

# Annual Report

Te Hanga South Lands Trust  
As at 31 March 2021

Prepared by Asher Group Limited

# Contents

3	Compilation Report
4	Directory
5	Approval of Financial Report
6	Statement of Financial Performance
8	Statement of Financial Position
9	Beneficiary Current Accounts
11	Depreciation Schedule
13	Notes to the Financial Statements

Draft

# Compilation Report

## Te Hanga South Lands Trust For the year ended 31 March 2021

Compilation Report to the Trustees of Te Hanga South Lands Trust.

### Scope

On the basis of information provided and in accordance with Service Engagement Standard 2 Compilation of Financial Information, we have compiled the financial statements of Te Hanga South Lands Trust for the year ended 31 March 2021.

These statements have been prepared in accordance with the accounting policies described in the Notes to these financial statements.

### Responsibilities

The Trustees are solely responsible for the information contained in the financial statements and have determined that the Special Purpose Reporting Framework used is appropriate to meet your needs and for the purpose that the financial statements were prepared.

The financial statements were prepared exclusively for your benefit. We do not accept responsibility to any other person for the contents of the financial statements.

### No Audit or Review Engagement Undertaken

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

### Independence

We have no involvement with Te Hanga South Lands Trust other than for the preparation of financial statements and management reports and offering advice based on the financial information provided.

### Disclaimer

We have compiled these financial statements based on information provided which has not been subject to an audit or review engagement. Accordingly, we do not accept any responsibility for the reliability, accuracy or completeness of the compiled financial information contained in the financial statements. Nor do we accept any liability of any kind whatsoever, including liability by reason of negligence, to any person for losses incurred as a result of placing reliance on these financial statements.

---

Asher Group Limited

Chartered Accountants

Dated:

# Directory

## Te Hanga South Lands Trust For the year ended 31 March 2021

### Nature of Business

Maori Land Trust

### Trustees

Alby Knap, Responsible Trustee, Chairman

Ruthana Begbie, Responsible Trustee

Robert Jenner, Responsible Trustee

Paki Semmens, Responsible Trustee

Carol Thompson, Responsible Trustee

Paul Christensen, Advisory Trustee

### Beneficiaries

Te Hanga A No 8

Te Hanga A No 9

Te Hanga A No 10

T71 Block XII Tapapa SD

### Chartered Accountant

Asher Group Limited  
Chartered Accountants  
PO Box 7233  
Hamilton

### Bankers

Westpac  
28 Arawa Street  
Matamata 3400  
ASB  
53 Arawa Street  
Matamata 3400

### IRD Number

018-376-276

Draft

# Approval of Financial Report

## Te Hanga South Lands Trust For the year ended 31 March 2021

The Trustees are pleased to present the approved financial report including the historical financial statements of Te Hanga South Lands Trust for year ended 31 March 2020.

APPROVED

Signed for and on behalf of the Trustees.

---

Alby Knap, Chairman

Date .....

Draft

# Statement of Financial Performance

## Te Hanga South Lands Trust For the year ended 31 March 2021

	NOTES	2021	2020
<b>Operating Income</b>			
Lease Income	4	81,400	81,400
Rates Reimbursed	5	18,241	21,048
<b>Total Operating Income</b>		<b>99,641</b>	<b>102,448</b>
<b>Less Direct Expenses</b>			
Depreciation		5,750	5,807
Rates	5	19,050	19,958
Forestry Block Management - T71		2,000	13,369
<b>Total Less Direct Expenses</b>		<b>26,799</b>	<b>39,135</b>
<b>Gross Profit</b>		<b>72,842</b>	<b>63,313</b>
<b>Other Income</b>			
Interest Received		3,558	11,328
Sundry Income		30	-
<b>Total Other Income</b>		<b>3,588</b>	<b>11,328</b>
<b>Total Income</b>		<b>76,430</b>	<b>74,641</b>
<b>Expenses</b>			
<b>General &amp; Administrative Expenses</b>			
Accountancy Fees		3,121	3,060
Administration Services		10,490	9,422
Bank Fees & Charges		174	180
Consultancy		700	8,538
Communication Expenses		294	294
General Expenses		389	229
Legal Services		2,150	-
Repairs & Maintenance		3,960	11,644
Stationery, Postage & Printing		427	637
Subscription Fees		768	620
<b>Total General &amp; Administrative Expenses</b>		<b>22,474</b>	<b>34,624</b>
<b>Koha &amp; Grants</b>			
Education Grants		10,951	2,176
Koroua Kuia Grants		7,400	8,000
Koha		326	1,500
<b>Total Koha &amp; Grants</b>		<b>18,678</b>	<b>11,676</b>
<b>Trustee Expenses</b>			
Trustee Insurance		2,675	2,425
Trustee Travel Expenses		2,548	4,468
Trustee Meeting Expenses & Catering Costs		1,265	2,799

These financial statements have been prepared without conducting an audit or review engagement, and should be read in conjunction with the attached Compilation Report.

	NOTES	2021	2020
Trustee Fees & Allowances		7,900	8,700
<b>Total Trustee Expenses</b>		<b>14,388</b>	<b>18,392</b>
<b>Total Expenses</b>		<b>55,539</b>	<b>64,691</b>
<b>Profit (Loss) Before Taxation</b>		<b>20,890</b>	<b>9,950</b>
<b>Taxation and Adjustments</b>			
Income Taxation for the Year	6	6,924	3,785
<b>Total Taxation and Adjustments</b>		<b>6,924</b>	<b>3,785</b>
<b>Profit (Loss) After Taxation</b>		<b>13,966</b>	<b>6,166</b>

Draft

These financial statements have been prepared without conducting an audit or review engagement, and should be read in conjunction with the attached Compilation Report.

# Statement of Financial Position

## Te Hanga South Lands Trust As at 31 March 2021

	NOTES	31 MAR 2021	31 MAR 2020
<b>Assets</b>			
<b>Current Assets</b>			
Cash at Bank	3	698,709	676,961
Trade and Other Receivables		10,526	5,790
GST Receivable		3,143	776
Taxation Payable/Receivable		-	496
<b>Total Current Assets</b>		<b>712,378</b>	<b>684,023</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment	7	8,821,868	8,805,119
<b>Total Non-Current Assets</b>		<b>8,821,868</b>	<b>8,805,119</b>
<b>Total Assets</b>		<b>9,534,246</b>	<b>9,489,142</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Taxation Payable/Receivable	6	6,302	-
Trade and Other Payables		31,720	6,884
<b>Total Current Liabilities</b>		<b>38,023</b>	<b>6,884</b>
<b>Total Liabilities</b>		<b>38,023</b>	<b>6,884</b>
<b>Net Assets</b>		<b>9,496,224</b>	<b>9,482,258</b>
<b>Equity</b>			
Trust Funds		9,496,224	9,482,258
<b>Total Equity</b>		<b>9,496,224</b>	<b>9,482,258</b>

These financial statements have been prepared without conducting an audit or review engagement, and should be read in conjunction with the attached Compilation Report.



# Beneficiary Current Accounts

## Te Hanga South Lands Trust For the year ended 31 March 2021

	2021	2020
<b>Beneficiary Current Accounts</b>		
<b>Te Hanga A No 8</b>		
Opening Balance	2,353,685	2,353,419
<b>Plus Share of Profit/(Loss)</b>		
Divisional Profit/(Loss)	8,345	8,288
Share of Other Income	610	1,813
Share of Administration Expenses	(9,442)	(10,351)
Share of Tax	(471)	(283)
<b>Total Plus Share of Profit/(Loss)</b>	<b>(957)</b>	<b>(533)</b>
<b>Plus/(Less) Other</b>		
Asset Revaluation	-	-
Prior Year Adjustment Tax	-	799
<b>Total Plus/(Less) Other</b>	<b>-</b>	<b>799</b>
<b>Total Te Hanga A No 8</b>	<b>2,352,727</b>	<b>2,353,685</b>
<b>Te Hanga A No 9</b>		
Opening Balance	2,402,505	2,399,432
<b>Plus Share of Profit/(Loss)</b>		
Divisional Profit/(Loss)	12,676	12,985
Share of Other Income	610	1,926
Share of Administration Expenses	(9,442)	(10,997)
Share of Tax	(1,228)	(1,032)
<b>Total Plus Share of Profit/(Loss)</b>	<b>2,616</b>	<b>2,881</b>
<b>Plus/(Less) Other</b>		
Asset Revaluations	-	-
Prior Year Adjustment Tax	-	191
<b>Total Plus/(Less) Other</b>	<b>-</b>	<b>191</b>
<b>Total Te Hanga A No 9</b>	<b>2,405,120</b>	<b>2,402,505</b>
<b>Te Hanga A No 10</b>		
Opening Balance	2,930,327	2,922,743
<b>Plus Share of Profit/(Loss)</b>		
Divisional Profit/(Loss)	41,402	42,722
Share of Other Income	1,722	5,551
Share of Administration Expenses	(26,659)	(31,699)
Share of Tax	(4,450)	(3,902)
<b>Total Plus Share of Profit/(Loss)</b>	<b>12,015</b>	<b>12,673</b>
<b>Plus/(Less) Other</b>		
Asset Revaluations	-	-

	2021	2020
Prior Year Adjustment Tax	-	(5,088)
<b>Total Plus/(Less) Other</b>	-	<b>(5,088)</b>
<b>Total Te Hanga A No 10</b>	<b>2,942,342</b>	<b>2,930,327</b>
<b>T71 Block XII Tapapa SD</b>		
Opening Balance	1,795,741	1,800,329
<b>Plus Share of Profit/(Loss)</b>		
Divisional Profit/(Loss)	10,419	(682)
Share of Other Income	646	2,039
Share of Administration Expenses	(9,997)	(11,644)
Share of Tax	(775)	1,433
<b>Total Plus Share of Profit/(Loss)</b>	<b>292</b>	<b>(8,855)</b>
<b>Plus/(Less) Other</b>		
Asset Revaluations	-	-
Prior Year Adjustment Tax	-	4,268
<b>Total Plus/(Less) Other</b>	-	<b>4,268</b>
<b>Total T71 Block XII Tapapa SD</b>	<b>1,796,034</b>	<b>1,795,741</b>
<b>Total Beneficiary Current Accounts</b>	<b>9,496,224</b>	<b>9,482,258</b>

# Depreciation Schedule

## Te Hanga South Lands Trust For the year ended 31 March 2021

NAME	COST	OPENING VALUE	PURCHASES	DISPOSALS	DEPRECIATION	CLOSING VALUE	PRIVATE USE AMOUNT
<b>A 10 South Block</b>							
A10 Forestry Development	13,663	9,190	-	-	551	8,639	-
A10 Revaluation 01.07.16	686,337	686,337	-	-	-	686,337	-
A10 Revaluation 01.09.06	1,241,000	1,241,000	-	-	-	1,241,000	-
A10 Revaluation 01.09.09	234,000	234,000	-	-	-	234,000	-
A10 South Block	300,000	300,000	-	-	-	300,000	-
<b>Total A 10 South Block</b>	<b>2,475,000</b>	<b>2,470,527</b>	<b>-</b>	<b>-</b>	<b>551</b>	<b>2,469,976</b>	<b>-</b>
<b>A 8 South Block</b>							
A8 Revaluation 01.07.06	1,089,600	1,089,600	-	-	-	1,089,600	-
A8 Revaluation 01.07.16	1,002,201	1,002,201	-	-	-	1,002,201	-
A8 Revaluation 01.07.18	86,000	86,000	-	-	-	86,000	-
A8 Revaluation 01.09.09	176,199	176,199	-	-	-	176,199	-
A8 South Block	175,000	175,000	-	-	-	175,000	-
<b>Total A 8 South Block</b>	<b>2,529,000</b>	<b>2,529,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,529,000</b>	<b>-</b>
<b>A 9 South Block</b>							
A9 Revaluation 01.07.16	593,202	593,202	-	-	-	593,202	-
A9 Revaluation 01.07.18	72,000	72,000	-	-	-	72,000	-
A9 Revaluation 01.09.06	833,600	833,600	-	-	-	833,600	-
A9 Revaluation 01.09.09	153,198	153,198	-	-	-	153,198	-
A9 South Block	215,000	215,000	-	-	-	215,000	-
<b>Total A 9 South Block</b>	<b>1,867,000</b>	<b>1,867,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,867,000</b>	<b>-</b>
<b>A8 Pressure Tank and Pump</b>							
A9 Pressure Tank & Pump	6,899	2,073	-	-	199	1,874	-
Water Pump	25,873	-	25,873	-	207	25,666	-
<b>Total A8 Pressure Tank and Pump</b>	<b>32,772</b>	<b>2,073</b>	<b>25,873</b>	<b>-</b>	<b>406</b>	<b>27,540</b>	<b>-</b>
<b>Bridge A8</b>							
A8 Bridge	124,164	93,302	-	-	3,732	89,570	-
<b>Total Bridge A8</b>	<b>124,164</b>	<b>93,302</b>	<b>-</b>	<b>-</b>	<b>3,732</b>	<b>89,570</b>	<b>-</b>
<b>Bridge A9</b>							
A9 Bridge	28,929	11,746	-	-	470	11,276	-
<b>Total Bridge A9</b>	<b>28,929</b>	<b>11,746</b>	<b>-</b>	<b>-</b>	<b>470</b>	<b>11,276</b>	<b>-</b>
<b>T71 Bridge</b>							

These financial statements have been prepared without conducting an audit or review engagement, and should be read in conjunction with the attached Compilation Report.

NAME	COST	OPENING VALUE	PURCHASES	DISPOSALS	DEPRECIATION	CLOSING VALUE	PRIVATE USE AMOUNT
T71 Bridge	6,259	4,900	-	-	196	4,704	-
<b>Total T71 Bridge</b>	<b>6,259</b>	<b>4,900</b>	<b>-</b>	<b>-</b>	<b>196</b>	<b>4,704</b>	<b>-</b>
<b>Tapapa T71 South Block</b>							
T71 Revaluation 01.07.18	11,470	11,470	-	-	-	11,470	-
T71 Forestry Development	11,470	6,572	-	-	394	6,178	-
T71 Revaluation 01.07.16	283,530	283,530	-	-	-	283,530	-
T71 Revaluation 01.09.06	1,238,000	1,238,000	-	-	-	1,238,000	-
T71 Revaluation 01.09.09	197,000	197,000	-	-	-	197,000	-
T71 Tapapa South Block	90,000	90,000	-	-	-	90,000	-
<b>Total Tapapa T71 South Block</b>	<b>1,831,470</b>	<b>1,826,572</b>	<b>-</b>	<b>-</b>	<b>394</b>	<b>1,826,178</b>	<b>-</b>
<b>Total</b>	<b>8,894,595</b>	<b>8,805,120</b>	<b>25,873</b>	<b>-</b>	<b>5,750</b>	<b>8,825,244</b>	<b>-</b>

Draft

These financial statements have been prepared without conducting an audit or review engagement, and should be read in conjunction with the attached Compilation Report.

# Notes to the Financial Statements

## Te Hanga South Lands Trust For the year ended 31 March 2021

### 1. Reporting Entity

Te Hanga South Lands Trust is a Maori Authority registered under the Ture Whenua Maori Land Act 1993.

### 2. Statement of Accounting Policies

#### Basis of Preparation

These financial statements have been prepared in accordance with the Special Purpose Framework for use by For-Profit Entities (SPFR for FPEs) published by Chartered Accountants Australia and New Zealand.

The accounting principles recognised as appropriate for the measurement and reporting of the Combined Statement of Financial Performance and Statement of Financial Position on a historical cost basis are followed by the entity, unless otherwise stated in the Specific Accounting Policies. The information is presented in New Zealand Dollars. All values are rounded to the nearest \$.

#### Historical Cost

These financial statements have been prepared on a historical cost basis, [except for certain assets which have been revalued as identified in specific accounting policies below]. The financial statements are presented in New Zealand dollars (NZ\$) and all values are rounded to the nearest NZ\$, except when otherwise indicated.

#### Changes in Accounting Policies

There have been no changes in accounting policies. Policies have been applied on a consistent basis with those of the previous reporting period.

#### Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable for the sale of goods and services, excluding goods and services tax rebates and discounts, to the extent it is probable that the economic benefits will flow to the entity and revenue can be reliably measured.

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

Lease income is recognised on a straight line basis over the life of the lease.

Interest received is recognised on receipt, gross of refundable tax credits received.

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

#### Property, Plant and Equipment and Investment Property

Property, plant and equipment and investment property are stated at historical cost less any accumulated depreciation and impairment losses. Historical cost includes expenditure directly attributable to the acquisition of assets, and includes the cost of replacements that are eligible for capitalisation when these are incurred.

An item of property, plant and equipment or investment property is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

---

These financial statements have been prepared without conducting an audit or review engagement, and should be read in conjunction with the attached Compilation Report.

Upon derecognition, the asset revaluation reserve relating to the asset disposed shall be transferred to retained earnings.

## Depreciation

Account	Method	Rate
Bridge A9	Diminishing Value (100%)	4%
A8 Pressure Tank and Pump	Diminishing Value (100%)	9.6%
A 10 South Block	Diminishing Value (100%)	6%
T71 Bridge	Diminishing Value (100%)	4%
Tapapa T71 South Block	Diminishing Value (100%)	6%
Bridge A8	Diminishing Value (100%)	4%
A 10 South Block	No Depreciation	%
A 9 South Block	No Depreciation	%
A 8 South Block	No Depreciation	%
Tapapa T71 South Block	No Depreciation	%

## Income Tax

Income tax is accounted for using the taxes payable method. The income tax expense in profit or loss represents the estimated current obligation payable to Inland Revenue in respect of each reporting period after adjusting for any variances between estimated and actual income tax payable in the prior reporting period.

## Goods and Services Tax

All amounts are stated exclusive of goods and services tax (GST) except for accounts payable and accounts receivable which are stated inclusive of GST.

	2021	2020
<b>3. Cash At Bank</b>		
ASB - On Call 50	540,224	538,613
Wesptac - 00	63,403	44,452
Westpac - Simple Saver 25	39,490	39,474
Westpac - Term Deposit 81	55,593	54,422
<b>Total Cash At Bank</b>	<b>698,709</b>	<b>676,961</b>
	2021	2020

## 4. Lease Income

Lease Fees A8	12,943	12,943
Lease Fees A9	12,690	12,690
Lease Fees A10	41,954	41,954
Lease Fees T71	13,814	13,814
<b>Total Lease Income</b>	<b>81,400</b>	<b>81,400</b>

These financial statements have been prepared without conducting an audit or review engagement, and should be read in conjunction with the attached Compilation Report.

	2021	2020
<b>5. Rates</b>		
<b>Rates Reimbursed</b>		
Rates Reimbursed A8	3,786	3,740
Rates Reimbursed A9	4,607	4,655
Rates Reimbursed A10	5,855	7,829
Rates Reimbursed T71	3,993	4,823
<b>Total Rates Reimbursed</b>	<b>18,241</b>	<b>21,048</b>
<b>Rates</b>		
Rates A8	4,245	4,288
Rates A9	4,152	3,871
Rates A10	5,855	6,474
Rates T71	4,798	5,326
<b>Total Rates</b>	<b>19,050</b>	<b>19,958</b>
<b>Total Rates</b>	<b>808</b>	<b>(1,090)</b>

The Trust charges back rates to the Leasee based on the agreed percentage of land used.

	2021	2020
<b>6. Income Tax Expense</b>		
Net Profit (Loss) Before Tax	20,890	9,950
<b>Additions to Taxable Profit</b>		
Prior Year Dividend Distribution Paid	-	-
Koha	326	1,500
Grants	18,351	10,176
IRD Penalties	-	-
<b>Total Additions to Taxable Profit</b>	<b>18,678</b>	<b>11,676</b>
<b>Deductions from Taxable Profit</b>		
Losses Distributed	-	-
<b>Total Deductions from Taxable Profit</b>	<b>-</b>	<b>-</b>
Taxable Profit (Loss)	39,568	21,626
Tax Payable at 17.5%	6,924	3,785
<b>Deductions from Tax Payable</b>		
Resident Withholding Tax	622	1,982
Provisional Tax Payments	2,298	2,298
<b>Total Deductions from Tax Payable</b>	<b>2,920</b>	<b>4,280</b>
Income Tax Payable (Refund Due)	4,004	(496)
	<b>2021</b>	<b>2020</b>
<b>7. Property, Plant and Equipment</b>		
Land & Improvements	8,797,704	8,803,047

These financial statements have been prepared without conducting an audit or review engagement, and should be read in conjunction with the attached Compilation Report.

Plant and Equipment	1,666	2,072
<b>Total Property, Plant and Equipment</b>	<b>8,799,370</b>	<b>8,805,119</b>

2021                      2020

## 8. Maori Authority Credits

Opening Balance	-	121,739
<b>Plus</b>		
Provisional Tax Payments	-	2,298
Withholding Tax Paid	-	1,982
<b>Total Plus</b>	<b>-</b>	<b>4,280</b>
<b>Less</b>		
Prior Year Tax Refund	-	-
<b>Total Less</b>	<b>-</b>	<b>-</b>
<b>Total Maori Authority Credits</b>	<b>-</b>	<b>126,019</b>

## 9. Land

a. The latest government valuation of land and buildings dated 1 July 2018, was \$2,529,000.

Legal Description: A8 Block (MPDC) - N E PT TE HANGA A8 BLK XII TAPAPA SD (05321/571.00)

Total Area: 89.1761ha

Land Value: \$2,343,000

Improvements Value: \$186,000

b. The latest government valuation of land and buildings dated 1 July 2018, was \$854,000.

Legal Description: A9 Block (MPDC) - PT TE HANGA A9 BLK XII TAPAPA EAST SD (05321/573.00)

Total Area: 38.8703ha

Land Value: \$799,000

Improvements Value: \$55,000

c. The latest government valuation of land and buildings dated 1 July 2018, was \$1,013,000.

Legal Description: A9 Block (SWDC) - PT TE HANGA A9 BLK XII XVI TAPAPA EAST SD (05411-33500)

Total Area: 32.7952ha

Land Value: \$986,000

Improvements Value: \$27,000

d. The latest government valuation of land and buildings dated 1 July 2018, was \$2,475,000.

Legal Description: A10 Block (SWDC) - PT TE HANGA A10 BLKs XII XVI TAPAPA SD (05411/33800)

Total Area: 67.0825ha

Land Value: \$2,370,000

Improvements Value: \$105,000

These financial statements have been prepared without conducting an audit or review engagement, and should be read in conjunction with the attached Compilation Report.



e. The latest government valuation of land and buildings dated 1 July 2018, was \$1,820,000. (05411/33400)

Legal Description: T71 Block (SWDC) - PT SEC 71 BLK XII TAPAPA SD

Total Area: 99.4237ha

Land Value: \$1,740,000

Improvements Value: \$80,000

Draft

---

These financial statements have been prepared without conducting an audit or review engagement, and should be read in conjunction with the attached Compilation Report.