

Port Nicholson Block Settlement Trust

Consolidated general purpose financial report 2025

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Approval of consolidated general purpose financial report

The Board of Trustees are pleased to present the consolidated general purpose financial report including the financial statements of Port Nicholson Block Settlement Trust for the year ended 31 March 2025.



Trustee

Date: 09/09/2025



Trustee

Date: 09/09/2025

Consolidated statement of comprehensive revenue and expenses

For the year ended 31 March 2025
in New Zealand dollars

	Note	2025 \$	2024 \$
Revenue	3	2,601,110	2,239,667
Total revenue		2,601,110	2,239,667
Costs of running the office	4	(1,689,437)	(2,042,612)
Maintenance cost for the properties owned	5	(527,055)	(413,422)
Depreciation	10	(7,813)	(9,397)
Total expenses		(2,224,305)	(2,465,431)
Operating surplus before financing costs		376,805	(225,764)
Finance income		194,114	19,184
Finance expenses		(140,283)	(143,109)
Net financing income/(expense)	6	53,831	(123,925)
Share of surplus in investment in associate	13	1,568,728	2,230,632
Surplus before income tax		1,999,364	1,880,943
Income tax expense	7	(98,842)	(5,686)
Surplus for the year		1,900,522	1,875,257
Other comprehensive revenue and expenses for the year		-	-
Total comprehensive revenue and expenses for the year		1,900,522	1,875,257

Consolidated statement of financial position

As at 31 March 2025
in New Zealand dollars

	Note	2025 \$	2024 \$
Assets			
Current assets			
Cash and cash equivalents	8	6,224,794	5,723,672
Trade and other receivables	9	907,349	509,587
Income tax receivable	7	46,452	-
Development property	12	-	416,424
Total current assets		7,178,595	6,649,683
Non-current assets			
Property, plant and equipment	10	40,971	45,835
Investments	13	30,830,697	30,467,307
Investment properties	11	23,865,000	23,815,000
Development property	12	4,134,363	3,717,939
Total non-current assets		58,871,031	58,046,081
Total assets		66,049,626	64,695,764
Liabilities			
Current liabilities			
Trade and other payables	14	188,849	187,525
Income tax payable	7	-	162,922
Deferred income	16	1,460,532	1,090,593
Provisions	17	-	750,000
Total current liabilities		1,649,381	2,191,040
Non-current liabilities			
Interest bearing loans and borrowings	15	1,500,000	1,500,000
Deferred tax liability	7	199,609	204,610
Total non-current liabilities		1,699,609	1,704,610
Total liabilities		3,348,990	3,895,650
Equity			
Retained earnings		62,700,636	60,800,114
Equity attributable to the owners of the Group		62,700,636	60,800,114
Total equity		62,700,636	60,800,114
Total liabilities and equity		66,049,626	64,695,764

Consolidated statement of changes in equity

For the year ended 31 March 2025
in New Zealand dollars

	Note	Accumulated comprehensive revenue and expense \$	Total equity \$
Balance at 1 April 2024		60,800,114	60,800,114
Total comprehensive revenue for the year			
Surplus for the year		1,900,522	1,900,522
Other comprehensive revenue		-	-
Total comprehensive revenue for the year		1,900,522	1,900,522
Balance at 31 March 2025		62,700,636	62,700,636
Balance at 1 April 2023		58,924,857	58,924,857
Total comprehensive revenue for the year			
Surplus for the year		1,875,257	1,875,257
Other comprehensive revenue		-	-
Total comprehensive revenue for the year		1,875,257	1,875,257
Balance at 31 March 2024		60,800,114	60,800,114

Consolidated statement of cash flows

For the year ended 31 March 2025
in New Zealand dollars

	Note	2025 \$	2024 \$
Cash flows from operating activities			
Cash received from non-exchange transactions		150,000	124,770
Cash received from exchange transactions		2,442,552	5,809,727
Cash paid to suppliers		(2,962,753)	(2,737,098)
Income tax paid		(312,079)	(67,654)
Interest received		134,432	19,152
Interest paid		(140,283)	(123,658)
PIE income		2	27
Net cash (to)/from operating activities		(688,129)	3,025,266
Cash flows from investing activities			
Acquisition of property, plant and equipment		(2,949)	(13,990)
Distributions from associates		1,192,200	1,191,796
Net cash from investing activities		1,189,251	1,177,806
Net increase		501,122	4,203,072
Opening cash and cash equivalents 1 April		5,723,672	1,520,600
Closing cash and cash equivalents 31 March	8	6,224,794	5,723,672

Notes to the consolidated financial statements

1 Reporting entity

Port Nicholson Block Settlement Trust (the "Trust") is a Trust domiciled in New Zealand and was established as the Post Settlement Governance Entity (PSGE) to receive the settlement redress from the Crown as part of the historical claim made under the Treaty of Waitangi. The financial statements comprising of the Trust and its controlled entities (together the "Group") are outlined in note 21.

These Group financial statements and the accompanying notes summarise the financial results of activities carried out by the Group. The Group represents the descendants of Taranaki, Te Ātiawa, Ngāti Ruanui and Ngāti Tama whose Tupuna were residents in Wellington in 1840, collectively known as Taranaki Whānui ki te Upoko o te Ika. The Trust, established by the Port Nicholson Block Settlement Trust Deed dated 11 August 2008, receives the settlement package relating to historical Treaty of Waitangi Claims. The Crown and Port Nicholson Block Settlement Trust signed a Deed of Settlement in Wellington on 19th August 2008. The Trust and several entities within the Group have elected to be Māori authorities under the Income Tax Act 2007 on the basis they received and manage the settlement package received from the Crown.

2 Basis of preparation

These financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand ("NZ GAAP"). These financial statements comply with Public Benefit Entity International Public Sector Accounting Standards ("PBE IPSAS") with Reduced Disclosure Regime ("RDR") and other applicable financial reporting standards that have been authorised for use by the External Reporting Board for Not-For-Profit entities.

The Group is eligible to report under Tier 2 Not-For-Profit PBE IPSAS Accounting Standards on the basis that it does not have public accountability and it is not defined as large.

These consolidated financial statements have been approved and were authorised for issue by the Board of Trustees on the date included on page 1.

Change in accounting policies

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

Basis of measurement

The financial statements have been prepared on the historical cost basis, except for the following which are measured at fair value:

- Investment properties

Determination of fair values

Fair values have been determined for measurement purposes based on the methods outlined in the notes specific to that asset or liability.

Where applicable, further information about the assumptions made in determining fair value is also disclosed in the notes specific to that asset or liability.

These financial statements are presented in New Zealand dollars (\$) which is the Group's functional currency, rounded to the nearest dollar. They have been prepared on a GST exclusive basis except for receivables and payables that are stated inclusive of GST.

Notes to the consolidated financial statements (continued)

2 Basis of preparation (continued)

Use of estimates and judgements

The preparation of the financial statements in conformity with Tier 2 Not-For-Profit PBE IPSAS 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.

The principal areas of judgement in preparing these financial statements are set out below. Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

- Note 11 Investment properties, classification based on current use and intention in relation to future use of property which could be subject to change depending on market conditions or other changes that may or may not be within the Group's control. The Group records a number of property assets at their fair values. The assessment of fair value requires significant judgement.
- Note 12 Development properties, net realisable value for future developments at Te Puna Wai is greater than the carrying value and not adversely impacted by delays in development timelines.

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognised in profit and loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Interests in equity-accounted investees

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in associates and joint ventures are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity-accounted investees until the date on which significant influence or joint control ceases.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains and losses) arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit (CGU) exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

Impairment losses are recognised in profit or loss.

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

Notes to the consolidated financial statements (continued)

3 Revenue

	Note	2025 \$	2024 \$
Revenue from exchange transactions			
Rent received from properties owned		427,039	434,264
Lease revenue Ryman's agreement		338,150	495,520
Fair value adjustment - investment properties	11	50,000	(696,000)
Advertising income		8,044	4,000
Cost recovery		6,762	-
Memorandum of Understanding		787,525	456,430
TONO cultural services		-	111,545
Council - project income		34,000	548,881
Other revenue	17	410,275	-
Partnership and representative income	4	-	760,257
Realised gains upon sale of investments		21,347	-
Revenue from profit share agreement		410,000	-
Revenue from non-exchange transactions			
Capital grant		107,968	124,770
		<u>2,601,110</u>	<u>2,239,667</u>

Revenue policy

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

Revenue from exchange transactions

Rendering of Services

Revenue from a contract to provide services is recognised by reference to the stage of completion of the contract at the reporting date. The Group considers revenue from project management, grants for services, memorandum of understanding and other similar revenue streams as rendering of services as they are considered exchange transactions by the Group and represent services provided by the Group to external parties.

Rental income

Income from the rental of property is recognised within surplus and deficit in the statement of comprehensive revenue and expenses on a straight line basis over the term of the lease.

Sale of Property

The Group assess when the sale is recorded based on satisfying certain conditions. These include when the significant risks and rewards of ownership is transferred to the purchaser, when the Group no longer retains any control related to ownership of the property and it is probable that the sale proceeds will be receivable by the Group. This is typically when sale and purchase agreements are unconditional.

Other revenue

Other revenue is recognised on an accruals basis.

Partnership and representative and TONO cultural services income

The Trust has reviewed the recording of partnership and representative and Tono cultural services income and expenditure in the 2025 year. Given the Group is not entitled to the revenue for these activities, both the income and associated expenditure has been recorded in sundry creditors.

Revenue from non-exchange transactions

Non-exchange revenue is recognised on receipt, or when the entitlement to receipt has been established. Where the contract or agreement includes a condition to return the funds for non-performance, a liability is recognised and released to revenue as those conditions are satisfied.

Grant income

The Group received payment from Te Arawhiti during the period in support for Manaaki of Hikoi mō Te Tiriti. Grant funding is recognised within surplus and deficit in the statement of comprehensive revenue and expenses when outputs in the funding agreement are satisfied.

Notes to the consolidated financial statements (continued)

4 Costs of running the office

	2025 \$	2024 \$
Compliance		
Accounting	156,486	94,964
Annual general meeting	20,101	10,355
Annual report	2,239	1,334
Audit	59,283	43,695
	238,109	150,348
Consultancy		
Commercial advisor	156,000	156,000
Consultancy	94,387	69,837
Legal fees	115,490	120,741
Partnership and representation fees	-	768,701
	365,877	1,115,279
Cultural services		
Cultural services	107,968	115,110
Koha given	231	2,174
	108,199	117,284
Governance		
Chair fees	16,000	16,000
Director fees	66,500	66,500
FAAR committee fees	8,250	6,000
Trustee elections	57,183	16,864
Trustee fees	29,000	30,666
Trustee travel expenses	40,455	6,478
	217,388	142,508
Member engagement		
Database	4,860	6,196
	4,860	6,196

Notes to the consolidated financial statements (continued)

4 Costs of running the office (continued)

	2025 \$	2024 \$
Office expenses		
ACC levies	1,034	1,955
Bad debts	(1,500)	17,718
Bank fees	594	605
Catering	3,650	469
Cleaning	-	17
Computer expenses	21,415	19,911
Copying & printing	2,984	4,337
Entertainment	2,317	-
File storage and destruction	6,731	1,931
GST write-off	6,636	-
Loss on disposal of fixed assets	-	142
Movement in provision for doubtful debts	4,957	-
Office supplies	4,736	3,158
Penalties	2,051	41
Postage	29	269
Subscriptions	13,803	9,550
Telephone	3,268	4,168
Travel expenses	21,444	35,146
Website	470	510
	94,619	99,927
Personnel		
KiwiSaver	14,843	9,192
Staff training	7,702	-
Sub-contractor	108,633	95,493
Wages & salaries	529,207	306,385
	660,385	411,070
	1,689,437	2,042,612

Notes to the consolidated financial statements (continued)

5 Maintenance cost for the properties owned

	2025	2024
	\$	\$
Building WOF	3,974	2,366
Cleaning	19,447	14,891
Electricity	23,003	18,193
Fire monitoring	5,976	5,254
Insurance	127,624	122,183
Loan fees	-	38
Property management	2,338	-
Rates	168,363	142,764
Rent relief	60,000	-
Repairs and maintenance	74,122	47,768
Security	5,420	5,253
Telephone	867	751
Water rates	3,475	3,177
Valuation fees	32,446	50,784
	<u>527,055</u>	<u>413,422</u>

6 Net financing costs

	2025	2024
	\$	\$
Interest income	194,112	19,157
PIE income	2	27
Finance income	<u>194,114</u>	<u>19,184</u>
Interest expense	(140,283)	(143,109)
Finance expense	<u>(140,283)</u>	<u>(143,109)</u>
Net financing expense	<u>53,831</u>	<u>(123,925)</u>

Finance income and expenses policy

Finance income comprises interest income on funds invested in bank accounts and equity interests in joint ventures, and PIE income received using the effective interest method.

Finance costs comprise interest expense on borrowings.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

Notes to the consolidated financial statements (continued)

7 Income tax

	2025 \$	2024 \$
<i>Tax recognised in profit or loss</i>		
Current tax expense		
Current period	103,842	176,435
Total current tax expense	103,842	176,435
Deferred tax expense		
Origination and reversal of temporary differences	(5,000)	(170,749)
Total deferred tax expense	(5,000)	(170,749)
Total income tax expense	98,842	5,686
Reconciliation of effective tax rate		
Profit before tax	1,999,364	1,880,943
Income tax using the Group's domestic tax rate of 17.50%	349,889	329,165
Permanent differences	(251,047)	(323,479)
Income tax expense	98,842	5,686
Deferred tax		
Provisions and accruals	15,532	12,355
Investment property	(246,411)	(360,259)
Tax losses	31,270	143,294
Net deferred tax asset/liability	(199,609)	(204,610)

The current tax asset of \$46,452 (2024: \$162,922 liability) represents the amount of income taxes payable in respect of current and prior periods for the Group.

Income tax policy

Tax expense comprises current and deferred tax and is calculated using rates enacted or substantively enacted at balance date. Current tax and deferred tax is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case the tax is recognised as an adjustment against the item to which it relates.

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

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised on the initial recognition of goodwill. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

Notes to the consolidated financial statements (continued)

8 Cash and cash equivalents

	2025 \$	2024 \$
Current assets		
Bank accounts	6,224,794	5,723,672
Total cash and cash equivalents in the statement of cash flows	6,224,794	5,723,672

Cash and cash equivalents policy

Cash and cash equivalents comprise cash balances and call deposits used by the Group in the management of its short-term commitments.

9 Trade and other receivables

	2025 \$	2024 \$
Exchange receivables	815,783	441,988
Provision for expected credit losses	(54,957)	-
Sundry debtors	36,273	-
Prepayments	77,183	67,599
GST receivable	33,067	-
	907,349	509,587

Bad debt expenses of \$nil (2024: \$17,718) have been recorded within costs of running the office in the statement of comprehensive revenue and expenses for the Group.

Exchange receivables policy

Exchange receivables are recognised as financial assets classified as trade receivables. These assets are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortised costs using the effective interest method.

Individually impaired accounts receivables relate to customers for whom there is objective evidence of inability to pay. The carrying amount of exchange receivables is assumed to be a reasonable approximation for their fair value. A provision for impairment of exchange receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. Impairment is calculated based on an expected credit loss (ECL) model under PBE IPSAS 41 Financial Instruments. Refer to note 19 for information about calculation and recognition of expected credit losses.

The amount of the provision is recognised in profit and loss. No provision was recognised for the 2025 year (2024: \$nil)

Notes to the consolidated financial statements (continued)

10 Property, plant and equipment

	Office equipment	Furniture and fittings	Leasehold improvements	Total
	\$	\$	\$	\$
Cost				
Balance at 1 April 2024	39,112	45,177	59,769	144,058
Additions	2,949	-	-	2,949
Balance at 31 March 2025	42,061	45,177	59,769	147,007
Depreciation and impairment losses				
Balance at 1 April 2024	(37,831)	(25,972)	(34,420)	(98,223)
Depreciation for the year	(806)	(2,894)	(4,113)	(7,813)
Balance at 31 March 2025	(38,637)	(28,866)	(38,533)	(106,036)
Carrying amount				
As at 31 March 2025	3,424	16,311	21,236	40,971
As at 31 March 2024	1,281	19,205	25,349	45,835

Property, plant and equipment policy

Recognition and measurement

All property, plant and equipment is measured at cost less accumulated depreciation and accumulated impairment losses.

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

Any gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss within Revenue or Costs of running the office expenses.

Heritage assets with no future economic benefit or service potential other than heritage value are not recognised in the Statement of Financial Position.

Depreciation

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

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

The depreciation rates for significant items of property, plant and equipment are as follows:

Office equipment	8%	to	50% straight line
Furniture and fittings	6%	to	10.5% straight line
Leasehold improvements	6%	to	21% straight line

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

Impairment

The carrying amounts of property, plant and equipment 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 and loss.

Notes to the consolidated financial statements (continued)

11 Investment properties

	Kāumatua Units	1-3 Thorndon Quay	Whites Line East Waiwhetu	Wainui. College	Wainui. Intermediate (Kōhanga Reo Building)	Petone College	Total
	\$	\$	\$	\$	\$	\$	\$
Cost							
Balance at 1 April 2024	3,965,000	3,450,000	1,575,000	5,100,000	575,000	9,150,000	23,815,000
Fair value adjustment	(265,000)	20,000	125,000	(700,000)	40,000	830,000	50,000
Balance at 31 March 2025	3,700,000	3,470,000	1,700,000	4,400,000	615,000	9,980,000	23,865,000
Depreciation and impairment losses							
Balance at 1 April 2024	-	-	-	-	-	-	-
Balance at 31 March 2025	-	-	-	-	-	-	-
Carrying amount							
As at 31 March 2025	3,700,000	3,470,000	1,700,000	4,400,000	615,000	9,980,000	23,865,000
As at 31 March 2024	3,965,000	3,450,000	1,575,000	5,100,000	575,000	9,150,000	23,815,000

Notes to the consolidated financial statements (continued)

Investment properties policy

Investment properties are properties held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, for supply of goods or services or for administrative purposes. Investment properties are measured initially at cost, including transaction costs.

Subsequent to initial recognition, investment properties are measured at fair value with any change recognised in the reported surplus or deficit in accordance with PBE IPSAS 16.

Investment Property comprises a number of commercial properties some of which that are leased to third parties. Each of the leases contain individual non-cancellable periods of which subsequent renewals are negotiated with the lessee.

The methods applied in determining fair values include reviewing relevant lease documentation, rates information, recent market evidence and valuations prepared by registered valuers.

1 - 3 Thorndon Quay

A highest and best use valuation has been undertaken on 1 - 3 Thorndon Quay as at 31 March 2025 by Reuben Blackwell of Colliers International. The value adopted has been based on an overall base land value rate of \$5,625 plus 20.00% for corner influence with allowance for demolition (2024: A desktop review has been undertaken on 1 - 3 Thorndon Quay as at 31 March 2024 by Reuben Blackwell of Colliers International. The value adopted has been based on an overall base land value rate of \$6,117psm plus 20.00% for corner influence with allowance for demolition).

Wainuiomata Intermediate (Kōhanga Reo building) and College

Wainuiomata College has been valued using hypothetical subdivision as at 31 March 2025 by Reuben Blackwell of Colliers International.

The Kohanga Reo component of Wainuiomata Intermediate has been valued using capitalisation of rental income at a rate of 10.00% (2024: 9.75%) as at 31 March 2025 by Reuben Blackwell of Colliers International. The significant assumptions in the valuation is that the seismic strength in relation to the NBS is not less than 67.00% (2024: 67.00%).

Kāumatua units

A valuation review has been undertaken on The Kāumatua units as at 31 March 2025 by Reuben Blackwell of Colliers Valuation and Advisory Services - Wellington. The value adopted has been based on the Investment Approach Methods; Capitalisation Method and Discounted Cashflow Method, using a capitalisation rate of net rental income of 5.25% and a discount rate of 8.00%. (2024: 5.15% capitalisation rate and 8.00% discount rate). The Capitalisation Method is based on the units being rented at market rates less operating costs and capitalised at a market return. Under the Discounted Cash flow Method, the forecasted cashflow (positive and negative) is discounted back to the valuation dates, resulting in the present value of the asset.

Whites Line East

A valuation review has been undertaken on Whites Line East as at 31 March 2025 by Reuben Blackwell of Colliers Valuation and Advisory Services - Wellington. The value adopted has been based on a land value direct comparison rate of \$1,297 psm derived from comparable land sales (2024: The value adopted was based on a land value direct comparison rate of \$1,200 psm, derived from comparable land sales).

Petone College

The valuation of the former Petone College land was performed by Melville Jessup Weaver utilising an actuarial model to measure the fair value of pre-tax cash flows generated from the lease agreement with Ryman Healthcare. The following significant judgements were made for the key inputs of the valuation:

- Average growth rate in the resale value of units of 5.00% (2024: 5.00%) per annum.
- Average turnover of units being 13 years (2024: 13 years) for Independent Living Apartments and 3 years (2024: 3 years) for Serviced Apartments.
- Pre-tax discount rate of 10.00% (2024: 10.00%).

Notes to the consolidated financial statements (continued)

12 Development properties

Cost

Balance at 1 April 2024

Balance at 31 March 2025

Carrying amount

Closing balance at 31 March 2025

Closing balance at 31 March 2024

Mt Crawford	Wainuiomata Intermediate	Total
\$	\$	\$
385,216	3,749,147	4,134,363
385,216	3,749,147	4,134,363
385,216	3,749,147	4,134,363
385,216	3,749,147	4,134,363

Development properties are classified as follows:

Current portion

Wainuiomata Intermediate - Shared Equity held for sale

Non current portion

Mt Crawford

Wainuiomata Intermediate - Shared Equity held for sale

Wainuiomata Intermediate - Stage B

Wainuiomata Intermediate - Undeveloped land

Total

2025		
-	-	-
-	-	-
385,216	-	385,216
-	416,424	416,424
-	2,336,718	2,336,718
-	996,005	996,005
385,216	3,332,723	4,134,363
385,216	3,749,147	4,134,363

Current portion

Wainuiomata Intermediate - Shared Equity held for sale

Non current portion

Mt Crawford

Wainuiomata Intermediate - Stage B

Wainuiomata Intermediate - Undeveloped land

Total

2024		
-	416,424	416,424
-	416,424	416,424
385,216	-	385,216
-	2,336,718	2,336,718
-	996,005	996,005
385,216	3,332,723	3,717,939
385,216	3,749,147	4,134,363

The shared equity properties with equity held by the Group are still considered held for sale. This is due to the shared ownership agreement between the Group and the owners allowing the owners to purchase the remaining share held by the Group on request at the current market value.

The development of a further 18 units as part of 'Stage B' of the development has been halted as the Group works through the concerns of the Uri Working Group. There is uncertainty on when the development will be able to be resumed. The Trustees have determined that the halting of the development does not impact the recoverability of costs incurred to date. The Trustees continue to carry the remaining development at cost as the fair value of the remaining development is greater than the carrying value.

Notes to the consolidated financial statements (continued)

13 Investments

	2025 \$	2024 \$
Investment in joint venture	100,000	950,000
Investment in associates	29,880,697	29,517,307
	<u>29,980,697</u>	<u>30,467,307</u>
Non-current financial assets held at amortised cost		
Joint venture loan receivable	850,000	-
	<u>30,830,697</u>	<u>30,467,307</u>

Investments policy

An investment in a joint venture is recorded where two or more parties have entered into a binding arrangement to undertake an activity that is subject to joint control. The investment in a joint venture is initially recorded at cost and adjusted thereafter for the share of the venturer's share of the net assets of the jointly controlled entity. The surplus or deficit of the venturer includes the venturer's share of the surplus or deficit of the jointly controlled entity.

Associates are those entities within which the Group has significant influence, but not control or joint control, over the financial and operating policies. Interest in associates are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the surplus or deficit and other comprehensive revenue and expense of equity-accounted investees, until the date on which significant influence ceases.

Joint venture (Aro development)

In March 2019, Taranaki Whānui Limited entered into a partnership with the Wellington Company Limited for ongoing property development. Taranaki Whānui Limited has joint control of the partnership and accordingly the partnership is classified as a joint venture for accounting purposes and accounted for using the equity method.

Taranaki Whānui Limited entered into a development agreement in the 2022 year in respect of the Victoria Quarter. The \$950,000 was split with \$850,000 being recognised as contributed capital for the Group's 8% share of the Victoria Quarter Development Limited Partnership. The remaining \$100,000 continues to be invested in the partnership.

Following a Deed of Variation dated 29 October 2024, the terms of the investment in the Victoria Quarter Development Limited Partnership were modified which created both a loan component and equity component being:

- A loan receivable of \$850,000 bearing interest at 7% p.a. with principal repayable by 31 October 2027 representing the fixed interest and principal repayment obligations; and
- A residual equity interest of nil representing the Group's rights to a share of profits and net assets reflecting continuing joint control and participation in residual returns.

The loan receivable is measured at amortised cost, with interest income recognised using the effective interest method. The equity interest is accounted for using the equity method. This accounting treatment reflects the substance of the modified arrangement.

Investments in associates (Tai Hekenga)

In June 2019, Taranaki Whānui Limited entered into partnership agreement with several other organisations to form the Tai Hekenga Limited Partnership. Taranaki Whānui Limited has significant influence over the financial and operating policies of the partnership and accordingly the investment in the partnership is classified as an investment in an associate for accounting purposes and accounted for under the equity method.

In 2020 TWL committed \$8.5m for 10.87% of the partnership, and as a result of making the Sale and Leaseback properties available for the other organisations to invest into, it received a 9% free carry portion bringing its total share of the investment to 19.87%.

As at 31 March 2025 the value of the interest was \$29,880,697 (2024: \$29,517,307) which is reflected in the Group balance sheet. The revenue in the Consolidated Statement of Comprehensive Revenue and Expenses reflects the Group's share of the partnership rental income and the uplift on the revaluation of the properties and derivatives held in the partnership as shown below.

	2025 \$	2024 \$
Share of partnership rental	1,210,923	1,206,862
Uplift on revaluation	357,805	1,023,770
	<u>1,568,728</u>	<u>2,230,632</u>
Total		

Notes to the consolidated financial statements (continued)

14 Trade and other payables

	2025	2024
	\$	\$
Trade payables	188,849	177,058
GST payable	-	10,467
	<u>188,849</u>	<u>187,525</u>

Trade and other payables policy

Trade and other payables are measured at cost, being their fair value. These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

15 Interest bearing loans and borrowings

	2025	2024
	\$	\$
Non-current		
Advance from Te Manawaroa o Ngati Tama Charitable Trust	1,500,000	1,500,000
	<u>1,500,000</u>	<u>1,500,000</u>

Interest bearing loans and liabilities policy

Borrowings are initially recognised at fair value, net of transaction costs incurred.

Borrowings are subsequently measured at amortised cost. Any difference between proceeds (net of transaction costs) and the redemption amount is recognised in the statement of comprehensive income over the period of the borrowing using the effective interest method. 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.

Te Manawaroa o Ngati Tama Charitable Trust

The total amount available from this facility is \$1,500,000. This loan was refinanced during the 2024 year. The loan is due for payment prior to 26 July 2026. The Group has provided security for the loan being:

- A registered first mortgage over the land and buildings at 1-3 Thorndon Quay, Wellington;
- A registered first mortgage over the land at 86 Whites Line East, Lower Hutt;
- A first ranking general security agreement over all present and after acquired property of Tramways Limited (which is the controlled entity within the Group that owns 1-3 Thorndon Quay, Wellington). A guarantee and indemnity is also provided by Tramways Limited and Port Nicholson Block Settlement Trust.

Ryman Healthcare

The Group has an agreement with Ryman Healthcare for the lease of the land formerly known as Petone College. As part of the lease agreement, Ryman Healthcare had advanced \$1,000,000 in respect of the lease payments for a 15 year term. The advance was fully repaid and the loan obligation was discharged in the 2024 financial year.

Notes to the consolidated financial statements (continued)

16 Deferred income

Deferred income policy

Liabilities are recognised in relation to inflows of resources from non-exchange transactions when there is a resulting present obligation as a result of the non-exchange transactions, where both:

- It is probable that an outflow of resources embodying future economic benefit or service potential will be required to settle the obligation, and
- The amount of the obligation can be estimated reliably.

	2025	2024
	\$	\$
Conditional grant funding	996,000	996,000
Income in advance - MoU income	322,500	86,093
Income in advance - Other income	100,000	8,500
Income in advance - Grant income	42,032	-
	<u>1,460,532</u>	<u>1,090,593</u>

Conditional grant funding

Lowry Bay Limited Partnership has received \$4.14m in grant funding from TPK. This funding is to assist the entity in developing infrastructure for 23 house sites, as well as construction of 8 rental units and 15 shared equity properties on the Wainuiomata Intermediate site. Funding of \$996,000 has been held as a liability until satisfaction of the repayment terms being completion of the work, where the funding will be recognised as revenue. As referred to in Note 12, the Group has retained this liability as the development has had to be ceased with 9 house sites and 9 shared equity properties yet to be constructed due to the threat of occupation of the land by the Uri Working Group. As at 31 March 2025 Lowry bay site is being occupied by protesters.

MoU income

Taranaki Whānui Limited received payment from the Greater Wellington Regional Council during the period in relation to a Joint Kaipapa Investment Funding Programme agreement. \$210,000 has been recorded as income in advance.

Taranaki Whānui Limited received payment from the Greater Wellington Regional Council during the period in relation to a Tūāpapa Funding agreement. \$50,000 has been recorded as income in advance.

Taranaki Whānui Limited received payment from the Wellington Water Limited during the period in relation to a Services and Assistance agreement. \$62,500 has been recorded as income in advance.

Other income

Taranaki Whānui Limited received payments from Te Puni Kōkiri during the period in relation to a Māori Development Fund Investment Agreement. \$100,000 has been recorded as income in advance.

Grant income

Taranaki Whānui Limited received payment from Te Arawhiti during the period in support for Manaaki of Hikoi mō Te Tiriti. \$42,032 has been recorded as income in advance.

Refer to note 3 for details regarding the recognition of MoU income.

Notes to the consolidated financial statements (continued)

17 Provisions

	2025	2024
	\$	\$
Shelly Bay wharves demolition provision	-	750,000
	<u>-</u>	<u>750,000</u>

Provisions policy

Provisions are recognised when

- An entity has a present obligation (legal or constructive) as a result of a past event;
- It is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- A reliable estimate can be made of the amount of the obligation.

Shelly Bay wharves demolition

Investigations by the Shelly Bay developer in conjunction with discussions with the Harbour Master had determined that the Shelly Bay Wharves, acquired by the Port Nicholson Block Settlement Trust, as part of the acquisition of the Shelly Bay site, were likely to constitute a hazardous structure. In December 2022, the Wellington City Council issued a formal notice for the removal of the deteriorating wharves.

During the 2024 year \$250,000 was incurred in relation to wharf structure removal and associated ancillary. For the 2025 year, the removal was budgeted to cost \$750,000.

The wharf structure removal works were completed during the 2025 year. The expenditure incurred relating to these works totalled to \$339,930. The provision has been reversed at 31 March 2025 and the over-provision of expenditure, totalling to \$410,070 has been recognised as other income in the consolidated statement of comprehensive revenue and expenses.

18 Heritage assets

The Group holds the following heritage assets:

Honiana Te Puni Reserve	Korokoro Gateway, local purpose reserve
Te Oruaiti	Recreational Reserve, formerly known as Point Dorset Recreation Reserve
Wi Tako Ngatata Scenic Reserve	Scenic Reserve located in Upper Hutt
Dendroglyph Site	Site of tree carvings located near freshwater lake Pencarrow
Bed of Lake Kohangapiripiri	Freshwater lake bed near Pencarrow
Esplanade Land of Kohangapiripiri	Area of land around freshwater lake near Pencarrow
Bed of Lake Kohangatera	Freshwater lake bed near Pencarrow
Esplanade Land of Kohangatera	Area of land around freshwater lake Pencarrow
Makaro Scientific Reserve	Scientific Island Reserve (formerly Ward Island)
Matiu Island	Scientific Island Reserve (formerly Somes Island)
Mokopuna Scientific Reserve	Scientific Island Reserve (formerly Leper Island)
Opau Urupā	Cemetery

Heritage assets have not been included with the consolidated statement of financial position as they are difficult to value. Management have determined that due to their cultural significance the value is unlikely to be fully reflected in a valuation.

Notes to the consolidated financial statements (continued)

19 Financial instruments classification

Recognition and initial measurement

Trade receivables are initially recognised when they originate. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to a financial contract.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through surplus or deficit transaction costs that are directly attributable to its acquisition or issue. At initial recognition, an entity may measure short-term receivables and payables at the original invoice amount if the effect of discounting is immaterial.

Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expire. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid is recognised in surplus or deficit.

Classification and subsequent measurement

Financial asset held at amortised cost

The classifications of the financial assets are determined at initial recognition as measured at amortised cost, fair value through other comprehensive revenue and expense (FVOCRE) - debt investment, fair value through other comprehensive revenue and expense (FVOCRE) or fair value through surplus and deficit (FVTSD). Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its management model for managing financial assets. Financial assets measured at amortised cost are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses.

Financial assets held at amortised cost comprise: cash and cash equivalents, trade and other receivables, related party receivables, and Joint venture loan receivables from Victoria Quarter Development Limited Partnership (refer note 13).

Financial liabilities

Financial liabilities are classified as measured at amortised cost or fair value through to surplus or deficit. Financial liabilities measured at amortised cost are subsequently measured at amortised cost using the effective interest method except for financial liabilities at fair value through surplus or deficit.

Financial liabilities held at amortised cost comprise: trade and other payables, related party payables, and lease liabilities.

Impairment of non-derivative financial assets

The Group shall recognise loss allowances for expected credit losses on financial assets measured at amortised cost. The group measure loss allowances for trade and other receivables at an amount equal to lifetime ECLs. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Notes to the consolidated financial statements (continued)

19 Financial instruments classification (continued)

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls. ECLs are discounted at the effective interest rate of the financial asset. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

The simplified model for trade creditors is adopted where ECL is based on lifetime expected losses. For other financial assets, ECL is based on default events expected to occur in the next 12 months unless there is evidence of a significant increase in credit risk. Where this is the case, ECL is based on lifetime expected credit losses.

20 Related parties

Key management personnel

Transactions involving related entities

The key management personnel, as defined by PBE IPSAS 20 Related Party Disclosures, are the members of the governing body which is comprised of the Board of Trustees of the Parent and Directors of the Commercial Board of Taranaki Whānui Limited. Remuneration of key management personnel is as follows:

Related entity	2025	2024
Remuneration of key management personnel (excluding trustees)	697,204	507,877
Trustee remuneration	29,000	30,666
FAAR committee remuneration	8,250	6,000
Directors remuneration (for Taranaki Whānui Limited)	54,500	54,500
Other remuneration and compensation provided to key management personnel and/or close family	12,000	12,000

The Parent and Ultimate controlling party of the Group is Port Nicholson Block Settlement Trust.

All members of the Port Nicholson Block Settlement Trust group are related parties of the Trust. During each reporting period, the Trust has advanced loans to support its subsidiaries as required, and received loan repayments from its subsidiaries. The terms of these advances are current, unsecured, and interest free.

Jamie Tuuta is a Director of Taranaki Whānui Limited, he also serves as a Trustee of Ngati Tama Charitable Trust. Taranaki Whānui Limited has interest bearing borrowing and loans from Ngati Tama Charitable Trust as indicated at note 15. Due to this relationship, Ngati Tama Charitable Trust is therefore considered a related party under PBE IPSAS 20.

Mahina Puketapu is a Director of Taranaki Whānui Limited and a Trustee of Port Nicholson Settlement Trust, she also serves as a Director of Wellington Water Limited. Taranaki Whānui Limited receives MOU income from Wellington Water Limited. Due to this relationship, Wellington Water Limited is therefore considered a related party under PBE IPSAS 20.

Notes to the consolidated financial statements (continued)

21 List of subsidiaries

Set out below is a list of material subsidiaries of the Group:

	Country of incorporation
Shelly Bay Limited	New Zealand
The Lodge at Shelly Bay Limited	New Zealand
Taranaki Whānui Limited	New Zealand
TWL Holdings Limited	New Zealand
TWL Management Limited	New Zealand
TWL Trust Limited	New Zealand
Muritai Project Limited Partnership	New Zealand
RFR Projects Limited Partnership	New Zealand
RFR General Partner Limited	New Zealand
LBS General Partner Limited	New Zealand
Lowry Bay Limited Partnership	New Zealand
Lowry Bay Number Two Limited Partnership	New Zealand
Lowry Bay Section One Limited	New Zealand
Tramways Limited	New Zealand
PNBST Investments Limited Partnership	New Zealand
SBL Management Limited	New Zealand
Tai-Kuru Limited Partnership	New Zealand
Tai-Kuru Trust Limited	New Zealand
The PNBST Charitable Trust	New Zealand

The reporting date of the Trust and all subsidiaries is 31 March. There are no significant restrictions on the ability of the subsidiaries to transfer funds to the parent Trust in the form of cash distributions or to repay loans or advances.

22 Capital commitments

There are no capital commitments at balance date (2024: nil).

23 Contingencies

There are no contingent liabilities at balance date (2024: nil).

24 Subsequent events

On 29 May 2025, a Deed of Variation to the Limited Partnership Agreement was executed in relation to the Victoria Quarter Development Limited Partnership (Aro development). This amendment reflects a change in the ownership interest held by Taranaki Whānui Limited, which now holds an 8% stake in the Limited Partnership, reduced from 50% under the previous agreement. Profits and losses associated with the development at Victoria Quarter will be recognised upon its completion on 31 October 2027. Accordingly, no adjustments have been made to the financial statements for the year ended 31 March 2025.

In June 2025, Taranaki Whānui Limited has invested funds into a Jarden investment fund amounting to \$5,300,000. The Board has subsequently approved an additional investment of \$700,000 into the same fund.

In August 2025, Taranaki Whānui Limited purchased a property at 134 Dixon Street for \$1,040,000 and subsequently sold it for \$3,055,409. After deducting \$15,409 in sale-related costs, the transaction was settled via a \$1,555,409 cash payment and a \$1,500,000 loan provided to the purchaser, resulting in a gain of \$2,000,000 upon settlement.

There have been no other events subsequent to balance date which would materially affect the financial statements.

Statement of service performance

1. About Us

Today, Taranaki Whānui represents those people who descend from one or more of the recognised tūpuna of Te Āti Awa, Ngāti Tama, Ngāti Mutunga, Taranaki iwi, and Ngāti Ruanui. The collective name given to these people is Taranaki Whānui ki Te Upoko o Te Ika (Taranaki Whānui). Taranaki Whānui ki Te Upoko o Te Ika are ahi kā of Te Whanganui a Tara (Port Nicholson Block area).

Originating from the Taranaki region, Taranaki Whānui migrated to the Wellington area between 1820 and 1830, establishing themselves around the Te Whanganui a Tara and Te Awa Kairangi regions.

The occupation and continued residence of Taranaki Whānui in this region attributes them the rights and duties of mana whenua – traditional guardians of the Wellington Harbour and associated lands.

As ahi kā with primacy and presence in the Capital City of Aotearoa, our vision is to ensure that our members maintain their place within the takiwā their tūpuna have occupied since the early 1820s to the present day.

2040 represents 200 years since the signing of Te Tiriti o Waitangi. We have a challenge to restore the rightful place of our people within the Port Nicholson Block takiwā.

2. Our Vision, Purpose and Principles

OUR VISION

We are guided by our tūpuna towards a mokopuna-focused future.

OUR PURPOSE

Guided by Tūpuna wisdom, Taranaki Whānui is focused on nurturing all aspects of well-being for our people and taiao, ensuring a prosperous future for all generations.

This purpose statement embodies our commitment to strength, growth, and well-being, reflecting what matters most to the uri of Taranaki Whānui ki te Upoko o te Ika. We stand dedicated to safeguarding and nurturing our ancestral lands and waterways, ensuring they remain a source of life and pride for our future generations.

Our path is illuminated by the legacy of our tūpuna, whose achievements and deeds form the bedrock of our identity. We honour their past by forging ahead with new and revitalised vigour and wisdom, ensuring that our children and grandchildren inherit a world where they can not only live but flourish. Our focus is steadfast on building a future where every aspect of Taranaki Whānui can thrive — culture, health, environment, economic — making the vision of a prosperous life on our ancestral whenua a living reality for our uri, whānau, and mokopuna.

OUR PRINCIPLES

- **Te mouri o te taiao:** We protect and enhance our whenua, moana, and awa for generations to come.
- **E kore e piri te uku ki te rino, ka whitingia e te rā ka ngahoro:** We are steadfast and unwavering in upholding and expressing our tikanga, kawa, and mana motuhake.
- **Poua ki runga, poua ki raro:** Our whakapapa, culture, language, and identity connect us all and are celebrated and demonstrated in all that we do.
- **Te Kahu o te Raukura:** We are guided by the philosophies of the raukura, aroha, and rongomou.

In affecting these principles, the Trust wants to foster an environment where uri are:

- Actively preserving & sustaining our lands & waters
- Strong & confident in their identity & knowledge
- Connected & thriving in their culture & language
- Leaders for whānau health & wellbeing

3. Strategic Priorities

Toitū te Taiao

As kaitiaki, whenua, moana, and awa are reclaimed, obtained, and protected.

Te Oranga o te Whānau

The health and wellbeing of our people are prioritised, nurtured, and resourced.

Te Matauraura me te Reo

Reclamation and intergenerational transmission of our knowledge, our reo, and our tikanga.

Ngā Rawa o te Āpōpō

Investment decisions are tupuna-guided, mokopuna-focused, and sustainable.

Te Kaha me te Āheinga

Taranaki Whānui is capable and collaborative, supporting whānau, and mokopuna success.

Our Approach

Taranaki Whānui is committed to an inclusive and proactive approach, integrating traditional knowledge with contemporary contexts and tools. Our strategy focuses on balancing respect for our history with innovative, collaborative approaches to address the evolving needs of our uri, whānau, hapū, and iwi. By fostering leadership, capacity, and engagement within our community, we aim to create a prosperous and sustainable future for all our uri, whānau, and mokopuna.

Judgements applied in reporting service performance during the year:

The Trust has applied judgement in deciding to report against the Taranaki Whanui ki Te Upoko o Te Ika Strategic Plan to 2040. This judgement has been made because the Strategic Plan guides the operating and service delivery goals of the Trust.

Activities during 2024-25

Below are the activities during the 2024-25 financial year that have contributed to the identified long-term outcomes:

Toitū te Taiao

As kaitiaki, whenua, moana, and awa are reclaimed, obtained, and protected.

- **Remaining Sale and Leaseback properties:** Thorndon School (0.42 ha) was acquired by Tai Hekenga in FY23. Discussions commenced regarding the acquisition of Police properties from the Sale and Leaseback schedule. The Trust is considering options to acquire these properties in the current financial year.
- **Right of First Refusal properties:** the Trust continues to engage with Kāinga Ora and their divestment of properties which are both RFR and non-RFR. This relationship has enabled the Trust lead in time to undertake some of the due diligence required, prior to Kāinga Ora formally offering properties.
- **Shelly Bay:** In August 2024, the removal of the Shelly Bay wharves was completed ensuring the future protection of the surrounding whenua and moana.
- **Motu Kairangi / Mātai Moana:** we have moved a discussion some years ago with the Minister Eugenie Sage around the Crown-Mana Whenua relationship to one where it is possible that a Trust governed by the Wellington City Council and this Trust, along with Department of Conservation, would be responsible for the governance and oversight of a considerable whenua.
- **Cultural and Environmental Advisory Roles:**
 - **Let's Get Wellington Moving Project:** Let's Get Wellington Moving was wound down with local projects moving to Wellington City Council for completion. Our four iwi positions were disestablished but remained as adhoc cultural service providers on the two Council owned upgrade projects - Thorndon Quay and the Golden Mile.
 - **Te Ara Tupua Project:** The mana whenua steering group, which was established in 2019, ensures uri are directly involved as kaitiaki, cultural advisors, carvers, designers, planners, communications, procurement, and other functions within the project. Although the project is entering its final stages, between 10 and 15 uri continue to be employed and/or contracted by Te Ara Tupua Project and continue to play active roles — as kaimahi, steering group members, and contractors — ensuring the kaupapa is brought to a strong and respectful close.
 - **Te Wai Takamori o Te Awa Kairangi (formerly RiverLink):** The CE sits as a part of the Programme Governance Group, which comprises of the Te Ara Tupua mana whenua steering group members who are directly involved in the project covering kaitiakitanga, cultural advice, designer, planner, project management and other functions within the project. During the stand-up phase, 3 to 7 uri are engaged as contractors, or steering group members, by Te Ara Tupua Project to build early momentum.
 - **KiwiRail's 'iRex' Project:** whilst the project was wound down by Government and all mana whenua roles disestablished, work on our environmental strategies were able

to continue through our partnerships with Wellington City Council, CentrePort and Love Rimu Rimu. The development of a Coastal Reserves Management Plan (Tātou ki Uta), sees Taranaki Whānui leading this important work which seeks to protect and promote our taonga whilst ensuring our coastal environment is able to be enjoyed by current and future generations.

- **Council:** Taranaki Whānui maintains active involvement with Councils regarding resource consenting, resource management, district planning, and spatial planning activities.
- **Wellington Water:** Taranaki Whānui provides cultural and environmental oversight of all key projects within our takiwā.
- **Governance and Whenua Management:**
 - **Harbour Islands Kaitiaki Board:** The Harbour Islands Board was recently refreshed, and a new strategic plan is currently being finalised.
 - **Te Rōpū Tiaki:** Provides continued oversight of Kōhanga Te Rā and Kōhanga Piripiri (Lakes), leading planting days, undertaking research on the lakes, and leading various education kaupapa.
 - **Honiana Te Puni Reserve** – this site continues to evolve for the members benefit to enable protection and enhancement of culturally significant whenua. The Trust is working with Hutt City Council in developing a Reserves Management Plan which seeks to enable our cultural and commercial aspirations.

Te Oranga o te Whānau

The health and wellbeing of our people are prioritised, nurtured, and resourced.

- **Kaumātua Housing:** 10 of our 11 kaumātua units at Te Puna Wai were fully tenanted for the entire financial year up to 31 March 2025, with one being tenanted for only 9 months due to required refurbishment post the exit of tenant, compared to the previous financial year where 11 of the kaumātua units were fully tenanted.
- **Te Puna Wai:** As previously reported in the 2023-24 financial year, during the 2024-25 financial year, no further progress was made at the Te Puna Wai development as no resolution was found with the local hapū.

Te Matauraura me te Reo

Reclamation and intergenerational transmission of our knowledge, our reo, and our tikanga.

- **Tono Kaupapa:** 127 cultural service deliveries were conducted for various clients in 2024 which was an increase from 75 in 2023, including powhiri for organizations such as Kaicycle, Te Toi Mahana, Hutt Valley High, HCC, WCC, GWRC, Wellington Airport International, Manatū Hauora, Creative HQ, Massey University, and many more.

Ngā Rawa o te Āpōpō

All investment decisions are tupuna-guided, mokopuna-focused, and sustainable.

- **Whenua Acquisition through Tai Hekenga Consortium:** Tai Hekenga begins the process of rent reviews which will increase the annuity income for future generations. Discussions around acquiring Police properties (Wainuiomata and Petone) commenced.

Te Kaha me te Āheinga

Taranaki Whānui is capable and collaborative, supporting whānau, mokopuna success.

- **Whakapapa Kōmiti:** Our Whakapapa Kōmiti was revitalised with new members, revised terms of reference, and a new database policy.
- **Membership database:** The Trust, through its Whakapapa Kōmiti and new database, verified approximately 100 members in the 2024/25 financial year, strengthening the Trusts connection with those who whakapapa to Taranaki Whānui. This is in comparison to roughly 70 members in the previous financial year.
- **Policy Review:** A total of four policies were reviewed in the financial year. There were two policies reviewed in this financial year.
- **Stocktake:** A full stocktake of all the projects and opportunities available to Taranaki Whānui was initiated to identify future opportunities for the Trust.
- **Re-alignment:** A realignment committee was formed to lead the realignment activities of the Trust, focusing on finalising the Strategic Plan, re-branding, policy review, process and procedure review, and ensuring organisational alignment to the strategic direction of the Trust.

These activities demonstrate our commitment to achieving our strategic priorities and laying a strong foundation for the future well-being and prosperity of Taranaki Whānui. By focusing on land reclamation, cultural advisory roles, housing for kaumātua, and strategic investments, we ensure that our actions today support the long-term goals of our community.

INDEPENDENT AUDITOR'S REPORT

To the Beneficial Owners of Port Nicholson Block Settlement Trust

Opinion

We have audited the consolidated general purpose financial report of Port Nicholson Block Settlement Trust (the Trust) and its controlled entities (the Group) which comprise the consolidated financial statements on pages 2 to 24, and the consolidated service performance information on pages 25 to 29. The complete set of consolidated financial statements comprise the consolidated statement of financial position as at 31 March 2025, and the consolidated statement of comprehensive revenue and expense, 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 general purpose financial report presents fairly, in all material respects:

- the consolidated financial position of the Group as at 31 March 2025, and its consolidated financial performance and its consolidated cash flows for the year then ended; and
- the consolidated service performance of the Group for the year ended 31 March 2025 in that the consolidated service performance information is appropriate and meaningful and prepared in accordance with the entity's measurement bases or evaluation methods

in accordance with Public Benefit Entity Accounting Standards Reduced Disclosure Regime issued by the New Zealand Accounting Standards Board.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)) and the audit of the consolidated service performance information in accordance with the ISAs (NZ) and New Zealand Auditing Standard (NZ AS) 1 (Revised) *The Audit of Service Performance Information*. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated General Purpose Financial Report* 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 we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, the Group.

Information Other Than the Consolidated General Purpose Financial Report and Auditor's Report

The Trustees are responsible for the other information. Our opinion on the consolidated general purpose financial report does not cover the other information included in the annual report and we do not and will

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not express any form of assurance conclusion on the other information. At the time of our audit, there was no other information available to us.

In connection with our audit of the consolidated general purpose financial report, if other information is included in the annual report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated general purpose financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of our auditors' report, we concluded that there is a material misstatement of this other information, we are required to report that fact.

Trustees' Responsibilities for the Consolidated General Purpose Financial Report

The Trustees are responsible on behalf of the Group for:

- (a) the preparation and fair presentation of the consolidated financial statements in accordance with Public Benefit Entity Accounting Standards Reduced Disclosure Regime issued by the New Zealand Accounting Standards Board;
- (b) the selection of elements/aspects of service performance measures and/or descriptions and measurement bases or evaluation methods that present consolidated service performance information that is appropriate and meaningful in accordance with Public Benefit Entity Accounting Standards Reduced Disclosure Regime;
- (c) the preparation and fair presentation of consolidated service performance information in accordance with the entity's measurement bases or evaluation methods, in accordance with Public Benefit Entity Accounting Standards Reduced Disclosure Regime;
- (d) the overall presentation, structure and content of the consolidated service performance information in accordance with Public Benefit Entity Accounting Standards Reduced Disclosure Regime; and
- (e) such internal control as the Trustees determine is necessary to enable the preparation of the consolidated financial statements and consolidated service performance information that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated general purpose financial report, the Trustees are 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 Trustees either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated General Purpose Financial Report

Our objectives are to obtain reasonable assurance about whether the consolidated general purpose financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) and NZ AS 1 (Revised) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of this consolidated general purpose financial report.

As part of an audit in accordance with ISAs (NZ) and NZ AS 1 (Revised), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and the consolidated service performance information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit of the consolidated financial statements and the consolidated service performance information in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Obtain an understanding of the process applied by the entity to select its elements/aspects of service performance, performance measures and/or descriptions and the measurement bases or evaluation methods.
- Evaluate whether the selection of elements/aspects of service performance, performance measures and/or descriptions and measurement bases or evaluation methods present an appropriate and meaningful assessment of the entity's consolidated service performance in accordance with the Public Benefit Entity Accounting Standards Reduced Disclosure Regime.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the Trustees and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated general purpose financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated general purpose financial report, including the disclosures, and whether the consolidated general purpose financial report represents the underlying transactions, events and elements/aspects of service performance in accordance with Public Benefit Entity Accounting Standards Reduced Disclosure Regime in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information and service performance information of the entities or business units within the Group as a basis for forming an opinion on the consolidated general purpose financial report. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Restriction on Use

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



Crowe New Zealand Audit Partnership
CHARTERED ACCOUNTANTS

Dated at Hastings this 9th day of September 2025