





**Te
Tawa
Kaiti**
LANDS TRUST

2023
ANNUAL
REPORT
2024



Taku Mana, Taku Ihi, Taku Wehi o Te Tawa Kaiti



NGĀ TAKE RARANGI

Karakia/Mihimihi

Apologies

Minutes of the Previous AGM - 27 February 2021

Chairmans' Report

Strategic Plan

Trust History

Kaiti Kaanga

Te Tawa Pāmu

Finance Report

Seeking a Variation of Trust Deed to Allow Advisory Trustees

Trust Order Review

Papakainga

Website Launch

General Business

Karakia Whakamutunga

Tina - 1pm

MATAWHĀNUI

VISION

Te Tawa Kaiti is renowned for enhancing and growing talented people, and achieving commercial success that affirms our legacy.

TE AKA MATUA

MISSION

To secure a sustainable future for our whenua and people.

NGA UARA

VALUES

Our values, firmly grounded in te ao māori traditions and principles, shape every facet of our operations. These values are the pillars upon which we build our heritage.

MANAAKI

HOSPITALITY AND KINDNESS

Practice of hospitality and kindness, ensuring the welfare and thriving of our community.

WAIKUA

SPIRITUALITY AND ESSENCE

Guided by profound spirituality, forming a connection with the land, ancestors, and the natural world.

WHAKAWHANAUNGATANGA

BUILDING STRONG RELATIONSHIPS

Commitment to nurturing strong relationships within our community and beyond, embracing collaboration for success.

KAITIAKI

STEWARDSHIP

Responsible for sustainable and conscientious resource management for the collective good.

TE PŪRONGO

A TE TIAMANA

CHAIRMANS' REPORT

Welcome to the Annual General Meeting of Te Tawa Kaiti Lands Trust. Today, we reflect on our progress, challenges, and unwavering dedication to preserving our heritage, environment and sustainable future. As Kaitiaki, we gather to honour our tipuna and reaffirm our commitment to responsible stewardship.

GUARDIANSHIP AND SUSTAINABILITY

Central to our mission is the guardianship of our cultural and natural heritage. This year, we've focused on cultural revitalization and sustainable land management, strengthening community well-being and aligning with our core values and strategic directions. Our initiatives have ranged from environmental projects like the Paekoau Creek Restoration to educational and cultural engagements that deepen our ties with local communities.

ACHIEVEMENTS AND RECOGNITION

Our efforts in sustainable practices have been recognized with the "Farming for the Future Award" at the 2023 Balance Farm Environment Awards. Additionally, our participation in the 2024 Ahuwhenua Trophy underscores our commitment to excellence in Māori farming. These accolades reflect our strategic vision and operational efficiency, which have been bolstered by partnerships, like that with Landvision, to develop integrated farm plans.

COMMUNITY IMPACT AND FINANCIAL HEALTH

Our engagement with Ngāti Rongo Hapū and stakeholders through various programs has fortified our cultural heritage. Financially, we've seen significant revenue growth and enhanced profit margins, thanks to our dynamic business units and cost-saving strategies.

GOVERNANCE AND FUTURE OUTLOOK

Our governance structure emphasizes transparency and accountability, adapting to ensure strong leadership despite recent changes in board composition. Facing dynamic markets and regulatory environments, we leverage new technologies and diversification opportunities to foster innovation.

In closing, this report not only highlights our accomplishments but also the challenges ahead. I am profoundly grateful for the dedication of our trustees, staff, partners, and community. Your efforts ensure that Te Tawa Kaiti Lands Trust remains a beacon of sustainability and community development. As we look forward, we are excited about the future, ready to tackle challenges and embrace opportunities with vigour and confidence.

Ngā mihi

Moana Tihi
Chairman
25 May 2024

NGĀ KŌRERO O TE HUI-Ā-TAU 2021 MINUTES OF THE AGM

27 February 2021 | Tauarau Marae, Ruatoki | 10.10 am

Karakia: H McGarvey
Mihimihi: H McGarvey, M Tihi
Present: (see attendance register)
Trustees: H McGarvey, M Tihi, P Nuku
Ratana, M Williams, H Tahī
Accountant: K Goldsmith
Farm Consultant: C Purcell
Maize: R Studer
Executive Officer: H Timutimu

- 1 QUORUM:** 40 owner/beneficiaries on attendance register as present, quorum is confirmed
MOVED BY, M Tihi and seconded M Williams that the quorum be noted.
RESOLVED THAT, the AGM is declared open.
Carried.
1.1 APOLOGIES: Tawera whānau, Turei whānau, Te Matakū Timoti, Nicole Hunt, Jan Hunt Cathleen Hunt (Cath Paul) Jimmy and Muru Mclean, Te Whitu Tekau o Tuhoē Incorporation
MOVED BY, H Kingi, and seconded by J Tihi that the apologies be received.
RESOLVED THAT, the apologies be accepted.
Carried.
- 2 PREVIOUS AGM MINUTES** taken as read 13 April 2019
MOVED BY, K Mahaki and seconded by T Mahaki to receive and endorse the minutes of the previous AGM held on 13 April 2019 be accepted.
RESOLVED THAT, the minutes of the previous AGM dated 13 April 2019 be approved.
Carried

2.1. MATTERS ARISING:
MOVED BY, H Tahī and seconded by P Nuku that Matters Arising be accepted.
RESOLVED THAT, the Matters Arising be approved.
Carried
2.1.1 Employment of staff - managing separation of governance
Trustees followed EMA advice to ensure the appropriate recruitment processes were managed internally. Trustees are guided by trust deed and governance best practice.

2.2 CORRESPONDENCE (tabled at today's meeting) * letter received from Sharon Heihei refer to General Business

- 3 PURONGO MO TE HEAMANA CHAIRMANS REPORT –presented by M Tihi**
A full and comprehensive report was presented to the meeting by
MOVED BY, H Tahī and seconded by M Williams to receive and endorse the Chairman's Report be accepted.
RESOLVED THAT, the Chairman's Report be approved
Carried

- 4 AUDITED FINANCIAL STATEMENT 31 MAY 2019- presented by Ken Goldsmith, Chartered Accountant**
The Audited Financial Statement and Independent Auditors Report was presented by K Goldsmith.
 - 413k very profitable
 - Goals by giving back to owners with grants**MOVED BY,** H Waaka and seconded by T Waaka to receive and endorse the Audited Financial Statement for the year ended 31 May 2019 be accepted.
RESOLVED THAT, the Financial Statements 31 May 2019 be approved.
Carried
- 4.1 Trustee Meeting fees**
Clarity was sought regarding the payment of trustee fees in that it was very low in comparison to other land trusts. It was recommended that the trustee fees be increased from \$100.00 per monthly meeting to \$300.00 per monthly meeting. It was also agreed that the trustees defer their next monthly meeting and decide whether they would accept the increase or koha it back to the trust.
MOVED BY, T Waaka that the trustee meeting fee be increased to three hundred dollars (\$300) per monthly meeting.
Seconded by H Waaka
Carried

- 5 APPOINT AUDITOR 2018 – 2020**
MOVED BY, M Williams and seconded by H McGarvey to receive and endorse the recommendation of the appointment of William Buck, Auditor be accepted.
RESOLVED THAT, the appointment of William Buck Auditor be approved.
Carried
 - Due to covid 2019 account are being tabled, 2020 accounts are with the auditor for annual reporting
 - Auditor Report - Special purpose statements – no issues unqualified opinion
 - Significant costs
 - Purchase Fonterra shares
 - Capital works
 - Sharing Up, Reducing debt while increasing the trusts asset base
 - Year purchase the herd from the sharemilker
 - Farm using the same herd
 - ANZ 730k to purchase herd
 - Loan to purchase the land 13&14 general title 2016
 - Deposit with Keith Hay Homes
 - Stock on hand 70 heifers from TMOT

15 min break.
12.15pm

TE HANGA O TE WHARE

ORGANISATIONAL STRUCTURE

BENEFICIAL OWNERS

KAITIAKI

KAIWHAKAHAERE

TE TAWA PAMU

KAITI KĀNGA

PAPAKAINGA

6.0 PURONGO MO TE PĀMU – presented by C Purcell

MOVED By, T Kelly and seconded by T Mahaki receive and endorse the Dairy Unit Report be accepted.

RESOLVED, that the Dairy Unit Report be approved

Carried

- Te Tawa is a challenging farm, contour, slope development, pasture, water improved, genetic quality of cows is improving 140
- Improving soil tests fertility: low use of nitrogen
- Trust owns the stock, good plans to improve the quality
- Improving herd structure
- Work closely with Hine, Ken to report back monthly to the board
- Combining record production and a very good Fonterra payout
- Production
- Pasture
- Financial returns
- Whole cycle and picture

7.0 PURONGO MO TE KANGA R Studer

MOVED BY, H Waaka and seconded by T Tihi to receive and endorse the Maize Unit Report be accepted.

RESOLVED THAT, the Maize Report be approved

Carried

Harvest doubled, driving maize sales to \$403K, with stable prices bolstered by favorable weather and factors beyond our control, effectively diversifying dairy risk.

1. Strategies for reducing fertilizer costs.
2. Investigate the environmental impact of farming on Papatuanuku.
3. Analysis of the usage and costs associated with organic fertilizers.

8.0 PAPAINGA HOUSING CONCEPT

An opportunity to be further discussed at a later date.

9.0 GENERAL BUSINESS

- T Kelly: Reflected on upbringing by Koro Hare, a previous trustee for Te Tawa Kaiti and how the Trust has come a long way, networking and getting out there, very overwhelmed to see and where the future of the trust is heading.
- C Natana: C15 occupation order
- J Tihi: request current road to Paneteure Marae be widened to allow two car roadway.
- T Waaka: requested a copy of the trust deed; re: replacement of trustees, capital purchase
- H Waaka: interests and views shared regards to diversification and Macadamia nuts as a business stream for the trust to consider
- S Heihei and Hunt whānau: expressed their desire to withdrawal shares from the trust
- On behalf of Te Tawa Kaiti Lands Trust a warm welcome to the newly appointed Contract Milker - 2021 - 2022 season.

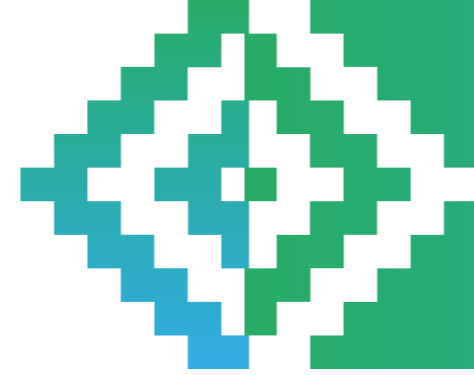
Mihimihi: H McGarvey

Meeting closed: 2.25pm closed

Karakia: H McGarvey



RAUTAKI TĀMATA STRATEGIC REFRESH



TE WHAKAPARI I TE KAHA
O TE TAWA KAITI KI TE KAWE
TIKANGA MŌ TE ŪMANGA

The strategic priorities
have been achieved by:

Cultivating Well-being, Sustainability and Community Empowerment

Recently, our Trust achieved a significant milestone with the completion and endorsement of our refreshed Strategic Plan for 2023.

This comprehensive 5-year refresh represents our commitment to adapting to evolving environmental and cultural considerations. It outlines a clear roadmap for achieving measurable goals in sustainable land management, biodiversity enhancement, and community engagement.

Our Board's unwavering support and endorsement of this plan underscore their dedication to our collective vision. With the refreshed Strategic Plan as our guiding compass, we embark on the next phase of our journey with renewed vigour, confident that we will continue to honour our heritage and enrich our community for generations to come.



Goldsmiths Chartered Accountants - Ken Goldsmith and staff pitching in on planting day! Paekoau Creek Project.

“We do a lot with the Te Tawa Kaiti Lands Trust- it's good to get out and experience what our clients are all about”

Ken Goldsmith, Whakatāne Beacon, August 2023

Pou Arahi

We are influential leaders steadfastly guided by Te Kawa Kaititanga, our tikanga, kawa, and our people's collective dreams and aspirations.

The Trustees launched the Pakeke Paetapu Kakahu initiative in 2022, providing Kathmandu coats/jackets to the active pakeke on the Paetapu, offering warmth and comfort as a gesture of appreciation for their ongoing commitment to whānau, hapū, marae, iwi.

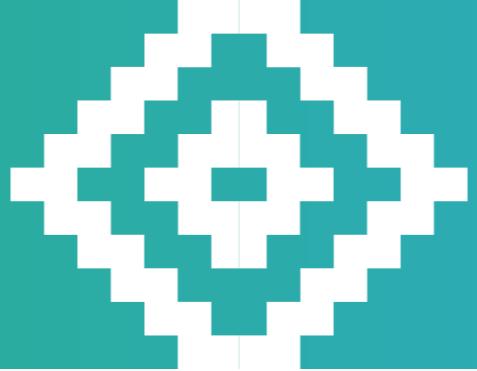


Pou Taiao

Objective: To demonstrate our commitment to sustainable environmental practices by achieving a measurable increase in biodiversity and implementing eco-friendly land management techniques, aligning with the competition's criteria for responsible land management and environmental sustainability.

The Operations Team proactively initiated planting activities across critical source areas identified in the Integrated Farm Plan.





Pou Tahua

Objective: We will protect and grow our assets in accordance with Te Tawa Kaititanga

The Operations Team hosted the soils wananga to enhance their practical knowledge, ensure the application of sustainable land management practices, and improve operational effectiveness in line with the Trust's strategic goals.



Tyson and tamariki mastering Visual Soil Assessment techniques enabling them to independently conduct assessments on farm next year.



Dre Daniels and Te Iriarangi Kelly-Heke 'sowing the seeds of change'.

“Makes me appreciate the journey that I am on, and the things that they (koroua) did for us. That’s what I think about when I think of home, what ways that I can use the knowledge, skills and networks, how can I build a platform for the rangatahi.”

Flight Lieutenant Dontē Nuku-Ratana, RNZAF, 2002

Pou Hapori

Objective: We are committed to safeguarding and extolling our Ngāti Rongo heritage, which is intimately linked to our land, environment and waters.

Developing key relationships, the Trustees have cemented and completed projects across the whenua – Paekoau, Paekoa Creek fosters and nurtures 'through the hands of our mokopuna, we give life'.



Ngā Whetu o Tawera Kōhanga Reo, 2023

Pou Hononga

Objective: We will nurture and strengthen our connections with marae, whānau, hapū, and hapori, fostering unity and Trust within our Ngāti Rongo and Ngāi Tūhoe community.

Ahuwhenua Excellence in Māori Farming Competition First Round Judging 2024



TE WHAKAPIKI I TE MANA O TE ŪMANGA O TE TAWA KAITI ROOTS AND RESILIENCE

GOVERNANCE, MANAGEMENT, OPERATIONAL HIGHLIGHTS, ACTIVITIES AND ACHIEVEMENTS

ACHIEVEMENTS AND INITIATIVES

- **Environmental Leadership:** Awarded for sustainable practices and active in projects like Paekoau Creek restoration and biodiversity conservation.
- **Advanced Farm Management:** Integration of cutting-edge technologies like the Halter neckband for improved herd and pasture management.
- **Community Enhancement:** Significant improvements in community digital connectivity and support for cultural and educational engagements.
- **Compliance and Wellbeing:** Strengthened focus on regulatory compliance, health, safety, and continuous professional development for employees.



- **Cultural Preservation:** Deepened commitment to cultural heritage through projects like the Kua Amio Project, which aims to preserve and educate on local histories and traditions.

FUTURE OUTLOOK

- The trust aims to continue its leadership in sustainable farming, enhance community well-being, and ensure the continuation of cultural and environmental stewardship.

CLOSING REMARKS

- Te Tawa Kaiti Lands Trust reaffirms its dedication to its cultural values and environmental responsibilities, striving for a prosperous and sustainable future for all its stakeholders.

The Trustees

Te Tawa Kaiti Lands Trust, 25 May 2024



KAITI KĀNGA STUDER DOHERTY LTD R STUDER

Complementing Te Tawa Kaiti's dairy farm is a significant maize operation that supplies maize for grain to the domestic market, as well as maize silage to their own dairy platform. The trust sees the two business units as a way of mitigating risk, in terms of both climate risk and in a financial sense. The trustees are acutely aware of the volatility of these two key factors, with effects of each front of mind on the back of the devastation our whānaunga have suffered in the East Coast region in the past year, together with the war in Ukraine putting pressure on supply lines and causing volatility in world markets.

That said, the trustees are committed to doing their part to ensure the whenua they are responsible for, for the generations to come is looked after. A recent example of this is work on waterways that traverse the land are cleared of noxious and undesirable weed species and replanted with regenerative flax and native plants, that will in time foster a new ecosystem of life through the block.



The trust engages a māori owned agricultural contracting business to undertake cultivation, planting and harvesting aspects on the maize block. Technology plays a vital role in many of these tasks with proof of placement maps for fertiliser applications, yield mapping and within the modern machinery being used. Further advances of this technology, over time will add value to the trusts' operations.

The maize grain produced on the block is sold to a merchant (PGG Wrightson Grain) which in turn is dried and stored for use in the dairy and poultry sectors as well as various food additives such as grits and powders many of which are exported all around the world.

Ngā mihi

Regan Studer

Maize Contractor

25 May 2024



‘.Ka timata ki te whakakī i tana kete matauranga ki te awhina i etahi atu i roto i ngā mahi Ahuwhenua..’

Paki Nikora, 2020

TE TAWA PAMU

TE KOTAHITANGA DAIRYING

T KELLY

As the Contract Milker for Te Tawa Pamu on Te Tawa Kaiti Lands, I led a devoted team in the Ahuwhenua Excellence in Māori Farming Awards 2024, alongside my partner Sapphire and the dynamic Pāmu taiohi. This year, we proudly reached the first round judging in the competition, a testament to our commitment to sustainable farming and community well-being.

Our efforts were also recognised with the 2023 Balance Farm Environment Awards "Farming for the Future Award," underscoring our dedication to innovative and sustainable practices.

In collaboration with Landvision, we've developed an Integrated Farm Plan, leading initiatives such as the Paekoau Creek Restoration and the upcoming Te Puna Wai o te Aroha Riparian and Waterways Project to protect and enhance our environment.

Despite the challenging topography and the demands of dairy farming, we also faced extraordinary social challenges, unlike anything I had encountered previously in the Waikato. Our teams resilience has been strengthened by strategic partnerships and technologies, including Halter, to improve efficiency and reduce stress.

"The whenua itself becomes a storyteller, linking generations through its whispers at dawn. Each sunrise, at the going down of the sun, is a reminder of the enduring spirit of my whanau, hapū, iwi. A timeless connection."

T Tihi-Timutimu, 2023

This focus on well-being aligns with our core values of putting our people first.

As I prepare to present at the AGM, I must acknowledge Pakawe Te Rimu Nuku and Dre Daniels, who, despite departing in December 2023, were instrumental to our success. Their legacy continues to influence our work.

On reflection, my return revived foundational values instilled by my kuia and koroua. This homecoming unearthed profound lessons in resilience, nurturing deep whānau bonds and embracing cultural pride. Land stewardship, preserving our rich stories and histories, and fostering unity "whakawhānaungatanga".

Nō reira, tēnā koutou, tēnā koutou, tēnā tatou katoa.

Ngā mihi

Tyson Kelly
Contract Milker
25 May 2024



PASTURE AND FARM MANAGEMENT

We manage pastures across varied terrains, focusing on aggressive renewal and strategic nitrogen application to achieve 13.5 to 14.5 tons of dry matter per hectare annually. Seasonal pasture targets ensure efficient utilization and surplus management.

SUPPLEMENTS

Offsite maize cultivation spans 12-14 hectares, targeting 240-260 tons of dry matter annually to support cow condition. On-farm, we produce 150-180 tons of grass silage, essential for milk production and cow intake management. Chicory, grown on 12-13 hectares, provides high-protein summer feed and improves paddock drainage within a cost-effective two-year cropping cycle.



WINTER GRAZING AND NITROGEN USE

To reduce winter pasture stress, about 200 cows are grazed off-site, preparing them for calving. We use nitrogen responsibly to enhance pasture growth and maintain soil health, complying with environmental guidelines.

STOCK MANAGEMENT

Our herd comprises 440-450 cows, managed through varied milking frequencies to optimize production and health. Emphasis on young stock and genetic improvement boosts herd quality efficiently.

STOCKING RATES AND KEY DATES

We maintain lower stocking rates to match pasture availability, optimizing feed utilization and sustainability. Key dates include mid-July calving and early May dry-off, with body condition scores targeted accordingly.

ANIMAL PERFORMANCE AND GENETICS

Since shifting to contract milking in 2019, our milk solids production increased, with focused mating strategies enhancing herd genetics and performance.

MILK SOLIDS PRODUCTION

- Pre-2019: Average 110,000 kg MS, peak at 116,000 kg MS.
- Post-2019: Average increased to 125,000 kg MS, with a high of 135,000 kg MS, despite a challenging 22/23 season.
- Per cow production 253 kg/ms

Craig Purcell
Farm Consultant
25 May 2024

Te Tawa Kaiti Lands Trust
Independent auditor's report to the Trustees
Report on the Audit of the Financial Statements

OPINION

We have audited the financial statements of Te Tawa Kaiti Lands Trust (the Trust), which comprise the balance sheet as at 31 May 2021, the statement of profit or loss including supporting schedules and statement of movements in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements of the Trust are prepared, in all material respects, in accordance with the accounting policies outlined in Note 1 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 the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. 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, the Trust.

EMPHASIS OF MATTER - BASIS OF ACCOUNTING

We draw attention to Note 1 to the financial statements, which describes the basis of accounting. The financial statements have been prepared to enable the Trust to report to its trustees.

TRUSTEES' RESPONSIBILITIES

The trustees are responsible on behalf of the Trust for the preparation of financial statements prepared in accordance with the accounting policies disclosed in Note 1 to 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. The trustees are also responsible for the selection of accounting policies that are appropriate for the Trust.

In preparing the financial statements, the trustees are responsible 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 RESPONSIBILITIES 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 Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trust.
- 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.

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.

The engagement director on the audit resulting in this independent auditor's report is Richard Dey.

RESTRICTION ON DISTRIBUTION AND USE

This report is made solely to the Trust's trustees, as a body. Our audit work has been undertaken so that we might state to the trustees those matters which we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trust and the trustees, as a body, for our audit work, for this report or for the opinions we have formed.

WilliamBuck

William Buck Audit (NZ) Limited
Tauranga
22 September 2023

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Te Tawa Kaiti Lands Trust
Independent auditors report to the Trustees
Report on the Audit of the Financial Statements

OPINION

We have audited the special purpose financial statements of Te Tawa Kaiti Lands Trust (the Trust), which comprise the statement of balance sheet as at 31 May 2022, and the statement of profit or loss and statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements of the Trust are prepared, in all material respects, in accordance with the accounting policies outlined in Note 1 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 the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. 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, the Trust.

EMPHASIS OF MATTER - BASIS OF ACCOUNTING

We draw attention to Note 1 to the financial statements, which describes the basis of accounting. The financial statements have been prepared to enable the Trust to report to its Trustees.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Directors are responsible for the other information. The other information comprises the trust Directory and the Depreciation Schedule, but does not include the financial statements and our auditor's report thereon.

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.

TRUSTEES' RESPONSIBILITIES

The Trustees are responsible on behalf of the Trust for the preparation of financial statements prepared in accordance with the accounting policies disclosed in Note 2 to 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. The Trustees are also responsible for the selection of accounting policies that are appropriate for the Trust.

In preparing the financial statements, the Trustees are responsible 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 RESPONSIBILITIES 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 Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trust.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the Committee 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.

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.

The engagement director on the audit resulting in this independent auditor's report is Richard Dey.

RESTRICTION ON DISTRIBUTION AND USE

This report is made solely to the Trust's Trustees, as a body. Our audit work has been undertaken so that we might state to the Trustees those matters which we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trust and the Trustees, as a body, for our audit work, for this report or for the opinions we have formed.

WilliamBuck

William Buck Audit (NZ) Limited
Tauranga
19 March 2024

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William Buck is an association of firms, each trading under the name of William Buck across Australia and New Zealand with affiliated offices worldwide.
*William Buck (NZ) Limited and William Buck Audit (NZ) Limited



TE TAWA KAITI LANDS TRUST

Financial Summary for the years ended 31 May 2021 to 31 May 2023

PROFIT OR LOSS

Account	2023	2022	2021
Trading Income			
Dairy Cattle - Sales	94,300	27,140	80,094
Maize - Sales	155,000	626,787	699,312
Milk solids - Sales	926,675	1,148,369	981,330
Total Trading Income	1,175,975	1,802,297	1,760,737
Cost of Sales			
Fonterra Dairy Deductions	6,636	7,544	9,860
Increase / (Decrease) in Livestock Values	25,612	(56,665)	28,511
Purchase of Livestock	0	14,700	0
Total Cost of Sales	32,248	(34,421)	38,371
Farm Working Expenses			
Dairy Expenses	617,966	564,787	490,124
Maize Expenses	380,122	550,231	479,103
Total Farm Working Expenses	998,087	1,115,018	969,227
Gross Profit	145,639	721,699	753,139
Other Farm Income			
Honey Income	0	2,000	0
Rebates	6,582	14,291	20,087
Rental and lease income	30,225	5,065	585
Total Other Farm Income	36,808	21,356	20,672
Other Income			
Interest Income	1,321	218	145
Dividend Income	23,422	18,737	9,369
Government Grants - Nga Whenua Rahui Grant	39,900	37,835	0
Other Income	1,720	466	1,581
Total Other Income	66,362	57,257	11,095
Total Income	248,809	800,312	784,906
Expenses			
Administration Expenses			
Total Administration Expenses	148,413	108,104	91,900
Employee Expenses			
Total Employee Expenses	68,305	93,630	77,280
Repairs & Maintenance			
Total Repairs & Maintenance	76,031	61,249	51,234
Standing Charges			
Total Standing Charges	143,854	111,521	113,801
Vehicle Expenses			
Total Vehicle Expenses	21,377	22,181	10,112
Kua Amio Ki Tona Timatanga Project			
Total Kua Amio Ki Tona Timatanga Project	39,900	37,835	0
Total Expenses	497,879	434,520	344,328
Profit (Loss) Before Taxation	(249,070)	365,792	440,578
Non-Cash Gains & Losses			
(Gain) / Loss on revaluation of Shareholding	(3,422)	82,469	23,507
Total Non-Cash Gains & Losses	(3,422)	82,469	23,507
Depreciation & Amortisation			
Depreciation	60,668	54,953	37,550
Total Depreciation & Amortisation	60,668	54,953	37,550
Trustees Income Before Tax	(306,316)	228,370	379,521
Taxation and Adjustments			
Income Tax Expense	0	55,544	71,225
Total Taxation and Adjustments	0	55,544	71,225
Net Trustees Income for the Year	(306,316)	172,826	308,296

TE TAWA KAITI LANDS TRUST

Financial Summary for the years ended 31 May 2021 to 31 May 2023

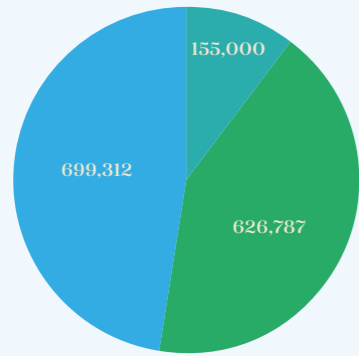
BALANCE SHEET

Account	31 May 2023	31 May 2022	31 May 2021
Assets			
Current Assets			
Cash and Bank	3,008	6,753	6,989
Trade and Other Receivables	123,986	513,649	636,509
GST Receivable	22,345	0	0
Livestock on Hand	862,492	931,231	781,771
Income Tax Receivable	26,479	4,359	3,448
Term Deposits	5,852	5,722	5,662
Other Current Assets			
Keith Homes Deposit	10,000	10,000	10,000
Interest Accrued	54	18	10
Total Other Current Assets	10,054	10,018	10,010
Total Current Assets	1,054,215	1,471,733	1,444,390
Non-Current Assets			
Investment in Shares	316,713	302,403	374,868
Property, Plant and Equipment	6,963,854	4,931,556	4,846,623
Capital Work in Progress	70,156	0	0
Total Non-Current Assets	7,350,724	5,233,959	5,221,491
Total Assets	8,404,938	6,705,691	6,665,881
Liabilities			
Current Liabilities			
Bank Overdraft	304,860	36,120	244,599
Trade and Other Payables	164,681	324,311	267,115
GST Payable	0	13,049	47,234
Loans	61,455	60,880	60,804
Provision for Taxation	0	0	0
Other Current Liabilities			
Deferred Revenue	29,289	29,982	0
Total Other Current Liabilities	29,289	29,982	0
Total Current Liabilities	560,285	464,342	619,753
Non-Current Liabilities			
Loans	833,000	893,000	953,000
Total Non-Current Liabilities	833,000	893,000	953,000
Total Liabilities	1,393,285	1,357,342	1,572,753
Net Assets	7,011,653	5,348,350	5,093,128
Trust Equity and Reserves			
Trust Equity	3,364,820	3,685,076	3,522,650
Reserves	3,646,833	1,663,273	1,570,478
Total Trust Equity and Reserves	7,011,653	5,348,350	5,093,128

Full sets of account are available on request.

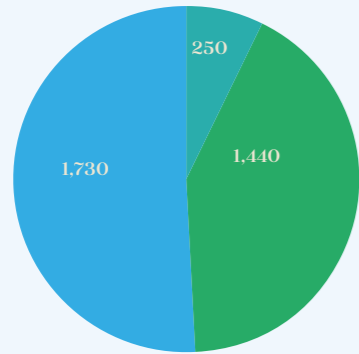
MAIZE

INCOME



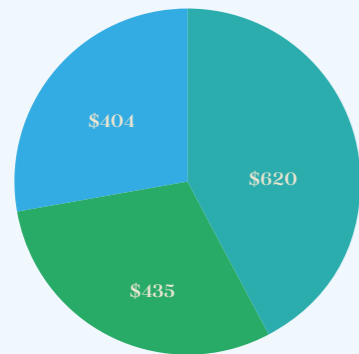
2021 2022 2023

TONNES



2021 2022 2023

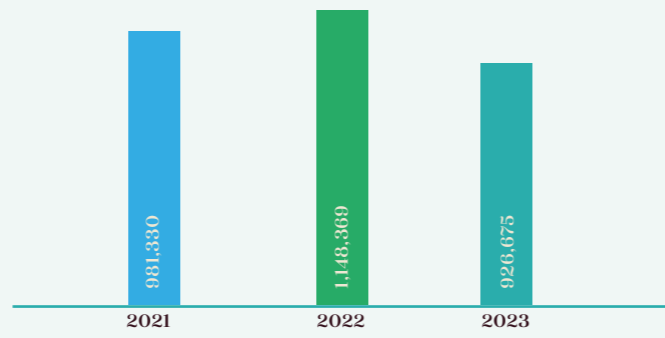
PRICE PER TONNE



2021 2022 2023

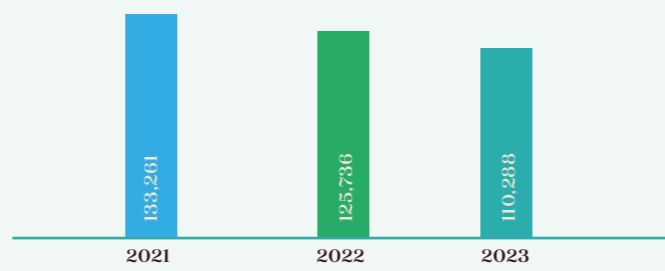
MILK PRODUCTION

MILK INCOME



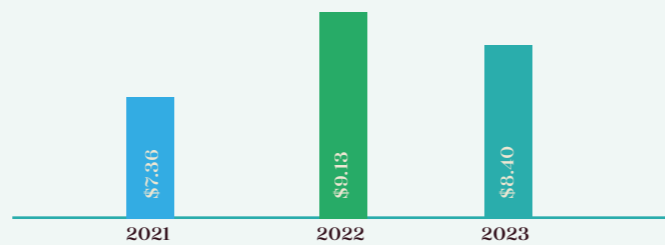
2021 2022 2023

KILOGRAMS OF MILK SOLIDS



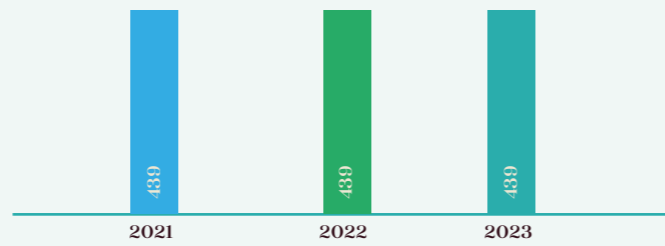
2021 2022 2023

PAY OUT PER MILK SOLID



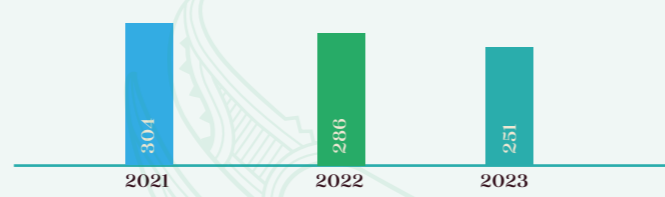
2021 2022 2023

MILKING COWS

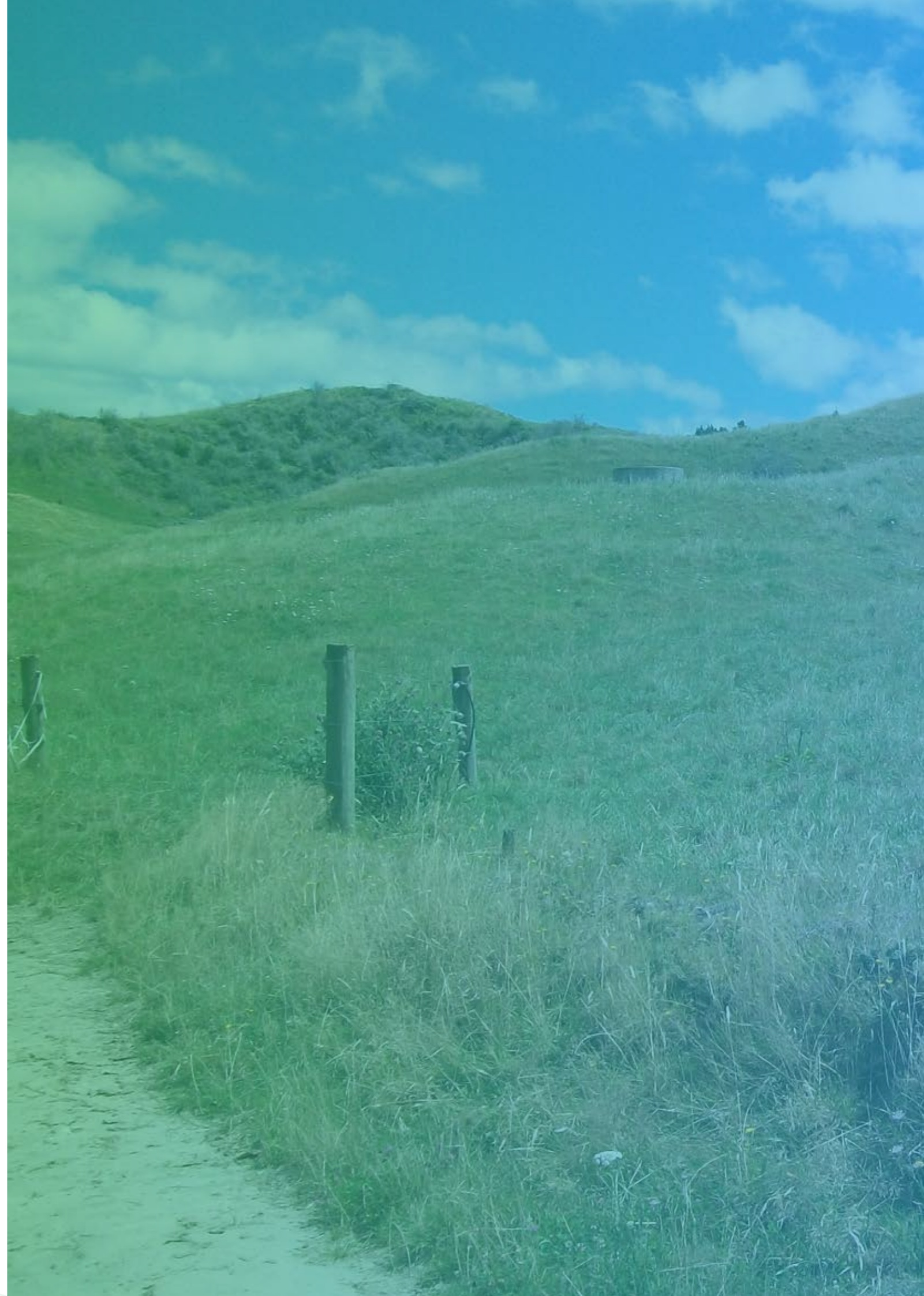


2021 2022 2023

MILK SOLIDS PER COW



2021 2022 2023





**Te
Tawa
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LANDS TRUST

