

**Ngati Paoa Group**  
**Special Purpose Financial Report**  
**For the year ended 30 June 2023**

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## Ngati Paoa Group

### Special Purpose Financial Report For the year ended 30 June 2023

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## Ngati Paoa Group

### Directory

As at 30 June 2023

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<b>Nature of Business:</b>	Management of Iwi Assets
<b>Registered Office:</b>	11 Britomart Place Auckland 1010
<b>Beneficiaries</b>	Ngati Paoa Iwi
<b>Trustees</b>	Gary Thompson Bryce Heron Jasmine Castle James Ratahi Tania Tarawa Gwen Tepania-Palmer David Gray
<b>Auditors:</b>	Blackmore Virtue & Owens Auckland
<b>Bankers:</b>	ASB Bank BNZ Bank Westpac
<b>Solicitors:</b>	Kahui Legal Wellington
<b>Accountants:</b>	Kakano Advisory (division of McQueen & Associates Limited) Auckland

**Ngati Paoa Group**

**Approval of Special Purpose Financial Report  
For the year ended 30 June 2023**

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The Trustees are pleased to present the approved Special Purpose Financial Report of Ngati Paoa Group for the year ended 30 June 2023.

**Approved**

For and on behalf of the Trustees.

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Date

## Ngati Paoa Group

### Statement of Profit and Loss For the year ended 30 June 2023

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	Note	2023 \$	2022 \$
Revenue	3	605,930	668,796
Expenses	4	(559,020)	(185,427)
<b>Net operating profit/(loss) before tax</b>		<u>46,910</u>	<u>483,369</u>
Share of profit/(loss) of associates	5	-	844,399
Prior period adjustments		-	-
Income tax expense	6	-	-
<b>Net surplus/(loss) after tax</b>		<u>46,910</u>	<u>1,327,768</u>
<b>Other Comprehensive Income</b>			
Net gain/(loss) on asset revaluation - Pouarua Farm LP		-	2,360,482
<b>Total comprehensive income for the year</b>		<u><u>46,910</u></u>	<u><u>3,688,249</u></u>

This statement is to be read in conjunction with the notes to the special purpose financial statements on pages 8-13.

## Ngati Paoa Group

### Balance Sheet As at 30 June 2023

	Note	2023 \$	2022 \$
<b>Equity</b>		<b>25,518,208</b>	<b>25,471,298</b>
<b>Represented by:</b>			
<b>Current Assets</b>			
Cash at bank & short term investments		472,911	196,621
Accounts receivable		411,024	239,394
GST receivable		1,771	15,135
Income tax receivable		153,552	254,603
		1,039,258	705,752
<b>Non-Current Assets</b>			
Property, plant & equipment	7	18,007	3,149
Investment in Marutuahu Ropu LP	8	348,080	348,080
Investment in Pouarua Farm LP	9	24,959,046	24,959,046
		25,325,133	25,310,275
<b>Total assets</b>		<b>26,364,390</b>	<b>26,016,027</b>
<b>Current Liabilities</b>			
Accounts payable		573,182	376,729
Income in advance		273,000	168,000
		846,182	544,729
<b>Total liabilities</b>		<b>846,182</b>	<b>544,729</b>
<b>Net assets</b>		<b>25,518,208</b>	<b>25,471,298</b>

This statement is to be read in conjunction with the notes to the special financial statements on pages 8-13.

## Ngati Paoa Group

### Statement of movements in equity For the year ended 30 June 2023

	Retained Earnings	Share of Associate's Capital Reserve	Share of Associate's Revaluation Reserve	Settlement ex the Crown	Total Equity
<b>Balance at 1 July 2022</b>	1,364,601	1,151	7,980,546	16,125,000	25,471,298
Profit/(loss) for the year	46,910	-	-	-	46,910
Other comprehensive income	-	-	-	-	-
<b>Balance at 30 June 2023</b>	<u>1,411,511</u>	<u>1,151</u>	<u>7,980,546</u>	<u>16,125,000</u>	<u>25,518,208</u>
<b>Balance at 1 July 2021</b>	37,984	-	5,620,064	16,125,000	21,783,048
Profit/(loss) for the year	1,326,616	1,151	-	-	1,327,768
Other comprehensive income	-	-	2,360,482	-	2,360,482
<b>Balance at 30 June 2022</b>	<u>1,364,601</u>	<u>1,151</u>	<u>7,980,546</u>	<u>16,125,000</u>	<u>25,471,298</u>

This statement is to be read in conjunction with the notes to the special purpose financial statements on pages 8-13.

## Ngati Paoa Group

### Notes to the special purpose financial statements For the year ended 30 June 2023

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#### 1 Reporting entity

The following entities are included in the Ngati Paoa Group Special Purpose Financial Statements:

##### **Ngati Paoa Iwi Trust**

- Trust established by a trust deed dated October the 4th 2013
- Engaged in the business of managing Iwi Assets

##### **Ngati Paoa Group Holdings Limited**

- Company incorporated under the Companies Act 1993
- Engaged in the business of Iwi Investment

##### **Ngati Paoa Group Investments Limited**

- Company incorporated under the Companies Act 1993
- Engaged in the business of Iwi Investment

The special purpose financial report was authorised in accordance with a resolution of the trustees of Ngati Paoa Iwi Trust.

#### 2 Statement of Accounting Policies

##### **Basis of preparation**

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

The special purpose financial statements presented consolidate the financial statements of the following entities:

- Ngati Paoa Iwi Trust
- Ngati Paoa Group Holdings Limited
- Ngati Paoa Group investments Limited

These special purpose financial statements are prepared primarily for compliance with obligations under the group's loan agreements and are prepared in accordance with the optional NZICA Special Purpose Framework, applicable to for-profit entities.

All balances and transactions between the individual entities above have been eliminated on consolidation, in accordance with the consolidation principles applied under generally accepted accounting practice.

##### **Historical cost**

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



## Ngati Paoa Group

### Notes to the special purpose financial statements For the year ended 30 June 2023

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#### 2 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, to the extent it is possible that the economic benefits will flow to the entity and revenue can be reliably measured.

##### Accounts receivable

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

##### Income tax

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

##### Goods and Services tax

All amounts are stated exclusive of goods and services, with the exception of accounts receivable and payable which are stated inclusive of GST.

##### Property, plant and equipment and investment property

Property, plant and equipment and investment property are stated at historical cost less any accumulated depreciation and impairment losses. Historical cost includes expenditure directly attributable to the acquisition of assets.

Investment Property includes properties held to earn rental income and/or for capital appreciation that are not occupied by the Group. Gains or losses arising from the sale of these properties are included in profit or loss in the period in which they arise.

##### Financial instruments – financial liabilities

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

##### Borrowings

Borrowings are initially measured at fair value, net of transaction costs. They are subsequently measured at amortised cost (using the effective interest method). Fees for establishing new borrowings are spread over the term of those borrowings.

## Ngati Paoa Group

### Notes to the special purpose financial statements For the year ended 30 June 2023

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#### 2 Investment in Associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The Group's investment in its associate is accounted for using the equity method. Under the equity method, the investment in an associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate since the acquisition date. Goodwill relating to the associate is included in the carrying amount of the investment and is not tested for impairment separately.

The aggregate of the Group's share of profit or loss of an associate and a joint venture is shown on the face of the statement of profit or loss outside operating profit and represents the group's share of profit or loss after tax of the associate.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognises the loss as 'Share of loss of an associate' in the statement of profit or loss.

#### Changes in accounting policy

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

## Ngati Paoa Group

### Notes to the special purpose financial statements For the year ended 30 June 2023

<b>3</b>	<b>Revenue</b>	<b>2023</b>	<b>2022</b>
	Grant Funding	454,822	580,000
	Sales	91,853	62,816
	Crown Recoveries	59,145	25,778
	Interest Income	111	11
	Other Income	-	192
	<b>Total revenue</b>	<b>605,930</b>	<b>668,796</b>

<b>4</b>	<b>Expenses</b>	<b>2023</b>	<b>2022</b>
	Accounting and Admin	14,600	483
	Advertising	3,314	-
	AGM	5,210	-
	Audit Fees	37,695	9,693
	Bank Fees	428	3,546
	Contractors	166,049	-
	Depreciation	2,887	1,602
	Directors Fees	2,668	5,333
	Donations	291	1,800
	Elections	2,429	-
	Events	14,594	-
	General Expenses	-	3,204
	Interest	989	14,391
	Legal Expenses	124,708	109,022
	Non-deductible Expenses	6,710	2,262
	Office Expenses	1,479	-
	Printing and Stationery	632	25
	Project Expenses	626	9,340
	Rent and Rates	7,672	-
	Salaries	152,970	14,423
	Subscriptions	13,070	10,065
	Telephone and Internet	-	150
	Travel	-	89
	<b>Total expenses</b>	<b>559,020</b>	<b>185,427</b>

<b>5</b>	<b>Share of profit/(loss) of associates</b>	<b>2023</b>	<b>2022</b>
	Share of Partnership Income/(Loss) from Marutuahu Ropu LP	-	65,110
	Share of Partnership Income/(Loss) from Pouarua Farm LP	-	778,138
	Share of Capital Gain from Pouarua Farm LP	-	1,151
		<b>-</b>	<b>844,399</b>

## Ngati Paoa Group

### Notes to the special purpose financial statements For the year ended 30 June 2023

<b>6</b>	<b>Taxation</b>	<b>2023</b>	<b>2022</b>
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<b>7</b>	<b>Property, Plant &amp; Equipment</b>	<b>2023</b>	<b>2022</b>
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	Cost	Accumulated Depn & Impairment	Net Book Value	Net Book Value
Computer Equipment	8,928	(3,865)	5,064	-
Office Equipment	36,747	(23,804)	12,943	3,149
	<u>45,675</u>	<u>(27,669)</u>	<u>18,007</u>	<u>3,149</u>

<b>8</b>	<b>Investment in Marutuahu Ropu LP</b>	<b>2023</b>	<b>2022</b>
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Name	Country of Incorporation	Principal Activity	Proportion of Ownership	Proportion of Ownership
Marutuahu Ropu General Partner Limited	New Zealand	Property Investment	20.00%	20.00%

The following table illustrates the summarised financial information showing the movements of the Group's Investment in Marutuahu Ropu General Partner Limited.

<b>Opening Balance</b>	348,080	283,260
Add/(Less):		
Profit/(Loss) for the year	-	65,110
Taxation Paid	-	(289)
<b>Equity as at 30 June</b>	<u>348,080</u>	<u>348,080</u>

The principal activity of Marutuahu Ropu General Partner Limited (Marutuahu Ropu LP) is property investment. Ngati Paoa holds a 20% share in Marutuahu Ropu LP with four other Hauraki Iwi, Ngati Maru, Ngati Tamatera, Te Patukirikiri and Ngati Whanaunga. Marutuahu Ropu LP is a private entity that is not listed on any public exchange. The Group's interest in Marutuahu Ropu LP is accounted for using the equity method in the consolidated financial statements.

This involves the Group recognising its share of the associate's surplus or deficit as well as its share of any other movements in the associate's net assets, including property revaluations.

The associate had no contingent liabilities or capital commitments as at 30 June 2023 or 2022.

## Ngati Paoa Group

### Notes to the special purpose financial statements For the year ended 30 June 2023

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9	Investment in Pouarua Farm LP	2023			2022
		Name	Country of Incorporation	Principal Activity	Proportion of Ownership
	Pouarua Farm General Partner Limited	New Zealand	Farming	29.17%	29.17%

The following table illustrates the summarised financial information showing the movements of the Group's Investment in

<b>Opening Balance</b>	24,959,046	21,955,787
Add/(Less):		
Profit/(Loss) for the year	-	778,138
Capital Gain	-	1,151
Revaluation of Herd	-	295,979
Revaluation of Property	-	2,064,502
Tax Paid	-	(136,513)
<b>Equity as at 30 June</b>	<u>24,959,046</u>	<u>24,959,046</u>

The principal activity of Pouarua Farm General Partner Limited (Pouarua Farm LP) is dairy farming. Pouarua consists of 2,206 hectares of farm property just west of Ngatea. Ngati Paoa holds a 29% share in Pouarua Farm LP with four other Hauraki Iwi, Ngati Maru, Ngati Tamatera, Ngati Tara Tokanui and Te Patukirikiri. Pouarua Farm LP is a private entity that is not listed on any public exchange. The Group's interest in Pouarua Farm LP is accounted for using the equity method in the consolidated financial statements.

This involves the Group recognising its share of the associate's surplus or deficit as well as its share of any other movements in the associate's net assets, including property revaluations.

The associate had no contingent liabilities or capital commitments as at 30 June 2023 or 2022.

#### 10 Contingent Liabilities

There were no contingent liabilities at 30 June 2023 (June 2022: \$Nil).

#### 11 Subsequent Events

There are no material events subsequent to balance date.