



RUAPUHA UEKAHA HAPŪ TRUST

Annual Report 2016



'Ko te matakahi maire - Like a wedge of maire; bold & committed'



Whakarongo ake ki te tangi a te manu nei
A te maa-tui, tui tu....i, tuituia
Tui i runga, tui i raro
Tui i roto, tuia i waho
Ka rongo te po, ka rongo te ao
Tuia i te muka tangata i taakia mai
I Hawaiki nui, Hawaiki roa
Hawaiki paama-mao te hono ki wairua
Ki te whai ao, ki te ao marama

Listen to the cry of the bird
The female tui unite, unite, united
Unite above, unite the depth
Unite within, unite the outer
Hear this oh night, hear this oh world
United by the bonds of man, originated from
The Hawaiki beyond
To the joining of the spirits
From the outer world, world into light.

Contents

| | |
|---|---------|
| Agenda | Page 2 |
| Chairman's Report | Page 3 |
| Financial Report | Page 4 |
| Independent Auditor's Report | Page 6 |
| Education Report | Page 8 |
| Minutes of the Ruapuha Uekaha Hapu Trust AGM 2015 | Page 10 |
| Tourism Report | Page 12 |
| Trust Activities 2014-2015 | Page 14 |
| Meet the people involved with the Trust | Page 16 |



2016 Ruapuha Uekaha Hapu Trust Annual General Meeting

11am, Saturday 21 May, 2016

Te Kauae Marae

AGENDA

- 1. Karakia/Mihi**
 - 2. Apologies**
 - 3. Chairman's Report**
 - 4. Financial Report 2015**
 - 5. Education Report**
 - 6. Presentation on the new Trust Deed**
 - 7. Presentation on Review of Strategic Plan**
 - 8. Minutes of the 2015 Annual General Meeting**
 - 9. General Business**
 - 10. Karakia Whakamutunga**
- Lunch (approximately 1.30pm)**



Chairman's Report

Peter Douglas

He kororia ki te Atua i runga rawa
He maungarongo ki runga i te whenua
He whakaaro pai ki nga tangata katoa
He tika me maumahara ki nga aitua, nga mate o te wa, me o
ratou whanau i noho i raro i te kapua pouri. Ko ratou te hunga
mate ki a ratou, haere, haere, haere atu ra.
Ko tatou te hunga ora, tena koutou katoa
He oranga ngakau, He pikinga waiora

In the past year the Maori Land Court has decided on the functions of the Ruapuha Uekaha Hapu Trust. Judge Milroy dismissed the applications to change the fundamental entitlements of beneficiaries and that the nature of the Treaty settlement requires an inclusive approach to the future management of the benefits of this settlement.

We have held a series of hui since this judgement was completed in order to fulfil the requirements of the court, but also to inform people of our work. There was a sense of relief amongst many of those attending our hui and a corresponding sense of hope in relation to what might be possible now that things are clearer. The explanatory hui in Waitomo was well attended and appreciated. The workshop we held in November at Te Korapatu was well attended and positive in its outlook to the future. Our approach to preparing a new trust deed needs to start with a clear sense of what people expect of a trust before we start designing a draft deed. In my experience doing this in the wrong order will increase the level of confusion and produce less than optimal results. There were resounding messages from those that attended, they cared about how we should help and treat each other; how we can learn more about each other and our heritage and how we can move ahead with a sense of pride and accomplishment. As a result of this feedback we have incorporated these expectations into the design of our proposed trust deed. The draft trust deed is permissive in that it gives us the necessary powers that we need to make good progress but also

provides useful limits on what is possible in order to ensure that the beneficiaries are properly involved at appropriate points.

Our meeting on 21 May will give us the opportunity to explain and discuss the logic behind the various parts of the deed and why we have designed it the way we have. We are interested in defending this logic and hearing whether you agree or not with this approach. If you have contrary views we want to hear them, and we want to know why you think like that. The process gives us a good opportunity to think about our hopes and expectations, and the improvements through a new deed give us a chance to be more connected and more useful to each other in the years to come.

The process to complete a new trust deed involves a series of disciplines which make us think about our responsibilities to each other, how we treat each other is how we will be measured in the future.

Our Annual General Meeting is an opportunity to report on the business and performance of the trust over the past year, and provides time for us to defend our work and hear criticism and ideas from our beneficiaries.

Nga manaakitanga

Peter Douglas
Chairman
Ruapuha Uekaha Hapu Trust

Financial Report 2015

RUAPUHA UEKAHA HAPU TRUST

Statement of Financial Position At 31 March

| | 2014 | 2015 |
|------------------------------|------------------|------------------|
| ASSETS | \$ | \$ |
| Cash and Short Term Deposits | 1,341,862 | 681,504 |
| Investments | | |
| Fixed Interest Securities | 3,600,872 | 3,153,839 |
| Property and Equities | 2,374,631 | 2,213,682 |
| Forestry | 527,738 | 525,608 |
| Total Investments | 6,503,241 | 5,893,129 |
| Sundry | 163,597 | 126,188 |
| Related Party | 723,681 | 728,475 |
| Property Plant and Equipment | 131,896 | 132,468 |
| Total Assets | 8,864,277 | 7,561,764 |
| LIABILITIES | | |
| Creditors | 17,629 | 8,341 |
| Accrued Liabilities | 198,982 | 172,108 |
| Related Party | 559,882 | 559,882 |
| | 776,493 | 740,331 |
| TRUST EQUITY | 8,087,784 | 6,821,433 |

Based on Audited Financial Statements



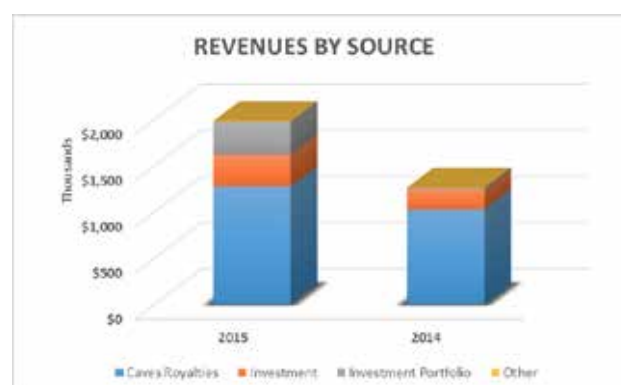
- 19% Growth in Equity – Primarily due to growth in net income

RUAPUHA UEKAHA HAPU TRUST

Statement of Financial Performance and Change in Trust Equity For the Financial Years Ended 31 March

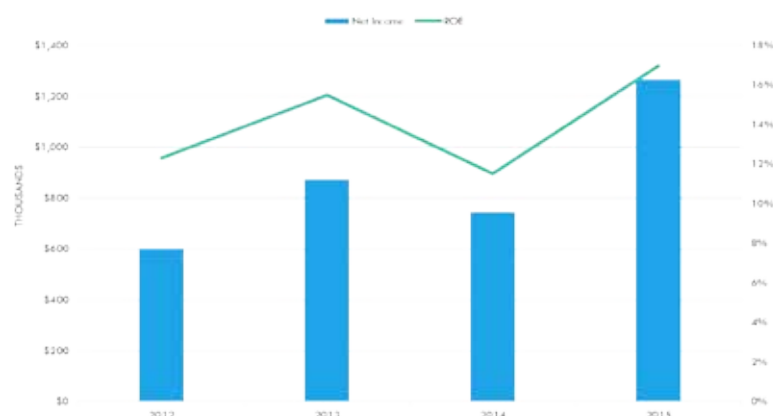
| | 2014 | 2015 |
|-------------------------------|------------------|------------------|
| REVENUES | \$ | \$ |
| Caves Royalties | 1,272,095 | 1,027,452 |
| Investment | 343,349 | 211,548 |
| Investment Portfolio, Capital | 359,079 | 21,272 |
| Other | 3,725 | - |
| Total Income | 1,978,248 | 1,260,272 |
| EXPENDITURES | | |
| Contributions | 14,830 | 8,900 |
| Funds Management | 57,227 | 34,717 |
| Meetings and Events | 72,125 | 27,476 |
| Caves Management | 11,420 | 1,587 |
| ICT and Database | 12,063 | 52,421 |
| Research | 10,049 | 23,484 |
| Administration | 95,933 | 73,920 |
| Depreciation | 10,571 | 7,444 |
| Audit and Accounting | 16,100 | 15,915 |
| Education Scholarships/Grants | 57,740 | - |
| Consulting Fees | 10,300 | - |
| Legal | 104,058 | 86,012 |
| Insurance, Rates, Levies | 13,027 | 12,250 |
| Total Expenses | 485,443 | 344,126 |
| Net Income before Tax | 1,492,805 | 916,146 |
| Less: Tax | (226,454) | (171,843) |
| Net Income | 1,266,351 | 744,303 |
| Trust Equity, beginning | 6,821,433 | 6,077,130 |
| Trust Equity, ending | 8,087,784 | 6,821,433 |

Based on Audited Financial Statements



- ↑ 57% Increase in Revenues due to:
 - ↑ 24% in Cave Royalties
 - ↑ 62% in Investment income
 - ↑ Capital Growth in Investment Portfolio
- Key Activities:
 - Consultative and Strategic Hui
 - Legal and strategic support
 - Education initiatives
 - Caves Management

RETURN ON AVERAGE TRUST FUNDS

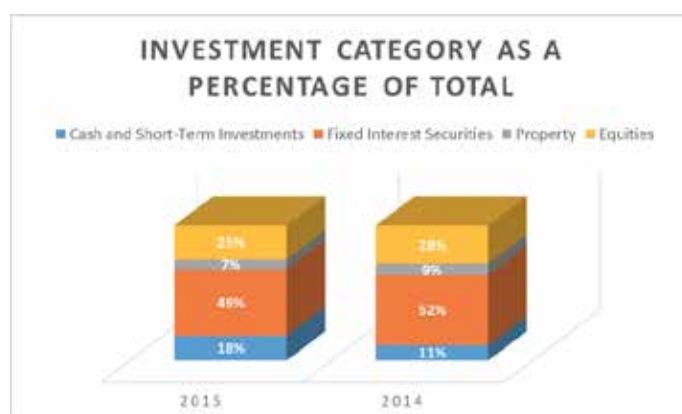


Statement of Investment Policy and Objectives (SIPO)

| Risk Profile | Risk Level | Priority |
|--------------------|---------------|----------|
| Capital Protection | Medium to Low | 1 |
| Timeframe | 4-5 Years | 2 |
| Income/Growth | Balanced | 3 |
| Volatility | Medium | 4 |
| Liquidity | Medium | 5 |

Review of SIPO to take into account Longer-Term Risk Profile

Moderate Profile: Funds Asset Allocation



Allocation Target

Income Focused: 60 %

Growth Focused: 40%

Independent Auditor's Report

Jonathan Hurst & Associates
CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Beneficiaries of Ruapuha Uekaha Hapu Trust

Report on the Financial Statements

We have audited the financial statements of Ruapuha Uekaha Hapu Trust on pages 2 to 12, which comprise the statement of financial position as at 31st March 2015, and the statement of comprehensive income, trustees account and schedule of property, plant and equipment for the year then ended, and a summary of significant accounting policies and other explanatory information.

This report is made solely to the trustees and beneficiaries, as a body, in accordance with the trust deed. Our audit work has been undertaken so that we might state to the trustees and beneficiaries those matters we are required to state to them in an 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 trustees and beneficiaries as a body, for our audit work, for this report, or for the opinions we have formed.

Trustees' Responsibility for the Financial Statements

The trustees are responsible for the preparation and fair presentation of these financial statements in accordance with generally accepted accounting practice in New Zealand and for such internal control as the trustees determine 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 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.

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

Other than in our capacity as auditor we have no relationship with, or interests in, Ruapuha Uekaha Hapu Trust.

Basis for Qualified Opinion on Financial Position

Advance on dividends to Tanetiorau Opataia Whanau Trust

A reserved judgement of Judge S Te A Milroy on 24th August 2015 confirmed the nature of advances to Tanetiorau Opataia Whanau Trust of \$668,518 as advances on dividends. It is anticipated that this will be partially offset in the 2016 year by \$285,540 in dividends already declared but not paid, however the Judges decision also provides that no further dividends may be declared in favour of the four whanau trusts, leaving some doubt as to the recoverability of the remaining \$382,978.

Qualified Opinion on Financial Position and Financial Performance

In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, the financial statements on pages 2 to 12:

- Comply with generally accepted accounting practice;
- Give a true and fair view of the financial position of the Trust as at 31st March 2015 and the results of its operation for the year ended on that date;

Jonathan Hurst & Associates
21st December 2015
Te Awamutu



www.jonhurst.co.nz

Phone. 07 871 8169 Fax. 07 871 8168 PO Box 8, Te Awamutu 3840 88 Teasdale St, Te Awamutu



Education Report 2015-2016

In March 2015 the Trust made a commitment to aligning the payment of intermediate and secondary grants closer to the beginning of the school year. To achieve the alignment the Trust made two distributions of intermediate and secondary grants; one in June, 2015 and one in January, 2016.

Grants distributed in June, 2015 (all categories) amounted to \$63,450 and represented an increase of \$5,710 over the 2014 grant round of \$57,740 (reported in the 2015 FY). The extra drop distributed in January, 2016 totalled \$35,400 taking the total spend for education grants in the 2016 FY to \$98,850. Forecasts for the 2016-2017 grant rounds are not expected to be as high as the previous year which was the result of the double up of intermediate and secondary grants.

Hapu Trust Members & Tertiary Study

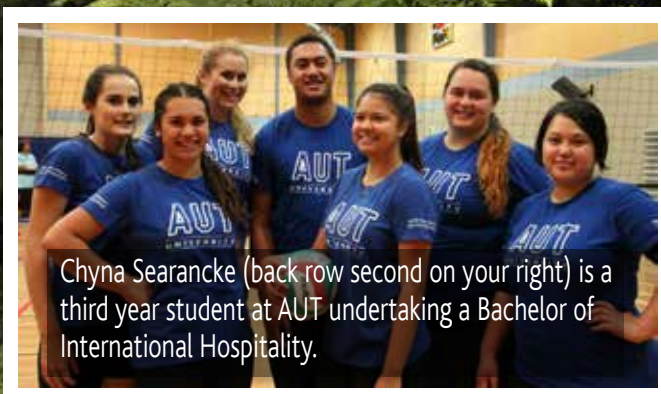
The Trust is in its third year of distributing grants and year to year there has been a steady increase in the overall number of people applying for funding particularly in the tertiary category. In 2014 the Trust awarded 57 tertiary grants and in 2016 it will award 75 grants (an increase of 31.5%). Hapu trust members are studying at all levels; national certificate, diploma, undergraduate and post-graduate over a wide variety of programmes.

It is heartening to see that more and more hapu trust members are becoming aware of the Trust's education grant programme which is largely due to frequent communications in Tomokia and on facebook. To give whanau certainty when grants are available the Trust has set dates for each grant round; intermediate/secondary will open in the first week of November and the tertiary round will open in the second week of March. Hopefully the adjustments that the Trust has made will make the process easier. Lastly the Trust would like to take this opportunity to congratulate hapu trust members who recently graduated and those who are continuing with their studies in 2016.

Some of our whanau achieving at the highest level



Hiria Anderson recently completed a two year Master's Degree at Whitecliffe College of Fine Art and Design with First Class Honours.



Chyna Searancke (back row second on your right) is a third year student at AUT undertaking a Bachelor of International Hospitality.



Te Ata Huia (about to enjoy a choccie) recently completed her post grad in Bi-Cultural Supervision



Left to Right: Kiri Edge, with her PhD Supervisors, Professor Ngahuia Te Awekotuku and Associate Professor Linda Waimarie Nikora. Kiri is doing a PhD in Philosophy.



Sierra Keung with her parents Steve and Cindy. Sierra is now undertaking a PhD in Sports and Recreation.

Minutes of the Ruapuha Uekaha Hapu Trust Annual General Meeting 2015, held on Saturday 30 May, 2015 at Tokikapu Marae, Waitomo commencing at 10am.

Attendees:

Sara and Mike Sullivan, Virginia Ormsby, Whakataerangi Tanetinoaru, Noeline H Love, Cecilia & Rob Hodson, James Ormsby, Lloyd Keung, Dolly Keung, David Anderson, Daniel Cairns Jnr, Tina Cairns, Julia Kaiwai, Waiata Ngataki, Patricia Turu, Kupe Koroheke, Chrissy Toroa, Betty Mathews, Pia Searancke, Pianika Taylor, Judy Davis, Tirama Taane, Les Tane, John Koning, PH Green, Erica Davis, Maia Davis, CJ Hemara, Kore Hemara, Josie Henry, Lana Henry, Marlene Tapara, Teena Tapara, Eruera Holmes, Sherrill Flavell, Marian Quinlan, Eric Tane, John Tane, Marcia Rangi, Te Aroha Tapara, Maurice Davis, Patricia Davis, Waimarama Anderson, Ronald Ormsby, Mereana Tapara, Emily Tapara, Tyson Tapara, Esme Astle, Hone Tuau, Mere Kohe-Love, Christine Uerata, Raven King, Walter Anderson, Sonny Carnachan, Michael Moerua, Barney Thompson, Robert Tane, Lani Dawn Tane-Stockler, Georgina Gibbons, Norman Tane, Michael Gibbons, Lynn Green, Missy Love, Peter Douglas, Steve Keung, Josephine Anderson, Chuck Davis.

Apologies:

Marama Anderson-Morrison, Pera Rangitaawa and Whanau, Ngahuia Anderson-Ashby, Charlotte Ashby, Aaron Ashby, Waiata Ashby, Pania King, Thomasina King, Aroha King, Mahinui King, Teri King, Sonny Ormsby, Chris Ormsby, Pauline Retermeyer, Mariwa Davis, Hana Taane, Boss Taane, Wendy Te Aretoa, Renee Hodson, Cairyn Hodson Tomokino, Taylah Hodson Tomokino, Rachel Dargaville, Rob Borell, Frances Borell, Cindy Keung, Tori Ngataki, Te Rori Ngataki, Jo-Ella Hura-Tupaea, Yvonne Rota, Jayme Tolley-Kitiona, Heather Davis, Sarah Tolley, Tamarangi Tolley, Whatapuku Wright, Ngahuia Wright, Harmony Wright, Richard Wright, Corina Pikitia Wright, Simon Wright, Ada Wright, Gemma Wright, Joseph Wright, Renee Hodson, Hutu Tane, Mary Neilson, Purdu Huia, Angela Hemara, Huhana Davis, Mike Taane, Wiremu Tane, Quin Tane, Craig Tane, Tania Tane, Stacey Davis, Robert Tahī, Mathew Kohe-Love, Leanne Hohaia, Steven George, Tio George, Tirua George, Mana George, Hurihia Davis, Hari Green, Marea Green, Erana Pollock, Kohatu Pollock, Ariana Hemara-Wahanui, Ngahuia Hemara-Wahanui, Valma Hemara-Wahanui, Miria Davis, Aroha Carnachan, Ninakaye Taanetinoaru, Omeka Taane, Angel Taane, Myke Taane, Reginald Taane, Angela Pope.

Mihi

Peter welcomed everyone to the meeting. The purpose of the meeting was to present the work the Trust had undertaken in the last twelve months, to present the annual accounts and to answer questions from the beneficiaries.

The Trustees in attendance introduced themselves; Chuck Davis, Lynn Green, Josephine Anderson, Steve Keung, Hiria Kohe Love and Norman Tane. Peter gave Angela Pope's apology.

Chairman's Report - Peter Douglas

Peter traversed the historical background of the Wai 51 settlement and made reference to the people involved and the environment they were working in to settle the claim in 1990, which was very different to how things are done now. Key points of his report included;

- The Licence provided security for a commercial operator to take over the running of the Caves and generating a reliable source of income for the settlers.
- The loan of one million dollars been repaid by a portion of the royalties and used to help with social and economic development.
- The new relationships and responsibilities established as a result of settling the claim with the Crown and with the commercial operators running the Caves.
- The inordinate amount of time spent in the Maori Land Court and how the work of the Trust had been fettered by its direction.
- The Trust, having gone through the review of trust process was now in a position to look ahead and think about what it hopes to be in 25 years' time when the Trust celebrates the 50th Anniversary of the settlement.
- Peter referred to the success of Ngai Tahu and Tainui who had grown their settlements of 170 million dollars and now had assets worth one billion dollars. Both iwi had experienced difficulties and had to work their way through complicated issues, politics and people's expectations.
- The RUHT had rejected the notion of paying out dividends but would take on a greater responsibility helping hapu trust members in the future, particularly our rangatahi to find their place in the world.
- It was also important to help our kaumatua pass onto us what they have learnt and how to maintain the things that are important to us as we look for the things that are going to be relevant to our life in years to come.
- An Education Endowment Fund of 1 million dollars had been established as a means of not only assisting people with their educational goals but also as a mechanism to secure funds that couldn't be accessed or used for other purposes.
- Educators Lloyd Keung and Liane Green were helping the Trust with education initiatives.
- A focus of the Trust was to generate a reasonable return on the funds that had been accumulated and taking a moderate amount of risk to improve returns.

In summary Peter stated that in looking ahead 25 years from now we should be able to reflect at that point on the good decisions made at this point so that the Trust is a sound operating organisation when that time comes and, people are proud of coming from here. Managing the funds and growing our people was an important function of the Trust but it was also a responsibility of the Trust to plan ahead for the next 25 years.

Peter completed his report by asking if there were any questions. There were none.

Financial Report 2014 – Steve Keung

Steve presented the Financial Report for 2014 via a power point presentation. He advised that the 2014 financial statements along with the statements for 2015 were being reviewed and were unaudited. This had arisen because he had a few questions for the Trust's accountants regarding some accounting issues and until he was satisfied with their responses could not recommend to the Chairperson that the 2014 accounts be signed off. Steve reassured the meeting that there had been no misappropriation of funds.

Steve referred to his power point presentation;

- The Cave royalty makes up 80% of the Trust's income with 20% coming from the investment portfolio.
- To reduce reliance on the royalty from the Caves the intention is to generate more income from investments which is a key strategy of the RUHT. The reason for this is if something was to happen at the Caves the Trust would lose up to 80% of its revenue.
- In the previous year 30% of our revenue came from our investments compared to 20% from this year. This was a concern and the accountants have been asked to provide further information on this decrease.
- Income is 1.2-1.3 million with a profit of around 800k compared to 900k in the previous year. The decrease is related to a change in the way that assets have been mixed and/or moved around.
- The Trust is worth \$6.8 million dollars which has increased by 1 million dollars since last year. The assets of the Trust comprise of cash, investments, and forestry. The balance sheet does not include the value of the Caves which would increase the worth of the Trust substantially.
- The 6 million dollars in the investment portfolio comprises of two main asset allocations, fixed income/interest and shares. Fixed income assets are low risk and therefore generate lower interest returns (7-8%) whereas shares have a little more risk. It is important to have funds in shares to offset low returns from fixed income investments because of the lower interest rates.
- The goal is to have 40% in growth stocks (shares) and 60% in fixed interest.
- Last year we had most of our money in fixed interest and in cash. The returns we received from shares was only 14%. This year it had doubled to 28%. The benefit of this won't show up until the next year when the values of our shares beginning to rise.
- Returns from fixed income will be reduced because of the movement from fixed income into shares. Steve stressed that it was important not to be irresponsible so we are investing into good solid stocks.

Steve reported that the decrease of income last year is attributed to three things;

- The accountants changing the way they accounted for income ie changed from a cash basis to an accrual basis which reflects money into the year it was received and not when it was earned. This can give the impression money has been lost but really it has been reflected into another year (the new financial year).
- A drop in interest rates domestically and world-wide. This is the result of countries growing their economies by encouraging people to borrow money that has low rates of interest to repay

- The shift of asset allocation from fixed income into shares - the value of the assets grow but you don't actually receive the money but are paid a dividend.

Over all Steve and the Board feel confident about what they are doing with the funds and in 2015 there should be growth in the share portfolio. Steve asked for questions but there were none.

Education Report – Steve Keung

Steve reported on the different initiatives the Trust had rolled out to assist with the education of hapu trust members; grants and the online Maths Buddy tutorial programme. The goal of the Trust was to help people to live prosperous and productive lives and to become the future leaders in their communities. Moving forward it was intended to do more than giving out education grants and to leverage that by bringing in other services to help individuals.

Lloyd Keung spoke about the Maths Buddy programme and the number of students subscribed on it. It was a well worth programme for parents to use with children who struggled with maths and the Trust was offering it for free to members.

With regard to the education grants the Trust distributed 55k in 2014 and the surplus (19k) was carried over to the 2015 grant round. In the 2015 financial year there would be two drops of intermediate and secondary grants. The purpose of the two drops was to align the distribution of grants to the beginning of the school year.

A question from the floor identified that there was a difference in the amount of the surplus in the Annual Report, \$19,300 and what was in the power point, \$19,700. Steve finished his report.

Other Items

Peter reported on other items in the Annual Report; the 125th Anniversary, activities the Trust had undertaken during 2013-2014 including a glowworm research study and archival filming project on Waitomo place names by Kuia Josephine Anderson. Peter acknowledged the people who assist the Trust with their expertise; Dan Hikuroa, Greg McCarthy, Ariana Hemara-Wahanui and Joanne McCracken. Peter also reported that the Trust had made a donation of \$5000 towards the commemoration of the 150th Anniversary at Orakau. The last agenda item was the minutes of the last AGM which were briefly discussed.

Following an question and answer session the meeting closed.

Spectacular Growth in Tourism Forecasted to Continue

A drop in dairy exports and an increase in international visitors to New Zealand resulted in tourism outstripping the dairy sector to become our biggest export earner in the 2015 calendar year. International visitors to New Zealand grew from 2,857,400 in 2014 to 3,131,927 in 2015 (an increase of 9.6%) and the average spend per visitor increased from \$2,880 in 2014 to \$3,440 in 2015 (an increase of 19%).

Various factors have contributed to the growth in earnings including;

- the introduction of new air services particularly out of the Asia-Pacific region giving visitors better access to travelling to and from New Zealand
- a weakening New Zealand dollar having a positive impact on visitors deciding to come here and when they get here the low dollar makes them feel more comfortable about spending more
- relatively lower fuel prices making it cheaper to get here; and
- strong marketing campaigns overseas to promote the amazing experiences or special interests available in New Zealand motivating people to travel here.

International Visitor Arrivals

International visitors come from all over the world to visit New Zealand however, our three main markets are Australia, China and the United States.

- Australians make up almost half of all visitors with 1,364,736 arriving here during the 2016 financial year.
- China is a rapidly growing market for us with sustained growth coming from its growing middle class with 377,840 arrivals in the same period.
- The United States is our third largest market with visitor arrivals of 253,792. Of all the visitors to come here Americans are the most satisfied with their experience and this offers a great opportunity to grow market share as well as attracting high value visitors.

While it has been forecasted that these three markets (along with other key markets) will continue to grow it is India that has been forecasted to grow the fastest, as much as 12% per year as more and more of its middle to higher income earners decide to travel here.

Glowworm Caves

The Glowworm Caves has definitely experienced an increase in visitor numbers driven by continued growth in the Chinese, Australian and other key markets. Cave Royalties of \$1,272,095 in FY15 represented an increase of approximately \$245,000 (an increase of 24%) over FY14. This resulted from a similar increase in cave visitors during the year, a small increase in the average price per visitor achieved and an increase in their total retail spend whilst at the caves.

In the season ending 30 June 2015, total visitor numbers were up approximately 18% from FY14 and these strong growth trends have continued into FY16, which is tracking well above FY15.

The Future of Tourism 2016 - 2022

The future of tourism looks bright. Ministry of Business, Innovation and Employment forecast that visitor arrivals to New Zealand are expected to grow 5.4% a year, reaching 4.5 million visitors in 2022 from 3.1 million in 2015. Total international spend is expected to reach \$16 billion in 2022, up 65.5% from 2015. Combining the spending of international and domestic tourists, the New Zealand tourism industry was worth about \$23.7 billion in 2014. This is expected to grow to \$41 billion in 2022.

The Glowworm Caves is perfectly positioned to enjoy increased growth. The passive nature of the Caves experience appeals to our emerging markets however, overcrowding during peak season is an issue. Alongside Tourism New Zealand, THL will no doubt be focussing on off peak promotion to spread the visitor load. For the RUHT, royalties are likely to continue to grow over the next two years (at the very least) and there will be increased job/career opportunities at the Caves for our people to take advantage of. Sustainable growth will be needed to ensure that the mauri and mana of the Caves is enhanced and protected for future generations while achieving improved economic and social outcomes for hapu trust members.

Lastly, while forecasts for tourism look positive over the next six years it remains to be seen what impact the slowing down of some global economies and global events will have on the growth of tourism. What we do know is that the Lease for the Caves expires in 2027 and there may be an opportunity for the RUHT to take over the operational management of the Caves then or before that date. It certainly is an exciting prospect to consider the Caves being returned to tangata whenua to operate.

Sources: Tourism New Zealand; Ministry of Business, Innovation and Employment; Maori Tourism Quarterly; NZ Herald.



Trust Activities in 2014-2015

Review of Trust & Development of a New Trust Order

You will be aware that a major focus of the Trust has been the legal proceedings in the Maori Land Court relating to applications to review the RUHT from Messrs Tane/Martin and the Trust. The applications were heard in July 2015 and in August, Judge Milroy released her final decision in favour of the Trust.

The Trust held a number of consultation hui in 2015 to explain the reserved decision to beneficiaries and the process going forward to develop a new trust order in accordance with the Court's final decision.

Regular updates have been included in Tomokia to ensure beneficiaries have been kept abreast of the proceedings and feedback from those attending the consultation hui has been used to develop the new trust order.

At the Annual General Meeting 2016 the trust order will be presented to the beneficiaries. Once the new trust order is approved by the Court the Trust will have more certainty and a better ability to carry out its strategic goals to grow its assets base, take care of its toanga and to assist its people. The trust order will also preserve the original spirit and intent of the Wai 51 settlement between the hapu of Ruapuha and Uekaha and, the Crown which recognises the historical, cultural and spiritual significance of the Caves to our people.

Caves Management Committee

Last year the Committee undertook a review of the Caves Management Plan. The CMP is the operational document used by THL to manage the Caves. A major part of the review was to look at how the Principles of Management contained within the Lease could be reflected more consistently in the day to day running of the Caves and used to grow the business in a sustainable way.

As Maori owners it was important to ensure that our traditions, tikanga, and kawa and the strong relationship we have with our natural world was recognised in the decision making process. The outcome of the review is that Dr Dan Hikuroa has been asked to develop a mauri model framework which will connect the collective values and knowledge of the tripartite ie Doc, THL and RUHT into the management of the Caves. The response of DoC and THL to using a mauri model has been positive and we expect the new framework to be adopted into the CMP early next year.

Principles of Management

- To preserve and protect the cultural and natural features and processes of the Cave, for the purpose of maintaining their intrinsic values and safeguarding options of future generations;
- To recognise the special relationship that the RUHT have with the Caves and its environs as tangata whenua based on their tikanga and the terms of the Treaty of Waitangi Settlement (Wai 51), in the use of the Cave and its facilities;
- To recognise the Cave as an international visitor destination and a part of the world's natural heritage
- To ensure the experience of Cave visitors is consistent with the above principles, by communicating the values of the Cave and providing appropriate conservation messages;
- To reflect, in management and development, the rural landscape and natural setting of the Cave and the facilities; and
- To use sound and prudent business practices to maximise opportunities for the public to visit the Cave, only as consistent with the above principles.



Online Registration

Work on the online registration platform continued throughout 2015 and we are pleased to announce that hapu trust members can now register and update their details online. To register online go to our website www.ruht.co.nz and click on the register online tab.

If you haven't already subscribed to the e-version of Tomokia visit our website to do so and don't forget to check out our facebook page, Ruapuha Uekaha to receive the latest updates with the Trust and what is happening within Maniapoto.

**'Ko te matakahi maire
Like a wedge of maire;
bold & committed'**



Meet the people involved with the Trust

Trustees



Peter Douglas
- Chairperson



Josephine Anderson



Angela Pope



Lynn Green



Steve Keung



Hiria Love



Chuck Davis



Norman Tane

Management & Advisors



Miria Davis
- Trust Secretary



Greg McCarthy
- Financial & Commercial Advisor



Joanne McCracken
- Property & Lease Advisor



John Koning
- Legal Advisor

Hapu members assisting the Trust to reach its goals



Dr Daniel Hikuroa
- Caves Management Committee &
Environmental Advisory Group Member



CJ Hemara
- Trust Administrator



Ariana Hemara-Wahanui
- Editor of Tomokia



Lloyd Keung
- Education Sub-Committee Member &
Coordinator of Maths buddy Programme

Our Vision

to connect and to reconnect our people to their whanau and their whenua

Our Mission

managing and enhancing Trust assets within a long term vision to support our people

Our Values

to follow in the footsteps of our tupuna and unite to take care of one another and to look after our resources

Our Goal

to build a strong and sustainable organisation capable of assisting its people into the future

The Trust

Established in 1990 the Ruapuha Uekaha Hapu Trust is charged with the responsibility of managing the Trust's assets to benefit the people it serves by increasing their opportunities in life and by strengthening their hapu identity.

It must also safeguard the Waitomo Glowworm Caves to ensure that it provides for the generations yet to come. Building a strong and sustainable organisation is essential to achieving these goals.



Ruapuha Uekaha Hapu Trust

0800 558 787

ruapuhauekaha@gmail.com

www.ruht.co.nz

