

Te Whetu Ahu Whenua Trust

Financial Statements

For the Year Ended 31 March 2023

Te Whetu Ahu Whenua Trust
Contents of Financial Statements
For the Year Ended 31 March 2023

Contents of Financial Statements	1
Compilation Report	2
Directory	3
Statement of Profit or Loss	4
Statement of Changes in Trust Funds	5
Balance Sheet	6
Notes to and forming part of the Financial Statements	7 - 10

Te Whetu Ahu Whenua 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 Te Whetu Ahu Whenua 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

7 December 2023

Te Whetu Ahu Whenua Trust

Directory

As at 31 March 2023

Nature of Business	Land Lease
Address	C/- Kusabs Lasike Ltd PO Box 441 Rotorua
Trustees	Stephen Boyd (Chairperson) Martin J Charteris Graham J Hayde Dempsey Reweti David J Skudder
Accountants	Kusabs Lasike Ltd Chartered Accountants
Bankers	Westpac Bank PO Box 942 Gisborne
IRD Number	088-655-753

Te Whetu Ahu Whenua Trust
Statement of Profit or Loss
For the Year Ended 31 March 2023

	Note	2023 \$	2022 \$
Operating Revenue			
Interest Received		9.88	198.97
Lease Rentals - Homestead		69,999.96	60,000.00
Lease Rentals - Te Toke Road		55,999.92	4,666.66
Total Operating Revenue		126,009.76	64,865.63
Less Expenses			
Accountancy Fees		4,325.00	3,758.00
AGM Expenses		1,484.75	-
Bank Fees & Charges		204.16	199.77
Consultancy Fees		-	300.00
Depreciation		3,501.00	591.00
Fencing		9,581.27	-
Insurance		(46.38)	831.17
Interest - IRD Use of Money		73.58	15.22
Interest Paid - Westpac Loan #91		44,872.83	4,712.04
Legal Fees - Deductible		-	1,550.17
Other Non Deductible Expenses		153.92	170.15
Printing, Stationery & Postage		121.88	186.24
Rates		(324.96)	913.92
Share Register		720.25	1,500.00
Trustees Expenses		5,242.31	-
Weed & Pest Control		3,967.51	-
Total Expenses		73,877.12	14,727.68
Profit before Income Tax		52,132.64	50,137.95
Income Tax Expense	2	9,150.05	8,803.92
Net Profit		42,982.59	41,334.03
Allocated pursuant to Deed of Trust as follows:			
Transfer to Trustee Income		42,982.59	41,334.03
		42,982.59	41,334.03

Te Whetu Ahu Whenua Trust
Statement of Changes in Trust Funds
For the Year Ended 31 March 2023

	Note	2023 \$	2022 \$
Revenues and Expenses			
Net Profit		42,982.59	41,334.03
Total Recognised Revenues and Expenses		42,982.59	41,334.03
Distributions			
Dividend Payable		(17,324.94)	(17,324.94)
Trust Funds at the Beginning of the Year		2,336,783.00	2,312,773.91
Trust Funds at the End of the Year		2,362,440.65	2,336,783.00

Te Whetu Ahu Whenua Trust

Balance Sheet

As at 31 March 2023

	Note	2023 \$	2022 \$
Current Assets			
Westpac Bank		32,633.59	43,991.26
Westpac Online Saver		935.54	927.39
Accounts Receivable		5,366.66	-
Total Current Assets		38,935.79	44,918.65
Non-Current Assets			
Property, Plant & Equipment	5	3,003,120.03	3,006,621.03
Total Assets		3,042,055.82	3,051,539.68
Current Liabilities			
Accounts Payable		-	955.85
Current Portion of Term Liabilities		660,000.00	-
Income Tax Payable	3	3,010.69	2,239.92
GST Payable		3,746.66	1,011.59
Unclaimed Dividend		12,857.82	10,549.32
Total Current Liabilities		679,615.17	14,756.68
Non-Current Liabilities			
Term Loans - Secured	6	-	700,000.00
Total Liabilities		679,615.17	714,756.68
Net Assets		2,362,440.65	2,336,783.00
Trust Funds			
Retained Profits	7	469,940.65	444,283.00
Trust Corpus	8	750,000.00	750,000.00
Reserves	9	1,142,500.00	1,142,500.00
Total Trust Funds		2,362,440.65	2,336,783.00


 _____ Trustee

Date 14/02/24


 _____ Trustee

Date 14/02/24

Te Whetu Ahu Whenua 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.

These financial statements have not been prepared for external use. They are prepared for tax purposes only and should not be relied on for any other purpose. They are therefore defined as special purpose reports.

The Trust is involved in land lease.

Statement of Compliance and Basis of Preparation

The financial statements are of special purpose and have been prepared for taxation purposes on the principals contained in the Income Tax Act 2007 and internal management purposes.

The accounting policies are not in conformity with generally accepted accounting practice. Accordingly the financial statements should only be relied on for the expressly stated purpose.

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

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.

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

(b) Trade Receivables

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

(c) Property, Plant & Equipment

Land & Buildings have been revalued to the latest rating valuation dated 1 September 2020 by Opteon Technologies Ltd. The ratings valuations are issued every three years.

The following estimated depreciation rates/useful lives have been used:

Freehold Land	0% Valuation
Property Improvements	0-8.5% DV

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

(d) Goods and Services Taxation (GST)

Revenue and expenses have been recognised in the financial statements exclusive of GST except that irrecoverable GST input tax has been recognised in association with the expense to which it relates. All items in the Balance Sheet are stated exclusive of GST except for receivables and payables which are stated inclusive of GST.

Te Whetu Ahu Whenua Trust
Notes to and forming part of the Financial Statements (continued)
For the Year Ended 31 March 2023

(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.

2 Tax Reconciliation	2023	2022
	\$	\$
Profit before Income Tax	52,132.64	50,137.95
Permanent Differences		
Other Non Deductible Expenses	153.92	170.15
Taxable Income	52,286.56	50,308.10
Tax Expense at 17.5%	9,150.05	8,803.90
Tax Expense	9,150.05	8,803.90
3 Income Tax	2023	2022
	\$	\$
Opening Balance	2,239.92	3,332.44
Plus:		
Provision for Taxation	9,150.05	8,803.92
Refunds	1,278.24	-
	10,428.29	8,803.92
Less:		
Provisional Tax Paid	9,555.00	9,861.63
Terminal Tax Paid	100.79	-
RWT Paid	1.73	34.81
	9,657.52	9,896.44
Income Tax Payable	3,010.69	2,239.92
4 Maori Authority Credits	2023	2022
	\$	\$
Maori Authority Credit Account at Tax Rate 17.5%		
Opening Balance	99,284.58	96,552.89
Plus:		
Taxation Paid	9,980.42	10,047.00
RWT Paid	1.73	34.81
	9,982.15	10,081.81
Less:		
Refund Received	1,278.24	-
MACA Credits attached to Distributions	3,675.06	7,350.12
	4,953.30	7,350.12
Total Maori Authority Credits	104,313.43	99,284.58

Te Whetu Ahu Whenua Trust

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	2,814,212.03	-	2,814,212.03
Property Improvements	193,000.00	4,092.00	188,908.00
Total Property, Plant & Equipment	3,007,212.03	4,092.00	3,003,120.03

	Cost	Accumulated Depreciation	Closing Book Value
Property, Plant & Equipment 2022	\$	\$	\$
Freehold Land	2,814,212.03	-	2,814,212.03
Property Improvements	193,000.00	591.00	192,409.00
Total Property, Plant & Equipment	3,007,212.03	591.00	3,006,621.03

6 Term Loans - Secured

	2023	2022
	\$	\$
Westpac Secured Loan		
Total Outstanding	660,000.00	700,000.00
Less Transferred to Current Liabilities		
Total Outstanding	(660,000.00)	-
Total Term Loans - Secured	-	700,000.00

The Trust has a term loan with Westpac. The loan is for \$660,000 (2022 \$700,000) and is interest only. The loan matured 20 October 2023 and there is a new maturity date of 2 February 2024.

7 Retained Profits (Post 2004/05)

	2023	2022
	\$	\$
Opening Balance	444,283.00	420,273.91
Plus:		
Profit for the Year	25,657.65	24,009.09
Total Retained Profits (Post 2004/05)	469,940.65	444,283.00

8 Trust Corpus

	2023	2022
	\$	\$
Capital		
Opening Balance	750,000.00	750,000.00
Closing Balance	750,000.00	750,000.00
Total Trust Corpus	750,000.00	750,000.00

Te Whetu Ahu Whenua Trust
Notes to and forming part of the Financial Statements (continued)
For the Year Ended 31 March 2023

9 Reserves	2023	2022
	\$	\$
Asset Revaluation		
Opening Balance	1,142,500.00	1,142,500.00
Closing Balance	<u>1,142,500.00</u>	<u>1,142,500.00</u>
Total Reserves	<u><u>1,142,500.00</u></u>	<u><u>1,142,500.00</u></u>

10 Related Parties

There were 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 (2022: Nil).

11 Capital Commitments

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

12 Contingent Liabilities

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

13 Events Occurring After Balance Date

No significant events have occurred subsequent to balance date.