Raukawa Iwi
Development Limited

Raukawa Iwi Development Limited
2015 Annual Report

Contents

"RIDL will seek a balanced portfolio that generates the necessary cash flow to sustain distributions but also provides for long-term capital growth."

Our Vision

Raukawa Iwi Development Limited's vision is to be an outstanding iwi investment company and a respected leader within the Central North Island economy.

RIDL aims to grow wealth and influence for Raukawa through excellent management of its assets in a manner that provides sustainable distributions for its shareholder, now and in the future.

Our Objectives

Excellence
To be an excellent commercial manager of the assets of Raukawa.

Growth
To grow the assets and cash flows at a pace that allows a reliable distribution to meet the ongoing requirements of its shareholder.

Influence
To exert Raukawa rangatiratanga by being an investor, especially in industries and assets which contribute to the regional economy.

Integrity
To enhance the mana of Raukawa through commercial and financial success and by upholding the values of Raukawa.

Our Investment Approach

Conservative
RIDL will take a long-term commercially disciplined approach to its investment decisions and will only invest where it believes it can generate appropriate risk-adjusted returns on capital.

Compatible
RIDL's primary focus in the long-term will be direct investment into areas in which RIDL enjoys a competitive advantage and access through statutory rights, strong relationships or existing capacity. In situations where direct investment opportunities do not exist or when RIDL does not possess the required capacity, it will utilise passive investment.

Balanced
RIDL will seek a balanced portfolio that generates the necessary cash flow to sustain distributions but also provides for long-term capital growth.

From the Chair

I am pleased to report on Raukawa Iwi Development Limited's fourth year of operations.

"This year has been the first full year enjoying returns from Kākano, and is partly why the FY15 return is stronger than last year's."

This covers a successful year in which RIDL enjoyed the returns from its first major direct investment, in Kākano, engaged in our first property development, benefitted from strong equity market returns (at least in the first 3/4 of the year) and assessed a number of further direct investment opportunities. It was another successful year building on last year's success in building profitability and the balance sheet.

RIDL's long term strategy is to build a portfolio of high quality direct investments. We will do this by pursuing opportunities that take advantage of RIDL's natural competitive advantages. These advantages arise from RIDL's position as an iwi investment company, its local relationship with the Crown and the Crown's asset disposal process and our investment horizon and scale. These advantages should help RIDL deliver premium risk adjusted returns from certain assets.

Our investment strategy outlines this in detail but areas in which we believe good opportunities might arise in areas including property related opportunities – particularly those accessible as a result of settlement with the Crown – dairy and agriculture, forestry, seafood and select areas of private equity style investment where RIDL can take advantage of good relationships and partner with expertise, particularly with other aligned iwi.

Our first major direct investment was Kākano, undertaken towards the end of FY14, to take a small stake in the Kāingaroa forest alongside the NZ Super Fund and other major investors.

Kākano provides an entirely different style of risk and return to RIDL than is provided by its existing share in the underlying CNI forest land. The underlying land delivers a very stable cash yield each year, but with limited ability to access upside from global timber demand. In contrast, Kākano is linked into the global commodity cycle and while this brings added volatility it gives RIDL exposure further down the value chain via a forest asset that on a global scale is admired for its efficiency and productivity.

This year has been the first full year enjoying returns from Kākano, and is partly why the FY15 return is stronger than last year's. Over the year it delivered total returns of $6.7m including cash income of just under $1m and increased capital value of $5.8m. The capital uplift was however fundamentally driven by a weakening NZD while the valuation of Kākano in USD (the functional currency of Kāingaroa Timberlands) remained roughly the same. Overall Kākano shows the benefit of what will be our long term move out of passive investments and into a high quality direct investment portfolio.

These returns are despite a tough year in forestry and indeed in commodities all around. There are some small signs that forestry may have troughed already but the strong performance of Kākano in this context is testament to the quality of the underlying asset and operations. RIDL remains very proud of having been able to maximise our exposure to this opportunity and we can report the relationships amongst Kākano limited partners and between Kākano and the other shareholders are strong and positive.

The net return from the underlying CNI land was slightly down on last year however cost and operational changes have been put in place at CNI Iwi Holdings and CNI Land Management that should enhance future distributions to all owners.

This year marked our first entry into property development, with the redevelopment of derelict land returned through our settlement on Bridge St in Tokoroa, into the very popular Gull Service station. This has proven a success.

While this is a relatively small step it is further progress in a deliberate and considered approach to increasing direct investments for RIDL over time. We are constantly assessing direct opportunities and while they will never always come to fruition, we have a goal and a strategy that will inform our decision making process as we continue to increase the number of direct investments we engage in.

In particular in FY15, we devoted a lot of time to assessing potential headquarters options for Raukawa group and to assessing agricultural opportunities. We hope to have announcements on this during the year to come.

In the meantime the bulk of our funds remain invested in liquid financial assets. Principally these are managed funds and term deposits with major trading banks. Funds are selected using expert fund assessment advice and reviewed on an annual basis and as events demand.

Returns from managed funds have outstripped expectations this year, delivering almost $6m of total returns - including $2.6m of income and close to $3.4m of increased capital value.

We noted in last year's annual report a wariness of increased volatility to come in global and Australasian equity markets in FY15. Such volatility means fund values may go up and down. This volatility arrived, but only in the last quarter of the financial year. We reiterate our concern for this coming year, FY16, but have chosen our fund products knowing there will be ups and downs and that we will be able to cover our core obligations of operating costs and distributions in a wide range of negative return scenarios. Additionally, we align risk to our investment horizon and our range of funds reflects this.

Overall in FY15, RIDL generated operating income of $6.3m (FY14 $5.4m). Total comprehensive income after all expense and donations was $11.4m (FY14 $5.1m) including the $5.8m gain on value of Kākano and the gain the value of investment funds. Stripping out the Kākano gain still left total comprehensive income of $5.6m or $500k greater than prior year.

RIDL has been proud to deliver donations of just under $2m to RCT and distributions to RST of just under $500k. This is an increase of almost 10 per cent on donations and distributions last year.

The combination of strong financial returns (including revaluation gains) and equity contributions through the year from RST means that RIDL's balance sheet now stands at over $106m (FY14 $91m). This does not include RIDL's ownership stake in CNI forestry lands, which is valued at a further $32m, bringing total net assets to around $138m for RIDL.

In addition during the year, RIDL took on responsibility for the management of Raukawa Asset Holdings Company Limited ('RAHC'), the tribe's fisheries investment arm.

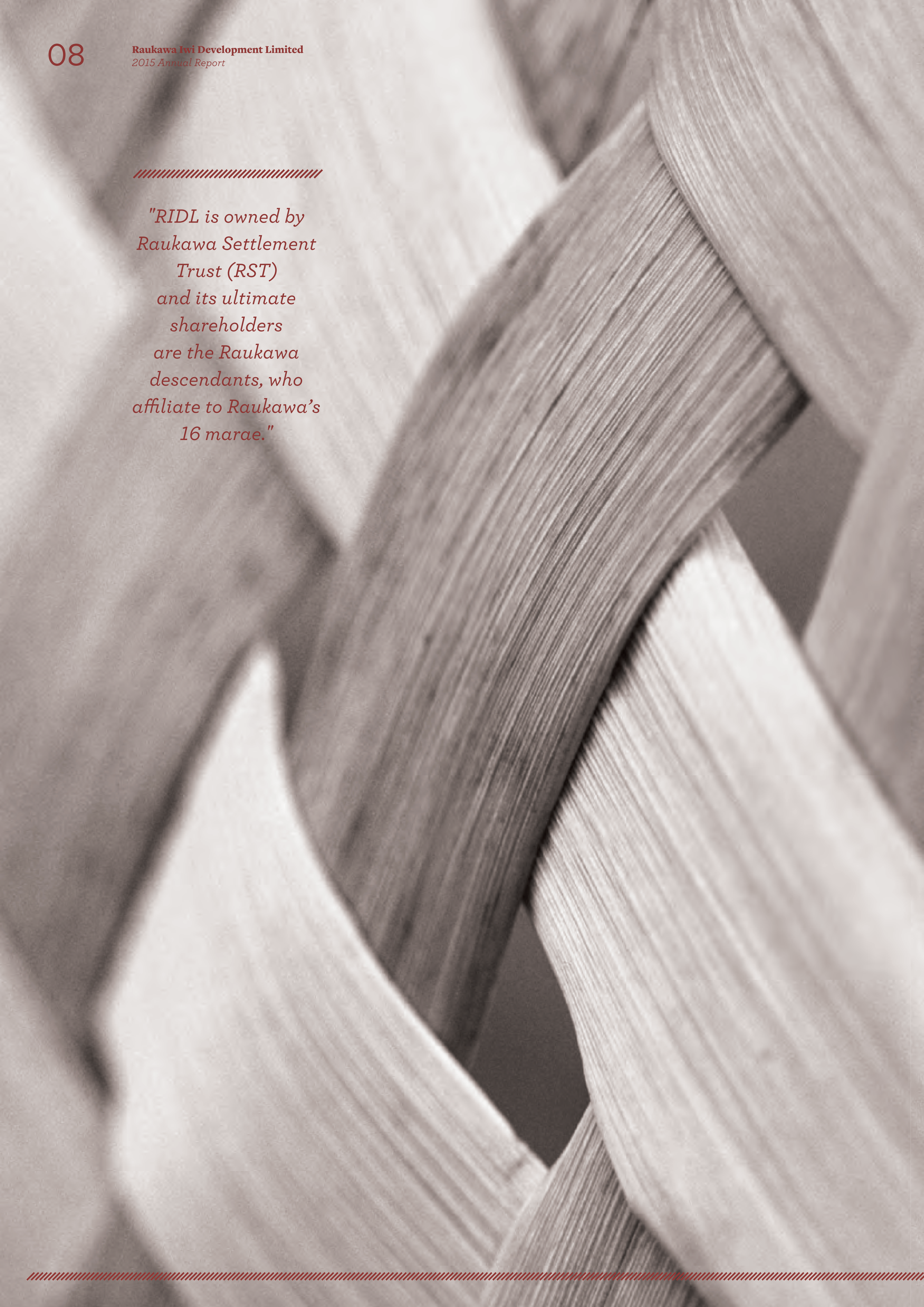
I would like to conclude by thanking my fellow board members for their work through what has been a successful year. My thanks go to Elthea Pakaru, John Edmonds, Jon Stokes and in particular to Vanessa Eparaima. Having the chair involved in our commercial decision making supported by RST board members plays a crucial role in connecting RIDL to the day to day mission and goals of RST and this has recognisable commercial benefits. My personal thanks to all.

John Spencer
Chairperson

$6m

Total returns from managed funds

"RIDL is owned by Raukawa Settlement Trust (RST) and its ultimate shareholders are the Raukawa descendants, who affiliate to Raukawa's 16 marae."



Our Structure

Raukawa Iwi Development Limited ('RIDL') is the asset holding company of Raukawa Settlement Trust ('RST').

This is a separate legal entity that operates under the Companies Act 1993 and other relevant legislation.

RIDL is owned by Raukawa Settlement Trust (RST) and its ultimate shareholders are the Raukawa descendants, who affiliate to Raukawa's 16 marae. These marae elect representatives to serve on RST, who in turn appoint the directors to RIDL, in conjunction with advice from the sitting board members.

RIDL's board of directors is responsible and accountable for the company's performance. RIDL's directors are appointed by RST in accordance with the company's constitution.

This specifies:

- The Board of Directors of the Company shall consist of a minimum of five (5) Directors and a maximum of six (6) Directors
- A minimum of fifty percent (50%) of the Directors appointed by the Shareholder must be Trustees
- A maximum of three (3) Directors appointed by the Shareholder may be Trustees
- One of the non-Trustee directors must be a member of the Raukawa iwi

Raukawa Members

Raukawa Settlement Trust | *Kaumātua Kaunihera*

- *Raukawa Charitable Trust*
- *Raukawa Iwi Development Ltd*
- *Raukawa Asset Holding Company*
- *Raukawa Trust Board*
  - *ROTAB*

Scope of Activities

RIDL is the commercial arm of RST and has responsibility for commercial activity of RST that is delegated to RIDL, including, but is not limited to:

- Ensuring appropriate governance processes are in place to protect Raukawa assets for future generations
- Develop and review RIDL strategic direction and strategic investment policies
- Management of treaty settlement commercial assets received
- Generating, analysing, executing and managing new commercial investment including direct opportunities in line with its SIPO
- Management of cash flow, treasury functions, and the balance sheet of RIDL and ensure agreed distributions to RST are met
- Overseeing the portfolio of investments including management and monitoring of investment performance
- Communicating with RST and directly with iwi members as appropriate on RIDL matters
- Ensuring compliance with applicable New Zealand laws, Trust Deed and RIDL constitution and appropriate internal risk management practices

Commercial fisheries activity is run by Raukawa Asset Holding Company Limited ('RAHC') and during the year RIDL took over responsibility for oversight of RAHC.

The scope and nature of RIDL's business activities has been agreed between RST and RIDL in the Shareholder Agreement.

Fundamentally RIDL's long term goal is to build a risk-balanced portfolio of high quality direct investments with a focus on areas of competitive advantage or access, especially in the rohe and neighbouring areas.

RIDL will be patient while achieving this and in the meantime will manage the putea prudently and efficiently.

Year in Review

Each year RIDL sets its goals and focus via the annual planning process and then the annual plan is approved and signed off by RST. RIDL's focus during FY15 has been on:

"RIDL will continually review its expectations on planned capital expenditure and investment and adjust its weightings accordingly."

1. **Prudently managing RIDL's financial investments**
2. **Beginning detailed assessment and execution of properties available under the settlement arrangements with the Crown**
3. **Focussing on other priority direct investment areas in line with the SIPO including:**
   a. **Dairy, including via CNIIHL**
   b. **Other direct investment opportunities accessed via either a preferential channel and/or aligned with high quality partners (including co-investment with iwi)**

RIDL's investment performance through the year was strong as equity markets continued their positive run globally, at least through the bulk of the year. The new Gull station and acquisition of a small property from the Crown were the year's direct investments but significant preparatory work on several major potential direct investments was also undertaken.

A lot of research is required to get the right long term direct investments and while at year end we did not have announcements to make, we look forward to this preparation work paying off in FY16 and being able to communicate concrete progress in several key investment target areas.

Investment Management

As stated above, RIDL's long term (10 year) goal is to build a portfolio of high quality direct investments but until this can be achieved, passive management is the most cost effective and prudent form of management for RIDL.

Around 74% of RIDL's asset base (excluding CNI lands) remains invested in liquid financial assets. This comprises cash under the direct management of RIDL and investment funds.

$20m was in cash at the end of FY15. This was managed through a range of short term deposits held with major trading banks, with a small proportion held on call to provide flexibility. Term deposits are generally placed for periods up to nine months. Performance on cash management through the year was good, with RIDL successfully leveraging scale and relationships to achieve better than benchmark returns for cash on deposit.

For the rest of its financial assets, RIDL's approach is to adopt risk levels linked to different investment horizons. These investment horizons are determined by predicting the likely drawdown of reserves to make quality direct investments. We then match best in class managers to the different risk levels – with longer time horizons generally being suited to higher risk levels.

Through FY15, RIDL used three managers to manage different pools of capital that have been judged to be suited to either medium term (3 – 5 year) or long term (5 – 10 year) investment. They key difference in the funds used is that the medium term funds focus more on income while the longer term funds and managers, are looking for capital growth in the value of the shares owned.

Managers continued strong performance through the year. RIDL has done very well from its equities managers and during FY15 (October 2014) and following independent advice, decided that it should reduce risk exposure and has increased its weighting to income oriented funds.

RIDL will continually review its expectations on planned capital expenditure and investment and adjust its weightings accordingly.

Crown Settlement Property

The Raukawa treaty settlement provides various mechanisms for RST to acquire designated properties from the Crown. The responsibility for this in relation to properties with a commercial angle has been delegated to RIDL. This provides RIDL with preferred access to bare land and in some cases, leaseback opportunities to core Crown agencies such as New Zealand Police and the Ministry of Justice.

RIDL is gradually working through the list of potential properties, cognisant that all are subject to time limits for the exercise of rights.

RIDL acquired one small settlement property during the year and at year's end several properties were pending settlement. This process is expected to continue for several years.

Other Direct Investment Opportunities

RIDL assesses reasonable concrete investment opportunities where there is one or ideally more of:

- Identifiable alignment with RIDL strategy and values
- Priority access channel i.e. not a competitive multi-party process
- Ability to co-invest with aligned, high-quality or highly skilled investment partners
- RIDL equity stakes generally in the range of $5m - $20m (NB: overall investment potentially larger as likely invest alongside partners) will secure a meaningful role
- Robust governance and ownership structures
- Access to high quality management with demonstrable and verifiable track record and appropriate skills
- Ability to monitor the investment and gauge performance

RIDL assessed several direct investment opportunities through the year. Our goal is to make direct investments for the long term. To ensure this, we need to get selection right at the start and this means a lot of opportunities will get assessed that do not come to fruition. We are comfortable with that.

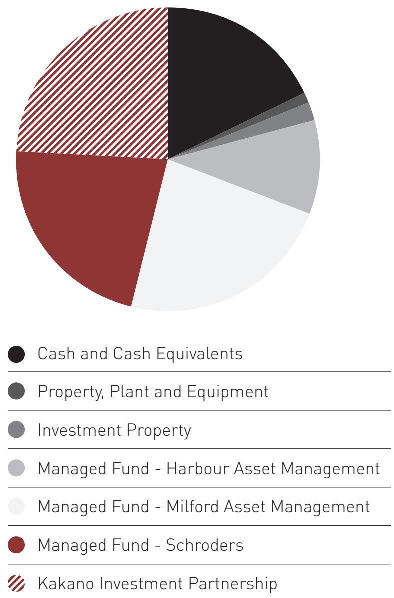
RIDL is committed to being an investor in agriculture. We assessed a number of opportunities, especially in dairy, during the year. By year's end we had not found the ideal opportunity but we have carried on our investigations and hope to have concrete progress to report by the end of FY16.

We also looked at opportunities in commercial property and tourism as well as a range of other areas including property for a potential Raukawa group headquarters. Concrete progress was made following the end of the financial year and we look forward to keeping the tribe updated on progress.

RIDL was pleased to see the opening of the Gull station on the Bridge Street site during the year. This is a small investment in the scale of the overall portfolio but was important as a development led by RIDL and one that has restored economic activity and value to a previously derelict part of Tokoroa.

We continue to run our existing commercial property portfolio and assess other commercial property opportunities.

RIDL's one existing major direct investment is Kakano. Its performance is discussed in the chair's report, above. Despite challenging forestry conditions, this has proved a strong performer and RIDL remains pleased that it was able to optimise its exposure to its underlying asset, the standing trees of the Kaingaroa Forest. RIDL will continue to pursue investments such as this that allow it to place significant capital into quality long-term assets that provide superior returns relative to risk due to strong management, partnerships or origination channel – or ideally a combination of all three.



Financial Performance

For the Year Ended 30 June 2015

	2015	2014
Income	**6,297,804**	5,449,758
Less Expenses	**615,588**	707,502
Operating Profit	**5,682,216**	4,742,256
Donations	**1,958,448**	1,644,600
Profit before Income Tax	**3,723,768**	3,097,656
Taxation Expense	**357,909**	406,430
Profit	**3,365,859**	2,691,226
Change in fair value of Kākano	**5,794,391**	1,803,051
Other comprehensive income including change in fair value of investments	**2,253,680**	556,666
Total Comprehensive Income for the period	**11,413,930**	5,050,943

Financial Position

For the Year Ended 30 June 2015

	2015	2014
Current Assets		13,304,639
Investments and Other Non-Current Assets		80,152,792
RIDL Total Assets		93,457,431
Total Liabilities		2,726,100
RIDL Net Assets		90,731,331

Shareholder Interactions and Governance

RST's responsibility, as single shareholder, for exercising strategic governance over RIDL is recognised through the strong accountability mechanisms encapsulated in:

- RIDL constitution
- Statement of Investment Policy and Objectives (SIPO)
- Shareholder's Agreement

These three fundamental documents provide RIDL with the agreed parameters with which to operate and ensure that the best interest of its shareholder, being the RST, is upheld.

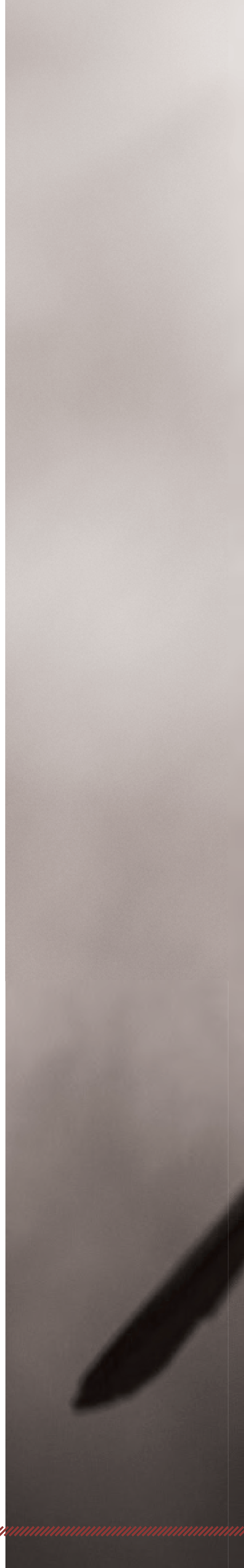
No changes were made this year to any of the documents and no changes are planned in the coming year.

RIDL also provides quarterly reports to RST during the financial year updating its performance and activities and will continue so to do, as well as timely reporting on major projects or investments.

The agreed distribution policy contained in the SIPO allows for annual index adjustments and outlines the following target distributions:

Financial Year Ending	Total Distribution ($000)
30 June 2016	$2,475
30 June 2017	$2,600

RIDL is pleased to confirm that it has committed in its annual plan for FY16 to a distribution of $2.65m for the year ending 30 June 2016. This is slightly greater than the commitment it made within the SIPO, as tabulated above.



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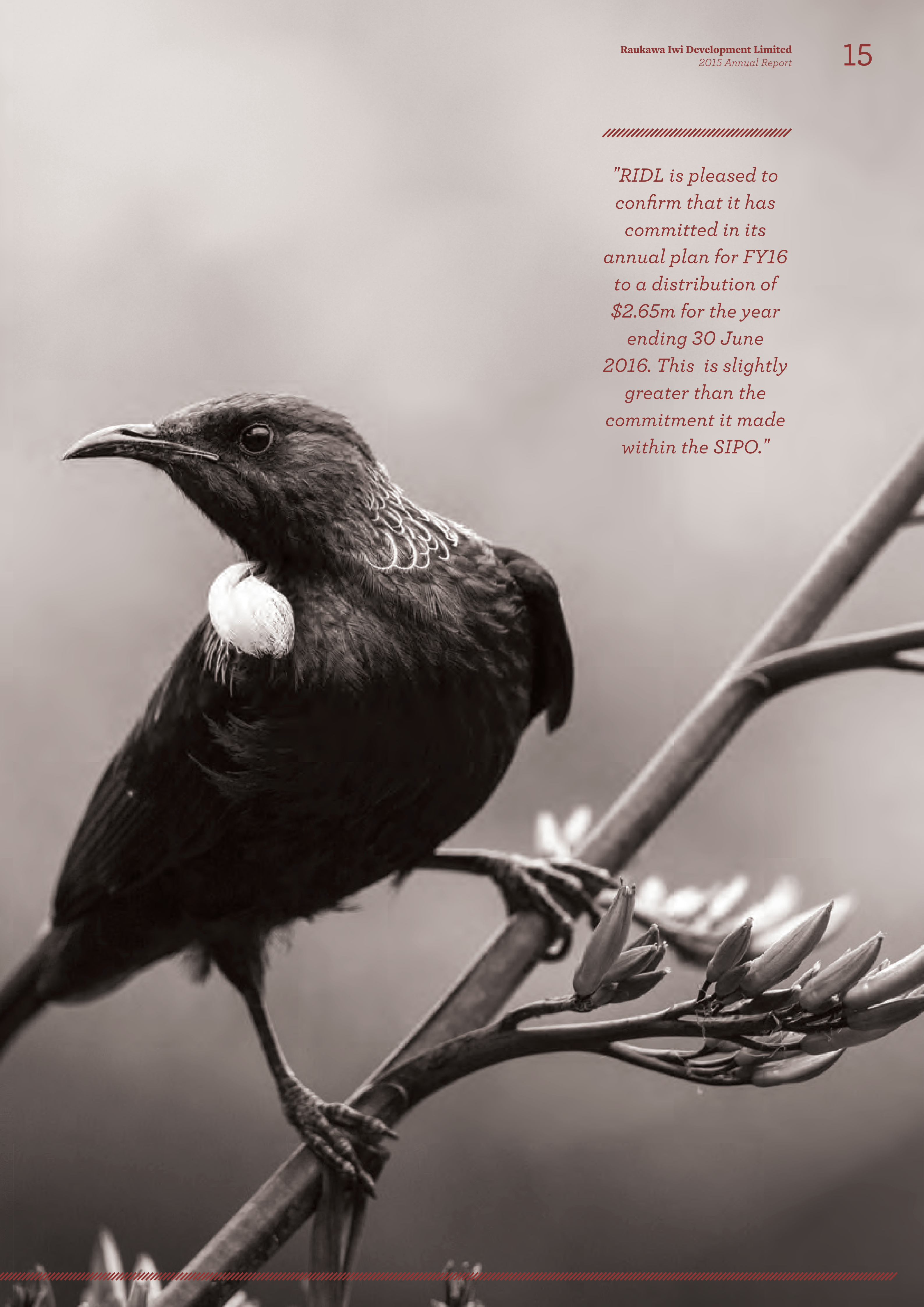


Year Ahead

RIDL's focus for FY16 will be on:

1. **Prudently managing RIDL's financial investments**
2. **Ongoing assessment and execution of properties available under the settlement arrangements with the Crown**
3. **Developing options for Raukawa group headquarters**
4. **Focus on other priority investment areas in line with the SIPO, in particular dairy and commercial property including opportunities accessed via either a preferential channel and/or aligned with high quality partners (including co-investment with iwi)**

Financial Investments

Cash will be managed in house and the bulk of RIDL's liquid assets will continue to be managed through external fund managers. These are selected taking independent expert advice and to suit RIDL's investment objectives, timelines, and market conditions. For instance a portion of funds anticipated not to be required for direct investment in the short to medium term are allocated to higher risk funds while funding likely to be required in the shorter term is managed more conservatively.

RIDL's objective in this area for FY16 is to ensure product selection and performance remains best in class. This will be achieved by keeping a close eye on changing market conditions and manager performance.

Fund managers are subject to review as market conditions change and as RIDL incrementally implements its investment strategy. Changes in market sentiment and global central bank responses saw RIDL reduce risk exposure in FY15. Similarly, as direct investments are made, fund manager allocations will be reassessed to ensure risk spread reflects new investment timeframes.

Crown Settlement Property

Subject to final valuation negotiation, RIDL's objective is to complete at least five DSP acquisitions in the coming financial year.

Raukawa Group Headquarters

RIDL has been investigating options for long term headquarters for the Iwi. A preferred option was decided upon post balance date and it is expected that some major announcements can be made to the tribe through FY16.

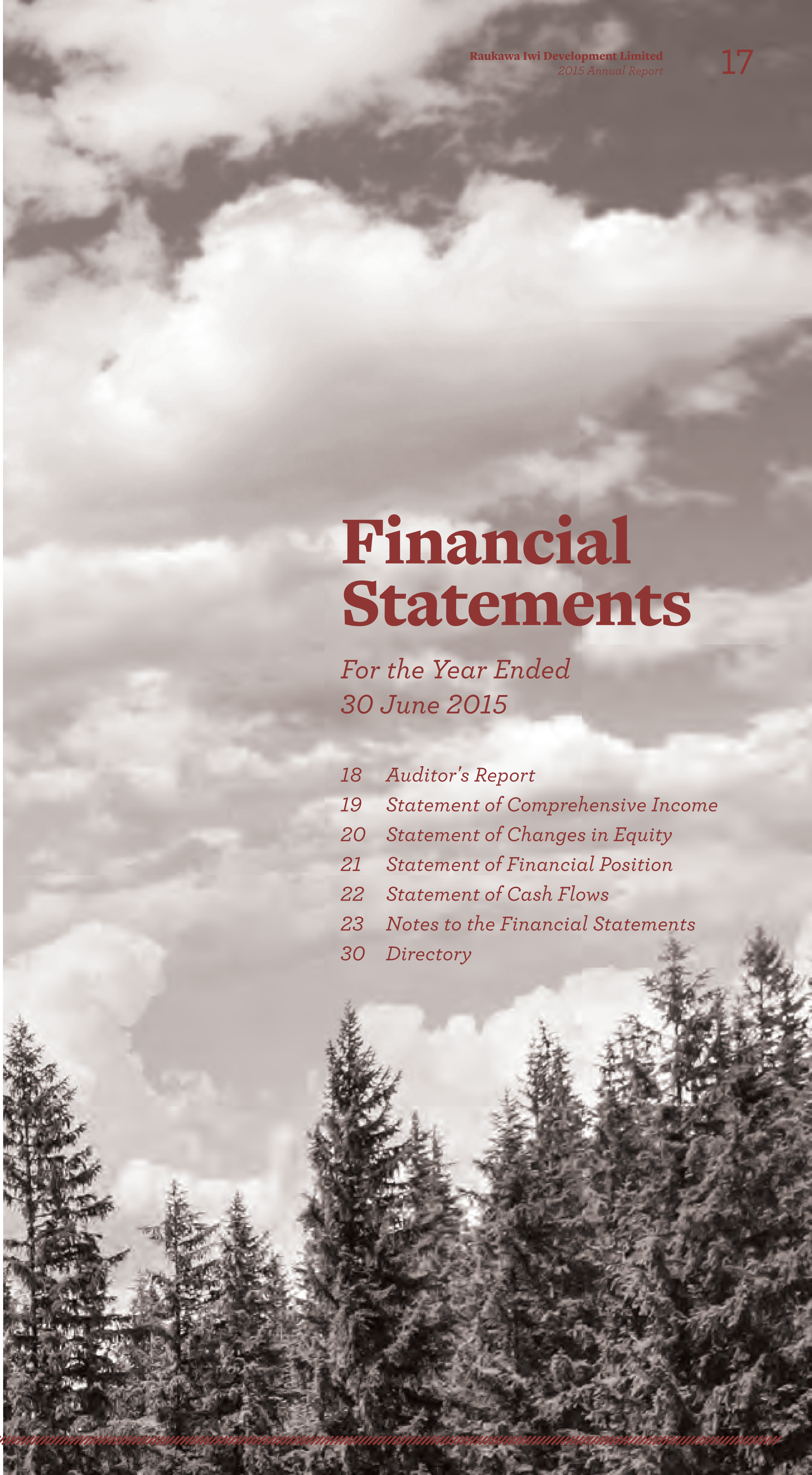
Dairy

Dairy is a natural investment area for RIDL given its importance to the economic life of the rohe and the alignment between land development and the role of mana whenua. RIDL enjoys multiple access channels to dairy opportunities and will consider investment along the dairy value chain. RIDL has conducted detailed assessment on several opportunities. At balance date it was nearing agreement on one potential investment opportunity. Thanks to this work, it is hoped that concrete progress can be achieved and announced in the first half of FY16.

RIDL will continue to assess reasonable direct investment opportunities, in broader areas, where there is one or ideally more of:

- Identifiable alignment with RIDL strategy and values
- Priority access channel i.e. not a competitive multi-party process
- Ability to co-invest with aligned, high-quality or highly skilled investment partners
- Worthwhile equity stake available, generally in the range of $5m - $20m (NB: overall investment potentially larger as likely invest alongside partners) that will secure a meaningful role
- Robust governance and ownership structures
- Access to high quality management with demonstrable and verifiable track record and appropriate skills
- Ability to monitor the investment and gauge performance

"Cash will be managed in house and the bulk of RIDL's liquid assets will continue to be managed through external fund managers."



Financial Statements

For the Year Ended 30 June 2015

Auditor's Report

KPMG

To the shareholder of Raukawa Iwi Development Limited

We have audited the accompanying financial statements of Raukawa Iwi Development Limited ("the company") on pages 4 to 22. The financial statements comprise the statements of financial position as at 30 June 2015, the statements of comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

This report is made solely to the shareholder. Our audit work has been undertaken so that we might state to the company's shareholder those matters we are required to state to them in the auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company's shareholder, for our audit work, this report or any of the opinions we have formed.

Directors' responsibility for the trust and group financial statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with generally accepted accounting practice in New Zealand, and for such internal control as the directors determines is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error.

Auditor's responsibility

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

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 statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the trust and group'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 company'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 presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, the company.

Opinion

In our opinion the financial statements on pages 4 to 22 comply with generally accepted accounting practice in New Zealand and present fairly, in all material respects, the financial position of Raukawa Iwi Development Limited as at 30 June 2015 and its financial performance and cash flows for the year then ended in accordance with New Zealand equivalents to International Financial Reporting Standards – Reduced Disclosure Regime.

KPMG.

2 November 2015
Hamilton

Statement of Comprehensive Income

For the Year Ended 30 June 2015

	Notes	2015 ($)	2014 ($)
Income			
CNI Distribution	5	**1,556,723**	1,612,491
Dividends Received		**2,608,057**	1,866,534
Forestry Rental		**117,524**	-
Gain on Revaluation of Investment Property		**-**	213,030
Interest Income		**738,691**	1,189,687
Kakano Investment Limited Partnership – Share of Profit	14	**912,179**	295,292
Lease Income		**326,777**	271,361
Sundry Income		**37,852**	1,363
		6,297,804	5,449,759
Less Expenses			
Accountancy Fees		**32,410**	30,946
AGM Expenses		**2,830**	-
Audit Fees		**20,000**	20,000
Administration		**50,271**	75,944
Communications		**693**	4,183
Depreciation		**61,673**	84,934
Loss on Revaluation of Property		**-**	5,642
Facilities		**18,845**	17,945
General		**4,454**	980
Governance Expenses		**215,666**	212,085
Personnel Costs		**186**	3,702
Specialist Advice		**201,837**	244,060
Travel		**6,386**	6,411
Total Expenses		**615,251**	706,830
Finance Expenses		**337**	672
Net Financing Costs		**337**	672
Profit Before Distributions, Donations and Income Tax		**5,682,216**	4,742,256
Less Donations RCT		**1,958,448**	1,644,600
Profit Before Income Tax		**3,723,768**	3,097,656
Taxation Expense for the Year	4	**357,909**	406,430
Profit/(Loss) for the Period		**3,365,859**	2,691,226
Other Comprehensive Income			
Change in Fair Value of Investments		**3,372,746**	1,041,849
Kakano Investment Limited Partnership – Share of Other Comprehensive Income	14	**5,794,391**	1,803,051
Deferred Tax		**(1,119,066)**	(485,183)
Total Comprehensive Income/(Loss) for the Period		**11,413,930**	5,050,943

NOTE: This Statement is to be read in conjunction with the Notes to the Financial Statements, and the Auditor's Report on page 18.

Statement of Changes in Equity

For the Year Ended 30 June 2015

	Notes	2015 ($)	2014 ($)
Retained Earnings			
Opening Balance		**5,248,586**	3,168,190
Total Profit/(Loss) for the Period		**3,365,859**	2,691,226
		8,614,445	5,859,416
Less Dividend Paid		**(446,780)**	(610,830)
Closing Balance		**8,167,665**	5,248,586
Reserves			
Opening Balance		**4,573,079**	2,213,362
Change in Fair Value of Investments		**3,372,746**	1,041,849
Kakano Investment Limited Partnership – Share of Other Comprehensive Income		**5,794,391**	1,803,051
Deferred Tax		**(1,119,066)**	(485,183)
Closing Balance		**12,621,150**	4,573,079
Share Capital			
Opening Balance		**80,909,666**	80,042,666
Capital Introduced		**4,846,775**	867,000
Closing Balance		**85,756,441**	80,909,666
Total Equity			
Opening Balance		**90,731,331**	85,424,218
Total Comprehensive Income for the Period		**11,413,930**	5,050,943
Capital Introduced		**4,846,775**	867,000
		106,992,036	91,342,161
Less Distributions Paid		**(446,780)**	(610,830)
Closing Balance		**106,545,256**	90,731,331

NOTE: This Statement is to be read in conjunction with the Notes to the Financial Statements, and the Auditor's Report on page 18.

Statement of Financial Position

For the Year Ended 30 June 2015

	Notes	2015 ($)	2014 ($)
Current Assets			
Cash and Cash Equivalents	6	**20,188,440**	12,634,993
GST Refund Due		**-**	9,604
Taxation		**93,683**	290,873
Accounts Receivable		**-**	155,466
Accrued Interest		**157,737**	213,703
Total Current Assets		**20,439,860**	13,304,639
Non-Current Assets			
Property, Plant and Equipment	8	**937,448**	999,121
Investments			
Shares		**2**	2
Investment Property	7	**2,340,448**	1,437,000
Managed Fund - Harbour Asset Management		**11,003,203**	8,280,549
Managed Fund - Milford Asset Management		**25,854,107**	22,939,367
Managed Fund - Schroders		**24,520,600**	22,094,581
Kakano Investment Partnership	14	**26,175,842**	20,739,249
Term Deposits	6	**-**	3,662,923
		89,894,202	79,153,671
Total Non-Current Assets		**90,831,650**	80,152,792
TOTAL ASSETS		**111,271,510**	93,457,431
Current Liabilities			
GST Due for Payment		**2,380**	-
Inter-company Current Accounts	12	**3,053,264**	2,146,665
Income in Advance		**10,640**	-
Accounts Payable		**35,721**	74,252
Accrued Expenses		**20,000**	20,000
Deferred Tax	10	**1,604,249**	485,183
Total Current Liabilities		**4,726,254**	2,726,100
TOTAL LIABILITIES		**4,726,254**	2,726,100
NET ASSETS		**106,545,256**	90,731,331

Represented by:

		2015 ($)	2014 ($)
Company Funds			
Share Capital		**85,756,441**	80,909,666
Reserves		**12,621,150**	4,573,079
Retained Earnings		**8,167,665**	5,248,586
TOTAL COMPANY FUNDS		**106,545,256**	90,731,331

For and on behalf of the Board:

Chairperson ______________________ Director ______________________ Date ______________________

NOTE: This Statement is to be read in conjunction with the Notes to the Financial Statements, and the Auditor's Report on page 18.

Statement of Cash Flows

For the Year Ended 30 June 2015

	Notes	2015 ($)	2014 ($)
Cash Flows from Operating Activities			
Cash was Provided from:			
Receipts from Operations		**3,129,145**	2,556,103
Interest Received		**764,657**	1,041,158
Dividends Received		**2,608,057**	1,866,534
Income Tax Refund		**-**	408,820
		6,501,859	5,872,615
Cash was applied to:			
Payments to Suppliers		**(3,669,960)**	(2,142,565)
Income Tax Paid		**(160,719)**	(269,892)
		(3,830,679)	(2,412,457)
NET CASH FLOW – OPERATING ACTIVITIES		**2,701,180**	3,460,158
Cash Flows from Investing Activities			
Cash was Provided from:			
Cash Received from Associates		**357,798**	315,189
Loan from Related Parties		**906,599**	-
		1,264,397	315,189
Cash was applied to:			
Term Deposits		**(3,422,464)**	36,402,813
Investment in Properties		**(903,448)**	(21,970)
Investment in Associates		**-**	(19,176,735)
Investments in Managed Funds		**(3,751,601)**	(19,435,435)
		(8,077,513)	(2,231,327)
NET CASH FLOW – INVESTING ACTIVITIES		**(6,633,116)**	(1,916,138)
Cash Flows from Financing Activities			
Cash was Provided from:			
Issuance of Shares		**4,846,775**	-
		4,846,775	-
Cash was Applied to:			
Dividends Paid		**(446,780)**	(610,830)
NET CASH FLOW – FINANCING ACTIVITIES		**4,399,995**	(610,830)
Net Cash Flow for the Year from all Activities		**468,060**	933,190
Cash at Beginning of Year		**2,321,018**	1,387,828
Cash at End of Year		**2,789,078**	2,321,018
Represented by:			
Cash on Hand and at Bank	6	**2,789,078**	2,321,018
		2,789,078	2,321,018

NOTE: This Statement is to be read in conjunction with the Notes to the Financial Statements, and the Auditor's Report on page 18.

Notes to the Financial Statements

For the Year Ended 30 June 2015

1. Statement of Accounting Policies

Reporting Entity

These are the financial statements for Raukawa Iwi Development Limited ('the Company"). Raukawa Iwi Development Limited is a company incorporated in New Zealand registered under the Companies Act 1993. Raukawa Iwi Development Limited is engaged in the business of investment.

These financial statements were authorised for issue on.

2. Basis of Preparation

(a) Statement of Compliance

The financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice ("NZ GAAP"). They comply with New Zealand equivalents to International Financial Reporting Standards – Reduced Disclosure Regime ("NZ IFRS RDR") and other applicable Financial Reporting Standards, as appropriate for profit oriented entities. The Company has early adopted the Reduced Disclosure Regime framework from the financial year end 30 June 2014.

The Company is defined as a tier 2 for profit entity and qualifies for the reduced disclosure regime as it is not publicly accountable as defined in the framework.

(b) Basis of Measurement

The financial statements have been prepared on the historical cost basis except for the following:

Investment properties, land and buildings and equity securities held in market portfolios classified as available for sale financial assets are measured at fair value.

(c) Functional and Presentation Currency

These financial statements are presented in New Zealand dollars (NZD), which is Raukawa's functional currency.

(d) Use of Estimates and Judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in the following notes:

- Note 7 Investment Property
- Note 10 Deferred Tax – in respect of deferred tax assets only
- Note 11 Investments

3. Significant Accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently to Company entities.

(a) Basis of Consolidation

i) Investments in Associate Entities
Associate entities are entities over which the company has significant influence but not control. They are recognised initially at cost, and adjusted for share of profit (or loss) and share of changes in Other Comprehensive Income.

ii) Transactions Eliminated on Consolidation
Intra-group balances, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(b) Financial Instruments

i) Non-Derivative Financial Instruments
Non-derivative financial instruments comprise investments in equity securities accounted for as available-for-sale financial assets, trade receivables, cash and cash equivalents, short-term borrowings, and trade payables.

Non-derivative financial instruments are recognised initially at fair value plus, for instruments not at fair value through Statement of Comprehensive Income, any directly attributable transaction costs. Subsequent to initial recognition non-derivative financial instruments are measured as described below.

A financial instrument is recognised if the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the Company's contractual rights to the cash flows from the financial assets expire or if the Company transfers the financial asset to another party without retaining control or substantially removing all the risks and rewards of the asset. Purchases and sales of financial assets are accounted for at trade date, i.e., the date that the Company commits itself to purchase or sell the asset. Financial liabilities are derecognised if the Company's obligations specified in the contract expire or are discharged or cancelled.

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose of the Statement of Cashflows.

ii) Available-for-sale Financial Assets
The Company's investments in equity securities except for investments in subsidiaries are classified as available-for-sale financial assets. Subsequent to initial recognition, they are measured at fair value by reference to published price quotations and changes therein, other than impairment losses, are recognised directly in equity. When an investment is derecognised, the cumulative gain or loss in equity is transferred to profit and loss.

iii) Instruments at Fair Value Through Profit or Loss
An instrument is classified as at fair value through profit or loss if it is held for trading or is designated as such upon initial recognition. Financial instruments are designated at fair value through profit or loss if the Company manages such investments and makes purchase and sale decisions based on their fair value. Upon initial recognition, attributable transaction costs are recognised in the profit and loss when incurred. Subsequent to initial recognition, financial instruments at fair value through profit or loss are measured at fair value, and changes therein are recognised in profit and loss.

iv) Trade Receivables
Trade receivables classified as other non-derivative financial instruments are stated at amortised cost using the effective interest method, less any impairment losses.

v) Trade Payables
Trade payables are classified as other non-derivative financial instruments and are stated at amortised cost.

c) Property, Plant and Equipment

i) Recognition and Measurement
Items of property, plant and equipment except for land and buildings are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset.

Land, buildings and investment property have been revalued to fair value as determined by an independent valuer. Revaluation of land and buildings and investment property is carried out when there is objective evidence a change in fair value may have occurred.

The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

ii) Subsequent Costs
The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in the statement of comprehensive income as incurred.

iii) Depreciation
Property, plant and equipment are depreciated over their estimated useful lives. Depreciation is charged to the Statement of Comprehensive Income.

Land is not depreciated.

The following rates have been used:

- Buildings 2% SL
- Office Equipment 50 - 67% DV
- Vehicles 30% DV

Depreciation methods, useful lives and residual values are reassessed at each financial year end.

d) Leases as a Leasee

Leases in terms of which the Company assumes substantially all the risks and rewards of ownership as a leasee are classified as finance leases. Upon initial recognition the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

Other leases are operating leases and the leased assets are not recognised on the Company's balance sheet.

e) Investment Property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment property is measured at cost on initial recognition and subsequently at fair value with any change therein recognised in profit or loss.

Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, any other costs directly attributable to bringing the investment property to a working condition for their intended use and capitalised borrowing costs.

Any gain or loss on disposal of an investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

When the use of a property changes such that it is reclassified as property, plant and equipment, its fair value at the date of reclassification becomes its cost for subsequent accounting.

f) Impairment

The carrying amounts of the Company's assets, are reviewed at each balance sheet date to determine whether there is any objective evidence of impairment. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses directly reduce the carrying amount of assets and are recognised in the profit or loss.

For goodwill and intangible assets that have indefinite lives or that are not yet available for use, recoverable amount is estimated at each reporting date.

i) Impairment of Loans and Receivables, and Equity Instruments
Impairment losses on an individual basis are determined by an evaluation of the exposures on an instrument by instrument basis. All individual instruments that are considered significant are subject to this approach.

For trade receivables which are not significant on an individual basis, collective impairment is assessed on a portfolio basis based on numbers of days overdue, and taking into account the historical loss experience in portfolios with a similar amount of days overdue.

The recoverable amount of the Company's loans and receivables carried at amortised cost is calculated as the present value of estimated future cash flows, discounted at the original effective interest rate (i.e., the effective interest rate computed at initial recognition of these financial assets). Receivables with short duration are not discounted.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed. The reversal does not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in the Statement of Comprehensive Income.

Equity instruments are deemed to be impaired whenever there is a significant or prolonged decline in fair value below the original purchase price.
Any subsequent recovery of an impairment loss in respect of an investment in an equity instrument classified as available-for-sale is not reversed through the statement of comprehensive income. For this purpose prolonged is regarded as any period longer than nine months and significant as more than 20 percent of the original purchase price of the equity instrument.

ii) Impairment of Property, Plant and Equipment
The carrying amounts of the property, plant and equipment, and intangibles, and subsidiaries are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. A cash-generating unit is the smallest identifiable asset group that generates cash flows that are largely independent from other assets and groups. Impairment losses are recognised in the statement of comprehensive income. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

g) Employee Benefits

i) Short-term Benefits
Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A provision is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

h) Revenue

i) Services
Revenue from services rendered is recognised in the statement of comprehensive income in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is measured with reference to the project milestones.

ii) Goods Sold
Revenue from the sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates. Revenue is recognised when persuasive evidence exists, usually in the form of an executed sales agreement, that the significant risks and rewards of ownership have been transferred to the customer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably.

iii) Interest/Dividend Income
Income comprises interest income on funds invested, dividend income and gains on the disposal of available-for-sale financial assets. Interest income is recognised as it accrues, using the effective interest method. Dividend income is recognised on the date that the Company's right to receive payment is established.

i) Lease Payments
Payments made under operating leases by the company as a leasee are recognised in the statement of comprehensive income on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

j) Finance Expenses
Finance expenses comprise impairment losses and interest recognised on financial assets (except for trade receivables).

k) Income Tax
Income tax expense is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised directly in equity in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries, associates and jointly controlled entities to the extent that they probably will not reverse in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that had been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

4. Income Tax Expense

	2015 ($)	2014 ($)
Tax Recognised in Profit and Loss		
Current Tax Expense		
Current Period	**357,909**	387,837
Adjustment for Prior Periods	**-**	-
Deferred Tax Expense		
Origination and Reversal of Temporary Differences	**-**	18,593
Change in Unrecognised Temporary Differences	**-**	-
Total Income Tax Expense	**357,909**	406,430
Tax Recognised in Equity		
Other Comprehensive Income	**(1,604,249)**	(485,183)
Total Recognised in Equity	**(1,604,249)**	(485,183)

	2015 ($)	2015 (%)	2014 ($)	2014 (%)
Profit for the Period after Tax	**-**	**3,365,859**	-	2,691,226
Total Income Tax Expense	**-**	**357,909**	-	406,430
Profit Excluding Income Tax	**-**	**3,723,768**	-	3,097,656
Income Tax using the Maori Authority Tax Rate (17.5%)	**17.50%**	**651,659**	17.50%	542,096
Non-deductible Expenses	**0.00%**	**1,328**	0.00%	1,328
Non-assessable Income	**(7.90%)**	**(295,078)**	(3.80%)	(118,301)
Tax Exempt Income	**-**	**-**	(1.20%)	(37,280)
Origination and Reversal of Temporary Differences	**-**	**-**	0.60%	18,593
	9.6%	**357,909**	12.56%	406,430

5. CNI Dividends

As part of CNI Holdings Trust settlement referred to in Note 9, the Company has received the right to receive annual distributions from CNI Iwi holdings Trust until 2044. The directors estimate the present value of this right to be approximately $32.2m (2014: $32.2m). This estimate has been based on an independent valuation undertaken by Esperance Capital utilising discounted cashflow methodology. No asset has been recognised in this respect.

6. Cash and Cash Equivalents

	Notes	2015 ($)	2014 ($)
Bank Balances		**2,789,078**	2,321,018
Short Term Deposits		**17,399,362**	10,313,975
Cash and Cash Equivalents	13	**20,188,440**	12,634,993
Term Deposits		**-**	3,662,923
Cash and Cash Equivalents in the Statement of Cash Flows		**20,188,440**	16,297,916

7. Investment Property

	2015 ($)	2014 ($)
Balance at 1 July	**1,437,000**	335,000
Acquisitions	**903,448**	888,970
Change in Fair Value	**-**	213,030
Balance at 30 June	**2,340,448**	1,437,000

All investment property has been recorded at fair value at reporting date. Fair value has been determined by Kendall Russ, a registered valuer of Telfer Young Limited using current market values. The most recent sales in the area and sales of comparable properties are used to assist in analysing the current market values.

8. Property, Plant and Equipment

	Land	Buildings	Motor Vehicles	Office Equipment	Total
Cost					
Balance at 1 July 2013	475,580	379,420	520,387	3,368	1,378,755
Additions	-	-	-	-	-
Revaluation	-	(5,642)	-	-	(5,642)
Balance at 30 June 2014	475,580	373,778	520,387	3,368	1,373,113
Balance at 1 July 2014	475,580	373,778	520,387	3,368	1,373,113
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Revaluation	-	-	-	-	-
Balance at 30 June 2015	475,580	373,778	520,387	3,368	1,373,113
Accumulated Depreciation					
Balance at 1 July 2013	-	22,768	263,385	2,905	289,058
Depreciation for the Year	-	7,590	77,102	242	84,934
Disposals	-	-	-	-	-
Balance at 30 June 2014	-	30,358	340,487	3,147	373,992
Balance at 1 July 2014	-	30,358	340,487	3,147	373,992
Depreciation for the Year	-	7,588	53,971	114	61,673
Disposals	-	-	-	-	-
Balance at 30 June 2015	-	37,946	394,458	3,261	435,665
Carrying Amounts					
At 1 July 2013	475,580	356,652	257,002	463	1,089,697
At 30 June 2014	475,580	343,420	179,900	221	999,121
At 30 June 2015	**475,580**	**335,832**	**125,929**	**107**	**937,448**

9. Contingent Asset

As a beneficiary of the CNI Iwi Holdings Trust, the Company will be entitled to receive title to specific forests land currently held by the CNI Iwi Holdings Trust. The exact land eligible to be transferred will be determined through the Mana Whenua process which is currently underway between the eight Iwi beneficiaries of the CNI Iwi Holdings Trust. Once this due process is completed and there is unanimous agreement by the trustees of the CNI Iwi Holdings Trust, then land may be transferred. The Company has the right after 2044 to receive all income directly generated from its forests land and the return of full control of this land to the trust. As the Company does not have control or has yet to specially identify what land will be distributed to the Company, no assets have been recognised in these financial statements.

10. Deferred Tax Assets and Liabilities

Recognised Deferred Tax Assets and Liabilities
Deferred tax assets and liabilities are attributable to the following:

	Assets 2015 ($)	Assets 2014 ($)	Liabilities 2015 ($)	Liabilities 2014 ($)	Net 2015 ($)	Net 2014 ($)
Property, Plant and Equipment	**-**	-	**-**	-	**-**	-
Managed Funds	**-**	-	**(590,231)**	(182,324)	**(590,231)**	(182,324)
Accruals	**-**	-		-	**-**	-
Other Items	**-**	-	**(1,014,018)**	(302,859)	**(1,014,018)**	(302,859)
Tax Loss Carry-forwards	**-**	-	**-**	-	**-**	-
Tax Assets/(Liabilities)	**-**	-	**(1,604,249)**	(485,183)	**(1,604,249)**	(485,183)

Movement in Temporary Differences During the Year

Deferred tax assets and liabilities are attributable to the following:

	Balance 1-Jul-13	Recognised in P&L	Recognised in Equity	Balance 30-Jun-14	Recognised in P&L	Recognised in Equity	Balance 30-Jun-15
Property, Plant and Equipment	-	-	-	-	-	-	**-**
Managed Funds	18,593	(18,593)	(182,324)	(182,324)	-	(407,914)	**(590,231)**
Accruals	-	-	-	-	-	-	**-**
Other Items	-	-	(302,859)	(302,859)	-	(711,152)	**(1,014,018)**
Total	18,593	(18,593)	(485,183)	(485,183)	-	(1,119,066)	**(1,604,249)**

11. Financial Assets and Liabilities

Accounting Classification and Fair Values

Fair Values Versus Carrying Amounts

The fair values of financial assets and liabilities, together with the carrying amounts shown in the statement of financial position, are as follows.

	Notes	Loans and Receivables	Available-For-sale	Other financial	Total Carrying	Fair Value
30-Jun-15						
Cash and Cash Equivalents	6	20,188,440	-	-	20,188,440	20,188,440
Trade and Other Receivables		-	-	-	-	-
Investment Securities:						
- Equity Securities		-	2	-	2	2
- Financial Assets at Fair Value Through Profit		-	-	-	-	-
- Managed Funds		-	61,377,912	-	61,377,912	61,377,912
		20,188,440	61,377,912	-	81,566,352	81,566,352
Trade Payables and Accruals		-	-	55,720	55,720	55,720
Bank Overdraft		-	-	-	-	-
		-	-	55,720	55,720	55,720
30-Jun-14						
Cash and Cash Equivalents	6	16,297,916	-	-	16,297,916	16,297,916
Trade and Other Receivables		155,466	-	-	155,466	155,466
Investment Securities:						
- Equity Securities		-	2	-	2	2
- Financial Assets at Fair Value Through Profit		-	-	-	-	-
- Managed Funds		-	53,314,499	-	53,314,499	53,314,499
		16,453,382	53,314,499	-	69,767,881	69,767,881
Trade Payables and Accruals		-	-	94,252	94,252	94,252
Bank Overdraft		-	-	-	-	-
		-	-	94,252	94,252	94,252

12. Related Party Loans

At balance date the following balances were receivable/(payable) by related parties of the Company:

	2015 ($)	2014 ($)
Raukawa Charitable Trust	**(1,574,323)**	-
Raukawa Settlement Trust	**(1,478,941)**	(2,234,736)
Rotab Investments Limited	**-**	88,071
Total	**(3,053,264)**	(2,146,665)

During the year Raukawa Iwi Development Limited:

- Paid allocated costs to Raukawa Charitable Trust of $58,979 (2014: $72,374)
- Paid donations to Raukawa Charitable Trust of $1,958,448 (2014: $1,644,600)
- Received property and vehicle lease income from Raukawa Charitable Trust of $268,444 (2014: $271,361)

As at 30 June 2015, Raukawa Iwi Development Limited had:

- Accounts payable to Raukawa Charitable Trust of $4,893 (2014: $6,649)
- Accounts payable to Raukawa Settlement Trust of $2,218 (2014: $5,925)

These amounts are included in Accounts Payable.

13. Commitments

The Company has a commitment to pay donations of $2.1 million to Raukawa Charaitable Trust in the 2016 year.

14. Kakano Investments Limited Partnership

Kakano Investments Limited Partnership is a Limited Liability Partnership created by six North Island iwi to buy a 2.5% stake in Kaingaroa Timberlands, a forestry business. Raukawa Iwi Development Limited holds 31.5% of the equity in the partnership. The investment is classified as an investment in associate and has a carrying value of $26,175,842.

	2015 ($)	2014 ($)
Opening Balance	**20,739,249**	-
Capital Investment	**-**	19,176,735
Less Capital Repayments	**1,269,977**	(535,829)
Add Share of Profit/Loss	**912,179**	295,292
Add Share of Other Comprehensive Income	**5,794,391**	1,803,051
Closing Balance	**26,175,842**	20,739,249

15. Share Capital

	2015 ($)	2014 ($)
Opening Balance	**80,909,666**	80,042,666
Issue of Shares	**4,846,775**	867,000
Closing Balance	**85,756,441**	80,909,666

All shares are fully paid and have equal rights to vote, dividends and to residual assets on liquidation.

16. Subsequent Events

Subsequent to balance date, Raukawa Iwi Development Limited has entered into agreements to acquire four commercial properties totalling $1.5 million. No other events have occurred subsequent to balance date which would impact on the financial statements.

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