

Whanganui Iwi Fisheries Limited

Financial Statements for the Year Ended 31 March 2023



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INDEPENDENT AUDITORS REPORT

To the Shareholders of Whanganui Iwi Fisheries Ltd

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Whanganui Iwi Fisheries on pages 7 to 17, which comprise the statement of service performance, statement of financial position as at 31 March 2023, and the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion:

- a) the reported outcomes and outputs, and quantification of the outputs to the extent practicable, in the statement of service performance are suitable;

- b) the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 March 2023, and its financial performance and its cash flows for the year then ended in accordance with Tier 2 Not-For-Profit PBE Reduced Disclosure Regime issued by the New Zealand Accounting Standards Board.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)), and the audit of the statement of service performance in accordance with the International Standard on Assurance Engagements (New Zealand) ISAE (NZ) 3000 (Revised). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with Professional and Ethical Standard 1 (Revised) Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board and the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (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, the Company.

Other information

The Shareholders are responsible on behalf of the Company for the other information. The other information comprises the Directory and Approval of Financial 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 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.

Shareholders Responsibilities for the Financial Statements

Those charged with governance are responsible on behalf of the Company for Identifying outcomes and outputs, and quantifying the outputs to the extent practicable, that are relevant, reliable, comparable and understandable, to report in the statement of service performance; and for the preparation and fair presentation of the financial statements in accordance with Tier 2 Not-For-Profit PBE Reduced Disclosure Regime, and for such internal control as those charged with governance determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, those charged with governance are responsible on behalf of the Entity for assessing the Company'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 those charged with governance either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors Responsibilities for the Audit of the Financial Statements

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

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

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

Restriction on Distribution or Use

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



Cameron Town
Silks Audit Chartered Accountants Ltd
Whanganui, New Zealand

Date: 25 August 2023

Directory

Nature of Business

Receiving, holding and managing Settlement Quota and Income Shares resulting from the Māori Fisheries Settlement and Māori Fisheries Act 2004.

Date of Incorporation

18 August 2006

Registered Office

357 Victoria Avenue
Whanganui 4500

Directors

Simon Karipa - Chairperson
Dr Rāwiri Tinirau
Peter Halligan
Gerrard Wilson

Chartered Accountants

Spooner, Hood & Redpath Ltd
162 Wicksteed Street
Whanganui 4500

Auditors

Silks Audit Chartered Accountants Ltd
156 Guyton Street
Whanganui 4500

Bankers

Bank of New Zealand
84 The Square
Palmerston North 4410

Approval of Financial Report

For the Year Ended 31 March 2023

The Directors are pleased to present the approved financial report including the historical Financial Statements of Whanganui Iwi Fisheries Limited for period ended 31 March 2023.

APPROVED

For and on behalf of the Board of Directors



Director

25 August 2023

Date



Director

25 August 2023

Date

Statement of Service Performance

For the Year Ended 31 March 2023

Our Purpose

- Whanganui Iwi Fisheries Limited (WIFL) is a registered company and the asset holding company for Whanganui Iwi under the Māori Fisheries Act 2004 and holds, inter alia, fisheries quota and shares in Aotearoa Fisheries Limited.
- The purpose of WIFL is to act as the holding company for fisheries settlement quota and shares in Aotearoa Fisheries Limited and as a tax-paying investment vehicle for NTT Group.
- WIFL may invest in non-settlement assets should it be deemed appropriate.

Our Work

- WIFL manages the fisheries investments in accordance with its Statement of Investment Policy and Objectives.
- WIFL continues to participate in two iwi-based collectives – Port Nicholson Fisheries for crayfish ACE and Ngā Tapuwae o Maui, a joint venture with Sealord for Deep Sea ACE.
- During the year the fishing industry has faced escalating costs across the board, supply chain disruptions and labour shortages.
- WIFL received a dividend of \$67k from Aotearoa Fisheries Ltd's 2021-2022 financial year, down on the budget and prior year of \$151k.
- WIFL received a bonus share issue from Moana New Zealand of 2,880 shares taking the total shares held to 5,760 and a net dividend of \$138k.

Statement of Comprehensive Revenue and Expenses

For the Year Ended 31 March 2023

	Notes	2023 \$	2022 \$
Revenue from Exchange Transactions			
Fisheries Income		157,322	168,197
Dividend Received		210,254	153,834
Interest Received		6	-
Total Revenue from Exchange Transactions		367,582	322,032
Expenses			
Accountancy Fees		1,410	1,400
Administrative Expenses	13	48,068	48,492
Audit Fees		3,150	3,150
Donations	13	121,000	187,500
Fisheries Levies and Expenses		36,864	31,074
Insurance		6,566	6,337
Total Expenses		217,058	277,953
Net Surplus/(Deficit) for the Year		150,524	44,078
Taxation and Adjustments			
Income Tax Expense	11	26,342	7,714
Total Taxation and Adjustments		26,342	7,714
Total Surplus/(Deficit) for the Year after Taxation and Adjustments		124,182	36,364
Other Comprehensive Revenue and Expenses			
Revaluation of Fisheries Quota		-	-
Total Other Comprehensive Revenue and Expenses		-	-
Total Comprehensive Revenue and Expenses for the Year		124,182	36,364

These Financial Statements should be read in conjunction with the accompanying notes and audit report.



Statement of Movements in Equity

For the Year Ended 31 March 2023

	Share Capital	Asset Revaluation Reserve	Retained Earnings	Total
	\$	\$	\$	\$
Balance as at 1 April 2021	7	1,802,672	5,954,992	7,757,671
Distribution to Owners	-	-	-	-
Other Comprehensive Revenue and Expenses	-	-	-	-
Surplus/(Deficit) for the year after Taxation and Adjustments	-	-	36,364	36,364
Balance as at 31 March 2022	7	1,802,672	5,991,356	7,794,035
Balance as at 1 April 2022	7	1,802,672	5,991,356	7,794,035
Investment by Owners	-	-	611,659	611,659
Distribution to Owners	-	-	(741,405)	(741,405)
Other Comprehensive Revenue and Expenses	-	-	-	-
Surplus/(Deficit) for the year after Taxation and Adjustments	-	-	124,182	124,182
Balance as at 31 March 2023	7	1,802,672	5,985,792	7,788,471

These Financial Statements should be read in conjunction with the accompanying notes and audit report



Statement of Financial Position

As at 31 March 2023

	Notes	2023 \$	2022 \$
Current Assets			
Cash and Cash Equivalents	9	472,610	491,011
Income Tax Payable / (Receivable)	11	(6,107)	48,565
Receivables from Exchange Transactions	10	19,235	17,561
Total Current Assets		485,738	557,137
Non-current Assets			
Moana New Zealand Limited (5,760 Shares)		3,643,698	3,643,698
Fisheries Quota	12	3,683,058	3,683,058
Total Non-current Assets		7,326,756	7,326,756
Total Assets		7,812,494	7,883,893
Current Liabilities			
Trade and Other Payables		24,023	89,858
Total Current Liabilities		24,023	89,858
Total Liabilities		24,023	89,858
Net Assets		7,788,471	7,794,035
Equity			
Share Capital		7	7
Accumulated Comprehensive Revenue and Expenses		5,985,792	5,991,356
Revaluation Reserve		1,802,672	1,802,672
Total Equity		7,788,471	7,794,035

These Financial Statements should be read in conjunction with the accompanying notes and audit report.



Statement of Cash Flows

For the Year Ended 31 March 2023

	Notes	2023 \$	2022 \$
Cash Flows from Operating Activities			
Receipts from Providing Goods or Services		155,648	177,141
Dividend Receipts		210,254	153,834
Interest Received (Paid)		6	-
Cash Paid to Suppliers and Employees		(160,369)	(38,623)
Grants and Donations Paid		(121,000)	(187,500)
Net Income Tax Received/(Paid)		(101,416)	(149)
Net GST Received		(3,429)	(1,573)
Net Cash Inflow/(Outflow) from Operating Activities		(18,401)	103,130
Net Inflow/(Outflow) in Cash		(18,401)	103,130
Opening Balance Cash		491,011	387,881
Closing Balance Cash	9	472,610	491,011

These Financial Statements should be read in conjunction with the accompanying notes and audit report.



Notes to the Financial Statements

For the Year Ended 31 March 2023

1. Reporting Entity

Whanganui Iwi Fisheries Limited (the "Company") is a company incorporated under the Companies Act 1993. The Company is a public benefit entity for the purpose of financial reporting in accordance with the Financial Reporting Act (2013).

2. Basis of Preparation

The Company has opted to present these Financial Statements in accordance with Generally Accepted Accounting Practice in New Zealand ("NZ GAAP"). They comply with the Public Benefit Entity Accounting Standards Reduced Disclosure Regime ("PBE Standards RDR") as appropriate for Tier 2 not for-profit public benefit entities, for which all reduced disclosure regime exemptions have been adopted.

The Company has under \$30m of expenses and is not publicly accountable. They have elected to report under Tier 2.

3. Functional and Presentation Currency

These Financial Statements are presented in New Zealand dollars (NZD) which is the Company's functional currency. There has been no change in the functional currency of the Company during the year. All amounts have been rounded to the nearest dollar, unless otherwise indicated.

4. Measurement Basis

The Financial Statements have been prepared on the historical cost basis except for assets and liabilities that have been measured at fair value. The accrual basis of accounting has been used unless otherwise stated.

5. Use of Estimates and Judgements

The preparation of Financial Statements requires management to make judgments, estimates and assumptions that effect 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 significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amount recognised in the Financial Statements are disclosed where applicable in the relevant notes to the Financial Statements.

Judgments made by management in the application of the PBE Standards RDR that have significant effects on the Financial Statements and estimates with a significant risk of material adjustments in next year are disclosed, where applicable, in the notes to the Financial Statements.

6. Comparatives

Comparative amounts are from the audited Financial Statements for the year ended 31 March 2022.

7. Going Concern

The Financial Statements have been prepared on a going concern basis. The Directors, based on support from Ngā Tāngata Tiaki o Whanganui, do not believe there is any risk around the Company's continuity into the foreseeable future.

8. Significant Accounting Policies

Significant accounting policies are included in the notes to which they relate. Significant accounting policies that do not relate to a specific note are outlined below.

Revenue

Revenue is measured at the fair value of the consideration received. Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer and when the right to receive payment is established.



Interest Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Fisheries Income

Fisheries income is recognised when the Company's right to receive payment is established and the amount can be measured reliably.

Dividend Income

Revenue from dividends are recognised when the Company's right to receive payment is established and the amount can be measured reliably.

Goods and Services Tax

The Company is registered for goods and services tax (GST). All amounts are stated exclusive of GST except for trade payables and trade receivables which are stated inclusive of GST.

Financial Instruments

Non-derivative financial instruments comprise investments in equity securities accounted for as available for sale financial assets, trade receivables, cash and cash equivalents, short term borrowings and trade payables.

Non-derivative financial instruments are recognised initially at fair value through Surplus or Deficit unless they are measured at amortised cost or at fair value through other Comprehensive Revenue and Expenses or are designated as such upon initial recognition. Upon initial recognition, attributable transaction costs are recognised in the Statement of Comprehensive Revenue and Expenses when incurred. Subsequent to initial recognition non-derivative financial instruments are measured as described below.

A financial instrument is recognised if the Company becomes a part of the contractual provisions of the instrument. Financial assets are derecognised if the Company's contractual rights to the cash flows from the financial assets expire or the Company transfers the financial asset to another party without retaining control or substantially removing all the risks and rewards of the asset. Purchases and sales of financial assets are accounted for at trade date i.e. the date that the Company commits itself to purchase or sell the asset. Financial liabilities are derecognised if the Company's obligations specified in the contract expire or are discharged or cancelled.

Advances

Advances are classified as other non-derivative financial instruments and are stated at cost.

Trade Payables

Trade payables are classified as other non-derivative financial instruments and are stated at amortised cost.

Moana New Zealand Limited

Shares in Moana New Zealand Limited have been recorded in the Financial Statements of the Company (the Mandated Asset Holding Company) at their settlement value in October 2006 of \$3,643,698.

Impairment

The carrying amounts of the Company's assets are reviewed at each balance sheet date to determine whether there is any objective evidence of impairment. An impairment loss is recognised whenever the carrying amount of the asset exceeds its recoverable amount. Impairment losses directly reduce the carrying amount of assets and are recognised in the Statement of Comprehensive Revenue and Expenses. There have been no impairment losses recognised in the current year (2022: \$0).

Determination of Fair Value

A number of the Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

Changes in Accounting Policies

The previous Financial Statements were also prepared under the Public Benefit Entity Accounting Standards Reduced Disclosure Regime ("PBE Standards RDR") and there has been no changes in accounting policies applied.

9. Cash and Cash Equivalents

Cash and cash equivalents include bank accounts, call deposits, credit cards, and other short term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

	2023	2022
	\$	\$
BNZ First	471,896	490,302
BNZ On Call	714	709
Total Cash and Cash Equivalents	472,610	491,011

10. Receivables from Exchange Transactions

Trade receivables classified as other non-derivative financial instruments are stated at amortised cost using the effective interest method, less any impairment losses for amounts that have a significant risk of non-collection. When a receivable is identified as being non-collectible it is expensed immediately in profit and loss.

	2023	2022
	\$	\$
Prepayments	8,470	6,566
Accrued Income	10,765	10,995
Total Receivables from Exchange Transactions	19,235	17,561

11. Taxation

Income tax expense is recognised in the Statement of Comprehensive Revenue and Expenses except to the extent that it relates to items recognised in equity.

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 tax payable in respect of previous years.

No deferred tax has been recognised as there were no material movements at balance date. This is a departure from PBE IAS 12.

During the year a Dividend was payable to Ngā Tāngata Tiaki o Whanganui \$741,406 that included Māori Authority Tax Credits of \$129,745 (2022: \$0)

The income tax expense for the year can be reconciled to the accounting profit as follows:

	2023	2022
	\$	\$
Operating Surplus Before Tax	150,524	44,078
Prima Facie Tax Expense At 17.5%	26,342	7,714
Income Tax Effects Of:		
Non-Deductible Expenses	-	-
Total Income Tax Expense For the Year	26,342	7,714
Opening Balance Refundable	(48,565)	(56,130)
Prior Period Adjustment	-	253
Māori Authority Tax Credits Received	(149,979)	(26,437)
Māori Authority Tax Credits Paid	129,745	-
Withholding Tax Paid	(1)	-
Taxation Received	48,565	26,035
Tax Expense For The Year	26,342	7,714
Tax Payable/(Receivable) at 31 March	6,107	(48,565)

12. Fisheries Quota

Shares in the Fisheries Quota are measured at fair value as per PBE IPSAS 31.

The value of the quota shares held by the Whanganui Iwi Fisheries Limited as at 31 March 2023 is \$3,683,058 (2022: \$3,683,058)

	2023	2022
	\$	\$
Opening Balance	3,683,058	3,683,058
Revaluation	-	-
Closing Balance Fisheries Quota	3,683,058	3,683,058

The fisheries quota was most recently revalued at 31 March 2019 and the carrying amount of the revalued quota is \$3,683,058 as determined by Quota Management Systems Limited.

This valuation is deemed by management to still faithfully represent the fair value of the fisheries quota as at 31 March 2023 per PBE IPSAS 31.

This revaluation with the effective date of 31 March 2019 was determined by assessing each fish stock individually and estimating the likely market price for each if it were to be offered for sale on the open market. Where fish stocks are thinly traded or where it is difficult to gauge a market valuation Quota Management Systems Limited applied their knowledge of the market to determine a valuation.

It has been assumed that this quota has an indefinite useful life given the renewable nature of sustainably-managed fish stocks. This renewability is the primary factor used in determining that the quota has an indefinite useful life.

Revaluation Reserve

The revaluation reserve wholly relates to the revaluation of the Fisheries Quota. There have been 3 revaluations since the quota was bought in at settlement value. The increase in the value of asset as a result of these increases was as follows:

Revaluations	
July 2011	809,948
September 2016	752,298
March 2019	240,426
Total Revaluations	1,802,672

13. Related Party Transactions

Ngā Tāngata Tiaki Custodian Trustee Limited, on behalf of the trustees of Ngā Tāngata Tiaki o Whanganui, holds 100% of the shares in Whanganui Iwi Fisheries Limited and thus the trustees of Ngā Tāngata Tiaki o Whanganui have 100% ownership of the Company

Further, the trustees of Ngā Tāngata Tiaki o Whanganui were the settlors of Te Ngakinga o Whanganui Investment Trust when it was established in 2016 and the trustees of Te Ngakinga o Whanganui Investment Trust are appointed by the trustees of Ngā Tāngata Tiaki o Whanganui.

The related party transactions and payables that the Company had with its Parent and controlled entities for the year ended 31 March 2023 are as follows:

Account	Type	2023	2022
		\$	\$
Te Whawhaki Trust Charitable Donations	Expense	121,000	187,500
Ngā Tāngata Tiaki o Whanganui – Administration Fees	Expense	24,000	24,000
Te Ngakinga o Whanganui Investment Trust Administration Fees	Expense	24,000	24,000
Total Related Party Expenses		169,000	235,500
Total Related Party Transactions		169,000	235,500

Whanganui Iwi Fisheries Limited has part ownership of Port Nicholson Fisheries of 0.0212% (2022: 0.0213%) This year Whanganui Iwi Fisheries Limited received \$3,216 income from ACE sales made to Port Nicholson Fisheries (2022: \$2,765).

14. Key Management Personnel

The Company has a related party relationship with its key management personnel. The key management personnel are the Directors who were as follows during the year:

Simon Karipa
Dr Rāwiri Tinirau
Peter Halligan
Gerrard Wilson

The Directors were remunerated via the Te Ngakinga o Whanganui Investment Trust and received no payments from Whanganui Iwi Fisheries Limited.

15. Capital and Other Commitments

There were no known material capital or other commitments to disclose as at balance date (2022: \$0).



16. Contingent Assets & Liabilities

There were no known material contingent asset or liabilities to disclose as at balance date (2022: \$0).

17. Events Subsequent to Balance Date

There have been no events subsequent to balance date that require adjustments to or disclosure in these Financial Statements.

In 2024 Whanganui Iwi Fisheries Limited has incorporated active investments from the 17 May 2023.