COLLINS / JAMES
ACCOUNTING , SYSTEMS + BUSINESS ADVISORS

Annual Financial Statements

Mataora Nos 1 & 2 Blocks Incorporation
For the year ended 30 June 2022

Prepared by Collins James Limited

COLLINS / JAMES
ACCOUNTING , SYSTEMS + BUSINESS ADVISORS

Contents

COLLINS / JAMES
ACCOUNTING, SYSTEMS + BUSINESS ADVISORS

Directory

Mataora Nos 1 & 2 Blocks Incorporation
For the year ended 30 June 2022

Nature of Business

Management of Maori Freehold Land

Registered Office

300 Richmond Road

Auckland

Management Committee

John Henry Tamihere (Chairperson)

John Douglas

Barry Howie

Maria Mareroa

Accountant

Collins James Limited

Chartered Accountants

Waihi

Solicitors

John Kahukiwa

Corban Revell Lawyers

Waitakere

Independent Auditor

RSM Hayes Audit

Chartered Accountants

Level 1

1 Broadway

Newmarket

Bankers

ANZ New Zealand Limited

Hamilton

Statement of Responsibility

Mataora Nos 1 & 2 Blocks Incorporation
For the year ended 30 June 2022

The Management Committee is responsible for the maintenance of adequate accounting records and the preparation and integrity of the financial statements and related information.

The independent external auditors, RSM Hayes Audit, have reviewed the financial statements and their report appears on page 5-6.

The Management Committee is also responsible for the systems of internal control. These are designed to provide reasonable but not absolute assurance as to the reliability of the financial statements, and to adequately safeguard, verify and maintain accountability for assets, and to prevent and detect material misstatements.

Appropriate systems of internal control have been employed to ensure that all transactions have been executed in accordance with authority and correctly processed and accounted for in the financial records. The systems are implemented and monitored by suitably trained personnel with an appropriate segregation of authority and duties. Nothing has come to the attention of the Management Committee to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the year under review.

The financial statements are prepared on a going concern basis. Nothing has come to the attention of the Management Committee to indicate that the Incorporation will not remain a going concern in the foreseeable future.

In the opinion of the Management Committee:

- The Statement of Comprehensive Income is drawn up so as to give a true and fair view of the financial results of the Incorporation for the financial year ended 30 June 2022;
- The Statement of financial position is drawn up so as to give a true and fair view of the state of affairs of the Incorporation as at 2022 ;
- The Statement of Cash flows is drawn up so as to give a true and fair view of the cash movements for the financial year ending 2022 ;
- There are reasonable grounds to believe that the Incorporation will be able to pay its debts as and when they fall due.

For and on behalf of the Management Committees:

Chairperson

Date 15/11/2022

Management Committee

Date 15/11/2022

RSM Hayes Audit
PO Box 9588
Newmarket, Auckland 1149
Level 1, 1 Broadway
Newmarket, Auckland 1023
T +64 (9) 367 1656
www.rsmnz.co.nz

Independent Auditor's Report

To the Shareholders of Mataora Nos 1 & 2 Blocks Incorporated

Opinion

We have audited the financial statements of Mataora Nos 1 & 2 Blocks Incorporated, which comprise:

- The statement of financial position as at 30 June 2022;
- The statement of comprehensive income for the year then ended;
- The statement of changes in equity for the year then ended;
- The statement of cash flows for the year then ended; and
- The notes to the financial statements, which include significant accounting policies.

In our opinion, the financial statements on pages 7 to 22 present fairly, in all material respects, the financial position of the Mataora Nos 1 & 2 Blocks Incorporated as at 30 June 2022, and of its financial performance and its cash flows for the year then ended in accordance with New Zealand equivalents to International Financial Reporting Standards Reduced Disclosure Regime.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We are independent of the 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 entity.

Report on other legal and regulatory requirements

In accordance with Section 277 of the Te Ture Whenua Maori Act 1993, we report that:

- We have obtained all the information and explanations that we have required;
- In our opinion, proper accounting reports have been kept by Mataora Nos 1 & 2 Blocks Incorporation as far as appears from an examination of those records; and
- In our opinion the share register and index of shareholders required by section 263 of Te Ture Whenua Maori Act 1993 has been duly and correctly kept.

Other information

The management committee is responsible for the other information. The other information comprises the incorporation directory and statement of responsibility for financial statements on pages 3 to 4 (but does not include the financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report. Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above 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 on the other information that we obtained prior to the date of this auditor's report, 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 management committee for the financial statements

The committee is responsible, on behalf of the entity, for the preparation and fair presentation of the financial statements in accordance with New Zealand equivalents to International Financial Reporting Standards Reduced Disclosure Regime, and for such internal control as the management committee 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 management committee is 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 management committee 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 as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (NZ) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of these 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:

https://xrb.govt.nz/Site/Auditing_Assurance_Standards/Current_Standards/Page8.aspx

Who we report to

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

RSM

RSM Hayes Audit
Auckland

15 November 2022

Statement of Financial Position

Mataora Nos 1 & 2 Blocks Incorporation
As at 30 June 2022

	NOTES	30 JUN 2022	30 JUN 2021
Assets			
Current Assets			
Cash and cash equivalents	4	968,870	621,485
Trade and Other Receivables	5	-	19,094
Total Current Assets		**968,870**	**640,578**
Non-Current Assets			
Deferred Tax	7	16,986	15,295
Property, Plant and Equipment	6	810,107	766,517
Work in Progress - Bore Water Programme		-	3,707
Work in Progress - Marae Complex		10,129	10,129
Total Non-Current Assets		**837,221**	**795,648**
Total Assets		**1,806,091**	**1,436,227**
Liabilities			
Current Liabilities			
Trade and Other Payables	8	18,949	11,688
Income Received in Advance		44,016	44,707
GST Payable		37,797	10,991
Taxation		39,576	(5,585)
Total Current Liabilities		**140,338**	**61,801**
Total Liabilities		**140,338**	**61,801**
Net Assets		**1,665,753**	**1,374,425**
Equity			
Share Capital	9	111,564	111,564
Retained Earnings	10	1,554,189	1,262,862
Total Equity		**1,665,753**	**1,374,425**

For and behalf of the the board:

Chairperson **Date**......15/11/2022......

Management committee **Date**......15/11/2022......

These financial statements should be read in conjunction with the notes to the financial statements.

Statement of Comprehensive Income

Mataora Nos 1 & 2 Blocks Incorporation
For the year ended 30 June 2022

	NOTES	2022	2021
Revenue			
Harvest income	12	183,423	-
Rental Income	12	244,037	242,500
Total Revenue		**427,460**	**242,500**
Gross Profit		**427,460**	**242,500**
Other Income			
Interest Income		2,201	1,009
Total Other Income		**2,201**	**1,009**
Expenses			
Accounting		5,610	4,910
Audit Fees		8,610	6,008
Depreciation	6	24,603	22,759
Loss on sale of asset		-	1,304
Other Expenses		8,568	12,687
Property Expenses		13,896	12,618
Repairs & Maintenance		11,500	13,875
Travel & Accommodation		1,280	6,000
Administration - Share Registry		2,470	-
Total Expenses		**76,537**	**80,160**
Net Profit (Loss) Before Taxation		**353,124**	**163,349**
Taxation and Adjustments			
Income Tax	7	61,797	28,586
Total Taxation and Adjustments		**61,797**	**28,586**
Net Profit (Loss) for the Year		**291,327**	**134,763**

These financial statements should be read in conjunction with the notes to the financial statements.

Statement of Changes in Equity

Mataora Nos 1 & 2 Blocks Incorporation
For the year ended 30 June 2022

	Note	Share Capital	Retained Earnings	Available for Sale Reserve	Total
Closing equity 1 July 2021		**111,564**	**1,262,862**	**-**	**1,374,425**
Net Surplus for the year		-	291,327	-	291,327
Reserve movement		-	-	-	-
Total Comprehensive income		-	291,327	-	291,327
Closing Equity 30 June 2022		**111,564**	**1,554,189**	-	**1,665,753**

	Note	Share Capital	Retained Earnings	Available for Sale Reserve	Total
Closing equity 1 July 2020		**111,564**	**1,119,468**	**8,632**	**1,239,664**
Net Surplus for the year		**-**	134,763	**-**	134,763
Reserve Movement		-	8,362	(8,362)	-
Total Comprehensive income		**-**	143,396	(8,362)	134,764
Closing Equity 30 July 2021		**111,564**	**1,262,862**	**-**	**1,374,425**

These financial statements should be read in conjunction with the notes to the financial statements.

Statement of Cash Flows

Mataora Nos 1 & 2 Blocks Incorporation
For the year ended 30 June 2022

	NOTES	2022	2021
Cash flows from operating activities			
Proceed from Rental		260,010	285,044
Proceed from other sources		185,853	-
Interest Received		2,201	1,009
Payments to suppliers		(44,673)	(50,603)
Income Tax Paid (net)		(18,326)	(38,951)
GST (net)		26,805	8,413
Net cash inflow/(outflow) from operating activities		**411,870**	**204,912**

	NOTES	2022	2021
Cash flows from investing activities			
Movement of short-term investment		-	278,963
Purchase of property, plant and equipment		(64,485)	(21,705)
Net cash inflow(outflow) from investing activities		**(64,485)**	**257,258**

	NOTES	2022	2021
Cash equivalents			
Net increase/(decrease) in cash and cash equivalents		347,385	462,170
Cash and cash equivalents at 1 July	4	621,485	159,315
Cash and cash equivalents at 30 June		968,870	621,485

Notes to the Financial Statements

Mataora Nos 1 & 2 Blocks Incorporation
For the year ended 30 June 2022

1. Reporting Entity

Mataora Nos 1 & 2 Blocks Incorporation ("the Incorporation") is a company incorporated under the Maori Affairs Act 1953. The Incorporation is a for profit entity for the purposes of financial reporting in accordance with the Financial Reporting Act 2013.

The financial statements and the accompanying notes summarise the financial results of the activities carried out by the Incorporation.

Financial statements for the Incorporation are presented, and were authorised for issue on the date on page 4 by the management committee.

2. Basis of Preparation

a) Statement of Compliance

The financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice (“NZ GAAP”). They comply with New Zealand equivalents to International Financial Reporting Standards – Reduced Disclosure Regime (“NZ IFRSRDR”) and other applicable Financial Reporting Standards, as appropriate for profit oriented entities. The Incorporation has adopted the Reduced Disclosure Regime framework for the financial year end 30 June 2022.

b) Measurement Basis

The financial statements have been prepared on the historical cost basis.

c) Functional and Presentation currency

The financial statements are presented in New Zealand Dollars ($), which is the functional and presentation currency, rounded to the nearest dollar.

d) Use of Estimates and Judgement's

The preparation of the financial statements in conformity with NZ IFRS - RDR 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 these 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.

Useful lives and residual values

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

- The condition of the asset based on the assessment of the board
- The nature of the asset, its susceptibility and adaptability to change in technology
- 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

3. Significant Accounting policy

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

a) Financial Instruments

i. Non-Derivative financial assets

The entity classifies its financial assets in the following categories:

- Measured at amortised cost
- Available for sale

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cashflows.

Amortised cost

The entity classifies its financial assets at amortised cost only if both of the following criteria are met;

1. the asset is held within a business model with the objective of collecting the contractual cash flows, and;
2. the contractual terms give rise on specific dates to cash flows that are solely payments of principle and interest and principle outstanding.

The assets are subsequently measured at amortised cost using the effective interest method.

Initial recognition

At initial recognition, the entity measures a financial asset at its fair value plus, in the case of a financial asset not a fair value through profit and loss, transaction costs are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Available for sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale or are not classified in any of the above categories of financial assets, nor are they classified as fair value through surplus/deficit.

Available-for-sale financial assets are subsequently measured at fair value with gains or losses (other than foreign exchange gains or losses) recognised in Other Comprehensive Income, less impairment.

Upon derecognition, the accumulated gain or loss within the reserve is reclassified to surplus or deficit.

Available-for-sale financial assets comprise of shares.

ii. Non-Derivative financial liabilities

The Incorporation initially recognises non-derivative financial liabilities on the date that they are originated.

The Incorporation derecognises a financial liability when its contractual obligations are discharged, cancelled or expire.

The Incorporation classifies non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

Other financial liabilities comprise loans and borrowings and trade and other payables.

iii. Share Capital

Ordinary Shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

3. Significant Accounting Policy (Cont)

b) PROPERTY PLANT AND EQUIPMENT

i. Recognition and measurement

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

Cost includes expenditure that is directly attributable to the acquisition of the asset.

ii. Subsequent expenditure

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

Any gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.
Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Incorporation. Ongoing repairs and maintenance is expensed as incurred.

iii. Depreciation

For plant and equipment, depreciation is based on the cost of an asset less its residual value.

Depreciation is recognised in profit or loss over the estimated useful lives of each component of an item of property, plant and equipment.

The rate of depreciation for the current and comparative years of significant items of property, plant and equipment varies as follows;

Account	Method	Rate
Land	No Depreciation	%
Land Improvements	Diminishing Value	2% - 13%
Plant & Equipment	Diminishing Value/Straight Line	2% - 40%
Motor Vehicles	Diminishing Value/Straight Line	8% - 20%
Buildings	Diminishing Value/Straight Line	1.5% - 15.5%

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

3. Significant Accounting Policy (Cont)

C) Impairment

i. Non-derivative financial assets

A financial asset is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset, and that the loss event(s) had an impact on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired includes default or delinquency by a debtor, restructuring of an amount due to the Incorporation on terms that the Incorporation would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, adverse changes in the payment status of borrowers or issuers in the Incorporation, economic conditions that correlate with defaults or the disappearance of an active market for a security. In addition, for an investment in an equity security, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment.

Financial assets measured at amortised cost

The Incorporation considers evidence of impairment for financial assets measured at amortised cost (loans and receivables) at both a specific asset and collective level.

For impairment of trade receivables and contract assets, the entity applies a simplified approach in calculating ECL's. Therefore, the entity does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECL's at each reporting date. The entity has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors in the economic environment.

In the prior year, the impairment of trade receivables was assessed based on the incurred loss model. Individual receivables which were known to be uncollectable were written off by reducing the carrying amount directly. The other receivables were assessed collectively, to determine whether there was objective evidence that an impairment had been incurred but not yet identified.

The entity assess on a forward-looking basis the expected credit losses associated with its debit instruments carried at amortised cost. The entity applies a simplified approach to providing for expected credit losses prescribed by NZ IFRS 9, which permits the use of lifetime expected losses for all trade receivables. Given the low risk of default on other financial assets (primarily short-term deposits with financial institutions with a strong credit rating), other expected credit losses have been assessed to be immaterial.

ii. Non-financial assets

In assessing collective impairment the Incorporation uses historical trends of the probability of default, the timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account against loans and receivables. Interest on the impaired asset continues to be recognised. When an event occurring after the impairment was recognised causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

The carrying amounts of the Incorporation's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset exceeds its estimated recoverable amount.

The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Impairment losses are recognised in profit or loss.

3. Significant Accounting Policy (Cont)

ii. Non-financial assets (Cont)

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

d) Revenue

i. Revenue from contracts from customers

Revenue from contracts with customers is recognised when control of the services is transferred to the customer at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those services. The entity has generally concluded that it is the principal in its revenue arrangements because it typically controls the services before transferring them to the customer.

Rental Income

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

ii. Contract Assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the entity performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Contract assets are treated as Financial assets at amortised costs. Measurement of these is defined in note 3(d)

iii. Contract Liabilities

A contract liability is the obligation to transfer services to a customer for which the entity has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the entity transfers services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the entity performs under the contract.

iv. Interest Income

Interest income from financial assets at amortised cost is included in financial income using the effective interest rate method.

v. Harvesting Income

The entity derives revenue from providing sale of tree stumps harvested at a point in time. Revenue is recognised when the harvesting work is completed.

e) Lease Payments

Assets and liabilities from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate
- amounts expected to be available by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and;
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be determined, or the Incorporation 's incremental borrowing rate.

3. Significant Accounting Policies (Cont)

e) Lease payments (cont)

Right-of use assets arising from lease arrangements and measured at cost comprising the following;

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date, less any lease incentives received
- any initial direct costs, and
- restoration costs (such as make good provisions)

f) Tax

Tax expense comprises current and deferred tax. Current tax and deferred tax is recognised in profit or loss except to the extent that it relates to a business combination.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Current tax also includes any tax liability arising from the declaration of dividends.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss,
- temporary differences related to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

In determining the amount of current and deferred tax the Incorporation takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Incorporation believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Incorporation to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

g) Goods and Services Tax

All amounts are shown exclusive of Goods and Services Tax ("GST"), except for receivables and payables that are stated inclusive of GST.

h) Available for Sale Reserve

This reserve is for the revaluation of available for sale financial assets, which are measured at fair value through Other Comprehensive Income after initial recognition.

	2022	2021
4. Cash and Cash Equivalents		
ANZ Bank Cheque Account	684,524	338,400
ANZ Bank Marae Account	284,346	283,085
Total Cash and Cash Equivalents	**968,870**	**621,485**

There is a $20,000 (2021: $20,000) overdraft facility which was not utilised at balance date (2021: $0).

A credit card was issued in December 2018 with a $5,000 credit limit which was not utilised at balance date (2021: $0).

ANZ holds the following security:

- First charge registered mortgage mixed farming freehold on 1134 State Highway 25, Whangamata;
- Guarantee security - non customer;
- Registered stock mortgage livestock

	2022	2021
5. Trade and Other Receivables		
Accounts Receivable	-	12,594
Accrued Receivables	-	6,500
Total Trade and Other Receivables	-	**19,094**

6. Property Plant & Equipment

	Land	Land Improvements	Buildings	Plant & Equipment	Motor Vehicles	Total
Cost						
Balance as at 1 July 2021	291,692	52,361	378,231	307,815	3,478	1,033,577
Other additions	-	54,238	12,981	974	-	68,193
Disposals	-	-	-	-	-	-
Balance as at 30 June 2022	**291,692**	**106,600**	**391,211**	**308,789**	**3,478**	**1,101,770**
Accumulated Depreciation						
Balance as at 1 July 2021	-	10,394	98,154	155,038	3,474	267,060
Deprecation for the year	-	7,065	5,214	12,323	1	24,603
Disposal	-	-	-	-	-	-
Balance as at 30 June 2022	-	**17,459**	**103,368**	**167,361**	**3,475**	**291,663**
Carrying amounts						
At 30 June 2021	**291,692**	**41,967**	**280,077**	**152,777**	**4**	**766,517**
At 30 June 2022	**291,692**	**89,141**	**287,843**	**141,428**	**3**	**810,107**

There is three forestry rights have been granted over a total of 300 hectares for a term of 35 years maturing on 12 October 2039. Therefore, these interests are registered against the land accordingly.

The Hauraki District Council has valued the land and buildings at $8,436,000 and $1,013,000 respectively. This valuation is for rating purposes and is not suitable for Financial reporting purposes.

7. Income Taxes

	2022	2021
Tax recognised in profit or loss		
Current Tax expense	63,487	30,154
Deferred tax expense		
Origination and reversal of temporary differences - current year adjustment	(1,690)	(1,569)
Total tax expense	**61,797**	**28,585**

	2022	2021
Reconciliation of effective tax rate		
Profit before tax	353,124	163,349
Profit after non-deductible	353,124	163,349
Tax rate (17.5%)	61,797	28,586
Prior period adjustment		
Prior period adjustment	-	-
Tax losses utilised		
Tax losses utilised	-	-
Reconciliation to total tax expense	61,797	28,586

Recognised deferred tax assets and liabilities

	2022	2021
Deferred tax assets and liabilities are attributable to the following;		
Property, plant and equipment	15,488	15,469
Other accruals	1,498	(174)
Net deferred tax (assets) liabilities	**16,986**	**15,295**

	2022	2021
Movement in deferred tax balances during the year		
Property, plant and equipment	19	(6)
Other accruals	1,671	1,575
Total movement	**1,690**	**1,569**

	2022	2021

8. Trade and other creditors

	2022	2021
Accounts Payable	10,449	6,188
Accruals	8,500	5,500
Total Trade and other creditors	**18,949**	**11,688**

9. Share Capital

Share capital of $111,564 comprises 58,980 (2021: 58,980) ordinary shares.

10. Retained Earnings

	2022	2021
Opening Balance	1,262,862	1,119,467
Current Year Earnings	291,327	134,763
Reserve Movement	-	8,632
Closing Retained Earnings	**1,554,189**	**1,262,862**

11. Commitments

The Incorporation has committed to 65% of costs relating to the Environment Programme Agreement with Waikato Regional Council. The agreement started in 2011 and will continue until the work has been completed.

The Incorporation has also signed Nga Whenua Rahui Kawenata contract with the Ministry of Conservation, which will contribute up to 50% of Mataora's costs in relation to the Environment programme.

There were no other capital commitments as at 30 June 2022.

12. Revenue

Disaggregated revenue information:

Set out below is the disaggregation of the entity's revenue from contracts with customers.

	2022	2021
Type of Service		
Harvest Income		
Harvest income	183,423	-
Total Harvest Income	**183,423**	**-**
Rental Income		
Rent - Behives	2,430	-
Rent - Houses	13,000	13,000
Rent - Forestry	52,589	52,589
Rent - Vodafone	9,752	9,752
Rent - PowerCo	9,288	10,808
Lease - Farm	150,150	150,150
Lease Recoveries	6,829	6,201
Total Rental Income	**244,037**	**242,500**
Total Type of Service	**427,460**	**242,500**

	2022	2021
Geographical markets		
New Zealand	427,460	242,500

	2022	2021
Timing of revenue recognition		
Goods transferred at a point in time	183,423	-
Services transferred over time	241,607	242,500

	2022	2021
Contract assets		
Trade Receivable (Note 6)	-	19,094

	2022	2021
Contract liability		
Rental Received in advance	44,016	44,707

Performance obligations

The performance obligation for all the services listed above are satisfied over-time and payment is generally due in advance of services provided.

13. Related Party Transactions

	2022	2021
Related party transactions that occurred during the financial year:		
House Rental income received from a shareholders relative	13,000	13,000
Commercial Lease income received from Ross Develop Consultants of whom a committee member is a direct relation to the principal thereof	913	913
Paid to Ross Develop Consultants Limited	-	18,373

	2022	2021
Key Management Personnel Compensation		
Total remuneration paid	-	-
Number of persons recognised as key management personnel	4	4

14. Financial Instruments

30 June 2022

	Amortised cost	Available for sale
Cash and cash equivalents	968,870	-
Payables	(10,449)	-

30 June 2021

	Amortised cost	Available for sale
Cash and cash equivalents	621,485	-
Receivables	7,357	-
Payables	(6,188)	-

15. Going Concern

The Management Committee believes that Mataora Nos 1&2 Block Incorporation will be able to operate and meet its obligations as they fall due for a period of at least 12 months from the date of these financial statements being authorised.

16. Contingencies

There were no contingent liabilities at 30 June 2022 (2021: $Nil).

17. Subsequent Eents

There have been no significant events subsequent to balance date (2021: nil)