

Consolidated Financial Statements

Ngā Maunga Whakahii o Kaipara Development Trust
For the year ended 31 March 2023

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Ngā Maunga Whakahii o Kaipara Development Trust For the year ended 31 March 2023

Nature of Business	Treaty Settlement Claim and Management of Trust Assets
Address	5 Rere Place Parakai Auckland 0830
New Zealand Business Number	9429030861824
IRD Number	108-517-148
Trustee	Ngā Maunga Whakahii o Kaipara Custodian Trustee Limited
Directors of Corporate Trustee	R N Glavish (Chair) C Povey M J Sherard M Tukerangi D Brewer T Davis T Hemana T Mercer
Bankers	ANZ Bank Westpac Bank BNZ Bank
Chartered Accountants	VGA Chartered Accountants Limited Unit G12, 23 Edwin Street Mt Eden, Auckland 1024
Auditors	Moore Markhams Auckland 103 Carlton Gore Road Auckland
Primary Solicitors	MinterEllisonRuddWatts PwC Tower, Level 22 15 Customs Street Auckland CBD

Consolidated Statement of Financial Performance

Ngā Maunga Whakahii o Kaipara Development Trust For the year ended 31 March 2023

	NOTE	2023	2022
Revenue			
Equity Earnings - Forest JV		6,013,288	2,094,327
Partnership / JV Income	5	4,017,631	-
Forestry Income		751,884	493,714
Governance Income		23,928	18,834
Rental Income		1,550,159	1,584,812
Managed Funds Income		871,106	1,414,527
Interest Income		66,178	15,959
Grants Income		590,230	531,314
Other Income		22,450	4,564,257
Total Revenue		13,906,854	10,717,742
Cost of Sales			
Land Development Costs		-	107,559
Gross Profit		13,906,854	10,610,182
Expenses			
Depreciation of Property, Plant and Equipment		63,724	65,252
Auditing and Taxation Fee		265,026	69,659
Directors Fees	12	206,431	200,000
Employee & Contractor Expenses		2,926,347	2,585,544
External Governance Expenses	12	17,641	26,363
Finance Costs		1,345,890	4,313
Grants Paid		185,092	272,404
Legal and Professional Fees	17	675,751	972,229
Occupancy Expenses		71,637	90,680
Office Expenses		202,497	298,338
Other Expenses		226,125	449,799
Partnership / JV Expenses	5	328,711	-
Property Expenses		142,593	68,587
Trustees Fees	12	66,882	135,363
Total Expenses		6,724,347	5,238,531
Surplus Before Income Tax		7,182,507	5,371,652
Less Income Tax Expense			
Income Tax Expense	18	271,889	245,050
Total Comprehensive Income		6,910,618	5,126,602

These financial statements have been prepared after conducting the Audit and should be read in conjunction with the attached notes to the financial statements and Auditor's report.

Consolidated Statement of Changes in Equity

Ngā Maunga Whakahii o Kaipara Development Trust For the year ended 31 March 2023

	2023	2022
Retained Earnings / Accumulated Losses		
Total Comprehensive Income	6,910,618	5,126,602
Total Net Surplus / (Deficit) For the Year	6,910,618	5,126,602
	2023	2022
Asset Revaluation Reserve		
Asset Revaluation Reserve		
Opening Balance	20,619,218	19,831,379
Revaluation Reserve	1,225,758	-
Unrealised Gains	102,064	-
Unrealised gain / (loss) on Carbon Credits	-	442,857
Unrealised gain / (loss) on Managed Funds	-	344,982
Total Asset Revaluation Reserve	21,947,040	20,619,218
	2023	2022
Trust Capital		
Trust Capital		
Opening Balance	75,611,593	70,484,991
Current Year Earnings	6,910,618	5,126,602
Retained Earnings Movements	(628,679)	-
Total Trust Capital	81,893,533	75,611,593

These financial statements have been prepared after conducting the Audit and should be read in conjunction with the attached notes to the financial statements and Auditor's report.

Consolidated Statement of Financial Position

Ngā Maunga Whakahii o Kaipara Development Trust

As at 31 March 2023

	NOTE	2023	2022
Assets			
Current Assets			
Cash and Cash Equivalents	2	6,821,812	7,794,628
Term Deposits	2	299,399	1,295,612
Accounts Receivable	6	402,124	436,684
Total Current Assets		7,523,336	9,526,924
Non-Current Assets			
Investments	3	66,751,364	43,050,779
Property, Plant and Equipment	4	37,913,924	37,916,347
Carbon Credits	7	10,975,319	7,528,550
Bonds		4,000	-
Total Non-Current Assets		115,644,607	88,495,675
Total Assets		123,167,943	98,022,600
Liabilities			
Current Liabilities			
Trade Payables	8	644,394	556,316
Income Tax	18	680,206	186,823
Employee Entitlements	10	97,706	-
Other Payables	9	515,429	260,930
Income In Advance	11	535,266	516,116
Total Current Liabilities		2,473,002	1,520,185
Non-Current Liabilities			
Deferred Income Tax	18	278,146	271,603
Loans		16,585,066	-
Total Non-Current Liabilities		16,863,212	271,603
Total Liabilities		19,336,213	1,791,788
Net Assets		103,831,729	96,230,811

These financial statements have been prepared after conducting the Audit and should be read in conjunction with the attached notes to the financial statements and Auditor's report.

Consolidated Statement of Financial Position

Ngā Maunga Whakahii o Kaipara Development Trust

As at 31 March 2023

	NOTE	2023	2022
Equity			
Accumulated Funds		81,893,533	75,611,593
Revaluation Reserve		21,947,040	20,619,218
Intercompany Timing Differences		(8,843)	-
Total Equity		103,831,729	96,230,811

For and on behalf of the Trust:

Trustee: _____ Date _____

Trustee: _____ Date _____

These financial statements have been prepared after conducting the Audit and should be read in conjunction with the attached notes to the financial statements and Auditor's report.

Notes to the Consolidated Financial Statements

Ngā Maunga Whakahii o Kaipara Development Trust For the year ended 31 March 2023

1. Statement of Accounting Policies

Reporting Entity

The financial statements presented here are for the entity Ngā Maunga Whakahii o Kaipara Development Trust ("Trust") and its subsidiaries ("Group") including Whiti Ora O Kaipara Charitable Trust and companies incorporated under the Companies Act 1993:

- Ngā Maunga Whakahii o Kaipara Commercial Development Limited
- Ngā Maunga Whakahii o Kaipara Ngahere Limited
- Ngā Maunga Whakahii o Kaipara Whenua Hoko Holdings Limited
- Te Rau Manga Limited
- Te Uru Limited
- Pitoitoi Limited (non trading)

Business Activity

Ngā Maunga Whakahii o Kaipara Development Trust (the Development Trust) is the Post Settlement Governance Entity (PSGE) of Ngāti Whātua o Kaipara.

The Development Trust is tasked with leading the group of entities (the Group) and its two main subsidiaries that provide social services and commercial activities.

Whiti Ora o Kaipara Charitable Trust (Whiti Ora)

Whiti Ora is currently not operational.

Kaipara Commercial Development Limited (KCDL)

KCDL currently oversees the commercial activities and is also tasked with managing the investments on behalf of the Development Trust. These activities include financial investments, property & land development, rental property, forestry, and licensing use of iwi-owned land and forests to third parties for their commercial activities.

Basis of Preparation

These financial statements have been prepared in accordance with the Special Purpose Framework for use by For-Profit Entities (SPFR for FPEs) published by Chartered Accountants Australia and New Zealand.

The financial statements have been prepared for the Trust's members.

Measurement Base

The accounting principles recognised as appropriate for the measurement and reporting of the financial performance and financial position on a historical cost basis are followed by the Group, with the exception that certain property, plant, equipment and investments are subject to revaluation. Financial statements are presented in New Zealand Dollars (NZD) and rounded to the nearest dollar.

Specific Accounting Policies

The following specific accounting policies, which materially affect the measurement of the financial performance and financial position have been applied:

a) Basis of Consolidation

Consolidated financial statements are not within the scope of SPFR for FPEs. The group step up to NZ IFRS 10 Consolidated Financial Statements and NZ IFRS 12 Disclosure of Interest in other Entities.

Notes to the Consolidated Financial Statements

Ngā Maunga Whakahii o Kaipara Development Trust

For the year ended 31 March 2023

The financial statements comprise those of the Company and its subsidiaries, which are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Generally, control is achieved with a shareholding of more than one half of the voting rights over the relevant activities of the investee. The existence and effect of potential voting rights that are exercisable or convertible are considered when assessing whether the Group controls another entity.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the effective date of acquisition, or up to the effective date of disposal, as appropriate. The consolidated financial statements are based on the financial statements of the individual companies prepared using the standard Group accounting policies.

Accounting policies applied by individual subsidiaries have been revised where necessary to ensure consistency with Group policies.

All intra-group transactions and balances between Group entities are eliminated on consolidation except for foreign currency transaction gains and losses.

Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the transferred asset.

Non-controlling interests are initially measured at their proportionate share of the net assets at the date of acquisition.

Profit or loss and each component of other comprehensive income are attributed to either the owners of the parent or any non-controlling interests, even if this allocation results in the non-controlling interests having a deficit balance.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for in equity.

If the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary along with any non-controlling interests and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any investment retained in the entity is measured at fair value at that date.

b) Revenue Recognition

Income is recognised on an accruals basis. Income in advance represents monies received where the services are yet to be provided and there is a contractual obligation. Details of each revenue stream is described below;

1. Equity Earnings

Equity earnings are derived from the revaluation of the assessed future value of cutting trees & stumpage in the forestry joint venture. It is the movement in future value for the year as assessed by the independent valuer in December each year.

2. Partnership JV Income

The Development JV is a partnership so net income derived from the sale of property and finished houses by the JV is allocated to each partner in the proportions under the JV agreements.

3. Forestry Income

This is income received from use of the forest resource, including sand extraction, cleanfill, events held in the forest, filming that takes place in the forest, licences issued to the forestry JV to conduct forestry, and hunting permits. Income is recognised when billed.

Notes to the Consolidated Financial Statements

Ngā Maunga Whakahii o Kaipara Development Trust

For the year ended 31 March 2023

4. Rental Income

Rental income derives from the leasing of Trust land or licenses to access trust land to external parties for commercial purposes including licensees operating ventures within the forest, school properties on trust land leased to the Ministry of Education, and residential rent. Income is recognised when invoiced, except for annual rental billed in advance & allocated to the period it covers.

5. Managed Funds

Income derived from the portfolio fund managers, recognised when earned as determined from monthly reports received from FundRock NZ Ltd the issuer of the Trust Management PIE Funds Scheme.

6. Governance Income

Recognised when billed to external parties such as local councils for attendance at council or related meetings.

7. Other Income

Comprises income not elsewhere categorised, recognised when billed or received.

c) Government Grants

Government grants are recognised as revenue on receipt where no performance conditions have been specified on receipt of the grant. The only grants received were in the 2023 year for the Covid-19 wages subsidy that was applied to paying staff wages in accordance with the subsidy rules. There is no unfulfilled obligation in respect to this.

Whiti Ora o Kaipara Charitable Trust received government grants in the period which have not been able to be identified and therefore the unfulfilled obligation cannot be determined.

d) Accounts Receivable

Receivables are stated at their estimated realisable value. Bad debts are written off in the year in which they are identified.

The Group assesses expected credit losses arising from its trade receivables at the end of each reporting period. The level of provision recognised is based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the entity's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

There has been no provision for doubtful debts.

e) Goods & Services Tax

The financial statements have been prepared on a GST exclusive basis other than Accounts Receivable and Accounts Payable. The Trust and subsidiaries are individually registered for Goods & Services Tax on either a payments basis or invoice basis.

f) Cash and Cash Equivalents

Comprise cash balances and bank balances (including short term deposits) with original maturities of 90 days or less.

Notes to the Consolidated Financial Statements

Ngā Maunga Whakahii o Kaipara Development Trust

For the year ended 31 March 2023

g) Payables, Accruals and Employee Entitlements

Liabilities for wages and salaries (including non-monetary benefits), annual leave and accumulating sick leave are recognised in surplus or deficit during the period in which the employee rendered the related services and are generally expected to be settled within 12 months of the reporting date. The liabilities for these short-term benefits are measured at the amounts expected to be paid when the liabilities are settled. Expenses for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

h) Investment in Listed Equities and Carbon Credits

Investments are measured at fair value with gains or losses recognised in the Changes of Equity. The fair value of investments is determined by reference to active market transactions where the information is readily obtainable and reliable.

Investments in forestry assets under joint venture arrangements are recorded at the Group's share of the forest valuation as at year end as per the forest manager's annual report. Forest assets are independently valued for Matariki Forests (the forest manager) by specialist forest-sector appraisers Margules Groome Ltd as at 31 December each year. Changes in value are recorded as income entitled Equity Earnings.

Whenua Hoko Holdings joint ventures are accounted for using the equity method. Under the equity method, on initial recognition the investment in the joint venture is recognised at cost, and the carrying amount is increased or decreased to recognise the company's share of the profit or loss of the investee after the date of acquisition. The company's share of the investee's profit or loss is recognised in the profit or loss. Distributions received from an investee reduce the carrying amount of the investment.

Te Rau Manga's joint venture investments are carried at expected future value as determined by a specialist independent valuer.

i) Financial Instruments

At initial recognition the Group 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 society 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.

Notes to the Consolidated Financial Statements

Ngā Maunga Whakahii o Kaipara Development Trust

For the year ended 31 March 2023

j) Asset Revaluations

Forest assets were independently valued for Matariki Forests (the forest manager) by specialist forest-sector appraisers Margules Groome Ltd as at 31 December 2022. These valuations are carried out annually in December each year. Changes in value are recorded as income entitled Equity Earnings.

Any revaluation surplus arising upon appraisal of land and buildings is credited to the Asset Revaluation Reserve in Equity. Devaluations of land are recognised upon appraisal or impairment testing with the decrease being charged to the statement of financial performance. Any revaluation surplus remaining in equity on disposal of the asset is transferred to Retained Earnings.

There were no revaluations of land & buildings during the financial year.

k) Property, Plant & Equipment, Depreciation

All fixed assets are recorded at cost less accumulated depreciation. Depreciation of the assets has been calculated at the maximum rates permitted by the Income Tax Act 2007.

Asset Classification	Rate	Method
Land	0%	-
Buildings	2%	Straight Line
Building Improvements	3% - 7%	Straight Line
Fixtures & Fittings	7% - 30%	Straight Line & Diminishing Value
Computers & Software	40% - 67%	Straight Line & Diminishing Value
Office Equipment	40% - 67%	Diminishing Value
Roads	4%	Diminishing Value
Motor Vehicles	13% - 30%	Straight Line & Diminishing Value

Ngahere Limited has an agreement to purchase the Oneonenui Farm property for \$10m, funded by a withdrawal of funds from the managed portfolio investments. This purchase is due to be settled in November 2023.

There were no further commitments to purchase fixed assets at balance date.

l) 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 company intends to use to the end of their 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 company intends to use to the end of their useful life are not reviewed for impairment at balance date.

Notes to the Consolidated Financial Statements

Ngā Maunga Whakahii o Kaipara Development Trust

For the year ended 31 March 2023

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 equity for that period.

As at balance date, no assets have any indications of impairment.

m) Income Tax

The Group is registered as a Maori Authority and the income tax rate is 17.50%. The Group has adopted deferred tax accounting in the year to 31 March 2023.

Deferred tax is accounted for in accordance with IAS 12, Income Taxes. IAS 12 defines a deferred tax liability as being the amount of income tax payable in future periods in respect of taxable temporary differences.

Temporary differences may be either taxable temporary differences or deductible temporary differences. Taxable temporary differences are those on which tax will be charged in the future when the asset or liability is recovered or settled. Deductible temporary differences are those which will result in tax deductions or savings in the future when the asset or liability is recovered or settled.

n) Development Property

Development Property assets are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. They are stated at the lower of carrying amount and fair value less costs to sell.

The development manager (Fletcher Residential Ltd) has given no indication of any impairment to the carrying or fair value at balance date.

o) Loan Policy

All loans are to be stated at their face value less impairment (if any).

p) Prior Period Errors

An entity shall correct a material prior period error prospectively in the first set of financial statements prepared in accordance with SPFR for FPEs after the error has been discovered.

The prospective correction of a prior period error requires:

- (a) restatement of the opening assets, liability or equity balances at the commencement of the current period; and
- (b) recognition of the corresponding movements as an adjustment to opening equity in the reconciliation of movements in equity.

SPFR for FPEs prohibits the amendments of previously reported balances (ie comparatives) as a result of accounting for prior period errors. The impact of accounting for prior period errors on previously reported balances is accounted for as a current year movement in the reconciliation of movements in equity.

There were no prior period errors during the period.

Notes to the Consolidated Financial Statements

Ngā Maunga Whakahii o Kaipara Development Trust

For the year ended 31 March 2023

Changes in Accounting Policies

All accounting policies have been applied on basis consistent with the previous year.

Changes in Accounting Estimates

As a result of the uncertainties inherent in business activities, many items in the financial statements cannot be measured with precision but can only be estimated. Estimation involves judgements based on the latest available, reliable information. An estimate may need revision due to changes in the circumstances on which the estimate was based or as a result of new information or more experience. By its nature, the revision of an estimate does not relate to prior periods and is not the correction of an error.

Accounting for changes in accounting estimates.

An entity shall recognise the effect of a change in accounting estimates prospectively by recognising the impact in profit or loss in:

- (a) the period of the change, if the change affects that period only; or
- (b) the period of the change and future periods, if the change affects both.

Prospective recognition in this context means that the effect of the change in the accounting estimate is recognised in the current and future periods affected by the change.

There have been no changes in accounting estimates. Estimates have been applied on a consistent basis with those of the previous reporting period.

	2023	2022
2. Cash and Cash Equivalents		
Bank Current Accounts	6,821,812	7,794,628
Bank Term Deposits	299,399	1,295,612
Total Cash and Cash Equivalents	7,121,211	9,090,241

	2023	2022
Term Investments		
Investments with maturities over 90 days	-	309,941

	2023	2022
3. Investments		
Forest Joint Venture	12,310,000	5,932,000
Managed Funds	28,375,670	37,118,779
Okahukura JV	26,065,694	-
Total Investments	66,751,364	43,050,779

Notes to the Consolidated Financial Statements

Ngā Maunga Whakahii o Kaipara Development Trust

For the year ended 31 March 2023

In 2015, Te Rau Manga Limited invested in a joint venture to plant forest at Woodhill. Te Rau Manga Limited will receive a share of stumpage in lieu of rental for land, based on its percentage contribution to the joint venture.

Whenua Hoko holds a put option with Fletcher Residential Limited for the Okahukura JV development that may be exercised by Whenua Hoko Holdings to exit the JV. When exercised the put option would result in net capital contributions plus commitment fees and interest being paid by FRL to Whenua Hoko.

4. Property, Plant and Equipment

	Cost/Valuation	Depreciation	Accumulated Depreciation	Carrying Value
	\$	\$	\$	\$
31 March 2023				
Land	36,725,123	-	-	36,725,123
Buildings	927,788	5,807	50,299	877,488
Fixtures and Fittings	141,920	12,418	78,247	63,673
Computers and Software	215,242	16,155	193,026	22,216
Office Equipment	78,219	8,139	37,033	41,186
Roads	38,263	1,278	7,584	30,679
Motor Vehicles	195,782	18,974	42,223	153,559
	\$38,322,336	\$62,772	\$408,412	\$37,913,924

31 March 2022	Cost/Valuation	Depreciation	Accumulated Depreciation	Carrying Value
Land	36,725,123	-	-	36,725,123
Buildings	927,788	10,699	44,492	883,296
Fixtures and Fittings	132,615	7,928	56,523	76,092
Computers and Software	208,767	23,472	176,871	31,896
Office Equipment	77,202	4,574	28,894	48,308
Roads	38,263	1,332	6,306	31,957
Motor Vehicles	142,923	12,022	23,248	119,675
	\$38,252,682	\$60,028	\$336,335	\$37,916,347

Land

The carrying value of Lands has been determined through Auckland Council rate valuations as at 31 March 2020.

Buildings

The carrying value of Buildings has been determined through Auckland Council rate valuations as at 31 March 2020.

Notes to the Consolidated Financial Statements

Ngā Maunga Whakahii o Kaipara Development Trust

For the year ended 31 March 2023

	2023	2022
5. Joint Venture Partnership Income and Expenses		
JV Income		
Okahukura (Albany)	4,017,631	-
Total JV Income	4,017,631	-
JV Expenses		
Okahukura (Albany)	(90,029)	-
Manu Whakatau (Harrier Point)	(33,374)	-
Te Tau Waka (Launch Road)	(205,308)	-
Total JV Expenses	(328,711)	-
Total Joint Venture Partnership Income and Expenses	3,688,920	-
	2023	2022

6. Accounts Receivable

Trade Receivables		
Trade Receivables	206,949	190,091
Total Trade Receivables	206,949	190,091
Other Receivables		
Financial Investment Income Receivable	195,175	234,857
GST Receivable	-	11,736
Bonds	4,000	-
Total Other Receivables	199,175	246,593
Total Accounts Receivable	406,124	436,684

7. Carbon Credits

Under the Carbon Emissions Trading Scheme, Ngā Maunga Whakahii o Kaipara Development Trust acquired pre-1990 New Zealand Units as part of its treaty settlement with the Crown. These were made available to compensate for the impact of rules relating to changing pre-1990 forest land use.

Transferred 19 September 2017

	Units	Spot Rate 2023	Value 2023	Spot Rate 2022	Value 2022
Woodhill Forest	191,952	54.50	10,461,384	37.38	7,176,015
Riverhead Forest	9,430	54.50	513,935	37.38	352,535
Total	201,382		10,975,319		7,528,550

Unrealised gains / (losses) are calculated using the Carbon Forest Services Limited spot rate at balance date, and are recorded in the Asset Revaluation Reserve in the Statement of Changes in Equity.

Notes to the Consolidated Financial Statements

Ngā Maunga Whakahii o Kaipara Development Trust

For the year ended 31 March 2023

	2023	2022
8. Trade Payables		
Trade Payables	622,530	556,316
Credit Cards	7,898	-
PAYE Payable	13,966	-
Total Trade Payables	644,394	556,316

	2023	2022
9. Other Payables		
Accrued Loan Fees and Interest	324,164	-
Other Accrued Expenses	116,988	260,930
GST Payable	66,828	-
Sundry Creditors	7,450	-
Total Other Payables	515,429	260,930

	2023	2022
10. Employee Entitlements		
Holiday Pay Payable	97,706	-
Total Employee Entitlements	97,706	-

11. Income in Advance

A transfer of \$535,266 was made to Income in Advance to reflect forestry licenses, Kake Hoiho Memberships, event funds, and grants received not yet utilised. (2022: \$516,116).

12. Related Party Transactions

Nga Maunga Whakahii O Kaipara Custodian Trustee Limited is the corporate trustee of Nga Maunga Whakahii O Kaipara Development Trust. Named trustees are directors of the Custodian Trustee company.

During the year there have been transactions between the entities making up the Group as follows:

The Trust provided funding of \$300,000 to Whiti Ora o Kaipara Charitable Trust (2022: \$400,000).

At balance date there was a loan of \$413,684 owing by the Trust to Ngā Maunga Whakahii O Kaipara Commercial Development Limited. This is an interest free loan which is repayable on demand (2022: \$548,691).

At balance date there was a loan of \$16,867 owing by the Trust to Ngā Maunga Whakahii O Kaipara Ngahere Limited. This is an interest free loan which is repayable on demand (2022: \$15,403 owing to the Trust by Ngā Maunga Whakahii O Kaipara Ngahere Limited).

Notes to the Consolidated Financial Statements

Ngā Maunga Whakahii o Kaipara Development Trust

For the year ended 31 March 2023

At balance date there was a loan of \$610,876 owing by the Trust to Whiti Ora O Kaipara Charitable Trust. This is an interest free loan which is repayable on demand (2022: \$548,691).

At balance date the following was owing by Nga Maunga Whakahii O Kaipara Development Trust:

	2023	2022
Whiti Ora O Kaipara Charitable Trust	\$ 610,876	\$ 38,796
Nga Maunga Whakahii Ngahere Ltd	\$ 16,867	\$ (15,403)
Nga Maunga Whakahii Whenua Hoko Holdings Limited	\$ -	\$ (108,578)
Nga Maunga Whakahii O Kaipara Commercial Development Ltd	\$ 413,684	\$ (8,192)
	\$ 1,041,427	\$ (93,377)

Subsidiary Entities

The Trust has the following subsidiary entities:

Whiti Ora o Kaipara Charitable Trust, Ngā Maunga Whakahii o Kaipara Commercial Development Limited, Ngā Maunga Whakahii o Kaipara Ngahere Limited, Ngā Maunga Whakahii o Kaipara, Whenua Hoko Holdings Limited, Te Uru Limited, Te Rau Manga Limited. Pitoitoi Limited (non-trading).

Directors' Fees

	2023	2022
Directors' Fees by Entity	\$	\$
Ngā Maunga Whakahii o Kaipara Ngahere Limited	-	90,000
Ngā Maunga Whakahii o Kaipara Whenua Hoko Holdings		-
Ngā Maunga Whakahii o Kaipara Commercial Development	206,431	110,000
	\$206,431	\$200,000
Directors' Fees by Director		
Kristy Hill	39,284	33,333
Margaret Kawharu	55,000	60,000
Chris Cardell	52,147	46,667
Rhys Freeman	60,000	60,000
	\$206,431	\$200,000

Notes to the Consolidated Financial Statements

Ngā Maunga Whakahii o Kaipara Development Trust

For the year ended 31 March 2023

Trustees Fees

	2023	2022
Trustees' Fees by Entity	\$	\$
Ngā Maunga Whakahii o Kaipara Development Trust	18,350	69,750
Whiti Ora o Kaipara Charitable Trust	48,375	65,613
Kaipara Ngāhere Limited	157	-
	\$66,882	\$135,363
Trustees' Fees by Trustee		
Suzanne Clarke	-	7,500
Tracy Davis	1,000	3,000
Naida Glavish	1,500	14,250
Trisya Hemana	3,000	6,500
Richard Nahi	-	9,000
Tamaki Mercer	1,000	9,000
Cherie Povey	2,250	10,000
Jane Sherard	9,600	10,500
Margie Tokerangi	-	-
Ngawai Beazley	11,625	15,363
Puawai Kopu	7,875	13,375
Brenda Steele	16,500	20,312
Pauline Kingi	12,375	16,563
Reweti Trust Board	157	
	\$66,882	\$135,363

Notes to the Consolidated Financial Statements

Ngā Maunga Whakahii o Kaipara Development Trust

For the year ended 31 March 2023

External Governance Fees

	2023	2022
	\$	\$
External Governance Fees by Entity		
Ngā Maunga Whakahii o Kaipara Development Trust	17,641	12,700
Whiti Ora o Kaipara Charitable Trust	-	13,662
	\$17,641	\$26,362
External Governance Fee by Trustee		
Mercer Tamaki	-	700
Puawai Kopu	-	1,650
Ngawai Beazley	-	850
Pauline Kingi	-	9,687
Brenda Steele	-	1,475
Trisya Hemana	-	1,500
Jane Sherard	12,891	5,000
Cherie Povey	4,750	5,500
	\$17,641	\$26,362

After balance date, Cherie Povey and Jane Sherard both resigned as Trustees on 1 December 2023 and Tamaki Mercer resigned on 29 September 2023.

13. Commitments

Non-Cancellable Operating Leases	2023	2022
	2023	2022
	\$	\$
Less than 1 year	43,798	43,798
Between 1-5 years	117,253	117,253
	\$161,051	\$161,051

Whenua Hoko Holdings has a joint venture development underway with Fletcher Residential to build housing (Okahukura development), and as at balance date has committed to providing \$10.437m of further capital to the general partner for the development to be funded by drawing on the ANZ Development Loan Facility. ANZ Bank holds a registered security over the group's share in the investment.

Ngahere Limited has an agreement to purchase the Oneonenui Farm property for \$10m, funded by a withdrawal of funds from the managed portfolio investments.

Notes to the Consolidated Financial Statements

Ngā Maunga Whakahii o Kaipara Development Trust

For the year ended 31 March 2023

14. Term Liabilities

ANZ Development Loan		2023	2022
Loan balance Suffix-86		24,059	-
Loan balance Suffix-88		15,581,007	-
Loan balance Suffix-89		980,000	-
Total Facility balance:		16,585,066	-
Accruals:		324,164	-
Gross amount payable:		16,909,230	-
Repayment terms:	Accrued interest and bank fees are capitalised quarterly. Repayments commence upon sale of developed houses.		
Finance rate:	8.22% weighted average (8.12% - 8.30%)		
Security:	49% share of Okahukura JV		

The ANZ Bank Development Loan Facility has a limit of \$41,000,000. Interest rate pricing is re-fixed at the end of each quarterly period. Gross amount payable includes principal plus accrued uncapitalised interest and fees at balance date.

15. Contingent Liabilities

At balance date there are no known contingent liabilities. The Group has not granted any securities in respect of liabilities payable by any other party whatsoever (2022: Nil).

16. Subsequent Events

The following events and transactions occurred subsequent to 31 March 2023:

The Okahukura JV general partner made capital calls on Whenua Hoko Holdings totalling \$14.357m in the 2024 financial year primarily funded by drawdowns against the ANZ Development Loan facility, plus a further \$1m of funds provided by Whenua Hoko Holdings Ltd.

During the 2024 financial year the company commenced due diligence work towards a proposed new development joint venture (Te Tau Waka) with Fletcher Residential.

(2022: The Group formed a joint venture with Fletcher Residential Ltd to acquire and develop the 'Albany West Precinct' property owned by Massey University. A \$41,000,000 loan facility was established before year end with ANZ Bank in respect of this.)

Notes to the Consolidated Financial Statements

Ngā Maunga Whakahii o Kaipara Development Trust

For the year ended 31 March 2023

17. Legal & Professional Fees

	2023	2022
	\$	\$
Administration	49,799	33,559
HR & Employment	172,630	-
Inter-Entity Conflict Legal Fees	266,076	223,247
Governance	29,918	47,561
Business Opportunities Due Diligence	85,408	667,862
Consultants	71,920	-
	\$675,751	\$972,229

18. Income Tax

Income Tax Expense

	2023	2022
	\$	\$
Surplus / (Deficit) Before Income Tax	7,182,507	5,371,652
Adjust for Permanent Differences		
Non-Assessable Items	(7,141,825)	(3,004,979)
Non-Deductible Items	1,475,584	412,785
Loss Carried Forward	-	(1,379,172)
Taxable Surplus / (Deficit)	1,516,266	1,400,286
Statutory tax at 17.5% thereon	265,346	245,050
Temporary Timing Differences	6,543	
Tax Expense as Per Statement of Comprehensive Income	\$271,889	\$245,050

Notes to the Consolidated Financial Statements

Ngā Maunga Whakahii o Kaipara Development Trust

For the year ended 31 March 2023

Income Tax Liability

	2023	2022
	\$	\$
Opening Income Tax Balance	254,905	
Prior periods Tax Adjustments not accounted for in Opening Balance	171,594	
Tax Expense as Per Statement of Comprehensive Income	271,889	245,050
Temporary Timing Differences	(6,543)	9,855
Less Tax Credits	(11,639)	
Tax Liability / (Asset) Closing Balance	\$680,206	\$254,905

Deferred Tax Liability

	2023	2022
	\$	\$
Opening Deferred Tax Balance	271,603	281,460
Deferred Tax for the period	6,543	(9,853)
	\$278,146	\$271,603

19. Financial Instruments

Financial Assets	2023	2022
- measured at amortised cost	7,527,336	9,526,924
- measured at fair value	-	-
- measured at cost	-	-
- measured at fair value based on quoted price (Investments in Listed Equities)	28,375,670	37,118,779

Audit Report

Ngā Maunga Whakahii o Kaipara Development Trust
For the year ended 31 March 2023

