

2022 Annual Report

Morikaunui Incorporation

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Morikaunui Incorporation

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of the **Morikaunui Incorporation** will be held on Friday the 18th of November 2022 at the Whanganui Racecourse starting at 10:00am.

AGENDA

1. Mihimihi and karakia (Turama Hawira)
2. Apologies (provided prior to the meeting) – “Accept apologies”
3. Minutes of the 2021 AGM: “That the Minutes as circulated are a true and correct record.”
4. Matters arising
5. Chairman’s Report. “That the Chairman’s report be received.”
6. Financial Report (Glenn Brown). “That the Financial report be received.”
7. Appointment of Auditor: There having been no other nomination for the position of auditor and in the absence of a notice in writing advising that they do not wish to be re-appointed, Spooner, Hood & Redpath Ltd are automatically re-appointed pursuant to s277 (2) of the Act.
8. Appointment of Share Valuer: Doyle & Associates Ltd have offered themselves for election. “That pursuant to s278 of the Act, Doyle & Associates Ltd be appointed as Share Valuer.”
9. Dividend
“That the payment of a dividend of \$4.00 per share from Reserves accumulated prior to 30 June 2004 as recommended by the Committee of Management be approved pursuant to s259 (1c) of the Act.”
10. Charitable purposes payments
“That pursuant to s259(1d) of the Act it is hereby authorised that a payment being the greater of \$12,500 or 5% of reported profit be made to The Whanganui Trust to assist with the delivery of its charitable activities and sums totalling no more than \$13,000 be made on account of Education Scholarships.”
11. Kaumatua koha
“That pursuant to s259(1d) of the Act it is hereby authorised that a grant in the sum of \$50 towards travel costs be paid by direct credit to any shareholder or shareholding Trust beneficiary attending this meeting who was born on or before the 1st of November 1962.”
12. Committee of Management remuneration (See *explanation included in the meeting papers.*)
“That the meeting fees paid to the committee members for attendance at meetings be set at \$400 with the chairman continuing to be paid 50% more, ie \$600.”
13. Committee of Management (*Biographies are included in the meeting papers*)
Committee member Bobby Gray passed away during the year and Kataraina Millin and William Konui retire by rotation. Both offer themselves for re-election. Hera Smith and Tāwhiao McMaster have been nominated for the committee. With four candidates for three positions, an election is required.
14. Special Resolution (*see explanation and detailed changes included in the meeting papers*)
“That in order to authorise the use of electronic communications, permit virtual shareholder participation at meetings and bringing the Notice period for Special Resolutions into line with the Act, with notice having been given pursuant to s246 of Te Ture Whenua Māori Act 1994, the amendments to the Constitution highlighted in the extracts include with the notice, specifically relating to Rules 1(1), 2(2) & (3), 3(4)(b) (c) & (d), 5, 12(1), 13(a), 17(1-4) & (7), be hereby approved.”

The Whanganui Trust

The Trust Deed requires that the Trustees report to the Morikau meeting.

1. Chairman’s Report
2. Financial Report
3. Resolution: “That Te Aroha McDonnell be reappointed as a trustee.”

Harvey Bell
Secretary

Morikaunui Incorporation

Minutes of the Annual General Meeting held via Video/Teleconferencing on Thursday 2nd December 2021 commencing at 10:00 am.

1. Mihimihi and Karakia

Turama Hawira delivered the Mihimihi and then the Karakia to start to meeting.

2. Apologies

There were apologies tabled.

“That the apologies be accepted.” Hari Benevides/Harvey Bell Carried

Minutes of the 2020 AGM

“That the Minutes as circulated are a true and correct record.” Hari Benevides/Kataraina Millin Carried

Matters arising

There were no matters arising

Chairman’s Report:

The chairman made the following points:

- It is unfortunate that we have to again have a virtual meeting but we need to make a final decision six weeks out so could not risk the possibility of a late cancellation due to COVID restrictions;
- Under the COVID protocols, farming was deemed an essential service, so we have still been able to operate;
- Pleased to be able to report another record profit of just under \$900,000, a \$200k increase on last year;
- While the coming year looks good at this stage, there are plenty of possible headwinds, not the least of which are shipping issues for our exports;
- Wool is starting to show signs of increased demand, the first for some time for ages;
- The biggest impact on financial performance is ever rising costs, fuelled by shipping in particular, eg 400% increase for fertiliser;
- We are continuing to invest in the station with more water reticulation, sub-division and re-grassing planned.

“That the Chairman’s report be received.” Bobby Gray/Turama Hawira Carried

Financial Report (Glenn Brown):

Glenn highlighted the following:

- The gross income was \$3.4m;
- Of this 61% was from sheep, 30% from cattle with wool and sundry income at 9%;
- For context, 2016 gross income was \$1.9m;
- Total cash expenses were \$2.4m with \$2.05 relating to the farming operation;
- Net profit was \$900k;
- Net Assets \$16.6m.

“That the Financial report be received.” Harvey Bell/Turama Hawira Carried

Appointment of Auditor:

There having been no other nomination for the position of auditor and in the absence of a notice in writing advising that they do not wish to be re-appointed, Spooner, Hood & Redpath Ltd are automatically re-appointed pursuant to s277 (2) of the Act.

Morikaunui Incorporation

Appointment of Share Valuer: Doyle & Associates Ltd have offered themselves for election.

“That pursuant to s278 of the Act, Doyle & Associates Ltd be appointed as Share Valuer.”

Hari Benevides/Jimmy Edmonds Carried

Dividend:

“That the payment of a dividend of \$4.00 per share from Reserves accumulated prior to 30 June 2004 as recommended by the Committee of Management be approved pursuant to s259 (1c) of the Act.”

Hari Benevides/Jimmy Edmonds Carried

Charitable purposes payments”

“That pursuant to s259(1d) of the Act it is hereby authorised that a payment being the greater of \$12,500 or 5% of reported profit be made to The Whanganui Trust to assist with the delivery of its charitable activities and sums totalling no more than \$13,000 be made on account of Education Scholarships.”

Hari Benevides/Rehara Tamehana Carried

Committee of Management (two positions):

Jimmy Edmonds and Turama Hawira retire by rotation and both offer themselves for re-election. Siani Walker has been nominated for the committee. An election is therefore required.

The two highest polling candidates were Turama Hawira and Siani Walker so they were declared duly elected.

The Whanganui Trust

The Trust Deed requires that the Trustees report to the Morikau meeting.

Chairman’s Report:

The chairman reported that as usual, education assistance was the main activity for the trust and that it was very pleasing to see the range of professional qualifications being sought and the high grades being achieved.

Financial Report:

Total income (<i>interest and dividends</i>)	\$94k
Operating costs (mostly compliance)	\$25k
Grants	\$37k
Surplus for the year	\$31k
Total Equity	\$964k

Each year there is a trustee appointed at the Morikau AGM.

“That Te Aroha McDonnell be reappointed as a trustee.”

Hari Benevides/Jimmy Edmonds Carried

END

Chairman's Report

Tēnā koutou ngā rangatira

We are pleased to be able to hold this AGM in person after 2 years of virtual meetings.

There will be those who may still be wary of attending large gatherings in the absence of masks. While wearing of masks is encouraged for those having concerns, we are offering the option of being able to participate in the physical meeting via Zoom this year. This will also enable participation of those for whom travel is not feasible

Until we've updated our constitution, (a Special Resolution to make such changes is on this year's Agenda), those on Zoom will not be able to vote at the meeting (*the last two years were possible because of temporary enabling legislation*). As in the past, a directed proxy appointment (ie the shareholder instructs the proxy how to vote) to the administrator is an option to ensure that each shareholder's voice can be heard.

While it doesn't permit participation, there will also be livestreaming via Facebook. The instructions in both these cases are included in the meeting papers mailed out.

He Pūtea (Financial)

In spite of COVID around the globe and more recently the war in Ukraine, the markets for NZ beef and lamb have held up remarkably well. This has been fortunate because the price rises for key inputs have risen at unprecedented rates. For example, over the last two years the price of diesel has risen by nearly 250% and 91 Octane petrol by over 167% (cushioned by the reduction in excise duty until January next year).

The largest input cost a farming operation such as Morikau Station faces is wages and these have had to increase to meet the market. Covering for illness has also contributed to an overall increase.

The cost of fertiliser continues to increase as does the freight to the Station and the costs of aerial application. We also have a deferred cost of \$255,400 for fertiliser applied earlier to avoid a 30% cost increase.

Porina damage to pasture necessitated re-sowing 400 ha which cost approximately \$100,000.

Despite these unexpected costs we are pleased to report a profit of \$343k after everything has been taken into account.

He Titiro Whakamura (The Year in Review)

We had over 400ml of rain in June/July. This caused considerable damage to crossings, culverts and fences on hillsides that slipped.

Our lambing and calving percentages continue to improve. The management of feed becomes ever more critical as more mouths appear and the unknown each year is the degree of cooperation from the weather. Spring weather coming two weeks late can have a major adverse impact. The Manager's decision to lamb later this year was the right call and took the pressure of feed availability at a critical time.

The subdivision fencing at the Mokonui side of the station is well under way

He Anga Whakamuri (The Year Ahead)

We face significant challenges as we go forward with the implementation of a multitude of new regulations relating to the environment, including climate change. The agricultural sector's response to the Zero Carbon legislation is characterised in a proposal under the He Waka Eke Noa banner. The government is due to respond in December. In the meantime we are working on a proposal to retire some of our most unproductive land and plant trees from which we can generate income under the Emission Trading Scheme.

2023 Annual General Meeting

Catering for the AGM is for those that attend the meeting but this is not always the case. The numbers swell considerably from 11 am onwards. With catering costs increasing and the difficulty in estimating numbers, there will be a new process, starting next year. Shareholder attendees including Trust beneficiaries will receive their lunch voucher upon registration by 10.30am.

The Whanganui Trust

The Trust reports to the Morikau meeting and that will occur again this year. The booklet is distributed only to those in attendance although there is an extract in the Morikau booklet. There is a full copy posted on the Website.

He Haerenga (Station Visit)

We are planning a Station visit for late February or early March. Numbers will be limited and there will be a registration page on the website from mid-January. We are exploring a Saturday or Sunday visit to allow those who are working to attend. We will finalise a date by February 10 2023.

He Tangata (The people)

It is with great sadness that we report Bobby Gray's passing earlier this year. He has been a valuable member of our committee since 2007 and is sadly missed.

I also acknowledge Jimmy Edmond's whose dedication and knowledge has contributed to the growth and development of Morikau.

I express my gratitude to the following:

The Committee of Management and The Whanganui Trust, Trustee Te Aroha McDonnell, on accepting the responsibility placed on us as kaitiaki of our Taonga remain committed to doing the very best.

Ngā mihi Hamish and Katrina (who is our H&S officer). To our staff and their dedication to Hamish's guidance, hard work and aroha for Morikau, ngā mihi.

In the past Hamish has hired the locals for casual work, eg, crutching, shearing and docking. It is disheartening that the number wanting work has dropped off considerably so we are back with a shearing contractor, however locals are employed whenever possible

Our accountancy firm Doyle and Associates for the administration work. To Glenn Brown, our accountant and Rehara Tamehana, our Kaiwhakahaere, ngā mihi.

On behalf of the Committee of Management and Te Aroha, I wish you all good health and well-being for the days and year ahead. Ngā mihinui.

Kia tau aku pitopito korero ki konei tēnā koutou tēnā tātou katoa.



Hari Benevides (Ms)

Financial Statements

Morikaunui Incorporation
For the year ended 30 June 2022

Prepared by PKF Doyle and Associates The Accountants Ltd

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Directory

Morikaunui Incorporation For the year ended 30 June 2022

Nature of Business

Sheep and Beef Farming

Registered Office

32 Taupo Quay
Whanganui 4501

IRD Number

022-330-322

Committee of Management

Hari Benevides (Ms) - Chairperson
William (Bill) Konui
Turama Hawira
Kataraina Millin
Harvey Bell
Siani Walker
Jimmy Edmonds (until November 2021)
Robert Gray (until April 2022)

Secretary

Harvey Bell

Chartered Accountant

PKF Doyle & Associates The Accountants Ltd
32 Taupo Quay
Whanganui

Auditor

Spooner, Hood & Redpath Limited
Chartered Accountants
162 Wicksteed Street
Whanganui

Bankers

Bank of New Zealand
Victoria Avenue
Whanganui

Approval of Financial Report

Morikaunui Incorporation For the year ended 30 June 2022

The Committee of Management are pleased to present the approved financial report including the historical financial statements of Morikaunui Incorporation for the year ended 30 June 2022.

APPROVED

For and on behalf of the Committee of Management.



Chairperson

Date 10 October 2022



Member of Committee of Management

Date 10 October 2022

Statement of Profit or Loss

Morikaunui Incorporation For the year ended 30 June 2022

	NOTES	2022	2021
Trading Income			
Beef Cattle Gross Surplus		1,004,665	1,029,975
Sheep Gross Surplus		2,329,166	2,064,281
Wool Gross Surplus		160,883	94,059
Loss on Horses		-	(2,000)
Total Trading Income		3,494,715	3,186,314
Other Income			
Dividends Received		138	40
Interest Received		253	21
PIE Income		21,415	20,873
Profit on Sale of Fixed Assets		6,983	6,239
Rebates		33,248	26,053
Sundry Farm Income		134,570	190,614
Unrealised Gains/(Losses) on Listed Investments		(113,510)	139,858
Unrealised Gains/(Losses) on Carbon Credits		254,100	-
Total Other Income		337,196	383,698
Total Income		3,831,911	3,570,012
Expenses			
Farm Administration Expenses		221,603	204,019
Farm Working Expenses		1,566,929	1,055,529
Finance Expenses		69,230	64,945
Personnel Expenses		635,868	483,439
Repairs and Maintenance		160,594	205,112
Vehicle Expenses		127,555	101,008
Administration and Other		232,759	271,350
Non Cash Expenses		219,014	284,953
Total Expenses		3,233,553	2,670,356
Exceptional Item			
Additional Fertiliser Applied		255,400	-
Total Exceptional Item		255,400	-
Net Profit (Loss) For The Year		342,958	899,656

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

Balance Sheet

Morikaunui Incorporation As at 30 June 2022

	NOTES	30 JUN 2022	30 JUN 2021
Equity			
Capital	5	260,876	260,876
Retained Earnings	6	2,181,644	2,083,148
Reserves	7	14,109,171	14,243,486
Total Equity		16,551,691	16,587,510
Assets			
Current Assets			
Cash and Bank	8	183,781	285,579
Trade and Other Receivables		206,369	221,474
Income Tax Receivable	4	7	-
Other Current Assets	9	768,012	15,000
Total Current Assets		1,158,167	522,052
Non-Current Assets			
Investment in Shares	11	789,357	902,867
Property, Plant and Equipment	10	11,246,411	11,145,151
Livestock on Hand	12	5,730,353	6,081,525
Whanganui Trust - Loan (Re Unclaimed Dividends)		1,260,740	1,194,705
Total Non-Current Assets		19,026,861	19,324,248
Total Assets		20,185,029	19,846,300
Liabilities			
Current Liabilities			
Trade and Other Payables		572,637	204,990
GST Payable		98,714	67,553
Employee Entitlements		62,211	67,737
Other Current Liabilities			
Whanganui Trust - Unclaimed Dividends Due		66,035	56,805
Whanganui Trust Loan (Tractor Purchase)		-	94,000
Total Current Liabilities		799,597	491,085
Non-Current Liabilities			
Loans	13	1,573,000	1,573,000
Unclaimed Dividends (Due to Shareholders)		1,260,740	1,194,705
Total Non-Current Liabilities		2,833,740	2,767,705
Total Liabilities		3,633,338	3,258,790
Net Assets		16,551,691	16,587,510

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

Notes to the Financial Statements

Morikaunui Incorporation For the year ended 30 June 2022

1. Reporting Entity

Morikaunui Incorporation is a Maori Incorporation under the Te Ture Whenua Maori Act 1993 and is a sheep and beef farm. The special purpose financial report was authorised for issue in accordance with a resolution of the Committee of Management dated 15 October 2022.

2. Statement of Accounting Policies

Basis of Preparation

The financial statements have been prepared in accordance with the *NZICA Special Purpose Framework for use by For-Profit Entities (SPFR for FPEs)* published by the New Zealand Institute of Chartered Accountants.

The financial statements have been prepared for the purpose of the entity's income tax requirements and for internal use.

Unless otherwise stated, the accounting principles recognised as appropriate for the measurement and reporting of earnings and financial position on historical cost and going concern bases have been followed by the entity. All amounts are presented in NZ \$ rounded to the nearest dollar.

Specific Accounting Policies

The following specific accounting policies which materially affect the measurement of the Combined Statement of Financial Performance and Statement of Financial Position have been applied:

(a) Revenue Recognition

Revenue is recognised when the obligation for payment has been created.

(b) Livestock

Livestock is recorded at Market Value. The annual change in numbers calculations is recorded in the Incorporation's Statement of Financial Performance by way of increasing or decreasing the Gross Profits from livestock trading while changes in market values is recorded directly into the Equity of the Incorporation. Herd Values have been used for taxation calculations.

(c) Accounts Receivable

Accounts receivables are recognised less an allowance for any uncollectible amounts. Individual debts that are known to be uncollectible are written off in the period that they are identified.

(d) 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.

Depreciation is calculated on a straight line/diminishing value basis over the estimated useful life of the asset either using depreciation rates published by Inland Revenue or based on estimates by management. Assets' estimated useful life is reassessed annually. The following estimated depreciation rates/useful lives have been used:

These financial statements have been audited.

Account	Method	Rate
Freehold Land	Straight Line	0%
Property Improvements	Diminishing Value	0% - 15%
Development Expenditure	Straight Line	10%
Forestry	Straight Line	0%
Buildings	Diminishing Value	0% - 39.6%
Development Plans 2016	Diminishing Value	0% - 25%
Bridges	Straight Line	2.5%
Plant & Equipment	Diminishing Value	9.6% - 67%
Development Plans 2017-2018	Diminishing Value	0% - 25%
Furniture & Fittings - Station	Diminishing Value	10% - 30%
Furniture & Fittings - Incorporation	Diminishing Value	11.4% - 25%
Motor Vehicles	Diminishing Value	10% - 30%
Office Equipment	Diminishing Value	16% - 67%

Land

The Incorporation's land is designated Maori Freehold land and is subject to the selling limitations defined in Te Ture Whenua Act 1993 ("the Act").

Land, buildings and other improvements have been revalued to its Rateable Value dated 1 September 2019. The rateable values are assessed every three years.

Development Expenditure

Development Expenditure is capitalised and amortized over a period of 4 to 10 years. An adjustment is made for taxation purposes.

(e) Income Tax

Provision has been made for all known taxation liabilities. Income tax is accounted for using the taxes payable method.

(f) Investments

Investments held at trading banks are stated at cost. Shares are valued at market values. For listed investments the annual change in value is recorded in the Incorporation's Statement of Financial Performance as an unrealised gain.

(g) Financial Instruments

Financial instruments are recognised in the Statement of Financial Position when the incorporation becomes party to a financial contract. They include cash balances, deposits, bank overdraft, payables, receivables and intercompany balances.

All of the financial instruments of the Incorporation are initially recorded at cost and subsequently carried at amortised cost using the effective interest method. Due allowance is made for impaired receivables (credit losses).

(h) 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. The Incorporation is GST registered on an invoice basis.

These financial statements have been audited.

(i) 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.

	2022	2021
3. Tax Reconciliation		
Net profit/(loss) before tax	342,958	899,656
Permanent Differences		
Changes in Livestock Numbers - Sheep	(163,401)	(177,614)
Changes in Livestock Numbers - Cattle	380,258	73,662
Increase/(Decrease) Tax Value of Sheep	158,759	119,315
Increase/(Decrease) Tax Value of Cattle	(282,605)	(79,740)
Increase/(Decrease) Tax Value of Horse	-	(2,000)
Non Deductible Expenditure	68,188	133,454
Non Assessable Income	(147,794)	(145,871)
Imputation Credits Assessable	5,580	5,796
Development Expenditure Deductible Capitalised	(192,347)	(106,936)
Donation to Donee Organisation	(44,983)	(34,966)
Tax Losses approved by the IRD	(1,771,915)	(2,420,348)
Prior Year Adjustments	12	-
Losses from conversion of ICA Credits	(31,886)	(33,117)
Total Permanent Differences	(2,022,134)	(2,668,365)
Timing Differences		
Audit Fee Accrual	(500)	(300)
Holiday pay accrual movement	418	(2,906)
Total Timing Differences	(82)	(3,206)
Total adjustments	(2,022,216)	(2,671,571)
Total Loss	(1,679,258)	(1,771,915)
Taxable income (loss to carry forward)	(1,679,258)	(1,771,915)
	2022	2021

4. Income Tax

Opening Balance	-	-
Plus - Tax Refunds	(3)	-
Less - RWT Paid	10	-
Income Tax (Receivable)	7	-
	2022	2021

5. Capital

Issued Shares - 46620 Shares	260,876	260,876
Total Capital	260,876	260,876

These financial statements have been audited.

	2022	2021
6. Retained Earnings		
Retained Earnings		
Opening Balance	2,083,148	1,417,937
Plus		
Net Profit		
Net Profit	342,958	899,656
Total Net Profit	342,958	899,656
Total Plus	342,958	899,656
Less		
Grants & Scholarships		
Grants & Scholarships	57,983	47,966
Dividend Paid	186,480	186,480
Total Grants & Scholarships	244,463	234,446
Total Less	244,463	234,446
Total Retained Earnings	2,181,644	2,083,147
	2022	2021

7. Reserves

Land Revaluation Reserve		
Opening Balance	7,870,134	7,870,134
Total Land Revaluation Reserve	7,870,134	7,870,134
Realised Capital Reserve		
Opening Balance	499,777	499,777
Total Realised Capital Reserve	499,777	499,777
Livestock Revaluation Reserve		
Opening Balance	5,873,575	5,340,578
Movements for the period	(134,315)	532,997
Total Livestock Revaluation Reserve	5,739,260	5,873,575
Total Reserves	14,109,171	14,243,486
	2022	2021

8. Cash and Bank

BNZ - Current Account	1,273	1,000
BNZ - Call Account	182,829	286,043
BNZ - Dividend Account	15	-
BNZ - Credit Cards	(336)	(1,464)
Total Cash and Bank	183,781	285,579

These financial statements have been audited.

2022

2021

9. Other Current Assets

BNZ Term Deposit	400,138	-
Carbon Credits on Hand	254,100	-
Farm Supplies on hand	98,773	-
Rent Paid in Advance (Grazing)	15,000	15,000
Total Other Current Assets	768,012	15,000

10. Property, Plant & Equipment 2022

	Cost	Depreciation Charged	Accumulated Depreciation	Closing Book Value
Freehold Land	8,523,000	-	-	8,523,000
Property Improvements	204,818	2,382	91,394	113,425
Development Expenditure	1,193,711	12,806	1,176,496	17,215
Forestry	48,535	-	-	48,535
Buildings	957,898	8,543	216,348	741,550
Development Plans 2016	789,313	37,007	343,446	445,867
Bridges	260	-	260	-
Plant & Equipment	461,747	40,523	262,096	199,651
Development Plans 2017-2022	1,088,828	45,074	219,862	868,966
Furniture & Fittings - Station	34,413	576	31,054	3,359
Furniture & Fittings - Incorporation	-	-	-	-
Motor Vehicles	588,086	64,326	306,788	281,298
Office Equipment	15,664	1,959	12,119	3,545
	13,906,273	213,196	2,659,861	11,246,412

These financial statements have been audited.

Property, Plant & Equipment 2021

	Cost	Depreciation Charged	Accumulated Depreciation	Closing Book Value
Freehold Land	8,523,000	-	-	8,523,000
Property Improvements	204,818	2,644	89,011	115,807
Development Expenditure	1,193,711	74,710	1,163,690	30,021
Forestry	48,535	-	-	48,535
Buildings	960,185	3,743	210,091	750,094
Development Plans 2016	814,313	43,442	320,421	493,892
Bridges	260	-	260	-
Plant & Equipment	432,550	24,688	288,185	144,365
Development Plans 2017-2018	896,481	42,257	174,788	721,693
Furniture & Fittings - Station	45,872	778	41,725	4,147
Furniture & Fittings - Incorporation	5,736	108	5,206	530
Motor Vehicles	570,405	59,790	260,894	309,511
Office Equipment	17,668	3,290	14,111	3,557
	13,713,534	255,450	2,568,382	11,145,152

2022 2021

11. Investment in Shares

Ballance Agri-Nutrients Ltd - 15,150	122,715	122,715
Farmlands Co-Operative Society Ltd - 3,556	3,556	3,556
Innate Immunotherapeutics Ltd - 1,349	100	100
PGG Wrightson Ltd - 354	1,551	1,207
Property for Industry Ltd - 271,080	661,435	775,289
Total Investment in Shares	789,357	902,867

2022 2021

12. Livestock on Hand

Beef Cattle on Hand	1,929,199	2,401,354
Horses on Hand	12,000	12,000
Sheep on Hand	3,789,154	3,668,171
Total Livestock on Hand	5,730,353	6,081,525

These financial statements have been audited.

	2022	2021
13. Non-Current Loans		
Whanganui Trust - Loan	1,573,000	1,573,000
Total Non-Current Loans	1,573,000	1,573,000

	2022	2021
14. Retained Earnings Prior to 2004		
Opening Balance	2,100,410	2,286,890
Dividends	(186,480)	(186,480)
Total Retained Earnings Prior to 2004	1,913,930	2,100,410

Dividends distributed from Retained Earnings Prior to 2004 are free from Income Tax in the hands of Shareholders.

	2022	2021
15. Non Cash Items		
Depreciation	213,196	255,450
Loss on Sale of Fixed Assets	5,818	29,502
Total Non Cash Items	219,014	284,953

	2022	2021
16. Related Party Transactions with The Whanganui Trust		
Donations Paid	44,983	34,966
Interest Paid	64,904	50,218
Total Related Party Transactions with The Whanganui Trust	109,887	85,184

	2022	2021
17. Related Party Assets or (Liabilities)		
Whanganui Trust - Unclaimed Dividends Due	(66,035)	(56,805)
Whanganui Trust - Loan	(1,573,000)	(1,573,000)
Whanganui Trust Loan (Tractor Purchase)	-	(94,000)
The Whanganui Trust Loan - Unclaimed Dividends	1,260,740	1,194,705
Total Related Party Assets or (Liabilities)	(378,295)	(529,100)

18. Maori Authority Tax Credits

The balance of the Maori Authority Tax Credit Account at year end was \$112,460 (2021:\$106,504.56)

19. Taxation Losses

Accumulated Taxation losses of \$1,679,258 (2021:\$1,772,590) are available to offset against future Income.

These financial statements have been audited.

20. Emissions Trading Scheme

The Incorporation has entered the NZ Emissions Trading Scheme ("ETS") in respect of 54.6 hectares of pre-1990 forested land. This entitles the Incorporation to receive emission units ("NZU") for carbon stored in the specified area.

The Incorporation has received its entitlement of 3,300 NZU units (i.e. 60 tonnes per ha). The dollar value of these units received has been recognised in the financial statements at a market value at June 2022 of \$77 per unit.

21. BNZ Credit Facilities

The Incorporation has a BNZ overdraft facility (limit \$300,000) secured over livestock.

The Incorporation has a BNZ term loan facility that is secured by way of a general security agreement over the Incorporation's assets, but excluding land. The total owing at balance date is NIL.

22. Capital Commitments

The Incorporation has no capital commitments as at 30 June 2022 (2021:Nil).

23. Related Parties

Morikaunui Incorporation is the settlor of The Whanganui Trust ("the Trust") and appoints six of the seven Trustees (one is independently appointed). The result of the Trust have not been consolidated as the effect would be immaterial. Distributions are made to the Trust annually as per the Statement of Movements in Equity. The Incorporation's unclaimed dividends are held in trust by the Trust.

The Incorporation has current liabilities owing to the Trust as stated in the Statement of Financial Position.

All other related party transactions have been carried out on commercial terms and conditions and at market rates. No related party debts have been written off or forgiven during the period.

24. Contingent Liabilities

The Incorporation has no contingent liabilities and no guarantees as at 30 June 2022. (2021:Nil)

25. Events Occurring After Balance Date

There are no known significant events that have occurred after balance date.

INDEPENDENT AUDITOR'S REPORT

To the Members of Morikaunui Incorporation

Opinion

We have audited the financial statements of Morikaunui Incorporation, which comprise the Balance sheet as at 30 June 2022, and the statement of profit or loss and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are prepared, in all material respects, in accordance with Special Purpose Financial Reporting Framework for For-Profit Entities (SPFR for FPEs), issued by Chartered Accountants Australia & New Zealand.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of Morikaunui Incorporation in accordance with Professional and Ethical Standard 1 (Revised) Code of Ethics for Assurance Practitioners 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, Morikaunui Incorporation.

Emphasis of Matter – Basis of Accounting

Without modifying our opinion, we draw attention to Note 2 to the financial statements, which describes the basis of accounting. The financial statements have been prepared for the purpose of the entity's income tax requirements and for internal use. As a result, the financial statements may not be suitable for another purpose.

Restriction on Responsibility

This report is made solely to the Members of the Incorporation. Our audit work has been undertaken so that we might state to the Committee of Management 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 Committee of Management as a body, for our audit work, for this report, or for the opinions we have formed.

Committee of Management's Responsibility for the Financial Statements

The Committee of Management are responsible on behalf of the entity for determining that the SPFR for FPEs framework adopted is acceptable in Morikaunui Incorporation's circumstances, the preparation of financial statements, and for such internal control as the Committee of Management determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Committee of Management are responsible on behalf of the entity 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 Committee of Management either intend to liquidate the entity or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements 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 financial statements.

A further description of the auditor's responsibilities for the audit of the financial statements is located at the XRB's website at:

www.xrb.govt.nz/standards-for-assurance-practitioners/auditors-responsibilities/audit-report-8/

Report on Other Legal and Regulatory Requirements

The Share Register and Index of Shareholders has been compiled and correctly kept in accordance with Section 263 of the Te Ture Whenua Maori Act 1993.



Spooner Hood & Redpath Ltd

Whanganui

10 October 2022

SUPPLEMENTARY SCHEDULES

FOR THE YEAR ENDED 30 JUNE 2022

2022 Livestock Summary

Sheep			
		Nos	
Opening Stock		17,271	
Natural Increase		19,713	137%
Purchases		1,124	
Sales			
	Per Head		
Lambs	\$ 129	(14,904)	\$ 1,922,785
Ewes	\$ 152	(3,427)	\$ 522,616
Rams	\$ 500	(15)	\$ 7,500
		(18,346)	\$ 2,452,901
		19,762	
Deaths & Missing		(1,624)	4%
Closing Stock		18,138	

Cattle			
		Nos	
Opening Stock		2,078	
Natural Increase		865	87%
Purchases		423	
Sales			
	Per Head		
M A Cows	\$ 990	(183)	\$ 181,122
2yr Heifers	\$ 1,271	(34)	\$ 43,223
1 yr Heifers	\$ 1,078	(214)	\$ 230,619
1yr Bulls	\$ 1,380	(586)	\$ 808,540
2 yr Bulls	\$ 1,785	(167)	\$ 298,130
Bulls	\$ 1,730	(4)	6,920
1yr Steers	\$ 1,107	(15)	\$ 16,601
2yr Steers	\$ 1,609	(6)	\$ 9,656
Bull Calves	\$ 845	(148)	\$ 125,045
		(1357)	\$ 1,719,856
		2,009	
Deaths & Missing		(176)	5%
Closing Stock		1,833	

Morikaunui Incorporation

SUPPLEMENTARY SCHEDULES

FOR THE YEAR ENDED 30 JUNE 2022

Governance, Shareholder meetings & Admin details

	2022	2021	2020
Accounting Fee - Accounts, Consultancy & Shareholder Support	70,715	72,674	75,155
Audit Fee	15,700	15,300	10,300
Consultancy (HR)	9,175	20,426	7,525
Governance	33,556	45,226	52,264
Governance Admin & Support	50,329	51,282	50,965
Office Expenses	30,530	32,765	40,348
Shareholder AGM Costs/Meetings	20,851	19,214	31,787
Travel Reimbursement (Committee)	5,703	14,465	17,344
		-	
	\$236,559	\$271,352	\$285,688

*includes Committee fees

Committee fees and travel for 2022

	Fees	Travel
	\$	\$
Hari Benevides	10,395	4,554
Bob Gray	2,640	134
Jim Edmonds	2,310	521
K Millin	4,290	0
Turama Hawira	3,960	0
William Konui	2,640	0
Harvey Bell	-	493
Siani Walker	1,650	0
	\$27,885	\$5,703

Farm Performance Analysis

	2022	2021	2020	2019	2018
Net Sale Proceeds					
Sheep Per Head (Avge)	\$ 134	\$ 117	\$ 132	\$ 118	\$ 106
Cattle Per Head (Avge)	\$ 1,267	\$ 1,304	\$ 1,389	\$ 1,258	\$ 1,204
Wool Per Kilo (Avge)	\$ 1.58	\$ 1.06	\$ 1.49	\$ 2.12	\$ 2.13

Effective Farm Surplus

Effective Area Ha	2,447	2,447	2,447	2,590	2,376
Gross Farm Revenue Per Ha	\$ 1,442	\$ 1,311	\$1,329	\$ 1,149	\$ 1,052
Farm Operating Expenses Per Ha	\$ 1,104	\$ 837	\$823	\$ 787	\$ 808
Net Farm Surplus (after depreciation) per Ha	\$ 251	\$ 360	\$224	\$ 242	\$ 125
Gross Farm Revenue Per Stock Unit	\$ 132	\$ 124	\$117	\$ 121	\$ 108

Statement of Service Performance

The Whanganui Trust

For the year ended 30 June 2022

Description of Trust Outcomes

The Whanganui Trust will action the principles of the Mission Statement by:

- assisting participation in education and learning
- fostering self-development
- assisting in Community projects where they have the potential of benefiting Shareholders and Uri
- growing a capital base from which income is derived

	2022	2021
Description and Quantification of the Entity's Outputs		
Education Purposes & Scholarships Grants given (# of individuals)	44	60
Education Purposes & Scholarships Grants given (\$ value of funding)	31,125	34,500
Others Grants (# of grants)	4	2
Others Grants (\$ value of grants)	5,500	2,950
Total number of Applications	48	62

Statement of Financial Performance

The Whanganui Trust

For the year ended 30 June 2022

	NOTES	2022	2021
Revenue			
Donations, fundraising and other similar revenue	1	44,983	34,966
Interest, dividends and other investment revenue	2	70,580	59,053
Total Revenue		115,562	94,018
Expenses			
Costs related to providing goods or service	3	19,322	21,090
Grants and donations made	4	36,625	37,450
Other expenses	3	8,495	4,094
Total Expenses		64,443	62,634
Surplus/(Deficit) for the Year		51,120	31,384

Statement of Financial Position

The Whanganui Trust As at 30 June 2022

'What the entity owns?' and 'What the entity owes?'

	NOTES	30 JUN 2022	30 JUN 2021
Assets			
Current Assets			
Bank accounts and cash	5	125,454	119,374
Accrued Interest Receivable		830	-
Other Current Assets			
Morikaunui Incorporation - Unclaimed Dividends (current year)		66,035	56,805
Morikaunui Incorporation - Tractor Loan		-	94,000
BNZ Term Deposits	5	500,000	300,000
Total Other Current Assets		566,035	450,805
Total Current Assets		692,319	570,179
Non-Current Assets			
Investments	5	17,351	17,351
Morikaunui Incorporation - Advance		1,573,000	1,573,000
Total Non-Current Assets		1,590,351	1,590,351
Total Assets		2,282,670	2,160,530
Liabilities			
Current Liabilities			
Creditors and Accrued Expenses	6	6,328	1,343
Total Current Liabilities		6,328	1,343
Non-Current Liabilities			
Loans			
Loans	6	1,260,740	1,194,705
Total Loans		1,260,740	1,194,705
Total Non-Current Liabilities		1,260,740	1,194,705
Total Liabilities		1,267,069	1,196,048
Total Assets less Total Liabilities (Net Assets)		1,015,602	964,482
Accumulated Funds			
Trust Capital	7	1,015,602	964,482
Total Accumulated Funds		1,015,602	964,482

The Financial Statements are to be read in conjunction with the accompanying notes. These statements have been audited.

The Whanganui Trust 2022 Awards

Post Graduate

Hope Tioro	Victoria University	Masters	Health Psychology
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Under graduate

Fiona Nicoll	Otago University	MBCbB	Medicine and Surgery
Puna Maniapoto - Love	Auckland University	C. BA Law and Arts	Māori and Law
Leila Blackburn	UCOL PN	BA Appled Science	Medical Imaging Technology
Helena Waretini Hamilton Wright	Toi Ohomai Tauranga	Bsc	Environmental Management
Neve Duxfield	Victoria University	BA Arts	Psychology & Criminology

Education Grants

Sonny Vercoe	Auckland University	PhD Civil Engineering	Seismic Structural Engineering
Alicia Prince	Te-Wananga o Raukawa	Dip	Te Reo Māori
Rakurawaihoa Waitai	Massey University	MMVA Māori Visual Arts	Painting
Davina Cooper	Massey University	PhD Philosophy	Doctorate Philosophy
Vikki Lee Josephs	Whitireia Polytech	Post Grad Cert	Palliative Care
Ngahuia Kawau	Te-Wananga o Raukawa	Masters Education	Māori Medium Education
Haukapuanui Vercoe	Auckland University	PhD	Civil Engineering
Te Ara O'Brien	Te-Wananga o Raukawa	Post Grad Dip	Māori Medium Education
Liam Wooding	Waikato University	DR Musical Arts	Music Performance
Karanga Jane Morgan	Te-Whare Wananga O Awanuiarangi	PHD	Indigenous Advancement
Karere Uruamo - Tiaki	Te-Wananga o Raukawa	Post Grad Dip.	Education
Karepa Heke Kaiawha	Toi Ohomai Tauranga	NZ Cert.	Automotive Engineering
Raukura Doyle	Toi Ohomai Tauranga	NZ Cert.	Automotive Engineering
Caitlin Huria	Otago University	Bsc	Anatomy
Jamie Wharepapa-Gray	NZ School of Accupuncture	BSc	Acupuncture
Noah Blackburn	Otago University	Bcom Bsc	Finance and Computer Science
Imogen McNeill	Otago University	BA and Bsc	History and Chemistry
Hiria Mohi	Victoria University	BA	Te Reo Māori and Māori Studies
Hinemaia Uruamo-Taiaki	Victoria University	BA Design Innovation	Animation and Visual Effects
Caleb Collins-Fore	Massey University	Bbus	Marketing
Reina Puhotaua	UCOL Whanganui	BA	Nursing
George L Miles	Massey University	BA Sport & Exercise Science	Sport Development
Arama Tuka	UCOL Whanganui	BA	Design and Arts
Deejae Taiwhati	Waikato University	BA	Civil Engineering
Gina Pohe	Massey University	BA Arts	Education
Ally Ataria	Massey University	BA Design with Honours	Textile Design Major
Kaycee-Lee Babbington	Te Rito Maioha Hamilton	BA Teaching ECE	Early Childhood
Ruby Pearce	Wintec Hamilton	BA Design	Graphic Design
Piata Marie Simon	Te-Wananga o Aotearoa	Cert.	Te Reo
Jill Sheehy	Massey University	Dip. Arts	Planning
Aneka Paranihi	UCOL Whanganui	BA	Accountanting
Merepaea Smith	Waikato University	BSocSc	Pacific & Indigenous Studies
Heta Potiki Mato	Victoria University	BA	Te Reo & Criminology
Sophia 'Unga	Victoria University	BA Arts	History
Grace O'Shaughnessy	Lincoln University	BA	Environmental Policy and Plannin
Metiria-Hinekorangi Doyle	Victoria University	Cojoin + BA Law and Cor	Finance and & Minor Economics
Daniel Tauru	Open P-tech	Cert.	Real Estate
Fiona Te Haara	UCOL Whanganui	BN	Nursing
Patience Aue-Kiriona	UCOL PN	Dip. Arts	Architectural Technology

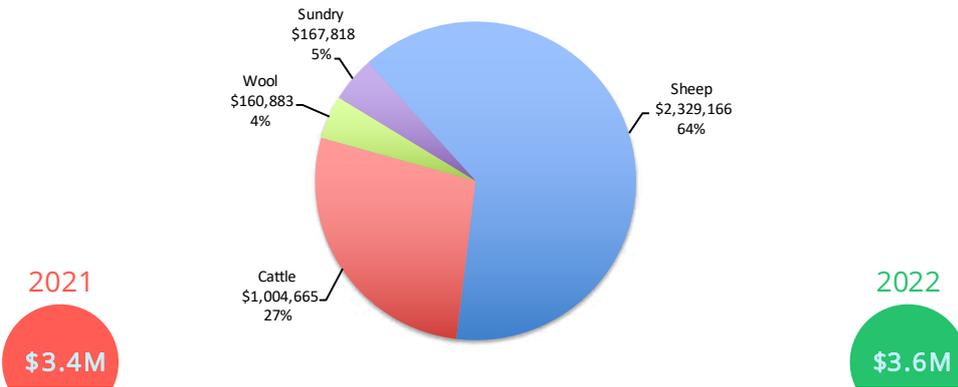
Year 13

Jordan Hemopo	Whitby Collegiate	Emily Coogan	Feilding High School
Hannah Huria	Kapiti College	Ambrico Ranginui	St Peters College, Akld
Maia Blackburn	Tauranga Girls College		

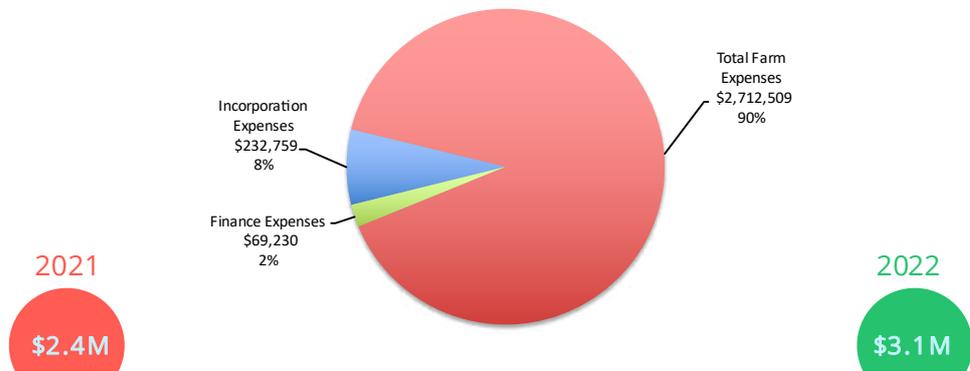
Morikaunui Incorporation

For year ended 30 June 2022

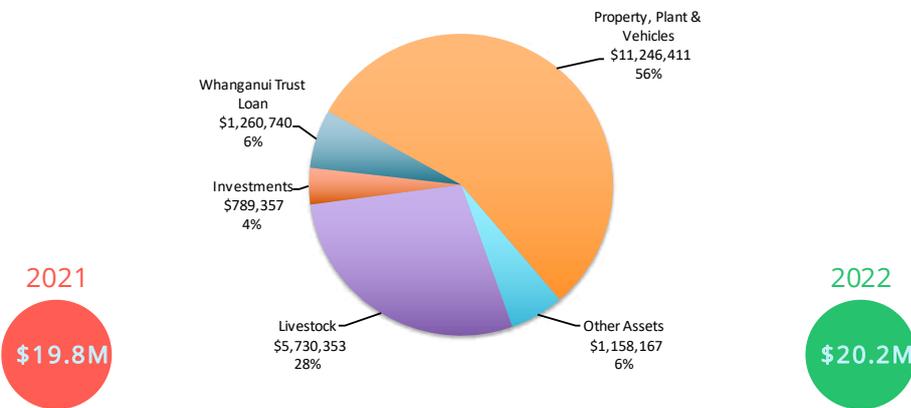
FARM INCOME



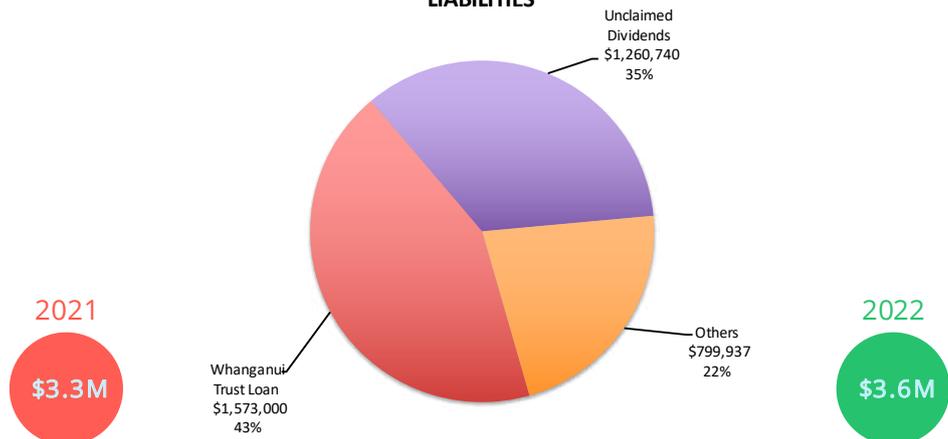
TOTAL EXPENSES (EXCLUDING NON CASH)



ASSET MIX



LIABILITIES





Robert Gray

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Whanganui
Kaiwhakahaere: Rehara Tamehana
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Morikau.com