

Takaira Pukehina Lands Trust

Financial Statements For the Year Ended 31 May 2022

Takuirā Pukehina Lands Trust
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For the Year Ended 31 May 2022

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Takuirā Pukehina Lands Trust

Directory

As at 31 May 2022

Nature of Business	Dairy Cattle Farming
Trustees	Hira Takuirā Allen Turner Michael Thompson Daryll Simpson Gloria Takuirā Raymond Patu
Accountants	Kusabs Lasike Ltd Chartered Accountants
Auditor	Silks Audit Chartered Accountants
Bankers	Westpac
Solicitors	Holland Beckett Law Rotorua
IRD Number	049-109-857

Takuirā Pukehina Lands Trust
Statement of Livestock Trading
For the Year Ended 31 May 2022

	2022			2021		
	Qty	Avg. Price	\$	Qty	Avg. Price	\$
Dairy Cattle Trading Account						
Sales						
Calves	147	49	7,186	199	105	20,909
R1 Heifers	-	-	-	12	25	300
R1 Steers/Bulls	-	-	-	1	1,046	1,046
R2 Heifers	26	1,369	35,594	-	-	-
MA Cows	202	1,254	253,407	74	579	42,837
Breeding Bulls	7	1,046	7,323	4	1,346	5,385
	382		303,510	290		70,477
Purchases						
R1 Steers/Bulls	-	-	-	4	1,300	5,200
R2 Steers/Bulls	9	1,550	13,950	4	2,200	8,800
	9		13,950	8		14,000
Cash Surplus for the Year	373		289,560	282		56,477
Opening Stock						
R2 Heifers	63	1,291	81,333	63	1,222	76,986
MA Cows	193	1,528	294,904	193	1,525	294,325
R1 Heifers - NSC	-	-	-	72	453	32,616
R2 Heifers - NSC	3	763	2,288	9	768	6,911
MA Cows - NSC	1	763	763	-	-	-
Total Opening Stock	260		379,288	337		410,838
Closing Stock						
R1 Heifers	41	513	21,025	-	-	-
R2 Heifers	48	1,472	70,656	63	1,291	81,333
MA Cows	193	1,697	327,521	193	1,528	294,904
R2 Heifers - NSC	-	-	-	3	763	2,288
MA Cows - NSC	2	763	1,525	1	763	763
Total Closing Stock	284		420,727	260		379,288
Movement in Livestock Values			41,439			(31,550)
Gross Profit from Dairy Cattle Trading			330,999			24,927

These financial statements are to be read in conjunction with the accompanying Notes. These statements have been audited.

Takuirā Pukehina Lands Trust

Statement of Livestock Trading (continued)

For the Year Ended 31 May 2022

	Qty	2022 Avg. Price	\$	Qty	2021 Avg. Price	\$
Dairy Cattle Reconciliation of Numbers						
Opening Stock	260			337		
Plus						
Purchases	9			8		
Natural Increase	188			211		
	<u>197</u>			<u>219</u>		
Less						
Sales	382			290		
Returned Livestock as per Lease`	(180)			-		
Deaths & Missing	(29)			6		
	<u>173</u>			<u>296</u>		
Closing Stock Numbers	<u><u>284</u></u>			<u><u>260</u></u>		

As per the Deed of Lease of Pukehina M Section 1B No.4 dated 1 August 2001, 180 in calf mixed age cows were returned to the Trust. These livestock were received on 1 June 2021 and sold on 15 June 2021.

These financial statements are to be read in conjunction with the accompanying Notes. These statements have been audited.

Takuirā Pukehina Lands Trust
Statement of Profit or Loss
For the Year Ended 31 May 2022

	Note	2022 \$	2021 \$
Livestock Trading Revenue			
Gross Profit from Dairy Cattle Trading		330,999	24,927
Operating Revenue			
Grazing		71,418	-
Hay & Silage		24,348	-
Sale of Milksolids - Current Season L2B		590,342	410,869
Sale of Milksolids - Last Season L2B		-	93,852
Fonterra Dividend		13,947	7,023
Rebates - Ballance Agri-Nutrients		2,839	2,478
Rebates - Farm source		-	3,682
Rent Received		8,500	13,000
Sundry Farm Income		10,400	1,183
Gross Profit from Trading		721,794	532,087
Total Gross Profit		1,052,793	557,014
Other Income			
Dividends Received		3,647	1,791
Insurance Claims Received		7,760	-
Interest Received		33	5,034
Total Other Income		11,440	6,825
Gross Profit after Other Income		1,064,233	563,839

These financial statements are to be read in conjunction with the accompanying Notes. These statements have been audited.

Takura Pukehina Lands Trust

Statement of Profit or Loss (continued)

For the Year Ended 31 May 2022

	Note	2022 \$	2021 \$
Less Expenses			
Farm Expenses			
Animal Health		41,963	39,214
Breeding Expenses		11,995	15,850
Calf Rearing		24	5,741
Cropping & Cultivation		24,061	-
Dairy Shed Expenses		4,777	1,498
Development & Research		3,859	4,121
Farm Advisory		5,849	8,788
Fertiliser Urea		40,357	31,889
Fertiliser & Lime		1,838	23,243
Freight & Cartage		3,577	3,109
Fuel & Oil		6,006	3,879
General Expenses		2,537	1,131
Grazing		6,202	64,292
Hay & Silage - Purchases		42,247	95,052
Light, Heat & Power		14,357	11,229
Protective Clothing		1,240	265
Rubbish & Waste Disposal		563	543
Regrassing		17,183	11,902
Undersowing		14,608	16,316
Stock Food		23,406	20,283
Wages & Salaries (PAYE)		127,006	191,224
Wages - Relief Contractors		1,093	518
Weed & Pest Control		5,861	4,315
		400,609	554,402
Vehicle Expenses			
Farm Vehicles		6,020	4,966
Repairs and Maintenance			
Effluent Disposal		10,571	7,080
Fencing, Gates & Yards		2,152	969
General		600	1,965
Buildings		11,167	4,310
Farm Dwelling		198	-
Plant & Equipment		16,464	9,802
Milking Plant		2,890	(17,478)
Tracks & Races		12,945	6,159
Water Supply		1,672	2,112
		58,659	14,919

These financial statements are to be read in conjunction with the accompanying Notes. These statements have been audited.

Takura Pukehina Lands Trust

Statement of Profit or Loss (continued)

For the Year Ended 31 May 2022

	Note	2022 \$	2021 \$
Administration Expenses			
Accountancy Fees		5,000	8,750
ACC Levies		3,612	4,311
Advertising		-	2,283
Audit Fee		2,500	1,250
Bank Fees & Charges		423	380
Administration - Client Support		250	457
Insurance - L2B		17,606	9,233
Legal Fees - Deductible		-	3,148
Rates		10,332	10,244
Subscriptions		2,588	2,089
Telephone & Internet		482	-
Trustees Expenses		-	1,692
		<u>42,793</u>	<u>43,837</u>
Non Cash Expenses			
Depreciation		34,633	34,028
Non Deductible Expenses			
Other Non Deductible Expenses		28	-
Total Expenses		<u>542,742</u>	<u>652,152</u>
Profit (Loss) before Income Tax		<u>521,491</u>	<u>(88,313)</u>
Income Tax Expense	2	42,096	-
Net Profit (Loss)		<u><u>479,395</u></u>	<u><u>(88,313)</u></u>

These financial statements are to be read in conjunction with the accompanying Notes. These statements have been audited.

Takuirā Pukehina Lands Trust
Statement of Changes in Equity
For the Year Ended 31 May 2022

	Note	2022 \$	2021 \$
Revenues and Expenses			
Net Profit (Loss)		479,395	(88,313)
Movement in Retained Earning Pre (2004/2005)		(11,899)	(15,868)
Movement in Asset Revaluation Reserve		-	226,522
Movement in Share Revaluation Reserve		(62,831)	(98,813)
Total Recognised Revenues and Expenses		404,664	23,528
Trust Funds at the Beginning of the Year		5,484,804	5,461,276
Trust Funds at the End of the Year		5,889,468	5,484,804

These financial statements are to be read in conjunction with the accompanying Notes. These statements have been audited.

Takuirā Pukehina Lands Trust

Balance Sheet

As at 31 May 2022


	Note	2022 \$	2021 \$
Current Assets			
Westpac 00 Encore A/c		427,189	84,340
Westpac Savings A/c		2,695	2,693
Accounts Receivable		18,872	11,843
Accrued Income		13,770	1,066
Income Tax Receivable	3	-	1,743
GST Receivable		3,400	6,410
Dairy Cattle on Hand		420,727	379,288
Westpac Term Deposits		-	62,826
Total Current Assets		886,653	550,209
Non-Current Assets			
Property, Plant & Equipment	5	4,814,915	4,703,357
Prepayments - Macadamia Trees		17,700	
Shares in Listed Companies	6	218,250	293,955
Shares in Unlisted Companies	6	20,557	7,515
Total Non-Current Assets		5,071,422	5,004,827
Total Assets		5,958,075	5,555,036
Current Liabilities			
Accounts Payable		16,912	31,912
Accruals		7,500	-
Income Tax Payable	3	38,888	-
Provision for Holiday Pay		5,307	38,320
Total Liabilities		68,607	70,232
Net Assets		5,889,468	5,484,804
Trust Funds			
Retained Earnings (Post 2004/2005)	7	1,404,884	925,490
Reserves	8	4,484,584	4,559,314
Total Trust Funds		5,889,468	5,484,804

These financial statements are to be read in conjunction with the accompanying Notes. These statements have been audited.

Takuirā Pukehina Lands Trust

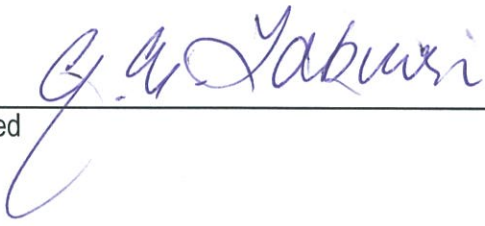
Balance Sheet (continued)

As at 31 May 2022



Signed _____ Trustee

Date 18/11/23



Signed _____ Trustee

Date 18/11/23

These financial statements are to be read in conjunction with the accompanying Notes. These statements have been audited.

Takuirā Pukehina Lands Trust

Notes to and forming part of the Financial Statements

For the Year Ended 31 May 2022

1 Statement of Accounting Policies

Reporting Entity

The Trust is an Ahu Whenua Trust as defined under Section 215 of Te Ture Whenua Māori Act 1993 and these financial statements have been prepared in accordance with the requirements of the Act.

The Trust is involved in Dairy Cattle Farming.

Statement of Compliance and Basis of Preparation

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

The financial statements have been prepared on an accrual basis.

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.

Sales of services are recognised in the period by reference to the stage of completion of the transaction at the end of the reporting period.

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

Dividends received are recognised on receipt, gross of non-refundable tax credits.

(b) Biological Assets

For taxation purposes, livestock can be valued using either or both of the National Average Market Value (NAMV) and National Standard Cost (NSC) schemes. While these values are determined nationally to represent either market value or cost, they do not necessarily represent market value, or cost to this entity.

In these financial statements, a combination of the Herd and NSC schemes has been used to determine livestock values.

A contingent taxation liability exists as at balance date to the extent that the actual value of livestock on hand exceeds the value determined in accordance with the provisions of the Income Tax Act and as recorded in the financial statements.

(c) Trade Receivables

Trade Receivables are recognised at estimated realisable value. Bad debts are written off in the year in which they are identified. Milk proceeds are accrued to balance date as at the milk price at that date, retro payments are recorded in the next financial year.

Takuirā Pukehina Lands Trust

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

For the Year Ended 31 May 2022

(d) Property, Plant & Equipment

Property, plant and equipment (except for land & buildings) is recognised at cost less aggregate depreciation. Historical cost includes expenditure directly attributable to the acquisition of assets, and includes the cost of replacements that are eligible for capitalisation when these are incurred.

All other repairs and maintenance are recognised as expenses in the Statement of Profit or Loss in the financial period in which they are incurred.

Depreciation has been calculated using the maximum rates permitted by the Income Tax Act 2007.

Land and buildings have been revalued to the latest ratings valuation dated 01 July 2019. The rating valuation is issued every 3 years.

The revalued portion of buildings has not been depreciated. Revaluations are recorded in asset revaluation reserves in equity.

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

Farm Development 5%-10% DV

Furniture & Fittings 24%-60% DV

Land & Buildings 0%-16% DV

Plant & Equipment 10%-67% DV

(e) Investments

Investments in listed companies are stated at cost, except for shares held in co-operatively owned companies. Other non-current investments are stated at cost. Revaluations are recorded in asset revaluation reserves in equity.

(f) 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.

(g) 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

	2022	2021
	\$	\$
Profit (Loss) before Income Tax	521,491	(88,313)
Permanent Differences		
Other Non Deductible Expenses	28	-
Imputation Credits	101	-
Tax Losses approved by the IRD	(194,059)	(143,739)
Losses from conversion of ICA Credits	-	(326)
Total Permanent Differences	(193,930)	(144,065)
Timing Differences		
Timing Differences	(37,486)	38,319
Permanent Differences	(48,946)	-
Total Timing Differences	(86,432)	38,319
Taxable Income (Loss)	241,129	(194,059)
Tax Expense at 17.5%	42,198	-
Imputation Credits	(101)	-
Tax Expense	42,097	-

These financial statements are to be read in conjunction with the accompanying Notes. These statements have been audited.

Takuirā Pukehina Lands Trust

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

For the Year Ended 31 May 2022

3	Income Tax	2022	2021
		\$	\$
	Opening Balance	(1,743)	(1,314)
	Plus:		
	Provision for Taxation	42,097	-
	Tax Refund	-	1,314
		<u>42,097</u>	<u>1,314</u>
	Less:		
	RWT Paid	1,466	1,743
		<u>1,466</u>	<u>1,743</u>
	Income Tax Payable/(Receivable)	<u>38,888</u>	<u>(1,743)</u>
4	Maori Authority Tax Credit Account Credits (MACA)	2022	2021
		\$	\$
	Imputation Credit Account at Tax Rate 33%		
	Opening Balance - 1 June 2021	262,833	262,346
	Plus:		
	Imputation Credits	101	58
	RWT on Investments	1,168	1,469
		<u>1,269</u>	<u>1,527</u>
	Less:		
	Tax Refunds	-	1,314
	Closing Balance - 31 March 2022	<u>264,102</u>	<u>262,559</u>
	Plus:		
	RWT on Interest Received	297	274
	Total Maori Authority Tax Credit Account Credits - 31 May 2022	<u>264,399</u>	<u>262,833</u>

These financial statements are to be read in conjunction with the accompanying Notes. These statements have been audited.

Takuirā Pukehina Lands Trust

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

For the Year Ended 31 May 2022

5 Property, Plant & Equipment

	Cost	Accumulated Depreciation	Closing Book Value
	\$	\$	\$
Property, Plant & Equipment 2022			
Land & Buildings	4,648,415	134,091	4,514,324
Property Improvements	52,682	24,165	28,517
Plant & Equipment	414,843	197,679	217,164
Motor Vehicles	57,756	3,177	54,579
Furniture & Fittings	9,373	9,042	331
Total Property, Plant & Equipment	5,183,069	368,154	4,814,915

	Cost	Accumulated Depreciation	Closing Book Value
	\$	\$	\$
Property, Plant & Equipment 2021			
Land & Buildings	4,648,415	128,815	4,519,600
Property Improvements	52,683	22,133	30,550
Plant & Equipment	326,407	173,657	152,750
Furniture & Fittings	9,373	8,916	457
Total Property, Plant & Equipment	5,036,878	333,521	4,703,357

Revaluations are recorded in asset revaluation reserves in equity.

6 Term Investments

	Qty	2022 \$	2021 \$
Shares in Listed Companies			
Farmlands	500	500	500
Fonterra Co-op Group		216,695	292,972
LIC	483	1,055	483
Total Shares in Listed Companies		218,250	293,955
Shares in Unlisted Companies			
Ballance Agri Nutrients	2,537	20,550	7,508
Old Coach Road Irrigation Ltd	7	7	7
Total Shares in Unlisted Companies		20,557	7,515
Total Term Investments		238,807	301,470

7 Retained Earnings (Post 2004/2005)

	2022 \$	2021 \$
Opening Balance	925,490	1,013,803
Plus:		
Profit for the Year	479,395	-
Less:		
Deficit for the Year	-	88,313
Total Retained Earnings (Post 2004/2005)	1,404,884	925,490

These financial statements are to be read in conjunction with the accompanying Notes. These statements have been audited.

Takuirā Pukehina Lands Trust

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

For the Year Ended 31 May 2022

8 Reserves	2022	2021
	\$	\$
Realised Capital Reserves		
Opening Balance	52,005	52,005
Closing Balance	<u>52,005</u>	<u>52,005</u>
Retained Earning Pre (2004/2005)		
Opening Balance	1,050,444	1,066,312
Less:		
- Kaumatua Grants	11,400	15,200
- Health Grants	500	668
	<u>11,900</u>	<u>15,868</u>
Closing Balance	<u>1,038,544</u>	<u>1,050,444</u>
Livestock Revaluation Reserve (Herd)		
Opening Balance	(33,559)	(33,559)
Closing Balance	<u>(33,559)</u>	<u>(33,559)</u>
Asset Revaluation Reserve		
Opening Balance	3,589,238	3,362,715
Movements for the period	-	226,522
Closing Balance	<u>3,589,238</u>	<u>3,589,237</u>
Share Revaluation Reserve		
Opening Balance	(98,813)	-
Movements for the period	(62,831)	(98,813)
Closing Balance	<u>(161,644)</u>	<u>(98,813)</u>
Total Reserves	<u><u>4,484,584</u></u>	<u><u>4,559,314</u></u>

9 Westpac Security

The Trust has an overdraft limit with Westpac of \$10,000. Security held is a registered first mortgage over the residential property situated Pukehina Station Road, Waihi, as legally described in CT SA51D/226.

10 Related Parties

Payments were made by the Trust to Mike Thomson (Trustee of the Trust) for services provided during the year \$Nil (2021 \$2,985).

There were no other 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. (2021 Nil).

11 Capital Commitments

The trust has no capital commitments as at 31 May 2022 (2021: Nil).

Takuirā Pukehina Lands Trust

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

For the Year Ended 31 May 2022

12 Contingent Liabilities

The trust has no contingent liabilities and no guarantees as at 31 May 2022 (2021: Contingent Liabilities Nil, Guarantees Nil).

13 Events Occurring After Balance Date

No significant events have occurred subsequent to balance date.