



ŌTAKI AND PORIRUA TRUSTS

ŌTAKI AND PORIRUA TRUSTS BOARD

PERFORMANCE REPORT

FOR THE YEAR ENDED 31 May 2024



ŌTAKI AND PORIRUA TRUSTS BOARD

PERFORMANCE REPORT

FOR THE YEAR ENDED 31 May 2024

CONTENTS	Page
NON FINANCIAL INFORMATION	
Trust Directory	1
Entity Information	2
Statement of Service Performance	3-4
FINANCIAL INFORMATION	
Statement of Comprehensive Revenue and Expenses	5
Statement of Changes in Net Assets	6
Statement of Financial Position	7
Statement of Cash Flows	8
Notes to the Financial Statements	9-22
Audit Report	23-25



**ŌTAKI AND PORIRUA TRUSTS BOARD
TRUST DIRECTORY
FOR THE YEAR ENDED 31 May 2024**

PRINCIPAL ACTIVITY	The Ōtaki and Porirua Trusts Board was established as a creation of the Ōtaki and Porirua Trusts Act 1943. The Board manages land in Ōtaki and the surrounding district, mainly managing a dairy farming operation and commercial rental properties. The Board has a responsibility to maintain the profitability and financial viability of these operations for the beneficiaries of OPTB. The beneficiaries of the OPTB are the children of Ngāti Raukawa, Ngāti Toa Rangatira and Te Atiawa through education scholarships.
PLACE OF BUSINESS	ŌTAKI AND PORIRUA TRUSTS BOARD OFFICE, 144 Tasman Road ŌTAKI
TRUSTEES	Rupene Waaka Chair Keelan Ransfield Anne Carter Denise Hapeta Mark Taratoa Arini Loader Te Ata Rikihana Roimata Ropata
ACCOUNTANTS	Winiata & Associates Chartered Accountant ŌTAKI
AUDITORS	Silks Audit Chartered Accountants Whanganui
SOLICITORS	Roger Hayman WELLINGTON



**ŌTAKI AND PORIRUA TRUSTS BOARD
ENTITY INFORMATION
FOR THE YEAR ENDED 31 May 2024**

The Ōtaki and Porirua Trusts Board was established by the Ōtaki and Porirua Trusts Act 1943
LEGAL NAME OF ENTITY ŌTAKI AND PORIRUA TRUSTS BOARD

TYPE OF ENTITY Charitable Trust and Registered Charity

REGISTRATION NUMBER CC29007

Contact details: Rupene Waaka Chair

Physical Address ŌTAKI AND PORIRUA TRUSTS BOARD OFFICE,
144 Tasman Road
ŌTAKI

Phone 06364 5060

This page should be read in conjunction with the notes to the Performance Report and accompanying audit report.



ŌTAKI AND PORIRUA TRUSTS BOARD

FOR THE YEAR ENDED 31 May 2024

Statement of Service Performance

E kore au e ngaro he kākano i ruia mai i Rangiātea

The Ōtaki and Porirua Trusts Board (ŌPTB) operates under its establishment legislation, the Ōtaki and Porirua Trusts Act 1943.

The ŌPTB is a confederation of three iwi Ātiawa, Raukawa and Toa Rangatira (ART).

Vision

To inspire and empower our rangatahi through innovative educational and business strategies.

Values

Kia pono – Be righteous
Kia tika – Be truthful
Kia aroha – Be loving

Kia whakanuia te mana me te tapu o te tangata, o te whenua, o te Atua

Objectives

To provide educational scholarships to Ātiawa, Raukawa and Toa Rangatira rangatahi (A.R.T)
To organise innovative leadership programmes for rangatahi
To strengthen the Board's Human, Land and Financial Resources

The ŌPTB provides strategic governance of land and assets, the proceeds from which are provided as educational scholarships.

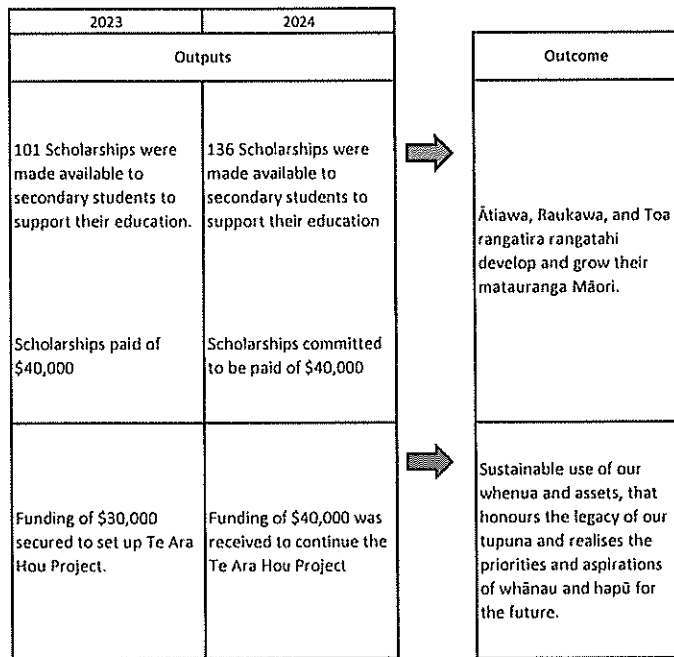
How does the ŌPTB work towards achieving its objectives?

The ŌPTB works towards achievement of its objectives by:

- Managing its farming and business operations in a way which is environmentally sustainable and profitable;
- Continuing to focus on a programme of debt reduction to ensure that the Board is well positioned to change and adapt to alternate land uses to realise the aspirations of our ART whānau, and ensure ongoing educational provision;
- Through partnering with the Māori Education Trust to maximise the amount of scholarship funding available annually for distribution;

- The provision of educational scholarships to ART rangatahi each year;
- Through working in partnership with Te Wānanga o Raukawa, Te Kura-ā-iwi o Whakatupuranga Rua Mano, Tū Roa Kōhanga Reo, Te Kura Kaupapa Māori o te Rito to realise the aspirations of our tupuna for our whenua tuku iho to be utilised for educational purposes for our tamariki, rangatahi and whānau;
- Through Te Ara Hou project set up in 2022 to consult with ART whānau and hapū and provide expert advice to the ŌPTB on medium to long-term alternate land use options by March 2024.

What were the key achievements for ŌPTB during the 2024 year?



ŌTAKI AND PORIRUA TRUSTS BOARD
STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSES
FOR THE YEAR ENDED 31 May 2024

	Note	31-May-24	31-May-23
REVENUE			
<i>Revenue from exchange transactions</i>			
Changes in livestock values	2.08	48,315	
Dividend income		152,775	78,462
Interest income		5,055	4,483
Livestock sales		492,677	561,694
Milkfat income		1,229,025	1,687,928
Rent received		666,152	462,364
Sundry income		136,666	9,130
Fair value of Investment revaluation		52,430	8,883
Grant received		40,000	
TOTAL REVENUE FROM EXCHANGE TRANSACTIONS		2,823,095	2,812,944
EXPENSES			
Farm Working	2.01	496,941	644,422
Repairs and Maintenance	2.02	347,640	280,978
Motor Vehicle	2.03	61,808	82,579
Administration	2.04	323,867	210,719
Interest expense	2.05	662,713	578,553
Standing charges	2.06	124,318	123,870
Volunteer/employee related payments	2.07	499,924	627,659
Changes in livestock values	2.08		195,420
Dairy livestock purchases	2.09	316,771	29,000
Depreciation	2.10	120,348	95,202
TOTAL EXPENSES		2,954,330	2,868,402
OPERATING SURPLUS / (DEFICIT) FOR THE YEAR		(131,235)	(55,458)
<i>Allocated in accordance with the Otaki and Porirua Trusts Act 1943.</i>			
Church of England fund (Section 12(3) OPTB 1943 Act)		(86,615)	(36,602)
Open schools fund (Section 12(4) OPTB 1943 Act)		(44,620)	(18,856)
		<u>(131,235)</u>	<u>(55,458)</u>
Other Comprehensive Income			
Revaluation of property, plant & equipment		0	751,639
			<u>751,639</u>
Total Comprehensive Income for the year		(131,235)	696,181

This page should be read in conjunction with the notes to the Performance Report and accompanying audit report.



ŌTAKI AND PORIRUA TRUSTS BOARD
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED 31 May 2024

TRUST FUNDS	31-May-24	31-May-23
Accumulated Funds		
Church of England fund (Section 12(3) OPTB 1943 Act)		
Opening balance	3,785,195	3,821,797
Surplus for year	(86,615)	(36,602)
Closing balance	<u>3,698,580</u>	<u>3,785,195</u>
Open schools fund (Section 12(4) OPTB 1943 Act)		
Opening balance	253,655	312,511
Surplus for year	(44,620)	(18,856)
Scholarships paid		(40,000)
Closing balance	<u>209,035</u>	<u>253,655</u>
Other Equity reserves		
Capital	2,804,658	2,804,658
Revaluation reserve		
Opening balance	13,535,670	12,784,031
Distributed from Operating surplus	-	751,639
Closing balance	<u>13,535,670</u>	<u>13,535,670</u>
Accumulated Funds	581,777	581,777
Section 12 Reserve	4,000	4,000
Contingencies Reserve	731,779	731,779
Property Repairs & Cyclical maintenance Reserve	198,096	198,096
Office Equipment Reserve	15,459	15,459
Farm Equipment Reserve	39,458	39,458
	<u>17,910,897</u>	<u>17,910,897</u>
TOTAL EQUITY / NET ASSETS	<u><u>21,818,512</u></u>	<u><u>21,949,747</u></u>

This page should be read in conjunction with the notes to the Performance Report and accompanying audit report.



ŌTAKI AND PORIRUA TRUSTS BOARD
STATEMENT OF FINANCIAL POSITION
As at 31 May 2023

	Note	31-May-24	31-May-23
TRUST FUNDS			
Accumulated funds			
Church of England fund (Section 12(3) OPTB 1943 Act)		3,698,580	3,785,195
Open schools fund (Section 12(4) OPTB 1943 Act)		209,035	253,655
Other Equity reserves		17,910,897	17,910,897
TOTAL TRUST FUNDS	6	21,818,512	21,949,747
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalents	3.1	261,786	479,428
Term Deposits/savings	3.2	1,164	1,165
Receivables and prepayments from Exchange transactions	3.3	328,861	509,295
Feed on hand	3.4	302,200	216,360
		894,011	1,206,248
NON CURRENT ASSETS			
Property plant and equipment	4.1	27,270,632	27,372,722
Investments	4.2	799,344	746,914
Livestock	4.3	1,079,245	1,030,930
TOTAL ASSETS		30,043,232	30,356,815
LIABILITIES			
CURRENT LIABILITIES			
Payables from Exchange transactions	5.1	293,008	379,964
Employee benefits	5.2	16,711	50,264
Hire Purchase	5.3	-	11,840
		309,719	442,068
NON CURRENT LIABILITIES			
Hire Purchase creditor	5.3	-	-
Loans and borrowings	5.4	7,915,000	7,965,000
TOTAL LIABILITIES		8,224,719	8,407,068
NET ASSETS		21,818,513	21,949,747

Rupene Waaka

Rupene Waaka
Board Chair

Anne Carter

Anne Carter
AIRC chair

28 November 2024

Date

This page should be read in conjunction with the notes to the Performance Report and accompanying audit report.



ŌTAKI AND PORIRUA TRUSTS BOARD
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 May 2024

	<u>31-May-24</u>	<u>31-May-23</u>
Cash flows from Operating Activities		
Cash was provided from:		
Milkfats Income	1,355,403	1,717,251
Dairy cattle sales	502,603	756,704
Lease Income	101,333	-
Rent received	619,058	436,156
Sundry income	131,611	9,130
Receipt of grant	40000	
Net GST		28,905
	<u>2,750,008</u>	<u>2,948,146</u>
Cash was applied to:		
Payment to employees	532,585	576,300
Payment to suppliers	2,411,904	2,173,216
Payment of scholarships	-	40,000
Costs of grant	64,761	15,342
Net GST	35,868	
	<u>3,045,118</u>	<u>2,804,857</u>
Net cash flows from Operating Activities	<u>(295,110)</u>	<u>143,289</u>
Cash flows from Investing Activities		
Cash was provided from:		
Maturing term deposits,savings	0	0
Dividend	152,775	78,462
Interest received	5,055	4,483
Sale of shares		
	<u>157,830</u>	<u>82,945</u>
Cash was applied to:		
Purchase livestock		
Purchase shares		
Purchase fixed assets	18,257	3,032
	<u>18,257</u>	<u>3,032</u>
Net cash flows from Investing Activities	<u>139,573</u>	<u>79,913</u>
Cash flows from Financing Activities		
Repay Westpac bank loan	(50,000)	(330,000)
Hire purchase repayments	(12,104)	(9,414)
Net cash flows from Financing Activities	<u>(62,104)</u>	<u>(339,414)</u>
Net change in Cash and cash equivalents	<u>(217,641)</u>	<u>(116,212)</u>
Opening cash balance	479,428	595,640
Closing cash balance	<u>261,787</u>	<u>479,428</u>
Bank balance	261,786	479,428

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ŌTAKI AND PORIRUA TRUSTS BOARD
NOTES TO ACCOUNTS
FOR THE YEAR ENDED 31 May 2024

STATEMENT OF ACCOUNTING POLICIES

1.1 Reporting Entity

The reporting entity is Ōtaki and Porirua Trusts Board ("the Board"). The Board is a body corporate with perpetual succession, and it is incorporated and governed by the Ōtaki and Porirua Trusts Act 1943.

The financial statements are presented for the year ended 31 May 2024. The financial statements and accompanying notes summarise the financial results of activities carried out by the Ōtaki and Porirua Trusts Board. The primary objective of the Ōtaki and Porirua Trusts Board is to provide education scholarships for the Board's beneficiaries, the beneficiaries being the children of Ngāti Raukawa, Ngāti Toa Rangatira and Te Atiawa. These financial statements have been approved and were authorised for issue by the Board of Trustees on 30 November 2024.

1.2. Statement of Compliance and Basis of Preparation

The financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice ("NZ GAAP"). They comply with Public Benefit Entity International Public Sector Accounting Standards ("PBE IPSAS") and other applicable financial reporting standards as appropriate that have been authorised for use by the External reporting Board for Not-For-Profit entities. For the purposes of complying with NZ GAAP, the Board is a public benefit entity and is eligible to apply Tier 3 Not-For-Profit PBE IPSAS on the basis that it does not have public accountability and does not have expenditure in excess of \$5 million. The Board has elected to report in accordance with Tier 3 Not-For-Profit PBE Accounting Standards and in doing so has taken advantage of all applicable Reduced Disclosure Regime ("RDR") disclosure concessions.

1.3 Measurement basis

These financial statements have been prepared on the historical cost basis except for Land (under the revaluation model) and Livestock in the statement of financial position which are measured at fair value.

1.4 Functional and presentation currency

These financial statements have been presented in New Zealand dollars and has been rounded to the nearest dollar.

1.5 Accounting Policies

The accounting policies detailed in the following notes have been applied consistently to all periods presented in these financial statements.

1.6 Use of judgements and estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates.

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

(a) Judgements

Judgements made in applying accounting policies that have had the most significant effects on the amounts recognised in the financial statements include the following:

Land and Buildings are revalued with sufficient regularity to ensure that their carrying amount does not differ materially from the assets' fair value and at least every three years to five years.

The carrying values of revalued assets are assessed annually to ensure that they do not differ materially from the assets' fair values. If there is a material difference, then the off-cycle asset classes are revalued.

(b) Estimates & Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Board based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Board. Such changes are reflected in the assumptions when they occur. There are no indications of decreases in land and building values in the region since last valuation date.

(c) Revaluation of Property, Plant & Equipment

The Board measures land and buildings at revalued amounts with changes in fair value being recognised in other comprehensive revenue and expense. Land and buildings were valued by reference to market-based evidence, using comparable prices adjusted for specific market factors such as nature, location and condition of the property.

(d) Useful Lives and Residual Values

The useful lives and residual values of assets are assessed using the following indicators to determine potential future use and value from disposal:



- The condition of the asset
 - The nature of the asset, its susceptibility and adaptability to changes in technology and processes
 - The nature of the processes in which the asset is deployed
 - Availability of funding to replace the asset
 - Changes in the market in relation to the asset

The estimated useful lives of the asset classes held by the Board are listed in Property, Plant & Equipment policy above.

1.7 Revenue

Revenue is recognised to the extent that it is probable that the economic benefit will flow to this entity and revenue can be reliably measured. Revenue is measured at the fair value of the consideration received. The following specific recognition criteria must be met before revenue is recognised.

1.8 Revenue Recognition

Revenue from Exchange Transactions

Dividend Income

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

Livestock Sale Income

Ōtaki and Porirua Trusts Board sells livestock to third-party buyers. The livestock revenue is recognised at the point in time that control is assumed by the buyer, being the date that the animal is killed. The amount of revenue recognised is based on the industry-accepted market price provided by the buyer.

Milkfat Income

Ōtaki and Porirua Trusts Board sells milk to a third-party buyer. The milk revenue is recognised at the point in time that control is assumed by the buyer, being the date of collection. Payment is paid on a per kg milksolids basis based upon the forecast milk price payable. Approximately 85% is received upon collection and the balance is deferred, spread over the months up to September following year end

Rent Received

Rental income is recognised on a straight-line basis over the term of the lease.

Sundry Income/Grazing

Revenue from other service is recognised when the services have been rendered to a third party. Sale of goods are recognised when goods are delivered.

1.9 GST

The Ōtaki and Porirua Trusts Board is registered for GST purposes. These financial statements have been prepared on a GST exclusive basis with the exception of Receivables and Payables which is shown as GST inclusive.

1.10 Taxation

Ōtaki and Porirua Trusts Board is wholly exempt from NZ income tax having fully complied with all statutory conditions for these exemptions.

1.11 Cash and Cash Equivalents

Bank accounts and cash are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

1.12 Inventories Livestock

Inventories being Livestock and Feed is measured at fair value being the market value as agreed by the Board. The Board has agreed the market value for the classes of livestock and Feed as valued by Ron Halford (Independent farm consultant).

1.13 Property plant and equipment

Items of property plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditure attributable to the acquisition of the asset. Where an asset is donated to the entity its cost is measured at its current value as at the date of acquisition.

Depreciation is charged at rates calculated to allocate the cost or valuation of the asset less any residual value over its remaining life, except for land which is not depreciated.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if there is a change in the expected pattern of consumption of future economic benefits or service potential embodied in the asset.

Land was revalued in 2022 using an independent valuer.

1.14 Net Finance costs

All borrowing costs are expensed in the period they are incurred.



1.15 Depreciation

Depreciation is recognised in the deficit on a diminishing value basis over the estimated life of each item of property, plant, equipment and vehicle. Land and buildings are not depreciated.

1.16 Related Parties transactions

All transactions made by Ōtaki and Porirua Trusts Board are completed under normal trade terms and conditions.

Key management personnel remuneration:

The board classifies its key management personnel into one of two classes

- 1 Members of the governing board
- 2 General manager and staff

Members of the government board are not paid an honoraria but are reimbursed travel expenses.

1.17 Financial Assets

Financial assets within the scope of NFP PBE IPSAS 29 Financial Instruments: Recognition and Measurement are classified as financial assets at fair value through surplus or deficit, loans and receivables, held-to-maturity investments, or available-for-sale financial assets. The classifications of the financial assets are determined at initial recognition.

The categorisation determines subsequent measurement and whether any resulting revenue and expense is recognised in surplus or deficit or in other comprehensive revenue and expenses. The Board's financial assets are classified as either financial assets at fair value through surplus or deficit, or loans and receivables. The Board's financial assets include cash and cash equivalents, short-term investments, receivables from non-exchange transactions, receivables from exchange transactions and investments.

All financial assets except for those at fair value through surplus or deficit are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets which are described below.

Financial Assets at Fair Value Through Surplus or Deficit

Financial assets at fair value through surplus or deficit include items that are either classified as held for trading or that meet certain conditions and are designated at fair value through surplus or deficit upon initial recognition.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, these are measured at amortised cost using the effective interest method, less any allowance for impairment. The Board's cash and cash equivalents, short-term investments, receivables from non-exchange transactions, receivables from exchange transactions and non-equity investments fall into this category of financial instruments.

Impairment of Financial Assets

The Board assesses at the end of reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated.

For financial assets carried at amortised cost, if there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The amount of the loss is recognised in the surplus or deficit for the reporting period.

In determining whether there is any objective evidence of impairment, the Board first assesses whether there is objective evidence of impairment of financial assets that are individually significant, and individually or collectively significant for financial assets that are not individually significant. If the Board determines that there is no objective evidence of impairment for an individually assessed financial asset, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment for impairment.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed by adjusting the allowance account. If the reversal results in the carrying amount exceeding its amortised cost, the amount of the reversal is recognised in surplus or deficit.



Financial Liabilities

The Board's financial liabilities include trade and other creditors (excluding GST and PAYE), employee entitlements, loans and borrowings and deferred income (in respect to grants whose conditions are yet to be complied with). All financial liabilities are initially recognised at fair value (plus transaction cost for financial liabilities not at fair value through surplus or deficit) and are measured subsequently at amortised cost using the effective interest method except for financial liabilities at fair value through surplus or deficit.

1.18 Employee Entitlements

Employee benefits, previously earned from past services, that the Board expects to be settled within 12 months of reporting date are measured based on accrued entitlements at current rates of pay.

1.19 Change In Accounting Policies

There have been no change in accounting policies since the previous year



ŌTAKI AND PORIRUA TRUSTS BOARD
 NOTES TO ACCOUNTS
 FOR THE YEAR ENDED 31 May 2024

	31-May-24	31-May-23
2 Expenses		
2.01 Farm Working		
Animal Health	132,691	125,571
Artificial Breeding	28,558	38,591
Calf rearing	33,237	26,386
Cartage	33,492	31,487
Electricity	43,250	50,653
Grazing/Feed	148,909	224,695
Shed expenses	13,365	30,525
Spray and Fertiliser	35,791	102,244
Seed	24,071	13,562
Sundry	3,577	707
	<u>496,941</u>	<u>644,422</u>
2.02 Repairs and Maintenance		
Farm Working	254,343	240,243
Rental properties	93,297	40,735
	<u>347,640</u>	<u>280,978</u>
2.03 Motor Vehicle Expenses	61,808	82,579
2.04 Administration		
Accountancy/Consultancy & legal	126,984	78,091
Audit	11,900	250
General,office,stationery,telephone	54,831	49,861
Insurance	80,085	65,761
Valuations	(36)	16,756
Project costs	50,103	
	<u>323,867</u>	<u>210,719</u>
2.05 Interest Expense	662,713	578,553
2.06 Standing charges		
Lease	33,194	34,120
Rates	91,124	89,750
	<u>124,318</u>	<u>123,870</u>



2.07 Volunteer/Employee related expenses		
ACC levies	12,575	16,082
Meeting	(278)	7,048
Staff training	802	8,700
Salaries & Wages	486,825	595,829
	<u>499,924</u>	<u>627,659</u>
2.08 Changes in livestock values	48,315	- 195,420
2.09 Dairy livestock purchases	316,771	29,000
2.10 Depreciation/Asset Impairment		
Depreciation	120,348	93,322
Loss on disposal		1,881
	<u>120,348</u>	<u>95,202</u>
2.11 Grants made		
Grants		<u>(40,000)</u>
3 Current Assets		
3.1 Bank account and cash		
<p>Ōtaki and Porirua Trusts Board has an overdraft facility with Westpac New Zealand Limited with a limit of \$50,000. Ōtaki and Porirua Trusts Board also has a credit card facility with Westpac New Zealand Limited with a limit of \$2,500.</p>		
ANZ Current	235	235
Westpac Bank	261,551	479,193
	<u>261,786</u>	<u>479,428</u>
3.2 Term deposits/Savings		
ANZ	82	83
Westpac	1,082	1,082
	<u>1,164</u>	<u>1,165</u>
3.3 Receivables and Prepayments		
Milkfat income	58,866	100,012
Milkfat income Retro payments	206,301	341,435
Rent received		26,501
Livestock sales	21,480	32,895
Valuation reimbursed		8,453
GST refund	42,214	
	<u>328,861</u>	<u>509,295</u>
3.4 Feed on hand	302,200	216,360

4 Non Current Assets

4.1 Property Plant and Equipment

	Land and buildings	Motor Vehicle	Office Equipment	Farm Equipment	Total
31-May-24					
Opening cost	27,345,186	448,162	16,270	137,333	27,946,951
Additions		18,257			18,257
Revaluation May 2024					-
Disposals					0
Opening Accum depn	(98,332)	(355,048)	(13,716)	(107,132)	(574,228)
Depreciation	(84,075)	(28,956)	(1,277)	(6,040)	(120,348)
Closing balance	<u>27,162,779</u>	<u>82,415</u>	<u>1,277</u>	<u>24,161</u>	<u>27,270,632</u>

	Land and buildings	Motor Vehicle	Office Equipment	Farm Equipment	Total
31-May-23					
Opening cost	26,625,475	494,362	13,238	137,333	27,270,408
Additions			3,032		3,032
Revaluation May 2023	751,639				751,639
Disposals		(1,881)			(1,881)
Accumulated depn	(78,748)	(366,652)	(12,172)	(99,582)	(557,154)
Depreciation	(51,512)	(32,716)	(1,544)	(7,550)	(93,322)
Closing balance	<u>27,246,853</u>	<u>93,113</u>	<u>2,554</u>	<u>30,201</u>	<u>27,372,722</u>

In 2017 the Ōtaki and Porirua Trust Board purchased a major block of land in Manakau Levin. This block was a significant purchase for the Board and required bank financing, and as a result the Board needed to exercise its Rangatiratanga. The Board decided to revalue the existing lands, the lands being Ōtaki Crown grant land, Waikawa block, College estate, and Rangiuru Block.

The financial statements for the year ended 31 May 2018 including these values and the method of valuation for Revaluation Reserve were audited by Jefferies Nock Chartered Accountants Hamilton.



Waikawa Land was since been independently valued and was valued at \$2,151,000 as at 28 June 2017 by BakerAg, registered valuers, to comply with the Property Institute of New Zealand's Professional Practice Standards and International Valuation Standards. The valuation has been undertaken by Fergus Rutherford who provides this objective and unbiased valuation. The valuer has no material connection with the instructing party and has the appropriate qualifications and experience to undertake the valuation. All properties were valued at their market value. Market value is defined in the International Valuation Standards 2017 as: "The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties have each acted knowledgeably, prudently and without compulsion."

College Estate was independently valued at \$5,000,000. This value was considered to be the market value as at 31 May 2018. The market value is defined in the International Valuation Standards 2017 as: "The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties have each acted knowledgeably, prudently and without compulsion." Although the original valuations can not be located the valuation was audited by Jefferies Nock Hamilton.

Tikorangi Block was independently valued. The Tikorangi block was valued at \$10,542,000 as at 30 November 2021 by BakerAg, registered valuers, to comply with the Property Institute of New Zealand's Professional Practice Standards and International Valuation Standards. The valuation has been undertaken by Fergus Rutherford who provides this objective and unbiased valuation. The valuer has no material connection with the instructing party and has the appropriate qualifications and experience to undertake the valuation. All properties were valued at their market value. Market value is defined in the International Valuation Standards 2017 as: "The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties have each acted knowledgeably, prudently and without compulsion."

Ōtaki Land -Crown Grant was independently valued at \$8,274,000 as at 12 April 2023 by BakerAg, registered valuers, to comply with the Property Institute of New Zealand's Professional Practice Standards and International Valuation Standards. The valuation has been undertaken by Fergus Rutherford who provides this objective and unbiased valuation. The valuer has no material connection with the instructing party and has the appropriate qualifications and experience to undertake the valuation. All properties were valued at their market value. Market value is defined in the International Valuation Standards 2017 as: "The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties have each acted knowledgeably, prudently and without compulsion."



120 Rangiuru Road Ōtaki was independently valued at \$975,000 as at 12 April 2023 by BakerAg, registered valuers, to comply with the Property Institute of New Zealand's Professional Practice Standards and International Valuation Standards. The valuation has been undertaken by Fergus Rutherford who provides this objective and unbiased valuation. The valuer has no material connection with the instructing party and has the appropriate qualifications and experience to undertake the valuation. All properties were valued at their market value. Market value is defined in the International Valuation Standards 2017 as: "The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties have each acted knowledgeably, prudently and without compulsion."



	31 May 2024	31 May 2023
4.2 Investments		
Fonterra shares at fair value	748,215	695,785
Ravensdown Corp shares at fair value	38,140	38,140
Farmlands Coop at fair value	2,869	2,869
LIC shares at fair value	10,120	10,120
	<u>799,344</u>	<u>746,914</u>
4.3 Livestock		
MA Cows	839,800	853,200
R2yr Cattle		
R1yr Cattle	239,445	177,730
Calves	-	-
Bulls	-	-
	<u>1,079,245</u>	<u>1,030,930</u>
4.3a Reconciliation of Livestock		
Opening value	1,030,930	1,226,350
Sales	(492,677)	(561,694)
Purchases	316,771	29,000
Change in fair value	48,315	(195,420)
Change re Natural increases/decreases	175,906	532,694
	<u>1,079,245</u>	<u>1,030,930</u>
5.1 Liabilities		
Creditors	179,872	244,481
GST Payable		43,562
Prepaid income received	73,709	52,493
Accrued Interest	39,427	39,428
	<u>293,008</u>	<u>379,964</u>
5.2 Employee benefits		
Holiday pay accrual	<u>16,711</u>	<u>50,264</u>



	31 May 2024	31 May 2023
5.3 Hire Purchase		
Current	-	11,840
Non current	<u>-</u>	<u>11,840</u>

Vehicle leases (2018 Ford Ranger XLT) are for a 60 month period financed through UDC Finance Limited. UDC also has securities registered over Ōtaki and Porirua Trust's 2018 Ford Ranger XLT via security agreement. The vehicle lease was fully repaid during the year.

5.4 Non current liabilities		
Westpac	7,915,000	7,965,000

The Westpac Term Loan-93 had repayments during the year of \$50,000. The balance of Westpac Term Loan -93 as at 31 May 2024 was \$2,050,000. The loan maturity date is 2 August 2024. Interest rate as at 31 May 2024 is 8.70%. Interest is charged monthly to current account.

Westpac Term Loan-94 and Term Loan 95 were combined with a balance of \$5,865,000 as at 31 May 2024. The loan maturity date is 2 August 2024. The loan has an Interest only expiry of 2 August 2024 and Fixed rate expiry of 1 July 2024. Interest rate as at 31 May 2024 is 8.70%. Interest is charged monthly to the current account.

6 Accumulated Funds

Church of England fund (Section 12(3) OPTB

1943 Act)	3,698,580	3,785,195
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This fund was set up in 1943 under the OPTB 1943 Act to transfer the Ōtaki Land Crown grant to the OPTB Trust

Open schools fund (Section 12(4) OPTB 1943

Act)	209,035	253,655
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This fund was set up in 1943 under the OPTB 1943 Act to transfer the Ōtaki Land Crown grant to the OPTB Trust

Capital	2,804,658	2,804,658
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This fund was set up in 1943 under the OPTB 1943 Act to transfer the Ōtaki Land Crown grant to the OPTB Trust.

Revaluation reserve	13,535,670	13,535,670
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This fund was set up in 2018 for the revaluation of land and buildings that are measured at fair value after initial recognition. It has adjusted in 2022 for the revaluation of the Tikorangi Block.

Accumulated Funds	581,777	581,777
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This fund was set up in 1943 under the OPTB 1943 Act to transfer the Ōtaki Land Crown grant to the OPTB Trust

Section 12 Reserve	4,000	4,000
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This fund was set up in 1943 under the OPTB 1943 Act to transfer the Ōtaki Land Crown grant to the OPTB Trust



Contingencies Reserve	731,779	731,779
This fund was set up in 1943 under the OPTB 1943 Act for unexpected requirements		
Property Repairs & Cyclical maintenance Reserve	198,096	198,096
The purpose of the Property repairs and Cyclical maintenance reserve is to make adequate provision for the maintenance of the buildings.		
Office Equipment Reserve	15,459	15,459
The trustees of the OPTB intended to maintain this fund to purchase office equipment		
Farm Equipment Reserve	39,458	39,457
The trustees of the OPTB intended to maintain this fund to purchase farm equipment		
	<u>21,818,512</u>	<u>21,949,746</u>

7 Other

7.1 Related Parties Transactions

There were no material related party transactions during the year. (last year: nil)

7.2 Contingent Liabilities

There were no contingent liabilities as at 31 May 2024. (last year nil)

7.3 Capital Commitments

The Board has made a commitment to the Te Ara Hou project of \$100,000 for the feasibility study regarding the OPTB lands. \$30,000 in funding has been received in the 2022 financial year from the JR McKenzie Trust to set up this project with \$15,342 being spent as at 31 May 2023. A further \$40,000 of grant funding was received during the 2024 financial year for the project with costs of \$50,103 being incurred in 2024

7.4 Events after balance date

The loan documents with Westpac Banking Corporation were signed after balance date on 14 August 2024. The loans have been extended to 2 August 2026.

Subsequent to balance date a personal grievance was lodged against the Trust. The cost of the claim at the date of signing is unknown.

7.5 Assets used as security

There is security over certain land blocks for the Westpac Bank Term Loan in order to purchase the Farm at Manakau, Levin.

Westpac New Zealand Limited have the following securities registered over Ōtaki and Porirua Trust Board:

Registered first mortgage over 62.1902 ha situated 134 Waikawa Beach Road, Ōtaki, as legally described in Certificate of Title WN179418.

Registered first mortgage over 9.042 ha situated 120 Rangiora Road, Ōtaki Beach, as legally described in Certificate of Title WN888861.



Registered first mortgage over 208.4608 ha situated 770 SH1 Manukau, as legally described in Certificates of Title WN22D/504, 280/217, 284/16, 388/44, 434/274, 434/86, 539/151, 539/152, 541/29.

Specific Security Agreement dated 31 July 2017 held over Livestock and all present and after acquired property which is proceeds.

Specific Security Agreement dated 31 July 2017 held over Fonterra Shares and all present and after acquired property which is proceeds.

Securities registered over Goods- Livestock as well as all present and after acquired personal property of Ōtaki and Porirua Trust Board.

ANZ Bank New Zealand Limited have a security registered over the investment securities (Term Deposit) of Ōtaki and Porirua Trust Board.

NZ Farmers Livestock Ltd has securities registered over Goods- Livestock as well as all present and after acquired personal property of Ōtaki and Porirua Trust Board.

NZ Farmers Livestock Finance Ltd has securities registered over Goods- Livestock as well as all present and after acquired personal property of Ōtaki and Porirua Trust Board.

7.6 Significant grants and donations with conditions

JR McKenzie Trust made a grant to OPTB for \$30,000 towards the Te Ara Hou project in 2022. The Te Ara Hou Project is a feasibility study commissioned on the OPTB lands. This project will end 31 March 2024.

7.7 Key Management Personnel	31-May-24	31-May-23
Leadership team/ General Manager	\$ 336,930	\$ 336,930
Full time equivalent members	2	2

There were no payments to the Board for Board fees but some Board members did claim travel reimbursement.



7.8 Operating Commitments

Ōtaki and Porirua Trust Board currently holds 4 leases over land. These are reviewed every 12 months.

	31-May-24	31-May-23
Not later than one year	\$ 34,120	\$ 34,120
Later than one year and not later than five years	\$ -	\$ -
Later than five years	\$ -	\$ -

7.9 Operating lease income

The Ōtaki and Porirua Trust Board leases its lands to Te Wānanga o Raukawa, the Ministry of Education and Woodhaven Gardens Limited. The Ōtaki and Porirua Trust Board is confident with the lease to Te Wānanga o Raukawa that the whakapapa and whanaungatanga of the two organisations is such that there is no risk to one or the other choosing to withdraw from the relationship. The lease of lands and buildings is non-cancellable and is viewed to be a relationship in perpetuity.

Lease revenue from operating leases shall be recognised as revenue on a straight-line basis over the lease term. The lease of land and buildings to Te Wānanga o Raukawa is currently being negotiated and hence there is no commitment. Therefore this lease has not been included in the Operating Lease income total. The leases to MoE is currently being negotiated. The lease to Woodhaven Gardens Limited is a 3 year lease and will expire 1 June 2023.

	31-May-24	31-May-23
Not later than one year	\$ 125,436	125,436
Later than one year and not later than five years	\$ 125,436	125,436
Later than five years	\$ -	-

7.10 Categories of Financial Assets and Liabilities:

	31-May-24	31-May-23
Financial Assets		
Cash and Cash Equivalents	261,786	479,428
Term Deposits	1,164	1,165
Investments	799,344	746,914
Receivables		
Receivables from exchange Transactions	328,861	509,295
Total Financial Assets	<u>1,391,154</u>	<u>1,736,802</u>
Financial Liabilities		
Payables Under exchange transaction	293,008	379,964
Employee Entitlements	16,711	50,264
Hire Purchase	-	11,840
Loans and Borrowings	7,915,000	7,965,000
Total Financial Liabilities	<u>8,224,719</u>	<u>8,407,068</u>

INDEPENDENT AUDITOR'S REPORT

To the Trustees of the Ōtaki and Porirua Trusts Board

Report on the Performance Report

We have audited the performance report of the Ōtaki and Porirua Trusts Board (Trust) on pages 2 to 22 which comprises the entity information, the statement of service performance, the statement of comprehensive revenue and expenses, statement of changes in net assets and statement of cash flows for the year ended 31 May 2024, the statement of financial position as at 31 May 2024, and the statement of accounting policies and other explanatory information.

In our opinion:

In our opinion the accompanying performance report except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, presents fairly, in all material respects:

- a) the entity information and service performance for the year ended 31 May 2024 in that the service performance information is appropriate and meaningful and prepared in accordance with the entity's measurement bases or evaluation methods;
- b) the financial position of the Ōtaki and Porirua Trusts Board as at 31 May 2024, and the statement of financial performance and cashflows for the year ended in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) issued by the New Zealand Accounting Standards Board.

Basis for Qualified Opinion on Statement of Comprehensive Revenue and Expenses and Statement of Financial Position

There was insufficient current market information for the carrying values of the College Estate amount of \$5,000,000 disclosed within Property, Plant & Equipment to assess whether there is any impairment or adjustment to be made to these carrying values.

We conducted our audit of the financial statements in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)) and the audit of the service performance in accordance with the ISAs (NZ) and New Zealand Auditing Standard (NZ AS) 1 (Revised) *The Audit of Service Performance Information*. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Performance report* section of our report. We are independent of the entity 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 Ōtaki and Porirua Trusts Board.

Other Information

The Trustees are responsible on behalf of the Trust for the other information. The other information comprises the Trust Directory but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If based, on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Trustees for the Performance Report

The Trustees are responsible for the preparation of the performance report in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) issued by the New Zealand Accounting Standards Board.

- (a) The selection of elements/aspects of service performance, performance measures and/or descriptions and measurement bases or evaluation methods that present service performance information that is appropriate and meaningful in accordance with the applicable performance reporting framework, The preparation and fair presentation of service performance information in accordance with the entity's measurement bases or evaluation methods, in accordance with the applicable performance reporting framework; The overall presentation, structure and content of the service performance information in accordance with the applicable performance reporting framework; and;
- (b) the preparation and fair presentation of the performance report on behalf of the entity which comprises:
 - the entity information;
 - the statement of service performance; and
 - the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) issued by the New Zealand Accounting Standards Board, and
- (c) such internal control as the Trustees determine is necessary to enable the preparation of the performance report that is free from material misstatement, whether due to fraud or error.

In preparing the performance report, the Trustees are responsible on behalf of the Ōtaki and Porirua Trusts Board for assessing the entity'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 Ōtaki and Porirua Trusts Board or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Performance Report

Our objectives are to obtain reasonable assurance about whether the performance report as a whole is 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) and NZ AS 1 (Revised) 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 or collectively, they could reasonably be expected to influence the decisions of users taken on the basis of this performance report.

A further description of the auditors responsibilities for the audit of the financial statements is located at the External Reporting Board's website at:

<http://www.xrb.govt.nz/standards-for-assurance-practitioners/auditors-responsibilities/audit-report-18/>

Restriction on Responsibility

This report is made solely to the trustees, as a body, in accordance with section 42F of the Charities Act 2005. Our audit work has been undertaken so that we might state to the trustees those matters 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Cameron Town
Silks Audit Chartered Accountants Ltd
Whanganui, New Zealand
Date: 28 November 2024

