

Special Purpose Accounts for the Tūpuna Maunga Authority

(Co-governed by Ngā Mana Whenua o Tāmaki Makaurau and Auckland Council)
Annual Financial Report
For the year ended 30 June 2020

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Special Purpose Accounts for the Tūpuna Maunga Authority

For the year ended 30 June 2020

Legal Name of Entity:	Tūpuna Maunga o Tāmaki Makaurau Authority (Tūpuna Maunga Authority)
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Type of Entity and Legal Basis:	Administering body over the maunga of Tāmaki Makaurau. Established by the Ngā Mana Whenua o Tāmaki Makaurau Collective Redress Act 2014 (Redress Act).
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Entity's Purpose or Mission:	<p>The Ngā Mana Whenua o Tāmaki Makaurau Collective Redress Settlement vested the Crown-owned land in 14 Tūpuna Maunga ("Maunga") in Ngā Mana Whenua o Tāmaki Makaurau, on the basis they would be held in trust by the Tūpuna Taonga o Tāmaki Makaurau Trust ("Tūpuna Taonga Trust") for the common benefit of the iwi/hapū of Ngā Mana Whenua o Tāmaki Makaurau and the other people of Auckland. The Tūpuna Maunga are vested as reserves.</p> <p>The Tūpuna Maunga Authority is responsible as the administering body for the Tūpuna Maunga.</p> <p>The Tūpuna Maunga Authority was established by legislation and commenced operations on 28 August 2014.</p> <p>Auckland Council is responsible for routine management of the Maunga and the administered land and must carry out this responsibility under the direction of the Tūpuna Maunga Authority. This means that all income and expenditure for the Maunga is received and incurred by Auckland Council. These special purpose accounts represent that income and expenditure.</p>
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Entity Structure:	<p>The Tūpuna Maunga Authority has six representatives from Ngā Mana Whenua o Tāmaki Makaurau and six representatives from the Auckland Council. The chairperson is elected by Ngā Mana Whenua o Tāmaki Makaurau representatives. The deputy chair is elected by Auckland Council appointees.</p> <p>A non-voting Crown representative is appointed by the Minister for Arts, Culture and Heritage for a three-year term, which can be extended for any period with the agreement of all parties.</p> <p>The Maunga Operational Plan has been adopted. Where ownership under the Redress Act has been transferred from the Crown to the Tūpuna Taonga Trust or where administration of Crown-owned Maunga has been transferred, administration of the Maunga is through the Tūpuna Maunga Authority and routine management is undertaken by Auckland Council.</p>
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Special Purpose Accounts for the Tūpuna Maunga Authority

For the year ended 30 June 2020

Sources of the Entity's Cash and Resources:

Income is received from leases and events. Auckland Council is responsible for costs and is required to fulfil this responsibility to the extent that funding and revenue for the Maunga and the administered lands allow. Funding is approved via Auckland Council's long-term and annual plans.

Additional Information:

The information contained in these special purpose accounts is to report income and expenditure received and incurred by Auckland Council on behalf of the Tūpuna Maunga Authority and for the routine management of the Maunga. Auckland Council must apply funding under the direction of the Tūpuna Maunga Authority and in accordance with the Annual Operational Plan. The 2019/20 Operational Plan was adopted on 7 June 2019.

Contact details

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Phone/Fax:	Phone: 09 301 0101 Fax: 09 301 0100
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Board members as at 30 June 2020

Chair:	Paul Majurey	Ngā Mana Whenua o Tāmaki Makaurau (Marutūāhu Rōpū)
Deputy Chair:	Cr Alf Filipaina	Auckland Council
Members	Cr Dr Cathy Casey	Auckland Council
	Toni Van Tonder	Auckland Council
	Hauāuru Rawiri	Ngā Mana Whenua o Tāmaki Makaurau (Marutūāhu Rōpū)
	Bernadette Papa	Ngā Mana Whenua o Tāmaki Makaurau (Ngāti Whātua Rōpū)
	Cr Josephine Bartley	Auckland Council
	Clay Hawke	Ngā Mana Whenua o Tāmaki Makaurau (Waiohua-Tāmaki Rōpū)
	Dennis Kirkwood	Ngā Mana Whenua o Tāmaki Makaurau (Waiohua-Tāmaki Rōpū)
	Chris Makoare	Auckland Council
Lemauga Lydia Sosene	Auckland Council	
Zaelene Maxwell-Butler	Ngā Mana Whenua o Tāmaki Makaurau (Ngāti Whātua Rōpū)	

Special Purpose Accounts for the Tūpuna Maunga Authority

Statement of Income and Expenditure For the year ended 30 June 2020

	Note	Actual This year \$	Actual Last year \$
Revenue	1		
Council funding		3,307,008	2,963,591
Lease income		254,321	259,160
Event income		3,287	5,096
Total revenue		3,564,616	3,227,847
Expenses	2		
Employee related costs		646,222	594,940
Repairs and maintenance		2,196,401	2,202,002
Professional services		542,349	350,371
Other expenses		179,644	80,534
Total expenses		3,564,616	3,227,847
Surplus/(deficit)*		-	-

* For the purpose of the special purpose accounts, the council's funding corresponds to the Tūpuna Maunga Authority's net expenditure therefore no surplus or deficit is presented.

Special Purpose Accounts for the Tūpuna Maunga Authority

Statement of Accounting Policies For the year ended 30 June 2020

Basis of preparation

This financial report is a special purpose report that reflects the current understanding of Auckland Council's ("the council") reporting requirements for the Tūpuna Maunga Authority ("Tūpuna Maunga Authority") under the Ngā Mana Whenua o Tāmaki Makaurau Collective Redress Act 2014.

The council is responsible for the routine management of the Maunga and the administered land and must carry out this responsibility under the direction of the Tūpuna Maunga Authority and in accordance with the annual operational plan, any standard operating procedures between the Tūpuna Maunga Authority and council and any delegations made to council.

The Tūpuna Maunga Authority was established on 28 August 2014. The amounts presented are extracted from the council's accounting records in relation to the work of the Tūpuna Maunga Authority as the administering body of the Maunga and administered land. This report is designed to provide information about the current period's income and expenditure and the policies applied to prepare the reported results.

Goods and services tax (GST)

All amounts are recorded exclusive of GST.

Council funding

The Tūpuna Maunga Authority and the council must agree an Annual Operational Plan to provide a framework and funding in which the council will carry out its functions for the year. Each annual operational plan must be:

- a) Agreed before commencement of the financial year to which it relates; and
- b) Prepared and adopted concurrently with the council's annual plan; and
- c) Included in the council's annual plan in summary form.

The council's annual operational funding is recognised as the Tūpuna Maunga Authority revenue in these financial statements to a maximum of net expenditure incurred.

Funding for capital expenditure is also agreed in the annual operational plan. The council assigns this funding under the direction of the Tūpuna Maunga Authority. Refer to Note 7 for detail.

Lease income

The Tūpuna Maunga Authority receives rental income from buildings and structures located on the Maunga and administered land.

Special Purpose Accounts for the Tūpuna Maunga Authority

Statement of Accounting Policies For the year ended 30 June 2020

Event income

Income is received for events in relation to the Maunga and is recognised when the event occurs.

Employee related costs

Employee related costs are recorded as an expense when staff provide services and become entitled to wages, salaries, leave or other entitlements.

Employee related costs for staff dedicated to the management of Maunga activities are assigned to the Tūpuna Maunga Authority. The council also incurs employee related costs for staff involved in the areas of governance, property management and general corporate support of the Tūpuna Maunga Authority. These employee related costs are not assigned to the Tūpuna Maunga Authority.

Other Expenses

Expenditure is recognised when the good or service is received.

Other expenses include expenditure associated with Maunga related property maintenance, utilities and general consultancy.

Surplus/(deficit)

The council's funding is to a maximum of the Tūpuna Maunga Authority's net expenditure therefore no surplus or deficit is presented.

Special Purpose Accounts for the Tūpuna Maunga Authority

**Notes to the Annual Financial Report
For the year ended 30 June 2020**

Note 1 : Analysis of revenue

Revenue Item	Analysis	This year \$	Last year \$
Council funding	Operational funding	3,307,008	2,963,591
	Total	3,307,008	2,963,591

Revenue Item	Analysis	This year	Last year
Lease income	Residential	32,604	54,364
	Commercial	143,039	175,171
	Other	78,678	29,625
Total		254,321	259,160

Revenue Item	Analysis	This year	Last year
Event income	Event income	3,287	5,096
	Total	3,287	5,096

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**Notes to the Annual Financial Report
For the year ended 30 June 2020**

Note 2 : Analysis of expenses

Expense Item	Analysis	This year \$	Last year \$
Employee related costs	Salaries and wages	505,301	526,174
	Other personnel costs	140,921	68,766
	Total	646,222	594,940

Expense Item	Analysis	This year \$	Last year \$
Repairs, maintenance and outsourced works and services	Maintenance	2,073,349	1,910,910
	Outsourced works	123,052	291,091
	Total	2,196,401	2,202,002

Expense item	Analysis	This year \$	Last year \$
Professional services	Planning	150,289	134,727
	Design	38,490	19,229
	Property Management costs	159,657	61,532
	Other consultancy	193,913	134,883
	Total	542,349	350,371

Expense item	Analysis	This year \$	Last year \$
Other expenses	Other expenses on activities	179,644	93,043
	Total	179,644	93,043

Special Purpose Accounts for the Tūpuna Maunga Authority

Notes to the Annual Financial Report For the year ended 30 June 2020

Note 3 to Note 8

Note 3: Other

There are no revenues with conditions which have not been recorded as a liability.

Note 4: Appointed member remuneration

Auckland Council is required to incur remuneration and expenses of members of the Tūpuna Maunga Authority appointed by a rūpū entity (s.62, Ngā Mana Whenua o Tāmaki Makaurau Collective Redress Act 2014). These expenses are to be incurred by Auckland Council in addition to any revenue and funding received by the Tūpuna Maunga Authority. The appointed member remuneration and expenses are not included in this annual financial report.

Note 5: Goods or services provided "in kind"

The Tūpuna Maunga Authority received administrative and specialist support services from Auckland Council at no charge.

Note 6: Related party transactions

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and conditions no more or less favourable than those that it is reasonable to expect the Tūpuna Maunga Authority would have adopted in dealing with the party at arm's length in the same circumstances.

Note 7: Capital expenditure

Under the direction of Tūpuna Maunga Authority, \$4.9m from a total \$8.6m budgeted has been spent on capital projects for the Maunga (30 June 2019: \$5.2m). There has been a significant slowdown in the capital work programme during the period due to COVID-19 lockdown.

Note 8: Events after balance date

The impact of COVID-19 is ongoing, and it is not practicable to estimate the potential impact, positive or negative, after the reporting date. No other matter or circumstance has arisen since 30 June 2020 that has significantly affected or may affect the Tūpuna Maunga Authority and its operations.