

Tokerau A10 Trust

Financial Statements

For the Year Ended 31 March 2023

Tokerau A10 Trust

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For the Year Ended 31 March 2023

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Tokerau A10 Trust

Report on the Engagement to Compile Financial Statements

For the Year Ended 31 March 2023

COMPILATION REPORT TO THE TRUSTEES

Reporting Scope

On the basis of information that you provided we have compiled, in accordance with "Service Engagement Standard Number 2: Compilation of Financial Information", the Financial Statements of Tokerau A10 Trust for the year ended 31 March 2023 as set out on the following pages.

These statements have been prepared in accordance with the principles contained in current income tax legislation as described in Note 1 to the Financial Statements.

These are special purpose financial statements and as such are intended for internal use only and should not be relied upon for any other purpose.

Responsibilities

You are solely responsible for the information contained in the financial statements and have determined that the financial reporting basis stated above is appropriate to meet your needs and for the purpose that the financial statements were prepared. The financial statements were prepared exclusively for your benefit. We do not accept responsibility to any other person for the contents of the financial statements.

No Audit or Review Engagement Undertaken

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



Kusabs Lasike Ltd

Chartered Accountants

Rotorua

10-Oct-23

Tokerau A10 Trust

Statement of Profit or Loss

For the Year Ended 31 March 2023

	Note	2023 \$	2022 \$
Operating Revenue			
Commissions & Fees Recovered		436.20	436.20
Interest Received		1,437.85	488.77
Lease Rentals		10,115.40	10,115.40
Total Operating Revenue		11,989.45	11,040.37
Less Expenses			
Accountancy Fees		1,469.68	6,900.00
AGM Expenses		-	3,842.55
Bank Fees & Charges		4.50	6.55
Printing, Stationery & Postage		1,548.13	-
Share Register		830.32	-
Trustees Expenses		1,714.91	2,443.27
Total Expenses		5,567.54	13,192.37
Profit (Loss) before Income Tax		6,421.91	(2,152.00)
Income Tax Expense	2	-	830.90
Net Profit (Loss)		6,421.91	(2,982.90)

These financial statements are to be read in conjunction with the accompanying Notes and the compilation report. These statements have been compiled without undertaking an audit or review engagement.

Tokerau A10 Trust

Statement of Changes in Equity

For the Year Ended 31 March 2023

	Note	2023 \$	2022 \$
Revenues and Expenses			
Net Profit (Loss)		6,421.91	(2,982.90)
Total Recognised Revenues and Expenses		<u>6,421.91</u>	<u>(2,982.90)</u>
Trust Equity at the Beginning of the Year		1,086,509.70	1,089,492.60
Trust Equity at the End of the Year		<u>1,092,931.61</u>	<u>1,086,509.70</u>

These financial statements are to be read in conjunction with the accompanying Notes and the compilation report. These statements have been compiled without undertaking an audit or review engagement.

Tokerau A10 Trust

Balance Sheet

As at 31 March 2023

	Note	2023 \$	2022 \$
Current Assets			
BNZ - Cheque Account		12,598.76	13,209.94
BNZ - Call Account		430.14	426.92
Accrued Income		672.30	173.82
BNZ Term Deposit		51,122.95	50,351.19
Total Current Assets		64,824.15	64,161.87
Non-Current Assets			
Property, Plant & Equipment	5	1,031,000.00	1,031,000.00
Total Assets		1,095,824.15	1,095,161.87
Current Liabilities			
Accounts Payable		2,300.00	-
Accruals		-	6,900.00
Income Tax Payable	3	592.54	1,752.17
Total Liabilities		2,892.54	8,652.17
Net Assets		1,092,931.61	1,086,509.70
Trust Equity			
Trustee Accumulated Income	7	1,092,931.61	1,086,509.70
Total Trust Equity		1,092,931.61	1,086,509.70

Signed for and on behalf of the Trust:


Trustee
Date 9.11.23


Trustee
Date 9.11.23

Tokerau A10 Trust

Notes to and forming part of the Financial Statements

For the Year Ended 31 March 2023

1 Statement of Accounting Policies

Reporting Entity

The Trust is an Ahu Whenua Trust as defined under Section 215 of Te Ture Whenua Maori Act 1993. The principal activity of the Trust is Land Rental.

Statement of Compliance and Basis of Preparation

The financial Statements are special purpose and have been prepared for taxation purposes and internal management.

The accounting principles recognised as appropriate for the measurement and reporting of the Statement of Profit or Loss and Balance Sheet on a historical cost basis are followed by the trust, unless otherwise stated in the Specific Accounting Policies.

The information is presented in New Zealand dollars. All values are rounded to the nearest \$.

Specific Accounting Policies

The following specific accounting policies which materially affect the measurement of the Statement of Profit or Loss and Balance Sheet have been applied:

(a) Revenue Recognition

Lease revenue 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.

(b) Property, Plant & Equipment

Land has been revalued to the latest ratings valuations dated 01 September 2020 by Opteon Technologies Ltd.

Depreciation has been claimed at the maximum rates allowed by the Inland Revenue Department.

(c) Income Tax

Income tax is accounted for using the taxes payable method. The income tax expense recognised in the Statement of Profit or Loss is the estimated income tax payable in the current year, adjusted for any differences between the estimated and actual income tax payable in prior years.

(d) Goods and Services Taxation (GST)

Revenue and expenses have been recognised in the financial statements inclusive of GST. The trust is not registered for GST.

(e) Changes in Accounting Policies

There have been no changes in accounting policies. All policies have been applied on a basis consistent with those from previous financial statements.

Tokerau A10 Trust

Notes to and forming part of the Financial Statements (continued)

For the Year Ended 31 March 2023

2 Tax Reconciliation	2023	2022
	\$	\$
Profit (Loss) before Income Tax	6,421.91	(2,152.00)
Timing Differences		
Timing Differences	(6,900.00)	6,900.00
Taxable (Loss) Income	(478.09)	4,748.00
Tax Expense at 17.5%	-	830.90
Tax Expense	-	830.90
Unused income tax losses available to carry forward	478.09	-

These Losses to be carried forward are subject to Inland Revenue approval. The taxation benefits of losses will be available provided:

The entity complies with conditions for offset imposed by the Income Tax Act 2007 and amendments thereto

No Change in taxation legislation adversely affects the entity in realising the taxation benefits of those losses, and

The entity generates assessable income in the future, against which the losses can be offset.

3 Income Tax	2023	2022
	\$	\$
Opening Balance	1,752.17	1,453.61
Plus:		
Provision for Taxation	-	830.90
Less:		
Terminal Tax Paid	995.24	457.86
RWT Paid	164.39	74.48
	1,159.63	532.34
Income Tax Payable	592.54	1,752.17

4 Maori Authority Tax Credits	2023	2022
	\$	\$
Opening Balance	17,779.88	17,236.02
Plus:		
Taxation Paid	995.24	457.86
RWT Paid	164.39	74.48
	1,159.63	532.34
Total Maori Authority Tax Credits	18,939.51	17,768.36

These financial statements are to be read in conjunction with the accompanying Notes and the compilation report. These statements have been compiled without undertaking an audit or review engagement.

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Notes to and forming part of the Financial Statements (continued)

For the Year Ended 31 March 2023

5 Property, Plant & Equipment

	Cost	Accumulated Depreciation	Closing Book Value
	\$	\$	\$
Property, Plant & Equipment 2023			
Freehold Land	1,031,000.00	-	1,031,000.00
Total Property, Plant & Equipment	<u>1,031,000.00</u>	<u>-</u>	<u>1,031,000.00</u>

	Cost	Accumulated Depreciation	Closing Book Value
	\$	\$	\$
Property, Plant & Equipment 2022			
Freehold Land	1,031,000.00	-	1,031,000.00
Total Property, Plant & Equipment	<u>1,031,000.00</u>	<u>-</u>	<u>1,031,000.00</u>

6 Beneficiaries Equity

	2023	2022
	\$	\$
Retained Earnings (Post 2004/2005) (1)	60,077.61	53,655.70
Unrealised Reserves (2)	1,031,000.00	1,031,000.00
Realised Reserves (3)	1,854.00	1,854.00
	<u>1,092,931.61</u>	<u>1,086,509.70</u>

(1) Retained Earnings (Post 2004/2005)

Opening Balance	53,655.70	56,638.60
Surplus/(Deficit) for the year	6,421.91	(2,982.90)
Closing Balance	<u>60,077.61</u>	<u>53,655.70</u>

(2) Unrealised Reserves

Opening Balance	1,031,000.00	1,031,000.00
Closing Balance	<u>1,031,000.00</u>	<u>1,031,000.00</u>

(3) Realised Reserves

Opening Balance	1,854.00	1,854.00
Closing Balance	<u>1,854.00</u>	<u>1,854.00</u>

7 Related Parties

There are no significant transactions or transactions that were on terms and conditions that are likely to be different from the terms and conditions of transactions in similar circumstances, involving related parties during the financial year.

Tokerau A10 Trust

Notes to and forming part of the Financial Statements (continued)

For the Year Ended 31 March 2023

8 Capital Commitments

The trust has no capital commitments as at 31 March 2023 (2022: Nil).

9 Contingent Liabilities

The trust has no contingent liabilities and no guarantees as at 31 March 2023 (2022: Contingent Liabilities Nil, Guarantees Nil).

10 Events Occurring After Balance Date

At the General Meeting of Owners held 26 February 2022, Pauline Klaus, 56% Shareholder proposed to partition out her interests in the Tokerau A10 Trust Block (Partition 50%, gifting 6% to the Trust). The proposal was put to a vote and did not pass by show of hands. P Klaus submitted the proposal and applied through the Maori Land Court, which was approved 8 March 2023 and is subject to conditions yet to be fulfilled. The Maori Land Court have made orders for the Trust to Partition approximately 39.8943 ha of its land. The affect on the Trust's income and equity has yet to be determined.

No other significant events have occurred subsequent to balance date.