

**Muaupoko Tribal Authority**  
**Financial Statements**  
**For the Year ended 31st March 2015**

**Muaupoko Tribal Authority**  
**Financial Reports**  
**For the Year Ended 31st March 2015**

<b>Contents</b>	<b>Page</b>
Compilation Report .....	1
Directory .....	2
Profit & Loss Account .....	3
Movements in Equity .....	5
Balance Sheet .....	6
Schedule of Fixed Assets and Depreciation .....	8
HPs & Term Loans .....	10
Notes to the Accounts .....	11
Audit Report .....	13

# **Muaupoko Tribal Authority**

## **Compilation Report**

### **For the Year Ended 31 March 2015**

---

Compilation Report to the Board of Management of Muaupoko Tribal Authority

#### **Scope**

On the basis of information you provided we have compiled, in accordance with Service Engagement Standard No. 2: Compilation of Financial Information, the financial statements of Muaupoko Tribal Authority for the period ended 31 March 2015.

As described in Note 1 to the financial statements, these financial statements are special purpose financial statements and have been prepared in accordance with the Special Purpose Framework for use by For-Profit Entities recommend by the New Zealand External Reporting Board.

#### **Responsibilities**

You are solely responsible for the information contained in the financial statements and have determined that the accounting policies used are appropriate to meet your needs and for the purpose that the financial statements were prepared.

The financial statements were prepared exclusively for your benefit. We do not accept responsibility to any other person for the contents of the financial statements.

#### **No audit or review engagement undertaken**

A compilation is limited primarily to the collection, classification, and summarisation of financial information supplied by our client. A compilation does not involve the verification of that information. We have not carried out an audit or a review assignment on the financial statements and therefore neither we nor any of our employees accept any responsibility for the accuracy of the materials from which the financial statements have been prepared.

Further, the financial statements have been prepared at the request of and for the purpose of our client only and neither we nor any of our employees accept any responsibility on any ground whatsoever, including liability in negligence, to any other person. In addition, these financial statements are legally privileged.



**Hamid & McHutchon Limited**  
Chartered Accountants  
655 Queen Street  
Levin

19th January 2016

14th January 2016

**Muaupoko Tribal Authority**  
**Directory**  
**As at 31st March 2015**

---

IRD Number	71-045-587
Board of Management	Chairperson: Louana Williams CEO (Interim): Dianne Rump
Accountants	Hamid & McHutchon Limited 655 Queen Street Levin
Auditor	Dennis Blank CA
Bankers	Westpac
Solicitors	Toko Kapea Tuia Group, Wellington  Matt Sword Consulting – General Counsel
Charities Commission Registration No	CC44558

**Muaupoko Tribal Authority**  
**Profit and Loss Account**  
**For the Year ended 31st March 2015**

2014		2015	
\$		\$	\$
	<b>REVENUE</b>		
377,266	CFRT Income	440,918	
17,961	CFRT - Special Advice Income	292,033	
229,847	OTS Income	30,653	
11,000	Enjoy Program	25,000	
27,107	Kaumatua Program	-	
90,000	Kaitoko Whanau Program	80,000	
9,000	Massey Research Program	9,000	
117,452	MOE Education Program	-	
22,273	Smoking Cessation Program	20,000	
-	TPK Strengthening Management	230,000	
-	TPK Whanau Ora	45,000	
100,000	Whanau Health Program	100,000	
123,006	Dividends Received	-	
7,093	HDC Funding	-	
104,452	Interest Received	3,742	
4,661	Koha Received	215	
10,148	MIO - Cash Settlement	-	
17,654	Sundry Income	20,858	
5,000	Waitangi Day Funding	-	
-	Wage Subsidy	28,228	
<u>1,273,920</u>	<b>Total Income</b>	<u>28,228</u>	1,325,647
	<b>Less Expenses</b>		
1,235	Accident Compensation Levy	865	
22,069	Accountancy Fees	25,022	
36,317	Advertising	24,221	
-	AGM Expenses	14,585	
757	Audit Fees	209	
336	Bank Charges	252	
1,215	Cleaning & Rubbish	5,955	
1,963	Computer Expenses	2,223	
52,500	CEO Contractor Payments	-	
16,182	Consultancy	296,884	
52,910	Honorarium / Meeting Fees	52,632	
27,147	Hui / Catering Costs	14,597	
4,943	Insurance	3,937	
68	Interest	-	
4,599	Interest & Hire Purchase charges	3,004	
1,916	Koha Paid	1,753	
173,132	Legal Expenses	101,286	
5,271	Light Power & Heating	4,401	
6,990	Massey Research Costs	-	
89,689	MOE Education Expenses	-	
18,156	Motor Vehicle Expenses	21,045	
14,347	Mileage Reimbursements	14,550	
-	Negotiator Fees	227,919	
-	Negotiator Travel	28,218	

*These financial statements have been compiled without undertaking an audit or review engagement and should be read in conjunction with the accompanying notes and the Accountants compilation report.*



**Muaupoko Tribal Authority**  
**Profit and Loss Account**  
**For the Year ended 31st March 2015**

<b>2014</b>		<b>2015</b>	
\$		\$	\$
7,864	Printing, Stamps & Stationery	10,324	
40,780	Program Expenses	5,726	
1,788	Rentals & Hireages	4,944	
3,779	Rent - Photocopier & Computers	11,366	
3,332	Repairs & Maintenance	3,027	
2,250	Security	1,484	
6,352	Staff Expenses	8,972	
168	Subscriptions	3,963	
21,058	Telephone, Tolls & Internet	16,175	
-	Travel - National	4,179	
4,708	Waitangi Day Expenses	-	
-	Wages - Holiday Pay Owing	10,996	
<u>285,004</u>	Wages & Salaries	<u>436,716</u>	
<u>908,825</u>	<b>Total Expenses</b>		<u>1,361,430</u>
<u>365,095</u>	Net Deficit Before Depreciation		<u>(35,783)</u>
	<b>Less Depreciation</b>		
19,379	Depreciation as per Schedule	19,531	
<u>3,966</u>	Depreciation - Loss on Sale	<u>2,117</u>	
<u>23,345</u>	Net Depreciation Adjustment		<u>21,648</u>
341,750	<b>OPERATING SURPLUS/(DEFICIT)</b>		<u>(57,431)</u>
	<b>NON DEDUCTABLE ITEMS</b>		
(4,572)	Extraordinary items		-
<u>\$346,322</u>	<b>NET SURPLUS/(DEFICIT)</b>		<u>(\$57,431)</u>



*These financial statements have been compiled without undertaking an audit or review engagement and should be read in conjunction with the accompanying notes and the Accountants compilation report.*

**Muaupoko Tribal Authority**  
**Statement of Movements in Equity**  
**For the Year ended 31st March 2015**

<i>2014</i>		<i>2015</i>	
\$		\$	\$
1,114,328	<b>ACCUMULATED FUNDS AT START OF PERIOD</b>		1,460,650
	<b>SURPLUS &amp; REVALUATIONS</b>		
346,322	Net Deficit for the Period	(57,431)	
-	MTC Equity Adjustment	<u>605,123</u>	
<u>346,322</u>	<b>Total recognised revenues &amp; expenses</b>		<u>547,692</u>
<u><u>\$1,460,650</u></u>	<b>ACCUMULATED FUNDS AT END OF PERIOD</b>		<u><u>\$2,008,342</u></u>



*These financial statements have been compiled without undertaking an audit or review engagement and should be read in conjunction with the accompanying notes and the Accountants compilation report.*

# Muaupoko Tribal Authority

## Balance Sheet

As at 31st March 2015

2014		2015	
\$		\$	\$
	<b>CURRENT ASSETS</b>		
64,638	MTA Chq Account	61,510	
19	MCS Chq Account	-	
155,854	CFRT Account	13,068	
30,529	OTS Account	30,078	
-	Visa Debit Card	212	
-	Westpac Call Account	68,722	
6,383	GST Refund Due	-	
96,909	Accounts Receivable	107,254	
-	Treaty Expenses in Advance	26,333	
354,332	<b>Total Current Assets</b>		307,177
	<b>NON-CURRENT ASSETS</b>		
61,294	Fixed Assets as per Schedule		38,545
	<b>Investments</b>		
1,240,100	Equity in MTC		1,845,223
1,301,394	<b>Total Non-Current Assets</b>		1,883,768
1,655,726	<b>TOTAL ASSETS</b>		2,190,945
	<b>CURRENT LIABILITIES</b>		
-	GST Due for payment	22,131	
117,015	Accounts Payable	128,982	
-	Holiday Pay Accrual	10,996	
117,015	<b>Total Current Liabilities</b>		162,109
	<b>NON-CURRENT LIABILITIES</b>		
50,463	IRD Settlement	3,612	
27,598	Hire Purchase Liabilities	16,882	
78,061	<b>Total Non-Current Liabilities</b>		20,494
195,076	<b>TOTAL LIABILITIES</b>		182,603
\$1,460,650	<b>NET ASSETS</b>		\$2,008,342



*These financial statements have been compiled without undertaking an audit or review engagement and should be read in conjunction with the accompanying notes and the Accountants compilation report.*



**Muaupoko Tribal Authority**  
**Balance Sheet**  
**As at 31st March 2015**

<u>2014</u>		<u>2015</u>	
\$		\$	\$
	Represented by:		
	<b>EQUITY</b>		
1,240,000	Reserves	1,845,123	
<u>220,650</u>	Retained Earnings	<u>163,219</u>	
<u>\$1,460,650</u>	<b>TOTAL EQUITY</b>		<u>\$2,008,342</u>

The accompanying notes form part of these Financial Statements and should be read in conjunction with the reports contained herein.

For and on behalf of the Board:

Chair *R. Williams* CEO *[Signature]* Date *16/2/2016*  
*30 March 2016*



*These financial statements have been compiled without undertaking an audit or review engagement and should be read in conjunction with the accompanying notes and the Accountants compilation report.*

# Muaupoko Tribal Authority

## Depreciation Schedule

### For the Year ended 31st March 2015

Asset	Cost Price	Book Value 01/04/2014	Additions Disposals	Gain/Loss on Disposal	Capital Profit	--- Depreciation --- Mth Rate	\$	Accum Deprec 31/03/2015	Book Value 31/03/2015
<b>MOTOR VEHICLES</b>									
Mercedes Benz MB140 Coach	20,440					18.0% CP	0	20,440	0
Ford Mondeo GFF780	23,369	15,949				12 30.0% DV	4,785	12,205	11,164
Ford Transit	10,000	6,825				12 30.0% DV	2,048	5,223	4,777
Honda CRV BEZ950	6,222	1,019				12 30.0% DV	306	5,509	713
Van	1,778	125				12 30.0% DV	38	1,691	87
Diahatsu DAB95	6,522	2,716				12 30.0% DV	815	4,621	1,901
Holden Barina AWC600	5,217	3,913	(1,796)	(2,117)					0
<b>Sub-Total</b>	<b>73,548</b>	<b>30,547</b>	<b>(1,796)</b>	<b>(2,117)</b>			<b>7,992</b>	<b>49,689</b>	<b>18,642</b>
<b>FURNITURE &amp; FITTINGS</b>									
Ground Floor Office Furniture	5,398	358				10 8.0% CP	358	5,398	0
Canteen Tables	999					9.6% CP	0	999	0
TV Ariel @ Kohuturoa	492	89				12 9.6% CP	47	450	42
Lounge Suites @ Kohuturoa	489					12 5.9% CP	0	489	0
Security Lights @ Kohuturoa	1,386					15.0% CP	0	1,386	0
Security Alarm @ Kohuturoa	572					18.6% CP	0	572	0
Office Desks	350	20				12 20.0% DV	4	334	16
Buro Steno Office Chair	213					12.0% CP	0	213	0
Filing Cabinets - 3 x 4 Drawer	837					9.6% CP	0	837	0
Alarm System @ Oxford St	844					18.6% CP	0	844	0
Filing Cabinet - 2 Drawer	204					9.6% CP	0	204	0
Buro Steno Chairs x 6	960					12.0% CP	0	960	0
Reception Furniture	2,146	223				12 9.6% CP	206	2,129	17
Beech Filing Cabinets - 3 Drawer x 9	1,717	1,364				12 13.0% DV	177	530	1,187
Garden Project @ Hokio Beach Road	3,971	1,789				12 12.0% DV	215	2,397	1,574
Buffet Tables x 2	1,948	1,915				12 20.0% DV	383	416	1,532
Harmony Midback Chairs x 15	1,335	1,313				12 20.0% DV	263	285	1,050
Hampton Folding Tables x 6	420	406				12 20.0% DV	81	95	325
Solano Folding Chairs x 13	221	214				12 20.0% DV	43	50	171
Peru Sofa - 2 and 3 Seater	699	687				12 20.0% DV	137	149	550
<b>Sub-Total</b>	<b>25,201</b>	<b>8,378</b>					<b>1,914</b>	<b>18,737</b>	<b>6,464</b>
<b>ELECTRONIC EQUIPMENT</b>									
Netcom ADSL Router	416	1				12 48.0% DV	0	415	1
Canon i850 Inkjet Printer	532					28.8% CP	0	532	0
Doro Congress Telephones	684					21.6% CP	0	684	0
Sony Vaio E Series - Black x 2	2,259	800				12 50.0% DV	400	1,859	400
PA Systems	2,500	792				12 20.0% DV	158	1,866	634
Toshiba Satellite L750	1,100	20				12 60.0% DV	12	1,092	8
Desktop Computer	799	8				12 60.0% DV	5	796	3
Sony Vaio E Series - White	710	62				12 50.0% DV	31	679	31
Kims Laptop	823	411				12 50.0% DV	206	618	205
Data Projector	1,547	907				12 20.0% DV	181	821	726
Samsung Galaxy i9100	695	202				12 50.0% DV	101	594	101
3M Projector Screen	344	1				12 39.6% DV	0	343	1
MCRP Laptops	2,972	1,811				12 67.0% DV	1,213	2,374	598
Galaxy Note 8 - 16gb	625	520				12 67.0% DV	348	453	172
Galaxy Tablet 3 - 8gb x 11	3,179	2,646				12 67.0% DV	1,773	2,306	873
Beacon Screen and Tripod	539	539				12 0.0% DV	0	0	539
Polycom Audio Conference System	609	541				12 67.0% DV	362	430	179
Galaxy Note 8 - 16gb	581	516				12 67.0% DV	346	411	170
Electronic CopyBoard M17W with Stand and Printer	2,914	2,720				12 40.0% DV	1,088	1,282	1,632
LG 50 Inch LED TV	1,330	1,286				12 40.0% DV	514	558	772
HP ProBook 15.6" Notebook	2,308	2,179				12 67.0% DV	1,460	1,589	719
Toshiba Satellite Pro C540 i3 Notebook			695			10 50.0% DV	290	290	405
<b>Sub-Total</b>	<b>27,466</b>	<b>15,962</b>	<b>695</b>				<b>8,488</b>	<b>19,992</b>	<b>8,169</b>

These financial statements have been compiled without undertaking an audit or review engagement and should be read in conjunction with the accompanying notes and the Accountants compilation report.



**Muaupoko Tribal Authority**  
**Depreciation Schedule**  
**For the Year ended 31st March 2015**

Asset	Cost Price	Book Value 01/04/2014	Additions Disposals	Gain/Loss on Disposal	Capital Profit	---- Depreciation ---- Mth Rate \$	Accum Deprec 31/03/2015	Book Value 31/03/2015
<b>PLANT &amp; EQUIPMENT</b>								
Kerric Vacuum	128					12 80.4% DV	0	128
Signature Cedar Sauna	8,127	4,124				12 15.6% DV	643	4,646
KYK Water Unit	1,355	398				12 24.0% DV	96	1,053
Trailer G967S	493	178				12 25.0% DV	45	360
Sanyo Microwave Oven	213	2				12 31.2% DV	1	212
Whiteboard - 1.5x1.2	260					12.0% CP	0	260
Refrigerator	621	218				12 25.0% DV	55	458
Launtop Diesel Generator	1,565	1,487				12 20.0% DV	297	375
<b>Sub-Total</b>	<b>12,762</b>	<b>6,407</b>					<b>1,137</b>	<b>7,492</b>
<b>TOTAL</b>	<b>138,977</b>	<b>61,294</b>	<b>(1,101)</b>	<b>(2,117)</b>			<b>19,531</b>	<b>95,910</b>
								<b>38,545</b>



*These financial statements have been compiled without undertaking an audit or review engagement and should be read in conjunction with the accompanying notes and the Accountants compilation report.*

**Muaupoko Tribal Authority**  
**Schedule of Financial Leases & Term Loans**  
**As at 31st March 2015**

2014		2015	
\$		\$	\$
	<b>UDC Loan 53780 - Security Ford transit CBL61</b>		
10,463	Opening Balance	7,478	
1,277	Interest Charges	775	
<u>4,262</u>	Less Payments	<u>4,262</u>	
7,478	Total Outstanding		3,991
	<b>UDC Loan 537732 - Security Ford Mondeo GFF780</b>		
26,257	Opening Balance	20,120	
3,322	Interest charges	2,230	
<u>9,459</u>	Less Payments	<u>9,459</u>	
20,120	Total Outstanding		12,891
	<b>IRD Settlement -</b>		
-	Opening Balance	50,464	
93,292	Advance	-	
<u>42,829</u>	Less Payments	<u>46,852</u>	
50,463	Total Outstanding		3,612
<u>50,463</u>	Non-Current Portion		<u>3,612</u>
<u>50,463</u>	<b>Total Term Loans</b>		<u>3,612</u>



*These financial statements have been compiled without undertaking an audit or review engagement and should be read in conjunction with the accompanying notes and the Accountants compilation report.*

# Muaupoko Tribal Authority

## Notes to the Financial Statements

### For the Year ended 31st March 2015

---

#### 1. STATEMENT OF ACCOUNTING POLICIES

Muaupoko Tribal Authority is an Incorporated Society. These Financial Statements are special purpose financial statements and have been prepared for taxation purposes only, using taxation principles contained in the Income Tax Act 2007.

Unless otherwise stated, these financial statements have been prepared on an historical cost basis.

##### (a) Changes in Accounting Policies

There have been no changes in accounting policies except for the revaluation of the equity holding in MTC and the inclusion of holiday pay accrual.

All policies have been applied on bases consistent with those used in previous years.

##### (b) Fixed Assets & Depreciation

The entity has the following classes of fixed assets:

- Motor Vehicles
- Furniture & Fittings
- Electronic Equipment
- Plant & Equipment

All fixed assets are recorded at cost less accumulated depreciation.

Depreciation of the assets has been calculated at the maximum rates permitted by the Income Tax Act 2007. The rates used are shown on the Schedule of Fixed Assets and Depreciation attached.

Te Kohanga Reo National Trust Board gifted to Muaupoko Tribal Authority Incorporated the building at 306 Hokio Beach Road, Levin. The building is situated on land owned by Ruth Greenaway, the late Ann Eggar, the late Christine Dixon and the late Charles Heta. The rateable value of this property at 01/09/2011 was \$101,000.

##### (c) Goods & Services Tax

These financial statements have been prepared on a GST exclusive basis.

##### (d) Income Tax

No provision for Income Tax has been made as this entity has Charitable status and is therefore exempt.

##### (e) Investment

MTA owns the shares in the subsidiary company MTC Limited. The value of the subsidiary company MTC Limited equity is reflected in the financial statements of the MTA shareholders financial statements.

Currently the value of the Shares in The Muaupoko Trading Company Limited is uncertain due to Te Ohu Kaimoana not valuing the AFL Shares this year. There are indications that the value may be significantly reduced due to the current economic situation with the Argentines. This in turn may be reflected with the MTC share value.



**Muaupoko Tribal Authority**  
**Notes to the Financial Statements**  
**For the Year ended 31st March 2015**

---

(f) **Receivables**

Receivables are stated at their estimated realisable value. Bad debts are written off in the year in which they are identified.

2. **AUDIT**

These financial statements have been subject to audit, please refer to the Auditors Report.

3. **SIGNIFICANT EVENTS AFTER BALANCE DATE**

The MTA, on behalf of Muaupoko Iwi, is in negotiations with the Crown for a future Treaty settlement and a conclusion has yet to be reached

4. **RELATED PARTIES**

A related party relationship exists between the MTA as the parent entity and its subsidiary company MTC. The transaction activity generally takes the form of a dividend between the two entities.

A related party relationship exists between Louana Williams as Chairperson and Matthew Sword as Legal Council for MTA. The treaty settlement and other legal costs include some related party transactions.

5. **SECURITIES AND GUARANTEES**

There was no overdraft as at balance date nor was any facility arranged.

6. **HONORARIA PAYMENTS**

The current CFRT Funding allows for members of the MTA Board, Research and Claims Committee to be paid for meeting attendance and mileage reimbursements - these have been recorded as such.



05 February 2016

Dennis Blank CA  
7 Alexander Street  
WAIKANAE 5036

Dear Dennis

**re: Muaupoko Tribal Authority Incorporated**

This letter is provided in connection with the audit of the financial statements of the Muaupoko Tribal Authority Incorporated as at 31 March 2015. The audit has the purpose of expressing an independent opinion on the presented annual accounts.

We confirm, to the *best of our knowledge and belief*, the following *representations*:

- We acknowledge our responsibility for the preparation of the financial statements. We believe we have discharged our *duty to act* in good faith and in the best interests of the Muaupoko Tribal Authority.
- *Systems* of internal control have been employed to ensure that all transactions are correctly processed and accounted for in the financial records.
- We acknowledge *our responsibility* for the design, implementation, and maintenance of internal control to prevent and detect fraud and we are not aware of any allegations of fraud.
- We confirm that the financial statements are *free from material errors* and omissions.
- We confirm that there have been *no irregularities* or fraud which could have an effect on the financial statements.
- We confirm that there are *no claims* in connection with *litigation* which have been or are expected to be received apart from the current Treaty settlement activity.
- We confirm that the Muaupoko Tribal Authority has *full title* to its assets and there are no liens or other legal encumbrances on the assets apart from any disclosed in the annual accounts.
- We confirm that *all records of account* with supporting documentation and all minutes of the Muaupoko Tribal Authority have been made available to the auditor.
- We confirm that all the relevant *statutory obligations* applying to the Muaupoko Tribal Authority have been fulfilled, to the best of our understanding.

**re: Muaupoko Tribal Authority Incorporated** *(continued)*

- There have been significant ***no events subsequent*** to the annual balance date of 31 March 2015 requiring disclosure in the notes to the financial statements. This is apart from the ongoing Treaty settlement activity which is already disclosed in the notes to the annual financial statements.
- The Trustees and Management Committee has a reasonable expectation that the Muaupoko Tribal Authority will have ***sufficient resources*** to continue its operations for the future year ended 31 March 2016 and are therefore satisfied that it is appropriate to adopt the ***going concern*** assumption used in preparing the financial report to 31 March 2015.
- The Trustees and Management Committee acknowledge that the main asset is the shareholding and effective ownership of the Muaupoko Trading Company Limited. The Trustees and Management Committee consider that the ***reported carrying value*** of the company shares of \$1.8 million is realistic as at 31 March 2015. The Trustees and Management Committee note that the shares mainly reflect the fisheries settlement allocation values in March 2013 which are held by MTCL on behalf of the IWI.
- The Trustees and Management Committee acknowledges its responsibility to disclose in the notes to the financial statements any ***significant related party relationship*** transactions applying during for the year ended 31 March 2015. Apart from the disclosures already made in the annual financial statements it is confirmed that there are ***no other significant related party*** transactions requiring disclosure for the year ended 31 March 2015.

Yours Sincerely

On behalf of the Trustees and the Management Committee



.....  
Chairperson



## MUAUPOKO TRIBAL AUTHORITY

Financial Statements

Year Ended 31 March 2015

---

# INDEPENDENT AUDITOR'S REPORT

## To the Members of the Muaupoko Tribal Authority.

I have audited the financial statements of the Muaupoko Tribal Authority Incorporated which comprise a statement of the balance sheet as at 31 March 2015, and the statement of the profit and loss, the statement of movements in equity for the year then ended, and the significant accounting policies and other explanatory notes.

### ***The Responsibility of the Management Committee for the Financial Statements:***

The Management Committee is responsible for the preparation and fair presentation of these financial statements in accordance with the special purpose reporting framework in New Zealand and for such internal control as the Management Committee determine is necessary to enable the presentation of financial statements that are free from material misstatement, whether due to fraud or error. The special purpose report has the particular purpose of reporting to the IWI members.

### ***Auditor's responsibilities:***

My responsibility is to express an opinion on these financial statements based on my audit. I have conducted my audit in accordance with the International Standards on Auditing (New Zealand). Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Apart from my capacity as auditor, I have no relationship with, or interests in, the Muaupoko Tribal Authority.

**MUAUPOKO TRIBAL AUTHORITY**  
**Financial Statements**  
**Year Ended 31 March 2015**

---

**INDEPENDENT AUDITOR'S REPORT (continued)**

**Basis for a Qualified Opinion on the Financial Statements:**

The significant asset of the Authority is the fisheries share holdings held in the subsidiary Company and there is no reliable and independent valuation by a suitably qualified valuer to support the value being placed on the shareholding. The possibility of a significant and material misstatement of the reported asset value may exist and this will be an ongoing material risk area for future years. If a specialist valuer could be found it is probable that any specialist valuer's cost would exceed the annual dividend income value.

The valuation of the fisheries share holdings is a common problem for all the NZ IWI's who hold such fisheries shares. This unique situation should not be seen as reflecting adversely on the administration of the local Directors of the Muaupoko Trading Company Limited.

***Qualified Opinion:***

In my opinion the financial statements, except for the effect of the matter described in the Basis for the Qualified Opinion paragraph;

- comply with the special purpose reporting framework in New Zealand, and
- Give a reliable view of the financial position of the Muaupoko Tribal Authority as at 31 March 2015, and its financial performance for the year ended on that date.

**Emphasis of Matter**

- The financial statements have been prepared in accordance with the special purpose reporting framework and that, as a result, the financial statements may not be suitable for another purpose.



Dennis Blank CA  
04 February 2016  
Waikanae