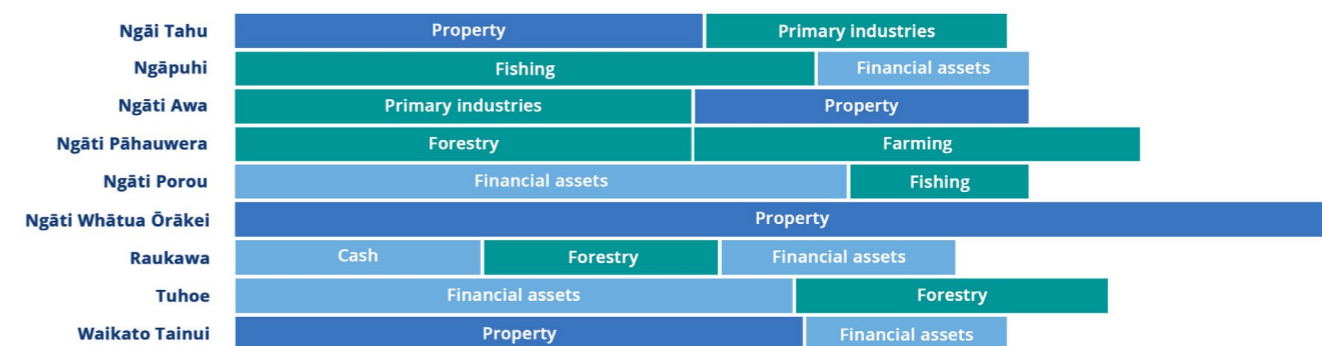
Waikato-Tainui and Ngāti Whātua Ōrākei have over 50% of their asset portfolio invested in property. Ngāi Tahu has 42% of its asset portfolio invested in property. This dominance of property reflects the initial settlements of each iwi, which primarily consisted of properties in their rohe (traditional tribal areas). Ngāi Tahu has taken steps to diversify its portfolio and now holds a significant proportion of its assets in the primary industries, particularly farming. The asset portfolios of Ngāpuhi, Ngāti Awa and Ngāti Pāhauwera are dominated by investments in the primary industries. As Ngāpuhi has yet to settle with the Crown other than the Treaty of Waitangi Fisheries Settlement, its largest asset class is fishing. The largest asset class of Ngāti Pāhauwera is forestry, closely followed by farming.

Ngāti Porou and Tūhoe both hold the largest proportion of their assets in financial assets (largely managed funds and shares), while the largest asset allocation of Raukawa is in cash and cash equivalents.

Several of the iwi have relatively undiversified investment portfolios – for instance, Ngāti Whātua Ōrākei holds 100% of its portfolio in the single asset class: property. In finance theory, an undiversified portfolio is sub-optimal from an investment perspective as it does not optimise the trade-off between risk and return. As noted above, many iwi hold a large portion of their assets in property within their rohe. While there are often strong cultural and historical reasons for this, in principle these iwi could reduce their exposure to risk without reducing their expected returns, by expanding the geographic boundaries of their investments.

Similarly, several iwi have exposure to financial-markets risk via their investments in financial assets. Ngāi Tahu, Ngāpuhi, Ngāti Awa, Ngāti Pāhauwera, Ngāti Porou, Raukawa, Tūhoe and Waikato-Tainui have the majority of their financial assets in shares and managed funds holding a range of New Zealand, Australian and global equities and bonds.

**Figure 1: Largest asset classes of each iwi**



All the iwi, except Ngāti Whātua Ōrākei, hold assets in the primary industries such as fishing, farming and forestry. Most of the iwi hold an interest in the domestic fishing industry, arising from the Treaty of Waitangi fisheries settlement, which provided them with fishing quota and shares in Moana NZ. Fishing assets represent 52% of Ngāpuhi's total assets, whereas, for most of the other iwi, fishing assets comprise less than 10% of their respective portfolios.

Most iwi have been looking to diversify and expand into new sectors. In recent years, many iwi have invested in the tourism sector. Iwi with exposure to the tourism industry have taken a significant hit due to the impacts of COVID-19.

## Investment Environment

This year's report is dominated by the impacts of COVID-19. The virus has affected the investment environment across the world. The first COVID-19 case in New Zealand was reported on February 28th 2020, with New Zealand going into an alert level four lockdown for four and a half weeks on March 25th. COVID-19 severely impacted the way in which businesses could operate with restrictions on the movement and congregation of people, forcing businesses and borders to close.

Other countries initiated COVID-19 responses which directly affected New Zealand. China, a major export destination for New Zealand, effectively ceased its imports of primary industry products goods such as forestry products for a period. Restaurants were closed world-wide, decreasing the demand for New Zealand food exports like venison. Longer term, the sectors of the economy most affected have been international tourism and education whereas primary product exports have generally fared well. Financial markets reacted to COVID-19, dramatically in March and experiencing considerable volatility. The NZX 50 (gross) fell from a high of 12,073 in February to a low of 8,499 in March. It has since rebounded to be 11% higher than its pre-COVID-19 level.

The effect of COVID-19 on the iwi in this year's report has varied, depending on the specific assets of each iwi and the reporting period of each iwi. Ngāi Tahu, which has a significant interest in the tourism sector moved quickly in response to the crisis, laying off staff and putting several businesses into hibernation. The financial results for Tūhoe and Waikato-Tainui, with reporting periods ending in March 2020, captured less of the impact of COVID-19 than the remaining iwi who report their financial performance for the year ending on the 30th of June 2020.



# Overview cont.

## Investment Performance

Iwi investment performances have varied substantially over recent years. Figure 2 below gives the average annual return on assets for each iwi, except Ngāti Pāhauwera, over the period 2013 to 2020.<sup>1</sup> The returns of the iwi are compared against a benchmark of 7.4% p.a.; the average annual return of our benchmark portfolio over the same eight-year period. The returns for the commercial entities of the iwi will be somewhat higher than those presented below, as they will include distributions to the parent entity (the Trust). However, most iwi do not publish separate financial statements for their commercial arms. The returns may also be understated for some iwi who do not revalue upwards some assets – for example, Ngāi Tahu holds significant amounts of seafood quota but does not include upward revaluations of quota when reporting returns.

Figure 2: Average annual return on assets (RoA), 2013–2019, %

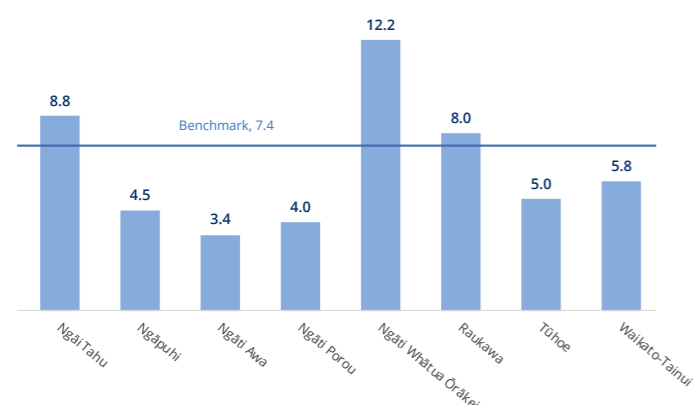


Figure 2 shows that Ngāi Tahu, Ngāti Whātua Ōrākei and Raukawa were the only iwi to outperform our benchmark of 7.4% p.a., with reported average returns of 8.8%, 12.2% and 8.0% respectively p.a., over the last eight years. Ngāti Whātua Ōrākei's strong returns can be attributed to its concentration of assets in the Auckland property market, which has generated high returns over the period. The other five iwi all experienced average annual returns below our benchmark over the eight-year period, ranging from 3.4% to 5.8% p.a.

RoA provides a basis for comparing the financial performance of iwi. However, it is important to note that our RoA calculations are not adjusted for the risk associated with different asset classes. Furthermore, the location of each iwi has played a role in their relative performances with the returns of many being closely linked to the performance of their local property market (e.g. Ngāti Whātua Ōrākei).

## Net assets per member

Figure 4 (right) illustrates the average change in net assets per iwi member (% p.a.) between 2013 and 2020. Ngāti Pāhauwera has not been included in this graph as it only has applicable data from 2017 onwards. Raukawa has had the highest growth rate for net assets per member over the eight-year period, with an average growth of 5.8% p.a. Ngāi Tahu and Tūhoe have experienced an average increase in the 4% p.a. to 5% p.a. range and Waikato-Tainui had a growth rate of 2.9% p.a. The remaining four iwi have experienced growth rates of between 0% p.a. and 2% p.a. Despite having strong growth in net assets Ngāti Whātua Ōrākei's net asset per member decreased slightly due to its population growth over the period. The average growth in net assets per member for all iwi over this period was 2.8%. Iwi membership data for Ngāpuhi, Ngāti Porou and Tūhoe is estimated based on the 2013 census and subsequent Māori population growth rates. Iwi membership data for the remaining iwi have been reported directly by the iwi.

<sup>1</sup> Ngāti Pāhauwera has been excluded from our eight-year comparison as it only has applicable data from 2017 onwards.

Figure 3: Return on assets (RoA), 2020, %

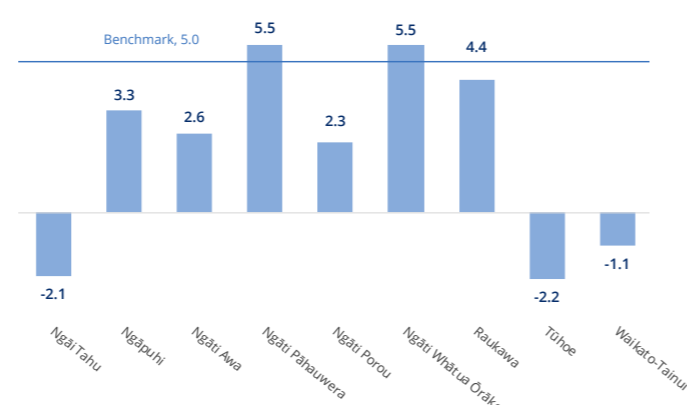


Figure 3 compares the 2020 RoA of the nine iwi against our 2020 benchmark return of 5.0%. Ngāi Tahu, Tūhoe and Waikato-Tainui reported negative returns with Tūhoe's return being the lowest at -2.2%. The remaining iwi all generated positive returns, however, Ngāti Pāhauwera and Ngāti Whātua Ōrākei were the only iwi to achieve returns above our benchmark, with returns of 5.5% each. In 2020, all iwi had returns that were below their eight-year average.

Figure 4: Average change in net assets per member, 2013–2019, % p.a.

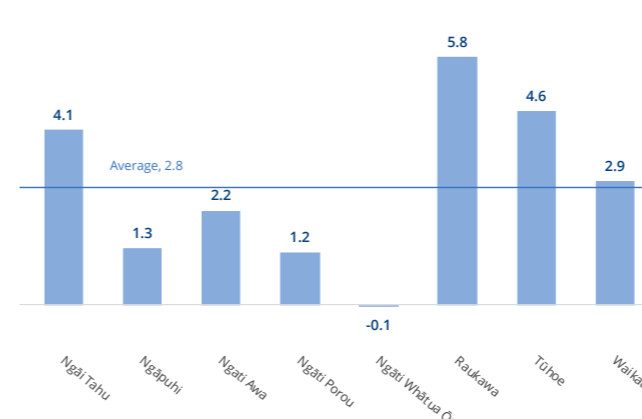


Figure 5: Change in net assets per member, 2019, % p.a.

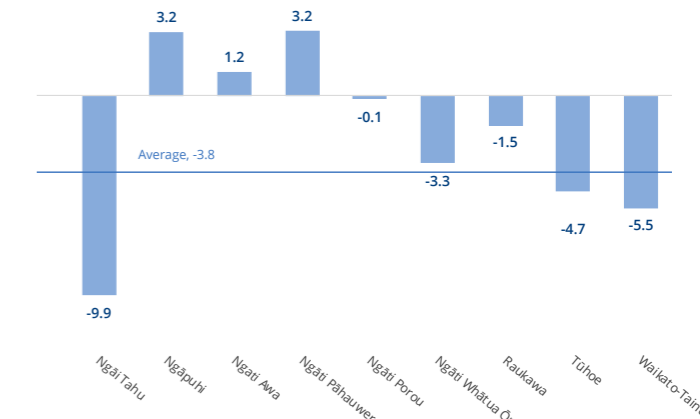


Figure 5 shows the average change in net assets per iwi member (% p.a.) in 2020. Net assets per member for Ngāi Tahu decreased by 9.9%, the largest decrease in net assets per member of the nine iwi. This was due to an increase in Ngāi Tahu's iwi members and a significant decrease in its assets. Tūhoe and Waikato-Tainui also saw their net assets per member decline, due to a decrease in assets, while Ngāti Whātua Ōrākei's decrease in net assets per member resulted from an increase in its iwi members exceeding the increase in its assets. This is the second consecutive year that Ngāi Tahu and Ngāti Whātua Ōrākei have had a decrease in net assets per member. Ngāti Porou effectively had no change in their net assets per member while Raukawa experienced a slight decrease of 1.5%. Ngāpuhi, Ngāti Awa and Raukawa were the only iwi to have an increase in their net assets per member in 2020, increasing 3.2%, 1.2% and 3.2% respectively. The average change in net assets per member for all nine iwi in 2020 was -3.8%.

## Iwi as investors

Iwi as investors have several notable characteristics: they tend to have a strong home bias, they tend to have long time horizons, they tend to have limited access to new capital, and they tend to have constraints on their ability to sell certain assets. Iwi trusts (as opposed to their commercial arms) tend to have social and environmental objectives in addition to their financial objectives.

## Environmental, social and governance (ESG)

All the iwi in this report have a range of environmental outcomes they are working towards. Iwi environmental goals tend to be focused around sectors in which they are actively involved and/or issues within their local area. To work towards their environmental goals some iwi have changed their operations to make them more sustainable. For example, Ngāpuhi took voluntary shelving cuts in the hoki fishing industry while also campaigning for and succeeding in reducing the fishing industry's total allowable catch for hoki by 20,000MT. Other iwi such as Ngāi Tahu and Ngāti Porou have been working to ensure that their farming operations are more sustainable. Iwi also took environmental actions outside of their commercial operations. For example, Waikato-Tainui is involved in environmental discussions at the regional and national level. They have taken community-leading action in this regard, such as organising the Lake Whangape Community Schools Planting Day.

The nine iwi covered in this report all make distributions to their members. These distributions primarily come in the form of education, housing, health, culture, sports and community services grants. Distributions from the nine iwi covered in this report totalled \$79m in 2020. The iwi also work towards their targeted social outcomes by providing services in the community. During 2020, iwi expanded these services in response to COVID-19. Several of the larger iwi worked with local DHB's to establish Community Based Assessment Centres for COVID-19. All of the iwi worked to provide guidance, kai packs and essential products to those in need.

At a governance level, as noted above, the iwi covered in this report generally have similar governance structures, with an overarching trust that sets the vision of the group, makes decisions about distributions to beneficiaries and the non-financial objectives of the group and sets a mandate for the separate commercial entity that manages the group's commercial assets. Overall, the board of directors/trustees for the nine iwi covered in this report exhibit relatively high and rising levels of gender diversity. In 2017, 46% of the board members/ trustees were female and in 2020 this proportion was 56%.

# Introduction

Since 1990, around 80 iwi in New Zealand have finalised Treaty settlements with the Crown (Appendix 1). A Treaty settlement is an agreement between the Crown and a Māori claimant group, usually an iwi, to settle all that claimant group's historical claims against the Crown. The Treaty settlement is typically composed of historical accounts, an acknowledgment and apology, cultural redress and financial and commercial redress.

This report is based on the financial and commercial redress aspects of the Treaty settlement. In this report, we have reviewed nine iwi. Iwi have been selected based on the year of Treaty settlement, the size of Treaty settlement, the number of iwi members and the availability and transparency of financial reports and information disclosures. Iwi have also been included upon request from the iwi. Although it is yet to settle with the Crown, we have included Ngāpuhi because of the size of its member base. Table 2 below lists the iwi reviewed in this report. Ngāi Tahu and Waikato-Tainui's redress amounts include relativity payments they have received since their initial settlement. These nine iwi account for approximately 57% of the total Māori population in New Zealand (Census 2013) and manage approximately 60% of the total assets in the post-settlement sector.

Table 2: The nine iwi

	Location	Year of Deed	Redress amount, \$, million	Population
Ngāi Tahu	South Island	1997	471	68,082
Ngāpuhi	Northland	Under negotiation	-	144,197
Ngāti Awa	Bay of Plenty	2005	42	20,849
Ngāti Pāhauwera	Hawke's Bay	2010	20	7,986
Ngāti Porou	East Cape	2011	90	81,568
Ngāti Whātua Ōrākei	Ōrākei	2011	18	5,521
Raukawa	South Waikato	2012	50	8,697
Tūhoe	Te Urewera	2012	169	40,056
Waikato-Tainui	Waikato	1995	463	78,000

## Scope and approach

This section outlines the structure of our report and discusses the different performance measures used in the report.

### Organisational structure

This section summarises the organisational structures of the nine iwi examined in this report and the functions and responsibilities of the key entities within each iwi group.

### Capital structure

The capital structure section looks at the gearing, (i.e. use of debt) of the iwi. The degree to which investments are financed by equity and debt affects risk and return. Gearing increases the riskiness of an investment leading to an increase in the expected return on equity. Gearing also restricts the ability of the investor to invest in assets that do not yield regular cash flows. We measure gearing by using the following ratio:

$$\text{Gearing} = \frac{\text{Interest-bearing debt}}{(\text{Interest-bearing debt} + \text{equity})}$$

### Investment strategy

This section of the report discusses the investment strategies of the nine iwi. We discuss the asset allocations of each iwi and comment on the degree of diversification of its portfolio, its management approach and its investment financing practice. When commenting on asset portfolios we have used the book-value of the assets. Diversification works by spreading investments amongst various asset classes (e.g. New Zealand equities, international equities, bonds, cash, property, etc.) with returns that are not based on the same market movements. Diversification allows investors to reduce risk, relative to return, or increase return, relative to risk, to optimise the risk: return trade-off. Modern portfolio theory assumes that investors are risk averse, preferring a portfolio with less risk for any given level of return. Under this assumption, investors will only take on high-risk investments if they can expect a compensating higher expected return.

## Investment performance

This section of the report discusses the investment performance of each iwi. To measure the investment performance, we have used the standard accounting metric of return on assets (RoA) with minor adjustments that reflect the differing structures of each iwi. RoA is an indicator of how efficiently the iwi has used its assets to generate earnings.

$$\text{Return on assets (RoA)} = \frac{(\text{Total pretax comprehensive income} + \text{distributions} + \text{interest expense} - \text{relativity payments})}{\text{Average assets}}$$

Some iwi have received additional cash settlements from the Crown, typically in the form of relativity payments, which also affect the performance metrics. To permit more meaningful comparisons across the iwi, we have excluded additional settlements in the numerator for the calculation of RoA. This allows us to measure only the returns generated by the use of the iwi capital in that particular period. In addition, we have added back any distributions made by an iwi to reflect the total return on capital of that iwi. This is because distributions are included in the calculation of total comprehensive income. It is also important to note that unrealised gains/losses (revaluations) are generally included in reported comprehensive income and therefore are included in our ROA.

The returns presented are for each iwi group as a whole. The returns for the commercial entities of the iwi will be somewhat higher as they will include the distributions to the parent entity (the Trust). However, most iwi do not publish separate financial statements for their commercial arms. Many of the iwi also revalue their assets using a discounted cash flow methodology as a proxy for market value. However, revaluations are at varying intervals (e.g. 1, 3 or 5 years) and some iwi do not revalue certain assets (e.g., fisheries quotas or other assets that they intend to hold in perpetuity, which may appreciate in value over time). Therefore, comparisons may be skewed by the valuation method used, the time period of comparison and whether the iwi revalue assets.

### Average returns

Where average returns are calculated for an iwi over a period of several years, the average return is calculated as the geometric mean. The geometric mean provides a more accurate measure of returns over a longer period as it takes into account the effect that compounding has on returns.

### Comparing against a benchmark return

We have constructed a simple reference portfolio to provide a benchmark to compare the investment performance of each iwi. Our benchmark portfolio is made up of risk-free bonds (50%) and a diversified stake in New Zealand equities (50%). The benchmark portfolio's return is constructed using NZX50 monthly yields and 10-year government bond yields between June 2013 and June 2020.

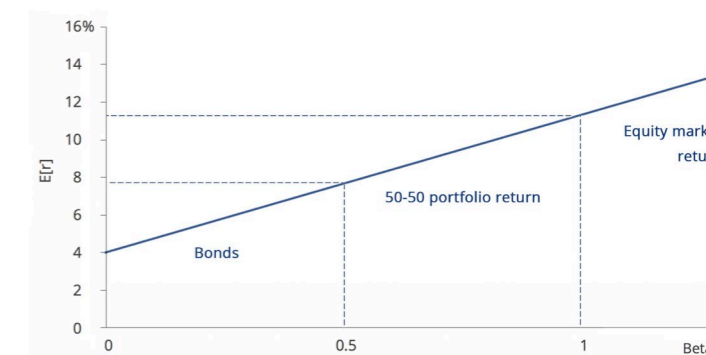
The benchmark provides a simple standardised estimate. While it would be ideal to have a customised benchmark for each iwi, that would require a detailed analysis of its circumstances considering factors such as its risk appetite, time horizon, liquidity requirements and tax position. Much of this information is not publicly available.

### Net asset value

Net asset value (NAV) per member is used to gauge the level of net assets per iwi member. Statistics NZ's estimated projections of the Māori population growth rate is used as a proxy for the growth rate since the 2013 Census for three of the nine iwi. These iwi are Ngāpuhi, Ngāti Porou and Tūhoe. The remaining six iwi directly report their membership numbers.

$$\text{Net assets per member} = \frac{\text{Net worth}}{\text{Iwi population}}$$

Figure 6: Security market line (for 8-year benchmark)



# Ngāi Tahu

Te Rūnanga o Ngāi Tahu is the largest iwi in New Zealand in terms of assets (\$), while the rohe of Te Rūnanga o Ngāi Tahu spans the majority of the South Island. We refer to Te Rūnanga o Ngāi Tahu as Ngāi Tahu throughout this report. Ngāi Tahu had approximately 68,000 members in 2020.

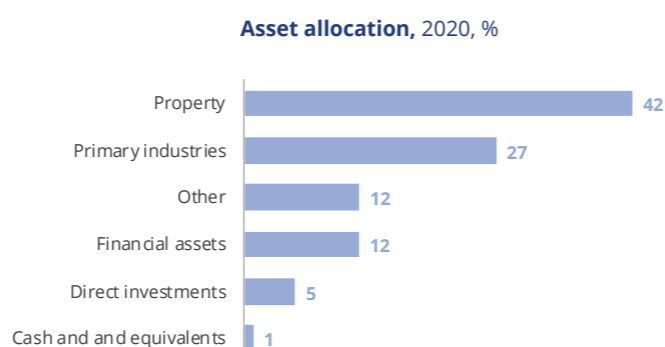
## Organisational structure

Ngāi Tahu is the sole trustee of the Ngāi Tahu Charitable Trust, which owns and operates the Ngāi Tahu Holdings Corporation (NTHC). NTHC is an investment company which is responsible for wealth protection and creation. NTHC aims to provide for future generations and support tribal aspirations including social, cultural and environmental initiatives, through distributions from its commercial investments. The executive functions are carried out by the Office of Te Rūnanga o Ngāi Tahu which monitors and supports NTHC, manages the representational activities, protects the rights of Ngāi Tahu Whānui and delivers social and cultural programmes.



## Investment strategy

As a part of its settlement package, Ngāi Tahu received \$170m in cash in 1997. Ngāi Tahu was also given the option of purchasing a range of Crown assets to generate income for social development and asset-preservation purposes. Since 2012 Ngāi Tahu has received an additional \$300m in relatively settlements, including \$2.6m in 2020. Ngāi Tahu actively manages its investments and has shifted, in recent years, from a strategy pursuing high growth, high risk investments to pursuing more secure, lower risk investments.



Property dominates Ngāi Tahu's portfolio, constituting 42% of total assets. Property is comprised of residential and commercial properties being developed or held for sale and properties held for rental income and capital appreciation, along with an assortment of property, plant and equipment. The Pākākano PGG Wrightson and Macpac Wānaka buildings provided new rental income for the group this year as Ngāi Tahu continues to develop more properties. Ngāi Tahu's assets in primary industries are related to farming, fishing, forestry and honey, of which farming is the largest. Ngāi Tahu's farmland and buildings have a fair value of \$214m. Ngāi Tahu's fishing assets include fishing quotas, marine licenses and Moana NZ shares. All are recorded at cost, less impairment and have a value of \$156m.



Financial assets make up 12% of Ngāi Tahu's assets and include a range of listed shares including \$74m in Ryman Healthcare Ltd, and private equity funds. Ngāi Tahu holds a number of direct investments but has moved to sell its 67% stake in Go Bus, with the sale completed in August 2020. Ngāi Tahu owns Oha Honey, which has recorded large losses, and has recently made joint venture investments in Ōwhaoko Honey and Central Plateau Honey. Ngāi Tahu has eleven tourism businesses. Due to COVID-19, ten of the eleven tourism businesses went into hibernation and 300 staff were let go. Four have since reopened.

## Capital structure

Ngāi Tahu decreased its borrowings by \$22m in 2020, to \$235m. This decreased its gearing ratio from 14% to 13%. Ngāi Tahu's gearing ratio is higher than many iwi, reflecting Ngāi Tahu's active investment approach and portfolio composition.

## Investment performance

### Assets and net worth

Since 2013, Ngāi Tahu's asset base has grown from \$1,032m to \$1,830m in 2020, an average growth rate of 8.5% p.a. Ngāi Tahu's net worth has increased from \$877m to \$1,521m over the same period, an average growth rate of 8.2% p.a. The value of Ngāi Tahu's assets and net worth decreased \$100m and \$91m in 2020 respectively. This was a 5.2% decrease in assets and Ngāi Tahu's only decrease in assets since 2013. This decrease reflected negative revaluations of assets and impairment expenses. Property, plant and equipment experienced a revaluation loss of \$16m and goodwill was reduced by \$19m, reflecting the hibernation of Ngāi Tahu's tourism businesses.

### Return on assets

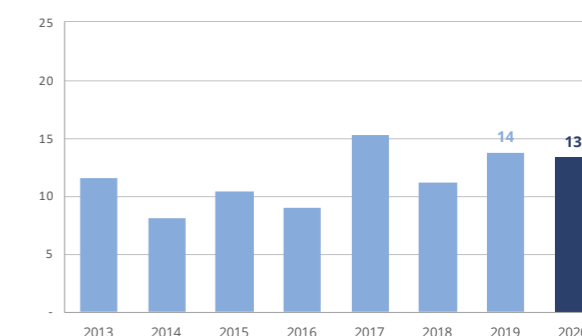
Ngāi Tahu's average RoA over the last eight years is 8.8% p.a. with its 2020 RoA being -2.1%. This is Ngāi Tahu's first negative RoA in the last decade. The negative returns in 2020 were driven by a \$53m decrease in revenue. Revenue from tourism operations came to a halt at the start of 2020. Ngāi Tahu's primary industry activities also experienced COVID-19 related constrictions which disrupted supply chains and export markets. Oha Honey contributed a \$22m loss to the group, continuing its historically poor performance.

### Net assets per member

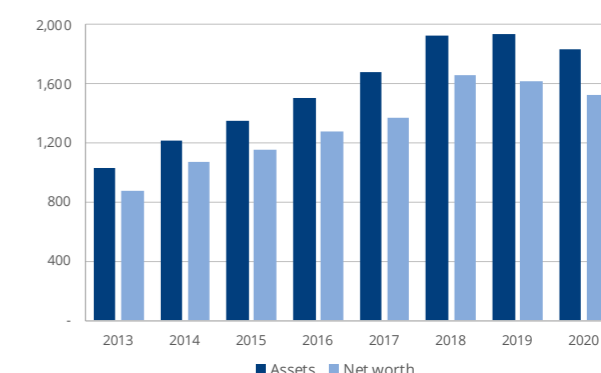
Year	2013	2014	2015	2016	2017	2018	2019	2020
\$	16,838	20,207	21,143	22,947	23,440	27,091	24,792	22,338

Ngāi Tahu made distributions of \$51m to its members in 2020, with a focus on hardship, living costs, housing, education and employment. Net assets per member decreased to \$22,338 in 2020, its second consecutive decline in net assets per member. The decline reflects a combination of negative asset growth and Ngāi Tahu's 4.7% membership growth. Net assets per member is now below where it was in 2016.

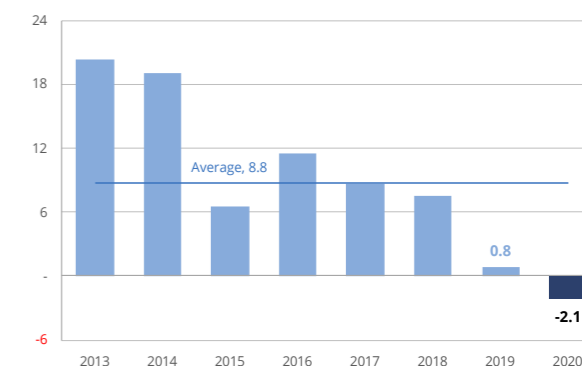
**Gearing ratio, 2013–2020, %**



**Assets and net worth, 2013–2020, \$m**



**Return on assets, 2013–2020, %**





# Ngāpuhi

Te Rūnanga-Ā-Iwi-Ō-Ngāpuhi is based in Northland and is the largest iwi in New Zealand in terms of population (Census 2013). Te Rūnanga-Ā-Iwi-Ō-Ngāpuhi is referred to as Ngāpuhi throughout this report. We estimate that Ngāpuhi had approximately 144,000 members in 2020.

## Organisational structure

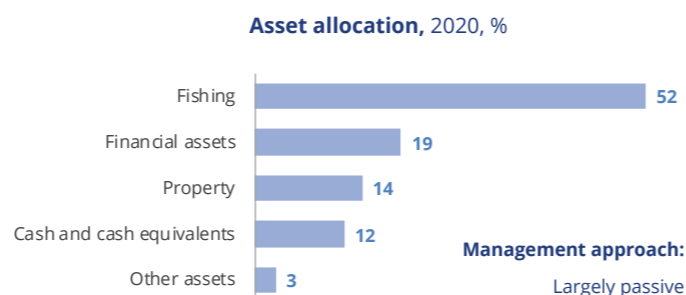
Ngāpuhi is the governing body of the iwi and has the following subsidiaries: Te Hau Ora o Ngāpuhi (THOON), Ngāpuhi Iwi Social Services (NISS), Te Rūnanga-Ā-Iwi o Ngāpuhi Operations, and Ngāpuhi Asset Holding Company Ltd (NAHC). THOON was established in 2015 following the merger of Te Hau Ora o Kaikohe with the Rūnanga and leads the health strategy for Ngāpuhi, serving whānau, hapū and hapori living within te whare tapu o Ngāpuhi. NISS delivers a range of support for the iwi through whānau services and youth services, social work through schools and re-engaging students within education. NAHC oversees the commercial investments and strategy for the iwi while also operating retail investments in Mobil Kaikohe and Paper Plus Kaikohe.



## Investment strategy

Ngāpuhi's treaty settlement with the Crown is still under negotiation, but through fishery settlements Ngāpuhi has received significant assets in the fishing industry, namely fisheries quotas and shares in Moana NZ. In 2020 Ngāpuhi received \$1.2m of Aquaculture Settlement funds that were formerly held on trust with Te Ohu Kaimoana.

Ngāpuhi has historically adopted a largely passive investment strategy. Fishing assets remain the core of Ngāpuhi's portfolio, representing 52% of its asset base. Fisheries quota are recorded at their fair value on initial recognition (at-cost), less costs-to-sell, and are tested annually for impairment. Shares in Moana NZ are recorded at cost as the company is unlisted and the fair value of the shares is therefore difficult to calculate reliably. The combined reported value of the Moana NZ shares and fishing quota assets is \$34m.



Ngāpuhi has taken steps to diversify, reducing its reliance on the fishing industry. Ngāpuhi now holds three investment properties and has diversified into financial assets, which now account for 19% of its asset base. Through the Mint Asset Fund, it now has a portfolio of fixed-income, property and equity securities. It also holds a BNZ term deposit. In 2020, Ngāpuhi closed Kaikohe Paper Plus due to its poor prospects post-COVID-19. The Te Pū O Te Wheke business hub development was also put on hold due to the reallocation of significant external funding.

Ngāpuhi's investment strategy and performance is reflective of its circumstances (pre-settlement) and being heavily reliant upon passive and non-transactable investments and assets.

## Capital structure

Ngāpuhi has held extremely low debt since 2013, holding no interest-bearing debt in 2020.

## Investment performance

### Assets and net worth

From 2013 to 2020, Ngāpuhi's assets grew from \$52m to \$65m, an average growth rate of 3.1% p.a. Ngāpuhi's net worth tracks its assets closely due to Ngāpuhi's low level of debt. In 2020, Ngāpuhi's assets grew by 5.4%, continuing the trend of slow growth over the past six years. Financial assets increased by \$2.2m with a new \$1m bank term deposit and an increase in the value of its managed fund of \$1.2m.

As noted above, Ngāpuhi's fisheries quota and its shares in unlisted companies, such as Moana NZ, are recorded at-cost and not subject to revaluation.

### Return on assets

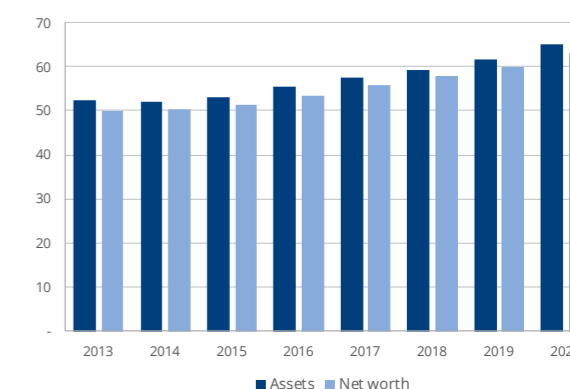
Ngāpuhi's RoA has fluctuated over the past eight years, averaging 4.5% p.a. The relatively high RoA in 2013 was caused by abnormal items that were a combination of refundable Māori Authority Tax Credits of \$3.8m and a \$2.1m cost reimbursement. Since then, operating profits have normalised, with RoA remaining relatively low. During NZ's COVID-19 response, Ngāpuhi's fishing activities were classified as an essential service and were largely uninterrupted. Therefore, income extracted from Ngāpuhi's annual catch entitlement was stable. Additionally, Moana NZ paid a dividend of \$1.4m, its largest to date. However, the more difficult operating environment saw Ngāpuhi's expenses rise.

### Net assets per member

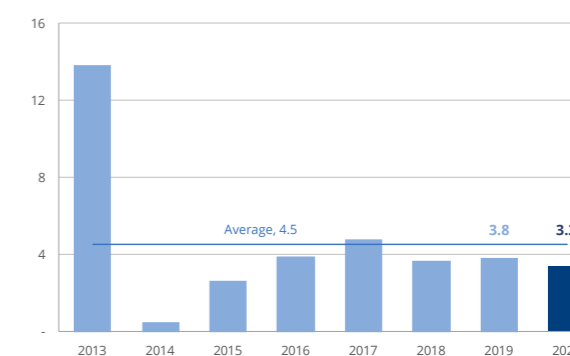
Year	2013	2014	2015	2016	2017	2018	2019	2020
\$	398	392	394	399	410	416	423	437

In 2020, Ngāpuhi made distributions of \$0.3m, the most significant of which were scholarship payments of \$97,500. Net assets per member increased by 3.3% in 2020 to \$437.

**Assets and net worth, 2013–2020, \$m**



**Return on assets, 2013–2020, %**



# Ngāti Awa

Te Rūnanga o Ngāti Awa is located in the eastern Bay of Plenty. Te Rūnanga o Ngāti Awa will be referred to as Ngāti Awa throughout this report. In 2020, Ngāti Awa had approximately 21,000 members. It is important to note that the tragic event of the Whakaari/White Island eruption on 9 December 2019 occurred during this investment reporting period.

## Organisational structure

Ngāti Awa is the governing body of the Ngāti Awa iwi and has four direct subsidiaries. Ngāti Awa Group Holdings Limited (NAGHL) and Ngāti Awa Asset Holdings Limited (NAAHL) are the commercial arms of the group and are mandated with managing the commercial assets of Ngāti Awa and integrating its activities with the social aspirations of the group where possible. NAAHL holds the group's commercial financial assets, its fisheries quota and its Moana New Zealand shares. NAGHL runs the commercial operations. Ngāti Awa Community Development Trust (NACDT) is responsible for supporting and furthering the social, cultural and economic development of the iwi. Ngāti Awa Research and Archives Trust preserves the history of the tribe through research and storage of historical documents.



## Investment strategy

Ngāti Awa's settlement with the Crown was finalised in 2005, for a total of \$42m. The settlement was a combination of Crown-owned land selected by Ngāti Awa, fisheries quota, cash and other assets. Land settlements included portions of the Kaingaroa and Rotoehu forests. Ngāti Awa holds shares in Moana NZ as part of the settlement proceeds in accordance with the Māori Fisheries Act, 2004. The group's investment portfolio is depicted right.



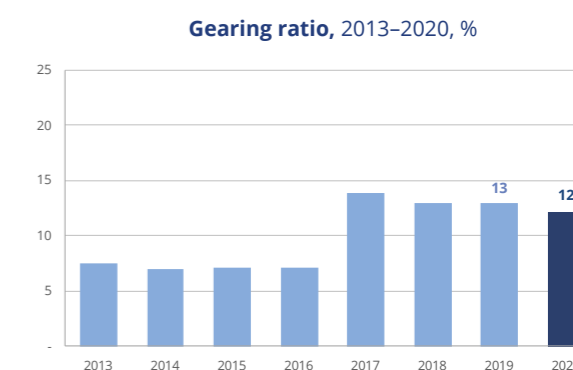
Ngāti Awa holds 41% of its assets in primary industries. This includes farmland and livestock, forestry assets, Moana NZ shares, fishing quotas, investments in HoneyLab Ltd (which researches the medical applications of honey) and Iwi Collective Orchards which owns and operates three kiwifruit orchards.



Ngāti Awa's interests in property (30% of its portfolio) consist of property, plant and equipment such as office equipment as well as investment properties in the region. Ngāti Awa holds 13% of its investments in financial assets, which include listed and unlisted shares and investments in managed funds, limited partnerships and joint ventures. Ngāti Awa also holds unit trusts which it aims to realise as soon as practically possible. Ngāti Awa is looking to continuously improve the efficiency of its farming operation and increase its returns from farming. Ngāti Awa diversified its portfolio in 2017 through the purchase of White Island Tours. The eruption at Whakaari/White Island significantly impacted this business and will continue to do so into the foreseeable future.

## Capital structure

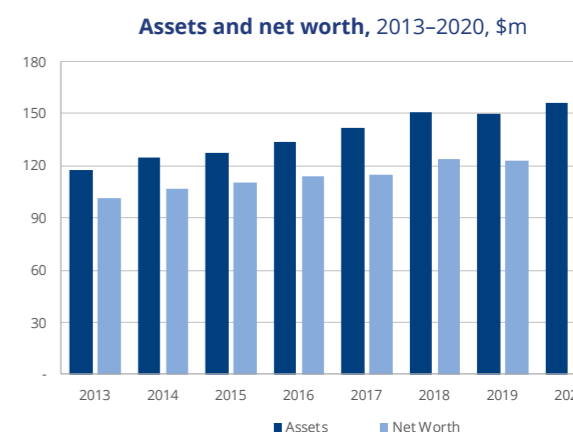
Ngāti Awa's gearing ratio increased from 7% to 14% in 2017 with the purchase of White Island Tours and has stayed moderately stable over the last four years at around 12% to 14%. With a gearing ratio of 12% in 2020, Ngāti Awa holds a relatively high portion of debt compared to most other iwi considered in this report.



## Investment performance

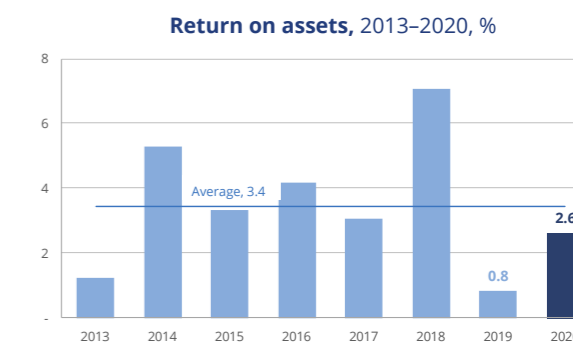
### Assets and net worth

Ngāti Awa's assets have grown on average by 4.2% p.a. over the last eight years, increasing from \$117m in 2013 to \$156m in 2020. Net worth has grown on average by 3.2% p.a. increasing from \$101m to \$126m over the same period. In 2020, assets increased by 4.3% and net worth increased by 2.0%. The increase was driven by an increase in the value of Ngāti Awa's investment in Iwi Collective Orchards of \$1.1m, revaluation gains on its investment properties of \$2.1m and forestry land of \$5.6m and a fair value gain of \$1.6m in listed shares. During the year, Ngāti Awa's cash and cash equivalents value increased by \$9.4m with the sale of its carbon credits, for \$9.9m.



### Return on assets

Ngāti Awa's RoA has averaged 3.4% p.a. over the last eight years. Ngāti Awa's RoA increased from 0.8% in 2019 to 2.6% in 2020. The key reasons for this increase in RoA (relative to 2019) were the revaluations of investment property and forestry land and the value-gain on listed shares and its \$2.1m share of Iwi Collective Orchard's profit.



### Net assets per member

Year	2013	2014	2015	2016	2017	2018	2019	2020
\$	5,168	5,424	5,593	5,704	5,649	6,047	5,958	6,029

In 2020, Ngāti Awa paid grants and sponsorships of \$0.3m. These distributions consisted of hapū distributions, education grants and cultural and environmental projects and initiatives. Ngāti Awa's net assets per member increased slightly in 2020, to \$6,029.



# Ngāti Pāhauwera

Ngāti Pāhauwera is based in northern Hawke's Bay, south of Wairoa and is a collection of some 85 hapū that has both a defined area of interest for the purposes of Crown settlement and an extensive whakapapa connection along the eastern seaboard. The primary settlement entity is the Ngāti Pāhauwera Development Trust and will be referred to as Ngāti Pāhauwera throughout this report. In 2020, Ngāti Pāhauwera had approximately 8,000 members, with the majority of members based in the Wairoa, Napier and Hastings districts.

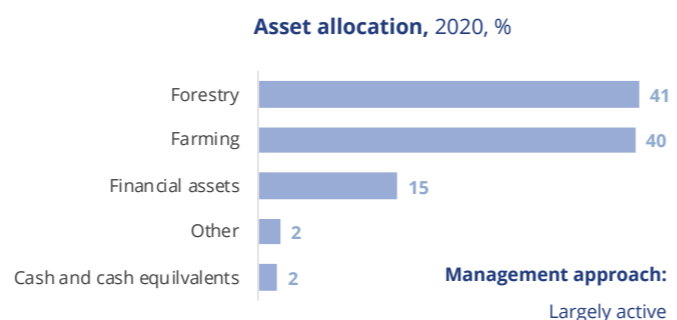
## Organisational structure

Ngāti Pāhauwera is governed by the Ngāti Pāhauwera Development Trust (NPDT) per the structure below. NPDT focuses on the iwi's social, environmental and cultural outcomes and through its commercial arm Ngāti Pāhauwera Commercial Development Limited (NPCDL) pursues its economic outcomes. NPCDL manages the commercial assets to generate income that is used to support social, cultural and community objectives with the primary objectives of developing settlement assets for future generations and establishing businesses that have employment opportunities and strong economic prospects. Ngāti Pāhauwera Manaaki Trust (NPMT) oversees the group's social strategy and provides community and education grants. Ngāti Pāhauwera Tiaki Custodian Limited (NPTCL) manages the group's cultural assets and non-commercial redress as well as overseeing the group's protocols, Statutory Acknowledgements and First Rights of Refusal.



## Investment strategy

Ngāti Pāhauwera reached a financial settlement with the Crown of \$20m in 2010. As part of the initial settlement Ngāti Pāhauwera took ownership of several farms and the Mohaka Licensed Crown Forest Land. These two assets are a key component of Ngāti Pāhauwera's investment strategy. Currently, the iwi is focused on transitioning those and newly acquired farms to a position where they generate an appropriate return, optimising forestry returns, identifying the best use of its land and developing its infrastructure.



Forestry and farming assets dominate Ngāti Pāhauwera's portfolio, making up over 80% of its total assets. Forestry assets include a significant investment in forestry land now worth \$37m and pine trees planted at Chimney Creek and Omahara. Ngāti Pāhauwera's interests in farming include a number of stations: Pihanui, Rawhiti, Omahara, Chimney Creek and Kakariki, which in-total had 2,453 cattle and 7,569 sheep in 2020. Financial assets comprise 15% of Ngāti Pāhauwera's portfolio. Financial assets are comprised of \$3.4m under Nikko Asset Management and \$10m in a selection of 41 New Zealand, Australian, international and private equity shares, which are managed by Forsyth Barr. In 2020, Ngāti Pāhauwera made an investment into horticulture, purchasing 70ha of land which has started generating revenue. Moving forward, Ngāti Pāhauwera is looking to further build businesses around horticulture and explore opportunities in tourism.

## Capital structure

Ngāti Pāhauwera took on \$10m in debt in 2020 to purchase additional farmland, an orchard and land for horticultural development after having no debt on its balance sheet in previous years. Ngāti Pāhauwera has a gearing ratio of 11%.

Gearing ratio, 2017–2020, %

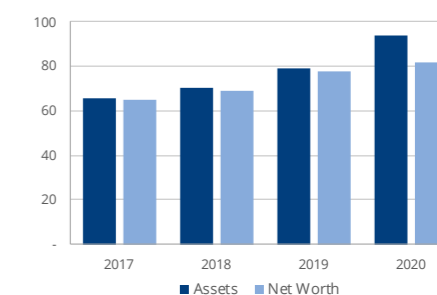


## Investment performance

### Assets and net worth

Over the last four years, Ngāti Pāhauwera's assets have grown on average by 13% p.a., increasing from \$66m in 2017 to \$93m in 2020. At the same time net worth has grown from \$65m to \$82m, an average growth rate of 8.0% p.a. In 2020, assets increased by 19% and net worth increased by 5.2%. This growth in assets has been achieved through capital gain in the value of its assets, reflecting in part the development of its farm and forestry land. Ngāti Pāhauwera's investment in forestry land has grown from \$15m at purchase to \$37m in 2020, with a positive revaluation of \$4.6m in 2020. Farm land and buildings increased in value from \$20m in 2019 to \$30m, following additions made by Ngāti Pāhauwera. 2020 saw its assets under management decrease by \$0.8m.

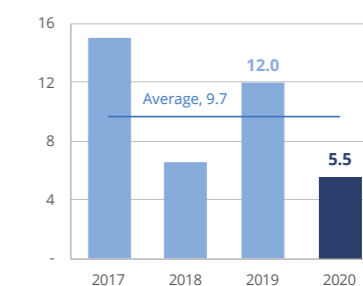
Assets and net worth, 2017–2020, \$m



### Return on assets

Ngāti Pāhauwera's RoA for 2020 was 5.5% while its average RoA from 2017 to 2020 is 9.7% p.a. Ngāti Pāhauwera's 2020 RoA is its lowest RoA in the last 4 years. The fluctuations in Ngāti Pāhauwera's RoA are largely driven by revaluations of forestry and farming assets. In 2020, Ngāti Pāhauwera recorded revaluations of \$4.5m on its investment in forestry and no revaluation on its investment in farms. During 2020, Ngāti Pāhauwera decreased its operating deficit from farming activities to -\$0.5m, driven largely by a decrease in farming expenses. As noted above, the group began horticulture activities in 2020 which have produced a small surplus of \$74,000.

Return on assets, 2017–2020, %



### Net assets per member

Year	2017	2018	2019	2020
\$	8,620	9,000	9,931	10,253

Ngāti Pāhauwera has made distributions of \$1.3m in total over the last four years. These distributions support iwi members in education and provide support to the community. Ngāti Pāhauwera made distributions of \$0.6m in 2020. Net assets per member in 2020 were \$10,253 compared to \$9,931 in 2019, an increase of 3.2%.

# Ngāti Porou

Te Rūnanganui o Ngāti Porou Board is the mandated authority for Ngāti Porou mai i Potikirua ki te Toka a Taiau. Te Rūnanganui o Ngāti Porou Board is referred to as Ngāti Porou throughout this report. Ngāti Porou is located on the East Cape of the North Island. We estimate that Ngāti Porou had approximately 82,000 members in 2020.

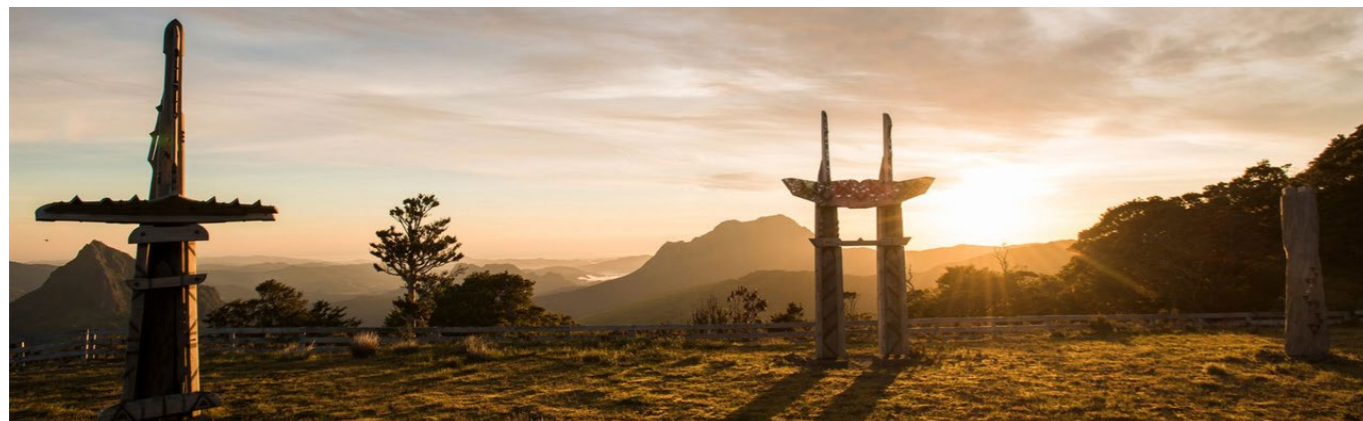
## Organisational structure

Ngāti Porou Holding Company (NPHC) is the commercial subsidiary of Ngāti Porou and is responsible for the management of the Trust's assets. NPHC also manages Ngāti Porou Seafoods Group and Pakihiroa Farms Limited. Toitu Ngāti Porou is a charitable trust subsidiary and is responsible for cultural development and charitable distributions to the iwi. Ngāti Porou Hauora, another subsidiary, provides health promotion and primary care services to the iwi. Te Rūnanganui o Ngāti Porou Group Corporate Services provides operational support to Te Rūnanganui o Ngāti Porou Board and its subsidiaries.



## Investment strategy

In 2012, Ngāti Porou received a financial settlement of \$110m, which included \$90m in financial and commercial redress and \$20m in cash as cultural redress. Prior to its settlement, Ngāti Porou was primarily invested in fisheries. In 2012, Ngāti Porou established NPHC as its commercial arm. NPHC has since developed and is currently implementing its investment strategy.



Investments in financial assets dominate Ngāti Porou's portfolio. The management of nearly 100% of its financial assets is outsourced to a variety of fund managers with an overall 60:40 balance between growth assets and income assets. The growth assets include investments in trans-Tasman developed and emerging market equities. Moana NZ shares and fishery quotas make up 16% of Ngāti Porou assets, while biological assets (bees, livestock and forestry) make up 6%, with forestry being the most significant, at \$12m. Ngāti Porou has made a number of direct investments in honey, blueberries and tourism activities. Ngāti Porou plans to further its manuka honey operation by constructing a honey extraction facility, which will be operational within two years. Its first blueberry harvest yielded 0.5 tonne with 15 tonnes estimated for the coming session. Over the next two years, Ngāti Porou expects to produce 100 tonnes of blueberries. With its tourism operation 'Mt Hikurangi – Journey to The First Light' operational, Ngāti Porou is looking to grow its tourism profile.

## Capital structure

In 2020, Ngāti Porou decreased its debt slightly to \$15m, decreasing its gearing ratio to 6.1%. Ngāti Porou is the only iwi in our report to have a largely passive management strategy while holding interest-bearing debt.

## Investment performance

### Assets and net worth

Ngāti Porou's assets have increased from \$197m in 2013 to \$259m in 2020, an average growth rate of 4.0% p.a. Over the same period, its net worth has increased from \$186m to \$233m, an average growth rate of 3.3% p.a. In 2020, total assets grew 2.1% from \$254m to \$259m and net worth increased 1.7% from \$229m to \$233m. The value of biological assets increased by \$6.3m during the year, driven by a fair value increase in forestry assets of \$5.5m. Additionally, cash and cash equivalents increased by \$3.4m, but the value of Ngāti Porou's investment portfolio decreased by \$7.5m over the year, which Ngāti Porou have attributed to a turbulent global share market. As at June 30, 2020, the NZX50 had partially recovered to around 5% below its February high.

### Return on assets

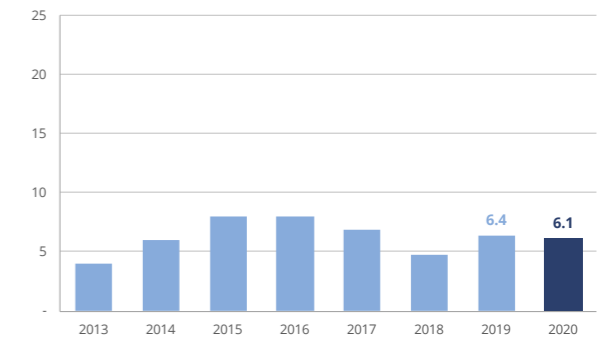
Over the period 2013 to 2020, Ngāti Porou's average RoA has been 4.0% p.a., with its 2020 RoA being 2.3%. In 2020, the group's revenue rose, driven by a higher net-surplus from its commercial operations, namely government contracts, honey and forestry, and a \$2.4m unrealised gain in its financial assets. On the other hand, farming revenue fell \$1m as demand from China for meat exports abruptly ceased. In 2020, Ngāti Porou also experienced higher expenses, which were driven by increases in salaries, wages and costs attributed to its fishing and honey operations.

### Net assets per member

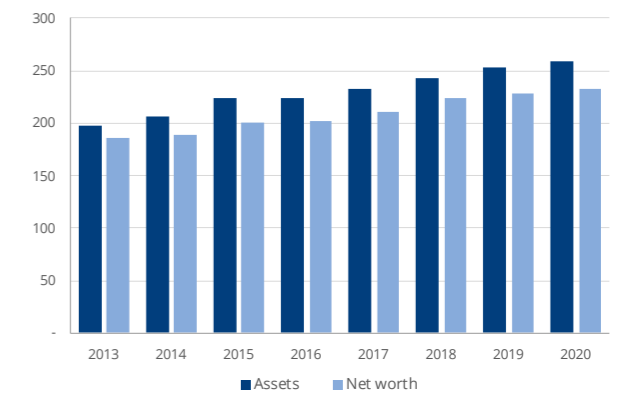
Year	2013	2014	2015	2016	2017	2018	2019	2020
\$	5,168	5,424	5,593	5,704	5,649	6,047	5,958	6,029

In 2020, distributions to Ngāti Porou members decreased from \$1m to \$0.6m. These distributions included funding of marae developments, iwi and community events, language revitalisation programs and local sport and recreation. Net assets per member in 2020 decreased slightly to \$2,851.

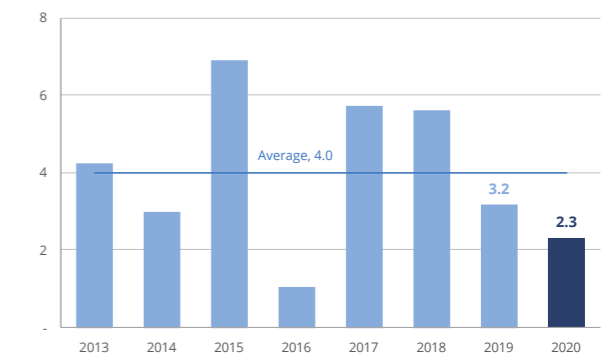
Gearing ratio, 2013–2020, %



Assets and net worth, 2013–2020, \$m



Return on assets, 2013–2020, %



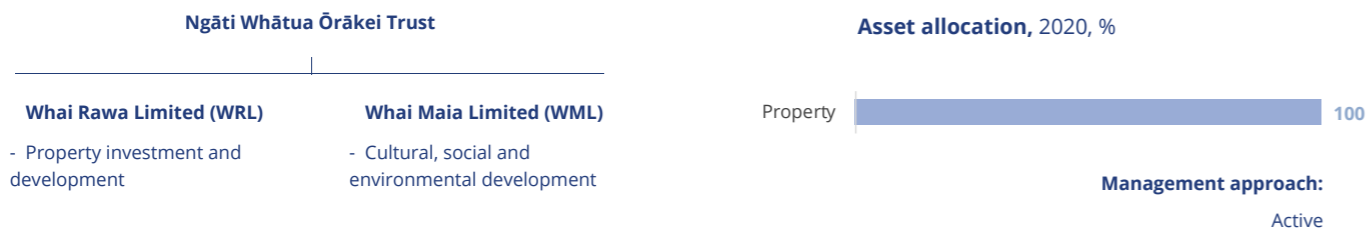


# Ngāti Whātua Ōrākei

The Ngāti Whātua Ōrākei Trust (the Trust) was established in 2012, following its Treaty settlement. The Trust is the governing body of the Ngāti Whātua Ōrākei hapū, which has its heartland in central Auckland. In 2020, Ngāti Whātua Ōrākei had approximately 5,500 members.

## Organisational structure

The Trust operates at a strategic level with Whai Rawa Ltd (WRL) and Whai Māia Ltd (WML) as its subsidiaries. WRL is a property development and investment company, which manages the commercial assets of Ngāti Whātua Ōrākei to generate financial returns for the iwi and to support the tribal development goals of WML. WML has a charitable structure and is focused on tribal development in the areas of employment and education, health and wellbeing, arts, culture and environment.



## Investment strategy

Ngāti Whātua Ōrākei is almost entirely invested in property. All of its investment properties are in the Auckland region. Its properties include:

- Quay Park, which has 29 ground leases including the Spark Arena, a Countdown supermarket, apartment blocks, other apartments and commercial buildings; and
- North Shore development land. Ngāti Whātua Ōrākei purchased 28ha of North Shore land from the Crown, as part of the WAI388 Claim.



Ngāti Whātua Ōrākei continues to focus on property development with construction in progress at the Hillary site, Laurel Street and Roberts Avenue. Ngāti Whātua Ōrākei also has a 49% stake in a joint venture with Fletcher's Residential Limited to acquire, develop and then sell residential property at 73-89 Moire Road.

During 2020, Ngāti Whātua Ōrākei began to sell homes in its Oneoneora development. With almost all of its commercial assets in Auckland property, Ngāti Whātua Ōrākei has an undiversified portfolio. Ngāti Whātua Ōrākei has taken some steps to diversify its portfolio by investing in aged care through the Eastcliffe Retirement Village but has put its planned diversification into tourism on hold due to COVID-19.

## Capital structure

In 2020, Ngāti Whātua Ōrākei took on a further \$34m of debt, increasing its total debt to \$258m. This increased its gearing ratio slightly to 20%. Interest rate risk is managed by using interest rate swaps. Ngāti Whātua Ōrākei has \$50m of debt due to expire within the next year with the balance due to expire within 2 years.

## Investment performance

### Assets and net worth

Since 2013, the assets of Ngāti Whātua Ōrākei have increased from \$593m to \$1,337m in 2020, an average growth rate of 12% p.a. Net worth has increased from \$424m to \$1,028m over the same period, an average growth rate of 13% p.a. Given the dominance of the Auckland property market in its asset portfolio, asset growth corresponds to the growth in the Auckland property market. Asset growth in 2020 of 6.6% was much lower than the growth of 22% experienced in 2015 and 2016. In 2020, net worth increased by 5.4%.

### Return on assets

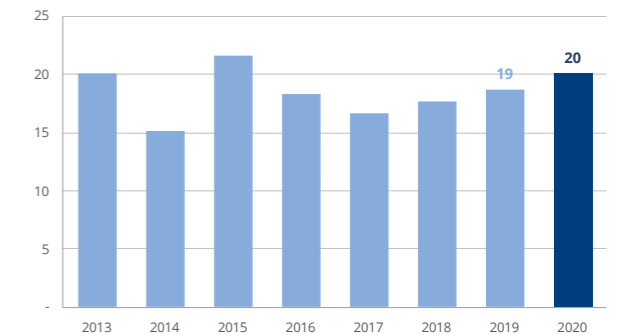
From 2013 to 2020, Ngāti Whātua Ōrākei's average RoA has been 12% p.a. In 2020, Ngāti Whātua Ōrākei's RoA was 5.5%, above its 2019 RoA of 4.8%. Ngāti Whātua Ōrākei's earnings from property rent increased from \$42m in 2019 to \$45m in 2020. Profits from the Moire Road partnership increased from \$1.2m to \$5.1m. Additionally, Ngāti Whātua Ōrākei's RoA is strongly influenced by the revaluations of its investment properties. Revaluations contributed \$43m of total comprehensive income in 2020, an increase from 2019, but still significantly below the revaluations of \$80m in 2018 and \$141m in 2017.

### Net assets per member

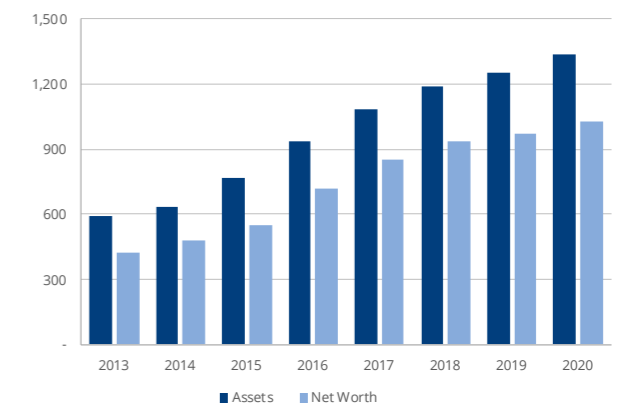
Year	2013	2014	2015	2016	2017	2018	2019	2020
\$	186,786	204,133	219,165	281,423	332,379	210,429	192,540	186,129

Ngāti Whātua Ōrākei makes distributions to its beneficiaries in the form of grants, scholarships and programs that address the social, cultural and environmental ambitions of the hapū. The total cost attributable to grants and programmes was \$5.5m in 2020. Net assets per member totalled \$186,129 in 2020, its lowest value in the last eight years.

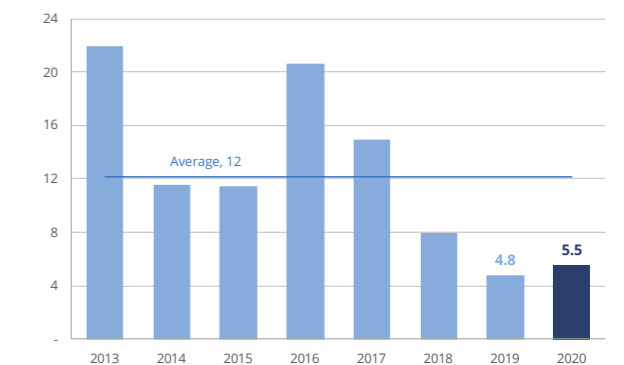
Gearing ratio, 2013–2020, %



Assets and net worth, 2013–2020, \$m



Return on assets, 2013–2020, %

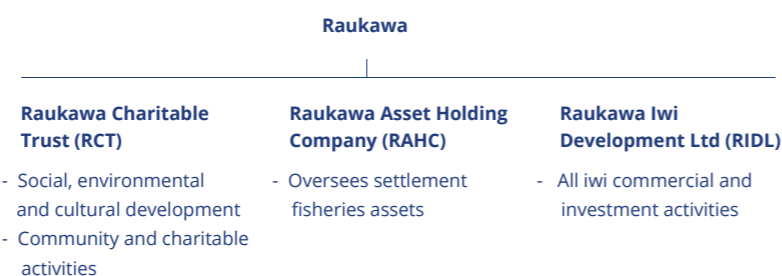


# Raukawa

Raukawa is based in South Waikato and is part of the Tainui waka. The Raukawa group is headed by the Raukawa Settlement Trust, which was established in 2009 following the group's Treaty Settlement. The Trust is the mandated Iwi Authority and governance entity of the Raukawa group. The Raukawa Settlement Trust is referred to as Raukawa in this report. In 2020, Raukawa had approximately 8,700 members.

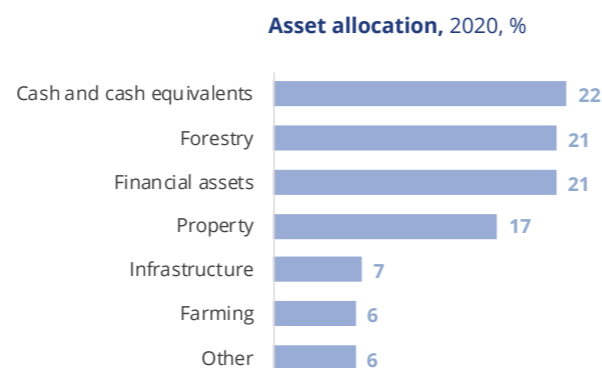
## Organisational structure

The Raukawa group consists of Raukawa Iwi Development Ltd (RIDL), Raukawa Asset Holding Company (RAHC) and the Raukawa Charitable Trust (RCT). RIDL is the investment management arm. RAHC holds the settlement fisheries assets, which are managed under contract by RIDL. RCT is mandated to represent and advocate for the social, environmental and cultural aspirations of the iwi.



## Investment strategy

Raukawa signed its Treaty settlement in 2012 for a total of \$50m in financial and commercial redress. Raukawa has also received a share of the Central North Island Forestry Settlement (CNI) worth \$28m. Its interest in CNI Iwi Holdings Trust is not included in the recorded value of total assets due to the trust nature of the holding. The book value of Raukawa's current asset allocation is depicted right.



Cash and cash equivalents made up 22% of the portfolio in 2020, with \$36m in short-term deposits. Forestry assets account for 21% of the portfolio, made up of a direct investment (together with five other CNI iwi) in Kākano Investment Limited Partnership, giving Raukawa a 2.5% stake in Kaingaroa Timberlands. Raukawa holds a 31.5% share in Kākano, valued at \$39m.

Raukawa also holds 21% of its portfolio in financial assets, primarily managed funds held under a range of providers. The proportion of the portfolio held in financial assets such as managed funds has decreased over time as Raukawa pursues a higher concentration of direct investments. Property makes up 17% of its portfolio. 'Property' includes: property, plant and equipment, directly owned properties such as schools and an interest in Hāpai Commercial Property Limited Partnership, a partnership formed with five other iwi this year, which owns several commercial investment properties. Raukawa owns 45% of Ranginui Station, a 3,300-cow dairy and pastoral operation.

## Capital structure

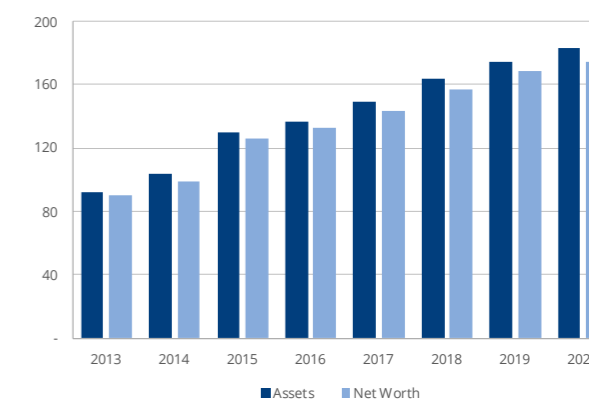
Raukawa has held no debt on its balance sheet since its settlement in 2012.

## Investment performance

### Assets and net worth

Since its settlement in 2012, the total assets of Raukawa have grown from \$93m in 2013 to \$183m in 2020, an average growth of 10% p.a, whilst net worth has increased from \$90m to \$175m, an average growth of 9.9% p.a. This asset growth has been largely driven by growth in financial assets, forestry and property. Raukawa's 2020 asset growth of \$8.8m (5.0%) was largely driven by growth in Kākano (from \$36m to \$39m) and growth in property. In 2020, Raukawa's net worth increased by 3.9%.

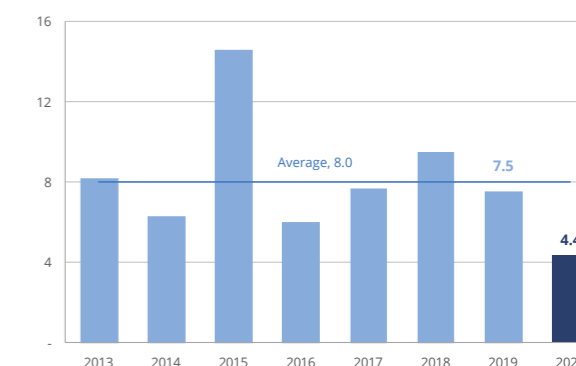
Assets and net worth, 2013–2020, \$m



### Return on assets

Over the last eight years, Raukawa has had an average RoA of 8.0% p.a. Raukawa's 2020 RoA was 4.4%, its lowest RoA, post-settlement. Returns were low as Raukawa felt the impacts of COVID-19, decreasing its revenue and increasing its expenses. In 2020, Raukawa's operating revenue was significantly down from 2019, with contract revenue falling from \$4.8m to \$3.3m. Additionally, dividends-received declined from \$3.3m to \$1.7m. Raukawa continues to receive significant income from the CNI Iwi Collective, receiving \$2.2m in 2020, in line with its \$2.3m received in 2019. \$1.6m was received through the Ranginui purchase price clawback and the Kākano forestry investment provided a special dividend of \$4.2m. The group's Kākano forestry investment has provided strong capital growth over the last six years, with the original \$19m investment now valued at \$39m, an average growth rate of 13% p.a. Over this period, the fluctuations in the group's returns can be mainly attributed to revaluations of Kākano and other direct assets in addition to changes in dividends received.

Return on assets, 2013–2020, %



### Net assets per member

Year	2013	2014	2015	2016	2017	2018	2019	2020
\$	13,490	14,170	17,527	17,935	18,769	19,780	20,378	20,079

During 2020, Raukawa made distributions of \$0.5m. Raukawa makes distributions within five distinct categories: Marae, Education, Kuia Koroua Wellbeing, 'Discretionary' and Sports. Raukawa's net assets per member in 2020 decreased to \$20,079, a decrease of \$299 per member from 2019.

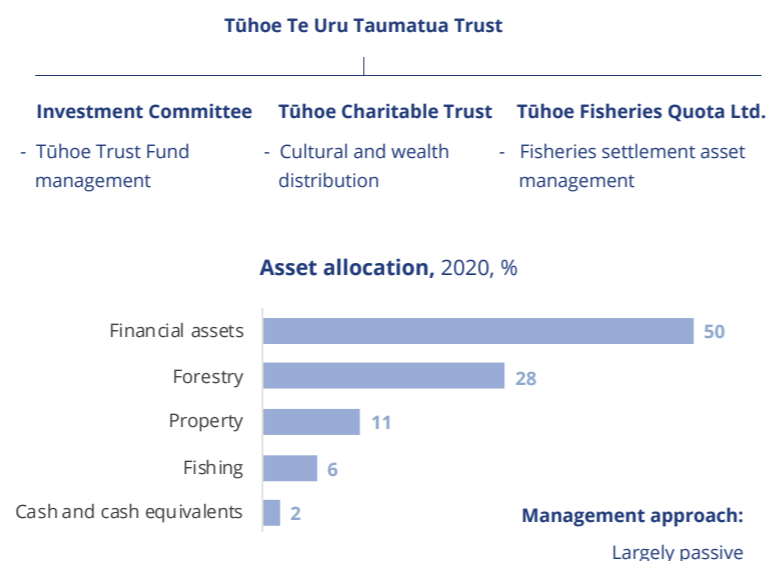


# Tūhoe

Tūhoe Te Uru Taumatua is the iwi organisation of the Tūhoe Tribals and is referred to as Tūhoe throughout this report. Tūhoe is located in Te Urewera. We estimate that Tūhoe had approximately 40,000 members in 2020.

## Organisational structure

Tūhoe manages iwi-level strategy, policy and action. Tūhoe's Investment Committee is responsible for advising the Tūhoe Trust and managing its investment fund. Tūhoe also has the Tūhoe Charitable Trust, Tūhoe Fisheries Quota Ltd and four tribal charitable companies as subsidiaries. Tūhoe Charitable Trust is the distribution arm of Tūhoe. Its goal is to initiate and distribute benefits to Tūhoe. Tūhoe Fisheries Quota Ltd manages Tūhoe's fisheries settlement assets, which include quota and income shares in Moana NZ.



## Investment strategy

Tūhoe signed a Treaty settlement for approximately \$170m in 2014. In addition to a cash settlement, the iwi received sale and lease-back options, under which Tūhoe has the opportunity to purchase five Crown-owned properties within a defined selection period. It also received exclusive rights of first refusal over Crown-owned properties located within a specified area for 172 years from the settlement date. Tūhoe holds its investments with a long-term view, focusing on an 8-year investment strategy and returns goal rather than year on year returns.



Financial assets account for 50% of Tūhoe's portfolio. Financial assets are comprised of \$19m in term deposits and \$170m in managed funds, which are largely comprised of investments in global shares, term deposits, NZ bonds, global bonds and Australian shares. Forestry accounts for 28% of Tūhoe's assets with a value of \$106m. Forestry assets include CNI equity, forestry rights and NZU's. CNI equity is Tūhoe's largest forestry asset with a value of \$78m. Tūhoe's investments in the fishing industry, held in Moana NZ shares and fishing quotas, are valued at \$23m.

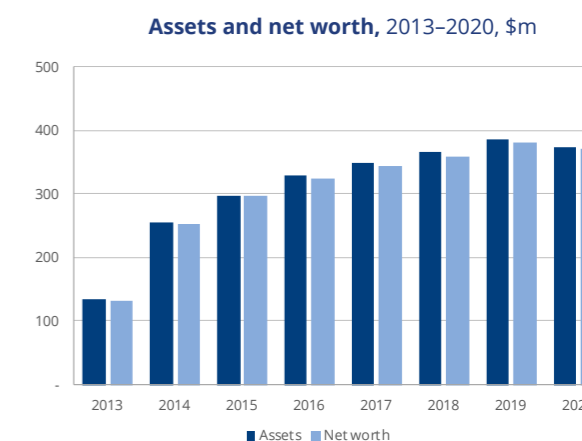
## Capital structure

Tūhoe is entirely financed by equity capital.

## Investment performance

### Assets and net worth

Since 2013, Tūhoe's assets and net worth have both experienced an average growth rate of 14% p.a., increasing from \$134m to \$373m, and \$133m to \$370m respectively. In 2020, Tūhoe's assets and net worth were \$373m and \$370 respectively, down from \$386m and \$381m in 2019. The decrease in assets was driven by negative revaluations and unrealised losses due to COVID-19. In 2020, Tūhoe's forestry assets decreased in value as its holdings in CNI equity decreased to \$77m, forestry rights decreased to \$27m and carbon credits decreased in price from \$25.60 per unit to \$23.75 per unit. Managed funds decreased by \$4.5m in 2020, driven by an unrealised loss of \$7.1m.



### Return on assets

Tūhoe's eight-year average RoA is 5.0% p.a. In 2020, Tūhoe's RoA was -2.2%, down from 5.8% in 2019. This is Tūhoe's first negative RoA since it settled with the Crown in 2014. This negative RoA can be attributed in part to its negative revaluations and unrealised losses, particularly in forestry assets and financial assets, experiencing an overall loss on revaluations of \$10m. Additionally, Tūhoe's net-equity-accounted share of surplus from its CNI equity was \$2.1m in 2019, compared to \$12m in 2020.



### Net assets per member

Year	2013	2014	2015	2016	2017	2018	2019	2020
\$	3,811	7,068	8,158	8,764	9,108	9,322	9,691	9,235

Tūhoe has made distributions to its iwi beneficiaries in past years largely for marae funding purposes. Otherwise, profits are retained and have been reinvested in building projects like Te Tii and the Eco village. In 2020, Tūhoe made distribution of \$0.08m. In 2020, net assets per member fell by 4.7% to \$9,235 per member.



# Waikato-Tainui

Waikato-Tainui, located in the Waikato, reached a comprehensive land settlement with the Crown in 1995. Waikato-Tainui was the first iwi to settle with the Crown. Waikato-Tainui had approximately 78,000 members in 2020.

## Organisational structure

Waikato-Tainui's governance structure is led by two representatives of each marae which act as its parliament known as Te Whakakitenga o Waikato. This organisation appoints an executive committee known as Te Arataura, which oversees the operational functions of the organisation.



Within the Waikato-Tainui group, Waikato Raupatu Lands Trust manages tribal affairs along with the group's social and cultural development and distribution strategy. Tainui Group Holdings Ltd (TGH) is the organisation's commercial arm. TGH manages the Trust's assets by implementing an investment strategy and holding an investment portfolio aligned with the Trust's requirements and responsibilities. TGH also manages Waikato-Tainui Fisheries Ltd, which owns and leases fishing quotas and holds shares in Moana NZ. Waikato Raupatu River Trust was established to oversee and implement the 2008 Waikato River Settlement, related statutory and regulatory reform and has a strategic environmental agenda.

## Investment strategy

Waikato-Tainui's financial and commercial redress in 1995 amounted to \$170m, including cash and land at market value. Since 2012, Waikato-Tainui has received relativity settlements totalling \$290m. Claims for relativity settlements can be made every five years until 2045.



Waikato-Tainui's largest asset class is property, as has been the case for the last 17 years. Its properties include The Base, various ground leases including the Waikato University and hotels. Waikato-Tainui also has holdings in financial assets, cash, and primary industries. The group's investments in hotels include 100% of Novotel Tainui Hamilton and IBIS Tainui Hamilton along with 50% of the Novotel Auckland Airport Hotel and Te Arikini Pullman Auckland Airport Hotel. In 2020, Waikato-Tainui moved to sell its 33% share of Go Bus, the sale was completed in August 2020.



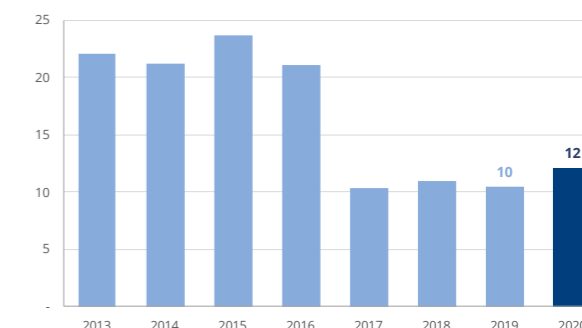
With COVID-19 and the ensuing lockdown measures, Waikato-Tainui faced an immediate liquidity challenge. The group's cash generating assets, namely its hotels and The Base, were severely impacted at the time, foregoing an estimated \$11m in income for the year. During COVID-19, TGH suspended its dividend until its cashflow normalised. TGH has subsequently paid an interim dividend and is well positioned to pay a final dividend for FY21.

Moving forward, Waikato-Tainui continues to expand its asset base. Construction of the Ruakura Inland Port is scheduled to begin in October 2020. The group has also secured a contract to develop a multi-million-dollar office for ACC in Hamilton.

## Capital structure

Waikato-Tainui's gearing ratio decreased sharply in 2017 as \$100m of the \$195m generated from the sale of 50% of its holdings in The Base was used to reduce debt. In 2020, the gearing ratio increased from 10% to 12%, following a \$20m increase in debt from \$145m in 2019 to \$165m in 2020. Debt is still well below its peak of \$268 in 2015. Waikato-Tainui's gearing ratio is conservative, though higher than many other iwi groups and reflective of its active investment approach and the nature of its property-heavy asset allocation.

**Gearing ratio, 2013–2020, %**

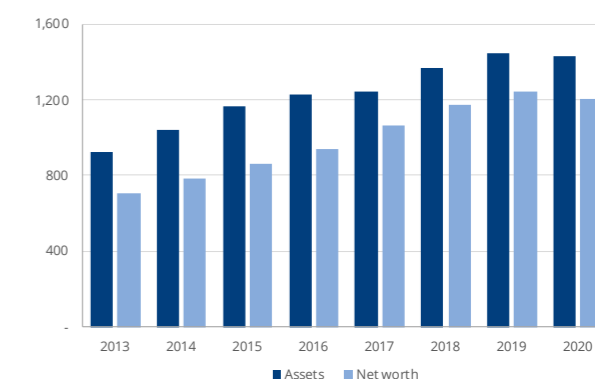


## Investment performance

### Assets and net worth

Since 2013, Waikato-Tainui's assets have increased from \$925m to \$1,428m, an average growth rate of 6.4% p.a. Over the same period, the group's net worth has increased from \$705m to \$1,206m, an average growth rate of 8.0% p.a. In 2020, Waikato-Tainui's assets and net worth both decreased for the first time, falling 1.3% and 3.2% respectively due to the impact of COVID-19, which reduced the fair value of assets through revaluations. Financial assets recognised a fair value loss of \$4.5m, property, plant and equipment had a fair value loss of \$5.4m (due to decreases in the fair value of hotels and farm and owner-occupied properties) and investment properties had a fair value loss of \$20m.

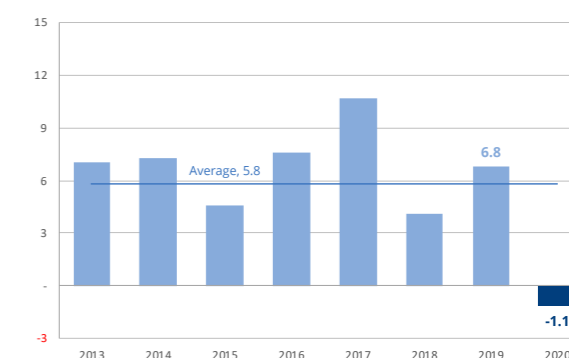
**Assets and net worth, 2013–2020, \$m**



### Return on assets

Waikato-Tainui's average RoA from 2013 to 2020 is 5.8% p.a. Waikato-Tainui's RoA decreased from 6.8% in 2019 to -1.1% in 2020. This was Waikato-Tainui's first negative RoA in the eight-year period of 2013 to 2020. COVID-19 eliminated an estimated \$11m in income from hotel operations and retail leases, the group experienced a large impairment expense of \$14m and other losses through revaluations.

**Return on assets, 2013–2020, %**



### Net assets per member

Year	2013	2014	2015	2016	2017	2018	2019	2020
\$	12,638	13,104	13,492	13,841	14,839	15,422	16,370	15,462

Waikato-Tainui will distribute \$20m to its beneficiaries in 2020, above its 10-year average of \$13m, which included a 'one-off' payment drawn from relativity settlement proceeds. Distributions-funded projects ranged from marae development, Te Reo initiatives, education and medical grants, and other community services. Net assets per member decreased by 5.5% to \$15,462 in 2020 due to the decrease in net worth and an increase in its members.



# Conclusions

This report has reviewed the corporate structures, investment strategies and investment performance of nine iwi over recent years.

## Organisational structures

The organisational structures of the iwi, while often complex, are broadly similar. Typically, a distinct commercial entity has been delegated responsibility for investment strategy and asset management. The returns from the commercial entities have been reinvested to grow their asset bases and have helped finance the various trusts' administration expenditures and distributions.

## Investment strategies

The three largest iwi in terms of total assets (Ngāi Tahu, Waikato-Tainui and Ngāti Whātua Ōrākei) all have their largest allocation of funds in the property sector (property development, property investment and ground leases). For another three of the iwi (Ngāti Awa, Ngāti Pāhauwera and Ngāpuhi), their largest asset class is the primary industries: namely fishing, forestry and farming. This asset allocation tends to reflect the structure of the iwi settlement redress from the Crown. For Ngāti Porou and Tūhoe, financial assets are their largest asset class. These financial assets are dominated by managed funds. Cash and cash equivalents are Raukawa's largest asset allocation.

Financial assets aside, the investments of most iwi are predominately located in the geographical areas where the iwi are based. Most of the nine iwi have taken steps to diversify their portfolios by investing in listed equities and pursuing new direct investments. In the past, a common sector that iwi looked to diversify into was the tourism sector, the returns from which were severely impacted in the 2020 financial year.

The iwi have adopted a range of investment management approaches to their assets with six of the nine iwi (Ngāi Tahu, Ngāti Awa, Ngāti Pāhauwera, Ngāti Whātua Ōrākei, Raukawa and Waikato-Tainui) taking an active, largely active or mixed approach to their investments. The other three iwi (Ngāpuhi, Ngāti Porou and Tūhoe) have taken a more passive approach.

The capital structures employed by each iwi largely reflect the nature of their assets. The iwi that are invested in financial assets generally employ no (or very little) debt. The iwi that are invested predominantly in property tend to use relatively more debt. In general, their capital structure would reasonably be described as conservative. Ngāti Whātua Ōrākei's gearing ratio is the highest of the iwi, at 20%.

## Investment performance

The investment performance of the iwi has varied significantly over the eight years (2013-2020) reviewed in this report. Ngāi Tahu, Ngāti Whātua Ōrākei and Raukawa are the only iwi to have exceeded our RoA benchmark eight-year average return of 7.4% p.a. with average returns of 8.8%, 12.2% and 8.0% respectively. The other iwi have reported average returns below our benchmark in the range of 3% to 6%.

2020 was a challenging year with COVID-19 affecting all the iwi. COVID-19 created volatility in the financial markets, shut off export markets and limited the movement and congregation of people, forcing businesses and borders to close. Three of the nine iwi – Ngāi Tahu, Tūhoe and Waikato-Tainui - reported negative returns on assets in 2020 with the lowest being Tūhoe, at -2.2%. Only Ngāti Pāhauwera and Ngāti Whātua Ōrākei reported returns higher than our benchmark RoA of 5.0%, both achieving returns of 5.5%.

On average, net assets per member have increased over the last eight years for all the iwi in this report, with the increases ranging from 0% to 6% p.a. Raukawa had the highest increase over this period. Raukawa's relatively high growth in net assets per member has been driven by the positive performance of managed funds and forestry investments. All of the iwi in this report provide some distributions to their members, however, in general, the majority of earnings are retained for re-investment and equity growth.

Despite the long-term trend of increasing net assets per member, in 2020, Ngāi Tahu, Ngāti Whātua Ōrākei, Raukawa, Tūhoe and Waikato-Tainui all experienced a decrease in net assets per member. This is the second consecutive year that Ngāi Tahu and Ngāti Whātua Ōrākei have had a decrease in net assets per member. For Ngāi Tahu, Tūhoe and Waikato-Tainui the decrease was the result of a decrease in total net assets and an increase in iwi members whereas Ngāti Whātua Ōrākei's decrease in net assets per member reflected an increase in iwi members. In 2020, Ngāi Tahu had the largest decrease in net assets per member of -9.9%. Ngāti Porou's net assets per member effectively did not change in 2020, while Ngāpuhi, Ngāti Awa and Raukawa were the only iwi to have growth in net assets per member of 3.2%, 1.2% and 3.2% respectively.

Many of the iwi have continued to either diversify their asset base through direct investments in new sectors (such as tourism), further investments in equities, or develop new investment opportunities in sectors where they already have a presence, as they look to improve returns and manage risks into the future.



# Appendix one Settlements to date

Iwi	Year of deed	Redress amount (\$ million)
Ngāi Tahu (relativity payment)	2020	3
Waikato-Tainui (relativity payment)	2020	3
Moriōri	2020	18
Ngāi Tahu (relativity payment)	2019	1
Waikato-Tainui (relativity payment)	2019	1
Ngāti Hinerangi	2019	8
Ngāi Tahu (relativity payment)	2018	19
Waikato-Tainui (relativity payment)	2018	17
Te Patukirikiri	2018	3
Ngāti Rangī	2018	17
Ngāi Tahu (relativity payment)	2017	180
Waikato-Tainui (relativity payment)	2017	190
Ngāti Hei	2017	9
Ngāti Tūwharetoa	2017	78
Ngāti Tamaoho	2017	10
Te Wairoa	2016	100
Ahuriri Hapū	2016	20
Rāngitane o Wairarapa-Tamaki Nui-ā-Rua	2016	33
Ngāi Tahu (relativity payment)	2015	18
Ngatikahu ki Whangaroa	2015	6
Rangitāne o Manawatū	2015	14
Ngāi Tai ki Tāmaki	2015	13
Heretaunga Tamatea	2015	105
Taranaki Iwi	2015	70
Ngāti Hineuru	2015	25
Tauranga Moana Iwi Collective	2015	0.3
Ngāi Tahu (relativity payment)	2014	13
Waikato-Tainui (relativity payment)	2014	13
Whanganui River	2014	81
Te Ātiawa (Taranaki)	2014	87
Ngāruahine	2014	68
Te Kawerau ā Maki	2014	7
Ngāti Kuri	2014	21
Ngāi Te Rangī	2013	30
Ngāti Hauā	2013	13
Ngāti Rangiteaorere	2013	1
Ngāi Tūhoe	2013	169
Maungaharuru Tangitū Hapū	2013	23
Ngāti Tama ki Te Tau Ihu	2013	12
Ngāti Rarua	2013	12
Ngāti Pūkenga	2013	7
Ngāi Tahu (relativity payment)	2012	69
Waikato-Tainui (relativity payment)	2012	70
Ngāti Koata	2012	12
Te Ātiawa o Te Waka-a-Maui	2012	12
Ngāti Korōki Kahukura	2012	3
Ngāti Rangiwewehi	2012	6
Tapuika	2012	6
Ngāti Toa Rāngātira	2012	71

Te Rarawa	2012	34
Ngāi Takoto	2012	21
Tāmaki Makaurau Collective	2012	n/a
Ngāti Ranginui	2012	38
Ngāti Raukawa	2012	50
Te Aupōuri	2012	21
Ngāti Whātua Ōrākei	2011	18
Rongowhakaata	2011	22
Waitaha	2011	8
Ngāti Whātua o Kaipara	2011	22
Ngāti Manuhiri	2011	9
Ngāti Mākino	2011	10
Maraeroa A and B Block Settlement	2011	2
Ngāi Tamanuhiri	2011	11
Ngāti Porou	2010	90
Ngāti Pāhauwera	2010	20
Rangitāne o Wairau (Kurahaupō)	2010	25
Ngāti Apa ki te Rā Tō (Kurahaupō)	2010	28
Ngāti Kuia (Kurahaupo)	2010	24
Ngāti Maniapoto (Waipa River)	2010	n/a
Ngāti Tūwharetoa (River interests)	2010	n/a
Upper Waikato River Iwi	2010	n/a
Ngāti Raukawa (River)	2009	n/a
Waikato Tainui (River claim)	2009	n/a
Ngāti Manawa	2009	12
Ngāti Whare	2009	10
Whanganui On-Account	2009	n/a
Ngāti Apa (North Island)	2008	16
Waikato Tainui (River claim)	2008	n/a
Taranaki Whānui ki te Upoko o te Ika	2008	25
Central North Island Collective	2008	15
Affiliate Te Arawa Iwi/Hapū	2008	39
Affiliate Te Arawa Iwi/Hapū	2006	n/a
Te Roroa	2005	10
Ngāti Mutunga (Taranaki)	2005	15
Te Arawa Lakes	2004	3
Ngāa Rauru Kiiatahi	2003	31
Ngāti Tūwharetoa (BOP)	2003	11
Ngāti Awa	2003	43
Ngāti Tama	2001	15
Ngāti Ruanui	2001	41
Te Uri o Hau	2000	16
Pouakani	1999	2
Turangitukua	1998	5
Ngāi Tahu	1997	170
Rotomā	1996	0
Te Maunga	1996	0.1
Waimakuku	1995	0.4
Waikato Tainui Raupatu	1995	170
Hauai	1993	1
Ngāti Rangiteaorere	1993	1
Ngāti Whakaue	1993	5
Fisheries Claim Settlement	1992	170
Waitomo	1990	n/a



# Appendix two

## Summary financials

### Ngāi Tahu (y.e. June 30)

Balance sheet, \$m	2013	2014	2015	2016	2017	2018	2019	2020
Assets	1,032	1,219	1,348	1,504	1,676	1,924	1,930	1,830
Net worth	877	1,075	1,149	1,274	1,371	1,653	1,611	1,521
Total interest-bearing debt	115	95	134	127	248	208	257	235
Current liabilities	38	50	60	75	106	60	64	79

Income statement, \$m	2013	2014	2015	2016	2017	2018	2019	2020
Revenue	231	320	346	385	330	312	352	299
Distributions	20	21	26	30	33	39	43	51
Operating exp. Trust	11	12	15	17	20	20	20	21
Finance costs	10	7	8	8	8	12	13	14
Taxation expense	0.2	0.4	0.5	0.7	0.8	0.9	0.8	1.0
Settlement received	69	13	29	0.0	0	199	2	3
Government grant income	5	0	0	0	0	0	0	0
Total comprehensive income	226	198	77	124	97	282	-39	-103

### Ngāpuhi (y.e. June 30)

Balance sheet, \$m	2013	2014	2015	2016	2017	2018	2019	2020
Assets	45	52	52	53	56	58	59	62
Net worth	43	50	50	51	53	56	58	60
Total interest-bearing debt	1	1	0	0.1	0.1	0.02	0.02	0.01
Current liabilities	1	2	2	2	2	2	1	2

Income statement, \$m	2013	2014	2015	2016	2017	2018	2019	2020
Revenue	19	16	16	18	18	19	21	24
Distributions	0	0	0.3	0.3	0.2	0.2	0.2	0.3
Operating exp. Trust	0	0	0	0	0	0	0	0
Finance costs	0.1	0	0	0	0	0	0	0
Taxation expense	0	0	0	0	0	0	0	0
Settlement received	0	0	0	0	0.1	0	0	1.2
Government grant income	0	0.2	0.1	0	0	0	0.6	0.4
Total comprehensive income	7	0.2	1	2	3	2	2	3

### Ngāti Awa (y.e. June 30)

Balance sheet, \$m	2013	2014	2015	2016	2017	2018	2019	2020
Assets	117	125	128	134	142	151	150	156
Net worth	101	107	110	114	115	124	123	126
Total interest-bearing debt	8	8	8	9	19	18	18	17
Current liabilities	11	13	5	7	13	11	13	18

Income statement, \$m	2013	2014	2015	2016	2017	2018	2019	2020
Revenue	6	9	5	7	8	13	13	15
Distributions	0.2	0.3	0.2	0.2	0.2	0.2	0.3	0.3
Operating exp. Trust	0	0	0	0	0	0	0	0
Finance costs	0.1	0.4	0.4	0.5	0.7	1.0	0.8	0.7
Taxation expense	0	0.1	0	0	0	0.1	0	0.3
Settlement received	0	0	0	0	0	0	0	0
Government grant income	0.8	0.1	0.1	0.2	0.4	0.3	0.1	1.0
Total comprehensive income	1	6	4	5	3	9	0.1	3

### Ngāti Porou (y.e. June 30)

Balance sheet, \$m	2013	2014	2015	2016	2017	2018	2019	2020
Assets	191	197	206	224	223	232	243	254
Net worth	183	186	189	201	201	211	223	229
Total interest-bearing debt	4	8	12	17	18	16	11	16
Current liabilities	5	5	8	12	6	15	10	13

Income statement, \$m	2013	2014	2015	2016	2017	2018	2019	2020
Revenue	31	28	27	33	33	34	31	38
Distributions	0.3	1	2	1	2	1	1	1
Operating exp. Trust	0	0	0	0	0	0	0	0
Finance costs	0.5	0.7	1.0	1.1	0.6	0.4	0.4	0.4
Taxation expense	2.6	0.5	0.0	-0.1	0.9	0.0	1.1	1.1
Settlement received	0.4	0	0	0	0	0	0	0
Government grant income	0	0	0	0	0	0	0	0
Total comprehensive income	5	4	12	0	10	12	5	4

#### Ngāti Whātua Ōrākei (y.e. June 30)

Balance sheet, \$m	2013	2014	2015	2016	2017	2018	2019	2020
Assets	593	631	767	939	1,086	1,189	1,254	1,337
Net worth	424	482	553	717	855	934	975	1,028
Total interest-bearing debt	107	86	153	161	171	200	225	258
Current liabilities	56	60	59	58	61	106	139	40

Income statement, \$m	2013	2014	2015	2016	2017	2018	2019	2020
Revenue	35	41	43	57	51	39	53	58
Distributions	0.2	1	1	1	1	2	4	5
Operating exp. Trust	0	0	0	0	0	0	0	0
Finance costs	4	7	7	7	6	7	9	8
Taxation expense	1	6	0.4	4	5	1	2	3
Settlement received	0.2	0	0	0	0	0	0	0
Government grant income	6	5	4	4	4	3	3	3
Total comprehensive income	106	58	71	164	138	81	43	55

#### Raukawa (y.e. June 30)

Balance sheet, \$m	2013	2014	2015	2016	2017	2018	2019	2020
Assets	93	103	129	136	149	164	174	183
Net worth	90	98	126	133	143	157	168	175
Total interest-bearing debt	0	0	0	0	0	0	0	0
Current liabilities	2	4	2	2	3	3	2	5

Income statement, \$m	2013	2014	2015	2016	2017	2018	2019	2020
Revenue	11	10	15	12	12	11	17	12
Distributions	0.5	0.5	1	1	0.4	1	1	1
Operating exp. Trust	0	0	0	0	0	0	0	0
Finance costs	0.1	0	0	0	0	0	0	0
Taxation expense	1	-0.1	1	1	0.1	0.4	1	1
Settlement received	0	2.2	0	0	0	0	0	0
Government grant income	0	0	0	0	0	0	0	0
Total comprehensive income	6	6	16	7	11	14	11	7

#### Tūhoe (y.e. March 31)

Balance sheet, \$m	2013	2014	2015	2016	2017	2018	2019	2020
Assets	134	254	296	328	348	365	386	373
Net worth	133	252	296	325	345	360	381	370
Total interest-bearing debt	0	0	0	0	0	0	0	0
Current liabilities	1	2	0.3	1	2	3	2	2

Income statement, \$m	2013	2014	2015	2016	2017	2018	2019	2020
Revenue	5	8	9	9	12	11	12	12
Distributions	0	0	0	0.3	1	1	0.1	0.1
Operating exp. Trust	0	0	0	0	0	0	0	0
Finance costs	0	0	0	0	0	0	0	0
Taxation expense	1	1	-0.2	2	1	0.1	0.2	-0.1
Settlement received	0	108	26	0	0	0	0	0
Government grant income	0	0	0	0	0	0	0	0
Total comprehensive income	6	119	45	25	19	15	21	-8

#### Waikato-Tainui (y.e. March 31)

Balance sheet, \$m	2013	2014	2015	2016	2017	2018	2019	2020
Assets	925	1,040	1,164	1,225	1,244	1,369	1,446	1,428
Net worth	705	784	862	940	1,068	1,172	1,246	1,206
Total interest-bearing debt	199	211	268	250	123	144	145	165
Current liabilities	50	38	33	241	18	19	41	136

Income statement, \$m	2013	2014	2015	2016	2017	2018	2019	2020
Revenue	64	70	83	84	75	52	54	61
Distributions	7	6	22	9	31	21	20	20
Operating exp. Trust	0	0	0	0	0	0	0	0
Finance costs	14	14	17	15	9	7	7	7
Taxation expense	0	-2	-3	0	0	1	0	1
Settlement received	70	0	13	0	0	190	17	1
Government grant income	0	0	0	0	0	0	0	0
Settlement reported	70	21	70	13	48	80	5	4
Total comprehensive income	110	74	84	80	140	104	74	-40



# Glossary

<b>Benchmark portfolio:</b>	A model portfolio that the performance of actual portfolios is compared against
<b>Distributions:</b>	Cash payments used to benefit members of the tribe (i.e. the “shareholders” of the iwi)
<b>Equities:</b>	A class of financial investment including stocks and shares in an entity
<b>Equity/net assets/ net worth:</b>	Total assets minus total liabilities
<b>Floating-fixed interest rate-swap:</b>	A contractual arrangement between two parties in which one party swaps the interest cash flows of a fixed rate loan, with those of a floating rate loan held by another party
<b>Gearing ratio:</b>	The ratio of an entity’s total debt to its total assets
<b>Hapori:</b>	Section of a kinship group, family, society, community
<b>Hapū:</b>	Kinship group, clan, tribe, subtribe. A number of related hapū usually shared adjacent territories forming a looser tribal federation (iwi)
<b>Held/recognised at cost:</b>	Where an asset is valued on the balance sheet at the price it was originally purchased for/ valued at and is not revalued at a later date
<b>Iwi:</b>	An extended kinship group, tribe, nation, people, nationality, race. Often refers to a large group of people descended from a common ancestor and associated with a distinct territory
<b>Moana NZ</b>	NZ’s largest Māori owned fisheries company, Aotearoa Fisheries Limited is the management level of the organisation and is referred to as Moana NZ in this report.
<b>Net assets per member:</b>	The net assets of an iwi divided by the number of iwi members
<b>Operating surplus/deficit:</b>	The surplus/deficit in an entity’s operating cash flows
<b>Relativity settlement:</b>	A settlement clause that requires the Crown to pay certain iwi additional amounts, called relativity payments, to maintain the proportion of the original settlement at a certain fixed percentage of all treaty settlements
<b>Return on assets (RoA):</b>	An indicator of how profitable a company is relative to its total assets
<b>Return on equity (RoE):</b>	A measure of profitability that calculates the profit a company generates with each dollar of shareholders’ equity
<b>Revaluation of assets (upward or downward):</b>	Changing the value of an asset on the balance sheet to better reflect the fair or market value of that asset, as opposed to valuing the asset at its historical cost
<b>Rohe:</b>	Region, territory, traditional tribal areas
<b>Total comprehensive income:</b>	All changes in equity during a period except those resulting from investments by owners and distributions to owners. Practically, this is net income plus unrealised gains/losses on assets plus foreign currency transaction gains/losses
<b>Whānau:</b>	family group

*Māori definitions taken from [maoridictionary.co.nz](http://maoridictionary.co.nz)*



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