

# NGATIMANAWA INCORPORATION



Annual Reports  
To 30 June 2024

# PROPRIETORS OF NGATIMANAWA INC

## DIRECTORY

### COMMITTEE OF MANAGEMENT

Tawhiri Morehu (Chairman)  
Patrick McManus  
Pouwhare Rewi  
Maramena Vercoe  
Renata White  
Stan Heather  
Charlie Teddy

### SECRETARY

Murray Patchell

### OFFICE AND SHARE REGISTRY

Awahi Roopu Consultants  
1227 Ranolf St  
Rotorua

Telephone 072427228  
Email: [shareregister@arconsultants.co.nz](mailto:shareregister@arconsultants.co.nz)

### WEBSITE

[www.ngatimanawaincorporation.co.nz](http://www.ngatimanawaincorporation.co.nz)

### FARM ADVISOR

Peter Livingston  
AG First

### SOLICITOR

Helen Nathan  
Morrison Kent

### BANKERS

Bank of New Zealand

# **PROPRIETORS OF NGATIMANAWA INC**

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# NGATIMANAWA INCORPORATION

## 2024 ANNUAL GENERAL MEETING

at Rangitahi Marae,  
on Saturday 16<sup>th</sup> November 2024 at 10.00am.

### AGENDA

1. Apologies.
2. Minutes.
3. Annual Reports & Financial Statements.
4. Appointment of Share Valuer.
5. Distribution.
6. Election of three members to the committee of management for 3 year terms. Stan Heather, Pouwhare Rewi and Renata White retire by rotation.
7. General Business.

**PLEASE NOTE THAT SPEAKING AND VOTING RIGHTS AT THE MEETING  
ARE RESTRICTED TO REGISTERED SHAREHOLDERS OF THE  
INCORPORATION.**

Tawhiri Morehu  
Chairman

## **NGATIMANAWA INCORPORATION**

### **MINUTES OF THE 2023 ANNUAL GENERAL MEETING OF SHAREHOLDERS HELD AT PAINOAIHO MARAE ON SATURDAY 18<sup>TH</sup> NOVEMBER 2023 AT 10AM.**

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**CHAIRMAN:** Tawhiri Morehu.

**SECRETARY:** Murray Patchell.

**MIHI & KARAKIA:** Jack Tupe.

**ATTENDANCE:** 36

**APOLOGIES:** 12

**MINUTES:** Of the previous annual general meeting held on 27<sup>th</sup> May 2023 were read by the Secretary and confirmed with amendment to the date of the prior AGM to 24 September 2022.

*(Diane Grace/Minnie Pouwhare) Carried*

#### **CHAIRMAN'S REPORT:**

Chairman tabled and read his report.

**RESOLVED:** "That the Chairman's report be adopted."

*(Tawhiri Morehu/Renata White) Carried*

The secretary advised that no nominations had been received so Tawhiri Morehu and Maramena Vercoe were re-elected for 3 year terms.

**FARM REPORT:** Peter Livingston presented his farm report.

**RESOLVED:** "That the farm report be received."

*(Maria Gower/Renata White) Carried*

In presenting his report Peter focussed on:

- Variable weather patterns appearing to return to more normally experienced dry summer conditions.
- Good production results were achieved but the drop in milk price has resulted in a \$300,000 drop in income.
- On farm costs increased by 12%
- Miraka Hipi has been explored but timing is not right for the Incorporation. Something for the future.
- MPI funding has been provisionally approved for a land use capability study that will identify lands for further investment or environmental purposes. Focus is on food production for export and local consumption. Project will run January to July 2024.

#### **FINANCIAL REPORT:**

Murray Patchell tabled the financial statements for the year ended 30 June 2023 and presented a summary overview. He said despite the drop in income and increased costs the Incorporation still made a profit and is in a strong financial position to handle challenges that may arise. The biggest impact on the balance sheet was the drop in value of Carbon Credits which had since recovered.

**RESOLVED:** "That the financial report for the year ended 30 June 2023 be received."

*(Minnie Pouwhare/Renata White) Carried*

Jack Tupe queried if shareholders register to the land or the farm. The Secretary explained that in 1972 the share list was created by the amalgamation of land blocks that land owners agreed to put into the Incorporation and shares follow subsequent successions.

**DISTRIBUTION:** The Secretary advised the committee of management had approved \$60,000 for distribution and recommended this be paid as owners grants as previously per the distribution policy tabled.

**RESOLVED:** "That the \$60,000 be approved for owners grants as per the policy tabled."

*(Hoki Kahukiwa/Yvonne Rewi) Carried*

**SHARE VALUER:** **RESOLVED:** "That PKF Tauranga, Chartered Accountants be appointed share valuer."

*(Barnett Vercoe/Renata White) Carried*

**TANGIHARURU APA TRUST:**

Murray Patchell took the meeting through the financial summary, investment update and education grant details for the Trust.

**RESOLVED:** "That the Tangiharuru Apa Trust report be received."

*(Stan Heather/Marilyn Clarke) Carried*

Pat McManus referred to the decrease in the number of students funded this year. This was concerning and the committee are looking at how to target students. Maramena Vercoe said young people don't want student loans and are looking for jobs. She suggested inviting whanau to meet and discuss strategies to access funds to assist with job search.

Maria Gower said there was an increase of students with Dyslexia and perhaps funds could be made available to assist with support for them.

Pat said the committee will review this and look at a refreshed plan.

**GENERAL BUSINESS:**

1. Hoki Kahukiwa queried the impact on water with the environmental factors. Peter Livingston said consents are in place so there is no issue to continue as per current arrangements unless there is an overall supply issue. Hoki said Ngati Manawa owns the water but it is controlled by pakeha organisations. Maramena Vercoe said decisions are awaited from the new Government on water management nationally and as it affects farms. This is a huge Kaupapa currently in limbo awaiting clarity from Government. Pat McManus added that the Rangitikei River Forum will feedback to Government.

2. **RESOLVED:** "That a koha of \$3,000 be made to Painoaiho Marae for hosting the AGM."

*(Minnie Pouwhare/Hoki Kahukiwa) Carried*

Meeting closed at 11.30pm with karakia from Jack Tupe.

Signed as a correct record

\_\_\_\_\_  
**CHAIRMAN**

# PROPRIETORS OF NGATIMANAWA INC

## CHAIRMAN'S REPORT

Tēnā koutou katoa

I welcome you all to our annual shareholder hui today. We have some great results to present which reflects the hard work of everyone involved from the committee right through to our farm workers and advisers.

The committee rotation comes around again and in this cycle we have Stan Heather, Pouwhare Rewi and Renata White standing for re-election. Nominations for other candidates closed on 12<sup>th</sup> November 2024.

Last year I reported on the uncertainty and challenges that lay ahead of us and the steps we had put in place to manage our risks on the farm. The diligence of our team has paid off as we are able to report an outstanding surplus for the year of \$1,158,374. This is a level not achieved before and is a huge turn around from 2023's disappointing result. While our country has a long way to go to in its recovery and many people are still grappling with the cost of living and high interest rates, the outlook for our farm has improved due to higher milk prices, reduction of our debt, lowering of interest rates and lower inflation. These factors should enable us to reach near a similar level of profitability next year. Aside from the off farm impacts, which we can't control, much credit goes to our farm management team and farm workers that ensure good quantities of quality milk goes in the vat for collection by Fonterra, that our cows are healthy and settled with plenty of feed, and they have a good farm environment to graze in. These things don't happen by chance and therefore we extend our sincere appreciation to Stan and his team for their great work in securing these great outcomes.

The improved outcomes have increased our cash on hand and enabled us to further reduce our bank loan. We have paid off over \$400,000 over the last year and our loan is now just under \$2million. Since the Incorporation was formed in 1971 we have never known a time without bank debt and we are inching ever closer to that prospect in the foreseeable future.

Peter and Murray will take us through the farm and financial reports that provide the detail of the results achieved.

During the year our forestry Lessee Matariki/Rayonier sold its interest in the forest to Kauri Forestry LP which is a subsidiary of the Craigmere Group. Craigmere group is a large NZ business involved in Farming, Forestry and Horticulture. Its owners are the family of the late Sir Peter Elworthy who was a prominent Farmer, Director and Politician in the 1980's. Kauri NZ have appointed local firm Waipa Forestry (Todd

Cheesman) as their Forestry Managers. Waipa have previously done work for the Incorporation and expect to have a good ongoing working relationship with them.

The annual rental we receive from the forestry lease is \$49,000. Two years ago we decided to set aside the annual forest rent into an investment fund managed by Craigs Investments. This fund will build up over time and be a source of funding for the time the forest comes back to us in 2075 or potentially earlier if we can purchase it one day. Currently the fund has grown to \$220,000.

We are delighted to report that MPI has approved funding for a land use capability study to assess the best use of our lands. This is a significant outcome given the tightening of Govt funding now available. This work is now underway and will help drive the strategic direction of our land use to optimise outcomes in the future. While Dairying is currently going well there may be other uses that we can put some of our land to, to complement the dairy farm, provide diversification of income and reduce the risks of reliance on a single farm purpose.

I am delighted to advise the committee have approved an increase in the amount for distribution to shareholders from \$60,000 to \$90,000 and we recommend that this be paid as a shareholders grant to shareholders that have provided their addresses and bank accounts as in previous years. The minimum grant increases from \$100 to \$150. See table on page 16. Your endorsement is by way of resolution today.

Please continue to do successions and keep your records up to date with our share registry team and encourage others to do that as well. Information is always available on our website [www.ngatimanawaincorporation.co.nz](http://www.ngatimanawaincorporation.co.nz).

I would like to thank our committee members who all make a valuable contribution to our regular farm visits and hui and never back off the hard decisions that need to be made. Special appreciation to our farm manager Stan and Aroha and all our farm workers for all their hard work and commitment to our success. Also to our dedicated advisers for their support and wise guidance - Peter Livingston and his AgFirst team, our Secretary/Accountant Murray Patchell and his team at Awhi Rōpu Consultants. Congratulations to everyone involved on the excellent result.

Finally, I thank all you shareholders for joining us today and wish you and you whanau all the best for a safe and enjoyable festive and holiday season which is fast approaching. I also extend our appreciation to Rangitahi Marae for hosting us today.

Naku noa,



**Tawhiri Morehu**  
Chairman





AgFirst Consultants Central Ltd  
Level 1, 1230A Amohau Street, Rotorua  
PO Box 976, Rotorua 3010, New Zealand  
+64 7 349 4333  
rotorua@agfirst.co.nz  
www.agfirst.co.nz

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Independent  
Agriculture  
& Horticulture  
Consultant  
Network

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Peter Livingston  
16<sup>th</sup> November 2024

## 1.0 BACKGROUND

Another sound year of performance for the Incorporation has occurred. This comes as part of the reward for on-going re-investment in the land, infrastructure and the dairy herd.

The weather also “*played ball*” in 2023/24, the pattern being called an El Nino one which was meant to bring a drier than normal summer / autumn. That was not the case however, as the district received adequate rainfall throughout most of the year.

The talk of the industry at present is the much higher than forecasted milk payout expected for 2024/25. After a “*lower*” \$7.83 / kgMS received last season, it is anticipated that Fonterra could pay more than \$9.00 / kgMS this season. Add to that another 40 cents / share dividend and the prospects for a strong lift in revenue ahead are in the mix.

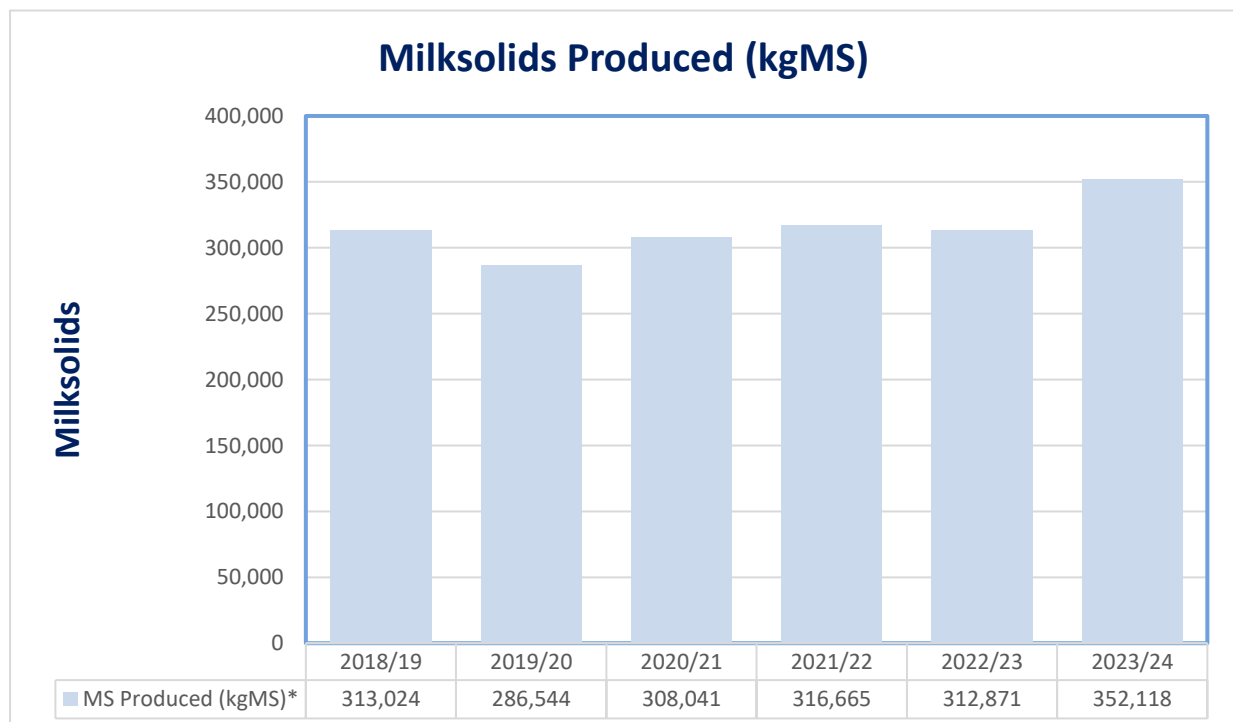
Beef markets also remain strong, and the Incorporation has carried plenty of beef animals into 2024/25, reared from its’ own herd and run on the Kopuriki Road Lands.

Profit-wise the Incorporation had a very strong year in 2023/24, a result that should be repeatable. Managing the costs of farm inputs remains a strong focal point.

Producing milk and meat in a sustainable and profitable fashion is just part of the recipe for the future, however. There remains a looming requirement to reduce Greenhouse Gas Emissions and find ways to keep ensuring the excess nutrient / sediment loss to groundwater is managed. Land use considerations for the future are at the forefront of the strategy.

## 2.0 THE 2023/24 SEASON

Productivity took another leap last season with a record output of 352,118 kg of milksolids. As shown in the graph below this is a significant increase. The five-year average production prior to this was 307,429 kgMS. The farm has shown steady improvement over the last decade or so. This sets a new benchmark for the herd and management team.



The farm milked 1,043 cows on average with a per cow output of 335 kgMS. This is much closer to the “national” average than what had previously been achieved. The herd calved in good condition and enough rain fell at the right times to enable such a production level to be achieved. The number of cows farmed per hectare is low to moderate, a low intensity system run.

Milk quality also improved, although it is fair to say that this is still an area of opportunity to work on in the quest to earn a higher payout each year.

The Karatia Block continues to provide support to the dairy unit through the provision of silage and grazing for cows during winter. Over the last few years there have been a number of beef cross calves reared from the dairy herd (autumn and spring calving) and these are run on the lands at Kopuriki Road.

The number has now increased to up to 500 head wintered annually.

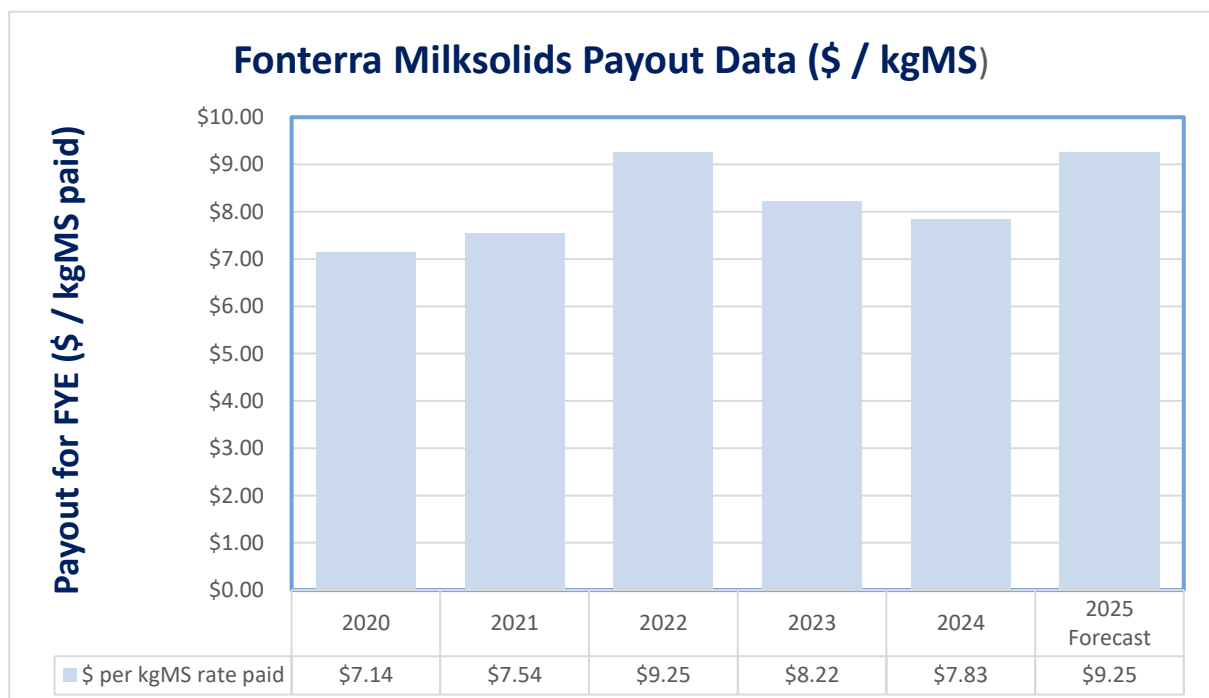
The Incorporation also leases the Matera Trust Lands between Murupara and Te Whaiti. This is largely used for running the replacement dairy heifers for the herd.

The beef market has shown a “steady hand” in recent times, making this a viable option for gaining best value out of animals that would generally otherwise be sold as “Bobbies” at four to seven days of age. The Industry as a whole is looking towards this as a long term “sustainable” practice.

The split autumn / spring calving for the herd continues to work in a favourable fashion for the Incorporation. Around a third of the total herd is milked during winter.

### 3.0 PRODUCT RETURNS

After a record payout of \$9.25 / kgMS in 2021/22 we have seen two seasons of lower returns. However, recent market indicators appear much brighter and there is a high possibility that we will see a repeat of that \$9.25 / kgMS in the current 2024/25 season. The payout farmers received over the last five years is depicted as follows:



The five-year average payout is now around \$8.00 / kgMS but if we look at the last three years it has been elevated to around \$8.45 / kgMS. This is a good time to be a dairy farmer, especially one that is starting to produce at a “higher level” and showing improving efficiency.

In addition, Fonterra pays a dividend on the supply shares owned. The Incorporation holds 287,150 shares and has received a record dividend payment on them of 40 cents / share plus a 15 cent bonus / share in the 2023/24 year. Normally we would expect a dividend of between 20 and 30 cents / share. Fonterra as a company is performing much better than it was five years ago. One might say it has overcome many of the challenges it faced a decade ago.

Beef returns are also at a high level at present. The peak beef schedule in spring has been over \$7.00 / kg of carcass and this has meant the “forward store” market, where most of the cattle run are sold, has been strongly underpinned by demand for beef cattle because of this. There is increased scope to improve beef growth rates to a point where the bulk of the animals are sold as a “finished” product so therefore able to gain full market value.

## 4.0 LAND USE AND ENVIRONMENTAL MATTERS

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As indicated a year ago, evaluation of future land use options and other farm or crop practices the Incorporation might need to “bring into play” was being initiated. The project is being funded by MPI and is due to be completed in mid-2025. As well as alternate farm systems, crop production options and horticulture, the study will look at longer term environmental measures. We know that there is a general move towards “carbon neutrality” by 2050. The government has signalled to farmers that it will need to start to contribute to the reduction of Greenhouse Gas Emissions by 2030 at the latest. We await more directions on this matter and expect there could be some sort of levy charged on products at the point of sale as a start.

Land use is already a well monitored factor and compliance rules have been a feature of farming for many years now. The farming operation must hold and meet consents.

## 5.0 SUMMARY

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The 2023/24 season and financial year were very fruitful for the Incorporation. Even though the milksolids payout was under \$8.00 / kgMS, achieving a high production level, a good dividend from Fonterra, strong beef trading profit and excellent control of input costs meant a substantial lift in the pre-tax profit level was realised. As indicated earlier, the 2024/25 year is likely to see a repeat performance. Stan, Aroha and the team in the farm are an integral part of the way the Incorporation is performing, and their on-going dedication is duly noted.

The Incorporation has been able to pay down a considerable level of debt whilst at the same time continue to invest back into the land and farming business. The Incorporation remains well placed to meet the next challenges, whatever they may be, and take advantage of the good position it has spent a number of years working towards.

Our mahi with the Incorporation continues to be motivating and rewarding. Thanks to the Committee of Management and Murray for their ongoing support and guidance.

**Peter Livingston – AgFirst Agribusiness Consultant**

**Disclaimer:**

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# **PROPRIETORS OF NGATIMANAWA INC**

## **SUMMARY OF FINANCIAL RESULTS**

The Incorporations financial statements were prepared by PKF Accountants and are included in this report. As per s276A of Te Ture Whenua Maori Act 1993 as Secretary I certify that the financial statements give a reasonable representation of the financial position and financial performance of the Incorporation. The financial year end balance date is 30 June 2024. Here is a summary of the key financial points.

### **NET OPERATING SURPLUS:**

	2023	2024
<b>INCOME</b>		
Milk Solids Income	2,594,802	2,794,640
Cattle Trading Surplus	363,001	721,677
Dividends Received	77,765	167,463
Forest lease rental	31,640	53,340
Lease Income	16,800	16,800
Rebates and other income	12,402	3,894
Interest Income	2,280	10,251
<b>TOTAL INCOME</b>	<b>\$3,098,690</b>	<b>3,768,065</b>
<b>LESS EXPENDITURE</b>		
Farm Operating Expenses	1,929,243	1,797,492
Mortgage Interest	184,254	210,185
Depreciation and loss on disposal	126,179	107,189
Administration costs	206,897	183,642
Forestry Planting	4,255	0
Rates	91,325	94,924
Repairs and Maintenance	218,148	62,987
Vehicle Expenses	64,543	101,772
Insurance	41,333	51,500
<b>TOTAL EXPENDITURE</b>	<b>\$2,866,177</b>	<b>\$2,609,691</b>
<b>OPERATING SURPLUS</b>	<b>\$232,513</b>	<b>\$1,158,374</b>
<b>LESS TAXATION</b>	<b>\$34,804</b>	<b>\$182,469</b>
<b>NET PROFIT AFTER TAX</b>	<b>\$197,709</b>	<b>\$975,905</b>

Cattle trading includes an increase in livestock valuation over the previous year of \$438,286. Milksolids production in 2024 was 354,644kgs at a payout of \$8.24 per kg compared to 314,570 at a payout of \$7.88 in 2023. Current Fixed Milk Price trades for the current season have reached \$9.60 per kg.

Direct on Farm costs were down \$263,857 being 10.6% from the 2023 reflecting prudent commitment to cost reduction by management.

Forest rental includes back rent of \$4,340. The new annual rental is \$49,000.

Refer to the full annual accounts provided for more detail on income and expenditure.

The Incorporation tax rate is 17.5%. Due to the higher taxable income this year tax payable increases to \$182,469 with a similar amount payable for provisional tax for 2025 year.

### **NET OPERATING SURPLUS/DEFICIT**



Net Operating Surplus for the year ended 30 June 2024 is determined for accounting and tax purposes on an accrual basis including the final milk payout which is not paid until October.

The Incorporation cash position received a significant boost in October 2023 with the payment of an increased dividend and non taxable capital distribution from Fonterra of \$145,132.

Distribution by way of shareholders grants totaled \$40,482 paid out in December 2023.

Capital Expenditure totaled \$63,894 spent on:

- Building works \$30,767
- Vehicles and equipment \$33,126



## **Assets and Liabilities:**

	<b>2023</b>	<b>2024</b>
<b><u>Assets</u></b>		
Cash at Bank	203,980	684,582
Current Assets (Receivables, Prepayments)	620,408	610,837
Silage	219,750	242,600
Livestock	2,200,039	2,638,325
Shares (Fonterra etc)	799,836	983,811
Craigs Investment Portfolio	107,794	209,326
Land & Buildings	13,837,232	13,796,393
Vehicles & Equipment	396,472	339,010
NZ Units (Carbon)	831,480	1,024,140
<b>TOTAL ASSETS</b>	<b>\$19,216,991</b>	<b>\$20,529,024</b>
<b><u>Less Liabilities</u></b>		
Current Liabilities (Accounts payable)	260,639	286,406
Tax payable	33,988	156,220
Bank Mortgage	2,443,000	2,179,000
Unclaimed Dividends	240,328	240,328
<b>TOTAL LIABILITIES</b>	<b>\$2,977,955</b>	<b>\$2,861,954</b>
<b>NET ASSETS (EQUITY)</b>	<b>\$16,239,036</b>	<b>\$17,667,070</b>

The bank loan is on a floating rate to capture the falling interest rates. The current interest rate is 8.26%. In July 2024 we repaid a further \$200,000 off the mortgage so the balance is now \$1,979,000. Further reductions are recommended as cashflow permits.

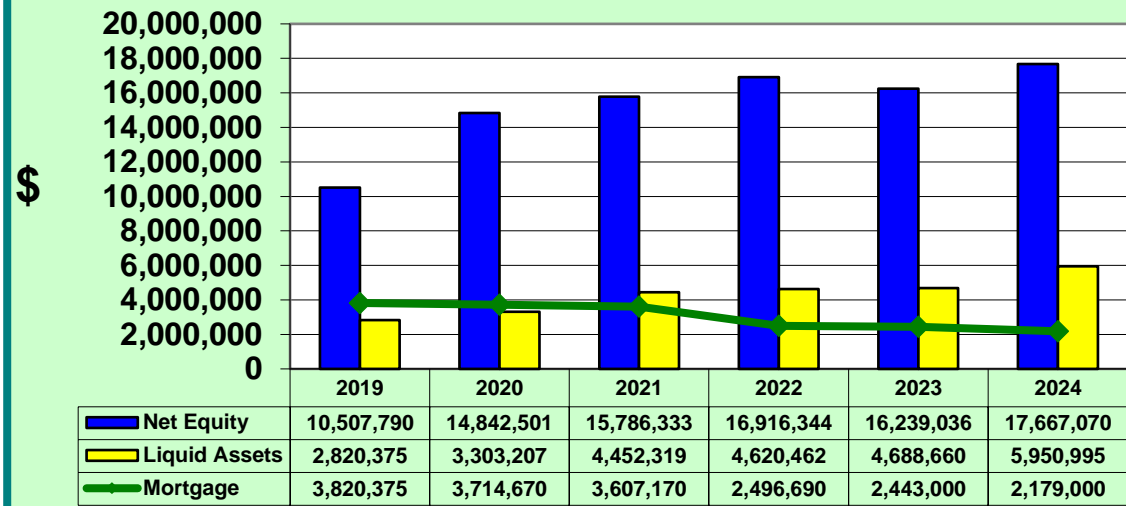
### **Movement in Asset Values:-**

Fonterra Shares increased in value by \$144,437 to \$847,093 (20.5% increase). The price per share at 30 June 2024 was \$2.95 and this has since increased to \$3.98 per share. As at 7 November 2024 the value of the Fonterra shares was \$1,217,516. A further increase of 43.7% since 30 June 2024.

The total value of NZ Units (carbon credits) increased by \$192,660 in the 2024 year to \$1,024,140. An increase of 23%. The price per unit at 7 November 2024 was \$62 per unit that would give a current value of \$1,257,360.

The committee policy is to invest the annual forestry rental into the Craigs investment portfolio to develop a future fund for forestry investment and provide diversification of the off farm resources. As at 7 November 2024 the fund had grown to \$218,850 representing 16.59% return in the last year and 13.11% return since the fund was established in 2022.

## Net equity/mortgage/stock and shares



Liquid Assets available cover debt nearly 3 times, compared to 5 years ago when debt exceeded the value of liquid assets. These comprise:

- Cash at bank
- Trade receivables less Trade payables
- Consumables (Hay, silage)
- Livestock
- Shares (Portfolio fund, Fonterra, LIC and Ballance shares)
- NZ Carbon Credits

Overall Net equity increased by \$1,428,034 in the year ended 30<sup>th</sup> June 2024. An 8.7% increase due to the flow through effect of the net surplus and revaluation of liquid assets.

The BNZ mortgage was reduced by \$264,000 in the 2024 financial year and a further \$200,000 has been paid off the mortgage since the year end. Interest paid last financial year was \$210,000. With the repayments made and lowering interest rates that cost should drop to around \$160,000 in the 2025 financial year.

### **Shareholders:**

The Incorporation share registry contains 254,503 shares held by 1503 shareholders. Share parcels range from less than 1 share to the largest holding of 8207 shares. Contact details are held for 454 shareholders holding 93,431 shares (36.7% of the shares).

The net equity for 1 share is \$69.42 (\$63.80 last year).

Shareholders are encouraged to do successions to increase the level of engagement with the Incorporation. Information on successions can be located on the Maori Land Court website located at this address - <https://maorilandcourt.govt.nz/your-maori-land/succession/>. When doing successions for Trusts the Court needs to be notified if shares are held in the Incorporation. Registration forms are available from our website.

Murray Patchell, CA  
Secretary



# **Ngatimanawa Incorporation**

## **DRAFT 2024 SHAREHOLDERS GRANT POLICY**

A Shareholders grant in lieu of a dividend was adopted for the 2024 AGM. This grant is payable to the shareholders registered at 1<sup>st</sup> December 2024 who have supplied their bank account numbers and addresses. The grant is also available to shareholders, subject to the terms of the grants policy, up to the next AGM. The current policy in respect of the 2024 Shareholders Grant is as follows:-

1. For identification purposes the grant will be called the “2024 Shareholders Grant”.
2. The sum of \$90,000 has been set aside for 2024 Shareholders Grants.
3. The minimum payment is \$150.
4. Payments to be made only to bank accounts and shareholders addresses must be held.
5. Payments will be calculated according to shareholding bands as per the attached schedule.
6. All shareholders with addresses are to be advised of the Shareholders Grant and those who have not provided bank accounts details will be asked to do so.
7. Sufficient funds will be retained to cover any Shareholders who are located after the payment date.
8. The Committee of Management reserve the right to make only one payment to a shareholder whose name may appear more than once on the share register where it is evident that those multiple names refer to one person.
9. Any shareholders who are located after the payment date will be entitled to the payment they would have received had their address and bank account details been known at the distribution date.
10. Any owners who succeed to shares after the payment date will be entitled to payment of the current shareholder’s grant based on their shareholding where it has not been paid to the deceased shareholder.
11. Entitlement to the payment will expire on the date of the next AGM.
12. The Committee of Management reserve the right to amend this policy or draft new policy to cover any circumstance not covered or anticipated by this policy, in respect of payments to all beneficiaries or to any one or more beneficiaries and the Committee decisions in these matters will be final.

Shareholder Grant payments will be made from tax-free retained earnings that will be free of tax in the hands of the shareholders.

Approved.....

Chairman.....

## NGATIMANAWA INCORPORATION

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### SHAREHOLDERS GRANT

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Grant structure for distribution in lieu of dividend (\$90,000).  
an increase of 50% on last year

Group	Share Range		2023 Grant Payment	2024 Grant with 50% increase	Owners with address and bank a/c
1	0 to	399.99	\$ 100	\$ 150	345
2	400 to	499.99	\$ 118	\$ 177	13
3	500 to	599.9999	\$ 142	\$ 213	8
4	600 to	699.9999	\$ 165	\$ 248	0
5	700 to	799.9999	\$ 189	\$ 284	3
6	800 to	899.9999	\$ 212	\$ 318	7
7	900 to	999.9999	\$ 236	\$ 354	11
8	1000 to	1099.9999	\$ 260	\$ 390	3
9	1100 to	1199.9999	\$ 283	\$ 425	1
10	1200 to	1299.9999	\$ 306	\$ 459	1
11	1300 to	1399.9999	\$ 330	\$ 495	1
12	1400 to	1499.9999	\$ 353	\$ 530	2
13	1500 to	1599.9999	\$ 377	\$ 566	1
14	1600 to	1699.9999	\$ 401	\$ 602	5
15	1700 to	1799.9999	\$ 424	\$ 636	0
16	1800 to	1899.9999	\$ 448	\$ 672	0
17	1900 to	1999.9999	\$ 471	\$ 707	0
18	2000 to	2499.9999	\$ 589	\$ 884	2
19	2500 to	2999.9999	\$ 707	\$ 1,061	1
20	3000 to	3999.9999	\$ 942	\$ 1,413	2
21	4000 to	4999.9999	\$ 1,178	\$ 1,767	2
22	5000 to	8207	\$ 1,933	\$ 2,900	1
<b>TOTALS</b>					<b>409</b>

Based on current registrations the total payout would increase from \$41,202 to \$61,803

# TANGIHARURU APA TRUST

Annual Report to 31 March 2024

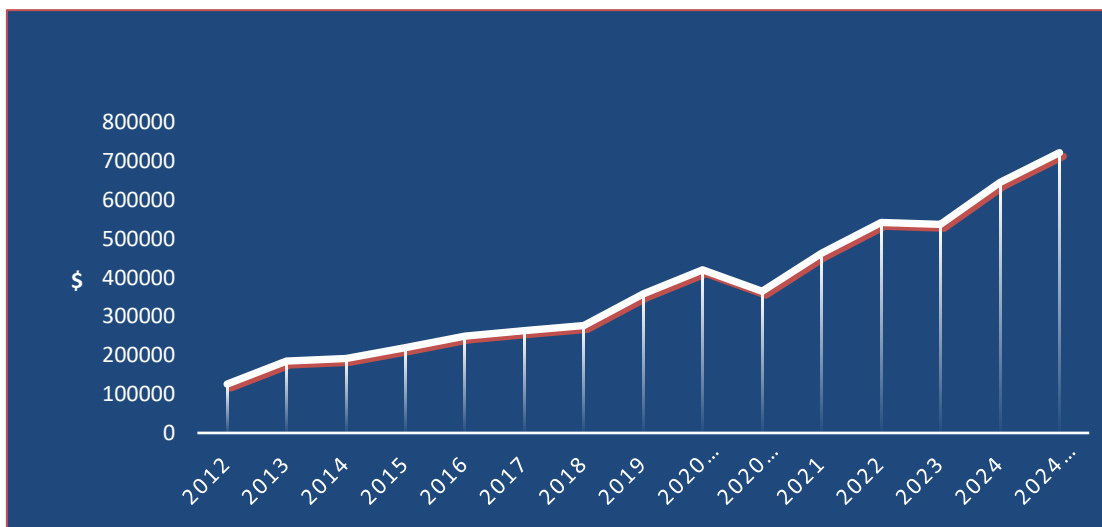
<b>INCOME AND EXPENDITURE</b>	<b>2023</b>	<b>2024</b>
<b>INCOME</b>		
Dividends and Interest	55,092	58,911
	<b>\$55,092</b>	<b>\$58,911</b>
<b>LESS ADMINISTRATION EXPENSES</b>		
Advertising	179	0
Education Grant Expenses (online)		450
General Expenses	185	264
Investment Management Fees	3,949	4,432
Secretarial and Accounting	11,039	12,703
Subscriptions	373	515
	<b>\$15,725</b>	<b>\$18,364</b>
<b>SURPLUS FOR YEAR</b>	<b>\$39,740</b>	<b>\$40,547</b>
<b>LESS GRANTS PAID</b>		
Education Grants	9,375	5,050
	<b>\$9,375</b>	<b>\$5,050</b>
<b>FUNDS FOR REINVESTMENT</b>	<b>\$30,365</b>	<b>\$35,497</b>
<b>INVESTMENT GAINS (LOSS)</b>	<b>(\$16,931)</b>	<b>\$44,305</b>
<b>NET GAIN</b>	<b>\$13,434</b>	<b>\$79,802</b>

The value of the investment portfolio on 31 March 2024 was \$645,053. An additional \$ 50,000 was invested during the year from Tax refund and dividend received. The current value of the portfolio is \$722,107 (22 Oct 2024).

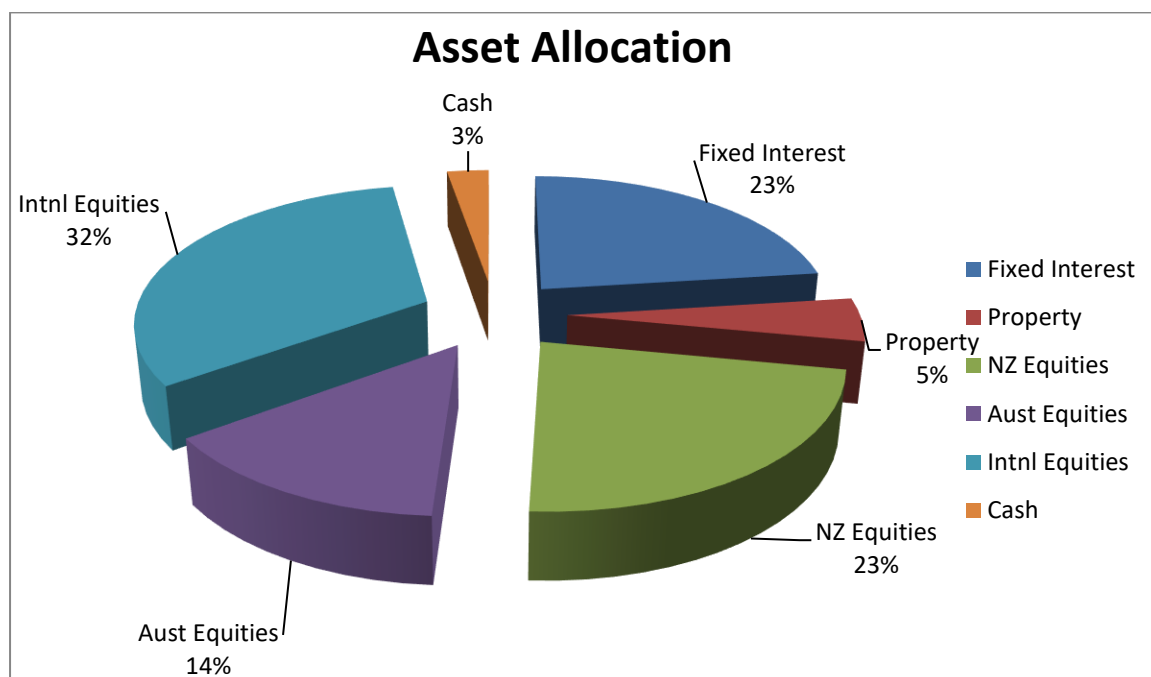
<b>ASSETS</b>	<b>2023</b>	<b>2024</b>
<b>CASH AND RECEIVABLES</b>	51,892	23,439
<b>INVESTMENT PORTFOLIO</b>	537,564	645,053
<b>SHARES IN NGAHUINGA MOTUMAKO TRUST</b>	3,610,061	3,845,436
<b>TOTAL ASSETS</b>	<b>\$4,199,517</b>	<b>\$4,513,927</b>

The Trust holds 87,603 shares in Ngahuinga Motumako Lands Trust and the value of these shares increased by \$235,375 in the year ended 31 March 2024 due to revaluations.

The investment portfolio is managed by Craigs Investment Partners. Markets performed better over the last 18 months. For the 12 months to 31 March 2024 the portfolio had a return of 12.07%. From inception in 2012 the annualised return has been 10.36% p.a.



The fund is invested in a spread of fixed interest, equities and property in NZ, Australia and international. The current asset allocation is:



# TANGIHARURU APA TRUST

## Education grants approved July 2024

The Trust partnered with the Māori Education Trust in 2022 to process education grant applications and our students received an additional top up payment from MET as set out below.

### *Tertiary:*

First Name	Surname	Tertiary institution	Course	GRANT	MET Grant	TOTAL
Aorere	Waaka	Otago University	Bachelor of Health Sciences	150	75	225
Alexandra	Ogilvie	Otago University	Bachelor of Arts and Science	350	125	475
April	O'Brien	Otago University	Diploma in Health and Wellbeing	150	75	225
Catrin	Ogilvie	Otago University	Batchelor of Applied Science	350	125	475
Heta	Higgins	Auckland University of Technology	Bachelor of Health Science (oral health)	350	125	475
Kahotea	Gardiner	University of Auckland	Master in Arts	450	200	650
			<b>TOTAL</b>	<b>\$1800</b>	<b>\$725</b>	<b>\$2525</b>

### *Secondary School:*

First Name	Surname	Tertiary institution	Year	GRANT	MET Grant	TOTAL
Amelia	Hall-Higgins	Rotorua Girls High School	9	150	50	200
Ezekial	Akuhata	Te Wharekura o Kirikiriroa	11	150	50	200
Hope	Hall	Te Kura Kaupapa Māori o Hoani Waititi Marae	12	150	50	200
Kaliyah Storm	Hepi-Rewi	Palmerston North Girls High School	9	150	50	200
Lyrrix Tohiariki	Mohr	Hato Paora	9	150	50	200
Riana	Rennie	Gisborne Girls High School	10	150	50	200
		<b>TOTAL</b>		<b>\$900</b>	<b>\$300</b>	<b>\$1200</b>

# Financial Statements

Ngatimanawa Incorporation  
For the year ended 30 June 2024

Prepared by PKF Tauranga Limited

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# Compilation Report

## Ngatimanawa Incorporation For the year ended 30 June 2024

Compilation Report to the Committee of Management of Ngatimanawa Incorporation.

### Scope

On the basis of information provided and in accordance with Service Engagement Standard 2 Compilation of Financial Information, we have compiled the financial statements of Ngatimanawa Incorporation for the year ended 30 June 2024.

These statements have been prepared in accordance with the accounting policies described in the Notes to these financial statements.

### Responsibilities

The Committee of Management is solely responsible for the information contained in the financial statements and have determined that the Special Purpose Reporting Framework used is appropriate to meet your needs and for the purpose that the financial statements were prepared.

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

### No Audit or Review Engagement Undertaken

Our procedures use accounting expertise to undertake the compilation of the financial statements from information you provided. Our procedures do not include verification or validation procedures. No audit or review engagement has been performed and accordingly no assurance is expressed.

### Independence

We have no involvement with Ngatimanawa Incorporation other than for the preparation of financial statements and management reports and offering advice based on the financial information provided.

### Disclaimer

We have compiled these financial statements based on information provided which has not been subject to an audit or review engagement. Accordingly, we do not accept any responsibility for the reliability, accuracy or completeness of the compiled financial information contained in the financial statements. Nor do we accept any liability of any kind whatsoever, including liability by reason of negligence, to any person for losses incurred as a result of placing reliance on these financial statements.

PKF New Zealand Ltd is a member of PKF Global, the network of member firms of PKF International Limited, each of which is a separate and independent legal entity and does not accept any responsibility or liability for the actions or inactions of any individual member or correspondent firm(s).

*PKF Tauranga*

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PKF Tauranga Limited  
Chartered Accountants  
23 Brown Street  
Tauranga

Dated: 17 October 2024



# Directory

## Ngatimanawa Incorporation For the year ended 30 June 2024

### Nature of Business

Farming, agriculture, forestry and investment

### Date of Formation

18 May 1972

### Incorporation Number

70922

### Address of Communications

PO Box 987

Rotorua 3040

### Committee Members

Tawhiri Morehu (Chairperson)  
Stan Heather (Trustee / Farm Manager)  
Patrick McManus (Trustee)  
Henry Nuku (Trustee)  
Pouwhare Rewi (Trustee)  
Maramena Vercoe (Trustee)  
Renata White (Trustee)  
Charles Teddy (Trustee)

### IRD Number

021-795-402

### Tax Status

Maori Authority

### Secretary

Murray Lloyd Patchell

### Chartered Accountants

PKF Tauranga Limited

23 Brown Street, Tauranga

### Bankers

Bank of New Zealand

# Secretary's Statement

## Ngatimanawa Incorporation For the year ended 30 June 2024

I, Murray Lloyd Patchell, Secretary of the Ngatimanawa Incorporation, hereby state in accordance with 276A (2) (b) of Te Ture Whenua Maori Act 1993 that I am satisfied that these Financial Statements give a reasonable representation of the financial position and financial performance of the Incorporation for the year ended 30 June 2024.

I further state that as per s 276A of the Act as the Incorporation is not large (revenue does not exceed \$10m annually) the Incorporation's financial statements have not been audited and this statement does not constitute an audit certificate.



---

Murray Lloyd Patchell

Secretary

Date .....22.10.24.....

# Approval of Financial Report

## Ngatimanawa Incorporation For the year ended 30 June 2024

The Committee of Management is pleased to present the approved financial report including the historical financial statements of Ngatimanawa Incorporation for the year ended 30 June 2024.

APPROVED

For and on behalf of the Committee of Management;



Committee Member  
22.10.24

Date .....



Committee Member  
22.10.24

Date .....

# Milksolids Account

## Ngatimanawa Incorporation For the year ended 30 June 2024

Milksolids Trading Statement Ngatimanawa Incorporation

For the year ended 30 June 2024

	2024		2023	
	KgMS	Total \$	KgMS	Total \$
<b>Monthly Production</b>				
July	11,444	71,152	8,367	49,533
August	23,042	117,390	25,025	142,675
September	37,549	191,111	36,700	207,585
October	48,445	285,044	38,750	218,891
November	47,120	303,037	38,211	216,924
December	42,332	242,725	35,419	199,044
January	34,328	196,661	29,750	246,216
February	22,015	217,570	22,090	194,717
March	23,869	280,740	26,026	274,095
April	27,205	178,636	25,070	168,497
May	25,657	174,951	20,052	152,069
June	11,638	188,590	9,110	144,245
<b>Current Season Total Income</b>	<b>354,644</b>	<b>2,447,607</b>	<b>314,570</b>	<b>2,214,491</b>
<b>Last Season Deferred Income</b>				
Deferred Income		347,033		380,311
<b>Gross Income from Milk Production</b>		<b>2,794,640</b>		<b>2,594,802</b>

The accompanying notes form part of these financial statements. These financial statements have not been subject to audit or review and should be read in conjunction with the attached Compilation Report.

# Dairy and Beef Cattle Trading Account

Ngatimanawa Incorporation  
For the year ended 30 June 2024

	2024	2023
<b>Cattle Trading Account</b>		
<b>Sales of Stock</b>		
Bobby Calves	8,207	16,198
Sales - R 2yr Heifers	-	35,453
Sales - R 1yr Bulls	-	36,300
MA Cows	109,072	92,932
Sales - M A Bulls	-	74,268
Sales - R 2yr Beef Cross Heifers	35,448	-
Sales - R 2yr Beef Steers & Bulls	157,514	55,162
<b>Total Sales of Stock</b>	<b>310,241</b>	<b>310,312</b>
<b>Purchases</b>		
Purchases - R 2yr Bulls	26,850	-
<b>Total Purchases</b>	<b>26,850</b>	<b>-</b>
Trading Surplus	283,391	310,312
	<b>2024</b>	<b>2023</b>
<b>Trading Summary</b>		
Trading Surplus	283,391	310,312
Add (Less) - Movement in Biological Assets	438,286	52,689
Gross Surplus	721,677	363,001

The accompanying notes form part of these financial statements. These financial statements have not been subject to audit or review and should be read in conjunction with the attached Compilation Report.

# Forestry Account

## Ngatimanawa Incorporation For the year ended 30 June 2024

	2024	2023
<b>Forestry Income &amp; Expenses</b>		
<b>Income</b>		
Forest Lease	53,340	31,640
<b>Total Income</b>	<b>53,340</b>	<b>31,640</b>
<b>Expenses</b>		
Forestry Expenses	-	4,255
<b>Total Expenses</b>	<b>-</b>	<b>4,255</b>
Net Forestry Income	53,340	27,385

The accompanying notes form part of these financial statements. These financial statements have not been subject to audit or review and should be read in conjunction with the attached Compilation Report.

# Farm Working Account

## Ngatimanawa Incorporation For the year ended 30 June 2024

	2024	2023
<b>Revenue from Farm Trading</b>		
Milksolids Account Profit (Loss)	2,794,640	2,594,802
Cattle Trading Account Profit (Loss)	721,677	363,001
Forestry Account Profit (Loss)	53,340	27,385
<b>Total Revenue from Farm Trading</b>	<b>3,569,657</b>	<b>2,985,188</b>
<b>Farm Working Expenses</b>		
<b>Farm Operating</b>		
ACC Levies	7,240	8,780
Animal Health	117,693	86,722
Breeding	37,813	56,095
Calf Rearing	22,384	34,675
Cartage - Livestock & General	9,799	20,996
Dairy Shed	34,501	72,294
Planting - Natives	-	936
Dairy NZ Levy	21,459	18,888
Electricity	55,178	57,272
Feed	276,842	403,072
Fertiliser - Urea & Cartage	364,047	460,670
Grazing	45,000	45,000
Hay & Silage	256,217	172,477
Health and Safety	1,326	2,167
Lease Bulls	3,640	3,640
Protective Clothing	1,824	5,097
Resource Consent Expenses	1,083	2,882
Soil & Herbage Testing	-	1,489
Telephone & Tolls	3,680	4,079
Weed & Pest Control	6,355	18,739
Wages	531,411	453,273
<b>Total Farm Operating</b>	<b>1,797,492</b>	<b>1,929,243</b>
<b>Repair &amp; Maintenance</b>		
Repairs & Maintenance	12,301	34,121
R&M - Flooding Damage	-	4,850
Farm Buildings	399	-
Effluent System	7,112	2,748
Farm Houses	4,486	14,050
Fences	13,295	93,690
R&M - Plant & Equipment	7,175	4,877
Races & Drains	12,134	55,508
Water Supply	6,084	8,303
<b>Total Repair &amp; Maintenance</b>	<b>62,987</b>	<b>218,148</b>
<b>Farm Vehicle Expenses</b>		

	2024	2023
Fuel & Oil	40,451	36,366
Vehicle Repairs/Hire	28,459	26,055
Tractor Repairs	32,861	2,122
<b>Total Farm Vehicle Expenses</b>	<b>101,772</b>	<b>64,543</b>
<b>Rates &amp; Insurance</b>		
Insurance	45,717	36,418
Rates	94,925	91,327
Insurance - Committee	5,783	4,915
<b>Total Rates &amp; Insurance</b>	<b>146,425</b>	<b>132,660</b>
<b>Farm Administration</b>		
Supervision & Consultancy	32,934	35,647
Lease Land	3,032	3,032
Legal Costs	6,857	4,819
Payroll Processing Fees	1,442	1,635
Secretarial and Accounting	51,953	68,982
Share Register	10,074	11,755
Survey Costs	-	7,850
Valuation Fees	2,385	2,898
<b>Total Farm Administration</b>	<b>108,678</b>	<b>136,618</b>
<b>Total Farm Working Expenses</b>	<b>2,217,354</b>	<b>2,481,211</b>
Surplus Before Distributions/Remuneration	1,352,303	503,977
<b>Depreciation and Amortisation</b>		
Depreciation	99,634	105,452
Loss on disposal of Assets	7,555	20,727
<b>Total Depreciation and Amortisation</b>	<b>107,189</b>	<b>126,179</b>
Net Farm Surplus (Loss)	1,245,114	377,798



# Statement of Profit or Loss

## Ngatimanawa Incorporation For the year ended 30 June 2024

	NOTES	2024	2023
<b>Revenue</b>			
Net Farming Income		1,245,114	377,798
<b>Total Revenue</b>		<b>1,245,114</b>	<b>377,798</b>
<b>Other Income</b>			
Fonterra Dividend - Business Income		157,933	71,788
Dividend Received		9,531	5,977
Interest Received		10,251	2,280
Land Lease Income		9,000	9,000
Rebates Received		1,460	10,802
Rental Income		7,800	7,800
Sundry Income		2,435	1,600
<b>Total Other Income</b>		<b>198,409</b>	<b>109,247</b>
<b>Expenses</b>			
<b>Administration</b>			
Advertising, Stationery, Printing		3,035	3,619
Annual General Meeting		6,341	9,580
Bank Charges		1,704	354
Chairman's Honorarium		10,000	10,000
Committee Fees & Expenses		47,674	31,844
General Expenses		-	1,186
Koha		2,400	4,000
Staff Training		1,016	-
Subscriptions		2,146	1,531
Website Expenses		649	8,165
<b>Total Administration</b>		<b>74,964</b>	<b>70,279</b>
<b>Interest, Rent and Lease</b>			
Interest - Other		-	6,226
Loan Interest		210,186	178,028
<b>Total Interest, Rent and Lease</b>		<b>210,186</b>	<b>184,254</b>
<b>Total Expenses</b>		<b>285,150</b>	<b>254,533</b>
<b>Surplus Before Distributions/Remuneration</b>		<b>1,158,374</b>	<b>232,513</b>
<b>Net Farm Surplus (Loss)</b>		<b>1,158,374</b>	<b>232,513</b>
<b>Net Surplus (Loss) for the Year</b>		<b>1,158,374</b>	<b>232,513</b>
<b>Taxation and Adjustments</b>			
<b>Non Deductible Income/Expenses</b>			
Water Project Written Off		49,787	-
<b>Total Non Deductible Income/Expenses</b>		<b>49,787</b>	<b>-</b>

The accompanying notes form part of these financial statements. These financial statements have not been subject to audit or review and should be read in conjunction with the attached Compilation Report.

	NOTES	2024	2023
Income Tax Expense		182,469	34,804
<b>Total Taxation and Adjustments</b>		<b>232,257</b>	<b>34,804</b>
<b>Net Profit (Loss) After Tax</b>		<b>926,117</b>	<b>197,708</b>

The accompanying notes form part of these financial statements. These financial statements have not been subject to audit or review and should be read in conjunction with the attached Compilation Report.

# Statement of Changes in Equity

## Ngatimanawa Incorporation For the year ended 30 June 2024

	2024	2023
<b>Equity</b>		
<b>Retained Earnings (Taxable)</b>		
Opening Balance	2,124,922	1,927,213
Net Profit (Loss) for The Year	926,117	197,708
<b>Total Retained Earnings (Taxable)</b>	<b>3,051,038</b>	<b>2,124,922</b>
<b>Retained Earnings (Tax Free)</b>		
Opening Balance	278,259	319,248
Shareholders grants	(40,482)	(40,989)
<b>Total Retained Earnings (Tax Free)</b>	<b>237,777</b>	<b>278,259</b>
<b>Capital</b>		
Opening Balance	132,032	132,032
<b>Total Capital</b>	<b>132,032</b>	<b>132,032</b>
<b>Capital Reserves</b>		
Opening Balance	788,625	788,625
Capital Reserve	145,132	-
<b>Total Capital Reserves</b>	<b>933,757</b>	<b>788,625</b>
<b>Revaluation Reserve</b>		
Opening Balance	12,915,198	13,749,225
Movements	397,267	(834,027)
<b>Total Revaluation Reserve</b>	<b>13,312,465</b>	<b>12,915,198</b>
<b>Total Equity</b>	<b>17,667,070</b>	<b>16,239,036</b>

The accompanying notes form part of these financial statements. These financial statements have not been subject to audit or review and should be read in conjunction with the attached Compilation Report.

# Balance Sheet

## Ngatimanawa Incorporation As at 30 June 2024

	NOTES	30 JUN 2024	30 JUN 2023
<b>Assets</b>			
<b>Current Assets</b>			
<b>Cash and Bank</b>			
BNZ Cheque (\$300k OD)		54,333	42,135
BNZ - Oncall Account		630,249	161,845
<b>Total Cash and Bank</b>		<b>684,582</b>	<b>203,980</b>
Trade and Other Receivables		562,491	583,626
Prepayments		48,346	36,782
Consumable Supplies		242,600	219,750
Biological Assets		2,638,325	2,200,039
<b>Total Current Assets</b>		<b>4,176,343</b>	<b>3,244,177</b>
<b>Non-Current Assets</b>			
Investment in Shares and debentures		1,193,137	907,630
Property, Plant and Equipment		14,135,404	14,233,704
New Zealand Units (20,280)		1,024,140	831,480
<b>Total Non-Current Assets</b>		<b>16,352,680</b>	<b>15,972,813</b>
<b>Total Assets</b>		<b>20,529,023</b>	<b>19,216,990</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and Other Payables		158,284	175,775
GST Payable		33,120	2,033
Income Tax Payable		156,220	33,988
Employee Entitlements		57,872	58,721
Forest Lease Received in Advance		36,750	23,730
Housing Bond		380	380
Loans - Current Portion		96,000	64,000
<b>Total Current Liabilities</b>		<b>538,626</b>	<b>358,627</b>
<b>Non-Current Liabilities</b>			
<b>Loans -Non Current Portion</b>			
Loans		2,083,000	2,379,000
<b>Total Loans -Non Current Portion</b>		<b>2,083,000</b>	<b>2,379,000</b>
Unclaimed Dividends		240,328	240,328
<b>Total Non-Current Liabilities</b>		<b>2,323,328</b>	<b>2,619,328</b>
<b>Total Liabilities</b>		<b>2,861,954</b>	<b>2,977,955</b>
<b>Net Assets</b>		<b>17,667,070</b>	<b>16,239,036</b>
<b>Equity</b>			
Capital		132,032	132,032

The accompanying notes form part of these financial statements. These financial statements have not been subject to audit or review and should be read in conjunction with the attached Compilation Report.

	NOTES	30 JUN 2024	30 JUN 2023
Capital Reserve		933,757	788,625
Revaluation reserves		13,312,465	12,915,198
Retained Earnings		3,288,815	2,403,181
<b>Total Equity</b>		<b>17,667,070</b>	<b>16,239,036</b>

The accompanying notes form part of these financial statements. These financial statements have not been subject to audit or review and should be read in conjunction with the attached Compilation Report.

# Schedule of Investments

## Ngatimanawa Incorporation For the year ended 30 June 2024

	2024	2023
<b>Available for Sale Financial Assets</b>		
Ballance Agri-Nutrients Ltd (10,830)	97,470	87,723
Craig's Investment Portfolio	209,326	107,794
Fonterra Co-operative Group Ltd (287,150)	847,093	702,656
Livestock Improvement Co-op (1,789)	-	1,789
Livestock Improvements Corporation Ltd (6,610)	39,248	7,668
<b>Total Available for Sale Financial Assets</b>	<b>1,193,137</b>	<b>907,630</b>

The accompanying notes form part of these financial statements. These financial statements have not been subject to audit or review and should be read in conjunction with the attached Compilation Report.

# Notes to the Financial Statements

## Ngatimanawa Incorporation For the year ended 30 June 2024

### 1. Reporting entity

Ngatimanawa Incorporation is a Māori Incorporation which was originally vested in New Zealand under section 438 of the Maori Affairs Act 1955 and continues under section 251 of Te Ture Whenua Maori Act 1993.

The Incorporation is engaged in the business of Farming, agriculture, forestry and investment.

### 2. Statement of accounting policies

#### Basis of preparation

These financial statements have been prepared in accordance with the Special Purpose Financial Reporting Framework for For-Profit Entities (SPFR for FPEs) published by New Zealand Institute of Chartered Accountants (NZICA).

The financial statements have been prepared for the purpose of meeting the Incorporation's income tax requirements and internal use.

#### *Use of estimates and judgements*

The preparation of financial statements requires management to make judgments, estimates and assumptions that effect 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 judgments in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are disclosed where applicable in the relevant notes to the financial statements.

#### Historical cost

These financial statements have been prepared on a historical cost basis, except as noted otherwise below. The financial statements are presented in New Zealand dollars (NZ\$) and all values are rounded to the nearest NZ\$, except when otherwise indicated.

#### Changes in Accounting Policies

There have been no changes in accounting policies. Policies have been applied on a basis consistent with those of the previous period.

#### Revenue recognition

##### *Goods Sold*

Revenue from the sale of goods is measured at the fair value of the consideration received. Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer and when the right to receive payment is established.

##### *Dairy Income*

Dairy income is recognised when the revenue associated with the transactions can be measured reliably, or an invoice is raised for the rendering of goods. Goods are recognised when the significant risks and rewards of ownership have been transferred, the Incorporation retains neither involvement nor control over the goods sold, it is probable that economic benefits will flow to the Incorporation and the costs incurred in respect of the transaction can be measured reliably.

### Rental Income

Rental Income from investment properties is recognised in the statements of financial performance on a straight line basis over the term of the lease. Contingent rentals are recognised as income in the reporting period in which they are earned.

### Finance Income and Expenses

Finance income comprises interest income on funds invested dividend income and gains on the disposal of available for sale financial assets. Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Incorporation and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Finance expenses comprise impairment losses, losses arising from transactions denominated in currencies other than the Incorporation's functional currency, and interest recognised on financial assets (except for trade payables).

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Incorporation and the amount of income can be measured reliably).

### Other Income

Other income is recognised in the statement of comprehensive income when the revenue associated with the transactions can be measured reliably for the rendering of goods and services.

### Inventories

Inventories are stated at the lower of cost, determined on a first-in-first-out basis, and net realisable value.

The cost of inventories includes the cost of direct materials, direct labour and a proportion of the manufacturing overhead, based on the normal capacity of the facilities, expended in putting the inventories in their present location and condition.

### Biological assets

Biological assets are measured at fair value less point-of-sale costs, with any change therein recognised in the income statement. Point-of-sale costs include all costs that would be necessary to sell the assets.

Livestock is carried at fair value less point of sale costs, where fair value is based on the market price of livestock of similar age, breed and genetic merit. Herd Scheme values have been adopted for taxation purposes (2023: Herd).

### Accounts receivable

Accounts receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less an allowance for any uncollectible amounts. Individual debts that are known to be uncollectable are written off in the period that they are identified.

### Property, plant and equipment

The entity has the following classes of property, plant and equipment:

Account	Method	Rate
Land and Improvements	No Depreciation	N/A
Buildings	Diminishing Value	0%
Buildings	Straight Line	0% - 11.4%
Plant and Equipment	Diminishing Value	0% - 60%



Development Expenditure	Straight Line	0%
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Property, plant and equipment are stated at historical cost less any accumulated depreciation and impairment losses. Historical cost includes expenditure directly attributable to the acquisition of assets and includes the cost of replacements that are eligible for capitalisation when these are incurred.

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal. Any gain or loss arising from derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

Upon derecognition, the asset revaluation reserve relating to the assets disposed shall be transferred to retained earnings.

Depreciation has been calculated in accordance with rates permitted under the Income Tax Act 2007 except for those revalued assets stated otherwise.

### Property, plant and equipment - revaluation

Land and Improvements are valued at the Rating Valuations dated 1 September 2019. These valuations are carried out every three years.

The Incorporation's land is classified as Maori Freehold land as per the Te Ture Whenua Maori Act 1993 and as such there is a restriction on the sale or disposal of this corpus land.

### Intangible assets

Intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is recognised in profit or loss in the year in which the expenditure is incurred.

### Impairment of non-financial assets

At each balance date, non-financial assets are classified into four categories: assets measured at fair value; assets currently available that the entity intends to use to the end of its useful life; assets intended to be sold prior to the end of their useful life; and assets damaged or idle at balance date.

Assets measured at fair value or assets the entity intends to use to the end of its useful life, are not reviewed for impairment at balance date.

Assets intended to be sold prior to the end of their useful life or assets damaged or idle at balance date are reviewed to determine if any indicators of impairment exist. If indicators exist, the asset is tested for impairment to ensure that the carrying amount of the asset is recoverable.

If the recoverable amount of an asset is determined to exceed its carrying amount, then the resulting difference is recognised as an impairment loss in profit or loss for that period.

### Financial instruments - financial assets

At initial recognition the entity determines the classification of financial assets as either held at fair value, cost or amortised cost. Financial assets are measured initially at fair value, estimated at the transaction price less any associated transaction costs.

#### *Amortised cost*

Includes assets where the entity intends to earn contractual cash flows in the nature of principal and interest payments. Such assets are carried at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, as well as through the amortisation process.

#### *Cost*

Equity instruments are classified as held at cost. Assets are stated at cost less any accumulated impairment loss. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired.

#### *Fair value*

Financial assets not held at amortised cost or cost are held at fair value and include financial derivatives such as forward contracts and interest rate swaps. Assets are subsequently measured at fair value only when the fair value of the instrument can be reliably measured based on a quoted price for an identical asset in an active market. Where no active market price is available the instrument shall be measured at a prior year's fair value less any accumulated impairment loss.

Gains and losses are recognised in profit or loss for movements in the fair value of the assets and when the assets are derecognised.

### **Financial instruments - financial liabilities**

Financial liabilities, including borrowings and bank overdrafts, are initially measured at fair value net of transaction costs and are subsequently measured at amortised cost using the effective interest method. Interest expenses are recognised in profit or loss on an effective yield basis.

### **Provisions**

Provisions are recognised when the entity has an obligation which can be reliably measured at balance date as a result of a past event and it is probable that the entity will be required to settle the obligation.

Where the entity expects some or all of a provision to be reimbursed the reimbursement is recognised as a separate asset only when the reimbursement is virtually certain. The expense relating to any provision is presented in profit or loss net of any reimbursement.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the obligation at balance date. Movements in the best estimate are recorded in profit or loss.

### **Employee Benefits**

#### *Short-term and other long-term employee benefits*

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Incorporation in respect of services provided by employees up to the reporting date.

### **New Zealand Units (NZU's)**

New Zealand Units are valued at an indicative market value. NZU's allocated are initially recognised as income and treated as a current asset at fair value on receipt.

Subsequent to receipt, NZU's are measured at fair value. Impairment losses are recognised through the statement of income should their carrying amount exceed the recoverable amount.

### **Income tax**

Income tax is accounted for using the taxes payable method. The income tax expense in profit or loss represents the estimated current obligation payable to Inland Revenue.

### **Goods and services tax**

All amounts are stated exclusive of goods and services tax (GST) except for accounts payable and accounts receivable which are stated inclusive of GST.

### 3. Audit

These financial statements have not been audited.

### 4. Related parties

There have been no material related party transactions other than those have already been disclosed as follows:

	2024	2023
<b>Committee Fees and expenses paid</b>		
Tawhiri Morehu (Chairman's Honorarium)	10,000	10,000
Tawhiri Morehu	7,000	4,400
Charles Teddy	7,259	1,124
Partick McManus	7,618	4,881
Maramena Veroce	4,124	4,800
Rewi Pouwhare	7,135	4,208
Henry Nuku	-	3,400
Renata White	7,259	4,631
Stan Heather	7,000	4,400
<b>Total Committee Fees and expenses paid</b>	<b>57,394</b>	<b>41,844</b>
	2024	2023

### 5. Biological Assets

#### Balance at the end of the year:

Livestock on hand	2,638,325	2,200,039
<b>Total Balance at the end of the year:</b>	<b>2,638,325</b>	<b>2,200,039</b>
<b>Total Biological Assets</b>	<b>2,638,325</b>	<b>2,200,039</b>

#### Schedule of dairy cattle on hand at Market Value at 30 June 2024

Dairy Cattle	Opening Qty	Opening value	Closing Qty	Closing value
R 1yr Heifers	78	35,100	119	89,250
R 2yr Heifers	346	315,725	207	249,450
MA Cows	957	1,635,565	1,055	1,805,925
R 1yr Bulls	77	34,650	398	330,700
R 2yr Bulls	161	133,100	76	114,000
R 3yr Bulls	27	45,900	28	49,000
<b>Total</b>	<b>1,646</b>	<b>2,200,040</b>	<b>1,883</b>	<b>2,638,325</b>

### 6. BNZ Loans

As at balance date, the Incorporation has the following borrowings with Bank of New Zealand:

Loan	BNZ Term Loan - 13
Facility Limit	\$2,507,000 (Floating)
Facility Start date	21 September 2023
Maturity Date	22 September 2025

The loans are secured by security interests in all present and hereinafter acquired property of Ngatimanawa Incorporation; all present and hereinafter acquired investment securities held from time to time by the Incorporation that are issued by Fonterra Co-operative Group Ltd, supply #22206; the 2005 Same 95 Tractor; 2014 Massey Ferguson Tractor; a registered first mortgage over property situated at 1028 Kopuriki Road and any other investment securities that are part of any such securities.

	2024	2023
<b>7. Property, plant and equipment</b>		
<b>Land</b>		
Land & Improvements	15,826,643	15,824,677
Accumulated depreciation - improvements	(2,110,719)	(2,096,763)
<b>Total Land</b>	<b>13,715,924</b>	<b>13,727,914</b>
<b>Buildings</b>		
Buildings at cost	53,955	31,639
Accumulated depreciation - buildings	(16,137)	(13,944)
<b>Total Buildings</b>	<b>37,819</b>	<b>17,694</b>
<b>Plant and Equipment</b>		
Plant and equipment at cost	655,240	653,665
Accumulated depreciation - plant and equipment	(477,836)	(454,342)
<b>Total Plant and Equipment</b>	<b>177,403</b>	<b>199,324</b>
<b>Furniture and Fittings</b>		
Furniture and fittings at cost	25,264	25,264
Accumulated depreciation - furniture and fittings	(23,084)	(22,655)
<b>Total Furniture and Fittings</b>	<b>2,179</b>	<b>2,609</b>
<b>Vehicles</b>		
Vehicles at cost	368,369	348,297
Accumulated depreciation - vehicles	(204,252)	(153,307)
<b>Total Vehicles</b>	<b>164,116</b>	<b>194,991</b>
<b>Other Development Expenditures</b>		
Development Expenditure at cost	41,673	91,461
Accumulated depreciation - Development Expenditure	(3,711)	(289)
<b>Total Other Development Expenditures</b>	<b>37,962</b>	<b>91,171</b>
<b>Total Property, plant and equipment</b>	<b>14,135,404</b>	<b>14,233,704</b>

2024 2023

## 8. Income Tax expense

### Net Profit (Loss) Before Tax

Profit loss	1,108,586	232,513
<b>Total Net Profit (Loss) Before Tax</b>	<b>1,108,586</b>	<b>232,513</b>

### Additions to Taxable Profit

Deferred Milksolids	33,278	41,850
Depreciation on buildings	1,497	1,561
Increase (decrease) in Holiday Pay Provision	(849)	12,828
Water Project Written Off	49,787	-
Imputation Credits Received	3,707	2,325
<b>Total Additions to Taxable Profit</b>	<b>87,420</b>	<b>58,564</b>

### Deductions from Taxable Profit

Livestock tax adjustment	132,143	78,912
Losses Carried Forward	-	-
<b>Total Deductions from Taxable Profit</b>	<b>132,143</b>	<b>78,912</b>

Taxable Profit (Loss)	1,063,864	212,165
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Tax Payable at 17.5%	186,176	37,129
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### Deductions from Tax Payable

Opening Balance	(33,988)	(100,903)
Prior period tax paid (refunded)	57,779	100,904
Imputation credits on dividends received	3,706	2,325
Resident withholding tax paid	2,458	815
<b>Total Deductions from Tax Payable</b>	<b>29,955</b>	<b>3,141</b>

Income Tax Payable (Refund Due)	156,221	33,988
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2024 2023

## 9. Maori Authority Credit Account

### At balance date MACA credits available to shareholders were:

Opening Balance	301,386	197,343
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### Credits

Imputation credits converted to losses	-	-
Income Tax Paid	129,739	100,904
Resident Withholding Tax Paid	2,458	815
Imputation credits on dividends received	3,707	2,325
<b>Total Credits</b>	<b>135,904</b>	<b>104,044</b>

### Debits

Imputation Credits Attached to Dividends	-	-
Income Tax Refund	71,960	-
<b>Total Debits</b>	<b>71,960</b>	<b>-</b>

<b>Closing Balance</b>	<b>365,330</b>	<b>301,387</b>
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## 10. Capital commitments

There are no other known material capital commitments at balance date (2023: \$0)

## 11. Contingent liabilities

The Incorporation received New Zealand Units (NZUs) from the Ministry of Agriculture and forestry for its pre 1990 forest under the Emissions Trading Scheme. The Incorporation is required to surrender the NZUs if they deforest and introduce a new land use. The financial effect of returning NZUs has not been quantified because the Incorporation has all intention of replanting the land and therefore anticipates no obligation to return NZUs in the future.

Other than the above there are no known material contingent liabilities at balance date (2023: \$0).

## 12. Events subsequent to balance date

There were material events subsequent to the balance date that would affect the fair presentation of these financial statements.