

Financial Statements

Tamatea Pōkai Whenua Trust
For the year ended 30 June 2024

Prepared by Adapt Accounting Limited

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Tamatea Pōkai Whenua Trust For the year ended 30 June 2024

Nature of Business

Post settlement governance entity for Heretaunga Tamatea established to receive the redress negotiated by He Toa Takitini in settlement of the historical treaty grievances of Heretaunga Tamatea against the Crown.

Date of Formation

30 June 2015

IRD Number

118-164-415

Trustees

as at 30 June 2024

Elizabeth Graham	Pukehou Marae
Cordry Huata	Mangaroa Marae
Erin Sandilands	Te Whatuiāpiti Marae
Elizabeth Munroe	Houngarea Marae
Teiti Hapuku	Kahurānaki Marae
Tuakana August	Kairākau Marae
Andrea Rakete	Kohupātiki Marae
Laura Kele	Korongatā Marae
Papara Carroll	Matahiwi Marae
Jenny Nelson-Smith	Mataweka Marae
Gilvrey Mohi	Mihiroa Marae
Renata Hakiwai	Omahu Marae
Robin Hape	Pourērere Marae
Brian Morris	Rakautātahi Marae
Ahuriri Houkamau	Rongomaraeroa Marae
Mark Pōhatu Paku	Ruahāpia Marae
Noel Berney	Rūnanga Marae
Shelly Durham	Tapairu Marae
Kane Koko	Taraia Marae
Nathan Hanara	Te Awhina Marae
Huria Heperi	Te Rongo a Tahu Marae

Horiana Williams	Waimārama Marae
Ngahiwi Tomoana	Waipatu Marae

Beneficiaries

Members of "Heretaunga Tamatea" as defined in the Trust Deed

Bankers

BNZ Hastings
ASB Hastings

Accountant

Adapt Accounting Limited
Level One
8 Porter Drive
Havelock North 4130

Auditors

BDO Hawkes Bay

Solicitors

Baden Vertongen, Wellington
Greenwood Roche, Wellington

Approval of Financial Report

Tamatea Pōkai Whenua Trust
For the year ended 30 June 2024

The Trustees are pleased to present the approved financial report including the historical financial statements of Tamatea Pōkai Whenua Trust for period ended 30 June 2024.

APPROVED

For and on behalf of the Trustees



Mark Pōhatu Paku
Chairperson

Date 14/10/2024



Laura Kele
Deputy Chairperson

14/10/2024
Date

Consolidated Statement of Profit or Loss and Other Comprehensive Income

Tamatea Pōkai Whenua Trust
For the year ended 30 June 2024

	NOTES	2024	2023 (15 MONTHS)
Revenue			
Revenue	5	292,372	444,618
Other Income			
Other income	6	4,201,352	1,100,737
Expenses			
Administration and other expenses	7	2,382,463	3,533,497
Operating profit		2,111,260	(1,988,142)
Share of post-tax profit of equity accounted associate			
Share of post-tax profit of equity accounted associate		685,863	831,074
Changes in fair value			
Changes in fair value of investment properties		(679,318)	1,276,085
Changes in fair value of investments		1,487,203	(754,330)
Profit or (Loss) before income tax		3,605,009	(635,313)
Taxation			
Tax expense	8	121,690	342,973
Total Taxation		121,690	342,973
Profit / (Loss) for the period attributable to owners of the parent		3,483,319	(978,286)
Share of associate's other comprehensive income			
Share of associate's other comprehensive income		1,216,691	(4,748,573)
Total comprehensive income attributable to owners of the parent		4,700,010	(5,726,859)

These financial statements should be read in conjunction with the notes to the financial statements.

Consolidated Statement of Changes in Equity

Tamatea Pōkai Whenua Trust
For the year ended 30 June 2024

	Notes	Trust Capital	Equity Investment Reserve	Retained Earnings	Total Equity attributable to owners
Balance at 1 April 2022 (previously reported)		72,513,251	-	12,120,208	84,633,459
Prior period errors	3	2,423,000	7,098,525	14,689,827	24,211,352
Restated balance as at 1 April 2022		74,936,251	7,098,525	26,810,035	108,844,811
Comprehensive income for the period					
Profit for the period		-	-	(978,286)	(978,286)
Other Comprehensive income for the period		-	(4,748,573)	-	(4,478,573)
Total Comprehensive income for the period		-	(4,748,573)	(978,286)	(5,726,859)
Balance at 30 June 2023		74,936,251	2,349,952	25,831,749	103,117,952
Comprehensive income for the year					
Profit for the period		-	-	3,483,319	3,483,319
Other Comprehensive income for the period		-	1,216,691	-	1,216,691
Total Comprehensive income for the period		-	1,216,691	3,483,319	4,700,010
Balance at 30 June 2024		74,936,251	3,566,643	29,315,068	107,817,962

Consolidated Statement of Financial Position

Tamatea Pōkai Whenua Trust
As at 30 June 2024

	NOTES	30 JUN 2024	30 JUN 2023
Assets			
Current Assets			
Cash and Cash equivalents		3,987,428	11,402,976
Term Deposits	9	10,963,482	7,500,000
Receivables		503,306	836,686
Inventories	11	7,209,294	6,495,545
Income Tax Receivable	8	-	18,597
Deferred Tax Asset		-	945
Total Current Assets		22,663,510	26,254,750
Non-Current Assets			
Investments	12	61,926,301	54,042,387
Property, Plant and Equipment		92,076	103,387
Investment Property	13	5,771,323	6,261,900
Investment in Equity Accounted Associate	15	26,251,586	25,034,895
Right of Use Asset	16	644,299	743,422
Total Non-Current Assets		94,685,585	86,185,990
Total Assets		117,349,095	112,440,740
Liabilities			
Current Liabilities			
Payables and Accrued Expenses		290,869	254,282
Contract Liabilities		342,500	55,000
Income Tax Payable		38,881	-
Employee Entitlements		52,331	56,478
Loans		2,955	600
Lease Liability	16	82,554	74,581
Total Current Liabilities		810,090	440,941
Non-Current Liabilities			
Deferred Tax Liability	8	81,447	159,697
Provisions	18	8,000,000	8,000,000
Lease Liability	16	639,597	722,151
Total Non-Current Liabilities		8,721,044	8,881,848
Total Liabilities		9,531,134	9,322,788
Net Assets		107,817,962	103,117,952
Equity			
Trust Capital		74,936,251	74,936,251
Equity Investment Reserve	17	3,566,644	2,349,952
Retained Earnings	17	29,315,067	25,831,749
Total Equity		107,817,962	103,117,952

These financial statements should be read in conjunction with the notes to the financial statements.

Consolidated Statement of Cash Flows

Tamatea Pōkai Whenua Trust
For the year ended 30 June 2024

	2024	2023
Cash flows from operating activities		
Receipts from service provisions	612,855	501,926
Receipts from lease and rentals	120,891	135,719
Receipts from insurance proceeds	42,815	-
Net GST received / (paid)	(64,566)	(55,133)
Net Income tax (paid) / received	5,443	(80,086)
Payments to suppliers	(1,337,456)	(2,047,595)
Payments to employees, trustees and directors	(1,190,881)	(1,144,827)
Payments to Koha and grants paid	-	(523,500)
Total Cash flows from operating activities	(1,810,899)	(3,213,496)
	2024	2023
Cash flows from investing activities		
Interest, Dividends and other investments receipts	3,231,829	2,053,258
Payment for Russell's investment fund	-	(53,900,000)
Payments for term deposits	(3,463,482)	(7,500,000)
Payments for investments in Other Limited Partnerships	(5,000,000)	(1,000,000)
Payments for additions to investment properties and property, plant and equipment	(217,253)	(35,342)
Total Cash flows from investing activities	(5,448,907)	(60,382,084)
	2024	2023
Cash flows from financing activities		
Payments for the principal portion of the lease liability	(74,581)	(83,180)
Payments for the interest portion of the lease liability	(76,559)	(105,745)
Loan repayments	(4,603)	(3,598)
Total Cash flows from financing activities	(155,743)	(192,523)
	2024	2023
Net Increase / (Decrease) in Cash		
Net Increase / (Decrease) in Cash	(7,415,548)	(63,788,103)
Total Net Increase / (Decrease) in Cash	(7,415,548)	(63,788,103)
	2024	2023
Cash at bank available on demand		
Cash and cash equivalents at beginning of period	11,402,976	75,191,079
Cash and cash equivalents at end of period	3,987,428	11,402,976
Net change in cash for period	(7,415,548)	(63,788,103)



	2024	2023
Cash and cash equivalents comprise:		
Cash at bank available on demand	3,987,428	11,402,976

Notes to the Consolidated Financial Statements

Tamatea Pōkai Whenua Trust For the year ended 30 June 2024

1. Reporting Entity

Tamatea Pōkai Whenua Trust (the "Trust") was established by a deed dated 30 June 2015, and is domiciled in New Zealand. The Trust was formed as a Post Settlement Governance Entity (PGSE) to receive the settlement redress from the Crown as part of the historical claim made under the Treaty of Waitangi. The financial statements comprise the Trust and its controlled entity (together the "Group") and the results of the Group's equity accounted associate.

2. Basis of Preparation

a. Statement of Compliance

These consolidated financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand ('NZ GAAP') and the Group has designated itself as profit-orientated. The Group is eligible to apply Tier 2 For-Profit Accounting Standards (New Zealand equivalents to International Financial Reporting Standards - Reduced Disclosure Regime (NZ IFRS RDR)) on the basis that it does not have public accountability.

b. Basis of Consolidation

The consolidated financial statements comprise the financial statements of Tamatea Pokai Whenua Trust and its 100% ownership interest in Heretaunga Tamatea Pou Tahua Limited Partnership (2023: 100%).

c. Measurement Basis

The financial statements have been prepared on a historical cost basis, except for the following items (refer to respective accounting policies for details):

- Financial instruments at fair value through profit or loss
- Investment property

The financial statements are presented in New Zealand dollars rounded to the nearest dollar, which is the Group's functional and presentation currency.

d. Use of Estimates & Judgements

The preparation of the financial statements requires the use of judgement by management in the application of accounting policies, and the use of estimates and assumptions that affect reported results and financial position. Estimates and supporting assumptions are based on information which is believed to be realistic and reasonable in the circumstances. Actual results at a future point may differ from these estimates. The key judgements, and the estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are in relation to the determination of fair values (see e. below), stage of completion for revenue recognition (see Note 5), and the assessment of significant influence (see Note 14).

e. Determination of fair values

A number of assets included in the Group's financial statements require measurement at, and / or disclosure of, fair value. The fair value measurement of the Group's financial and non-financial assets utilises market observable inputs and data.

The Group measures a number of items at fair value:

- Investment Property (note 13)
- Financial instruments (note 4 and 12)

For more information in relation to the fair value measurement of the items above, please refer to the applicable notes.

f. Changes in Accounting Policies

There has been no changes to the Group's accounting policies as a result of new standards, interpretations, or amendments that are effective during the year. The accounting policies have been consistently applied to all the years presented in the Group financial statements.

g. Comparatives

During the prior year, the Group changed its reporting date from 31 March to 30 June. The comparative financial information is therefore for a period of 15 months.



3. Prior period errors

During the current year, management identified a number of errors relating to the recognition and classification of assets and liabilities in the prior period. Details of these errors are noted below:

a) Management re-assessed the judgement applied in relation to the presentation of income from the Group's investments and determined that due to the nature and purpose of the entity, that investment income recognised should be presented as income of the Group. During the previous period, these amounts were presented as finance income, and not included in the operating surplus for the year. This change in judgement has had no impact on the net profit and retained earnings previously reported by the Group.

b) During the previous period, the share of post-tax profit of the equity accounted associate was presented as revenue of the Group for the period. As these profits relate to a separate entity they are required to be presented after the Group's profits from its own operations. This change in presentation has been applied to the comparative information presented in these financial statements, but had no impact on the net profit and retained earnings previously reported by the Group.

Prior period errors at 1 April 2022

At 1 April 2022 the Group transitioned from preparing its financial statements under the special purpose reporting framework for internal management and income tax purposes to the Tier 2 for-profit accounting standards (NZ IFRS RDR). During the current period, management noted that a number of amendments to account balances that were required as a result of the transition to the new reporting framework had not been recognised. Details of these errors are noted below:

c) At 31 March 2022, the property at Boston Crescent was recognised as property, plant and equipment. At the date of transition to NZ IFRS RDR, this property was required to be recognised as investment property. An adjustment has been made at 1 April 2022 to de-recognise the asset as property, plant and equipment, and to instead recognise as Investment property.

d) Management noted that the Group's equity accounted associate reported its results under a different basis of preparation from the Group. When an associate uses accounting policies other than those of the reporting entity for like transactions and events in similar circumstances, then NZ IAS 28 Investments in Associates and Joint Ventures requires adjustments to be made to the associate's accounting policies so that they conform with those of the reporting entity. The associate's accounting policies for investment property differed from that adopted by the Group. Retrospective adjustments have been made to the prior period results to recognise the investment property owned by the associate at fair value.

e) Further to d) above, management noted that the investment in the equity accounted associate at 1 April 2022 did not recognise the Group's share of the associate's current assets and current liabilities, and the intangible assets carried at fair value. In addition, the beneficiary advance account was required to be recognised as a payable, rather than as a component of the investment in the equity accounted associate. A retrospective adjustment has been made to recognise the Group's share of the equity accounted associates net equity, excluding the adjustment required per d) above.

f) Upon transition to NZ IFRS RDR the Group was required to comply with NZ IFRS 16 Leases. The initial application of this standard required the Group to recognise its lease arrangements (as lessee) as lease liabilities, with a corresponding right-of-use asset recognised at the same time. During the current year, management determined that inappropriate assumptions and estimates had been used in calculating the assets and liabilities in relation to leases. A retrospective adjustment has been made to amend the amounts recognised as lease liabilities, and right-of-use assets at the date of initial application of NZ IFRS 16 Leases.

g) Upon transition to NZ IFRS RDR the Group was required to comply with NZ IAS 37 Provisions, Contingent Liabilities, and Contingent Liabilities. The initial application of this standard required the Group to de-recognise provisions for which there was no present obligation. A retrospective adjustment has been made to de-recognise some provisions.

The errors were corrected for current year results, and the table below summarises the changes made to the statement of financial position, statement of changes in equity, and statement of profit or loss or other comprehensive income for c) - g):



Impact on items in the statement of financial position

	Payables and accrued expenses	Investment property	Property, plant and equipment	Investment in equity accounted associate	Right-of-use asset/Lease asset	Lease Liability	Provisions	Equity
Balance reported at 1 April 2022	124,507	5,026,558	403,566	7,745,667	503,943	503,943	10,423,000	84,633,459
Effect of the prior period error c)	-	297,416	(297,416)	-	-	-	-	-
Effect of the prior period error d)	-	-	-	11,247,010	-	-	-	11,247,010
Effect of the prior period error e)	243,393	-	-	10,797,321	-	-	-	10,553,928
Effect of the prior period error f)	-	-	-	-	363,382	375,968	-	(12,586)
Effect of the prior period error g)	-	-	-	-	-	-	(2,423,000)	2,423,000
Restated balance at 1 April 2022	367,900	5,323,974	106,150	29,789,998	867,325	879,911	8,000,000	108,844,811

Prior period errors at 30 June 2023

During the current year, the Group identified a number of errors relating to the measurement of assets and liabilities, and expenses in the prior period. Details of these errors are noted below:

h) Impact of prior period errors recognised at 1 April 2022 as per c) - g) above

i) Management noted that at the end of the 2023 reporting period, property improvements relating to properties that were for sale as part of the ordinary business of the Group were recognised as investment property, whereas the properties that the improvements related to were recognised as inventory. In addition, costs incurred during the period ending 30 June 2023 were recognised in property, plant and equipment, rather than investment property (in line with adjustment c) at 1 April 2022). Retrospective adjustments have been made to the comparative information to reclassify the property improvement assets, relating to properties that are for sale in the ordinary course of business, as inventory, and the additions for Boston Crescent as investment property.

j) During the period ending 30 June 2023, the Trustees of Tamatea Pokai Whenua Trust ('the Trust') transferred assets to its controlled entity Tamatea Heretaunga Pou Tahua Limited Partnership ('the Limited Partnership'). The transfer of these assets



was recognised at fair value at the date of the transfers in the separate financial statements of the Trust and the Limited Partnership, including any resulting gains or losses. As the transfer of assets was between members of a consolidated group, any gains or losses should have been eliminated for financial reporting purposes.

k) As a result of the amendment to the lease liability and right-of-use asset at 1 April 2022 per f) above, the respective interest expense and amortisation were recalculated.

l) Further to the adjustment at e) for 1 April 2022, management noted that the investment in the equity accounted associate at 30 June 2023 did not recognise the Group's share of the associate's current assets and current liabilities, and the intangible assets carried at fair value. In addition, the beneficiary advance account was required to be recognised as a receivable, rather than as a component of the investment in the equity accounted associate. A retrospective adjustment has been made to the comparative information to recognise the Group's share of the equity accounted associates net equity, excluding the adjustment required per d) above.

m) Further to the adjustment at g) for 1 April 2022, any payments made during the period for provisions that are no longer recognised should instead be recognised as expenses.

n) Upon transition to NZ IFRS RDR the Group was required to recognise deferred tax assets and/or liabilities in compliance with NZ IAS 12 Income Taxes. This reporting standard requires deferred tax to be recognised for taxable temporary differences. During the current period, management noted that deferred tax had not been recognised in relation to temporary differences attributable to the fair value changes in investment property. A retrospective adjustment has been made to the comparative information to recognise the deferred tax liability relating to the change in fair value of investment property.

The errors were corrected for current year results, and the table below summarises the changes made to the statement of financial position, statement of changes in equity, and statement of profit or loss or other comprehensive income for c) - n) above:

Impact on items in the statement of financial position

	Receivables	Investment property	Property, Plant and equipment	Inventories	Investment in equity accounted associate	Right-of-use asset/Lease asset	Lease Liability	Provisions	Deferred tax liability	Equity
Balance reported at 30 June 2023	249,005	5,956,680	812,688	6,225,120	8,576,741	474,851	474,850	10,323,000	(945)	84,095,545
Effect of the prior period error h)	(243,393)	297,416	(297,416)	-	22,044,331	371,642	381,147	(2,423,000)	-	24,211,352
Effect of the prior	-	7,804	(411,884)	404,080	-	-	-	-	-	235



period error i)										
Effect of the prior period error j)	-	-	-	(133,655)	-	-	-	-	-	(133,655)
Effect of the prior period error k)	-	-	-	-	-	(94,811)	(54,086)	-	-	(40,725)
Effect of the prior period error l)	831,074	-	-	-	(5,586,179)	-	-	-	-	(4,755,105)
Effect of the prior period error m)	-	-	-	-	-	-	-	100,000	-	(100,000)
Effect of the prior period error n)	-	-	-	-	-	-	-	-	160,642	(159,696)
Restated balance at 30 June 2023	836,686	6,261,900	103,388	6,495,545	25,034,895	743,422	796,732	8,000,000	159,697	103,117,952



Impact on items in the statement of profit or loss and other comprehensive income

	Administration and other expenses	Tax expense	Share of associates other comprehensive income	Total comprehensive income
Effect of the prior period error h)	-	-	-	-
Effect of the prior period error i)	235	-	-	235
Effect of the prior period error j)	133,655	-	-	13,655
Effect of the prior period error k)	40,725	-	-	40,725
Effect of the prior period error l)	-	-	4,748,573	4,748,573
Effect of the prior period error m)	100,000	-	-	100,000
Effect of the prior period error n)	-	159,698	-	159,698
Total impact for prior period errors	274,615	159,698	4,748,573	5,182,886

4. Financial Instruments

Financial assets

The Group classifies its financial assets depending on the purpose for which the asset was acquired.

Fair value through profit or loss

This category comprises the Group's investments in managed funds, equity securities and other entities. They are carried in the statement of financial position at fair value with changes in fair value recognised in the statement of profit or loss and other comprehensive income.

Amortised cost

These assets arise principally where the objective is to hold these assets in order to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

The Group's financial assets measured at amortised cost comprise term deposits, receivables and cash and cash equivalents in the statement of financial position. Cash and cash equivalents includes deposits held at call with banks, and other short term highly liquid investments with original maturities of three months or less.

Financial liabilities

The Group classifies all its financial liabilities as subsequently measured at amortised cost using the effective interest method. The Group's financial liabilities comprise payables and accrued expenses, and loans.



Financial instruments by category

Financial assets

	Fair value through profit or loss	Fair value through profit or loss	Amortised cost	Amortised cost
	2024	2023	2024	2023
Cash and cash equivalents	-	-	3,987,428	11,402,976
Term deposits	-	-	10,963,482	7,500,000
Receivables	-	-	503,306	836,686
Equity Investments	61,926,301	54,042,387	-	-
Total Financial Assets	61,926,301	54,042,387	15,454,216	19,739,662

Financial liabilities

	Fair value through profit or loss	Fair value through profit or loss	Amortised cost	Amortised cost
	2024	2023	2024	2023
Payables and accrued expenses	-	-	290,869	254,282
Total Financial Liabilities	-	-	290,869	254,282

5. Revenue

The Group derives the majority of its revenue from the provision of services, and the delivery of projects. This revenue is recognised over time, based on the stage of completion for the services or projects. The stage of completion uses judgement to compare the actual hours spent on the project or the provision of services with the estimated total hours expected to complete the project or the service. This is considered a faithful depiction of the transfer of the service or project to the customer, and therefore also represents the amount to which the Group would be entitled based on its performance to date.

Typically, the Group receives payments from customers in advance of the services or projects being delivered. Any amounts received that exceed the revenue recognised by the Group is recognised as contract liabilities, in the consolidated statement of financial position.



6. Other Income

Lease income

Income from the rental of property is recognised within profit or loss on a straight line basis over the term of the lease.

	2024	2023 (15 MONTHS)
Other Income		
Operating lease income	122,417	164,017
Income from financial assets at fair value through profit or loss	3,161,790	114,145
Interest received from financial assets measured at amortised cost	874,329	822,574
Insurance proceeds	42,815	-
Total Other Income	4,201,352	1,100,737

7. Expenses by nature

	2024	2023 (15 MONTHS)
Material expenditure recognised during the year		
Consultancy Fees	162,064	228,439
Cyclone Relief Koha	-	362,500
Investment Management Fee	195,589	231,704
Legal Expenses	107,158	89,197
Member Engagement	-	160,000
Property Expenses	99,045	125,022
Interest expense for lease liabilities	76,559	105,745
Amortisation of right of use assets	99,123	123,904
Wages and Salaries	693,000	754,204

During the year, an expense amounting to \$23,851 (2023: \$22,710) was recognised in relation to premiums for trustees and officers indemnity insurance.

8. Income Tax

The Trust and its associated entities within the Group have elected to be Maori authorities under the Income Tax Act 2007 on the basis they received and manage the settlement package received from the Crown.

Income tax expense

Income tax on profits for the period comprises current tax, deferred tax and any adjustment for tax payable in previous periods.

Current tax payable

Current tax is the expected tax payable on the profit for the period based on tax rates and tax laws which are applicable to the reporting date.

Deferred tax

Deferred tax arises by providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the equivalent amounts used for tax purposes.



Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the periods when the asset and liability giving rise to them are realised or settled.

Current tax expense

	2024	2023
Current tax on profits for the period	199,940	183,276
Total current tax	199,940	183,276

Deferred tax expense

	2024	2023
Origination and reversal of temporary differences	(78,250)	159,697
Total deferred tax	(78,250)	159,697

Total income tax expense for the period	121,690	342,973
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The reasons for the difference between the actual tax charge for the year, and the standard rate of Maori Authority tax applied to profits for the year are as follows:

Profit / (Loss) for the period	3,483,319	(978,286)
Income tax expense	121,690	342,973
Profit / (Loss) before income tax	3,605,009	(635,313)
Tax using the Maori Authority tax rate of 17.5% (2023:17.5%)	630,877	(111,180)
Tax effect of expenses not deductible for tax purposes	314,805	577,309
Tax effect of income not assessable for tax purposes	(823,991)	(123,156)
Total income tax expense for the period	121,690	342,973

Details of the deferred tax liability and amounts recognised in profit and loss are as follows:

	Deferred tax liability at 1 April 2022	Charged to profit or loss	Deferred tax liability at 30 June 2023	Charged to profit or loss	Deferred tax liability at 30 June 2023
Changes in fair values of investment property	-	159,697	159,697	(78,250)	81,447
Deferred tax liability	-	159,697	159,697	(78,250)	81,447

9. Term Deposits

Term deposits are invested with New Zealand trading banks. Maturity dates range from August 2024 to May 2025 at interest rates ranging from 5.90% to 6.28% per annum. (2023: maturity dates ranging from July 2023 to September 2023, at interest rate of 5.00% to 5.50% per annum.)



10. Goods and Services Tax (GST)

Revenues, expenses, assets and liabilities are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of Receivables or Payables and Accrued Expenses in the Consolidated Statement of Financial Position.

11. Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their current condition. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Property	2024	2023
238 Stock Road and 49A Dundee Road (otherwise known as Wairatahi)	5,872,215	5,186,888
14 Mangarau Crescent	1,337,079	1,308,657
Total	7,209,294	6,495,545

	2024	2023 (15 MONTHS)
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12. Investments

Equity securities (NZ publicly listed)	1,396,154	1,442,308
Managed Funds	54,530,148	51,600,079
Investments in other Limited Partnerships	6,000,000	1,000,000
Total Investments	61,926,301	54,042,387

The fair value of the Group's investments in managed funds and equity securities is based on published market prices. Analysis of these investments is provided below:

Investments	2024	2023
Global equities	20,180,075	18,123,008
NZ equities	6,271,294	6,503,943
Global listed infrastructure	3,664,898	3,570,747
Global debt securities	20,399,831	19,593,293
NZ debt securities	5,410,202	5,251,397
Total Managed Funds and Equity Securities	55,926,300	53,042,388

The fair value of the Group's investments in other Limited Partnerships is based on the proportionate interest in the net assets of the other Limited Partnerships. The underlying assets and liabilities of the other Limited Partnerships are recognised in their separate financial statements at fair values.



Analysis of these investments is provided below:

Investments in Other Limited Partnerships	2024	2023
Puai Tangaroa Limited Partnership	1,000,000	1,000,000
Hapai Commercial Property Limited Partnership	5,000,000	-
Total Investments in Other Limited Partnerships	6,000,000	1,000,000

13. Investment Property

The Group measures investment properties at fair value. Fair value is determined by an independent valuation specialist, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued.

	Investment properties subject to operating lease	Other investment properties	Total
Carrying amount at 1 July 2023	5,956,680	305,220	6,261,900
Additions resulting from subsequent expenditure	146,369	42,372	188,741
Net loss from fair value adjustments	(631,726)	(47,592)	(679,318)
Balance at 30 June 2024	5,471,323	300,000	5,771,323

14. Operating Leases (as Lessor)

The Group has entered into property lease agreements. Lease agreements have all since expired and operate on a month by month basis on agreement with the lessor. The minimum future lease payments receivable are:

Minimum Lease Payments	2024	2023
Not later than one year	11,254	12,294
One to two years	-	-
Two to three years	-	-
Three to four years	-	-
Four to five years	-	-
Later than five years	-	-

15. Investments in associates

Investments in associates are accounted for by using the equity method of accounting and are initially recognised at cost. The share of associate's post acquisition profits or losses and other comprehensive income is recognised in the Statement of Profit or Loss and Other Comprehensive Income. When the share of losses in an associate equals or exceeds the Group's interest in the associate, including any other unsecured receivables, the group does not recognise further losses, unless the group has incurred obligations or made payments on behalf of the associate.

The Group has a beneficial interest of 56.66% in Kaweka Gwavas Forestry Trust for the year ended 30 June 2024 (2023: 56.66% interest in Kaweka Gwavas Forestry Trust). Kaweka Gwavas Forestry Trust (KGFT) is a business based Hawkes Bay, New Zealand. The Group have applied judgement in relation to the investment in KGFT, and determined that the 56.66% beneficial interest does not represent control, but instead means that the Group has significant influence in relation to KGFT. This judgement is



based on the terms of KGFT's Trust Deed for the 10% beneficial interest held by the Crown to restrict operating and strategic decisions for KGFT.

There are no contingent liabilities or capital commitments in relation to KGFT for the year ended 30 June 2024. (2023:nil).

16. Leases

All leases are accounted for by recognising a right-of-use asset and a lease liability, except for:

- Leases of low value assets; and
- Leases with a duration of 12 months or less.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by the Group's incremental borrowing rate at the commencement of the lease.

Right-of-use assets are initially measured at the amount of the lease liability.

Subsequent to initial measurement, lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding, and are reduced for lease payments made. Right-of-use assets are amortised on a straight line basis over the remaining term of the lease.

The entity has entered into a lease for an office building. The lease includes renewals in December 2024 and December 2027, and has a final expiry date of December 2030. The lease contract provides for the payments to be reset to market rental rates at each of the renewal dates.

	2024	2023 (15 MONTHS)
Right of use Assets		
Opening Balance	743,422	867,325
Additions	-	-
Amortisation	99,123	123,904
Closing Balance	644,299	743,422
	2024	2023 (15 MONTHS)

Lease Liability		
Opening Balance	796,732	879,911
Additions	-	-
Interest Expense	76,559	105,745
Lease Payments	151,140	188,925
Closing Balance	722,151	796,732

17. Reserves

The following describes the nature and purpose of each reserve within equity:

- Equity Investment Reserve - the Group's share of the equity accounted associate's asset revaluation reserve
- Retained Earnings - the Group's accumulated profits and all other net gains and losses not recognised elsewhere



18. Provisions

In August 2017, the Trustees approved the criteria that informs the \$1million distribution proposal. The Trustees confirm these obligations still exist as at 30 June 2024, with 8 Marae remaining to still receive. (2023: 8 Marae).

19. Contingent Liabilities

There are no contingent liabilities at balance date (2023: nil).

20. Subsequent Events

There were no events subsequent to year end that require adjustment to, or disclosure in, these financial statements.

21. Related Party Transactions

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, and comprise the trustees and the executive management of the Trust. The total remuneration paid to key management personnel during the year was \$580,221 (2023: \$683,048).

During the year, the Group received distributions from Kaweka Gwavas Forestry Trust (KGFT) of \$1,076,540 (2023:\$- . At the end of the year, an amount of \$197,004 was owed to the Group by KGFT (2023: \$587,681).

There were no other transactions with related parties during the year (2023: nil), and as a result, there are no other amounts owing to or from related parties at the reporting date (2023: nil . The Group has not made any allowance for bad or doubtful debts in respect of amounts owed from related parties, nor has any guarantee been given or received during the year (2023: nil).

As required by 3.1 (b) (i) of the Sixth Schedule of the Trust Deed the following table provides details of any remuneration or fees paid to any Trustee or any Trustee's firm, including any such payment as a director of a subsidiary:

Trustees of the Trust

Related Party Payments	2024	2023 (15 months)
T August	\$7,200	\$9,040
N Berney	\$7,200	\$9,883
S Durham	\$4,800	\$-
P Carroll	\$10,575	\$12,564
E H Graham	\$12,667	\$50,409
R Hakiwai (HTK Hakiwai/ Group Limited)	\$7,590	\$24,418
Natasha Hanara	\$-	\$9,000
R Hape	\$7,200	\$9,151
Nathan Hanara	\$7,200	\$-
A Hokamau	\$7,200	\$-
JB Heperi-Smith	\$-	\$10,850
C Huata	\$7,500	\$11,376
W Kara	\$1,200	\$9,126
L Kele (Laura.M.Kamau Limited)	\$11,288	\$9,083



K Koko	\$7,200	\$12,683
M McGuire	\$-	\$9,000
B Morris (Puangi Limited)	\$7,590	\$10,350
E Munroe	\$7,200	\$-
J Nelson-Smith	\$7,200	\$-
W Osborne	\$-	\$9,000
P Paku	\$38,283	\$12,343
K Rata	\$-	\$9,071
K Ropiha (Reliant Consultancy Limited)	\$690	\$19,052
E Sandilands	\$7,400	\$10,518
T Te Au	\$-	\$9,067
H Williams (Mauri Ora Services Limited)	\$7,590	\$-
N Tomoana	\$7,200	\$9,023
G Mohi	\$7,200	\$7,905
T Hapuku	\$7,200	\$7,868
H Heperi	\$6,600	\$-
A Rakete	\$5,400	\$-

Taumata Kaumatua of the Trust

	2024	2023 (15 months)
H Barlow	\$1,000	\$-
H Bartlett	\$750	\$-
R Ferris	\$1,000	\$-
O Hapuku	\$1,000	\$1,219
M Hart	\$750	\$-
J Kenrick	\$750	\$-
M Paku	\$1,000	\$-
A Watene	\$1,000	\$-
E Timu	\$1,000	\$-

Directors & Independent Investment Committees of the Group

Related Party Payments	2024	2023 (15 months)
R Hakiwai (HTK Kaute Limited)	\$22,000	\$14,666
K Koko	\$14,000	\$14,000
K Ropiha (Reliant Consultancy Limited)	\$14,000	\$9,333



B Nettleton (Nettleton & Co Limited)	\$14,000	\$18,725
D Mussett (Alsa Consulting Limited)	\$14,000	\$18,725
J Kean	\$14,000	\$17,500
D Russell	\$-	\$-
S Reo (SMR Consulting Limited)	\$2,667	\$3,881
P Ellis (Ease Consulting Limited)	\$-	\$3,795
V Bull	\$3,375	\$5,779



INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF TAMATEA PŌKAI WHENUA TRUST

Opinion

We have audited the consolidated financial statements of Tamatea Pōkai Whenua Trust and its controlled entities ("the Group"), which comprise the consolidated statement of financial position as at 30 June 2024, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 30 June 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with New Zealand equivalents to International Financial Reporting Standards Reduced Disclosure Regime ("NZ IFRS RDR") issued by the New Zealand Accounting Standards Board.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) ("ISAs (NZ)"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards)* (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, the Group or its controlled entity.

Emphasis of Matter

We draw attention to note 3 of the consolidated financial statements, which describes the effects of prior period errors corrected during the year ended 30 June 2024. Our opinion is not modified in respect of this matter.

Other Matter

The consolidated financial statements of the Group for the period ended 30 June 2023 were audited by another auditor, who expressed an unmodified opinion on those statements on 25 October 2023.

Trustees' Responsibilities for the Consolidated Financial Statements

The Trustees are responsible on behalf of the Group for the preparation and fair presentation of the consolidated financial statements in accordance with NZ IFRS RDR, and for such internal control as the Trustees determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Trustees are responsible on behalf of the Group for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of these consolidated financial statements.

A further description of our responsibilities for the audit of the financial statements is located at the External Reporting Board's website at: <https://www.xrb.govt.nz/assurance-standards/auditors-responsibilities/audit-report-7/>.

This description forms part of our auditor's report.

Who we Report to

This report is made solely to the Trustees, as a body. Our audit work has been undertaken so that we might state those matters which 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 Trust and the Trustees, as a body, for our audit work, for this report or for the opinions we have formed.

BDO Hawke's Bay

BDO Hawke's Bay
PO Box 944
Napier 4140
14 October 2024