Mangatawa Pāpāmoa Blocks Incorporation

Annual Report 2024


TAMAPAHORE

Contents

He tirohanga whānui

Our Journey

1900 — 2024

1900
Land Titles

1295 acres of Mangatawa land partitioned into 11 blocks with 103 owners.

1957
Mangatawa Pāpāmoa Blocks Inc.

Established to better protect our whenua and urupā from quarrying.

Kiwifruit Orchards

Established with help from Māori Affairs, our orchards create jobs and raise revenues from our whenua.

1976
Quarrying Ends

For more than 50-years the Mangatawa hills had been quarried to lay the foundation for Tauranga and its service infrastructure.

1989
Avocado Orchards

Established to diversify our revenue streams.

1995
Plant Nursery

Raising seedlings to rejuvenate our wetlands, and supply local community projects.

Pacific Coast

Unit sales start at Pacific Coast, our first retirement village joint venture developed on Mangatawa land.

2013
SunGold Kiwifruit

Development of high-returning SunGold orchards, with further plantings in 2016.

2014
Industrial Leases

Tui Products is the first industrial lease on Mangatawa land in 2014.

2020
Mainfreight Lease

Further industrial leases to Mainfreight and McLeod Cranes, followed by Mt Engineering in 2021.

2022
Brown Road, Te Puke, and RubyRed

Purchased orchard on Brown Road, Te Puke, and 6 hectares of RubyRed licence.

2023
Industrial Leases

Industrial leases to Power Farms and McLeod Cranes (3 lots) complete the Industrial Park.

2024
Investments in Villages

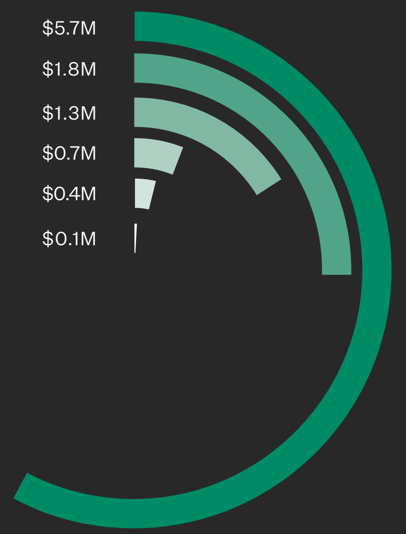
Pacific Coast and Pacific Lakes Retirement Villages, MPBI receives a cash distribution from the investment in the villages.

Snapshot of 2024

$10.1M Total Operating Revenue

Where we generate our income:

We use revenue to fund our business activities, support our social services and pay distributions to Mangatawa shareholders.

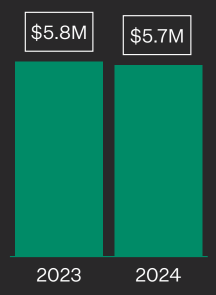


- Kiwifruit Crop Sales
- Commercial Land
- Retirement Village Revenues
- Papakāinga Housing
- Other Revenue
- Farm Livestock Sales

Kiwifruit Orchards

↓ 1%

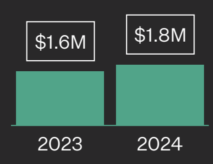
$82K decrease as poor growing conditions impact yields.



Commercial Land

↑ 17%

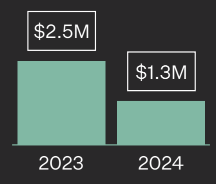
272K up in rentals from new tenancies and increases to existing leases.



Retirement Villages

↓ 49%

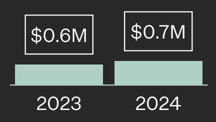
$1.2M decrease in joint revenue income (non-cash).



Papakāinga Housing

↑ 3%

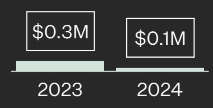
$17K increase in Papakāinga rentals.



Farm Land

↓ 60%

$197K down from lower livestock levels in line with the decommission of the farm.



$2.7M of Operating Earnings (EBITDA)

Working to realise the full earnings potential of our whenua. Our whenua is a valuable resource. By investing in kiwifruit orchards, retirement village developments, and commercial property rentals, Mangatawa is growing the earnings from our whenua to support our whānau and pay dividends to shareholders.

Note

1. EBITDA: Operating earnings before interest, tax, depreciation and amortisation, an indicator of profitability and measure of financial performance.
2. Sums may not add due to rounding, percentages based on total values in the financial statements.
3. Retirement village revenues and earnings in this development phase are currently non-cash.
4. Kiwifruit orchards and commercial property earnings are cash receipts.

Kiwifruit Orchards

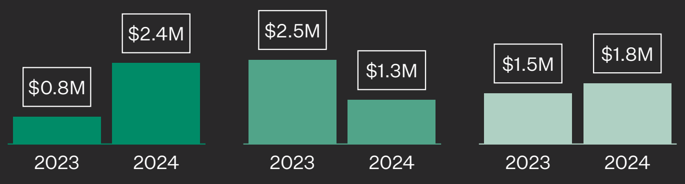
↑ 195%

Retirement Villages

↓ 49%

Commercial Land

↑ 19%

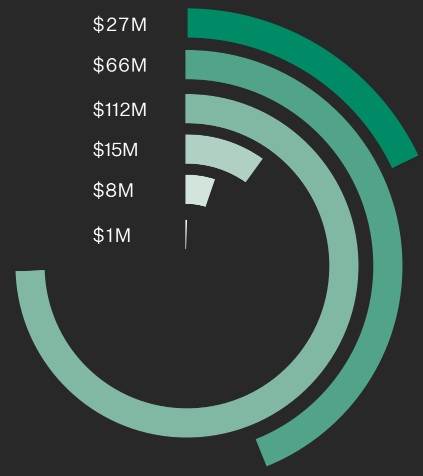


- Kiwifruit Crop Sales
- Retirement Village Revenues
- Commercial Property

$229M Total Assets

Where we invest our money to grow our revenues and deliver long-term benefits to our whānau:

With only $16M borrowed from bank funders, Mangatawa shareholders own $206M of net assets, which is $5,319 per share.



- Kiwifruit Crop Sales
- Commercial Land
- Retirement Village Revenues
- Papakāinga Housing
- Other Assets
- Farm Land

Kiwifruit Orchards

$27M

Value of our productive kiwifruit orchards. The 40 hectares of mature SunGold and Hayward orchards have been our main source of revenue, with new investments underway in RubyRed kiwifruit production.

Papakāinga Housing

$15M

Value of social housing provided for our whānau.

Commercial Land

$66M

Value of Mangatawa land used to generate revenues from commercial rentals with the balance held for future development.

Farm Land

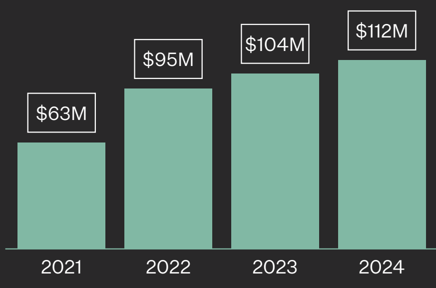
$1M

Value of Mangatawa land used to raise Livestock.

Retirement Village Joint Ventures

↑ 8%

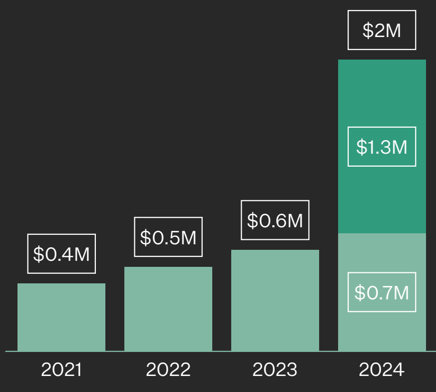
$112M value of our two JV investments. The long term value of our JVs has increased by $49M since 2021 with unit resales set to generate higher revenues.



Retirement Village Cash Received

This table shows cash received from the retirement villages for rents and capital distributions.

- Rents and capital distributions
- Rents in Advance

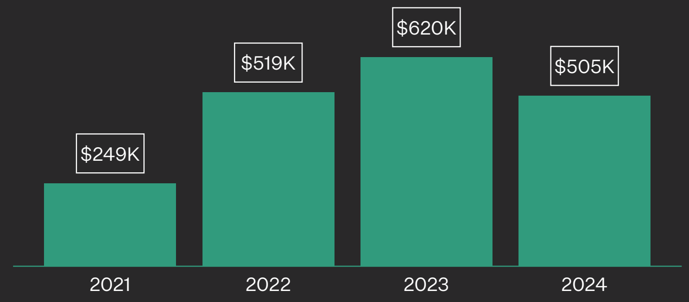


$599,510 of Distributions

Our direct payments to Mangatawa Pāpāmoa shareholders and the support we provide to help our people realise their potential.

Shareholders

↓ 19%

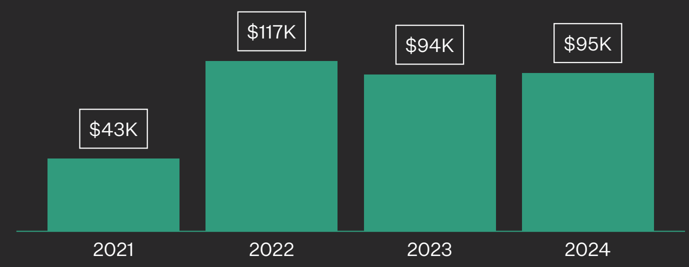


$504,530

Paid to shareholders in 2024.

Grants

↑ 5%



$94,980

Paid in grants in 2024.

Chairman's Report

Kei āku nui, kei āku rahi

Kei āku whakatamarahi ki te rangi

Kei ngā pūkenga, kei ngā wānanga

Tēnā anō tātou katoa!

Kia ora koutou, as Chairman of the Mangatawa Pāpāmoa Blocks Incorporation, it is my honour to present this report for the 2024 Annual Report. This year has been a transformative period for our Incorporation, marked by significant milestones and strategic advancements that position us strongly for future growth.

Creation of a New Commercial Entity

To further enhance our economic base and drive sustainable growth, we are seeking shareholder approval to establish a new commercial entity. This entity will be governed by representatives of the Committee of Management as well as independent directors who will bring world-class experience and expertise to our Incorporation. These directors will be carefully selected for their proven track records in various industries and their ability to provide strategic oversight and innovative solutions. Their involvement will ensure that our commercial ventures are managed with the highest standards of governance and operational excellence. This new entity is set to explore and capitalise on new business opportunities, driving economic prosperity for our shareholders.

Strategic Direction and Effective Governance

This year, the Committee of Management has been diligently working on setting a clear strategic direction for our Incorporation. The "Kia Mangatawa te tū" strategy document, developed in July 2023, outlines our vision for the future, focusing on long-term sustainability and the well-being of our whānau. This strategy emphasises key principles such as Kaitiakitanga, Manaakitanga, Whanaungatanga, and Tino Rangatiratanga.

Our Committee of Management has also focused on enhancing the governance framework of our Incorporation. We have implemented robust governance practices to ensure transparency, accountability, and efficiency in all our operations. Regular reviews and updates to our policies and procedures have been carried out to align with best practices and regulatory requirements. This commitment to effective governance has been instrumental in maintaining the trust and confidence of our shareholders and stakeholders.

The Establishment of Te Kāhui Kaumātua

One of the most significant programmes of work for us as a Committee of Management this coming year will be the establishment of Te Kāhui Kaumātua. This kāhui will play a pivotal role in ensuring that our decision-making processes are deeply rooted in our cultural values and the wisdom of our elders. Te Kāhui Kaumātua will provide guidance on cultural matters, ensuring that our tikanga and kaupapa remain at the forefront of our operations. Their insights and perspectives will be invaluable as we navigate the complexities of modern business while staying true to our whakapapa. I will provide more detail on this at our upcoming AGM.

Financial Performance and Looking Ahead

Our financial performance this year has been solid, as detailed in the audited financial statements. We have achieved significant revenue and profit growth, reflecting the success of our strategic initiatives and operational efficiencies. The establishment of the new commercial entity and Te Kāhui Kaumātua will lay a strong foundation for continued growth and sustainability.

Looking ahead, we remain committed to our strategic vision and the principles outlined in "Kia Mangatawa te tū". Moving forward our focus will be on leveraging the expertise of our very competent management, our experienced Committee of Management, our independent directors, expanding our commercial ventures, and ensuring that the voices and aspirations of our whānau continue to guide our decisions. We are confident that with these foundations in place, we will achieve our goals of economic prosperity, cultural preservation, and community well-being.

In conclusion, I would like to extend my gratitude to the Committee of Management, our CEO, staff, shareholders, and whānau for their unwavering support and dedication. Together, we are creating a prosperous future for our mokopuna.

— Neil Te Kani, Chairman

Chief Executive Officer's Report

E ngā wai tukukiri, e ngā taumata tiketike o te motu

E ngā mana, e ngā reo, tēnā koutou katoa

It is my privilege to present my CEO report for the 2024 Annual Report of Mangatawa Pāpāmoa Blocks Incorporation

As I write this report, I am filled with immense pride and a profound sense of responsibility. We are not just an organisation; we are a whānau, a collective bound by our shared vision and commitment to the prosperity and well-being of our people. Our journey has been marked by perseverance, innovation, and a deep-rooted connection to our whenua and whakapapa.

In envisioning the future of Mangatawa Pāpāmoa Blocks Incorporation, I see a landscape where our aspirations have flourished into reality. Our endeavours have not only secured financial stability but have also fostered an environment where our people thrive, culturally, socially, and economically. Our investments in sustainable practices, enduring asset classes, and whānau-centred initiatives have delivered value, creating a legacy of resilience and prosperity for generations to come.

We are standing on the precipice of a new era, where our collective efforts are transforming our vision into tangible outcomes. Imagine a future where our lands are not only preserved but enhanced, where our mokopuna are empowered with knowledge and opportunities, and where our whakapapa is celebrated and integrated into every facet of our development. This is the future we are building together.

This year has been marked by significant progress and achievements, guided by our long-term strategy, "Kia Mangatawa te tū", and underpinned by our strong financial performance as detailed in our audited financial statements.

Strategic Developments

In July 2023, we introduced our strategic vision document, "Kia Mangatawa te tū", a blueprint for our growth and development until 2053. This strategy places our whānau at the heart of our decision-making processes, emphasising extensive consultation and engagement with our community to ensure their voices, views, and dreams shape our future direction. Our guiding principles remain firm:

Kaitiakitanga
Protecting and preserving whānau, whenua, and resources.

Manaakitanga
Caring for our people and nurturing our relationships.

Whanaungatanga
Strengthening our bonds through whakapapa.

Tino Rangatiratanga
Upholding our autonomy and self-determination.

These principles are reflected in our strategic priorities which include enhancing communication, creating employment opportunities, supporting education, and providing safe, healthy homes through our papakāinga.

Financial Performance

The 2024 financial year has been one of robust performance and growth, as evidenced by our audited financial statements.

Here are some key highlights:

Revenue
Our total revenue for the year was $10.1M, a slight decrease from $11.3M in 2023. This stability in revenue demonstrates our resilience in maintaining steady income streams from our core trading and operations.

EBITDA
We achieved an earnings before interest, tax, depreciation and amortisation (EBITDA) of $2,735,286, a slight increase from $2,581,401 in the previous year. This improvement is attributed to our effective cost management and a lift in our core trading and operational efficiencies.

Net Profit
Our net profit after tax (NPAT) was $6,122,946, a substantial rise from $2,690,590 in 2023. This growth highlights our successful financial strategies and the positive impact of our investment decisions.

Operational Highlights

1. **Orchard Operations**
   The revenue from our kiwifruit orchards remained strong at $5,684,308. Our focus on maintaining high-quality production standards and exploring new on-orchard innovations has continued to yield positive results.

2. **Papakāinga Housing**
   We have continued to provide safe and affordable housing options for our whānau, which is a cornerstone of our social responsibility initiatives.

3. **Commercial Property**
   Our commercial land rental operations generated $1,836,822, underscoring the importance of our long-term leases and strategic property management.

4. **Retirement Villages**
   Our joint ventures in retirement villages have contributed $2M to MPBI in terms of cash rentals and capital repayments. These assets remain a key focus for us as we look to realise the value of this investment.

5. **Farm**
   We have disestablished the farm operation and are developing a coherent and sustainable strategy to identify land use options for the farm blocks based on 'highest and best use' with a particular focus on native planting.

Overview of the Staffing Review

I am pleased to present an overview of the staffing review recently conducted at Mangatawa Pāpāmoa Blocks Incorporation. This review was part of our ongoing commitment to embody the principles outlined in our guiding document, "Kia Mangatawa au i ahau!" This document encapsulates our core values and strategic directions, ensuring that we remain focused on our mission and goals. The staffing review was a comprehensive exercise aimed at assessing our current people capabilities, identifying gaps, and planning for future needs. The review was structured around the key themes presented in "Kia Mangatawa au i ahau!":

Whai Rautaki | Employing Strategy
We evaluated how effectively our staff are aligned with our strategic goals. Questions addressed included:

- What is our strategy?
- How do we achieve our goals?
- How do we meet the needs of our whānau through what we do?

Whai Tangata | Our People
We focused on understanding our staff specialisations and capabilities, ensuring that we have the right people in the right roles:

- What are our staff specialisations?
- What positions need filling or reviewing?
- How are our staff recruited, retained, motivated, and rewarded?

Whai Pūnaha | Effective Systems
We assessed the systems in place to support our staff in achieving their goals:

- How effective are the systems we have in achieving our goals?
- Are our teams utilising these systems effectively?

Whai Mātauranga | Shared Values
We examined how well our shared values are integrated into our daily operations and culture:

- What are our core values that run through everything?
- Do we live and breathe our core values?

Whai Raupapa | Organisation Structure
We reviewed our organisational structure to ensure it supports effective teamwork and agility:

- How are our teams set up in the organisation?
- Are we adaptable enough to move quickly?
- Do we collaborate well across teams?

Whai Mana | Developing Leadership
We evaluated the effectiveness of our leadership and management practices:

- How effective is our leadership/management?
- Are our people serving their purpose?
- Are our lines of communication clear and open?

Whai Pūkenga | Enhancing Skills
We identified areas for skill and competency enhancement:

- Are there any skill gaps?
- Do we have the right abilities / competencies present?
- What skills are untapped in the organisation?

Key Findings

Alignment with Strategy
Our staff are generally well-aligned with our strategic goals. However, there is a need for clearer communication of our long-term vision and more frequent strategy updates.

Staff Capabilities
We have a diverse range of skills within our team, but there are gaps in specific areas such as digital literacy and advanced project management.

System Utilisation
Our current systems are effective but underutilised. Increased training and support are necessary to maximise their potential.

Cultural Integration
Our core values are well-integrated, but there is room for improvement in consistently living these values across all our people.

Organisational Structure
Our structure supports effective teamwork but requires more flexibility to adapt quickly to changing circumstances.

Leadership Development
Leadership is generally effective, but there is a need for more focused leadership training and development programmes.

Skill Enhancement
There are significant opportunities for upskilling our staff, particularly in areas identified as skill gaps.

Recommendations

Enhanced Communication
Implement regular strategy updates and vision-sharing sessions.

Targeted Recruitment and Training
Focus on recruiting for identified skill gaps and providing targeted training programs.

System Training
Increase training on existing systems to improve utilisation and efficiency.

Values Workshops
Conduct workshops to reinforce our core values and ensure they are consistently applied.

Flexible Structures
Review and adapt our organisational structure to enhance flexibility and responsiveness.

Leadership Programmes
Develop and implement comprehensive leadership development programmes.

Upskilling Initiatives
Launch initiatives aimed at upskilling staff in critical areas to close the competency gaps.

The staffing review has provided valuable insights into our current capabilities and areas for improvement. By addressing the identified gaps and leveraging our strengths, we can ensure that our people continue to thrive and effectively serve our whānau.

Future Outlook

As we look ahead, our commitment to sustainable growth and community well-being remains unwavering. Our strategic initiatives under "Kia Mangatawa te tū" will continue to guide us, ensuring we build a prosperous future for our whānau while honouring our whakapapa and values.

We anticipate continued growth in our key operational areas and will remain vigilant in our financial management to maintain our strong performance. Our focus will also be on expanding our community engagement efforts, ensuring that our whānau are not only beneficiaries but active participants in our journey forward.

In closing, I extend my heartfelt gratitude to our Committee of Management, staff, shareholders, and whānau for their unwavering support and dedication. We will navigate the challenges and seize the opportunities that lie ahead, ensuring that Mangatawa Pāpāmoa Blocks Incorporation remains a beacon of hope, progress, and pride. Together, we are building a legacy of resilience, prosperity, and unity for future generations.

— Scott Wikohika, Chief Executive Officer

General Manager’s Report

E pari ana ngā tai o mihi ki a tātou ngā uri ō Mangatawa, otirā, ngā tohora e toru. Kei ngā mate kua wheturangitia, haere, haere, whakangaro atu rā. Ki a koutou e mau ana i ngā kākahu taratara i tēnei wā, nei rā te reo aroha ki a koutou e noho nei i raro te kapua pouri. Hoki mai ki a tātou ngā kanohi ora, ngā uri o rātou mā. Nōku te waimarie kia nohotahi i waenganui i tōku whānau i te tau kua pahure ake.

I’m gutted to be presenting my final report as General Manager, as I will be finishing in my role at the end of 2024 to pursue a long-held ambition to study full-time next year. However, you’ll see that I’ve decided to put my name forward for the Committee of Management, because I am confident that I can add value to our Incorporation at a governance level.

For me, I’ve learnt a heck of a lot in a relatively short space. My role tends to see a bit of everything. It really is a case of trying to be across a lot of moving parts, so the art of simplifying is a key thing I try and focus on. What stands out is the fact that our business is operating within a very special and unique landscape. It’s not common for a business to operate the mix of activities that we do. Within a stone’s throw, we have our orchards, farm, industrial, wetlands, tāhuna, whānau papakāinga and Marae. You include our rich history, plus all the other left-field dynamics and you’ve got an environment that certainly has its own unique challenges and opportunities. It’s important to acknowledge all of this because that’s some of our backdrop we have at mahi. It’s important to acknowledge, because some of the gains and progress we make aren’t always linked to typical key performance indicators.

I’ve seen over the past year some awesome strides from within our team. Things such as leadership, a willingness to extend themselves, resilience in tough circumstances, confidence to share whakaaro and confidence to be themselves. I’ve seen our team take a genuine interest in learning more about our local history, our whakapapa, whenua and moana.

The other area that needs constant attention is doing your core role well. We know we can do better in certain areas. We understand the need to improve so that we can continually lift the performance of our Incorporation. We are investing into our team through personal development opportunities, as well as investing time and effort into doing things more effectively and more efficiently.

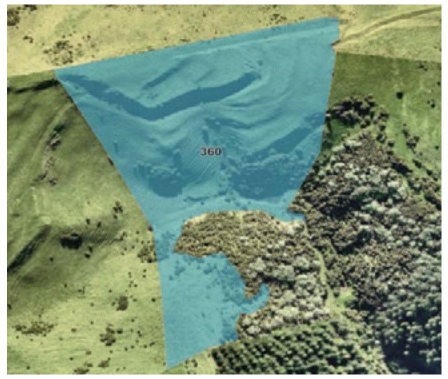
Examples of this include:

Health and Safety
Migrated our H&S systems across to a new online app. This will extend to all contractors and visitors at MPBI. Our system incorporates a number of features that will sharpen our focus across all of our H&S responsibilities including hazard and risk management, compliance and reporting.

Mapping Software
Assists with costing out various land use options, including planting, by giving us the ability to measure land area accurately. Mapping is also a smart tool to manage pasture and pest plant control.

Personal Development
Staff supported to attend training courses including law, accounting, MS excel, H&S, first-aid, office administration, Taiao, Te Reo Māori, pest control, chainsaw operations.

Values
Last year our team developed values to assist with driving better behaviours. These were then linked back to our own local history and whakataukī, including site visits to some of our local historic wāhi, in particular right here at Mangatawa.



Left: Examples of mapping software and use.

Key highlights for the reporting year:

Kiwifruit

You will note in our kiwifruit report a pleasing set of results. It was a substantial lift in performance across our kiwifruit orchards this past season, especially after the previous two poor seasons. Our orchard performance is critical to the overall financial health of our business; thus, there are pressures to ensure we do everything in our power to get it right. In this year’s kiwifruit report we have included some of the considerations that orchard management have each and every season.

Housing | Papakāinga

We are a registered Community Housing Provider (CHP) reporting annually to Community Housing Regulatory Authority. We also support other land trusts with their papakāinga rental housing, with the CHP status enabling access to income related rent subsidies for eligible tenants, similar to here at Mangatawa.

Our Housing and Support Services team started in 2016 with a sole Housing Tenancy Manager position. As a result of demand, but also looking at best practice models throughout the country, there was a clear need to increase support to our Housing Manager role. The team now includes two property tenancy managers, a social worker (Tauwhiro), social support worker (Kaiārahi) and administration, making up a total of 3.7FTE.

The team is responsible for the papakāinga of 35 rental properties and works closely with the Property Maintenance team and a group of preferred suppliers to ensure the whare are maintained in the best possible condition. Over the past year a lot of work was completed to comply with the recent healthy homes standards.

The Incorporation owns the following rental properties which are tenanted by shareholders and / or their beneficiaries:

Twelve 4-bedroom whare for whānau
One 3-bedroom whare for whānau
Twelve 2-bedroom whare for kaumātua
Four 1-bedroom whare for kaumātua
Six two-bedroom whare for sole parents

Our team strives to meet regularly with our kaumātua residents, mainly to ensure we are listening, sharing information and most importantly just catching up for kōrero. Similar, we also meet with our whānau tenants, often discussing issues at the time and working through solutions together. We are extremely proud of our whānau in the papakāinga who have made some very positive changes in their lifestyles, benefiting them, their whānau and the papakāinga as a whole.

The support services part of our mahi has capacity to provide service to the wider Mangatawa Shareholder whānau. It just takes a phone call, an email or a visit to the office and you will get the best we can give. Support to date has included advocacy with government and community organisations, assistance in accessing kai, bedding etc.

Most school holidays we have provided a Leadership, Culture and Sports programme for tamariki between 5 years and 15 years of age. These have been very popular, so popular that we have had to cap the number of tamariki we can provide for to ensure everyone's safety. Activities have included: learning haka and waiata, mau rākau, hot pools, Baywave, weaving ika, mahi manu tukutuku, waka ama, volleyball, tag and visits to Waimarino, Motion Entertainment, Adventure Forest etc. The intention is to have programmes that instil confidence and leadership, whilst having a strong Te Ao Māori theme including utilising our maramataka.

Other relationships we continue to develop within our housing team include: Ara Rau Tangata, Tauranga Placement Group, Western BOP Community Forum, Accessible Properties, Kāinga Ora, MHUD, MSD etc.

Our team is in the process of planning activities and services for the 2024 – 2025 period which will include: drivers licensing with Employ NZ; hauora challenges; access to financial management workshops and support and rangatahi activities.

Tauranga City Council Te Maunga Wetlands Contract

This contract was previously outsourced to landscaping company CGC Ltd, to provide property maintenance to the above-named properties. The contract has been granted back to MPBI from TCC for full management. A good move for MPBI as it not only facilitates mana motuhake within our whenua but aligns nicely with work we already undertake. Importantly, the contract provides financial strength for MPBI at approx. $100K per annum, over five years. This provides a revenue stream for the property maintenance department which has traditionally been an exclusive cost centre. Significant work was undertaken to be awarded this contract, including:

Risk Management: H&S compliance, insurances etc.
Schedule and methodology of works
Contractual rates
Development plan for staff — capability and capacity requirement from TCC

Other than this work, our team continues to keep our grounds and property in great shape.

Taiao

Last year we spent considerable time researching our whenua and participating in baseline surveys, using a combination of ecologist methodology and Mātauranga Māori to establish what we have and what we need to focus on.

Some of our unique biodiversity includes:

3.1ha of coastal turf — critically endangered ecosystem type
High diversity of native birds
Four indigenous species currently classified at risk of extinction (little black shag, NZ dotterel, red-billed gull, South Island pied oystercatcher)
86 plant species observed (72% exotic)
Īnanga, tuna and kōura recorded in small numbers, but still represents a healthy, diverse fish community

Throughout our work last year, the other theme was the need to eradicate significant populations of pest plants, shrubs and trees including gorse, woolley nightshade and pampas. After considering options, our best solution was a dedicated project team undertaking tough and demanding work cleaning up our whenua. Given the size of the gorse and nightshade, spray programs aren't effective until we are able to remove the shrubs down to the roots. Once we get to that point, the manual input is reduced, and spray programmes can be implemented more effectively. So, for the time being, that has been the action part of our taiao mahi over the past nine months.

Other things we are constantly thinking about are:

Protection of taonga species, endangered species, water, soil
Future restoration work such as riparian planting, re-wilding, fencing / land retirement, restoration of drain areas, spawning surveys and installation of artificial spawning habitats, control of floating
Climate change
Cultural consideration and protection

With the disestablishment of our farm business, there will be pressure on our pasture control. More so on some of the steeper terrain, plus whenua that is naturally wetter and marginal for other use. These areas are typically harder to access for our tractors and mowers. Land use for other whenua previously farmed is still being investigated and we will have a draft plan to present to the Committee of Management later this year. This includes planting out areas in either indigenous and / or exotic (which includes carbon farming), different cropping options, lease arrangements and retiring back into native and wetlands. I know a lot of whānau are excited by some of the options available to us and we will endeavour to wānanga these considerations once our team can get more detailed information back to our Committee of Management.

Conclusion

Still a lot of the year to go, so we can't take our foot off the pedal. However, in terms of acknowledgements, a big mihi to our team. It's fair to say, I've aged fairly rapidly since my time in the role. It's not uncommon to be shaking my head in utter disbelief, only to be laughing seconds later. Then for it to be happening again only a few hours later. I've learnt a lot from our team, (far too many things to write) and as we often say, no person or job is more important than the other — we all have a role to play. I really do believe that and I'm proud to have worked alongside each and every one of you. Nāu te rourou, nāku te rourou, ka ora ai e te Iwi.

To our previous Committee of Management members, I acknowledge your tireless efforts and strategic foresight in building the foundation we have today. To our current Committee of Management, your passion and commitment to our Incorporation is felt, so is your motivation to ensuring we do things alongside our shareholders and whānau. To Scott, I truly believe you have elevated our business on many levels and most importantly, you have done so in your own style that has been encouraging and supportive. You have challenged the status quo and created a vision that inspires us to think bigger and bolder for our whānau. E te rangatira, tēnā hoki koe.

To our shareholders and whānau, a big thank you for the support and encouragement during my time as General Manager. I owe a debt of gratitude for the many things that a lot of you have shared with me, not necessarily the mahi itself, but more so the history and stories here at Mangatawa. E kui ma, e koro ma, e ngā whānau whānui, tenei te mihi atu ki a koutou katoa.

In closing, the legacy of our generation needs to be the care for our land, so that it can continue to care for our us. That doesn't mean taking our eye off our commercial acumen, far from it. A rebalanced Incorporation agenda, to pursue in equal measure — environment actions, balance sheet growth, sustainable profit driven dividend, social and whānau distributions, education and employment opportunities. Whilst we are not in this for recognition or awards, I do believe we have an organisation that can foot it with the very best, while still being ourselves. Proud to be Mangatawa.

— Tim O'Brien, General Manager

Committee of Management

Neil Te Kani
Chairman

Pirihira McMath
Deputy Chair

Sarah Rameka
Secretary

Nathan Olsen

Victoria Werohia

Wakata Kingi

Kiwifruit Orchard Report 2024

While nobody can refute the significant impact mother nature has, there are still numerous on and off-orchard decisions that influence the quality of your crop. To provide an understanding of what this looks like, we've outlined a high-level summary of the season.

Takurua

The season begins with vine pruning in winter (Jun — Jul), which immediately follows the previous year's harvest. During the winter months (Jun — Aug) the vines lay dormant, allowing growers the opportunity to remove last season's fruiting canes and to select and tie down new canes which form the foundations for new growth.

Kōanga

Springtime (Sep — Nov) sees the kiwifruit vines begin to grow again. New shoots appear on the canes along with the first flower buds. When the flowers blossom, bees get to work pollinating the flowers. Pollinated female flowers transform into fruit.

Raumati

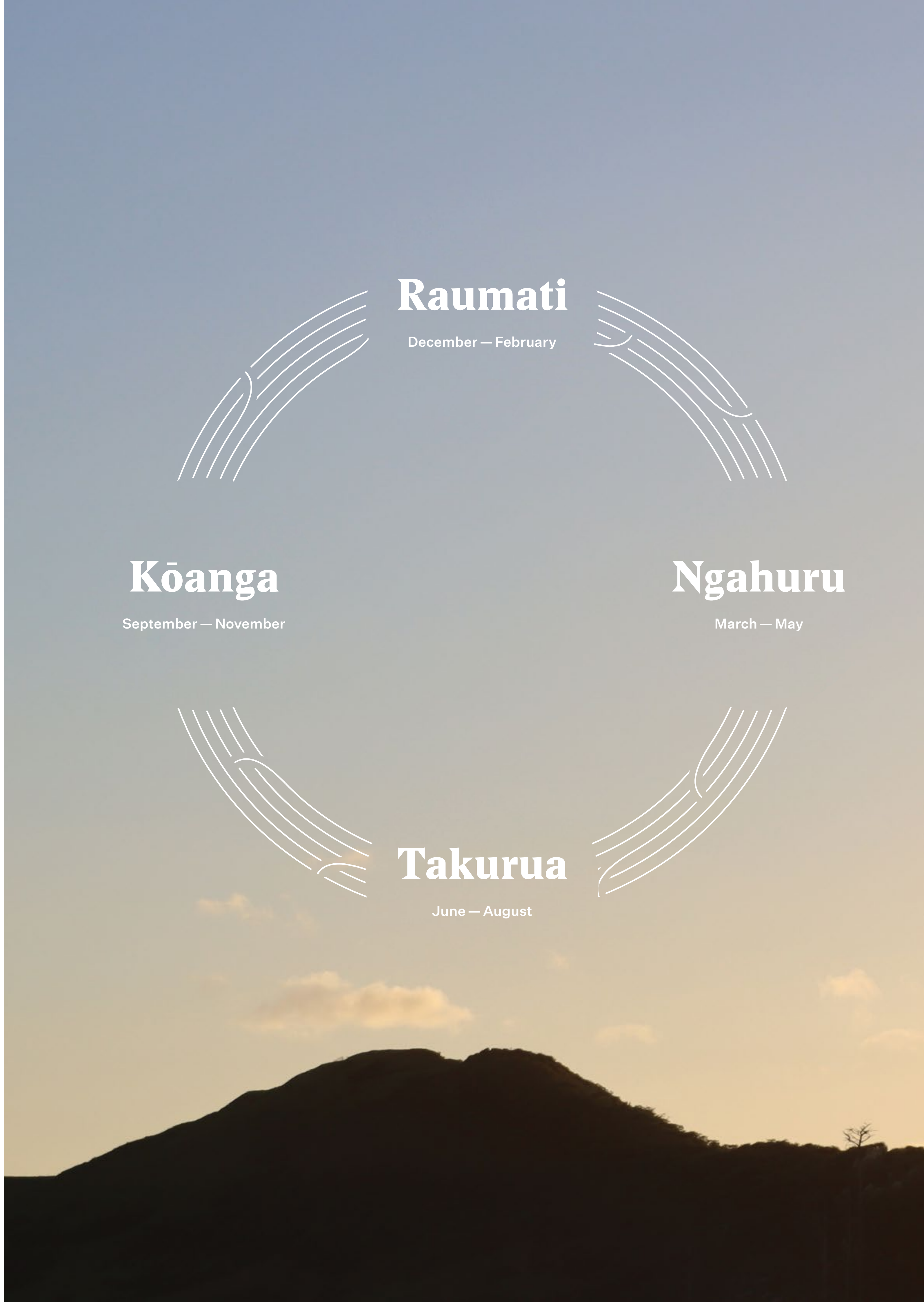
As summer starts (Dec — Feb), kiwifruit vines undergo tremendous growth and growers frequently prune the vines to direct growth and manage the canopy (the canes can sometimes reach up to 5 – 6 metres in length during the growing process). The fruit grow quickly, and crop volume can be estimated. Growers selectively thin kiwifruit to optimise fruit size and taste (generally the less there are, the larger and tastier — which leads to higher price premiums).

Ngahuru

As the weather cools in the New Zealand autumn (Mar — May) harvest time approaches. The kiwifruit are tested for ripeness and when they pass a certain criteria for quality and grade, the kiwifruit are carefully picked by a team of pickers. Once the kiwifruit have been picked, they are transported to the packhouse to be packed and stored ready for shipping and export. As the winter approaches, the leaves drop from the vines, signalling the end of another growing year. The vines move towards a dormant state and await the coming of spring.

Ongoing

Kiwifruit vines require sunshine, water, rich free-draining soil, with an ideal soil pH between 5 and 6.8. Winter chilling is another critical factor. To be productive, commercial crops require significant management. Vine training, pruning, pollination, shelter from the wind and pest and disease control among other things all have a significant impact on the profitability and productivity of the crop. These management practices impact the size and the dry matter of fruit and the market acceptance of the fruit.



For a long time (and still today), growers will seek consistency year after year. For good reasons, this is a successful and ubiquitous strategy.

What the industry is seeing as more prevalent are the extremes between season to season — either weather related, or things out of our control like a pandemic. It forces the grower to think a little more about maximizing a crop in a good season, not knowing if the next season will be severely impacted by our climate and growing conditions.

If we look back at 2023, we had very challenging weather events, which took a major toll on growers across the country. In 2022, the industry suffered from high fruit loss — both off the vine and performance in market. 2021 produced a pretty good year for the industry and prior to that we were dealing with challenges from Covid. That's quite some variation in the space of a few years.

We are actively looking at ways we can improve not only our growing practices but also the crops we produce. Having diversity in the fruit variety, kiwistart strategy, timing of harvest and having regional or geographic diversity are all examples of this. Other considerations include budget performance, investment into structures and infrastructure and recently examining pollen vs. fruit returns, for areas that aren't historically producing enough to justify growing costs.

2024 Season Overview

Exceptional weather conditions
Record yields
Excellent harvest and pack-out results
Storage and fruit loss better than last year at this stage

All things being equal with market performance, including minimal fruit loss, these results will drive good OGR performance across the season, which is highlighted within our financial reporting. Traditionally, MPBI has delivered good OGR per tray results, but lacked yield to move itself into the echelon of being a top tier grower. Therefore, OGR per hectare results are a strong focus, being a more profitable measure for the business.

A bit on RubyRed...

Good progress with our Red development has been achieved this year. We will be at near full canopy next season, which is 6 hectares at Mangatawa and 0.25 hectares at Brown Road. Significant investment is required with Red infrastructure — specifically overhead shelter to protect the fruit from skin damage. There are currently 12 mature Red orchards supplying the market from Zespri. Mature orchards are three years old and above. Because we aren't classified as a mature orchard grower yet for Red, we have provided below some industry observations from this 2024 season:

7-week clearance window: Feb — Apr; Lands in market two weeks prior to SunGold
China and Japan main markets with significant work being undertaken to open further markets
Despite currency hedging, weakened Japanese Yen reduced profits this past season (40% of fruit to Japan)
OGR per tray forecast range: \$16.25 – \$17.75
Average Yield: 4,280 trays per hectare
Average count size: 42
Main defect: Skin blemish (hence the investment into wind protection)
Class 1 average: 70%

The top quartile for Red growers produced strong results over the past season:

Average yield: 10,138
Class 1: 80.7%
Average Count Size: 40.2

Despite being a tricky variety to grow, there are some clear financial advantages if done well. Given the pressures on profit margin for HW over the past 5 or so years (excluding this past 2024 season, which has been great) it offers important diversification for our total orchard business.

Our recent results reflect the great work done by our orchard management team at Seeka. Special acknowledgement also to our team who support Seeka in various work across the orchard. E mihi ana i tā koutou mahi whakahirahira i oti i te tau kua pahure.

Kiwifruit Orchard 2024

501,776 Fruit

Highlights

Total fruit volume (vs. 2023)

↑ 41%

Total canopy hectares at Mangatawa

40+

Mangatawa Gold (GA) (vs. 2023)

↑ 69%

Mangatawa Green (HW) (vs. 2023)

↑ 16%

Mangatawa Brown Road Gold (vs. 2023)

↑ 31%

Mangatawa Brown Road Green (vs. 2023)

↑ 71%

Sungold Harvest Performance

Mangatawa Orchard

17,193	90%	0.58	27
Trays per hectare	Class 1	TZG	Avg. Count Size

Brown Road Orchard

19,589	86%	0.62	27
Trays per hectare	Class 1	TZG	Avg. Count Size

Hayward (HW) Harvest Performance

Mangatawa Orchard

10,393	90%	0.68	32
Trays per hectare	Class 1	TZG	Avg. Count Size

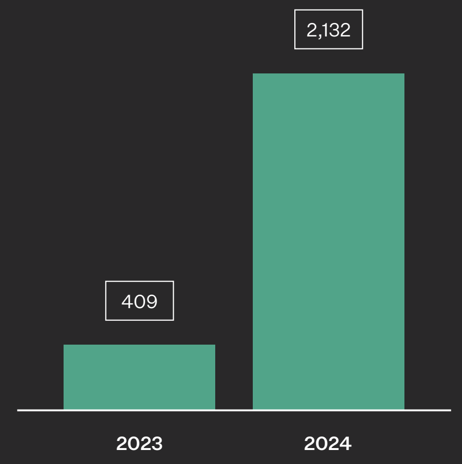
Brown Road Orchard

11,489	84%	0.70	34
Trays per hectare	Class 1	TZG	Avg. Count Size

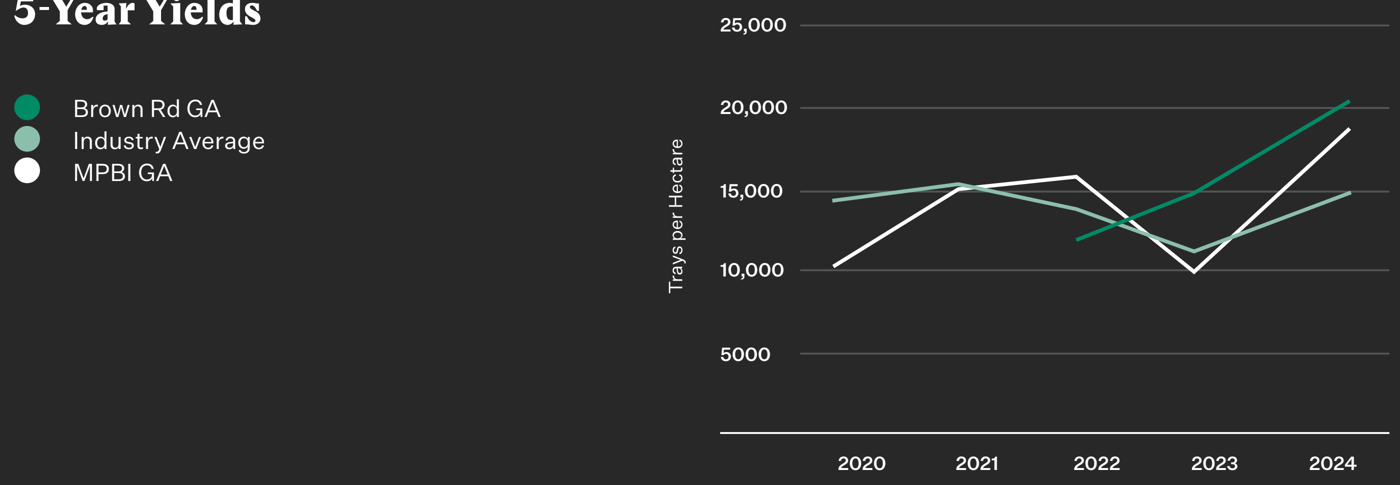
Red Harvest Performance — All Orchards

Red Harvest Volume

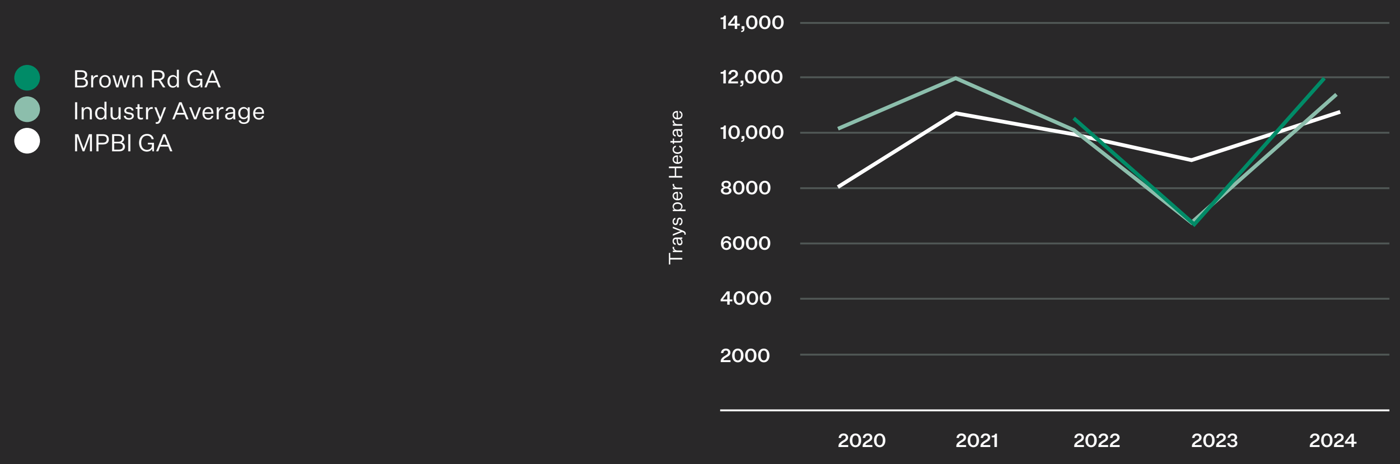
2,132 trays in 2024 vs. 409 trays last season.



Mangatawa GA 5-Year Yields



Mangatawa HW 5-Year Yields



Mangatawa Development Ltd.

The following report outlines progress within the various packages of work that EML Ltd, as Development Manager, has been undertaking for Mangatawa Developments Limited (MDL).

The report covers:

1. **Lot 1 DP 65413:**
   Master Planning progress on and next steps regarding the 15 hectares of vacant land to the south east of the existing industrial development.

2. **Lots 1 & 2:**
   McLeod Cranes and Power Farming.

3. **Lots 1–8:**
   OPEX fund and the progress with the setup of the formal civil maintenance schedule and committee.

Lot 1 DP 65413: Masterplan

MDL have commenced a master planning land use consent strategy focused on the remaining 15 hectares (approx.) of land on Truman Lane. The land is located just south of the head office and adjoining the Papakāinga.

Right:
Location of the land on Truman lane, adjacent to the Papakāinga.

Objective

The objective of the master plan and land use consent is to identify the highest and best use for the land, transitioning from existing industrial uses to more commercially and innovatively driven uses. Establishing a commercial innovation zoning will attract uses that are more compatible with the surrounding area and increase the land value. This process will be guided by internal and external parameters, culminating in a land use consent (resource consent) that allows for the desired uses.

Consent Phases:

Phase 1

Site assessment and ecology report conducted by Boffa Miskell; this phase involved site visits, wetland mapping, and identifying opportunities and constraints. The primary goal was to determine the amount of land suitable for development and the amount of land that will need to be off-set as wet land.

Progress: This phase was completed alongside revisions to the Government Policy Statement on Freshwater Management. The draft Boffa Miskell report was submitted to the Regional Council in early 2024 to gain confirmation of direction and informal approval of the offset mitigation strategy. The Regional Council accepted the offset mitigation areas outside the development zone, paving the way for inclusion in the pending land use consent application.

Phase 2

Third-Party Inputs and cost assessment. This phase involves identifying and costing third-party inputs necessary for the land use consent lodgement.

Progress: Following the Regional Council's review of the ecology report in May the project scope was adjusted. A detailed Request For Proposal (RFP) was resubmitted to third-party consultants in July 2024 to accommodate the expanded project area. The estimated budget for the land use consent process up to lodgement phase is now $270,000.

Phase 3

Land Use Consent and Draft Master Plan. The objective is to obtain approval for the land use consent with a preliminary scheme plan endorsed by the council. This plan will serve as a basis for final design, stakeholder presentations and potential variations to the consent (if required). The final design will also support a property business case.

Progress: This phase has not yet commenced.

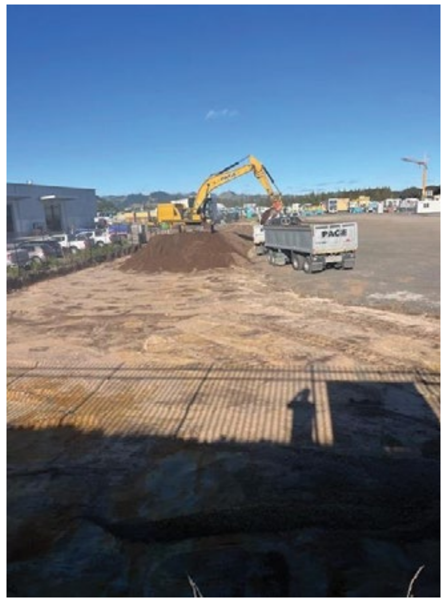
Lots 1 & 2: McLeod Cranes and Power Farming

McLeod Cranes Head Office: Lot 1 being 10,080m2 was leased to McLeod Cranes on the 1st of June 2022.

The first rental payment was paid on the 25th of February 2024. There have been hold-ups with the site establishment and construction over the last twelve months. iLine Construction was finally appointed and commenced construction on the 1st of July 2024. The building is expected to be open in the April / May 2025.

Right:
McLeod Cranes head office in Lot 1.

Below:
Construction of McLeod Cranes head office in progress.



Power Farming: Lot 2 being 9,923m2 was leased to Power Farming in 2022.

The first rental was made in December 2023. Construction was completed in late November 2023 and Power Farming opened for business on the 11th of December 2023.

Right:
Power Farming in Lot 2.

Lots 1–8: Services and Infrastructure Fund

With the completion of leasing on lots 1–8 and all tenants now paying rent, the services and infrastructure fund is now fully active and has a current balance of just under $134,000.

The first meeting, as facilitated by the development manager, was held in the MPBI head office on the 1st of July 2024 with all committee members (MPBI and sub lessees) present:

- Chairman was appointed (Tim O'Brien).
- As a result of the Lysaghts civil and services inspection report completed late 2023 a maintenance and inspection schedule was confirmed. The committee is to now appoint a civil and drainage contractor that will contractually carry out the required infrastructure servicing works.
- A sub-contractor is to be appointed by late September 2024.
- The next committee meeting is scheduled for the 2nd of December 2024.

Right:
Mount Maunganui Engineering in Lot 6.

Below:
Mainfrieght in Lot 6.

Rent Reviews and Rental Updates

All tenants are now paying rent and the next rent reviews are presented within the table below:

Tenant (Sub Leases)	Next Review
McLeod Cranes Lot 7/8	4 May 2025
Tui Lot 1	31 Jan 2025
Mount Engineering Lot 6	16 Aug 2025
Stadium Storage Lot 2	1 Feb 2029
Mainfrieght Lot 6	1 Sep 2027
McLeod Cranes (HO) Lot 1	25 Feb 2026
Power Farming Lot 2	25 Feb 2026

Our Villages

367 Residents

Pacific Coast Village

Villas (Independent Living)

224

Total Units at Pacific Coast Village

317

Hikurangi Apartments (Assisted Living)

36

Total Full-Time Employees

88

Te Manaaki Care Centre (Care Beds)

57

The financial statements for the year ending 31 March 2024 for Pacific Coast Village show an accounting profit of $7.3 million, largely based on an increase of $8.1 million for the increased value of investment property.

This is a reflection by the independent valuer on the sales values currently being achieved in the residential property market. This compares to a reduction in investment property value last year of $5.2M.

These increases / decreases in the valuation do not reflect any change to cash balances, these are purely valuation profits and losses. The Partnerships equity position continues to remain extremely strong at now $124M.

Regarding the cash position, in the longer term the increased value in investment property will result in cash profits as the resales of units occur. Both partners [Mangatawa and Generus Living] would like to see cash distributions as early as possible. While our strategy [and bank terms] have committed the Partnership to repay ANZ Bank for the debt associated with the Te Manaaki Care Centre, this process has commenced across the two villages.

This also means that all amounts from the original Mangatawa land advance have been paid and additional funds flowing. Subject to the real estate market recovering and the Te Manaaki Care Centre operating at full capacity it should be possible to continue to increase distributions over time.

Te Manaaki Care Centre Opened June 2023

In June last year, Pacific Coast Care Centre — Te Manaaki offering 57 rest home, hospital level and memory care [dementia] care opened. This $25M care centre has quickly established a reputation as one of the best in New Zealand.

This was evident when it was given a four-year certification when audited on behalf the Ministry of Health. The initial period usually ranges between one and three years, and we are unaware of any other care facility that has been granted four years.

The current dementia unit is small and designed to cater for village residents only. Consideration will be given to constructing a larger facility in due course on the remaining portion of land at Pacific Coast.

283 Residents

Pacific Lakes Village

Total Units in the Masterplan

251

Total Units Completed (Townhouse / Villa)

205

Total Full-Time Employees

11

The financial statements show an accounting profit of $8.9M.

As with Pacific Coast, this profit is predominantly due to the non-cash increase in village property value of $5.6M. The increase also reflects the completion of 26 villas during the year.

The Partnerships equity position is strong with equity at 31 March 2024 of $100.4M. We expect that next year, the accounting profit and value of equity may reduce to reflect the completion of the Pavilion building, the showcase community asset.

Construction and Development

We have continued to be cautious regarding villa construction reflecting the subdued housing market, however we are still making steady progress.

Construction of the Pavilion has continued and is expected to be fully roofed and closed-in before Christmas this year. It will be a magnificent facility and will assist in ensuring unit resales in the future are strong — which is the generator of cash for the partnership.

The Pavilion is being built in two stages, with the first stage comprising the reception, bar & restaurant, library, activities and multi-use area. The pool and gym will be completed as part of a second stage.

Sustainability Initiatives

Pacific Coast and Pacific Lakes Village continue to be leaders in the industry with their sustainability efforts from the approach to waste minimisation, working with nature, water conservation to active education. Some sustainability initiatives this year include:

Community

The village residents continue their amazing efforts in supporting the community. Special mention to the Pacific Lakes Resident Knitting Group, who have donated a myriad of New Zealand wool clothing to the Tauranga Hospital — Neonatal Unit to ensure our community babies are leaving the hospital warm with woollen tops, beanies and booties. This group have also been in overdrive to assist the Under the Stars Charity — for those living with no fixed abode. Knitting wool beanies and creating Aroha bags that include toothpaste, toothbrush, soap, shampoo and deodorant. Additional resident support with Pink Ribbon and the Fred Hollows Foundation, where 252 pairs of glasses were donated to be recycled and reused.

Working towards Zero Waste in Hospitality

Pacific Coast Village boasts a very large hospitality offering to its residents. With the popular Bloom Cafe and Eatery and The Grill Restaurant serving on average 100 to 125 residents a day, in addition to a large number of functions, daily meal service for serviced apartments, and the recently opened 57-bed Te Manaaki Care Centre, it is a substantial food and beverage operation.

Waste continues to be a key focus area of the Pacific Coast sustainability programme. Reducing and ultimately eliminating packaging waste from supply chain is one of the challenges being tackled by working closely with suppliers. One of biggest sources of packaging waste [by volume] within the hospitality offering at the village was plastic milk bottles. Pacific Coast had Kaipaki Dairies installed a milk tap in April 2023 in the café, and now receive 10kg milk pails instead of individual plastic milk bottles. After use, the pails get cleaned, refilled, and then reused. The installation of a milk tap has avoided the use of 2,600 'two litre' plastic milk bottles per year from the Café, with a further 3,744 now removed from the Village Operations with introducing reusable glass bottles, totalling a staggering 6,344 less plastic bottles used on site per year.

The remainder of dairy and dairy alternative product packaging is being carefully recycled with cream and trim milk plastic bottles being returned to the supplier rather than recycled through the kerbside collection, allowing for better quality recycling. Alternative milk tetra pak packaging is separated and taken to the local transfer station for specialised recycling to be upcycled into low carbon building products.

The village's local coffee supplier now delivers beans in reusable pails, which are collected by the supplier, washed and re-used replacing previously plastic lined packaging that ended up in landfill. The used coffee grounds are distributed to residents to be used in their garden.

Pacific Coast and Pacific Lakes Village continue to hold the Tauranga Resource Wise Business Programmes highest Stage-5 — GREEN status requiring ongoing waste audits — based on the SWAP survey standards (Solid Waste Analysis Protocol) a nationally recognised method of waste auditing in New Zealand. Pacific Coast Village have made impressive steps towards minimising waste to landfill and achieved impressive 90% diversion rate from landfill from its operational waste.

Pāpāmoa Beach Conservation

Pacific Coast and Pacific Lakes Village continue their active role in Pāpāmoa Beach conservation. The villages annual programme provides residents and team opportunities to participate and make a difference. This programme includes 'Dune Planting' whereby residents and the village teams have planted a total of 350 spinifex plants on the Pāpāmoa sand dunes this past year.

The annual 'Beach Clean Event' was again well supported by both villages, removing over 100kg's of waste from the beach. As an extension of this initiative, the village residents continue to be active volunteers providing assistance to the Tauranga and Te Puke Forest & Bird volunteer programme to protect the New Zealand dotterel who live in the Pāpāmoa dunes.

Aquatic Eco Systems and Sustainable Solutions

Pacific Lakes has always prioritised the use of natural fertilisers and natural weed control as much as possible. However, the invasive aquatic weeds, curly pondweed (Potamogeton crispus) and oxygen weed (Egeria densa) became established in the lakes in 2022, adversely affecting their function and aesthetic value. To manage the invasive weeds, Pacific Lakes partnered with Waterways Restoration NZ who provide waterway management and restoration services to enhance the health of freshwater environments. This partnership has continued with deploying grass carp fish in the lakes to sustainably manage the eradication of aquatic pest weed species.

There were 75 Grass carp released in 2022 and 2023. By February 2023, the grass carp at Pacific Lakes had largely controlled the invasive plants within the village lakes. However on review, in April 2024, it was noted that some fish sighted were not as large as expected and this was because there was no longer enough food source for them. As a result, 25 Grass carp were netted and taken out of the Lakes to a new environment to ensure that there was enough food for survival of the remaining carp.

Partnership Initiatives

Ebba Te Tua Scholarship 2024 Education Grant

Recently Mangatawa Pāpāmoa Blocks Incorporation (MPBI) and Generus Living Group partnership proudly announced the recipient of the 2024 educational scholarship — Ebba Te Tua. The Generus Living and Mangatawa Partnership established the Ebba Te Tua Scholarship in honour of respected teacher and kuia Ebba Te Tua who taught at Arataki School in Mount Maunganui for nearly 30 years. The annual scholarship supports the professional and educational development of Mangatawa [descendants] who have chosen to pursue a career in education and in particular are committed to the revitalisation of te reo Māori.

This years recipient, Grant Herekotukutuku Muru, will be undertaking the Te Tohu Paetahi diploma programme at the University of Waikato. Te Tohu Paetahi, is a one-year total immersion Māori language programme at the University of Waikato. The first intensive te reo Māori immersion programme of its kind, Te Tohu Paetahi has paved the way for the revitalisation of te reo Māori for more than 30 years. The goal of this programme is to produce students who can fluently and competently speak in te reo Māori, no matter their starting level of fluency.

Grant has been teaching over 30 years, and his decision to undertake the Te Tohu Paetahi diploma programme "was driven by both my personal aspiration to deepen my connection with the language and my heritage, and also my professional aspiration to be able to create a culturally responsive and inclusive learning environment as a teacher."

"I wish to stand confidently on my marae one day and whaikōrero [formally speak] in te reo. I wish to pass on te reo to my mokopuna and give them the opportunity to grow up with the language," says Grant. "I am truly honoured to be awarded the Ebba Te Tua scholarship to support me on this journey."

"This experience has opened my eyes to many different opportunities. I truly believe our next generation need to be well equipped in te ao Māori, tikanga Māori and te reo Māori," reiterates Tui. "Cultural identity is what makes us who we are and losing sight of that is detrimental to upholding our values and beliefs. I aspire to be a future leader for the Ngā Pōtiki people, someone who will teach, nurture, lead, learn and develop future generations into becoming educated in all areas of life."

The Ebba Te Tua Scholarship programme is in its third year. The 2023 Scholarship recipient Tui Papuni completed her Masters in Education degree at University of Waikato whist working full time and raising a family of six tamariki. A true testament to her commitment.

Education Spotlight

Mangatawa Pāpāmoa Blocks Inc. and Māori Education Trust

Name	Level	Institution	Qualification	MPBI	Tripartite	MET	Total
Shaquilla Coles	NZ Cert Level 4	Southern Institute of Technology	Health and Wellbeing	$200		$100	$300
Hollie Stokes	NZ Cert Level 4	Carrerforce	Community Facilitation Apprenticeship	$200		$100	$300
Jocelyn Purewa	Diploma	Te Whare Wānanga ō Aotearoa	Small Business and Project Management	$400		$150	$550
Te Waikohua Rata	Paper Credit	Waikato University	Individual Paper Credit Educational Leadership	$400		$150	$550
Charmaine McLeod	Paper Credit	Waikato University	Individual Paper Credit Economics	$300		$125	$425
Serenity Thomas	Diploma	Toi-ohomai (Te Pukenga)	Diploma in Business	$400		$150	$550
Peata Billing	Bachelor	Anamata Education & Training	Bachelor of Applied Counselling	$600		$200	$800
Cheynes Kuka	Bachelor	University of Auckland	Bachelor of Medicine and Bachelor of Surgery	$600		$200	$800
Brooklyn Nuku	Bachelor	AUT	Bachelor of Arts — Criminology Major	$600	$600	$200	$1,400
*Matthew Lloyd	Bachelor	Victoria University	Bachelor in Architectural Studies	$600	$600	$200	$1,400
Abby Tutengaehe	Bachelor	AUT	Bachelor of Law	$600	$600	$200	$1,400
Julia Haira	Bachelor	Massey — Auckland	Bachelor of Arts Major Psychology	$600	$500	$200	$1,300
William Aitken	Bachelor	Te Whare Wānanga o Waikato	Bachelor of Te Reo and Indigenous Studies	$600		$200	$800
Julia Walker	Bachelor	Te Wānanga o Aotearoa	Bachelor of Bicultural Social Work	$600		$200	$800
*Matagi Vitolio	Bachelor	Victoria University	Bachelor of Arts Major Sociology	$600	$600	$200	$1,400
Briar Davie	Bachelor	University of Canterbury	Bachelor of Engineering (Hons.)	$600		$200	$800
Noah Johnstone	Bachelor	University of Otago	Bachelor of Commerce Major Accounting	$600		$200	$800
Sarah Rameka	Bachelor	Waikato University	Bachelor of Law	$500		$150	$650
Hadley Tamati	Bachelor	University of Otago	Health Sciences with a Major in Māori Health	$600		$200	$800
*Sian Kuka	Bachelor	Victoria University	Bachelor of Arts Major Classical Studies	$600	$600	$200	$1,400
Pareraututu Waaka	Bachelor	Massey — Wellington	Bachelor of Design (Hons.)	$600	$500	$200	$1,300
James Haua	Scholarship	University of Rio Grande Ohio America	Rugby Scholarship	$600		$200	$800
Gabrielle Tarau	Post Grad. Diploma	University of Auckland	Post Grad. Diploma in Health Sciences	$800		$250	$1,050
Waireka Walker	Masters	University of Canterbury	Master of Māori and Indigenous Leadership	$2,000		$500	$2,500
Pania Watson	Masters	University of Canterbury	Masters of Education	$2,000		$500	$2,500
Shaun McNeil	PhD	Waikato University	Doctorate of Philosophy — Chemistry	$2,400		$600	$3,000
Merritt Duley	PhD	Te Whare Wānanga o Awanuiarangi	Doctorate of Philosophy — Indigenous Studies	$2,400		$600	$3,000
Keita Durie	PhD	Massey University	Doctorate of Philosophy — Māori Studies	$2,400	$500	$600	$3,500
Combined Total				**$23,400**	**$4,500**	**$6,975**	**$34,875**

Victoria University Taihonoa Scholarship Recipients

Name	Level	Institution	Qualification	Partner Contribution	Taihonoa Scholarship	MET	Total
*Matthew Lloyd	Bachelor	Victoria University	Bachelor in Architectural Studies	$600	$600	$200	$1400
*Matagi Vitolio	Bachelor	Victoria University	Bachelor of Arts Major Sociology	$600	$600	$200	$1400
*Sian Kuka	Bachelor	Victoria University	Bachelor of Arts Major Classical Studies	$600	$600	$200	$1400

Ebba Te Tua Scholarship Recipient

Name	Level	Institution	Qualification	MPBI	Generus	MET	Total
Grant Muru	Postgraduate Diploma	Waikato University	Te Pua Wānanga ki te Ao — Māori and Indigenous Studies				TBC

Ebba Te Tua Scholarship

We are very proud to announce the recipient of the 2024 Ebba Te Tua Scholarship, Grant Herekotukutuku Muru.

Above:
Mark Vincent (Pacific Lakes Village Manager), *Grant Muru* (Scholarship Recipient), and *Scott Wikohika* (CEO).

"My decision to undertake the Te Tohu Paetahi diploma programme at the University of Waikato was driven by both my personal aspiration to deepen my connection with the language and my heritage, and also my professional aspiration to be able to create a culturally responsive and inclusive learning environment as a teacher." Grant has been teaching over 30 years.

The passion for te reo has always been close to Grant's heart. "Whilst my grandparents and parents where fluent speakers, it was not spoken at home when I grew up. It was not really until high school that I had my first exposure to learning te reo. However, whilst completing the curriculum successfully, the school programme was not enough to learn to converse in te reo and until now I was only able to grasp basic sentences."

Te Tohu Paetahi, is a one-year total immersion Māori language programme at the University of Waikato. The first intensive te reo Māori immersion programme of its kind, Te Tohu Paetahi has paved the way for the revitalisation of te reo Māori for more than 30 years. The goal of this programme is to produce students who can fluently and competently speak in te reo Māori, no matter their starting level of fluency.

"I wish to stand confidently on my marae one day and whaikōrero [formally speak] in te reo. I wish to pass on te reo to my mokopuna and give them the opportunity to grow up with the language," says Grant. "I am truly honoured to be awarded the Ebba Te Tua scholarship to support me on this journey."

The Ebba Te Tua Scholarship programme is in its third year. The 2023 Scholarship recipient Tui Papuni completed her Masters in Education degree at University of Waikato whist working full time and raising a family of six tamariki. A true testament to her commitment.

"This experience has opened my eyes to many different opportunities. I truly believe our next generation need to be well equipped in te ao Māori, tikanga Māori and te reo Māori," reiterates Tui. "Cultural identity is what makes us who we are and losing sight of that is detrimental to upholding our values and beliefs. I aspire to be a future leader for the Ngā Pōtiki people, someone who will teach, nurture, lead, learn and develop future generations into becoming educated in all areas of life."

The Generus Living and Mangatawa Partnership established the Ebba Te Tua Scholarship in honour of respected teacher and kuia Ebba Te Tua who taught at Arataki School in Mount Maunganui for nearly 30 years. The annual scholarship supports the professional and educational development of Mangatawa uri [descendants] who have chosen to pursue a career in education and in particular are committed to the revitalisation of te reo Māori.

Education Profiles

Pania Watson

Ko Ngai Te Rangi tōku iwi
Ko Ngā Pōtiki tōku hapū
Ko Tamapahore tōku marae
Ko Pania tōku ingoa

I have been privileged to receive Mangatawa Pāpāmoa education grants during my educational journey. In 2015 I completed a Bachelor of Education (Physical Education) with First Class Honours at the University of Canterbury and I am currently completing a Master in Education endorsed in Leadership. My thesis will be investigating how eurocentric ideology influences the authentic implementation of culturally relational policy in English-medium mainstream education schools. I hope that my research may contribute towards providing equitable learning outcomes for ākonga Māori. Tertiary study is expensive and hard work. I am so grateful for the support from Mangatawa Pāpāmoa Blocks Incorporation in supporting me with my goals.

— Pania Watson

Right:
Pania Watson, education grant recipient.

Waireka Walker

Tēnā koutou e ōku rangatira,

Receiving two tertiary grants from Mangatawa Pāpāmoa Blocks in 2023 and 2024 has profoundly impacted my ability to progress my Master's in Māori and Indigenous Leadership. As someone who balances full-time work with part-time study, this support has been invaluable. Financially, the grant has alleviated the burden of tuition fees and study-related expenses, allowing me to focus more on my studies without the constant worry of financial strain. This support has also enabled me to invest in necessary resources, such as textbooks and technology, which are crucial for my coursework.

The grants provided much-needed relief to my whānau. With less financial pressure, we have been able to maintain a stable whare, ensuring that the needs of my whānau are met while I pursue my academic goals. This tautoko has not only facilitated my personal and professional growth but has also reinforced the importance of educational advancement within my whānau. The grant has truly been a catalyst for my success in this programme and I am on my way to passing the degree with distinction in October 2024.

E mihi kau atu ana ki te poari matua, otirā ki te whānau whānui o Mangatawa Pāpāmoa Blocks Inc. Nōku te maringa nui.

— Waireka Walker

Right:
Waireka Walker received tertiary grants in 2023 and 2024.

Turumākina Duley

The generous funding from Mangatawa Pāpāmoa Blocks Incorporation has significantly eased the financial burden of traveling between Australia and Aotearoa for me as I reside in Australia. This support has enabled me to maintain strong connections with my whānau and engage in important cultural and community events that are vital to my identity and heritage.

Before receiving this funding, the cost of travel was often prohibitive, limiting my ability to visit home as frequently as I would have liked. With the financial assistance, I have been able to participate in Te Whare Wānanga o Aotearoa wānanga, noho, and hui, ensuring that I remain an active and involved member of my community.

This support has also allowed me to share our rich culture and traditions with my friends and colleagues in Australia, fostering greater understanding and appreciation. I am immensely grateful for this opportunity, which has strengthened my ties to both my family and my cultural roots.

— Turumākina Duley

Right:
Turumākina Duley, education grant recipient.

Financials 2024

Group Financial Statements

For the year ended 31 March 2024

Statement of Profit or Loss

For the year ended 31 March 2024

New Zealand dollars	Notes	2024	2023
Revenue			
Revenue from sales	2	8,307,562	8,327,563
Total revenue		8,307,562	8,327,563
Less cost of goods sold	3	4,162,341	6,065,892
Gross profit		4,145,221	2,261,671
Other income and expenses			
Other income	2	474,967	459,219
Share of trading profit from joint ventures	22	1,261,941	2,471,130
Less			
Administration expenses	3	3,051,863	2,517,054
Grants and distributions	3	94,980	93,565
Earnings before interest, tax, depreciation and amortisation (EBITDA)		2,735,286	2,581,401
Amortisation of intangible assets	10	(146,504)	(213,394)
Depreciation - fixed assets	8	(374,830)	(364,974)
Depreciation - right of use assets	12	(48,779)	(22,875)
Loss on disposal of assets		(1,412)	(2,768)
Revaluation on investment in shares - (loss)		(53,556)	(53,028)
Revaluation on land, buildings and bearer plants - (loss)		(874,858)	(971,491)
Unrealised net gain / (loss) in value of investment properties	9	218,957	(2,744,324)
Unrealised net gain in value of investment properties held in joint ventures	22	6,861,844	6,562,782
Earnings before interest and tax (EBIT)		8,316,148	4,771,329
Finance costs		(1,384,724)	(1,052,065)
Lease interest expense		(8,602)	(4,101)
Net profit before tax (NPBT)		6,922,822	3,715,163
Income tax charge for the year	5	-	-
Deferred tax charge	6	799,876	1,024,573
Total tax charge		799,876	1,024,573
Net profit after tax (NPAT)		6,122,946	2,690,590

Statement of Comprehensive Income

For the year ended 31 March 2024

New Zealand dollars	2024	2023
Net profit for the year	6,122,946	2,690,590
Items that will not be later reclassified to profit or loss		
(Loss) on revaluation of land, buildings and bearer plants	(2,848,204)	(1,739,463)
(Loss) on revaluation of investment in shares	(743,798)	(1,584,891)
Total comprehensive income	(3,592,002)	(3,324,354)
Total comprehensive income for the year attributable to equity holders	2,530,944	(633,764)

The accompanying notes form an integral part of these financial statements

Statement of Changes in Equity

For the year ended 31 March 2024

New Zealand dollars	Capital	Realised capital reserve	Land, buildings and bearer plants revaluation reserve	Share revaluation reserve	Retained earnings	Total equity
Equity at 1 April 2022	36,816	5,078,660	22,607,926	6,625,375	171,316,467	205,665,244
Net profit	-	-	-	-	2,690,590	2,690,590
Other comprehensive income	-	-	(1,739,463)	(1,584,891)	-	(3,324,354)
Total comprehensive income for the year	-	-	(1,739,463)	(1,584,891)	2,690,590	(633,764)
Transactions with owners						
Distribution to owners	-	-	-	-	(619,797)	(619,797)
Balance at 31 March 2023	36,816	5,078,660	20,868,463	5,040,484	173,387,260	204,411,683
Equity at 1 April 2023	36,816	5,078,660	20,868,463	5,040,484	173,387,260	204,411,683
Net profit	-	-	-	-	6,122,946	6,122,946
Other comprehensive income	-	-	(2,848,204)	(743,798)	-	(3,592,002)
Total comprehensive income for the year	-	-	(2,848,204)	(743,798)	6,122,946	2,530,944
Transactions with owners						
Distribution to Owners	-	-	-	-	(504,530)	(504,530)
Balance at 31 March 2024	36,816	5,078,660	18,020,259	4,296,686	179,005,676	206,438,097

The accompanying notes form an integral part of these financial statements

Statement of Financial Position

As at 31 March 2024

New Zealand dollars	Notes	2024	2023
Assets			
Current Assets			
Cash and cash equivalents		97,300	939,796
Trade and other receivables	13	1,405,086	855,666
Biological assets - livestock	11	22,023	172,445
Biological assets - crop	11	2,644,100	2,283,054
Income tax		38,883	115,916
GST		-	62,071
Total current assets		4,207,392	4,428,948
Non-current assets			
Investment in shares	20	4,920,442	5,825,939
Investment in joint ventures	22	111,580,041	103,656,256
Intangible assets	10	3,154,958	3,301,462
Right of use lease assets	12	92,604	141,383
Property, plant and equipment	8	24,055,819	28,533,764
Investment property	9	80,756,901	80,262,900
Total non-current assets		224,560,765	221,721,704
Total assets		228,768,157	226,150,652
Liabilities			
Current liabilities			
Trade and other payables	14	940,553	1,155,869
Unclaimed dividends	14	546,642	498,031
Income in advance	15	1,169,334	178,908
Interest bearing term loans	16	48,100	2,391,996
Lease liabilities	12	55,392	55,392
GST		8,045	-
Total current liabilities		2,768,066	4,280,196
Non-current liabilities			
Lease liabilities	12	42,930	89,719
Income in advance	15	700,000	-
Interest bearing term loans	16	15,796,137	14,354,380
Deferred tax		3,022,927	3,014,674
Total non-current liabilities		19,561,994	17,458,773
Total liabilities		22,330,060	21,738,969
Total net assets		206,438,097	204,411,683
Represented by			
Capital	17	36,816	36,816
Realised capital reserve	18	5,078,660	5,078,660
Land and buildings revaluation reserve	18	18,020,259	20,868,463
Share revaluation reserve	18	4,296,686	5,040,484
Retained earnings	18	179,005,676	173,387,260
Total equity		206,438,097	204,411,683

Signed for and on behalf of the Committee of Management who authorised these financial statements for issue on 13 August 2024.

N Te Kani
Chairperson

V Werohia
Committee Member

The accompanying notes form an integral part of these financial statements

Statement of Cash Flows

As at 31 March 2024

New Zealand dollars	Notes	2024	2023
Operating activities			
Cash was provided from:			
Receipts from customers		9,654,739	8,183,559
Interest and dividends received		275,632	425,399
Cash was disbursed to:			
Payments to suppliers and employees		(7,658,528)	(7,131,675)
Interest paid		(1,384,724)	(1,052,065)
Lease interest paid		(8,602)	(4,101)
Taxes paid		-	-
Net cash flows from operating activities	4	878,517	421,117
Investing activities			
Cash was provided from:			
Proceeds from sale of property, plant and equipment		22,843	24,313
Proceeds from capital distributions received		200,000	200,000
Proceeds from sale of shares		240,412	53,027
Cash was disbursed to:			
Purchase of property, plant and equipment		(498,335)	(6,443,419)
Purchase and development of investment property		(281,086)	(970,248)
Purchase of intangible assets		-	(2,460,500)
Net cash flows from investing activities		(316,166)	(9,596,827)
Financing activities			
Cash was provided from:			
Proceeds from current bank borrowings		6,600,000	1,602,126
Proceeds from non-current term bank borrowings		-	8,879,998
Cash was disbursed to:			
Principal lease payments		(46,789)	(19,147)
Repayment of current bank borrowings		(7,202,126)	(800,000)
Repayment of non-current bank borrowings		(300,013)	(504,634)
Shareholder dividends paid		(455,919)	(535,478)
Net cash flows from financing activities		(1,404,847)	8,622,865
Net cash flows		(842,496)	(552,845)
Cash and cash equivalents			
Cash and cash equivalents at beginning of period		939,796	1,492,641
Net change in cash for period		(842,496)	(552,845)
Cash and cash equivalents at end of period		97,300	939,796

The accompanying notes form an integral part of these financial statements

Notes to the Financial Statements

For the year ended 31 March 2024

This section contains the notes to the consolidated financial statements (financial statements) for Mangatawa Papamoa Blocks Incorporated, its subsidiaries, associates and jointly controlled entities. To give stakeholders a clear insight into how Mangatawa organises its business, the note disclosures are grouped into seven sections.

Basis of preparation

This section sets out the Group's accounting policies that apply to the full set of financial statements. Accounting policies which are limited to a specific note are described in that note.

Reporting entity and statutory base

Mangatawa Papamoa Blocks Incorporated is a is a profit-orientated Māori Incorporation constituted pursuant to Te Ture Whenua Māori Act 1993 New Zealand - Aotearoa.

The financial statements presented are those of the consolidated Mangatawa Group. Mangatawa Papamoa Blocks Incorporated is referred to as Mangatawa or the Incorporation. The group is referred to as the Group, or Mangatawa Group.

The consolidated financial statements of the Mangatawa Group comprise the parent and its subsidiaries (together referred to as "the Group") and the Group's interest in associates and jointly controlled entities. Refer to the Directory and notes 21 and 22 for further details on the Group's investments.

Nature of the operations

Mangatawa is a diverse business with operations in kiwifruit and avocado horticulture, livestock farming, Papakainga housing, commercial land and retirement village investments located in the Tauranga region of the Bay of Plenty, New Zealand-Aotearoa.

Summary of material accounting policies

The accounting policies have been applied consistently throughout the periods presented in the financial statements.

Statement of compliance and basis of preparation

These financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand ('NZ GAAP'). They comply with the New Zealand Equivalents to International Financial Reporting Standards - Reduced Disclosure Regime ('NZ IFRS RDR') and other applicable Financial Reporting Standards, as appropriate for Tier 2 for-profit entities.

The Mangatawa Group is eligible to report under Tier 2 For-Profit Accounting Standards on the basis that it does not have public accountability.

The financial statements are prepared on a historical cost basis, with the exception of:

- Land and buildings at fair value (note 8)
- Bearer plants at fair value (note 8)
- Investment property at fair value (note 9)
- Biological assets - crop at fair value (note 11)
- Biological assets - livestock at fair value (note 11)

The material accounting policies applied in the preparation of the financial statements are set out below and those that are considered material to an understanding of the financial statements are provided throughout the notes in grey shading.

These financial statements were authorised for issue on 13 August 2024 by the Committee of Management. The Group's owners or other beneficiaries do not have the power to amend the financial statements after issue.

Basis of consolidation

Subsidiaries and associates

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The controlled entities are consolidated applying the purchase method from the date on which control is transferred and are unconsolidated from the date that control ceases. In preparing the consolidated financial statements, all inter-entity balances and transactions, and unrealised gains and losses arising within the consolidated entity are eliminated in full. The accounting policies of the controlled entity are consistent with the policies adopted by the Group and have a 31 March reporting date.

Critical accounting estimates and judgements

The preparation of 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 these estimates.

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

In particular, information about material areas of estimation uncertainty and critical judgements in applying accounting policies that have the most material effect on the amount recognised in the financial statements are described in the following notes:

Note	Area of estimation or judgement
8 Property plant and equipment	Valuation and impairment assessment
9 Investment property	Valuation and impairment assessment
10 Intangible assets	Impairment assessment
11 Biological assets - crop	Valuation
11 Biological assets - livestock	Valuation
12 Right-of-use lease assets and lease liabilities	Discount rate and lease term
20 Investments in shares	Timing, valuation and recognition of gain on sale
21 Investment in subsidiaries	Valuation
22 Investment in joint ventures	Valuation

Goods and services tax (GST)

The statement of profit and loss and statement of comprehensive income have been prepared so that all components are stated exclusive of GST. All items in the statement of financial position are stated net of GST, with the exception of receivables and payables, which include GST invoiced.

Functional and presentation currency

These financial statements are presented in New Zealand dollars ($), which is the Group's functional currency. All financial information presented in New Zealand dollars has been rounded to the nearest dollar.

Going concern assumption

The financial statements have been prepared on a going concern basis.

Impact of standards issued but not yet applied by the entity

There are no new standards, amendments or interpretations that have been issued and are effective that are expected to have a material impact on the Group.

Employee benefits

Short-term employee benefit obligations, such as holiday pay, are measured on an undiscounted basis and is recognised as an expense when the commitment to the Group is recognised.

Finance expenses

Finance expenses comprise interest expense on borrowings, unwinding of the discount on provisions, impairment losses recognised on financial assets (except for trade receivables) and losses on the disposal of available-for-sale financial assets. All borrowing costs are recognised in the Statement of Profit and Loss using the effective interest method.

Changes in accounting policies

There have been no changes to the Group's accounting policies during the year.

Performance

This section focuses on the Group's profit and loss and details the contributions from the individual operating segments.

1. Segment information

The Group's operating segments are entities that engage in business activities that earn revenues, incur expenses and are reported in a manner consistent with the internal reports provided to the chief decision makers, being the Committee of Management, who regularly evaluate the allocation of resources alongside operational outcomes, such as EBITDA and EBIT, and are responsible for setting strategic direction.

The Group has five operating segments all based in the Tauranga region of New Zealand - Aotearoa.

Direct segment revenues and operating costs are allocated to each segment. Administration costs, overheads, and other income from the sale of assets recorded in the statement of profit or loss are allocated to all other segments. Transactions between segments are conducted at arm's length and are eliminated on consolidation.

Reporting Segments

Orchard Operations

The group operates kiwifruit orchards on its properties located in Tauranga and Te Puke whereby the Group incurs growing and harvest costs and receives all orchard income from crop sales.

Farm Operations

The group has operated a beef farm on its property located in Tauranga whereby the Group incurs operating costs and receives all farm income from livestock sales. During the year the group moved to disestablish the farm operation with the last of the livestock sold in June 2024.

Papakainga housing

The group owns and operates Papakainga housing on its properties located in Tauranga whereby the Group incurs housing ownership and maintenance costs and receives all rental income including Housing New Zealand social housing subsidies where applicable.

Commercial property

The group owns and lease commercial land to tenants for terms of up to 99 years on its properties located in Tauranga whereby the Group incurs land ownership costs and receives all land rental income.

Retirement villages

The group has entered into 50/50 joint venture arrangements to own and operate two retirement villages on its property located in Tauranga whereby the Group records it share of the joint venture income, costs, and net assets and liabilities, and receives cash distributions.

EBITDA and EBIT

EBITDA is earnings before interest, tax, depreciation, amortisation, impairments and revaluations. EBITDA is an indicator of profitability and reflects operating cash flow generation.

EBIT is earnings before interest and tax; an indicator of profitability that excludes interest and income tax expenses.

Non-GAAP financial information does not have a standard meaning prescribed by GAAP and therefore may not be comparable to similar financial information presented by other entities. The Committee of Management considers EBITDA and EBIT as useful measures of financial performance for both investors and management as they are indicators of the Group's operating profitability that remove the impact of tax and the interest expense associated with debt (EBIT), along with depreciation, amortisation and revaluation gains and losses associated with the Group's large investments in fixed assets (EBITDA).

New Zealand dollars	Orchards	Farm	Papakainga housing	Commercial property	Retirement villages	All other segments	Total Group
31 March 2024							
Income statement							
Gross segment revenue and other revenue	5,684,308	132,283	654,148	1,904,515	1,261,941	474,968	10,112,163
Eliminations	61,782	-	-	(67,693)	-	(61,782)	(67,693)
Total segment revenue	5,746,090	132,283	654,148	1,836,822	1,261,941	413,186	10,044,470
Operating expenses	(3,393,967)	(505,592)	(913,569)	(22,122)	-	(2,473,934)	(7,309,184)
EBITDA [1]	2,352,123	(373,309)	(259,421)	1,814,700	1,261,941	(2,060,748)	2,735,286
Depreciation expense [3]	(250,841)	(12,830)	(25,421)	-	-	(85,738)	(374,830)
Lease depreciation expense [4]	-	-	-	-	-	(48,779)	(48,779)
Loss on disposal of assets	-	(1,412)	-	-	-	-	(1,412)
Amortisation of intangible assets	(146,504)	-	-	-	-	-	(146,504)
Revaluation (losses) / gains	(874,857)	-	420,448	423,836	-	(678,884)	(709,457)
Revaluation gains - joint ventures	-	-	-	-	6,861,844	-	6,861,844
EBIT [2]	1,079,921	(387,551)	135,606	2,238,536	8,123,785	(2,874,149)	8,316,148
Lease interest expense [4]	-	-	-	-	-	(8,602)	(8,602)
Interest expense [5]	-	-	-	(539,545)	-	(845,179)	(1,384,724)
Deferred tax charge	-	-	-	93,349	(179,704)	(713,521)	(799,876)
Profit / (loss) after tax	1,079,921	(387,551)	135,606	1,792,340	7,944,081	(4,441,451)	6,122,946
Balance sheet							
Total segment assets	27,200,906	1,410,545	14,827,663	66,082,500	111,580,041	7,666,502	228,768,157
Total segment liabilities	8,561,146	-	375,017	7,869,334	-	5,524,563	22,330,060
31 March 2023							
Income statement							
Gross segment revenue and other revenue	5,828,530	328,942	636,665	1,632,439	2,471,130	427,899	11,325,605
Eliminations	-	-	-	(67,693)	-	-	(67,693)
Total segment revenue	5,828,530	328,942	636,665	1,564,746	2,471,130	427,899	11,257,912
Operating expenses	(5,031,284)	(843,415)	(754,105)	(42,425)	(2,010)	(2,003,272)	(8,676,511)
EBITDA [1]	797,246	(514,473)	(117,440)	1,522,321	2,469,120	(1,575,373)	2,581,401
Depreciation expense [3]	(264,787)	(19,118)	(18,804)	-	-	(62,265)	(364,974)
Lease depreciation expense [4]	-	-	-	-	-	(22,875)	(22,875)
Loss on disposal of assets	(301)	(1)	(10)	-	-	(2,456)	(2,768)
Amortisation of intangible assets	(213,359)	-	-	-	-	(35)	(213,394)
Revaluation (losses) / gains	(971,491)	-	2,696,378	(5,440,702)	-	(53,028)	(3,768,843)
Revaluation gains - joint ventures	-	-	-	-	6,562,782	-	6,562,782
EBIT [2]	(652,692)	(533,592)	2,560,124	(3,918,381)	9,031,902	(1,716,032)	4,771,329
Lease interest expense [4]	-	-	-	-	-	(4,101)	(4,101)
Interest expense [5]	-	-	-	(398,367)	-	(653,698)	(1,052,065)
Deferred tax charge	-	-	-	(45,770)	(241,063)	(737,740)	(1,024,573)
Profit / (loss) after tax	(652,692)	(533,592)	2,560,124	(4,362,518)	8,790,839	(3,111,571)	2,690,590
Balance sheet							
Total segment assets	28,573,401	1,596,795	14,965,400	65,297,500	103,656,256	12,061,300	226,150,652
Total segment liabilities	10,863,610	-	423,640	6,178,908	-	4,272,811	21,738,969

1. EBITDA, a non-GAAP measure, is earnings before interest, tax, depreciation, amortisation, impairments and revaluations.
2. EBIT, a non-GAAP measure, is earnings before interest and tax.
3. Depreciation includes the depreciation of fixed assets.
4. Lease interest and lease depreciation are as a result of NZ IFRS 16 Leases, see note 12.
5. Interest includes finance costs for borrowings. Unless a loan is attached to the assets of a subsidiary interest is treated as Group cost within "All Other Segments"

2. Revenue and other income

New Zealand dollars	2024	2023
Revenue		
Orchard crop sales	5,684,309	5,828,530
Farm livestock sales	132,283	297,622
Papakainga housing rental income	350,607	269,680
Papakainga housing rental subsidy income	303,541	366,985
Commercial land rental	1,836,822	1,564,746
Total revenue	8,307,562	8,327,563
Other income		
Interest	433	899
Dividends	274,733	424,500
Rebates	5,750	2,500
Realised capital gains - shares	4,969	-
Realised capital gains - sale of assets	7,155	-
Realised revaluation gain - sale of shares	127,300	-
Miscellaneous	54,627	31,320
Total other income	474,967	459,219
Total revenue and other income	8,782,529	8,786,782

Accounting policies

The Group's major revenue streams are orchard operations, Papakainga housing, commercial lease operations and farming in accordance with NZ IFRS 15: Revenue from contracts with customers (NZ IFRS 15) along with income from interest and dividends.

Orchard operations

The Group enters into contracts for the sale of kiwifruit and avocado.

For kiwifruit sales, the Group contracts with one customer (Zespri Growing Limited) for the sale of kiwifruit which generally involves one performance obligation. The Group has concluded that revenue from the sale of kiwifruit be recognised at the point in time when the kiwifruit is transferred to the customer, generally on delivery of the kiwifruit. No revenue is recognised if there are material uncertainties regarding recovery of the consideration due.

Farm livestock operations

The Group contracts with two customers (PGG Wrightson and NZ Farmers Livestock) for the sale of livestock on consignment as the Groups Agent which generally involves one performance obligation. The Group has concluded that revenue from the sale of livestock be recognised when the sales proceeds are received from the customer or can be reliably measured, generally two months after delivery of the livestock. No revenue is recognised if there are material uncertainties regarding recovery of the consideration due. During the year, the Group moved to disestablish the farm operation with the last of the livestock sold in June 2024.

Papakainga housing income

The Group enters into standard rental contracts or a licence to occupy with its Papakainga residents which generally involves one performance obligation. The Group has concluded that revenue from the rental of its housing units be recognised as the income is earned on a weekly basis aligned to the term of the occupancy. No revenue is recognised if there are material uncertainties regarding recovery of the rental income due.

Commercial land rental

The Group enters into a standard commercial property lease contract or licence to occupy with its commercial land tenements which generally involves one performance obligation. The Group has concluded that rental income from investment property leased to clients under operating leases is recognised as income on a straight-line basis over the term of the lease to the extent that future rental increases are known with certainty. No revenue is recognised if there are material uncertainties regarding recovery of the rental income due.

Interest and dividends

Interest income is recognised as it accrues, using the effective interest method. Dividend income is recognised on the date that the Group's right to receive payment is established.

3. Cost of sales and administration expenses

New Zealand dollars	Notes	2024	2023
Operating expenses			
Total operating expenses		3,619,146	4,592,044
(Increase) / decrease in fair value of biological assets - crops	11	(361,046)	327,596
Decrease in fair value of biological assets - livestock	11	150,422	556,285
Total orchard and farm operating expenses		3,408,522	5,475,925
Direct employee expenses		753,819	589,967
Total operating expenses		4,162,341	6,065,892
Administration expenses			
Audit fees paid to principal auditors [1]		53,638	16,399
Tax compliance and consulting [2]		123,268	71,934
General administrative expenses		1,468,554	1,294,841
Direct employee expenses		1,155,444	837,190
Total other employee benefits		18,271	23,130
Trustee fees and honorarium		95,037	134,152
Other governance costs and expenses		36,483	96,808
Meeting expenses		101,168	42,600
Total administration expenses		3,051,863	2,517,054
Grants and distributions			
Koha		10,562	16,726
Education grants		23,400	23,550
Kaumātua grants and subsidies		48,179	47,481
Sports grants		12,839	5,808
Total grants and distributions		94,980	93,565

1. The 2024 expense includes the 31 March 2023 audit fee (and audit of the IFRS conversion calculations), and an accrued cost of $23,500 for the 31 March 2024 audit. Prior years did not include accrued costs.
2. The 2024 expense include costs for the 31 March 2023 deferred tax calculations and tax returns along with IFRS conversion calculations, and an accrued cost of $32,000 for the 31 March 2024 deferred tax calculations. Prior years did not include accrued costs.

Accounting policies

Operating expenses are recognised in the statement of profit or loss as incurred, except where future economic benefits arise and they are recorded as a prepayment.

Wages and salaries, annual leave and sick leave Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date, are recognised in other payables. The employee liabilities are measured at the amounts expected to be paid when settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable.

4. Reconciliation of net operating surplus after taxation with cash flows from operating activities

New Zealand dollars	2024	2023
Net operating surplus after taxation	6,122,946	2,690,590
Add / (less) non cash items:		
Depreciation	374,830	364,974
Lease depreciation	48,779	22,875
Revaluation on investment in shares - loss	53,556	53,028
Realised gain on sale of investment in shares	(132,269)	-
Share of trading profit from joint ventures	(1,261,941)	(2,471,130)
Movement in deferred tax	799,876	1,024,573
Movement in fair value of biological assets - crop	(210,624)	883,881
Amortisation of intangible assets	146,504	213,394
Total non cash items	(181,289)	91,595
Less items not classified as an operating activity:		
Unrealised gain in the value of investment properties held in joint venture	(6,205,943)	(2,846,967)
Gain on sale of property, plant and equipment	1,412	2,768
Total operating expenses	(6,204,531)	(2,844,199)
(Increase) / decrease in working capital:		
(Decrease) / increase in accounts payable	(138,719)	660,954
(Increase) in accounts receivable/prepayments	(410,316)	(333,306)
Increase in income in advance	1,690,426	155,483
Total decrease in working capital	1,141,391	483,131
Net cash flow from operating activities	878,517	421,117

Accounting policies

Cash flow statements are prepared using the direct approach. Cash and cash equivalents are shown exclusive of GST.

5. Income tax expense

New Zealand dollars	Notes	2024	2023
a. Current tax expense			
Current year		-	-
Prior period adjustment		-	-
Total current tax expense		-	-
Deferred tax expense			
Origination and reversal of temporary differences		110,146	1,024,573
Deferred tax liability from the removal of depreciation on buildings		174,284	
Prior period adjustment		515,446	-
Total deferred tax expense		799,876	1,024,573
Total income tax expense		799,876	1,024,573
b. Numerical reconciliation of income tax expense to prima facie tax payable			
Profit before income tax expense		6,922,822	3,715,163
Tax at the New Zealand tax rate of 17.5%		1,211,494	650,153
Tax effect of amounts which are not deductible (taxable) in calculating taxable income		(1,120,564)	(467,102)
Benefit of tax credits		(77,395)	(102,837)
Deferred tax on capital expenditure		96,611	556,655
Deferred tax liability from the removal of depreciation on buildings		174,284	-
Other items		-	387,704
(Over) provision in prior years - temporary differences		515,446	-
Income tax expense		799,876	1,024,573
c. Imputation credit account			
Imputation credits available for use in subsequent reporting periods		1,021,921	1,119,631

The above amounts represent the balance of the imputation account as at the end of the reporting period, adjusted for:

a. Imputation credits that will arise from the payment of the amount of the provision for income tax

b. Imputation debits that will arise from the payment of dividends recognised as a liability at the reporting date; and

c. Imputation credits that will arise from the receipts of dividends recognised as receivables at the reporting date.

Accounting policies

Income tax expense comprises both current and deferred tax and is recognised in the statement of profit or loss.

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

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the tax losses of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination and that affects neither accounting or taxable profit. Differences relating to investments in subsidiaries and jointly controlled entities are not recognised to the extent that they probably will not reverse in the foreseeable future.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at balance date.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

6. Deferred tax

Deferred tax assets and liabilities are offset when there is a legally-enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority.

The following table details the offset amounts.

New Zealand dollars	Notes	2024	2023
Net deferred tax liabilities:			
Opening balance		3,014,674	2,464,600
Charged to the statement of profit or loss		799,876	1,024,573
Charged to revaluation reserve		(791,624)	(474,499)
Closing balance at end of year		3,022,926	3,014,674
The balance comprises temporary differences attributable to:			
Non-current assets		4,315,648	4,305,575
Current assets		(1,925,328)	(1,696,408)
Current liabilities		632,606	405,507
Total deferred tax liability		3,022,926	3,014,674

Deferred tax assets are recognised for tax loss carry-forwards to the extent that the realisation of the related tax benefit through the future taxable profits is probable. No amounts were recognised at balance date and there were no unrecognised tax losses (March 2023 - Nil).

The deferred tax liability recognised in the financial statements does not represent the tax that would be payable on the disposal of the buildings; actual tax payable is limited to the reversal of tax depreciation claimed on that asset in prior period tax returns.

7. Events occurring after balance date

Capital commitment

At the year end there were no capital expenditure commitments (March 2023 - Nil).

Events occurring after balance date

There were no material events after balance date that required adjustment or disclosure in the financial statements.

Assets

This section focuses on the physical and intangible assets used by the Group to operate the business, deliver benefits to stakeholders, add new income streams and generate revenues. Assets include rural, residential and commercial land, kiwifruit and avocado orchards, and a livestock farm along with a 50% investment in two retirement villages.

The Group also has interests in Zespri plant variety licences for the Zespri SunGold G3 and Zespri RubyRed varieties.

8. Property, plant and equipment

New Zealand dollars	Land and buildings	Plant and equipment	Motor vehicles	Bearer plants	Total
At 1 April 2022					
Cost or valuation	15,910,186	2,842,512	276,474	9,431,598	28,460,770
Accumulated depreciation and impairment	(398,226)	(1,801,629)	(155,707)	(384,361)	(2,739,923)
Net book amount	15,511,960	1,040,883	120,767	9,047,237	25,720,847
Year ended 31 March 2023					
Opening net book amount	15,511,960	1,040,883	120,767	9,047,237	25,720,847
Additions	3,748,239	496,967	80,990	2,064,230	6,390,426
Depreciation	(42,009)	(147,333)	(17,847)	(157,785)	(364,974)
Disposals	-	(990)	(26,090)	-	(27,080)
Revaluation	(3,239,991)	-	-	54,536	(3,185,455)
Closing net book amount	15,978,199	1,389,527	157,820	11,008,218	28,533,764
At 1 April 2023					
Cost or valuation	16,373,210	3,801,457	351,239	11,418,601	31,944,507
Accumulated depreciation and impairment	(395,011)	(2,411,930)	(193,419)	(410,383)	(3,410,743)
Net book amount	15,978,199	1,389,527	157,820	11,008,218	28,533,764
Year ended 31 March 2024					
Opening net book amount	15,978,199	1,389,527	157,820	11,008,218	28,533,764
Additions	-	336,199	40,000	59,627	435,826
Depreciation	(64,787)	(152,708)	(15,035)	(142,300)	(374,830)
Disposals	-	(12,444)	(11,811)	-	(24,255)
Revaluation	(639,160)	-	-	(3,875,526)	(4,514,686)
Closing net book amount	15,274,252	1,560,574	170,974	7,050,019	24,055,819
At 31 March 2024					
Cost or valuation	15,328,549	3,528,196	282,793	7,050,021	26,189,559
Accumulated depreciation and impairment	(54,295)	(1,967,623)	(111,822)	-	(2,133,740)
Net book amount	15,274,254	1,560,573	170,971	7,050,021	24,055,819

Land and buildings are revalued to their estimated market value on a two-year rolling cycle, plus any subsequent additions at cost, less subsequent depreciation for buildings. The most recent valuation was undertaken by CBRE Limited independent registered valuer at 31 March 2024.

The valuers consider three different approaches in concert to arrive at a fair value;

1. Sales comparison - considers sales of other comparable properties.
2. Income approach - based on an analysis of similar properties under average efficient management and productive capability.
3. Capitalisation of rentals - assumes a hypothetical lease of the property with a current market rental being established and capitalising this at an appropriate rate of return that would be expected by a prudent investor.

Accounting policies

Bearer plants

Bearer plants are the Group's investment in kiwifruit vines and avocado trees on Group-owned land. Bearer plants are shown at fair value, based on periodic, but at least biennial valuations by independent valuers, plus any subsequent improvements at cost, less depreciation.

Land and buildings

Land and buildings are shown at fair value, based on periodic, but at least biennial valuations by independent valuers, plus any subsequent improvements at cost, less depreciation. At each annual balance date, the fair value of the Group's assets classified as land and buildings is assessed for the appropriateness of the carrying values, which effectively revalues all land and buildings annually. Independent revaluations are performed at least every second year or more frequently if changing industry conditions may cause their carrying value to differ materially from fair value. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Changes in the carrying amounts arising on revaluation of land and buildings are accounted for through comprehensive income and other reserves, except where an asset's assessed fair value is less than the original cost, in which case the change is recognised in the statement of profit or loss.

Property, plant and equipment

All other property, plant and equipment are stated at historical cost less depreciation. Historical cost includes all costs incurred to purchase the asset. Subsequent additions at cost are included in the asset's carrying value or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of profit or loss during the financial period in which they are incurred.

Asset impairments are recognised in the statement of profit or loss.

Depreciation

Land, other than land improvements, is not depreciated. Depreciation on other assets is calculated using the straight line or diminishing value method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives.

The estimated useful lives of assets from revaluation date are:

– Buildings and land improvements 20 - 50 years

– Machinery 10 - 20 years

– Vehicles 2 - 15 years

– Furniture, fittings and equipment 3 - 10 years

– Bearer plants 25 - 75 years

Asset residual values and useful lives are reviewed, and adjusted if appropriate, at balance date and an asset's carrying amount is immediately written down to its recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount, and any gain or loss is included in the statement of profit or loss. When revalued assets are sold, the amounts included in the revaluation reserve in respect of those assets are transferred to retained earnings.

Critical accounting estimates and judgements

At 31 March 2024 All (March 2023 - All) of Mangatawa's land and buildings and bearer plants were revalued in line with policy.

9. Investment property

The Group's investment properties are properties held to earn rental income now or in the future. The Group's investment properties are measured initially at cost, including transaction cost.

The rental business activities are:

1. Commercial land rentals, whereby the Group leases commercial land to tenants for periods of up to 99 years and receives rental income, and on which the tenant operates their business. This will often involve the tenant constructing an office, warehouse or other commercial structure on the land.
2. Papakainga housing, whereby the Group owns and operates a residential social housing business on its properties located in Tauranga and receives rental income from tenants, including social housing subsidies from Housing New Zealand where applicable.

New Zealand dollars	Land	Buildings	Total
At 1 April 2022			
Cost or valuation	74,041,350	7,995,626	82,036,976
Book amount	74,041,350	7,995,626	82,036,976
Year ended 31 March 2023			
Opening net book amount	74,041,350	7,995,626	82,036,976
Additions from purchases	294,168	676,080	970,248
Transfers and reclassifications	7,684	(7,684)	-
Revaluation	(5,440,702)	2,696,378	(2,744,324)
Closing net book amount	68,902,500	11,360,400	80,262,900
At 1 April 2023			
Cost or valuation	68,902,500	11,360,400	80,262,900
Net book amount	68,902,500	11,360,400	80,262,900
Year ended 31 March 2024			
Opening net book amount	68,902,500	11,360,400	80,262,900
Additions from purchases	213,992	61,052	275,044
Revaluation	(201,490)	420,447	218,957
Closing net book amount	68,915,002	11,841,899	80,756,901

Investment properties are revalued to their estimated market value every 12 months. The most recent valuation was undertaken by CBRE Limited, independent registered valuer at 31 March 2024.

The valuers consider two different approaches in concert to arrive at a fair value;

1. Income capitalisation of rentals - is based on the existing lease terms where they exist, or assumes a hypothetical lease for vacant property. With the current market rental established it is then capitalised at an appropriate rate of return that would be expected by a prudent investor. Income capitalisation rates ranged from 5.75% to 6.5%.
2. Discounted cash flows are forecast with allowances made for projected market expectations of rental growth and CPI increases. The effective discount rate is 8.75% and 2.25% long term CPI, including an allowance of 0.5% for the terminating nature of the leases.

An allowance is also made where the valuer is valuing the freehold interest in Māori Freehold Land.

Accounting policies

Investment properties

Initially, investment properties are measured at cost including transaction costs. Subsequent to initial recognition investment properties are stated at fair value. Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the year in which they arise.

Development properties

Investment properties that are being constructed or developed for future use are classified as development properties. All costs directly associated with the purchase and construction of a property and all subsequent capital expenditure is capitalised.

Subsequent to initial recognition development properties are stated at fair value. Gains or losses arising from changes in the fair value of development properties are included in profit or loss in the year in which they arise.

Valuation of investment and development properties

External, independent valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued, value Mangatawa's investment property portfolio at least every 12 months. The fair values are based on the Income Approach whereby the valuers apply two methods to assess the value of the properties.

1. Income capitalisation of rental income. This converts net rental income to a value by application of a capitalisation rate or yield (being the investment return).
2. The discounted cash flow method to forecasted rental income. This is a variation of the Income Capitalisation Method whereby cash flows are explicitly forecast with allowances made for projected market expectations of rental growth and CPI increases.

An allowance is also made where the property where that the valuer is valuing is a freehold interest in Māori Freehold Land.

10. Intangible assets

New Zealand dollars	Software	Zespri PVR licence	Total
At 1 April 2022			
Cost	37,346	2,300,650	2,337,996
Accumulated amortisation and impairment	(37,311)	(1,246,294)	(1,283,605)
Net book amount	35	1,054,356	1,054,391
Year ended 31 March 2023			
Opening net book amount	35	1,054,356	1,054,391
Additions	-	2,460,500	2,460,500
Disposals	(35)	-	(35)
Amortisation	-	(213,394)	(213,394)
Closing net book amount	-	3,301,462	3,301,462
At 1 April 2023			
Cost	-	4,761,150	4,761,150
Accumulated amortisation and impairment	-	(1,459,688)	(1,459,688)
Net book amount	-	3,301,462	3,301,462
Year ended 31 March 2024			
Opening net book amount	-	3,301,462	3,301,462
Amortisation	-	(146,504)	(146,504)
Closing net book amount	-	3,154,958	3,154,958
At 31 March 2024			
Cost	-	4,761,150	4,761,150
Accumulated amortisation and impairment	-	(1,606,192)	(1,606,192)
Net book amount	-	3,154,958	3,154,958

The amortisation period of software is four to five years.

At balance date, the Zespri PVR licences relate to 14.58 hectares of Zespri Gold G3 licence with an expiry date of September 2039 and 6.25 hectares of Zespri Red licence with an expiry date of March 2043. During the prior year the Group acquired 1.86 hectares of Zespri Gold licence and 0.25 hectares of Zespri Red licence through the purchase of an orchard in Brown Road Te Puke. A further 6 hectares of Zespri Red licence was acquired through the 2022 Zespri tender process.

The estimated useful lives for current and comparative periods are as follows:

- Software - 5 years
- Zespri licences - 17 to 21 years

Impairment

The carrying amounts of intangible assets are reviewed at each balance date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses directly reduce the carrying amount of the assets and are recognised in profit or loss.

Accounting policies

Intangible assets

Assets with a finite useful life are subject to depreciation and amortisation and reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Intangible assets that have an indefinite life are not subject to amortisation and are tested at least annually for impairment, with impairment losses recognised when the carrying amount exceeds the recoverable amount. When assessing impairment, assets are grouped at the lowest identifiable unit able to generate cash flow.

Software

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Software intangible assets are amortised over their estimated useful life (typically three to five years).

Zespri PVR licence

The plant variety licence (PVR) intangible assets comprise licences purchased from Zespri Group Limited. The licences provide the Group with the right to grow the Zespri Gold (G3) and Zespri Red (R19) varieties of kiwifruit. The PVR licences have finite useful lives and are measured at cost less accumulated amortisation and any accumulated impairment losses.

11. Biological assets

a. Biological assets - crop

Crops growing on bearer plants are classified as biological assets - crop and measured at fair value.

Crop assets are kiwifruit, and in the prior year included avocado pears, growing on the Group's orchards and yet to be harvested at balance date.

The following table reconciles beginning balances to end balances for biological assets - crop measured at fair value.

New Zealand dollars	2024	2023
Carrying amount at 1 April	2,283,054	2,610,650
Crop growing on bearer plants from orchard purchase	-	590,000
Crop harvested during the period	(2,283,054)	(3,200,650)
Crop at fair value	2,644,100	2,283,054
Carrying value at 31 March - kiwifruit and avocado	2,644,100	2,283,054

New Zealand dollars	2024	2023
Movement in the carrying amount	361,046	(327,596)
Net fair value movement - kiwifruit and avocado	361,046	(327,596)

Fair value estimation

In 2024 the estimated kiwifruit harvest amounted to 245,199 Hayward trays, 254,444 Gold 3 trays and 2,132 Zespri Red Trays (2023: 199,182 Hayward trays, 156,527 Gold 3 trays and 494 Zespri Red trays). The estimated avocado harvest amounted to zero trays (2023: 10 avocado trays).

After discounting for the expected costs to sell, the fair value of kiwifruit and avocado crops at balance date is estimated to be $2,644,100 at 31 March 2024 (2023: $2,283,054).

The total gain or (loss) arising from changes in fair value less costs to sell and to market is $361,046 (2023: ($327,596)).

Accounting policies

Biological assets

Crop are the crops growing on bearer plants in MPBI's orchards. Kiwifruit crops have a maturity period of less than one year and avocado crops have a maturity period of more than one year. All crops will be harvested within 12 months from the incorporation's balance date.

Biological assets – crop fair value

When sufficient biological transformation has occurred, crops are measured at fair value determined as the estimated net market return less costs to sell provided this can be measured reliably, otherwise they are measured at cost.

When insufficient biological transformation has occurred, fair value is not able to be measured reliably and the biological asset is measured at cost.

Biological assets measured at cost are not depreciated as they are in the process of maturing, and with cost is tested for impairment.

b. Biological assets - livestock

Livestock comprises of beef cattle on property owned by the incorporation at balance date and is classified as biological assets – livestock, and is measured at fair value.

The following table reconciles beginning balances to end balances for biological assets - livestock.

New Zealand dollars	2024	2023
Carrying amount at 1 April	172,445	728,730
Total sales	(132,283)	(297,622)
Livestock raised on the property	132,283	297,622
Movement in the carrying amount	(150,422)	(556,285)
Carrying value at 31 March	22,023	172,445

Fair value estimation

The fair value of livestock for financial reporting purposes is determined by an independent valuer Perrin Ag Consultants Limited based on a stock count, and market data as at balance date.

For taxation purposes, livestock is valued using NSC and Herd Scheme values.

The total (loss) or gain arising from changes in fair value less costs to sell and to market is ($ 150,422) (2023: ($556,285)).

During the year, the group began the process of disestablishing the livestock operations and the last of the stock was sold in June 2024.

Accounting policies

Biological assets - livestock are beef cattle farmed on the incorporation's property. The fair value of livestock at balance date is measured as the net market return less costs to sell provided this can be measured reliably by an independent valuer.

When insufficient market information is available and fair value is not able to be measured reliably the livestock biological asset is measured at cost, and with cost is tested for impairment.

c. Biological assets - total

The following table reports total biological assets.

New Zealand dollars	2024	2023
Total biological assets at 31 March	2,666,123	2,455,499

Critical accounting estimates and judgements

The valuation of biological assets uses estimates of market returns to determine value.

12. Right-of-use lease assets and lease liabilities

The Group reports all leases on the balance sheet where it has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of the lease, with the exception of low value leases or leases less than 12 months.

The following table details leases where the Group is a lessee.

New Zealand dollars	2024	2023
a. Right-of-use lease assets		
Motor vehicles	92,604	141,383
Total right-of-use lease assets	92,604	141,383
The movements in right-of-use lease assets for the year are as follows:		
Opening balance	141,383	-
Additions and renewals	-	164,258
Depreciation	(48,779)	(22,875)
Closing balance	92,604	141,383
The classification for depreciation of right-of-use lease assets is as follows:		
Motor vehicles	(48,779)	(22,875)
Total depreciation of right-of-use lease assets	(48,779)	(22,875)
b. Right-of-use lease liabilities		
Current	55,392	55,392
Non-current	42,930	89,719
Total lease liabilities	98,322	145,111
The movements in right-of-use lease liabilities for the year are as follows:		
Opening balance	145,111	-
Additions and renewals	-	164,258
Principal lease payments	(46,789)	(19,147)
Closing balance	98,322	145,111

Accounting policies

Lease liabilities are measured as the present value of the remaining lease payments, including any renewal periods that are likely to be exercised, discounted using the Group's incremental borrowing rate which ranges between 6.59% and 9.08%. The discount rate is based on the Group's incremental borrowing rate, being the rate the Group would borrow the funds required to purchase the asset at the time of entering the lease. When determining the discount rate, the Group considers that the value of the right-of-use lease asset should not be greater than the fair value of the underlying asset being leased.

The Group's right-of-use lease asset is equal to the lease liability on the day of lease inception. The right-of-use lease asset is depreciated on a straight line basis over the period of the lease. Costs incurred with a lease that are not part of the cost of the right-of-use lease asset are expensed.

All leases have been classified into the motor vehicles asset class: The Group leases vehicles. The terms of the leases vary, with lease terms ranging from 1 - 4 years in duration, and contracts may contain both lease and non-lease components.

The lease agreements do not impose any covenants other than the security interest in the leased assets that are held by the lessor, and leased assets may not be used by the Group as security for borrowing purposes.

Lease payments are allocated between principal and lease interest. The lease interest is charged to the statement of profit or loss over the term of the lease.

Critical accounting estimates and judgements

The valuation of right-of-use lease assets and lease liabilities uses judgement to determine the incremental borrowing rate and the likelihood of exercising any rights of renewal to extend the lease term.

Working capital

This section focuses on how the Group manages accounts receivable and accounts payable to ensure an appropriate level of working capital is available to operate the business, deliver benefits to stakeholders and generate revenues.

13. Trade and other receivables

New Zealand dollars	2024	2023
Current trade receivables (net of provision for doubtful debts)	1,405,086	834,823
Prepaid deposits	-	1,406
Accrued income and other sundry receivables	-	19,437
Current trade and other receivables	1,405,086	855,666
Non current trade receivables	-	-
Total trade and other receivables	1,405,086	855,666
Provision for doubtful debts	-	-

Accounting policies

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for doubtful debts.

Collectability of trade receivables is reviewed on an ongoing basis including debts past due, but not considered impaired. Debts which are known to be uncollectible are written off. A provision for doubtful receivables is established if there is sufficient uncertain that a receivable will be collected.

Critical accounting estimates and judgements

The Group reviewed trade and other receivables for any debtor impairment, credit risk, or any other such risks that may result in non-payment. The Group did not identify any circumstances that required a loss allowance by way of further provisioning or impairment of financial instruments.

14. Trade and other payables, and unclaimed dividends

New Zealand dollars	2024	2023
Trade payables	725,880	794,713
Accrued expenses	40,704	36,930
Employee expenses	122,474	128,991
Unclaimed dividend payable	546,642	498,031
Third party funds - Pukekohatu	34,600	32,364
Third party funds - Ranginui 12	16,083	59,806
Other payables	812	103,065
Total trade and other payables	1,487,195	1,653,900

Accounting policies

Trade payables are recognised initially at fair value (the invoiced amount). If the Group has been provided with extended terms of trade, they are then recognised at amortised cost using the effective interest method.

15. Income in advance

New Zealand dollars	2024	2023
Commercial leases - Current portion	1,169,334	178,908
Commercial leases - Term portion	700,000	-
Total income in advance	1,869,334	178,908

The income in advance liability relates to revenue invoiced to commercial tenants for rent due on properties in a future period but paid at balance date.

Funding

This section focuses on how the Group manages its capital structure to protect shareholder value while funding operations that deliver benefits to stakeholders and grow shareholder returns.

Disclosures are made on the Group's bank facilities, retained earnings, dividends paid to shareholders, and earnings per share.

16. Interest bearing liabilities

New Zealand dollars	2024	2023
Current secured		
BNZ	-	2,345,560
Housing New Zealand	48,100	46,436
Total current interest bearing liabilities	48,100	2,391,996
Non current secured		
BNZ	15,469,220	13,977,176
Housing New Zealand	326,917	377,204
Total non-current interest bearing liabilities	15,796,137	14,354,380
Total interest bearing liabilities	15,844,237	16,746,376

The following table details the interest bearing liabilities.

New Zealand dollars	Primary borrower	Balance due	Term loan principal repaid during the year	Interest rate	Fixed or floating	Maturity
As at 31 March 2024						
Working capital loan						
BNZ $3.6m (A)	Mangatawa Papamoa Block Inc	1,300,000	602,126	8.72%	Floating	12-Oct-26
Term loans						
BNZ $6m (B)	Mangatawa Developments Limited	6,000,000	-	9.02%	Floating	20-May-27
BNZ $4.5m (C)	Mangatawa Papamoa Block Inc	4,177,380	128,580	8.30%	Fixed to 29-Apr-25	29-Apr-25
BNZ $4.3m (D)	Mangatawa Papamoa Block Inc	3,991,840	122,810	8.30%	Fixed to 29-Apr-25	29-Apr-25
Housing New Zealand	Mangatawa Papamoa Block Inc	375,017	48,623	3.37%	Fixed to 15-Mar-26	15-Mar-26
As at 31 March 2023						
Working capital loan						
BNZ $2m (A)	Mangatawa Papamoa Block Inc	1,902,126	N/A	8.38%	Floating	28-Sep-23
Term loans						
BNZ $6m (B)	Mangatawa Developments Ltd	6,000,000	-	8.37%	Floating	20-May-27
BNZ $4.5m (C)	Mangatawa Papamoa Block Inc	4,305,960	194,040	8.17%	Floating	29-Apr-25
BNZ $4.3m (D)	Mangatawa Papamoa Block Inc	4,114,650	185,350	8.17%	Floating	29-Apr-25
Housing New Zealand	Mangatawa Papamoa Block Inc	423,640	45,246	3.37%	Fixed to 15-Mar-26	15-Mar-26

Accounting policies

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost.

When it is probable that part or the entire loan will be drawn down, any loan facility establishment fee paid is recognised as a loan transaction cost. When the loan will probably remain undrawn, any loan fee paid is capitalised as a pre-payment for liquidity services and amortised over the period of the facility.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after balance date.

17. Capital

Shares issued	2024	2023
Authorised and issued share capital		
Ordinary shares issued - fully paid and no par value	38,810	38,810
Paid up capital		
Opening balance	36,816	36,816
Movements during the year	-	-
Total shares issued	36,816	36,816

The capital amount was divided into 38,810 shares as at the date of incorporation.

All shares are fully paid up.

Ordinary shares entitle the shareholders to participate in voting, dividends and the proceeds on winding up of the Incorporation in proportion to the number of shares held. Shares may only be transferred to another member of the Incorporation, or trustee, on behalf of a pūtea trust or whenua trust as provided for in the constitution.

From time to time shareholders may, by special resolution, fix a specified number of shares as the minimum share unit for each shareholder. As at balance date, there is no minimum share unit set.

Accounting policies

Ordinary shares are classified as equity.

18. Retained earnings and reserves

New Zealand dollars	2024	2023
Retained earnings		
At 1 April	173,387,260	171,316,467
Net profit for the year	6,122,946	2,690,590
Dividends paid or declared	(504,530)	(619,797)
At 31 March	179,005,676	173,387,260
Reserves		
Land and buildings revaluation reserve	18,020,259	20,868,463
Share revaluation reserve	4,296,686	5,040,484
Realised capital gain reserve	5,078,660	5,078,660
Total reserves	27,395,605	30,987,607

The land and buildings revaluation reserve records increases and decreases on the revaluation of the Group's land and buildings.

The share revaluation reserve records increases and decreases on the revaluation of the Group's investment in shares.

The realised capital reserve records the capital gain on the sale of assets that had been previously revalued and are not subsequently reclassified through profit and loss.

19. Dividends

Dividends paid	Per share	Total $
2023		
14 November 2022	$15.97	619,797
Total dividend for the year-ended 31 March 2023	$15.97	619,797
2024		
19 October 2023	$13.00	504,530
Total dividend for the year-ended 31 March 2024	$13.00	504,530

Accounting policies

Provision is made for the amount of any dividend declared on or before the end of the period but not distributed at balance date.

Investments

This section focuses on how the Group invests in businesses to support Mangatawa's operations, realise synergies and grow the Group's investment portfolio and income diversity. The Committee of Management manages business investments to strengthen the benefits delivered to stakeholders and grow shareholder returns.

20. Investment in shares

New Zealand dollars	2024	2023
At 1 April	5,825,939	7,463,857
Sale of investment	(235,443)	-
Revaluations	(670,054)	(1,637,918)
At 31 March	4,920,442	5,825,939
Unlisted securities designated at fair value through profit or loss		
Ballance Agri-nutrients Co-op Limited	8,883	7,995
Farmlands Trading Society Limited	2,330	2,330
Te Awanui Huka Pak Limited	3,086,000	3,086,000
Whakatōhea Mussels Limited	250,000	250,000
Listed securities designated at fair value through profit or loss		
Mercury NZ Limited	-	138,568
Port of Tauranga	-	96,875
Seeka Limited	137,655	191,211
Manawa Energy Limited (previously called TrustPower Limited)	28,001	30,585
Zespri NZ Limited	1,407,573	2,022,375
Total financial assets at fair value through comprehensive income	4,920,442	5,825,939
Total investment in financial assets	4,920,442	5,825,939

Accounting policies

The fair values of the listed securities are based on the securities' closing share price at balance date.

The fair value of unlisted securities that are not traded in an active market is determined using valuation techniques. The group uses its judgement to select a variety of methods and make assumptions that are mainly based on the unlisted securities financial statements and market conditions existing at the end of each reporting period where pricing information is available. All unlisted securities are initially held at cost and adjusted for fair value at balance date to reasonably represent current fair value, and any change in fair value is recognised through the statement of comprehensive income to the extent of any related reserve available and then through the statement of profit or loss.

21. Investment in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries which are all incorporated in New Zealand.

Equity holding	Class of shares	Equity holding 31 March 2024	Equity holding 31 March 2023
Mangatawa Developments Limited	Ordinary	100%	100%
Mangatawa Retirement Village Limited	Ordinary	100%	100%
Mangatawa Pacific Lakes Limited	Ordinary	100%	100%

22. Investment in joint ventures

The Group is 50% partner in two retirement villages which are classified as joint ventures.

The following table details the movement and closing balances of the Group's investment in joint ventures.

New Zealand dollars	2024	2023
Opening balance 1 April	103,656,256	94,822,344
Share of trading profit	1,261,941	2,471,130
Share of asset revaluation - gain	6,861,844	6,562,782
Capital distributions received	(200,000)	(200,000)
At 31 March	111,580,041	103,656,256

The following details the two joint ventures.

a. Pacific Coast Village Partnership

New Zealand dollars	2024	2023
"A" Capital	1,000	1,000
"B" Capital opening balance	957,000	1,157,000
Capital distributions received	(200,000)	(200,000)
"B" Capital closing balance	757,000	957,000
Total Investment capital at cost	758,000	958,000
Investment opening balance of trading	56,964,028	57,985,238
Share of trading (loss) / profit	(421,999)	1,590,248
Share of unrealised asset revaluation - gain / (loss)	4,057,497	(2,611,458)
	60,599,526	56,964,028
Closing investment value	61,357,526	57,922,028

The Incorporation is a 50% partner in the Pacific Coast Village Partnership (through its wholly owned subsidiary entity Mangatawa Retirement Village Limited). The Pacific Coast Village is situated at 210 Maranui Street Papamoa. The Pacific Coast Village is a registered retirement village and is required to prepare audited financial statements. The retirement village property is revalued annually by CBRE Limited, registered valuers, with the most recent valuation prepared as at 31 March 2024. For the purposes of applying the equity method of accounting, the financial statements of Pacific Coast Village Partnership for the year ended 31 March 2024 have been used, and appropriate adjustments have been made for the effects of material transactions between that date and 31 March 2023.

b. Pacific Lakes Village Partnership

New Zealand dollars	2024	2023
Capital	1,000	1,000
Investment capital at cost	1,000	1,000
Investment opening balance of trading	45,733,228	35,678,106
Share of trading profit	1,683,940	880,882
Share of unrealised asset revaluation - gain	2,804,347	9,174,240
	50,221,515	45,733,228
Closing investment value	50,222,515	45,734,228

The Incorporation is a 50% partner in the Pacific Lakes Village Partnership (through its wholly owned subsidiary entity Mangatawa Pacific Lakes Limited). The Pacific Lakes Village is situated at 242 Grenada Street Papamoa. The Pacific Lakes Village is a registered retirement village and is required to prepare audited financial statements. The retirement village property is revalued annually by CBRE Limited, registered valuers, with the most recent valuation prepared as at 31 March 2024. For the purposes of applying the equity method of accounting, the financial statements of Pacific Lakes Village Partnership for the year ended 31 March 2024 have been used, and appropriate adjustments have been made for the effects of material transactions between that date and 31 March 2023.

The Pacific Coast and Pacific Lakes retirement village Joint Ventures are considered joint ventures based on the following:

- There is equal voting rights and influence, thereby giving joint control;
- There is an investment vehicle that separates the entities from the parties to the arrangement; and,
- The legal form and contractual arrangements through which the parties operate gives them rights to the net assets of the joint venture arrangement. It does not give the parties rights to the individual assets and liabilities.

The Group's interests in the Pacific Coast and Pacific Lakes retirement village joint ventures are accounted for using the equity method, after initially being recognised at cost in the statement of financial position.

Accounting policies

Investment in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement.

Joint operations

The Group recognises its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the financial statements under the appropriate headings.

Joint ventures

Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the statement of financial position.

The Group's share of joint venture profits or losses are recognised in the statement of profit and loss and the carrying amount of the investment in the statement of financial position.

Dividends or distributions received from associates are applied to reduce the carrying amount of the investment in the statement of financial position.

Accounting policies specific to joint ventures

Revenue recognition

Revenue is recognised to the extent that it is probable that future economic benefits will flow to the Partnership and the amount can be measured reliably.

1. Occupation right agreement

Village contributions are considered operating lease income under NZ IFRS 16. The village contribution accrues during the occupation of the resident and is offset against the obligation to residents and settled on termination of the occupation right agreement. The village contribution legally accrues over either a three or five year period, depending on the occupation right agreement signed by the residents, to a maximum of 30% of the resident's initial entry price. The village contribution is accrued to the statement of comprehensive income on a straight line basis over the average period of occupancy of 8 years for villas and 6 years for serviced apartments. The village contribution differences between the legal entitlement and the average period of occupancy are treated as deferred revenue in the balance sheet.

2. Village tariffs and services fees charged to residents

Village tariffs are charged to residents for recovering village operating costs. Service fees are charged to residents for providing of various care and additional services. Village tariffs and service fees are recognised in the accounting period in which the services are rendered at a point in time.

Other notes

This section contains all other note disclosures about the Group.

23. Contingencies

There were no contingent assets or liabilities at balance date (2023: $Nil).

24. Commitments and guarantees

The Incorporation has issued three licences to occupy for residential houses constructed on Incorporation land. The licence holders are permitted to construct their owner occupied houses, at their cost. Third party finance is secured over each of the houses and the Incorporation acts as guarantor in the event of loan arrears. Loan arrears that the owner is unable to rectify may result in transfer of ownership of the house to the Incorporation.

BNZ hold security over all present and acquired Property to the amount of $7,070,000 as a standard bank guarantee over the loan.

The Incorporation subsidiary Mangatawa Retirement Village Ltd, is committed to participate in the development of the Pacific Coast Village pursuant to the terms and conditions of the limited partnership agreement. The liability to the Incorporation is limited to the extent of the capital invested which is fully paid.

The Incorporation subsidiary Mangatawa Pacific Lakes Ltd is committed to participate in the development of Pacific Lakes Village pursuant to the terms and conditions of the limited partnership agreement. The liability to the incorporation is limited and no capital input is required.

There are no other capital commitments to report at balance date.

25. Related party transactions

Investment in subsidiaries and joint ventures

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries which are all incorporated in New Zealand.

Equity holding	Class of shares	2024	2023
Equity holding at 31 March			
Mangatawa Developments Limited	Ordinary	100%	100%
Mangatawa Retirement Village Limited	Ordinary	100%	100%
Mangatawa Pacific Lakes Limited	Ordinary	100%	100%
Pacific Coast Village Partnership	Ordinary A and B	50%	50%
Pacific Lakes Village Partnership	Ordinary	50%	50%

Committee of management

Members of the Committee of Management during the period were: N Te Kani (Chair), B P McMath (Deputy Chair), V Werohia, W Kingi, P M Werohia-Lloyd (retired September 2023), N Olsen (appointed September 2023).

Key management and compensation

Key management personnel are all Committee of Management and executives with the greatest authority for the Group's strategic direction and management.

The following table details key management personnel compensation.

New Zealand dollars	2024	2023
Remuneration of committee members and members of the key management team during the year	477,183	407,001

26. Risk management

a. Credit risk

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables, and committed transactions.

The maximum credit risk is the financial loss to the Group if counterparties fail to discharge a contractual obligation. The Group's maximum exposure is the carrying amount of the respective recognised financial assets as stated in the statement of financial position.

For banks and financial institutions, only registered banks or their subsidiaries are accepted. The Group does not generally require any collateral or security to support financial instruments due to the quality of the financial institutions.

For customers, including outstanding receivables, the Group deals predominantly with commercial and housing tenants, Zespri through Seeka Growers Limited for which it receives payment for kiwifruit crops directly from Seeka Growers Limited and payments for rent from various commercial and residential tenants. Credit risk is therefore not considered material.

b. Capital risk

The Group has minor exposure to equity securities price risk through incidental investments classified in the statement of financial position as investment in shares and Zespri PVR licences within intangible assets at cost. The majority of these investments are in industry-related entities, only some of which are publicly traded.

The Committee of Management periodically reviews the performance and strategic benefits of these investments. No other formal risk management procedures are deemed necessary.

c. Cash flow interest rate risk

The Group's cash flow interest rate risk arises primarily from short and long-term variable rate borrowings from financial institutions. The Committee of Management continuously reviews term borrowings and will fix a portion of borrowings at fixed rates.

d. Determination of fair values of financial and non-financial assets and liabilities

The following table analyses assets and liabilities carried at fair value.

The different levels are defined as:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. Instruments in level 1 are comprised of share held in listed companies with publicly available share prices.
- Level 2: inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly or indirectly. Instruments in level 2 are comprised of shares held in unlisted companies.
- Level 3: unobservable inputs for the asset or liability that have to be developed to reflect the assumptions that a market participant would use when determining an appropriate price.

New Zealand dollars	Level 1	Level 2	Level 3	Total
Biological assets - crop at fair value	-	-	2,644,100	2,644,100
Biological assets - livestock at fair value	-	-	22,023	22,023
Land	-	-	12,906,999	12,906,999
Buildings	-	-	2,367,255	2,367,255
Investment property	-	-	80,756,901	80,756,901
Other investment in shares	1,573,229	3,347,213	-	4,920,442

Accounting policies

Financial assets, liabilities and instruments

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes. Fair value measurements are categorised into a three-level hierarchy, based on the types of inputs to the valuation techniques used.

The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and investments in publicly traded shares) is based on quoted market prices at balance date (level 1 inputs). The quoted market price used for financial assets held by the Group is the current bid price; the appropriate quoted market price for financial liabilities is the current ask price.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives, and investments in unlisted shares) is determined using valuation techniques (level 2 inputs). The Group uses the appropriate method and makes assumptions that are based on financial information and market conditions at each balance date. Financial information, quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held.

Trade receivable and payables

The carrying value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values due to their short term nature. The fair value of financial assets and liabilities with unobservable (level 3 inputs), reflects the assumptions that market participants would use when determining an appropriate price; additional disclosure is provided for the inputs and assumptions used in such cases.

Land and buildings

Fair value is based on an biannual revaluation, which is performed on land and buildings based on a rolling two-year cycle by an independent valuer, with land and buildings assets valued every two years using two different approaches as described in note 8.

Investment property

Fair value is based on an annual revaluation, which is performed on land and buildings each year by an independent valuer using two different approaches as described in note 9.

27. Financial instruments summary

The following table categorises the Group's financial assets.

New Zealand dollars	Financial assets at amortised cost	Financial assets at fair value through profit or loss	Total
At 31 March 2024			
Cash and cash equivalents	97,300	-	97,300
Current trade and other receivables excluding prepayments	1,405,086	-	1,405,086
Investment in financial assets	-	4,920,442	4,920,442
Investment in joint ventures	-	111,580,041	111,580,041
Total financial assets at 31 March 2024	1,502,386	116,500,483	118,002,869
At 31 March 2023			
Cash and cash equivalents	939,796	-	939,796
Current trade and other receivables excluding prepayments	855,666	-	855,666
Investment in financial assets	-	5,825,939	5,825,939
Investment in joint ventures	-	103,656,256	103,656,256
Total financial assets at 31 March 2023	1,795,462	109,482,195	111,277,657

The following table categorises the Group's financial liabilities.

New Zealand dollars	Financial liabilities at amortised cost	Total
At 31 March 2024		
Trade and other payables	940,553	940,553
Current interest bearing liabilities	48,100	48,100
Non current interest bearing liabilities	15,796,137	15,796,137
Total financial liabilities at 31 March 2024	16,784,790	16,784,790
At 31 March 2023		
Trade and other payables	1,155,869	1,155,869
Current interest bearing liabilities	2,391,996	2,391,996
Non current interest bearing liabilities	14,354,380	14,354,380
Total financial liabilities at 31 March 2023	17,902,245	17,902,245

Accounting policies

The Group classifies its financial instruments in the following categories in accordance with NZ IFRS 9:

- Amortised cost for financial assets and liabilities,
- Assets at fair value through other comprehensive income (FVOCI),
- Assets at fair value through profit or loss (FVTPL),
- Liabilities at fair value through profit or loss, and
- Other financial liabilities.

The classification of financial assets and liabilities under NZ IFRS 9 is generally based on the business model in which the financial instrument is managed and its contractual cash flows characteristics.

On initial recognition, a financial instrument is classified as measured at amortised cost, FVOCI and FVTPL.

Financial instruments are not reclassified subsequent to their initial recognition unless the Group changes its business model in which case all affected financial instruments are reclassified on the first day of the first reporting period following the change in the business model.

A financial instrument is measured at amortised cost if it meets both of the following conditions and is not designated at FVTPL:

- It is held with the objective to collect contractual cash flows; and
- Its contractual terms give rise on specified dates to cash flows that are solely for the payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. The election is made on an investment by investment basis.

All financial instruments not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL.

Mangatawa Papamoa Blocks Incorporated

Independent auditor's report to the Shareholders

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Mangatawa Papamoa Blocks Incorporated and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 March 2024, and the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2024, and of its consolidated financial performance and its consolidated 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 Consolidated Financial Statements section of our report. We are independent of the Group in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. 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, Mangatawa Papamoa Blocks Incorporated or any of its subsidiaries.

William Buck
ACCOUNTANTS & ADVISORS

Information Other than the Financial Statements and Auditor's Report Thereon

The Committee of Management is responsible for the other information. The other information is comprised of pages 10 to 64 of the annual report, 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 audit opinion or 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.

Committee of Management's Responsibilities

The Committee of Management is responsible on behalf of the Group for the preparation of consolidated financial statements that give a true and fair view in accordance with New Zealand equivalents to International Financial Reporting Standards Reduced Disclosure Regime, and for such internal control as the committee determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the committee is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the committee either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

This description forms part of our independent auditor's report.

The engagement director on the audit resulting in this independent auditor's report is Richard Dey.

William Buck
ACCOUNTANTS & ADVISORS

Restriction on Distribution and Use

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

William Buck Audit (NZ) Limited

Tauranga
14 August 2024

Directory

For the year ended 31 March 2024

Office Address

1 Te Rama O Te Tihi Place, RD 5, Mangatawa, Tauranga 3175

Committee of Management

N Te Kani *Chair*	**B P McMath** *Deputy Chair*

W Kingi	**V Werohia**	**N Olsen**

Executive Leadership

Scott Wikohika *Chief Executive Officer*	**Stuart McKinstry** *Chief Financial Officer*	**Tim O'Brien** *General Manager*	**Ria Hall** *Chief Communications Officer*

Management Team

Priscilla Nepia *Office Manager*	**Sarah Rameka** *Secretary*	**Pamela Fraser** *Accounts Manager*	**Julie Blackwell** *Company Accountant*	**Julie Te Amo** *Housing Manager*

100% Owned and Controlled Subsidiary Entities

Mangatawa Developments Limited

Business activity: Commercial and industrial property, Truman Lane, Mangatawa

Directors

N Te Kani	**B P McMath**	**V Werohia**	**W Kingi**	**N Olsen**

Mangatawa Retirement Village Limited

Business activity: 50% Partner in Pacific Coast Village, 210 Maranui Street, Papamoa

Directors

V Werohia	**B P McMath**	**N Olsen**

Mangatawa Pacific Lakes Limited

Business activity: 50% Partner in Pacific Lakes Village, 242 Grenada Street, Papamoa

Directors

V Werohia	**B P McMath**	**N Olsen**

Accountants

KPMG
Chartered Accountants
247 Cameron Road, Tauranga

Auditors

William Buck Audit (NZ) Limited
Chartered Accountants
145 Seventeenth Ave, Tauranga

Solicitors

Holland Beckett Lawyers
525 Cameron Road, Tauranga

Lara Burkhardt
P O Box 4432
Mount Maunganui South

Russell McVeagh
157 Lambton Quay
Wellington

Bankers

Bank of New Zealand
607-613 Cameron Road, Tauranga


TAMAPAHORE


Mangatawa Pāpāmoa
Blocks Inc