



WHAREONGAONGA 5 BLOCKS TRUST

ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2024

BDO.NZ

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Approval of Financial Report

Whareongaonga 5 Blocks Trust For the year ended 31 March 2024

The Trustees are pleased to present the approved financial report including the historical financial statements of Whareongaonga 5 Blocks Trust for the year ended 31 March 2024.

Approved

For and on behalf of the Trustees:



Chairperson

26 July 2024

Date

WHAREONGAONGA 5 BLOCKS TRUST
2024 ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of beneficial owners will be held at Rangiwaho Marae, 2840 Wharerata Rd, Bartletts on Saturday 3rd August 2024 at 10am.

AGENDA

1. Mihi/Karakia.
2. Apologies.
3. Minutes of previous Annual General Meeting.
4. Chairperson and Trustee Reports.
5. Annual Accounts for the year ended 31 March 2024.
6. Special Resolutions
 - *To review and re-approve the Trust Order amendments that were approved at the 2022 AGM.*
 - *To approve the amendments of part of the land parcel known as Whareongaonga 5B to reservation status.*
7. Election to fill one position, caused by the retirement by rotation of Joanne Pleydell who being eligible offers herself for re-election, and is automatically nominated.

Note: (1) Nominations duly completed by nominator and candidate must be lodged at the Trust's office, 1 Peel Street, Gisborne not later than 5pm Sunday 28th July 2024.

(2) Proxy forms and Power of Attorney must be lodged at the Trust's office by 10am Thursday 1st August 2024
8. Distribution recommendations.
9. Appointment of Auditor.
10. General Business.

If you require a nomination form or a proxy form, then please contact the Trust's office. We encourage beneficial owners to provide email address as this is a more effective way of communicating. Please email mbu@bdo.co.nz

Shareholders are welcome to join the meeting via Zoom (availability will depend on Wi-Fi coverage) Please ensure you register your email address by 3pm Friday 2nd August 2024 with the Trust's office, either email mbu@bdo.co.nz or phone 06 869 1400.

M Blandford
CHAIRPERSON

whareongaonga5@gmail.com
Facebook Whareongaonga 5 Blocks Trust
BDO Gisborne Ltd Office 06 869 1400 or mbu@bdo.co.nz

Minutes of Annual General Meeting

Whareongaonga 5 Blocks Trust

Held on 5th August 2023 at Muriwai Marae at 10:00 am

PRESENT:

M Blandford, T Ferris, H Porou, J Pleydell and R Porou-Wetere.

In attendance: K Potae.

PRESENT FROM ATTENDANCE LIST:

Rulon Kahuroa, K Keefe, V Makara, K Morgan, I Ngarimu, W Smith, B Wilcox, R Hope, R Wairau, S Wairau, A Whakataka, L Raihania, I Raihania, T H Dawn Pomana, L J Pohatu (Renata), J Peterson, W Thomson-Beaton, E Hogan, A Wairau, D Morgan, J Waititi, H Turuwhenua, C Maake, K A Kemp, Rau Ngarangione, Robyn Ngarangione, C Te Hau, K Keefe, T Makara, A Walbaekke, O Walbaekke, L Rahania, S A Blandford, O Hohepa & J Paea

PRESENT FROM ZOOM ATTENDANCE LIST:

H Pohatu, R Thomson, L Pohatu, R Pohatu, P Whaanga, K Wetini, Braese/Kohere, A Tuari, A Johnson, P Robinson & V Matenga

MIHI & KARAKIA:

M Blandford welcomed everyone to the meeting and the meeting was opened with a mihi and karakia from H Porou. M Blandford took time to give the AGM an update on the feedback from the wananga held the day prior. The Trustees stood and introduced themselves to the meeting.

APOLOGIES:

P Robinson, B Mitchell, G Pohatu, W Pohatu, L Rogers, H Thomson, I Whakataka, N Reihania, D Brown, G Smith, K Bartlett, B Whakataka, T Porou, D Porou, F Pleydell, K Pohatu, V Emile, T Emile, T McClutchie, J Matenga, F Walker, Rosina Kahuroa, M Kahuroa, P Tangiora, W Walker, P Arnold, H Fletcher, J Parker, M Keil (Horua). The apologies were approved.

Moved R Kahuroa/seconded K Morgan.

MINUTES:

K Potae took the meeting through the minutes of the AGM held 6th of August 2022. The minutes were approved.

Moved R Kahuroa/seconded V Makara.

MATTERS ARISING:

The question was asked if the honey taken from Whareongaonga 5 Blocks Trust is branded under the Trust name. M Blandford confirmed that the beekeeper sells the honey in bulk to Comvita, however if he sells any direct to market, he puts his own branding of Burts Bees on the jars. It was confirmed however that any honey taken from Whareongaonga the site is registered so it is traceable for food safety.

It was noted that L Rogers had attended last year's meeting but was missed from the attendance list. These will be added into the minutes for the 2022 year.

CHAIR REPORT:

M Blandford took the meeting through his report. It is noted that it has been a tough year for the Trust in regards to honey and financial markets. This last honey season it has been picked up that the honey was contaminated by glyphosate phosphate which has made it unsaleable. On top of that it had not been a great year for honey quantity. The current beekeeper arrangement is a lease payment plus a percentage share of the sale of honey.

There is still 400 metres of fencing to be completed under the PGF funding grant. Given the adverse weather events this last piece has been hard to get done. The meeting asked if the fencing project allowed good options for keeping out goats as well as being able to muster in and cull. M Blandford confirmed that the fencing set up is done so if goats needed to be mustered in that is easy to do.

It was confirmed to the meeting that the core strategic focus for the Trustees is on trees, bees, and seas. In regard to seas there is on-going mataitai conversations happening about the sea that abuts the Trust land. Meeting have been held with iwi and ministers. There is the goal to look to measure and monitor the foreshore and seabed so wise decisions can be made based on actual data. It was confirmed to the meeting that Dawn Pomana and Lester Pohatu make up the Mana Moana Committee and currently have oversight over the sea.

The question was raised in regards to bare land around the homestead and down to the beach what were the plans for that. M Blandford confirmed that the goal is to attract funding to assist with propagating seeds from the Findlays block and to plant it out to regeneration. The meeting raised that you could have DNA testing undertaken on the trees to understand their whakapapa. M Blandford confirmed that the work being undertaken is to ensure the trees that are over 100 years old are used to regenerate the property whilst also keeping in mind the manuka honey resource and ensuring that sustainability into the future.

The Chair's report was approved. *Moved R Kahuroa/seconded K Morgan.*

10.45 to 10.55AM the meeting took a break for morning tea.

PARITU ROAD DWELLING:

J Pleydell gave an update to the meeting on the dwelling repairs and maintenance and access caring due to on going weather events. The property is now tenanted with good tenants in place.

ANNUAL ACCOUNTS:

K Potae took the meeting through the annual accounts for the period ended 31st of March 2023. Highlighted was the clean audit report received for the year. This year the Trust has traded at a net deficit of \$140,772 which is primarily the result of the impact of less honey income along with reduced investment portfolio income. The Trustees were prudent in managing costs during the year given the tough financial constraints. The goal is to return to a profit position in the near future.

The question was raised around the unclaimed dividend balance, and it was discussed with shareholders there is the need for succession to shares, the Trustees encouraged owners to engage with the BDO office to ensure that their shareholder cards are kept up to date as well if they need information to start the succession process through the Maori Land Court.

The annual accounts were approved. *Moved W Thomson/seconded A Whakataka.*

ELECTIONS:

M Blandford announced that T Ferris had retired by rotation, there being no nominations received T Ferris was reappointed as a Trustee for a further term.

DISTRIBUTIONS:

The Trustees put forward the following recommendations to the owners:

- An attendance fee of \$100 per shareholder in attendance today noting that if the individual is attending on behalf of a whanau Trust the whanau Trust will receive the attendance fee.
- A kaumatua grant of \$100 for those aged between 60-69 in attendance at the AGM. \$100 grant to those aged 70 or over which is automatically paid with no attendance required. Noting that if the individual is collecting on behalf of a whanau Trust the whanau Trust will receive the kaumatua grant.
- An education grant fund of \$7,000.
- A scholarship fund of \$10,000.
- A donation fund of \$15,000.
- A tangi grant of \$200 per application that meets the policy.

The distributions were approved. *Moved C Te Hau/seconded B Wilcox.*

The question was asked if the education grant fund is enough to cover all of those who apply. The Trustees responded that it is currently sufficient.

The question was asked if the tangi grant is eligible to shareholders whanau members. The Trustees confirmed that, yes, it is.

The question was asked if education grants can go to multiple members of the same whanau, the Trustees confirmed, yes, however the key on the application is to ensure that a shareholder has signed the form.

The question was asked if the tangi grant amount would be reviewed in the future due to rising costs. The Trustees noted the request and will look to review the tangi grant amount.

The Trustees asked that any shareholder who is 70 or older can they please let the office know their details so the kaumatua grant can be paid. Equally it was asked for shareholders present today to let their kaumatua know.

GENERAL BUSINESS:

The question was asked if the donation process for marae to apply is done as a tono or a koha. R Porou-Wetere responded that previously the marae had to put forward a tono, however, to simplify the process an annual koha distribution is agreed and made direct to the marae.

The meeting was advised that the Trust will be looking to alternate the hosting of the AGM between Muiriwai Marae and Rangiwaho Marae as it is understood the koha from the event is a good fundraising event for both Marae.

M Blandford took the meeting through the Whareongaonga website and encouraged shareholders to register for the site as this is a closed website, however holds a lot of interesting information. The meeting took time to view the website and the story map that is embedded in this site.

The owners discussed the paper road and the rail line which goes through Whareongaonga lands. There was overall consensus around the ownership of that land a desire to have that repatriated back to the Trust, however all understood that that could be a complicated process to go through.

The Trustees encouraged people to apply for the education grants and various shareholders gave thanks to the Trust for the grants that their whanau had received.

The Trustees announced that a follow up whakapapa wananga will be held at a future date which is yet to be set, this would include a visit to the whenua as the weather today unfortunately turned wet and cold so the whenua visit this afternoon has been postponed.

Overall thanks was given to the Trustees by the owners present.

12.10 PM the meeting was closed with a karakia by H Porou.

.....Chairperson

.....Date

Chairperson's Report

Whareongaonga 5 Blocks Trust For the year ended 31 March 2024

Tēnā koutou katoa

Tēnei te mihi atu ki ngā uri o Whareongaonga me ngā kaitiaki o te whenua, mauri ora ki a koutou katoa. Ki ngā kaitiaki o neherā, ngā tāngata kua mene ki te pō, moe mai rā koutou i wā koutou moenga roa. Huri noa ki te hunga ora, tēnā tātou katoa.

On behalf of Whareongaonga 5 Blocks Trust (W5) and trustees, it is my pleasure to present the Chairperson's Report on the activities of the Trust for the past twelve months period ended 30 June 2024. At this time, we acknowledge previous Trustees, our Kaumatua, and those who have passed during the year.

For the 2023-2024 year, the focus of the Trustees has been:

- Continued focus on the Paritu Rd property, ensuring we comply with tenancy rules. And extend our focus back onto the Homestead, to start remedial works for compliance. The property management has been taken on board by Property Brokers, they now manage both dwellings on behalf of the Trust.
- Working alongside Rangiwaho marae to provide land for Papakainga. Which has been an interesting journey and requires a resolution to be passed at today's AGM to further support the change of land classification to reservation status, we trust the owners will support this resolution today.
- Host wānanga to continue to develop our cultural IP, and storytelling, along with a whenua visit, funded by Ministry of Heritage and Culture.
- Always looking for opportunities, and keeping in tune with our current strategic activities. The honey market has its challenges, yet our investment portfolio has bounced back and provided a positive return on investment.

We continue to navigate the environment as weather events continue to be volatile. This is our new normal. Previous to Gabrielle we had a project lodged for assessment with Te Puni Kokiri to further our environmental strategy and help us understand the science of what this means for Whareongaonga 5 Blocks Trust. To date, we have not yet secured any funding to help advance our environmental sustainability goals.

Year in Review

Financial position

We are reporting a loss of \$37,082 (LY: -\$140,772) the turn around primarily reflects the return from the investment portfolio. The rental properties are currently covering their costs, and over time will provide capital growth and income. Our honey agreement did not bring a return this year, the season was hard, tulin levels were high, and the market collapsed. We are discussing the future of the honey contract as the beekeeper is facing the downturn in the honey market, like many others. It is a tough time across the board in primary industries.

We remain in a stable financial position with \$2.3 million in financial investments and \$65,857 cash on hand. We have a loan to repay of \$336,684 which was used to fund the purchase of the Paritu Road property. Aside from the bank loan, our next largest debt is to our owners with \$135,265 of unclaimed dividends to be collected. We are pleased to continue to receive a clean audit report for the financial year.

Grants and Koha

The Trust contributed grants for AGM attendance, kaumātua, education, tangihanga, and to Marae. The attendance and kaumātua grants are processed at each AGM and this was given out to 24 owners and 58 pakeke (LY: 29 & 40) for this financial year. The education grants were received earlier this year and it is very exciting to see the range of applicants. A list of the 12 (LY: 17) approved recipients is provided on page 26. In terms of the tangihanga grant, there were 4 provided this year (LY: 0).

Trustees

Over the last twelve months we have a total of five planned meetings in the year plus the AGM, to complete the operations and administration requirements for the year. The total cost for the meetings (and board fees) is listed in the financial summary on page 27:

- April 2023 / Trustee meeting
- June 2023 / Trustee meeting
- August 2023 / Trustee meeting and AGM
- December 2023 / Trustee meeting
- February 2024 / Trustee meeting

The Trustees also attended the cultural wānanga which included a whenua visit held later due to adverse weather conditions on the intended day.

Strategic / Operations

We continue to invest our time into further understanding the trees, bees and seas that surround the whenua. While we have applied for funding, the current funding environment is tight. We remain committed to the strategic intent and will look at opportunities as they arise.

Jo Pleydell has continued to assist with the rental dwellings and is assisted by the property manager Maria Waide from Property Brokers to do the day-to-day management of the property. A review of the homestead is currently underway.

The cultural story telling is an ongoing project, with the writing of a narrative that we intend to have available as an e-book, when its complete. We are pleased to have hosted the farm visit and wānanga during the year. That connectivity and time together helps add to our story.

The process to have a piece of land surveyed to be classified as reservation land has taken longer than expected. Given the backlog of applications at the Maori Land Court we might be waiting a bit longer than we would like, but to do the process right we will endure. Subject to your approval of the resolution put forward today.

Shareholder Database

With 2,742 of shareholders (LY: 2,734), our database of contact details is with our BDO Office and links to the shareholder dividends information. There is a significant number of unclaimed dividends \$135,265 (LY: \$139,471) Here are some interesting statistics:

- \$4,206 of unclaimed dividends was paid out in the 2024 year (LY: \$2,841).
- Since balance date no further unclaimed dividends have been paid out. (LY \$3,715).
- We have 2,176 shareholders who have unclaimed dividends to collect (LY: 2,188), that's 79% of the owners
- 1,802 shareholders have less than 1 share (LY: 1,802).
- 686 shareholders have 1-10 shares (LY: 643).
- Our public W5 Facebook page has 372 members (LY: 372).
- We have 2,144 shareholders listed with no known address (LY: 2,105). Please check with the BDO office if your shareholders card has an address listed on it.

Bank Investment Portfolio

The investment portfolio was presented to the trust as a high-level summary, which we include in this report. In summary:

- We have \$2,305,225 invested in this portfolio as of March 2024 (LY: \$2,271,335)
- The trustees remain committed to holding the first rotation proceeds in perpetuity to earn income and capital growth
- The return since inception is 5.00% (LY: 5.12%)
- This year returned income of \$93,926 (LY: \$30,307 loss), capital gain of \$21,704 (LY: \$48,340 loss)

Financial markets have bounced back, which was pleasing to see. Domestic interest rates rose to 6-7%, we have 65% of our portfolio in fixed interest investments. The strategy to hold tight during these turbulent times, while challenging to do, is pleasing when we see returns coming back like we have this year. During the coming year we

are assessing our portfolio structure with the fund manager (ANZ). We are considering a minor change to our investment strategy to balance income earning assets with those that also attract capital growth at a similar risk rating in our current portfolio.

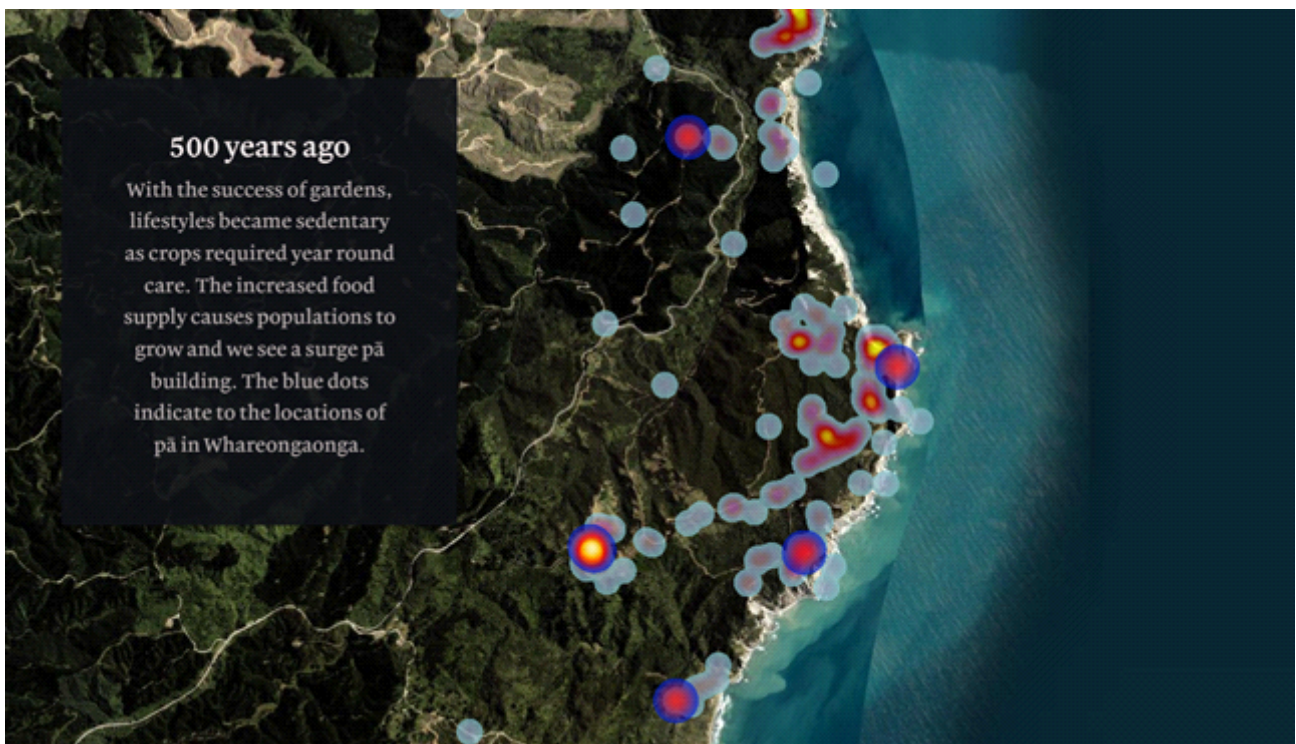
Closing remarks

The Trustees thank you for your attendance today and appreciate your feedback. We will continue to strive for sustainability balancing the environment with financial returns and returns for the whanau. We wish you all well as winter starts to come to an end and spring brings a bounce back in our step.

Nga mihinui,



Matene Blandford – Chairperson



Ref: [Whareongaonga 5 Land Blocks \(arcgis.com\)](https://arcgis.com) Josie Hagan – cultural mapping research

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Whareongaonga 5 Blocks Trust

Report on the Audit of Financial Statements

Opinion

We have audited the financial statements of the Whareongaonga 5 Blocks Trust on pages 2 to 28 which comprise the Balance Sheet as at 31 March 2024, the Statement of Profit or Loss, Statement of Movements in Equity for the period then ended and Notes to the Financial Statements, including a summary of significant accounting policies.

In our opinion the financial statements on pages 2 to 28 present fairly, in all material respects, the financial position of Whareongaonga 5 Blocks Trust as at 31 March 2024, and its financial performance for the period then ended, in accordance with the accounting policies set out in the Notes to the Financial Statements.

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 Financial Statements section of our report.

We are independent of the trust 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, Whareongaonga 5 Blocks Trust.

Basis of Accounting

Without modifying our opinion, we draw attention to the Notes to the Financial Statements, which describes the basis of accounting. The financial statements are prepared for internal management purposes in accordance with the CAANZ Special Purpose Framework for For-Profit-Entities (SPFR for FPE's). As a result, the financial statements may not be suitable for another purpose. Our report is intended solely for the shareholders of the Whareongaonga 5 Blocks Trust and should not be relied upon by other parties.

Other Information

The other information comprises the Notice of AGM, 2023 AGM minutes and Chairperson's Report. Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of the Trustees for the Financial Statements

The trustees are responsible on behalf of the trust for the preparation and fair presentation of the financial statements and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible on behalf of the trust for assessing the trust'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 trust or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (NZ), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the trustees and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



26 July 2024
Coates Associates Ltd
300 Childers Road
Gisborne

Trust Directory

Whareongaonga 5 Blocks Trust For the year ended 31 March 2024

Trustees

M Blandford (Chairperson)
J Pleydell (Deputy Chairperson)
R Porou-Wetere
H Porou
T Ferris

Nature of Business

Forestry
Land Management & Development

IRD Number

068-848-091

Secretary

Kylee Potae
BDO Gisborne

Chartered Accountant

BDO Gisborne Ltd
1 Peel Street
Gisborne

Bankers

ANZ Bank
Gisborne

Auditors

Coates Associates Limited
Gisborne

Compilation Report and Disclaimer of Liability

Whareongaonga 5 Blocks Trust For the year ended 31 March 2024

Scope

On the basis of information you provided we have compiled, in accordance with Service Engagement Standard No 2: Compilation of Financial Information, the special purpose financial statements of Whareongaonga 5 Blocks Trust for the year ended 31 March 2024. These have been prepared on the basis disclosed in note 1 to the financial statements.

Responsibilities

The Trustees are solely responsible for the information contained in the financial statements and have determined that the financial reporting framework used is appropriate to meet their needs and the purpose that the financial statements were prepared.

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

Independence

We are not independent of the Trust because a Director of this firm is the Secretary for the trust.

No audit or review engagement undertaken

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

Disclaimer of liability

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.



Director
BDO Gisborne Ltd
1 Peel Street
Gisborne

Dated: 26 July 2024

Expenses

Whareongaonga 5 Blocks Trust For the year ended 31 March 2024

	2024	2023
Expenses		
Farm		
ACC Levies	(59)	-
Bank Fees	72	1
Electricity & Gas	1,386	1,080
Fencing & Yards	(171)	-
General expenses	4,440	2,223
Insurance	2,468	1,302
Rates	10,923	10,205
Roading & drainage	3,500	3,480
Vehicle Expenses	1,759	586
Weed & Pest	131	-
Total Farm	24,449	18,877
Homestead		
Insurance	3,580	1,667
Total Homestead	3,580	1,667
Paritu Road		
Interest Payable - ANZ Home loan	22,231	20,880
Property Manager	4,053	3,795
Electricity	-	188
Rates	1,697	1,589
Repairs and Maintenance	6,466	18,954
Insurance	5,272	2,456
Total Paritu Road	39,719	47,862

This statement should be read with the Compilation Report-Disclaimer of Liability and Notes to the Financial Statements.

	2024	2023
Administration expenses		
Accountancy - Fees	30,650	32,750
Accountancy - Consultancy	18,111	12,685
Audit Fees	4,750	4,500
AGM expenses	5,029	5,499
Consultancy Fees	1,976	-
Media - Website	-	75
Private Banking Fees	12,177	11,658
Trustee Expenses	989	80
Trustee Fees	10,498	16,494
Tax credits not claimable	12,185	(8,595)
Total Administration expenses	96,365	75,146

This statement should be read with the Compilation Report-Disclaimer of Liability and Notes to the Financial Statements.

Statement of Profit or Loss

Whareongaonga 5 Blocks Trust For the year ended 31 March 2024

	NOTES	2024	2023
Income			
Aratu lease		9,822	9,800
Honey Income		-	43,479
Tractor hire		1,000	-
Min of Heritage and Culture - Grant		25,000	-
MPI - Cyclone Gabrielle		8,696	-
Rent Received		39,840	37,800
Total Income		84,358	91,079
Other Income			
Dividend Income			
Farmlands - Dividend		-	767
Total Dividend Income		-	767
Interest Income			
ANZ Bank - Interest		1,538	1,014
Total Interest Income		1,538	1,014
Private Banking			
Private Banking - Interest		165	376
Private Banking - Dividends		23,007	21,379
PIE Income/(loss)		70,762	(52,010)
Foreign exchange Gain/(loss)		(9)	(51)
Total Private Banking		93,926	(30,307)
Total Other Income		95,464	(28,526)
Gross Income		179,822	62,552
Expenses			
Farm		24,449	18,877
Homestead		3,580	1,667
Paritu Road		39,719	47,862
Administration		96,365	75,146
Total Expenses		164,113	143,552

This statement should be read with the Compilation Report-Disclaimer of Liability and Notes to the Financial Statements.

	NOTES	2024	2023
Depreciation and amortisation			
Amortisation		23,523	26,137
Depreciation		13,153	16,492
Depreciation - Forestry		16,115	17,143
Total Depreciation and amortisation		52,791	59,772
Surplus / (deficit) before taxation		(37,082)	(140,772)
Net surplus / (deficit) for the year		(37,082)	(140,772)

This statement should be read with the Compilation Report-Disclaimer of Liability and Notes to the Financial Statements.

Statement of Movements in Equity

Whareongaonga 5 Blocks Trust For the year ended 31 March 2024

	2024	2023
Trust Equity		
Opening Balance	7,400,176	7,616,758
Surplus / (deficit) for period	(37,082)	(140,772)
Grants & Donations	(25,100)	(22,207)
Imputation Credits converted to losses	(4,407)	(4,641)
Investment revaluation reserve	21,704	(48,340)
Property Revaluation Reserve	613,490	-
Overseas tax credits not claimable	-	(621)
Total Trust Equity	7,968,781	7,400,176

This statement should be read with the Compilation Report-Disclaimer of Liability and Notes to the Financial Statements.

Balance Sheet

Whareongaonga 5 Blocks Trust As at 31 March 2024

	NOTES	2024	2023
Assets			
Current assets			
Bank accounts	2	65,857	120,617
Income tax receivable	16	3,239	2,463
Accounts Receivable		13,666	2,834
Prepayments		6,232	5,193
Total Current assets		88,994	131,106
Non current assets			
Property, plant and equipment	5	5,812,829	5,236,015
Forestry	7	252,462	268,577
Investments	8	2,306,001	2,272,111
Total Non current assets		8,371,292	7,776,703
Total Assets		8,460,286	7,907,809
Liabilities			
Current liabilities			
GST payable		136	8,377
Account payable		11,226	-
Current portion of loan		6,714	8,170
Income in advance		-	8,696
Rent received in advance		8,193	8,216
Unclaimed Dividends		135,265	139,471
Total Current liabilities		161,535	172,930
Non current liabilities			
ANZ Loan Advance	6	329,970	334,702
Total Non current liabilities		329,970	334,702
Total Liabilities		491,505	507,633
Net Assets		7,968,781	7,400,176
Equity			
Trust Equity	3	7,968,781	7,400,176
Total Equity		7,968,781	7,400,176

This statement should be read with the Compilation Report-Disclaimer of Liability and Notes to the Financial Statements.

Notes to the Financial Statements

Whareongaonga 5 Blocks Trust For the year ended 31 March 2024

1. Statement of Accounting Policies

Reporting entity

The financial statements presented here are for the entity Whareongaonga 5 Blocks Trust.

Nature of business

The trust is engaged in Forestry, Land Management & Development. The nature of the trust's business has not changed during the year under review.

Basis of preparation

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

Historical cost

These financial statements have been prepared on a historical cost basis, except for certain assets which have been revalued as identified in specific accounting policies below.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for the sale of goods and services, to the extent it is probable that the economic benefits will flow to the trust and revenue can be reliably measured.

Forestry income is recognised on sale or harvest of the forest.

Lease income is recognised on a straight line basis over the life of the lease.

Interest received is recognised as interest accrues, gross of refundable tax credits received.

Dividends received are recognised on receipt. The Gross amount of the dividend is recorded and any tax credits refundable or non refundable are handled in the tax expense calculation.

Accounts receivable

Accounts Receivable are stated at expected realisable value, after providing against debts where collection is doubtful. Bad debts are written off during the period in which they are identified.

Forestry

The forestry asset is made up of roading costs, which are amortised at a rate of 6%.

Property, plant & equipment and depreciation

Plant and equipment are stated at historical cost less any accumulated depreciation and impairment losses. Depreciation is provided at the maximum rates permitted by the Income Tax Act 2007.

Land and Buildings are stated at rateable value.

The depreciation rates used are as follows:

Land 0% DV

Buildings 0-4% SL

Motor vehicles 13-30% DV

Plant and equipment 10-50% DV

Development expenditure 10% DV

Where an item of property, plant or equipment is disposed of, the gain or loss recognised in the statement of financial performance is calculated as the difference between the sale price and the carrying amount of the asset.

Investments

Investments have been revalued to market values excluding the Farmlands Ltd shares which are shown at cost.

Development expenditure amortisation

Expenditure relating to improvements to the land of the types covered by sections DO4 and D10 of the Income Tax Act 2007 have been capitalised and amortised at various rates in accordance with Schedule 20 of the Act.

Income tax

Provision is made for taxation after taking full advantage of all deductions and concessions permitted using the taxes payable method.

Goods and services tax

The financial statements are stated exclusive of goods and services tax (GST) except for accounts receivable and accounts payable, which are stated inclusive of GST.

Carbon Credits

Carbon Credits are not recorded on the Balance Sheet. They are only recorded in the Statement of Financial Performance when they are sold. Value of carbon credits sold during FY2018 is \$1,078,875. This income has been transferred to capital Reserves as it was tax exempt income.

Changes in accounting policies

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

2024 2023

2. Bank Accounts

Bank Accounts

ANZ 00-Cheque Account	10,797	6,793
ANZ 01-Private Current Account	52,594	111,680
ANZ 02-Serious Saver	2,466	2,143
Total Bank Accounts	65,857	120,617

2024 2023

3. Equity

Retained earnings/(accumulated losses)

Opening Balance	3,772,598	3,940,839
Current Year Earnings	(37,082)	(140,772)
Donations	(10,100)	(8,320)
Attendance Grant	(2,400)	(2,900)
Education Grants	(6,000)	(6,987)
Kaumatua Grants	(5,800)	(4,000)
Tangi Grants	(800)	-
Imputation Credits converted to losses	(4,407)	(4,641)
Overseas tax credits not claimable	-	(621)
Total Retained earnings/(accumulated losses)	3,706,009	3,772,598

Capital reserves

Opening Balance	1,078,875	1,078,875
Total Capital reserves	1,078,875	1,078,875

Asset revaluation reserve

Property Revaluation Reserve

Opening Balance	2,219,680	2,219,680
Property revaluation reserve	613,490	-
Total Property Revaluation Reserve	2,833,170	2,219,680

Investment revaluation reserve

Opening Balance	329,023	377,364
Investment revaluation reserve	21,704	(48,340)
Total Investment revaluation reserve	350,727	329,023

Total Asset revaluation reserve	3,183,897	2,548,703
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Total Equity	7,968,781	7,400,176
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Shareholding

Total shares = 14,535

This statement should be read with the Compilation Report-Disclaimer of Liability.

4. Settlement from Maori Trustee

The Whareongaonga 5 Blocks Trust (the Trust) was set up on 8 May 1997 when the Whareongaonga land was transferred from the Maori Trustee to the Trust as per the vesting order from the Maori Land Court. The Trust received a settlement payment from the Maori Trustee of \$10,142 on 17 October 1997. Land and Buildings, and other improvements, were transferred from the Maori Trustee at Government Valuation on 1 September 1996. Included in the land transferred is the lease to Aratu Forests Ltd which includes an interest in forestry planted by the leasee.

2024 2023

5. Property, plant and equipment

Land & Buildings

Land & Buildings	5,650,101	5,036,611
Accumulated depreciation	(90,095)	(88,101)
Total Land & Buildings	5,560,006	4,948,510

Plant and vehicles

Plant and Vehicles at cost	107,949	107,949
Accumulated depreciation	(66,836)	(55,677)
Total Plant and vehicles	41,113	52,272

Total Property, plant and equipment	5,601,119	5,000,782
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Land and buildings valuations

Ratings valuation 01 August 2023

	Hectares	Land Value	Improvements Value	Capital Value
Pt Whareongaonga 5 ML 6280 & Closed Road	1,954.4079	4,135,000	550,000	4,685,000
Pt Lot 5 DP 2925	79.5207	196,000	6,000	202,000
95 Paritu Road	2.4320	205,000	470,000	675,000
Total	2,036.3606	4,536,000	1,026,000	5,562,000

2024 2023

Net book value (balance sheet purposes)

Opening balance	4,948,510	4,950,505
Plus revaluation	613,490	-
Plus additions at cost	-	-
Less depreciation	(1,994)	(1,995)
Total Net book value (balance sheet purposes)	5,560,006	4,948,510

Land and buildings have been restated to rateable value in accordance with the valuation report dated 1 August 2023 by Lewis Wright Limited. Land and buildings are revalued every three years.

This statement should be read with the Compilation Report-Disclaimer of Liability.

	2024	2023
Development Expenditure		
Opening Balance	235,234	261,371
Plus Additions since	-	-
Less amortisation since	(23,523)	(26,137)
Total Development Expenditure	211,711	235,234
	2024	2023

6. Non Current Liabilities

Current portion of loan	6,714	8,170
ANZ Loan Advance	329,970	334,702
Total Non Current Liabilities	336,685	342,872

The ANZ Loan Advance account is to finance the purchase of the Paritu Rd Property, the interest rate on the loan at balance date was 5.99% p.a. ANZ holds a mortgage over the Paritu Road property.

7. Forestry

The Trust inherited a lease to Aratu Forests Ltd by way of a forestry right over 1099.4648 hectares. The agreement provides a stumpage rate of 13% of the product sold or utilised.

	2024	2023
Forestry asset reconciliation		
Opening balance	268,577	285,720
Plus additions since	-	-
Less depreciation since	(16,115)	(17,143)
Total Forestry asset reconciliation	252,462	268,577

Forestry in the Emissions Trading Scheme (ETS)

Pre-1990 Forest Land

There is pre-1990 Forest land on the property and a liability will arise under the Climate Change Response Act 2002 if the pre-1990 forest area or part of it is cleared and not replanted or has not regenerated with at least 500 stems per hectare within 4 years of clearing. The area must also have 30% minimum crown cover 10 to 20 years after planting or regeneration depending on whether the forest is exotic or native respectively. This potential liability is not recognised in the financial statements.

There is pre-1990 Forest land on the property for which an exemption under the forestry allocation plan for the climate Change Response Act 2002 has been obtained.

	2024	2023
8. Investments		
Investments		
ANZ Bank Private Banking	2,305,225	2,271,335
Farmlands Ltd - 776 shares	776	776
Total Investments	2,306,001	2,272,111

This statement should be read with the Compilation Report-Disclaimer of Liability.

9. Contingent assets and liabilities

At balance date the Trust had no contingent assets and liabilities. (2023: \$nil)

10. Capital commitments

At balance date the Trust had no capital commitments. (2023: \$nil)

	2024	2023
11. Donations made		
Koha and Gifts (Catering for wananga)	2,100	120
Muriwai Marae	4,000	4,000
Rangiwaho Marae	4,000	4,000
Total Donations made	10,100	8,120

This statement should be read with the Compilation Report-Disclaimer of Liability.

	2024	2023
12. Education Grants Paid		
Aliesha Waru	-	411
Anaru Paenga-Morgan	500	411
Anna B Pohatu	500	-
Arna Whaanga	500	-
Ben Cirolli	-	411
Hemaima Keane	-	411
Ihipera Whakata	500	-
Joan Ropiha	500	-
Karepa Maynard	-	411
Kellann Kemp	-	411
Kimberlee Tamatea	-	411
Kyran Russell	500	411
Maira-Lyn Davies	-	-
Otiria O'Shea Para	500	-
Pagan Barbarich-Waikari	500	-
Parekura L T T Brown	500	-
Renae Hodges	-	411
Renata Nepe	-	411
Riata Maynard	-	411
Roberta Howard	-	411
Sarayde Tapine	-	411
Susan Matenga	-	411
Te Wai Frod	500	-
Trent Peterson	500	411
Tui Turner	-	411
Wiremu Maxwell	500	-
Wirihana Raihania	-	411
Total Education Grants Paid	6,000	6,987

This statement should be read with the Compilation Report-Disclaimer of Liability.

	2024	2023
13. Trustees fees		
Rachel Porou-Wetere	1,865	2,985
Henare Porou	2,239	3,358
Joanne Pleydell	2,239	3,358
Tui Ferris	2,290	3,808
Matene Blandford	1,865	2,985
Total Trustees fees	10,498	16,494

14. Maori authority credit account

At the 31st of March 2024 the Maori Authority Credits available to be attached to any future dividend totaled \$566,401. (2023: \$562,173).

15. Beekeeping Contract.

Trustees are entitled to a 35% share of honey proceeds received in relation to honey harvested from hives placed on Whareongaonga. This season there was no honey revenue collected.

2024

2023

16. Income tax

Net profit (loss) per financial statements	(37,082)	(140,772)
Adjustments to remove accounting effect and replace with tax		
Credit adjustments		
Building Depreciation	-	-
Forestry Depreciation	16,115	17,143
Tax Credits not available	12,185	(8,595)
Total Credit adjustments	28,300	8,548
Debit adjustments		
Donations	-	-
Excluded dividend income	2,794	571
FDR dividend income adjustment (Net)	437	1,848
Listed & Unlisted PIE dividend income	67,968	(52,581)
Total Debit adjustments	71,199	(50,162)
Net taxable income (loss)	(79,980)	(82,062)
Losses carried forward		
Losses carried forward	(317,711)	(209,128)
Imputation Credits converted to losses	(25,185)	(26,521)
Total Losses carried forward	(342,896)	(235,649)
Total Income/(losses) to be carried forward	(422,877)	(317,711)
Taxation on income for period @ 17.5%	-	-
Taxation movements		
Opening balance	(2,463)	(4,148)
Tax from above	-	-
RWT credits	(3,239)	(2,463)
Tax Credit losses	-	621
Tax refunded	2,463	3,527
Total Taxation movements	(3,239)	(2,463)

This statement should be read with the Compilation Report-Disclaimer of Liability.