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Private

Financial Statements

Te Runanga o Ngati Manawa Group and Subsidiaries
For the year ended 31 March 2022

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Te Runanga o Ngati Manawa Group and Subsidiaries
For the year ended 31 March 2022

Trustees of the Parent

Kani Edwards
Bert Messent - resigned September 2021
Terewai Kalman - appointed September 2021
Taiarahia Taitoko
Maurice ToeToe
Patrick McManus
Leonard Grace
John Porima
Laurie Porima

Directors of the Subsidiaries

Cassandra Crowley
Mana Newton
Leonard Grace
Laurie Porima

Registered Office

Deloitte Rotorua
1176 Amohau Street
Rotorua

Head Office

Management Services Organisation (MSO)
7A Koromiko Street
Murupara

Solicitors

Kahui Legal
1180 Fenton Street
Rotorua

Accountants

Deloitte Rotorua
1176 Amohau Street
Rotorua

Auditors

BDO Rotorua Ltd
1130 Pukaki Street
Rotorua

Bankers

Westpac Bank
1170 Amohau Street
Rotorua

Nature of Entity

Te Runanga o Ngati Manawa (Parent) is a Trust.

Investment in Subsidiaries

1. Ngati Manawa Tokowaru Asset Holding Company Limited was established to hold and manage fisheries settlement assets of Te Runanga O Ngati Manawa Trust.
2. Ngati Manawa Development Limited is an asset holding company established to hold and manage the commercial assets of Te Runanga O Ngati Manawa Trust.
3. Manawa Gas Limited was incorporated on 28 May 2012 to own and to manage a commercial fuel station in Murupara. Manawa Gas Limited is a wholly owned subsidiary of Ngati Manawa Development Limited.
4. Ngati Manawa Custodian Limited is an asset holding company established to hold and manage land titles when released from the Crown to Te Runanga O Ngati Manawa.
5. Ngati Manawa Investment Trust (t/a Manawa Development) is a new entity that was established on 28th March 2018 to hold and manage commercial assets of Te Runanga O Ngati ManawaTrust.
6. Ngati Manawa Charitable Trust is a charitable trust was established in 2010 as the Charitable arm of Te Runanga o Ngati Manawa Trust. The main purpose of the Charitable Trust is to provide distributions and grants to registered Ngati Manawa beneficiaries.
7. KLC Limited is a controlled subsidiary of Ngati Manawa Development Limited. Ngati Manawa Development Limited purchased 51% of the shares for $2,560,000 on 20 November 2020 in to KLC Limited. KLC Limited is in the business of timber processing and marketing.

These entities are wholly owned subsidiaries of Te Runanga O Ngati Manawa Trust, the mandated Iwi organisation for Ngati Manawa. All of these entities have 31 March balance dates.

INDEPENDENT AUDITOR'S REPORT
TO THE OWNERS OF TE RUNANGA O NGATI MANAWA TRUST AND SUBSIDIARIES

Opinion

We have audited the consolidated financial statements of Te Runanga o Ngati Manawa Trust ("the Trust") and its subsidiaries (together, "the Group"), which comprise the consolidated statement of financial position as at 31 March 2022, and the consolidated statement of comprehensive revenue and expense, consolidated statement of changes in equity and consolidated cash flow statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 March 2022, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Public Benefit Entity Standards Reduced Disclosure Regime ("PBE Standards RDR") issued by the New Zealand Accounting Standards Board.

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 Consolidated Financial Statements* section of our report. We are independent of the Group 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 we have fulfilled our other ethical responsibilities in accordance with these requirements. 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 or any of its subsidiaries.

Trustees' Responsibilities for the Consolidated Financial Statements

The trustees are responsible on behalf of the Group for the preparation and fair presentation of the consolidated financial statements in accordance with PBE Standards RDR, and for such internal control as the trustees determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the trustees are responsible on behalf of the Group for assessing the Group'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 Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 decisions of users taken on the basis of these consolidated financial statements.

A further description of our responsibilities for the audit of the financial statements is located at the External Reporting Board's website at: https://www.xrb.govt.nz/assurance-standards/auditors-responsibilities/audit-report-7/.

This description forms part of our auditor's report.

Who we Report to

This report is made solely to the Trust's trustees, as a body. Our audit work has been undertaken so that we might state 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 Trust's trustees, as a body, for our audit work, for this report or for the opinions we have formed.

BDO Rotorua Limited

BDO Rotorua Limited
Rotorua
New Zealand
31 October 2022

Approval of Financial Report

Te Runanga o Ngati Manawa Group and Subsidiaries
For the year ended 31 March 2022

The Trustees are pleased to present the approved Financial Statements for the year ended 31 March 2022.

APPROVED

For and on behalf of the Trust

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Chairman

Dated: **28 October 2022**

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Trustee

Dated: **28 October 2022**

Consolidated Statement of Comprehensive Revenue and Expense

Te Runanga o Ngati Manawa Group and Subsidiaries
For the year ended 31 March 2022

	NOTES	2022	2021
Income			
Revenue from non-exchange transactions			
Grants		-	40,000
Project Income		2,200,176	1,570,904
Total Revenue from non-exchange transactions		**2,200,176**	**1,610,904**
Revenue from exchange transactions			
CNI Distributions		1,388,120	951,620
Investment Income	3	512,481	877,260
Contract Revenue/Trading	4	28,777,910	10,770,434
Other Income	5	109,336	200,873
Total Revenue from exchange transactions		**30,787,847**	**12,800,186**
Total Income		**32,988,023**	**14,411,091**
Expenses			
Accounting and Secretarial		439,482	188,311
Audit Fees		46,778	25,245
Consultancy Expenses		95,664	94,394
Depreciation (Note 29 & 30)		1,082,037	429,301
Employee Benefits Expense		6,641,206	3,039,523
Finance Costs		299,164	173,074
Grant Expenses		71,654	95,847
Legal Fees		-	1,292
Other Expenses		2,370,240	2,187,733
Project expenses		1,643,991	1,142,922
Purchases	6	15,765,415	6,191,381
Trustees/Directors Fees	36	271,864	220,948
Total Expenses		**28,727,495**	**13,789,970**
Net Operating Surplus		**4,260,528**	**621,120**
Other Gains			
Gain/(Loss) on Financial Instruments at Fair Value through surplus or deficit (Notes 20, 21 and 22)		(112,402)	3,612,369
Share of Surplus/(Losses) from Limited Partnerships Equity Accounted		(3,254)	17,606
Total Other Gains		**(115,656)**	**3,629,975**
Surplus for the Year		**4,144,872**	**4,251,095**
Taxation expenses			
Taxation Expense	7	929,065	(825,901)
Net Surplus after Taxation		**3,215,807**	**5,076,996**

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

	NOTES	2022	2021
Other Comprehensive Revenue and Expenses			
Revaluation of New Zealand Units		859,970	1,137
Revaluation of Investments (Note 15, 16 and 17)		396,723	311,126
Revaluation Gain on Business Combination		-	67,185
Total Other Comprehensive Revenue and Expenses		**1,256,693**	**379,448**
Total comprehensive income for the year net of tax		**4,472,500**	**5,456,444**

	NOTES	2022	2021
Controlling Interest			
Net profit/ (loss) after tax attributable to:			
Beneficiaries of the parent		1,456,280	4,328,996
Non-Controlling Interests		1,759,527	748,000
Total Net profit/ (loss) after tax for the year		**3,215,807**	**5,076,996**
Total Comprehensive Income for the year attributable to:			
Beneficiaries of the parent		2,712,973	4,708,444
Non-Controlling Interests		1,759,527	748,000
Total Comprehensive Income for the year		**4,472,500**	**5,456,444**

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

Consolidated Statement of Financial Position

Te Runanga o Ngati Manawa Group and Subsidiaries
As at 31 March 2022

	NOTES	2022	2021
Assets			
Current Assets			
Cash and cash equivalent	10	8,027,391	1,010,005
Inventories	9	3,062,446	1,728,394
Mataatua Quota Ace Holdings Ltd	12	115,128	91,443
Taxation Refund Due	7	325,886	116,469
Trade and other receivables		3,363,489	2,282,814
Short Term Investments	11	211,771	2,067,196
NMDL Escrow		-	2,000,000
Total Current Assets		**15,106,112**	**9,296,321**
Non-Current Assets			
Available for sale Financial Assets			
Aotearoa Fisheries Limited Shares	13	713,681	713,681
Direct Capital IV Ltd Partnership	15	75,477	68,620
Direct Capital V Ltd Partnership	16	1,332,742	1,547,743
Direct Capital VI Ltd Partnership	17	256,615	183,133
Mataatua Quota Ace Holdings Limited Investment	12	71,510	71,510
Fisheries Quota Shares	13	276,340	276,340
Genesis Private Equity No.1 Fund Limited Partnership	18	349,602	354,150
GPE AYT Limited Partnership	19	37,579	30,823
Tukia Group Limited	27	1	1
Total Available for sale Financial Assets		**3,113,547**	**3,246,001**
Financial Assets at Fair Value through Surplus or Deficit			
Harbour Asset Management Portfolio	20	7,967,235	8,044,468
Jarden Capital Portfolio	21	7,352,840	7,598,582
Milford Private Wealth Portfolio	22	6,957,277	6,554,861
Total Financial Assets at Fair Value through Surplus or Deficit		**22,277,352**	**22,197,912**
Intangible Assets			
Goodwill		6,122	6,122
New Zealand Units	28	863,818	3,848
Total Intangible Assets		**869,940**	**9,970**
Investment in Joint Ventures			
Te Whaihanga Limited Partnership	23	-	127,623
Total Investment in Joint Ventures		-	**127,623**
Investment Property	30	877,396	912,120
Property, Plant and Equipment	29	11,755,374	10,450,523
Deferred Tax Asset	7	137,302	1,071,876
Total Non-Current Assets		**39,030,911**	**38,016,024**
Total Assets		**54,137,023**	**47,312,345**

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

	NOTES	2022	2021
Liabilities			
Current Liabilities			
BNZ Loan Current	25	1,200,000	6,579,743
Trade and other payables	31	4,730,727	2,020,611
Employee Entitlements		384,428	258,155
Income in Advance	32	2,115,364	652,122
Rangitaiki River Settlement	34	250,000	250,000
Total Current Liabilities		**8,680,519**	**9,760,631**
Non-Current Liabilities			
BNZ Loan Non-Current	25	3,842,000	-
Secured Loan	26	2,000,000	2,000,000
Total Non-Current Liabilities		**5,842,000**	**2,000,000**
Total Liabilities		**14,522,519**	**11,760,631**
Net Assets		**39,614,504**	**35,551,715**
Equity			
Equity		39,614,504	35,551,715
Total Equity		**39,614,504**	**35,551,715**

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

Statement of Movements in Equity

Te Runanga o Ngati Manawa Group and Subsidiaries
For the year ended 31 March 2022

	NOTES	CAPITAL RESERVES	ORIGINAL CAPITAL	CNI SETTLEMENT	FISHERIES SETTLEMENT	AVAILABLE-FOR-SALE REVALUATION RESERVE	RETAINED EARNINGS	ASSET REVALUATION RESERVE	NON CONTROLLING INTEREST	TOTAL
Statement of Movements in Equity										
2021										
Opening Balance		4,159,761	1,937	15,553,903	1,136,860	631,312	5,570,702	47,149	-	27,101,623
Net Surplus after Taxation		-	-	-	-	-	4,328,996	-	748,000	5,076,996
Other comprehensive Income		-	-	-	-	311,126	-	68,322	-	379,448
Non Controlling Interest		-	-	-	-	-	-	-	2,993,647	2,993,647
Closing Balance		**4,159,761**	**1,937**	**15,553,903**	**1,136,860**	**942,438**	**9,899,698**	**115,471**	**3,741,647**	**35,551,714**
2022										
Opening Balance		4,159,761	1,937	15,553,903	1,136,860	942,437	9,899,698	115,471	3,741,647	35,551,714
Net Surplus after Taxation		-	-	-	-	-	1,456,281	-	1,759,527	3,215,808
Tax Adjustment		-	-	-	-	-	12,712	-	-	12,712
Other comprehensive Income		-	-	-	-	396,723	-	859,970	-	1,256,693
Non Controlling Interest		-	-	-	-	-	-	-	(422,423)	(422,423)
Closing Balance		**4,159,761**	**1,937**	**15,553,903**	**1,136,860**	**1,339,160**	**11,368,691**	**975,441**	**5,078,751**	**39,614,504**

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

Statement of Cash Flows

Te Runanga o Ngati Manawa Group and Subsidiaries
For the year ended 31 March 2022

	NOTES	2022	2021
Statement of Cash Flows			
Cash Flows from Operating Activities			
Receipts from customers		34,068,396	10,909,043
Dividends Received		1,819,136	1,400,049
Interest received		279,283	493,845
Interest and bank fees paid		(299,164)	(172,910)
Net GST paid		141,860	190,271
Payments to suppliers and employees		(26,552,009)	(12,890,633)
Taxation (paid) / received		(191,199)	324,629
Total Cash Flows from Operating Activities		**9,266,303**	**254,294**
Cash Flows From Investing Activities			
Payments for property, plant and equipment		(2,625,164)	(568,944)
Funds Received from / (paid into) investments		1,913,989	(3,641,139)
Loan repayments received during the year		(1,537,743)	18,500
Loan Received		-	591,884
Total Cash Flows (Used In) / From Investing Activities		**(2,248,918)**	**(3,599,699)**
Net Cash Flows		7,017,385	(3,345,405)
Cash and cash equivalents at beginning of period		1,010,005	4,355,411
Cash and cash equivalents at end of period	10	8,027,391	1,010,005
Total Net Increase/ (Decrease) in Cash & Cash Equivalents		7,017,385	(3,345,405)

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

Consolidated Notes to Financial Statements

Te Runanga o Ngati Manawa Group and Subsidiaries
For the year ended 31 March 2022

1. Statement of Accounting Policies

Reporting Entity

Te Runanga O Ngati Manawa Trust is domiciled in New Zealand, and is a trust created by Deed of Trust dated 1 September 2007. The Trust has been granted Maori Authority status from 1 April 2009.

Te Runanga O Ngati Manawa Trust (the "Trust") is a public benefit entity for the purposes of financial reporting in accordance with the Financial Reporting Act (2013).

These consolidated financial Statements for the year ended 31 March 2022 comprise the controlling entity and its controlled entities (Ngati Manawa Tokowaru Asset Holding Company Limited,Ngati Manawa Development Limited, Manawa Gas Limited, Ngati Manawa Custodian Limited, Ngati Manawa Charitable Trust, Ngati Manawa Investment Trust and KLC Limited) together referred to as the "Group" and individually as "Group entities".

The financial statements were authorised for issue by the Committee on XXXX.

Basis of Preparation

Statement of Compliance

The Financial Statements for the Group have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand ("NZ GAAP"). They comply with *Public Benefit Entity Accounting Standards* Reduced Disclosure Regime ("PBE Standards RDR") as appropriate for Tier 2 not-for-profit public benefit entities, for which all reduced disclosure regime exemptions have been adopted.

The Group qualifies as a Tier 2 reporting entity as for the two most recent reporting periods it has had between $2m and $30m operating expenditure and is not publically accountable.

Measurement Basis

The consolidated Financial Statements have been prepared on the historical cost basis except for assets and liabilities that have been measured at fair value. The accrual basis of accounting has been used unless otherwise stated and the Financial Satements have been prepared on a going concern basis.

Functional and Presentation Currency

These Financial Statements are presented in New Zealand dollars (NZD), which is the Controlling Entity's functional and Group's presentation currency. There has been no change in functional currency of the Group during the year.

Use of Estimates and Judgments

The preparation of Financial Statements requires management to make judgments, estimates and assumptions that effect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amount recognised in the Financial Statements are disclosed where applicable in the relevant notes to the financial Statements.

Judgments made by management in the application of the PBE Standards RDR that have significant effects on the Financial Statements and estimates with a significant risk of material adjustments in the next year are disclosed, where applicable, in the notes to the Financial Statements.

2. Significant Accounting Policie

The significant accounting policies adopted by the Group are set out below and except for the changes noted below have been consistently applied to all periods presented in these Financial Statements.

Basis of Consolidation

The consolidated Financial Statements incorporate the Financial Statements of the Group and entities (including structured entities) controlled by the Group and its subsidiaries. Control is achieved when the Group:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- Has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group , other vote holders or other parties;
- rights arising from other contractual arrangements; and
- Any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the Statement of Comprehensive Revenue and Expense and other Comprehensive Revenue and Expense from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Surplus or deficit and each component of other Comprehensive Revenue and Expense are attributed to the owners of the Group and to the non-controlling interests. Total Comprehensive Revenue and Expense of subsidiaries is attributed to the owners of the Group and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the Financial Statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All Intra-Group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Revenue

Revenue is measured at the fair value of the consideration received. Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer and when the right to receive payment is established.

Rental income

Rental Income from investment properties is recognised in the Statements of Comprehensive Revenue and Expenses on a straight line basis over the term of the lease. Contingent rentals are recognised as income in the reporting period in which they are earned.

Finance income and expenses

Finance income comprises interest income on funds invested dividend income and gains on the disposal of available for sale financial assets. Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Finance expenses comprise impairment losses, losses arising from transactions denominated in currencies other than the Group's functional currency, and interest recognised on financial liabilities (except for trade payables).

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

Employee Entitlements

A liability for annual leave is accrued and recognised in the Statement of Financial Position. The liability is equal to the present value of the estimated future cash outflows as a result of employee services provided at balance date.

Financial Instruments

Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity securities accounted for as available for sale financial assets, trade receivables, cash and cash equivalents, short term borrowings and trade payables.

Non-derivative financial instruments are recognised initially at fair value plus, for instruments not at fair value through Statement of Comprehensive Revenue and Expense, any directly attributable transaction costs.

Subsequent to initial recognition non-derivative financial instruments are measured as described below.

A financial instrument is recognised if the Group becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the Group's contractual rights to the cash flows from the financial assets expire or if the Group transfers the financial asset to another party without retaining control or substantially removing all the risks and rewards of the asset. Purchases and sales of financial assets are accounted for at trade date i.e. the date that the Group commits itself to purchase or sell the asset. Financial liabilities are derecognised if the Group's obligations specified in the contract expire or are discharged or cancelled.

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the Statement of Cash Flows.

Available for Sale financial assets are non-derivative financial assets that are designated as available for sale or are not classified in another category. Available for sale financial instruments are subsequently measured at fair value with gains and losses recognised in other comprehensive revenue and expense and presented in the Available for sale reserve. Any impairments losses and foreign exchange differences are recognised in the Statement of Comprehensive Revenue and Expense. Upon de-recognition, the accumulated gain or loss within net assets/equity is reclassified to surplus or deficit.

Instruments at fair value through surplus or deficit

An instrument is classified as fair value through surplus or deficit if it is held for trading or is designated as such upon initial recognition. Financial instruments are designated at fair value through surplus or deficit if the Group manages such investments and makes purchase and sale decisions. Upon initial recognition, attributable transaction costs are recognised in the Statement of Comprehensive Revenue and Expense when incurred. Subsequent to initial recognition, financial instruments at fair value through surplus or deficit are measured at fair value, and changes therein are recognised in the Statements of Comprehensive Revenue and Expense.

Trade Receivables

Trade receivables classified as other non-derivative financial instruments are stated at amortised cost using the effective interest method, less any impairment losses for amounts that have a significant risk of non-collection. When a receivable is identified as being non-collectible it is expensed immediately in surplus or deficit.

Trade Payables

Trade payables are classified as other non-derivative financial instruments and are stated at amortised cost.

Property, Plant and Equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset.

Heritage Land is recorded at cost and is classified as such when they are deemed to have cultural, environmental, or historical significance.

The cost of any self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of the day to day servicing of property, plant and equipment are recognised in the Statement of Comprehensive Revenue and Expenses as incurred.

Depreciation

Building and Property Improvements	0.0% to 48.0%	Diminishing Value
Buildings	0.0% to 2.0%	Straight Line
Land and Heritage Land	0.0%	Diminishing Value
Motor Vehicles	16.0% to 30.0%	Diminishing Value
Plant & Equipment	10.0% to 67.0%	Diminishing Value
Furniture & Fittings	9.0% to 60.0%	Diminishing Value

Depreciation is charged at rates that reflect the estimated consumption of economic benefits and useful lives of the assets. Depreciation is charged to the Statement of Comprehensive Revenue and Expense. Land is not depreciated. Depreciation methods, useful lives and residual values are reassessed on a continual basis.

Operating Lease

Leases that are not finance leases are classified as operating leases. Operating leases are not recognised in the Group's Statement of Financial Position. Payments made under operating leases are recognised in surplus or deficit on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in-first-out principle and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Investment Property

Investment property is property held either to earn rental income or for capital appropriation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment property is measured at cost and is not revalued.

Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, any other costs directly attributable to bringing the investment property to a working condition for their intended use and capitalised borrowing costs.

Any gain or loss on disposal of an investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in surplus or deficit.

When the use of property changes such that it is reclassified as property, plant and equipment, its carrying value at the date of reclassification become its cost for subsequent accounting.

Building and Property Improvements	0.0% to 48.0%	Diminishing Value
Building and Property Improvements	0.0% to 2.0%	Straight Line

Depreciation is charged at rates that reflect the estimated consumption of economic benefits and useful lives of the assets. Depreciation is charged to the Statement of Comprehensive Revenue and Expense. Depreciation methods, useful lives and residual values are reassessed on a continual basis. Investment property is measured at cost less accumulated depreciation and is not revalued.

Impairment of Non-Financial Assets

The carrying amounts of the Group's assets are reviewed at each balance sheet date to determine whether there is any objective evidence of impairment. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount, Impairment losses directly reduce the carrying amount of assets and are recognised in the Statement of Comprehensive Revenue and Expense.

Impairment of Property, Plant and Equipment and Intangibles

The carrying amounts of the property, plant and equipment and intangibles are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the assets recoverable amount is estimated.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit is the greater of its value in use and its fair value less cost to sell. A cash-generating unit is the smallest identifiable asset group that generates cash flows that are largely independent from other assets and groups. Impairment losses are recognised in the Statement of Comprehensive Revenue and Expense. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation if no impairment loss had been recognised.

Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in surplus or deficit in the period in which they are incurred.

Government Grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in surplus or deficit on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the Statement of Financial Position and transferred to surplus or deficit on a systematic and rational basis over the useful lives of the related assets.

Taxation

Income tax expense is recognised in the Statement of Comprehensive Revenue and Expense except to the extent that it relates to items recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date and any adjustment to tax payable in respect of previous years.

Deferred tax

Deferred tax assets and liabilities are recognised where the carrying amount of an asset or liability in the consolidated statement of financial position differs from its tax base, except for differences arising on:

- The initial recognition of goodwill
- The initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting or taxable profit, and
- Investments in subsidiaries and joint arrangements where the Group is able to control the timing of the reversal of the difference and it is probable that the difference will not reverse in the foreseeable future.

Recognition of deferred tax assets is restricted to those instances where it is probable that taxable profit will be available against which the difference can be utilised. In respect of deferred tax assets arising from investment property measured at fair value, the presumption that recovery will be through sale rather than use has not been rebutted. The amount of the asset or liability is determined using tax rates that have been enacted or substantively enacted by the reporting date and are expected to apply when the deferred tax liabilities/(assets) are settled/(recovered).

Determination of Fair Value

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

Non-Current Assets Held for Sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the Group will retain a non-controlling interest in its former subsidiary after the sale.

When the Group is committed to a sale plan involving disposal of an investment, or a portion of an investment, in an associate or joint venture, the investment or the portion of the investment that will be disposed of is classified as held for sale when the criteria described above are met, and the Group discontinues the use of the equity method in relation to the portion that is classified a held for sale. Any retained portion of an investment in an associate or a joint venture that has not been classified as held for sale continues to be accounted for using the equity method. The Group discontinues the use of the equity method at the time of disposal when the disposal results in the Group losing significant influence over the associate or joint venture.

After the disposal takes place, the Group accounts for any retained interest in the associate or joint venture unless the retained interest continues to be an associate or a joint venture, in which case the Group uses the equity method (see the accounting policy regarding investments in associates or joint ventures above).

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

Goods and Services Tax

Revenue, expenses, assets and liabilities are recognised net of the amount of goods and services tax (GST) except:

- where the amount of GST incurred is not recovered from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense;
- For receivables and payables which are recognised inclusive of GST. (The net amount of GST recoverable from or payable to the taxation authority is included as part of receivables or payables).

Fisheries Quota Shares

Purchases/acquired Quota Shares are treated as an asset with an indefinite life. Quota Shares purchased by the Group are recorded at cost (or deemed cost on settlement). Quota Shares are not amortised and are carried at cost (or deemed cost on settlement) less any accumulated impairment losses.

Joint Venture

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of joint ventures are incorporated in these Financial Statements using the equity method of accounting. Under the equity method, an investment in a joint venture is initially recognised in the Statement of Financial Position at cost and adjusted thereafter to recognise the Incorporation's share of the profit or loss and other comprehensive income of the joint venture.

When necessary, the entire carrying amount of the investment is tested for impairment as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised to the extent that the recoverable amount of the investment subsequently increases.

Associates

The Group's associate investment is accounted for using the equity method. An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. The investment in an associate is initially recognised at cost and the carrying amount in the Financial Statements is increased or decreased to recognise the group's share of the surplus or deficit of the associate after the date of acquisition. Distributions received from an associate reduce the carrying amount of the investment.

If the share of deficits of an associate equals or exceeds the Group's interest in the associate, further deficits are not recognised. After the group's interest is reduced to zero, additional deficits are provided for, and a liability is recognised, only to the extent that the group has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports surpluses, the group will resume recognising its share of those surpluses only after its share of the surpluses equals the share of deficits not recognised.

Where the Group transacts with an associate, surplus or deficits are eliminated to the extent of the interest in the associate.

Internal Charges

Internal charges are included within the contra accounts as both revenue and expenses to reflect the economic use of resources. These are eliminated, where appropriate, on consolidation.

New Zealand Units (NZUs)

NZUs are rights allocated to the Group as a one-off allocation to compensate for the effect of increased fuel costs from the emission trading scheme based on the Group's value of quota owned. These rights are defined as New Zealand Units issued to meet a participant's compliance obligations under the emissions trading scheme. NZUs received are treated as Government Grants and initially accounted for as an intangible asset at fair value on receipt.

Subsequently, NZU's are reviewed for impairment. Impairment losses are recognised in the Statement of Comprehensive Revenue and Expense should their carrying amount exceed the recoverable amount. Revaluation gains are recognised in the Statement of Comprehensive Revenue and Expense should there be any previous impairment of NZU's in previous years and to the Asset Revaluation Reserve once all previous impairments of NZU's have been recovered in the Statement of Comprehensive Revenue and Expense.

Changes in accounting policies

There has been no changes in the accounting policies during the current year.

	2022	2021
3. Investment Income		
Dividends Received	431,016	448,430
Interest Received	81,464	428,830
Total Investment Income	**512,481**	**877,260**

	2022	2021
4. Contract Revenue		
Manawa Gas Ltd Sales	1,679,619	1,132,412
Cultural Redress Land Forestry Right rentals	117,905	77,381
Fisheries Income	34,991	37,596
KLC Sales	26,945,396	9,523,045
Total Contract Revenue	**28,777,910**	**10,770,434**

	2022	2021
5. Other Income		
School Land Lease	12,420	12,420
Other Income	44,678	129,491
Rental Income	52,238	58,962
Total Other Income	**109,336**	**200,873**

	2022	2021
6. Purchases		
KLC Purchases	14,156,362	5,272,520
Manawa Gas Purchases	1,609,053	918,861
Total Purchases	**15,765,415**	**6,191,381**

	2022	2021
7. Taxation		
Compromising of:		
Current Tax Expense	10,751	176,338
Deferred Tax Expense	918,314	(1,002,239)
Total Taxation	**929,065**	**(825,901)**

	2022	2021
Taxation		
Surplus/(Deficit) before Taxation	4,144,871	621,120
Taxable differences	(4,083,437)	386,526
Taxable Income	61,434	1,007,646
Tax on Taxable Income at 17.5%	10,751	176,338
Current Tax Expense	10,751	176,338

Deferred Tax

	Opening Balance 1 April 2020	Movement	Closing Balance 31 March 2021
Intangible Assets	(432)	(241)	(673)
Property, Plant and Equipment		(542,344)	(542,344)
Tax Losses	65,258	1,382,684	1,447,942
Provisions	5,053	161,898	166,951
Total	**69,878**	**1,001,997**	**1,071,876**

	Opening Balance 1 April 2021	Movement	Closing Balance 31 March 2022
Intangible Assets	(673)	(156,283)	(156,956)
Property, Plant and Equipment	(542,344)	290,359	(251,985)
Tax Losses	1,447,942	(974,892)	473,050
Provisions	166,951	(93,758)	73,193
Total	**1,071,876**	**(934,572)**	**137,301**

	2022	2021
Tax Payable/(Receivable)		
Opening Balance	(116,469)	(173,129)
Tax Expense as per above	10,751	176,338
Add: Taxation Refunded	95,158	225,683
Less: RWT & Tax paid	(315,326)	(345,361)
Total Tax Payable/(Receivable)	**(325,886)**	**(116,469)**

For taxation purposes the taxation losses of Te Runanga O Ngai Manawa Trust has $278,052 (2021: $Nil) and the subsidiaries, Manawa Gas Limited has $280,462 (2021: $95,039), Ngati Manawa Custodian Ltd totaling has $42,997 (Last year: $40,215) and KLC Limited has $1,192,225 (2021: $5,646,386) (subject to IRD confirmation).

The taxation benefits of losses will be available provided:

- The companies comply with conditions for offset imposed by the Income Tax Act 2007,and the amendments thereto;
- No change in taxation legislation adversely affects the Trust in realising the taxation benefits of those losses; and
- The companies generate assessable income in the future, against which the losses can be offset.

8. Maori Authority Credit Account/ Imputation Credit Account

Maori Authority Credit Account

As at 31 March 2022 Maori Authority Credits available to shareholders were $532,012 (2021: $314,431).

From 1 April 2009 Te Runanga O Ngati Manawa Trust was granted approved to become a Maori Authority. From 1 April 2010 Ngati Manawa Tokowaru Asset Holding Company was granted approval to become a Maori Authority.

Imputation Credit Account

As at 31 March 2022 Imputation Credits available to shareholders were $187,794 (2021: $177,356).

	2022	2021
9. Inventories		
Timber	2,905,470	1,595,000
Consumables	99,993	62,659
Manawa Gas Stock on Hand	56,982	70,735
Total Inventories	**3,062,445**	**1,728,394**

	2022	2021

10. Cash and Cash Equivalents

	2022	2021
ANZ Call Account	4,364	4,357
ANZ Overdraft	(77,931)	-
BNZ	1,062,439	(706,215)
Cash on Hand	7,316	5,676
Deloitte Distribution Account	600	-
EUR - Foreign Account	1,824,692	-
Westpac Cheque Account	5,054,094	1,577,147
Westpac Savings Account	151,818	129,040
Total Cash and Cash Equivalents	**8,027,392**	**1,010,005**

Refer to note 25 for details regarding securities and guarantees held by BNZ bank regarding overdraft facilities held at year end.

11. Short Term Investments

	2022	2021
ANZ Term Deposits	211,771	2,067,196
Total Short Term Investments	**211,771**	**2,067,196**

12. Mataatua Quota Ace Holdings Limited

The Mataatua Quota Ace Holdings Limited investment is contained within the Ngati Manawa Tokowaru Asset Holding Company Limited and is disclosed in two parts:

1. $71,510 represents a 1/6th interest in Mataatua Quota Ace Holdings Limited revalued to the Quota value provided by the company as at 31 March 2022 (2021: $71,510).

2. $115,128 represents the value of the Iwi Equity Account balance due at 31 March 2022, being ACE proceeds, funds transfers and charges applied (2021: $91,443).

The Mataatua Quota Ace Holdings Limited financial statements for the year ended 31 March 2022 are prepared by Cookson Forbes and Associates and audited by Glenn Sullivan Chartered Accountants Limited.

13. Fisheries Settlement

On 12 February 2010 a Deed of Transfer and Warranty was signed between Te Runanga O Ngati Manawa, as the Mandated Iwi Organisation (MIO), and Te Ohu Kaimoana, in recognition of the Ngati Manawa Iwi Fisheries settlement under the Maori Fisheries Act 2004.

On 31 March 2010 Te Runanga O Ngati Manawa Trust received:

Total Cash Settlement	146,839
Fisheries Settlement Quota Valued at	276,340
Aotearoa Fisheries Limited Shares Valued at	713,681
Total	**1,136,860**

In accordance with Section 16(1)(c) of the Maori Fisheries Act 2004 Ngati Manawa Tokowaru Asset Holding Company Limited has received and hold, on behalf of Te Runanga O Ngati Manawa Trust as the MIO, the total cash settlement, all settlement quota and income shares allocated by Te Ohu Kaimoana. The group holds 462 shares in Aotearoa Fisheries Limited for no consideration (2021: 462).

No impairment has been recognised during the year for Fisheries Quota Shares. The carrying amount is considered to be lower than the recoverable amount for the quota. This is in line with the Independent valuation done by Aotearoa Fisheries Ltd in its Annual Report for the year ended 30 September 2021.

Aotearoa Fisheries Limited

On 17 December 2012, AFL announced a special taxable bonus share issue. The bonus share issue was made to unlock tax credits of $30 million. By treating the bonus shares as a dividend, some shareholders were able to turn the tax credits into cash benefits.

In 2013 bonus shares were issued to existing shareholders on a pro-rata basis for tax purposes, the bonus issue had no impact on the share value. An additional 231 bonus shares were allocated to the Company resulting in a total shareholding of 462 shares at 31 March 2013. There were no movements in share value or share numbers this year.

During the year, AFL announced a dividend of $52.45 (2021: $42.89) per share. The dividend was paid in and had Maori Tax Credits attached. The Maori Tax Credits are able to offset tax liability for the year.

14. Rainforest Experiences Loan

On the 26th February 2019, the Trust entered into a Loan agreement with Rainforest Experiences New Zealand Limited and Manaaki Group Holdings Limited. Rainforest Experiences New Zealand Limited and the Trust are exploring possible opportunities to enter into business together in Whirinaki Te Pua-a-Tane Conservation Park where Ngati Manawa is mana whenua and Chris Birt operates a tourism operation under concessions from Department of Conservation.

Manaaki Group Holdings Limited has been seeking a cash injection to expand its long established tourism business in Whirinaki Te Pua-a-Tane Conservation Park. During 2019, the Trust advanced $29,500 towards this at an interest rate of 2 percent per annum as stated in the loan agreement. This loan was for an initial 12 month period which may be extended for a further 36 months upon mutual agreement. The loan is secured by a Personal Guarantee from Chris Birt and aGSA over Rainforest Experiences NZ Limited and Manaaki Group Holdings Limited.

During the year, repayments of $Nil were received. Loan receivable at year end was $Nil (2021: $Nil).

15. Direct Capital IV Limited Partnership

The Trust holds a 0.5% investment in Direct Capital IV Limited Partnership and has committed $800,000 to this investment. The outstanding amount of this commitment at balance date is $204,147 (2021: $204,147).The Group's share of the partnership losses for the year ended 31 December 2021 total $85 (2021: $115).

	2022	2021
Direct Capital IV Limited Partnership		
Opening Balance	68,620	74,999
Plus: Interest and Dividends	115	129
Less: Partnership Losses	(85)	(115)
Less: Capital Repayments	-	(27,334)
Revaluation of Investments	6,827	20,942
Total Direct Capital IV Limited Partnership	**75,477**	**68,620**

16. Direct Capital V Limited Partnership

The Trust holds a 0.73% investment in Direct Capital V Limited Partnership and has committed $2,000,000 to this investment. The outstanding amount of this commitment at balance date is $226,928 (2021: $312,820). The Group's share of the partnership losses for the year ended 31 December 2021 total $26,020 (2021: $29,122).

	2022	2021
Direct Capital V Limited Partnership		
Opening Balance	1,547,743	833,244
Plus: Capital Contributions	62,086	988,265
Plus: Interest and Dividends	-	25
Less: Partnership Losses	(26,020)	(29,122)
Less: Capital Repayments	(547,334)	(496,326)
Revaluation of Investments	296,267	251,657
Total Direct Capital V Limited Partnership	**1,332,742**	**1,547,743**

17. Direct Capital VI Limited Partnership

The Trust holds a 0.29% investment in Direct Capital VI Limited Partnership and has committed $1,000,000 to this investment. The outstanding amount of this commitment at balance date is $803,772 (2021: $845,299). The Group's share of the partnership losses for the year ended 31 December 2021 total $20,155 (2021: $10,095).

	2022	2021
Direct Capital VI Limited Partnership		
Opening Balance	183,133	-
Plus: Capital Contributions	-	154,701
Less: Partnership Losses	(20,155)	(10,095)
Revaluation of Investments	93,637	38,527
Total Direct Capital VI Limited Partnership	**256,615**	**183,133**

18. Genesis Private Equity No. 1 Fund Limited Partnership

The Group holds an investment in Genesis Private Equity No.1 Fund Limited Partnership and has committed $500,000 to this investment. At balance date, the capital commitment has been paid in full and there is no outstanding commitment (2021: $nil).

	2022	2021
Genesis Private Equity No.1 Fund Limited Partnership		
Opening Balance	354,150	349,119
Investment Advanced during the year	63,466	5,031
Investment Returned during the year	(68,012)	-
Total Genesis Private Equity No.1 Fund Limited Partnership	**349,604**	**354,150**

19. GPE AYT Limited Partnership

The Group holds an investment in GPE AYT Limited Partnership and has committed $30,000 to this investment. At balance date, the capital commitment has been paid in full and there is no outstanding commitment (2021: $nil).

	2022	2021
GPE AYT Limited Partnership		
Opening Balance	30,823	30,132
Plus: Capital Contributions	6,756	691
Total GPE AYT Limited Partnership	**37,579**	**30,823**

	2022	2021
20. Harbour Asset Management Portfolio		
Opening Balance	8,044,468	4,022,631
Plus: Capital Introduced	-	2,619,459
Plus: Interest and Dividends	118,462	92,368
Less: RWT on Interest and Dividends	(19,877)	(696)
Investment write up/(down)	(175,819)	1,310,706
Total Harbour Asset Management Portfolio	**7,967,234**	**8,044,468**

	2022	2021
21. Jarden Capital Portfolio		
Opening Balance	7,598,582	6,425,011
Plus: Interest and Dividends	121,466	195,194
Less: RWT on Interest and Dividends	(29,720)	(28,052)
Less: Withdrawals	(120,000)	(120,000)
Less: Portfolio Management Fees	39,658	(36,276)
Investment write up/(down)	(257,146)	1,162,705
Total Jarden Capital Portfolio	**7,352,839**	**7,598,582**

	2022	2021
22. Milford Private Wealth Portfolio		
Opening Balance	6,554,861	3,983,281
Plus: Capital Introduced	-	1,308,438
Plus: Interest and Dividends	76,727	139,441
Less: RWT on Interest and Dividends	(12,256)	(3,516)
Less: Portfolio Management Fees	17,382	(11,739)
Investment write up/(down)	320,563	1,138,956
Total Milford Private Wealth Portfolio	**6,957,277**	**6,554,861**

23. Te Whaihanga Limited Partnership

Te Whaihanga Limited Partnership ("the Partnership") was established as a Property Investment Partnership. The Partnership has 2 Limited Partners and 1 General Partner. Of these, Ngati Manawa Development Limited is a Limited Partner and holds 50% of the ownership.

The investment in Te Whaihanga Limited Partnership is based on a draft set of unaudited financial statements.

	2022	2021
Te Whaihanga Limited Partnership		
Opening Balance	127,623	1,135,443
Plus: Interest Income	-	275,259
Less: Share of Deficit	18,621	(6,101)
Less: Drawings	-	(1,276,978)
Less: Capital Distributions	(146,244)	-
Total Te Whaihanga Limited Partnership	-	**127,623**

24. Hononga Limited Partnership

On 17 December 2018, Ngati Manawa Investment Trust (Limited Partner) into a Partnersip agreement with Te Kotahitanga o Ngati Whakaue Asset Trust (Limited Partner), Tiki Te Kohu Ruamano Trust (Limited Partner), and Kotahi Te Hoe Limited (General Partner). Ngati Manawa Investment Trust is a Limited Partner and holds 44.19% of the ownership.

During the 2021 financial year the investment was wound up and capital returned.

	2022	2021
Hononga Limited Partnership		
Capital Account		
Opening Balance	-	802,327
Less: Capital Distributions	-	(802,327)
Total Capital Account	-	-
Total Hononga Limited Partnership	-	-

	2022	2021
25. Loans		
BNZ Loan 00013	5,042,000	6,492,000
BNZ Loan 00016	-	19,978
BNZ Loan 00017	-	67,766
Total Loans	**5,042,000**	**6,579,743**

	2022	2021
Reported as:		
Current Liabilities	1,200,000	6,579,743
Non Current Liabilities	3,842,000	-
Total	**5,042,000**	**6,579,743**

Securities and Interest

The carrying amount of borrowings approximate their fair value.
BNZ New Capital Term Loan:
The BNZ term loan's principal sum is $5,042,000 at a fixed interest rate of 4.68% per annum. Current payments are being made regularly at $100,000 per month. The total facility available to the company is $5,792,000 with $750,000 not drawn down at balance date.
The loan is secured by:

- Perfected security interest in all present and after acquired property of K.L.C Limited.
- Mortgage by sub-demise over property situated at Middle and Kennedy Roads, Kaingaroa.

26. Ministry of Business, Innovation and Employment (MBIE)

During 2022 Financial year Ngati Manawa Development Limited received $2,000,000 from Ministry of Business, Innovation and Employment (MBIE) for the Purchase of Shares in KLC Limited at an interest rate of 5.75% per annum. The funding was through the provincial development unit. The facility is secured through a registered first ranking security deed and matures on 5 November 2027.

The Principal (including capitalised interest) can be repaid in 2 equal annual payments commencing on the interest payment date during the year 2026.

27. Tukia Group Limited

The Trust holds 551,012 shares in Tukia Group Limited. Tukia Group Limited is a commercial development company created by and for the Central North Island Iwi Collective. Its purpose is to develop the commercial interest of the Collective and other Iwi. The Trust committed $551,000 to Tukia Group Limited in 2010 as shareholder advances. During the 2011 financial year these advances were capitalised by Tukia Group Limited and issued as shares.

The Audit Report for the 30 June 2010 Tukia Group Financial Statements contained a fundamental uncertainty due to the company being reliant on the success of a capital raising venture in early 2011 in order to meet its obligations. Upon reviewing these financial statements and considering the value of the Group's investment, the trustees determined that the carrying amount of the investment exceeded the current recoverable amount and considered the investment impaired and have written the share value down to $1 (2021: $1).

28. New Zealand Units (NZUs) From the Ministry for the Environment

Ngati Manawa Tokowaru Asset Holding Company received 104 NZ Units (NZU's) from the Ministry for the Environment on 24 September 2009 valued at $2,101. The NZUs were initially recognised as Grant Income and treated as an intangible asset. The NZUs are a one-off compensation from the Government for any fall in value of fishing quota resulting from an increase in the cost of fuel under the NZ ETS.

During the current financial year 11,277 units were transferred form CNI Iwi Holdings Limited to Te Runanga o Ngati Manawa Trust at NIL value. As at March 2022 the fair value per unit was $75.90.

	2022	2021
NZU		
Opening Balance	3,848	2,470
Revaluation of Units - Asset Revaluation Reserve	859,970	1,378
Total NZU	**863,818**	**3,848**

29. Property, Plant and Equipment

(i) Cost

	Land	Heritage Land	Buildings	Motor Vehicles	Plant & Equipment	Furniture & Fittings	Capital Work in Progress - Cost	Total
Opening 1 April 2020	264,000	239,207	230,333	69,377	207,804	124,565	-	1,135,287
Acquired - Business Combination			5,418,355	562,828	2,837,324	34,857	711,703	9,565,067
Additions	-	-	303,139	101,505	-	48,021	-	452,665
Disposals	-	-	-	-	-	-	(70,618)	(70,618)
Revaluation	-	-	-	-	-	-	-	-
Closing 31 March 2021	**264,000**	**239,207**	**5,951,827**	**733,710**	**3,045,128**	**207,443**	**641,085**	**11,082,400**
Opening 1 April 2021	264,000	239,207	5,951,827	733,710	3,045,128	207,443	641,085	11,082,400
Additions	-	10,000	-	164,686	211,405	84,924	2,192,364	2,663,380
Disposals	-	-	-	(62,930)	-	-	-	(62,929)
Revaluation	14,000	-	(1,372,281)	(152,485)	1,235,162	23,534	(6,931)	(259,001)
Closing 31 March 2022	**278,000**	**249,207**	**4,579,546**	**682,981**	**4,491,695**	**315,901**	**2,826,518**	**13,423,850**

(ii) Accumulated Depreciation

	Land	Heritage Land	Buildings	Motor Vehicles	Plant & Equipment	Furniture & Fittings	Total
Opening 1 April 2020	-	-	(8,777)	(25,251)	(125,650)	(90,348)	(250,026)
Depreciation	-	-	(85,077)	(20,509)	(265,920)	(10,344)	(381,850)
Closing 31 March 2021	**-**	**-**	**(93,854)**	**(45,760)**	**(391,570)**	**(100,692)**	**(631,876)**
Opening 1 April 2021	-	-	(93,854)	(45,760)	(391,570)	(100,692)	(631,876)
Depreciation	-	-	(227,080)	(104,130)	(677,804)	(27,585)	(1,036,599)
Closing 31 March 2022	**-**	**-**	**(320,934)**	**(149,890)**	**(1,069,374)**	**(128,277)**	**(1,668,475)**

(iii) Net Book Value

	Land	Heritage Land	Buildings	Motor Vehicles	Plant & Equipment	Furniture & Fittings	Capital Work in Progress - Cost	Total
Balance at 31 March 2021	264,000	239,207	5,857,973	687,950	2,653,558	106,751	641,085	10,450,524
Balance at 31 March 2022	**278,000**	**249,207**	**4,258,612**	**533,091**	**3,422,322**	**187,625**	**2,826,518**	**11,755,375**

Heritage Land include the development and revitalisation of Kani Rangi Park, which is a cultural asset for Te Runanga o Ngati Manawa Trust. The land is in the process of being transferred to the entity, with no revenue attributable to the park. Expenditure incurred is for the benefit, use and enjoyment of the local community.

30. Investment Property

	2022	2021
Opening Balance	912,120	839,637
Purchases	10,714	120,004
Depreciation expense for the year	(45,439)	(47,521)
Total Investment Property	**877,396**	**912,120**

31. Trade and Other Payables

	2022	2021
Accounts Payable	2,020,611	1,615,085
Accruals	2,710,116	405,526
Total Trade and Other Payables	**4,730,727**	**2,020,611**

32. Income in Advance

	2022	2021
Community COVID Management	1,064,037	-
Iwi Environment	-	3,980
Kaingaroa Timberland Income	9,961	6,679
Kaumatua Research	10,411	-
Manawa Hau	176,870	-
Manawa Tu Income	598,374	388,566
Manawa Rere Income	70,244	61,022
Marae Renovation Income	73,361	102,434
Moewhare Marae Equipment	43,000	-
Rauawaawa Kaumata	278	-
Taniwha Income	-	63,990
Trap and Transfer Income	23,829	25,451

	2022	2021
Te Hekenga o Tangiharuru Income	45,000	-
Total Income in Advance	**2,115,364**	**652,122**

33. CNI Iwi Holdings Limted

The Runanga O Ngati Manawa Trust holds 225 shares in CNI Iwi Holdings Limited. CNI Iwi Holdings Limited was established by the CNI Iwi Collective (comprising eight Iwi within the Central North Island area) for the purpose of settling the historical CNI Forest Land Claims. CNI Iwi Holdings Limited currently hold the CNI Forests Land on Trust for the CNI Iwi Collective and will facilitate the transfer of future CNI Forest rental income to the Iwi within the collective by way of distribution. These shares were received for no consideration. No value has been ascribed to these shares as no reliable valuation is available at this time.

CNI Settlement

In 2008 the Ngati Manawa Iwi ratified the CNI Forest Land Collective Deed of Settlement. In July 2009 as part of this settlement Te Runanga O Ngati Manawa Trust, as the Mandated Iwi Organisation, received $15,367,557 of accumulated rentals as provided for under CNI Forests Collective Deed of Settlement.

The CNI Settlement provided for the transfer of twenty three Crown Forestry Licenses (CFL's) and more than $280m in accumulated rentals to CNI Iwi Holding Trust. The twenty three forests are vested in the CNI Iwi Holding Trust and the transfer of associated accumulated rentals was apportioned in accordance with the proportions set out in the Central North Island Forest Collective Settlement Act 2008. Ongoing distributions are received throughout the year and recorded as income upon receipt.

During the 2016 financial year a one off capital distribution of $186,346 was received from CNI Iwi Holdings. This payment related to the original treaty settlement that was held in the Crown Agreed Proportion (CAP)bank accounts. A resolution was passed by the Board of Directors of CNI Iwi Holdings in May 2015 to pay the remaining funds in the CAP account to its shareholders.

The Ngati Manawa Claims Settlement Act 2012 came into force on 6 April 2012. The Act has recorded the acknowledgements and the apology offered by the Crown to Ngati Manawa in the Deed of Settlement dated 12 December 2009, as well as gave affect to certain provisions of the Deed of Settlement,which is the deed that settles the Ngati Manawa historical claims.

On 8 May 2012, the Crown paid the group a total sum of $3,044,611 in cash as part of the settlement. Additional land and properties are expected to be transferred from the Crown to the group on completion of settlement.

In June 2015 as part of the Ngati Manawa Claims Settlement, the titles of three school sites valued at $207,000 were transferred to the trust.

34. Rangitaiki River Settlement

In March 2011 the Ngati Manawa Iwi received $250,000 from the Crown to be held jointly by Te Runanga O Ngati Manawa and Te Runanga O Ngati Whare for the protection and enhancement of the environment, cultural and spiritual health and well being of the Rangitaiki River, and the relationship between Ngati Manawa and the Rangitaiki River.

35. Non-Cancellable Operating Leases

Database Leasing

The Trust entered into a rental agreement with Tiki Systems Limited for $300 per month (GST exclusive) to oversee and store the Ngati Manawa Iwi database. There is no fixed term for this agreement.

Computer Equipment

The Trust entered into rental agreements with Think IT Limited for the lease of computer equipment in April 2016. The agreement is payable by 36 monthly installments of $1,533 (GST exclusive).

Rental Commitments

KLC Limited renegotiated the lease on Kaingaroa site to land only arrangement for $35,283 p.a. with the next review date being 2 December 2029. KLC Limited has rights of renewal for 2 further terms of 11 years each and 1 final term of 9 year. Rent will be reviewed every 5 years. The lease expiry date is 1 December 2049.

KLC Limited entered a new lease on 1200 Hinemoa Street for $31,565 per annum commencing from 1 April 2021. KLC Limited has rights of renewal for 2 further terms of 3 years each. Rent will be reviewed every 2 years, the lease expiry date is 31 March 2030.

36. Trustee/ Directors Fees

	2022	2021
Kani Edwards	53,000	49,503
Leonard Grace	19,652	22,500
Pat McManus	19,600	17,750
Bert Messent	-	1,500
John Porima	10,000	7,450
Laurie Porima	25,600	27,600
Taiarahia Taitoko	10,800	7,950
Maurice Toe Toe	32,650	22,100
Cassandra Crowley	19,500	18,000
Jane Terewai Kalman	20,800	-
Mana Newton	24,000	24,000
Total Trustee/ Directors Fees	**235,602**	**198,353**

Trustee/ Directors Fees and Expenses

	2022	2021
Trustees/ Directors Fees as per above	235,602	198,353
Trustee Travel	17,826	11,051
Trustee Discretionary Grants	-	6,082
Other Trustee Expenses	18,436	5,461
Total Trustee/ Directors Fees and Expenses	**271,864**	**220,948**

KLC Directors and Other Shareholder fees

	2022	2021
Directors fees	140,000	123,398
Other Shareholder fees	-	26,000
Total KLC Directors and Other Shareholder fees	**140,000**	**149,398**

Key Management Personnel

The Parent and Group have a related party relationship with its key management personnel. Key management personnel include the Parent's Board of Trustees, Directors, members of the Executive Council and Senior Management.

	2022	2021
Key Management Personnel		
Salaries and other short-term employee benefits (7 FTEs)	869,429	617,126

37. Related Party Information

1. Maramena Vercoe, an employee of Te Runanga O Ngati Manawa also holds a Director's position in CNI Iwi Holdings Limited (Note 33). The Trust currently holds 225 shares in CNI Iwi Holdings Limited and received rental income of $1,388,120 during year from CNI Iwi Holdings Limited.

2. Laurie Porima, a Trustee of Te Runanga O Ngati Manawa also holds a Director's position in CNI Iwi Holdings Limited (Note 33). The Trust currently holds 225 shares in CNI Iwi Holdings Limited and received rental income of $1,388,120 during year from CNI Iwi Holdings Limited.

3. Office overheads charged during prior years by Te Runanga o Ngati Manawa (Parent) are still outstanding from subsidiaries as follows:

	2022	2021
Office Overhead Charges		
Ngati Manawa Development Limited	-	10,000
Ngati Manawa Tokowaru Asset Holding Co Ltd	20,000	20,000
Total Office Overhead Outstanding	**20,000**	**30,000**

4. During last financial year, a resolution was passed by the Trustees of Te Runanga o Ngati Manawa Trust to transfer assets to Ngati Manawa Investment Trust (t/a Manawa Development). A total of $15.9m worth of assets have been transferred.

5. Taiarahia Taitoko is a Trustee and is also the Manager of the Share Registry team at Deloitte Rotorua. During the year, Accounting and Secretarial fees paid/payable by the Group to Deloitte were $457,982 (2021: $188,311).

6. During the year, Te Runanga o Ngati Manawa Trust transferred $1.4m to Ngati Manawa Investment Trust (t/a Manawa Development). Ngati Manawa Investment Trust then paid this $1.4m to Ngati Manawa Chartiable Trust.

7. Ngati Manawa Charitable Trust is 100% owned subsidiary of Te Runanga O Ngati Manawa Trust and was established in 2010. The Trust paid $100 to create Ngati Manawa Charitable Trust. During the year the Trust paid a donation to Ngati Manawa Charitable Trust of $650,000 (2021: $208,297). During the preparation of the 2022 financial statements it was identified that management fees to account for costs incurred by Te Runanga o Ngati Manawa Trust on behalf of Ngati Manawa Charitable Trust has not been accounted for historically as payable. This was amended in the financial statements for 2021 financial year in accordance with the PBE accounting standards. Management fees paid by Ngati Manawa Charitable Trust to Te Runanga o Ngati Manawa Trust were $302,938 (2021: $1,411,125).

8. K L Management Services Limited, a company controlled by Kevin E Lewis and his wife, was contracted to the Company to provide office space, secretarial, bookkeeping and managerial services. The Company paid a total of $257,000 to K L Management Services during the year ended 31 March 2022 (2021: $334,000).

9. Castlemain Capital Limited, a company controlled by Alistair Bull, received $30,000 during the year ended 31 March 2022 for directors fees. At year end, $2,875 was payable to Castlemain Capital Limited.

10. Crescendi Group Limited, a company controlled by Cassandra Crowley, received $50,000 during the year ended 31 March 2022 for directors fees. At year end, $4,791.67 was payable to Crescendi Group Limited.

11. Kelly Consulting Limited, a company controlled by Andrew Kelly, received $30,000 during the year ended 31 March 2022 for directors fees. At year end, $2,875 was payable to Kelly Consulting Limited.

12. CTM Consulting Limited, a company controlled by Colin McCloy, received $30,000 during the year ended 31 March 2022 for directors fees. At year end $2,875 was payable to CTM Consulting Limited.

38. Contingent Assets

A contingent asset exists in relation to the unsettled treaty lands that Te Runanga o Ngati Manawa are entitled to. These lands are to be transferred to the Trust from CNI Iwi Holdings Trust in accordance with the Mana Whenua process as outlined in the Trust Deed. As part of the CNI settlement, Te Runanga o Ngati Manawa were entitled to cultural redress lands which they received prior to 2015.

39. ICP ACE Holdings Limited Partnership

Ngati Manawa Tokowaru Asset Holding Company Limited owns 70,113 shares in ICP General Partner Limited (general partner of ICP ACE Holding Limited Partnership), representing 0.6% ownership in the Limited Partnership. During the year, the Company has received $142,008 from the Limited Partnership being part of the fisheries income (2021: $37,596). Refer to Note 4.

40. Contingent Liabilities

Meredith Connell represents KLC Limited (KLC) in one legal proceeding:

A claim (commenced 17 December 2020) against KLC, as manufacturer of timber weatherboards, and two other defendants for remedial works of a residential property currently estimated to be in excess of $150,000), consequential costs, general damages of $50,000, interest and costs. KLC are progressing discussions to settle this matter out of Court and as a result the cost to KLC if any, is yet to be determined.

There are no other contingent liabilities to be disclosed in the financial statements.

41. Capital and Other Commitments

Ngati Manawa Investment Trust has committed $800,000 to Direct Capital IV Limited Partnership, with the amount outstanding at balance date $204,147 (2021: $204,147) (Note 15).

Ngati Manawa Investment Trust has committed $2,000,000 to Direct Capital V Limited Partnership, with the amount outstanding at balance date $226,928 (2021: $312,820) (Note 16).

Ngati Manawa Investment Trust has committed $1,000,000 to Direct Capital VI Limited Partnership, with the amount outstanding at balance date $803,772 (2021: $845,299) (Note 17).

At 31 March 2021, KLC Limited has entered into an agreement to purchase a new Fingerjointer with a full contract price of $2,702,929. A deposit of $540,585 has been made on the contract leaving a balance of $2,162,344 payable (2021: $2,165,272).

KLC Limited has committed $696,000 to the Fingerjointer building, with the amount outstanding at balance date of $413,259.

KLC Limited has committed $95,500 to the Kiln Software Upgrade, with the amount outstanding at balance date of $66,850.

There are no other known capital commitments at year end.

42. Business Combinations

On 20 November 2020 the Group subscribed for 51% (2,706,122) of the shares in KLC Limited for consideration of $2,560,000, gaining control. KLC is a timber processing and marketing company. The Group acquired the interest in KLC to review operations and create efficiencies within the company using their extensive commercial expertise and strong connections within the forestry industry.

The provisional assets acquired and liabilities incurred are outlined below. The Group is still in the process of completing the finalisation of the acquisition accounting and the significant judgments are outlined below.

The current year financial statements of KLC are currently still being audited and the value of the assets and liabilities assessed. The Group is completing identification of any further contingent liabilities for recognition as part of the acquisition.

The Group will report the final acquisition accounting in the financial statements for the year ended 31 March 2022 and any changes will be made retrospectively as per the standards. Non-Controlling interest is recognized as the non-controlling interest's ownership percentage in the net assets acquired.

Goodwill of $93,149 was accounted for on the $9,565,066 of KLC's Property, Plant and Equipment that was acquired through the business combination. Goodwill has been reviewed in accordance with PBE IFRS 3.

Consideration Paid	
Cash	2,560,000
Non-Controlling-Interest	2,549,104
Total consideration and Non Controlling - Interest	5,109.104
Assets acquired and liabilities incurred	
Debtors and other current assets	2,324,735
Inventory	2,385,295
Property, Plant and equipment	9,471,917
Cash	1,019,500
Current Liabilities	(3,058,641)
Term Liabilities	(7,033,702)
Net assets acquired	5,109,104
Goodwill	-

43. Comparative Information

Comparative information has been disclosed in respect of the previous period for all amounts prepared in the financial statements, both on the face of the financial statements and in the notes. Comparative information is provided for narrative descriptive where it is relevant for understanding the financial statements of the current period.
A prior period adjustment was made to recognise the Deferred Tax Asset in KLC. The effect of this adjustment in the Consolidated Statement of Financial Position was non-current asset increased by $1,050,000 and tax expense decreased by the same amount in the Consolidated Statement of Comprehensive Revenue and expense.

44. Events Subsequent to Balance Date

On 30 September 2022, the Group acquired additional 682,750 shares in KLC Limited. This has resulted in a total of 3,388,872 (64%) shares owned in KLC Limited.

There were no other events that have occurred after balance date that would have a material impact on the balances as at 31 March 2022. (2021: As a result of the COVID-19 pandemic the New Zealand Government imposed various restrictions on trading at
various times throughout the 2021 financial year. As a result of those restrictions, at reporting date, COVID-19 was not present in the community and there were no restrictions on activities of individuals or businesses within New Zealand, although substantial restrictions remain at the boarder).