



**Annual Report 2025**  
**Pūrongo 2025**



Great Exhibition Bay



**Pārengarenga Incorporation**

## Annual Report • 2025

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# Our Vision / Our Values - Overview

## Te Moemoea / Nga Mana

### Our Vision

#### Te Wawata

Growing our people and communities, shaping the Te Hiku future through a world-class, sustainable enterprise of the land and sea

### Our Mission

#### Te Aronga

By 2030, generate \$1m in community value every year through jobs and shareholder returns by serving our wellbeing to the world

### Our Five-Year Plan and Goals

#### Te Take me Ngā Whāinga

Develop a diversified and sustainable portfolio of commercial investments that leverages our land assets to deliver \$12m annual revenue by 2026.

### Our Shared Values

#### Ngā Tikanga

##### WHAKAPONO ME TE TIKA

*Integrity, Honesty, Trust*

We believe in an open, respectful, and honest approach to achieve trust in all that we do

##### KAITIAKITANGA ME TE WAIRUA

*Guardianship Spirituality*

We protect our whenua and wai, and value our cultural inheritance

##### MANAAKITANGA

*Respect, Generosity & Care for others*

We respect and care for everyone in our work and workplaces

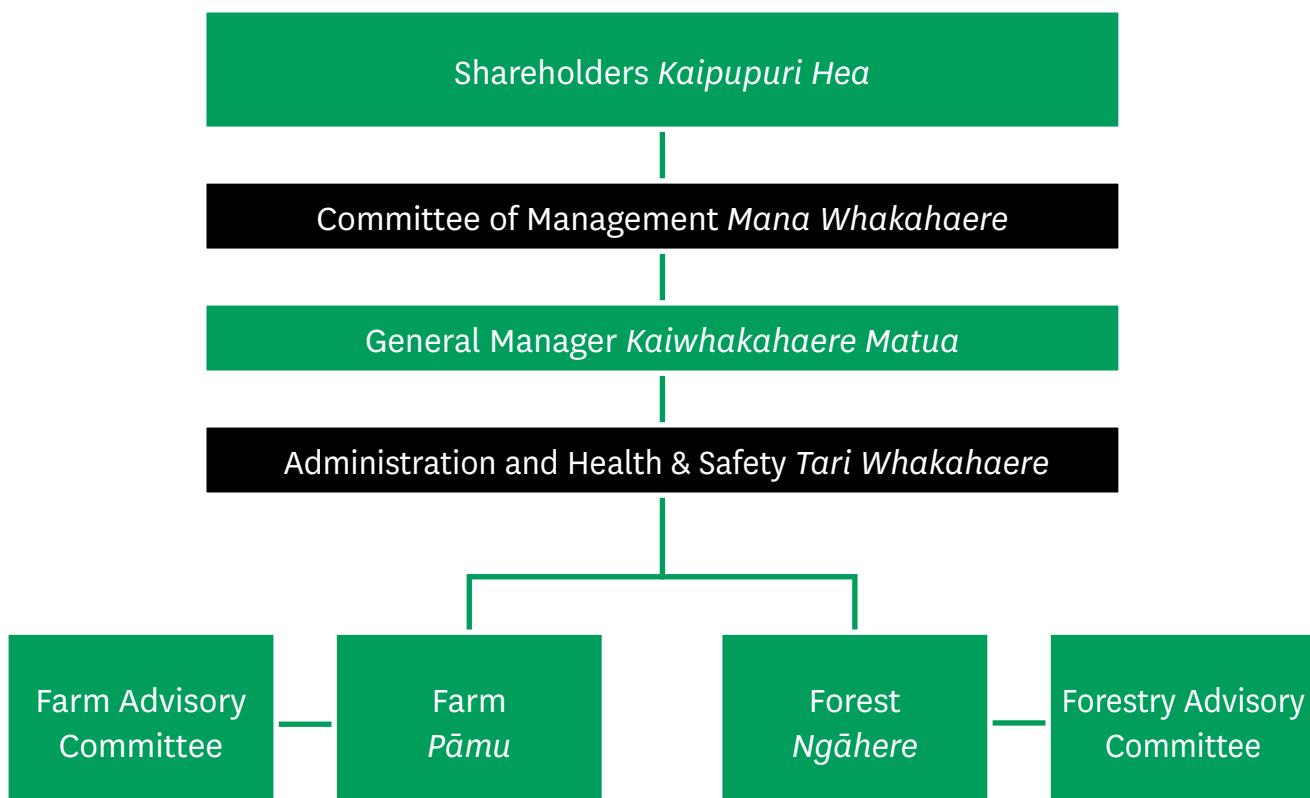
##### RANGATIRATANGA

*Leadership, Team Work, Growth*

We work with our leaders to build a strong team to produce business growth within our community

### Ngā Whāinga

Sustainable annual revenue streams, shareholder return, community prosperity and growth in asset value





# Agenda

## Rārangi Take

|         |   |
|---------|---|
|         | <ul style="list-style-type: none"><li>• <b>KARAKIA AND MIHI</b></li><li>• <b>APOLOGIES</b><br/>Ngā Tono Aroha</li><li>• <b>OBITUARIES</b><br/>Ngā Maumahara</li></ul>   |
| 9.00am  |   |
| 9.45am  | <ul style="list-style-type: none"><li>• <b>MANAGEMENT COMMITTEE ELECTION RESULTS</b><br/>Pōtitanga Komiti Whakahaere</li></ul>  |
| 10.00am | <ul style="list-style-type: none"><li>• <b>CONFIRMATION OF ANNUAL GENERAL MEETING MINUTES 2024</b><br/>Ngā Miniti 2024 kia Whakatūturutia</li></ul>   |
| 10.30am | <ul style="list-style-type: none"><li>• <b>CHAIRMAN'S REPORT</b><br/>Te Rīpota o te Heamana</li></ul>   |
| 12.00pm | <ul style="list-style-type: none"><li>• <b>ANNUAL FINANCIAL ACCOUNTS</b><br/>Ripoata Pūtea mo te Tau</li><li>• <b>APPOINT AUDITOR AND SHARE VALUER APPOINTMENT</b><br/>Whakaritenga Kaitaatari Pūtea me te Kaiwariu Hea</li><li>• <b>GENERAL BUSINESS</b><br/>Umanga Whānui</li></ul> |
| 1.00pm  | <ul style="list-style-type: none"><li>• <b>CLOSE OF AGM</b><br/>Mutunga</li></ul>   |
| 1.15pm  | <ul style="list-style-type: none"><li>• <b>LUNCH</b><br/>Tina</li></ul>   |

Full printed copies of the Annual Accounts are available to shareholders upon request from our office.



# Notice of Motions

## *Ngā Mōtini Panui*

### Apologies

**1. THAT** the Apologies for the combined 2025 Pāengarenga A Incorporation and Pāengarenga B3C Trust AGM be accepted.

### Minutes (Confirmation of previous Special General Meeting Minutes and Annual General Meeting Minutes)

**2. THAT** the circulated Minutes of the previous combined Parengarenga A Incorporation and Parengarenga B3C Trust AGM held on 30 November 2024 be confirmed as a true and accurate record.

### Reports

**3. THAT** the Annual Chairman's Report 2025 be adopted.

**4. THAT** the combined 2025 Parengarenga A Incorporation and Parengarenga B3C Trust audited consolidated annual accounts for the year ending 30 June 2025 be adopted.

### Appointment of Auditor and Share Valuer

**5. THAT** Silks Audit of Whanganui be appointed as auditors for Parengarenga A Incorporation and Parengarenga B3C Trust for the 2025/2026 financial year and

**6. THAT** BDO Northland of Kerikeri be appointed as Share Valuers for Parengarenga A Incorporation and Parengarenga B3C Trust for the 2025/2026 financial year.

### Setting of the next Annual General Meeting date

**7. THAT** the date be set down for Saturday 28 November 2026.



# Minutes

## Ngā Miniti 2024

OF THE COMBINED PARENGARENGA A INCORPORATION AND B3C TRUST  
ANNUAL GENERAL MEETING HELD AT POTAHI MARAE, TE KAO 30th NOVEMBER 2024

**Start:**

9.00am

**Opening Whakamoemiti:**

Ema Kaipo-Dunn

**Mihi:**

Heta Conrad, Mark Nathan, Clayton Wiki

**Committee of Management:**

Chad Paraone, Clayton Wiki, Ngainanga Kapa, Pereniki Conrad, Huia Cooper, Joyce Munns, and Jack Ratu. They gave brief individual introductions and their roles.

**Voting Papers Delay:**

The Chairman apologised for the delay by printers in generating voting papers in time for the AGM.

**Motion:** THAT the shareholders present approve that voting for the election closes at 4pm 10 December with results being published on 11 December 2024.

| Moved by | John Paitai | Seconded by | Joan Dangen | Opposed by | Rihari Wiki and Jerry Brown | Carried |
|----------|-------------|-------------|-------------|------------|-----------------------------|---------|
|----------|-------------|-------------|-------------|------------|-----------------------------|---------|

**Present:**

|                        |                    |                        |                   |
|------------------------|--------------------|------------------------|-------------------|
| Abigail Larsen         | Glenys Karena      | Julian Peters          | Ngainanga Kapa    |
| Allen Pascoe           | Hemi Takawe        | Julie Shaw             | Ngaire Tepania    |
| Anne Taumaunu          | Hemowai Minty      | Kaio Hooper            | Ngarui Harris     |
| Annita Bruce           | Henare Aperahama   | Kaneihana Kaaka        | Nik Karena        |
| Barry Bouton           | Henare Karena      | Keryn Pivac            | Pauline Wilton    |
| Becca Marinkovich      | Henry Abraham      | Lennis Lee             | Pereniki Conrad   |
| Belinda Pascoe         | Heta Conrad        | Leon Tepania           | Phyllis Steed     |
| Bernadine Kapa         | Hine Murray        | Louis Clark            | Rachel Karena     |
| Bobbie Kahle           | Hugh Ford          | Louise Clark           | Raiha Abraham     |
| Bobby-Jo Brown         | Huia Cooper        | M Allen                | Rata Matiu        |
| Chad Paraone           | Iris Fautret       | Marama Nathan          | Ria Slade         |
| Cherie Rieper          | Isabel Kingi-Hurst | Maringinoa Wood        | Richard Wiki      |
| Clayton Wiki           | Jack Ratu          | Mark Nathan            | Rihari Wiki       |
| Dan Henderson          | James Dunn         | Martha Samuels Abraham | Rob Brown         |
| Dawn Terewi            | Jenny Abraham      | Matt Brown             | Sandra Everitt    |
| Dean Lee               | Jerry Brown        | May Takawe             | Steve Larsen      |
| Denny Bedggood         | Joan Dangen        | Michael Erihe          | Tare Passi        |
| Donna Thompson         | Joey Kapa          | Mike Wikitera          | Te Awhina Clark   |
| Ema Kaipo-Dunn         | John Paitai        | Mita Cooper            | Tony Brown        |
| Frances Brown-Hetaraka | Josephine Nathan   | Morehu Kaaka           | Tutangiora Nathan |
| Gerald White           | Joyce Munns        | Morris Kiriwi          | William Tepania   |
| Gillian Harper         | Judith Riki        | Murray Larsen          |                   |

**Apologies:**

|                                     |                         |                        |                          |
|-------------------------------------|-------------------------|------------------------|--------------------------|
| Aaron Keepa Wetere                  | Gail Knight             | Karli Knight           | Samaria Greaves          |
| Amiea MacRae-Steed                  | Georgina Peters         | Keita Kaaka            | Shirley Wharerau         |
| Awa Kaipo                           | Girlie Clarke           | Kellar MacRae-Steed    | Tame Nathan              |
| Barry Carey                         | Haimana Romana          | Louisa Kiddie          | Tania Good               |
| Betty Harrison nee Kemp             | Hana Slade              | Luke Piripi Kaaka      | Taylor Jade Greaves      |
| Bridgette Robinson                  | Hilda Halkyard-Harawira | Martin Kaipo           | Ted Creelman             |
| Bruce Greaves                       | Jade Kaaka              | Mitchell Dangen        | Tom Nathan               |
| Catheryne Dangen                    | James Minty             | Narissa Reti           | Verna Faye Gibson        |
| Cecilia Tatana and Whanau           | Jeff (Tawhiri) Wiki     | Nassah Steed           | Verna-Lu Kaaka           |
| Chloe Cooper                        | Joanne Neho             | Peter Walden           | Violet Houkamau          |
| Dave Greaves                        | Joe Nathan              | Phillip Wiki           | Wahanui Kaaka            |
| Dr Charlotte Severne, Māori Trustee | John Slade              | Piri Kaipo Snr         | Waitai Petera            |
| Dr. Paerau Warbrick                 | John Tahana             | Prime Cooper           | Wati Wetini Whanau Trust |
| Erika Pearson                       | Jordan Knight           | Rima Kaaka Mete Whanau | Wiremu Kaaka             |
| Fred Wiki                           | June Subritzky          | Robyn (Connie) Hassan  | Wiri Kaipo               |
|                                     | Karepori Kaipo          | Rosie Conrad           |                          |



**1. THAT** the Apologies of the combined 2024 Parengarenga A Incorporation and Parengarenga B3C Trust Annual General Meeting be accepted.

**Moved by** Hemowai Minty **Seconded by** Rihari Wiki **Carried**

#### Obituaries:

|                         |                   |
|-------------------------|-------------------|
| Bella Nathan            | Kingi Hetaraka    |
| Deirdre Albert          | Kite Roberts      |
| Dolly Brown             | Krystal Howearth  |
| Frances Halkyard        | Lovi-Ann Murray   |
| Fred (Buster) Nathan    | Maata Ngawhika    |
| Gail Shepherd           | Mark Szaszy       |
| George Harrison         | Panama Poiafati   |
| Grace Matiu             | Rita Carey        |
| Helen Wikitera          | Robert Kaaka      |
| Helena Rewi             | Sonny Christie    |
| Hiria (Ducky) Wiki      | Tawhia Nicholls   |
| Jimmy Williams          | Theo Harawira     |
| Kiingi Tuheitia Pōtatau | Winiata Brown QSM |
| Te Wherowhero Tua Whitu |                   |

A minute silence was observed as a mark of respect for those who had passed on

#### Election Process

The Chairman explained the process and invited the Nominees to individually introduce themselves.

The Nominees are Ngainanga Kapa, Alan 'Piki' Ayerst-Brown, Stephen Larsen, Pete Hill – by video link and Rosie Conrad – absent due to family bereavement so Ema Kaipo-Dunn spoke on her behalf.

The Chairman gave Shareholders at the AGM some time to vote while a video of Forestry operations was displayed.

The Chairman explained that the locked ballot box will be removed by the Returning Officer and Scrutineers who will count those and add them to the postal votes. The results will be published on the Parengarenga Incorporation website and on social media on 11 December 2024.

**2. Motion: THAT** the circulated Minutes of the combined Parengarenga A Incorporation and Parengarenga B3C Trust Annual General Meeting held on 25th November 2023 be confirmed as a true and correct record.

**Moved by** John Paitai **Seconded by** Anna Carpenter **Carried**

#### Matters Arising:

**Te Pua Boat Ramp** – The Caulerpa weed is still an issue. A shareholder asked if there is any way 'locals' only can access the boat ramp. The Committee response was that it is not viable to provide boat washing or boat inspection facilities. Harbour access relies heavily on individuals and the local community being proactive in monitoring. The Incorporation can only police its own accessways. If you use your boat elsewhere don't bring it into our harbour. At this time there will continue to be no boat access.

**Te Pua Camping** – A shareholder asked if the Incorporation can be reinstated camping for people without boats? The Committee believes this could be an option but will need to meet to discuss how this could be managed. They will advise the outcome accordingly.

While there is still some dissent about boat access, the Incorporation was also praised for doing its best to protect our harbour.

**Keys for beaches** – Clarification was sought about who is eligible for a key and their responsibilities as key holders. The boundary is from Pukekaroro to Kaihape. One key per household. There is an agreement signed by the key holder at the time of issue which outlines rules and responsibilities. If you live outside the boundary, you can borrow a key from your whanau. This is the only way the Incorporation can control access. There are other privately owned access points, but the Incorporation has no control over these.

**Shares** – There continues to be a delay with MLC amalgamating the two share registers.

#### Annual Chairman's Reports

The Chairman spoke to the 2024 report.

#### Key discussion points arising:

**Forestry Markets** – Forestry continues to be impacted by export prices and remains a continuing challenge. Most of our logs are sold domestically but prices have been affected by market recession and oversupply of wood.

**Forestry Fire Management** – First response training has been attended by staff. We now have our own fire truck. There will be fire danger signs installed along the length of Te Oneroa-a-Tohe and other places. The Chairman encouraged the community to help support and manage this.

**Wild Horses** – This is an ongoing challenge and mustering/culling is continuing.

**Forestry FSC® (Forest Stewardship Council®) Certification Process** – In March we received Well Managed Plantation Forest certification. The Chairman explained what a major achievement this was. This is important to have as many buyers are seeking this.

**Farming** – Two shepherds, Josh Nathan and Milton Leef, have finished the Agricultural Primary Industry Level 3 program and are now completing the Level 4 Diploma in Agriculture. Siebert Ropiha is completing Level 5 Diploma in Agriculture.

**Drop in Profit** – There was a second planting which was an added expense but will be recouped in the future.

**Replanting** – This was contracted externally but will be done locally in the future.

**Fire Control Budget** – A budget of \$80K has been allocated for personal protective equipment (PPE), resource training, equipment, fuel and fire patrols. We have our own fire engine and smoke chaser vehicle now and they are both fully paid for.

**Forestry Health and Safety** – How is this being managed? Crew get work practice audits monthly. Daily toolbox meetings are held for each crew. PPE gear is issued as required. There is an induction for incoming contractors who must sign H&S forms they manage themselves. They sign forms regarding hazards and interactions with staff and within the forest. In terms of indemnity the Audit and Risk Committee will review this. FSC demands health and safety standards, and our team adhere to these requirements. There has only been one serious incident during 2023-2024 and that was when a farm worker was crushed against railing by an animal in the yard.

**Drug and Alcohol Testing** – This is carried out on a random basis.



**Culling of Geese** – There have been 2000 geese culled since our last report.

**Starlink** – As a result of receiving funding from Te Puni Kōkiri, we were able to install a Wi-Fi network (supported by Starlink internet connectivity) across parts of the farm. This has enabled internet connections to be installed to all farmhouses for work and home use. In terms of farming practices, this connectivity has already enabled us to continue to reduce regular operating costs and to explore opportunities for the farm.

**Mutton** – We are still supplying to shareholders as before. Pricing will be reviewed.

**Dividend Payments** – This is constantly on the Committee's radar. We need to complete the share register amalgamation and reduce our debt before we can pay dividends.

**Horticulture Mitimiti Dam** – There is ongoing research in terms of ecology and costs. We should have a decision by next year.

**Biochar Investigation** – At this time, research funding is still being undertaken. The General Manager is still researching before any investment decision is made..

**FishFarm Future Plans** – The price/value of the shares is set by current valuations. The Incorporation would like to buy back those shares so we can obtain and use the tax loss held by the Fish Farm. The Fishfarm has been put on the back burner so that more concentration can be focused on other ventures.

**Water Resource Consent** – The current consents have 12 years left (2037). Should we apply sooner rather than later? We'll keep in touch with Council so we're still on the radar and redirect at the appropriate time.

#### Acknowledgement and Thanks by Chairman to:

- Managers, Staff and Contractors.
- Committee of Management and Advisors.
- Support from Share Holders and the Community.
- Business Partners.

**3. Motion:** THAT the Annual Chairman's Report 2024 be adopted.

**Moved by** Heta Conrad **Seconded by** Joey Kapa **Carried**

#### Audited Accounts

**4. Motion:** THAT the combined Parengarenga A Incorporation and Parengarenga B3C Trust audited consolidated accounts for the year ending 30 June 2024 be adopted.

**Moved by** Joan Dangen **Seconded by** Anna Carpenter **Carried**

#### Appointment of Auditor and Share Valuer

**5. Motion:** THAT Silks Audit of Whanganui be retained as Auditors for the Parengarenga A Incorporation and Parengarenga B3C Trust for the 2024/2025 financial year.

**Moved by** Clayton Wiki **Seconded by** Rihari Wiki **Carried**

**6. Motion:** THAT BDO Northland, Chartered Accountants of Kerikeri be appointed Share Valuers for the Parengarenga A Incorporation and Parengarenga B3C Trust for the 2024/2025 financial year.

**Moved by** Clayton Wiki **Seconded by** Rihari Wiki **Carried**

#### General Business

**Mihi** - The floor was opened to those wishing to speak to Chad Paraone's last meeting as Chairman. Several people took the opportunity to express their gratitude and admiration for his commitment and many other exemplary characteristics he displayed during his leadership tenure both on a personal and professional level. He is wished well in his future ventures and will be sorely missed.

Chad Paraone replied to those mihi and thanked everyone for their kind words. He acknowledged those who led the way from the outset and wished current and future Committee members every success for the future.

#### Setting of the Next Annual General Meeting Date and Closing

**7. Motion:** THAT the date be set down for Saturday 29 November 2025.

**Moved by** Joan Dangen **Seconded by** Marama Nathan **Carried**

**Closing Whakamoemiti:** Ema Kaipo-Dunn

**Meeting finished:** 1.20pm



# Committee of Management

## *Komiti Whakahaere*



**Pereniki Conrad**  
*Chairman*



**Ngainanga Kapa**  
*Deputy Chair,  
Forestry Advisory  
Committee Chair*



**Huia Cooper**  
*Farm Advisory  
Committee Member,  
and Policy*



**Clayton Wiki**  
*Finance, Audit, Risk,  
and Interim GM*



**Joyce Munns**  
*Forestry Advisory  
Committee Member*



**Rosie Conrad**  
*Farm Advisory  
Committee Chair,  
Finance Audit Risk  
Committee member*



**May Takawe**  
*Finance Audit Risk  
Committee Chair,  
Farm Advisory  
Committee member*



# Chairman's Annual Report 2024-25

## Ripoata Heamana

Tēnā koutou katoa,

To our shareholders and whānau, thank you for your ongoing support, trust, and contribution to the Incorporation. It is a privilege to present the Chairperson's Report for the financial year ending 30 June 2025.

This year has been one of both growth and challenges, with our farming and forestry operations showing mixed results. Despite the strains of a coalition government, economic pressures, and market changes, the Incorporation continues to uphold our vision of maintaining and enhancing our whenua for future generations.

Our collective focus remains on balancing financial returns with environmental and cultural responsibility — ensuring that our lands continue to sustain our shareholders, our environment, and our mokopuna who will one day inherit the whenua.

### Governance

Firstly, I would like to take this time to thank Chad Paraone and his whānau for their commitment to the Incorporation over many years. The ongoing support and advice Chad has given have been invaluable — ngā mihi, Chad.

Secondly, to the previous Committee members who left us after the last election — thank you for the passion you showed while fulfilling your term on the Committee of Management and for your mahi.

Thirdly, during this financial year, our previous General Manager Barry Bouton resigned from his position. We thank Barry for his contribution to the Incorporation and wish him all the best for the future.

The Committee of Management met regularly throughout the year to provide direction and oversight of our operations.

### Committee of Management Members:

Ngainanga Kapa (Deputy Chairperson), Clayton Wiki (Interim General Manager), Huia Cooper, Joyce Munns, May-Lee Takawe, and Rosie Conrad.

The Committee acknowledges the ongoing support of our Board Secretary Jill Edwards and the operational team, whose efforts ensure our Incorporation remains well managed and compliant.

### Operations

#### Farming

Our farming estate covers approximately 5,808 hectares. Led by Julian Peters (Farm Manager), the team has had an excellent year. The hard work of our kaimahi under Julian's leadership has produced outstanding results, which will in turn benefit our shareholders.

End-of-year stocktake:

- Cattle: 5,287
- Sheep: 10,649

#### Key achievements:

- Early lambing produced record lamb weights and profits.
- Hosted a Beef + Lamb NZ Field Day for our region.
- Resigned areas of land through Whenua Rāhui to be planted in natives.
- Partnered with Te Rūnanga Nui o Te Aupōuri Nursery to source local seedlings for the farm.
- Implemented a Performance Review Framework for kaimahi to align their development with the strategic direction of the farm.
- Upgraded staff housing to ensure warm, dry homes for kaimahi and their whānau.
- Supported our Marae, Kura, and Clubs through donations of meat, labour, and equipment.

Although the year brought challenges such as invasive weeds, pest control (including Canadian geese), and a wet winter, we continue to prepare and plan for a range of issues. We remain committed to fostering partnerships and looking after our whānau — both kaimahi and shareholders.

#### Forestry

Our forestry estate covers approximately 9,483 hectares, made up of 3,235ha Te Kao Forest (East Coast) and 6,248ha A Forest (West Coast).

This has been a challenging year for forestry operations across Te Tai Tokerau, with export volumes dropping to nearly nil, forcing us to focus on supplying local markets such as Mt Pokaka, Waipapa Pine, and JNL Kaitaia.



Despite these challenges, our Forest Operations team, led by Dan Henderson, Mike Wikitera, Clifford Ujdur and Tutangiora Nathan achieved strong results.

#### **Key achievements:**

- Collaborated with NRC and TRNOTA on pest control and native planting.
- Completed a major replanting programme.
- Upgraded forestry machinery.
- Continued to employ local kaimahi and support their training and qualification pathways.

Our team is reviewing future harvest schedules to maximise returns while protecting soil health. The rapid replanting of harvested areas maintains soil stability and ensures future mahi for our shareholders.

Succession planning will begin over the next 1–2 years for our younger forestry kaimahi who wish to advance in the industry and eventually take over management of this important asset.

#### **Financial Performance**

The 2024–2025 year delivered strong results across both farm and forestry operations.

We achieved record lamb carcass weights, gross farm income of \$4.83 million, and solid performance in both cash and operating surplus. Forestry harvesting has remained steady despite market pressures, and critical groundwork in yield modelling and estate planning is now well established.

We have continued investing in our people, housing, and long-term land development. The Incorporation is well positioned for sustainable, intergenerational growth.

#### **Rebranding**

The Incorporation has engaged BJ Natanahira to design a new tohu. While our current tohu has served us well, it is now time for a design that encapsulates a Māori-owned Incorporation — bringing together the aspirations of our Tūpuna and ensuring our Tikanga remains at the forefront of all we do.

BJ recently designed the centennial tees for Pōtahi Marae, and we look forward to working with him. Keep a look out for our new Incorporation look!

#### **Shareholder Xmas Mutton**

This year's Christmas mutton allocation for shareholders will open after the AGM — no orders received before this time will be accepted.

The Farm Manager has advised that 100 animals will be processed. The Committee of Management has set the price at \$60 per animal for this financial year.

You have two options for your Christmas allocation:

**Option 1:** One 2-tooth hogget — cut into roasts and chops, boxed, and frozen.

**Option 2:** One mutton — must be picked up fresh from the farm on the designated date.

Allocation rules:

- One animal per registered shareholder.
- One animal per Whānau Trust — only the Trust Administrator may order for the Trust.
- Where there are multiple shareholders at the same address, a maximum of two (2) animals per household will apply.

In closing, whānau, I reaffirm our commitment to managing the whenua and its resources wisely — guided by our Tikanga and the aspirations of our Tūpuna.

Ngā mihi nui

**Pereniki Conrad**

Chairperson

Pārengarenga Incorporation



# Statistics

## Tatauranga



**5,287**

Cattle



**10,649**

Sheep



**7,102**

Hectares in forest



**309,400**

Pine trees planted



**42**

Staff

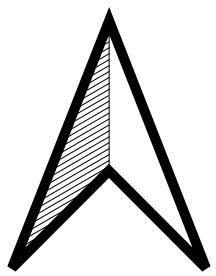


**3,798**

Shareholders

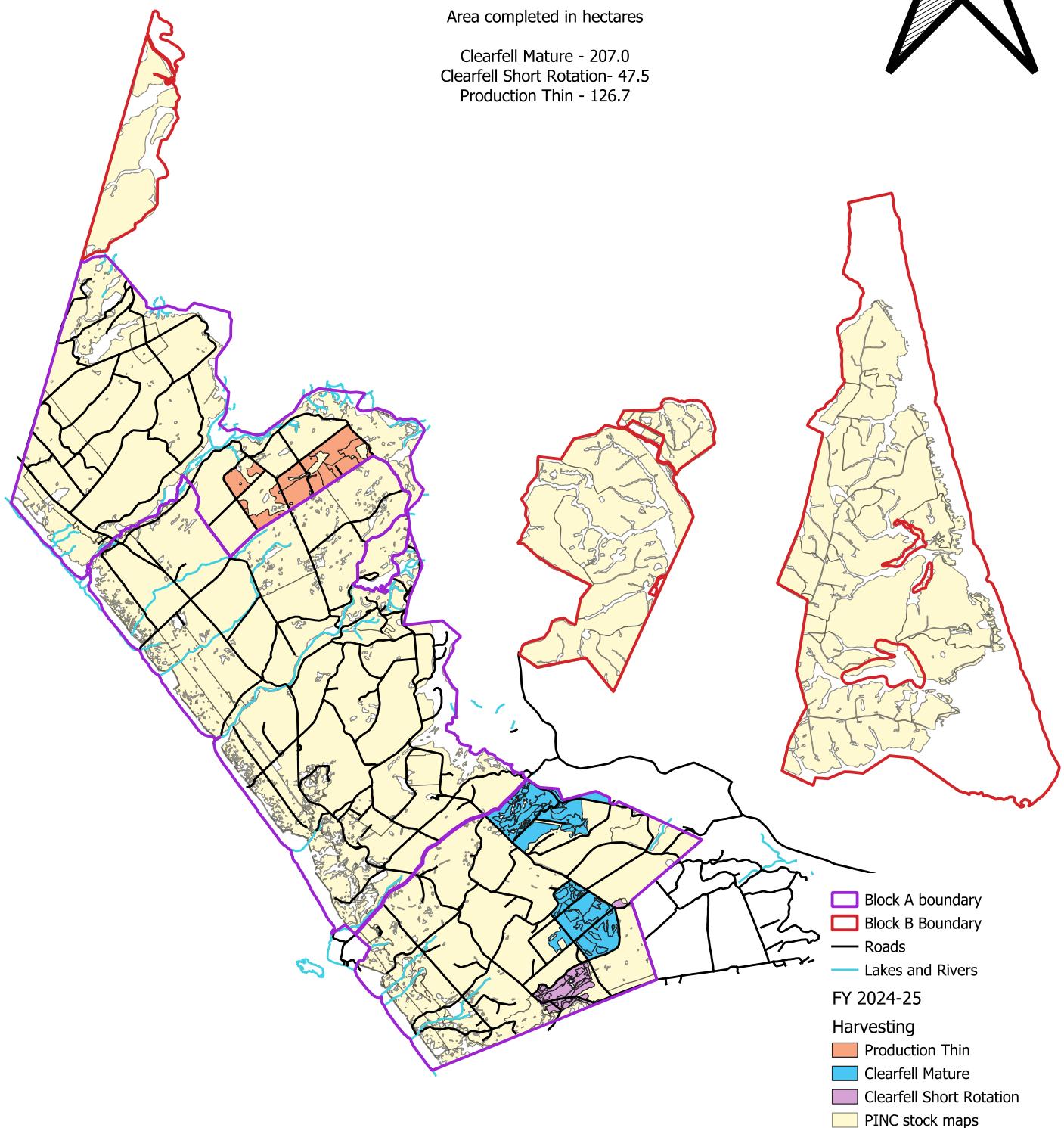


## Harvesting Completed Areas July 2024 to June 2025



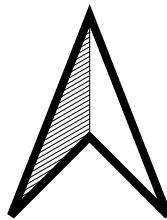
Area completed in hectares

Clearfell Mature - 207.0  
Clearfell Short Rotation- 47.5  
Production Thin - 126.7



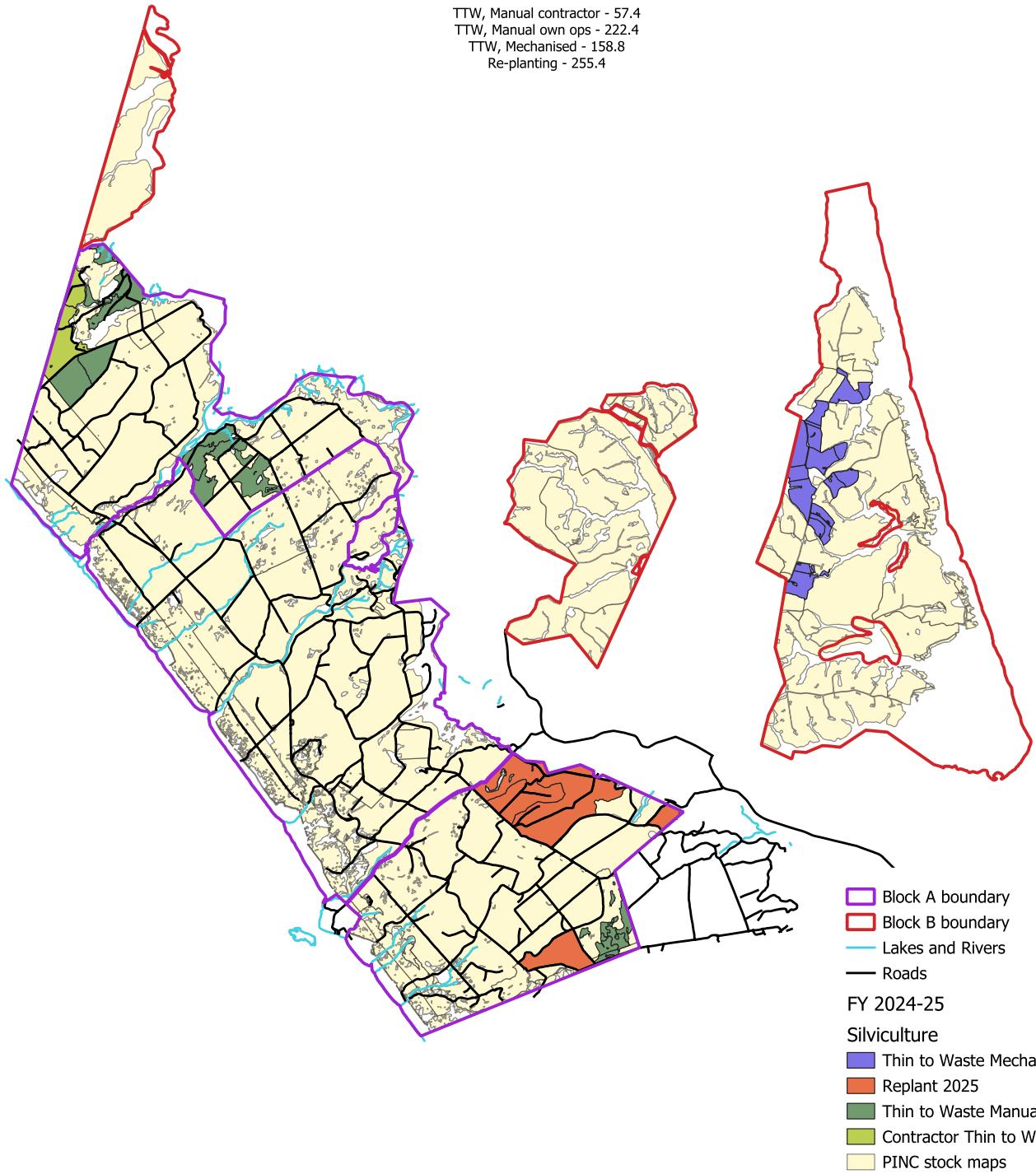


## Silviculture Completed Areas July 2024 to June 2025



Completed areas in hectares

TTW, Manual contractor - 57.4  
TTW, Manual own ops - 222.4  
TTW, Mechanised - 158.8  
Re-planting - 255.4



0 2.5 5 km

 Forest Services



# Financial Summary

## *Whakarāpopotanga o Ngā Pūtea*

### **Pārengarenga Incorporation**

For the year ended 30 June 2025

The following pages provide a consolidated statement of financial performance for Pārengarenga Incorporation and its subsidiaries for the year ended 30 June 2025.

**A full copy of the audited accounts is available from the Pārengarenga Incorporation office.**

## **Incorporation Directory**

### **Parengarenga Incorporation**

**For the year ended 30 June 2025**

#### **Nature of Business**

Farming / Leasing / Forestry

#### **Registered Office**

16 Te Rawhitiroa Road  
Te Kao 0484

#### **Committee of Management**

Pereniki Conrad (Chair)  
Ngainanga Kapa (Vice Chair)  
Huia Cooper  
Rosie Conrad  
Clayton Wiki  
May Lee Takawe  
Joyce Munns

#### **Chartered Accountant**

BDO Northland Limited  
Kerikeri

#### **Bankers**

BNZ Kaitaia

#### **Solicitors**

Law North Partners  
Kerikeri

#### **Independent Auditors**

Silks Audit Chartered Accountants



# Approval of Consolidated Financial Report

## Parengarenga Incorporation For the year ended 30 June 2025

The Committee of Management is pleased to present the approved financial report including the historical financial statements of Parengarenga Incorporation for the year ended 30 June 2025.

### Approved

For and on behalf of the Committee of Management:

Pereniki Conrad - Chairman

Ngainanga Kapa - Trustee

Date: 20 October 2025

This statement should be read with the Auditor's Report and the Notes to the Financial Statements





# Consolidated Farm Income & Expenses

## Parengarenga Incorporation For the year ended 30 June 2025

|   | 2025             | 2024             |
|---|------------------|------------------|
| <b>Farm Working Account</b>                           |                  |                  |
| Beef Cattle, Sheep & Wool Gross Profit                | 4,319,556        | 3,721,658        |
| Sundry Farm Income                                    | 233,252          | 267,408          |
| <b>Total Farm Working Account</b>                     | <b>4,552,807</b> | <b>3,989,066</b> |
| <b>Gross profit</b>                                   | <b>4,552,807</b> | <b>3,989,066</b> |
| <b>Direct expenses</b>                                |                  |                  |
| Farm Working Expenses                                 | 1,292,953        | 1,187,782        |
| Repairs & Maintenance                                 | 591,069          | 452,582          |
| Vehicle Expenses                                      | 268,518          | 289,771          |
| Staff Expenses  | 1,358,868        | 1,207,214        |
| Administration Expenses                               | 75,010           | 93,766           |
| Standing Charges                                      | 280,229          | 299,270          |
| Finance Expenses                                      | 34,104           | 40,411           |
| Non Cash Expenses                                     | 248,602          | 216,888          |
| <b>Total Direct expenses</b>                          | <b>4,149,352</b> | <b>3,787,684</b> |
| <b>Net profit (loss) from trading before taxation</b> | <b>403,456</b>   | <b>201,382</b>   |

This statement should be read with the Auditor's Report and the Notes to the Financial Statements.





# Consolidated Land, Lease, Forestry & Fishfarm

## Parengarenga Incorporation For the year ended 30 June 2025

|   | NOTES | 2025              | 2024               |
|---|-------|-------------------|--------------------|
| <b>Trading income</b>                                 |       |                   |                    |
| Funding Income  |       | 15,000            | 118,581            |
| Interest Received - IRD UOMI                          |       | 344               | -                  |
| Forestry Income                                       |       | 11,711,005        | 11,823,684         |
| Interest Received                                     |       | 11,426            | 12,269             |
| Rent Received   |       | 27,300            | 26,000             |
| Royalties, Licence to Occupy & Access Fees            |       | 8,988             | 2,277              |
| Sundry Income   |       | 18,263            | 26,572             |
| <b>Total Trading income</b>                           |       | <b>11,792,326</b> | <b>12,009,383</b>  |
| <b>Gross profit</b>                                   |       | <b>11,792,326</b> | <b>12,009,383</b>  |
| <b>Direct expenses</b>                                |       |                   |                    |
| Forestry Expenses                                     | 2     | 6,611,025         | 7,417,545          |
| Repairs & Maintenance                                 |       | 6,012             | 9,719              |
| Vehicle Expenses                                      |       | 13,159            | 17,384             |
| Staff Expenses  |       | 1,963,577         | 1,765,776          |
| Trustees Fees   |       | 63,750            | 73,958             |
| Operating & Administration Expenses                   |       | 307,946           | 220,147            |
| Te Ringa Hapai Whenua Fund Expenses                   |       | -                 | 95,957             |
| Standing Charges                                      |       | 403,459           | 363,840            |
| Finance Expenses                                      |       | 666,080           | 904,734            |
| Depreciation  |       | 825,694           | 944,574            |
| <b>Exceptional Items</b>                              |       |                   |                    |
| Impairment Losses                                     |       | -                 | 1,199,051          |
| <b>Total Exceptional Items</b>                        |       | <b>-</b>          | <b>1,199,051</b>   |
| <b>Total Direct expenses</b>                          |       | <b>10,860,701</b> | <b>13,012,686</b>  |
| <b>Net profit (loss) from trading before taxation</b> |       | <b>931,625</b>    | <b>(1,003,303)</b> |
| <b>Taxation</b>                                       |       |                   |                    |
| Taxation  |       | (296,913)         | (108,043)          |
| <b>Total Taxation</b>                                 |       | <b>(296,913)</b>  | <b>(108,043)</b>   |

This statement should be read with the Auditor's Report and the Notes to the Financial Statements.





# Consolidated Statement of Profit or Loss

## Parengarenga Incorporation For the year ended 30 June 2025

|   | NOTES | 2025             | 2024             |
|---|-------|------------------|------------------|
| <b>Income</b>   |       |                  |                  |
| Total Profit from Farm, Land Lease & Forest                 |       | 1,334,251        | 397,130          |
| Impairment - Loan Parengarenga Fishfarm Ltd.                |       | -                | (1,199,051)      |
| Share of Profit(Loss) in Equity Accounted Investees         |       | -                | (424)            |
| <b>Total Income</b>   |       | <b>1,334,251</b> | <b>(802,345)</b> |
| <b>Gross consolidated income</b>                            |       |                  |                  |
| <b>Net surplus / (deficit) for the year before taxation</b> |       | <b>1,334,251</b> | <b>(802,345)</b> |
| <b>Taxation</b>   |       |                  |                  |
| Taxation  |       | (296,913)        | (108,043)        |
| <b>Total Taxation</b>                                       |       | <b>(296,913)</b> | <b>(108,043)</b> |
| <b>Net surplus / (deficit) for the year after taxation</b>  |       | <b>1,037,338</b> | <b>(910,388)</b> |

This statement should be read with the Auditor's Report and the Notes to the Financial Statements.





# Consolidated Statement of Changes in Equity

## Parengarenga Incorporation For the year ended 30 June 2025

|   | 2025        | 2024       |
|---|-------------|------------|
| <b>Equity</b>   |             |            |
| Equity Opening Balance                                      | 94,947,078  | 67,231,497 |
| Retained Earnings - Opening Balance                         | 17,455,352  | 18,728,422 |
| +/- Earnings Current Year                                   | 1,037,338   | (910,388)  |
| +/- Consolidation Minority Interests                        | -           | (362,682)  |
| Retained Earnings - Closing Balance                         | 18,492,690  | 17,455,352 |
| Capital Reserves Opening Balance                            | 3,068,130   | 3,068,130  |
| Capital Reserves Closing Balance                            | 3,068,130   | 3,068,130  |
| Asset Revaluation Opening Balance                           | 74,422,338  | 45,796,369 |
| +/- Forest Revaluation                                      | 2,000,000   | 300,000    |
| +/- Herd Scheme Revaluation                                 | 2,711,407   | (749,892)  |
| +/- Share Price Revaluation Silver Fern & Ballance Agri     | (4,380)     | 7,997      |
| +/- Land Revaluation  | -           | 24,827,300 |
| +/- Development Revaluation                                 | -           | 4,053,682  |
| +/- Impairment Reversal Development                         | -           | 186,882    |
| Asset Revaluation Closing Balance                           | 79,129,365  | 74,422,338 |
| Portion Attributable to Minority Interest - Opening Balance | (361,424)   | (361,424)  |
| +/- Impairment Fishfarm                                     | -           | 362,682    |
| Portion Attributable to Minority Interest - Closing Balance | -           | 1,258      |
| Equity Closing  | 100,691,443 | 94,947,078 |

This statement should be read with the Auditor's Report and the Notes to the Financial Statements.





# Consolidated Balance Sheet

## Parengarenga Incorporation As at 30 June 2025

|   | NOTES | 30 JUN 2025        | 30 JUN 2024        |
|---|-------|--------------------|--------------------|
| <b>Assets</b>                                       |       |                    |                    |
| <b>Current assets</b>                               |       |                    |                    |
| Cash and short-term deposits                        |       | 948,331            | 659,950            |
| Accounts Receivable                                 |       | 980,581            | 1,347,141          |
| Livestock on Hand                                   | 3     | 9,929,928          | 7,368,703          |
| Prepayments   |       | 194,686            | 241,535            |
| Prepayment - Fixed Assets                           |       | 14,654             | -                  |
| Fuel on Hand - Petrol/Diesel                        |       | -                  | 9,248              |
| <b>Total Current assets</b>                         |       | <b>12,068,180</b>  | <b>9,626,577</b>   |
| <b>Non current assets</b>                           |       |                    |                    |
| Property, plant and equipment                       | 4     | 58,834,182         | 59,578,679         |
| Investments   | 6     | 326,319            | 330,699            |
| Tree Crop at Valuation - A Inc                      | 7     | 39,500,000         | 37,500,000         |
| Investments in equity accounted entities - Fishfarm |       | 38,233             | 38,233             |
| <b>Total Non current assets</b>                     |       | <b>98,698,735</b>  | <b>97,447,611</b>  |
| <b>Total Assets</b>                                 |       | <b>110,766,915</b> | <b>107,074,188</b> |
| <b>Liabilities</b>                                  |       |                    |                    |
| <b>Current liabilities</b>                          |       |                    |                    |
| BNZ Credit Cards                                    |       | 8,201              | 4,498              |
| Farmlands   |       | 111,752            | 8,132              |
| GST payable   |       | 65,020             | 109,907            |
| Income tax payable                                  | 19    | 220,432            | 85,798             |
| <b>Trade Accounts Payable</b>                       |       |                    |                    |
| Accounts Payable                                    |       | 1,015,352          | 1,226,751          |
| PAYE Payable  |       | 69,611             | 73,398             |
| Wages Payable                                       |       | 92,473             | -                  |
| <b>Total Trade Accounts Payable</b>                 |       | <b>1,177,436</b>   | <b>1,300,149</b>   |
| Employee Entitlements                               |       | 353,968            | 360,869            |
| Accruals  |       | 55,445             | 48,745             |
| CARL Loan - Current Portion                         | 9     | 83,999             | 81,358             |
| Forest Machinery CreditPlus 3440-16 Overdraft       | 9     | 2,874,445          | 4,049,165          |
| Hire Purchase - Current Portion                     | 11    | 42,305             | 72,671             |
| <b>Total Current liabilities</b>                    |       | <b>4,993,003</b>   | <b>6,121,293</b>   |
| <b>Non current liabilities</b>                      |       |                    |                    |
| Loan - Term Portion                                 | 9     | 4,216,000          | 5,101,441          |
| Te Tumu Paeroa - Share Purchase                     | 10    | 800,850            | 800,850            |
| Hire Purchase - Term Portion & Interest not yet due | 11    | 64,262             | 102,298            |
| Spark Digital - iPhones payment plan                |       | 916                | 786                |

This statement should be read with the Auditor's Report and the Notes to the Financial Statements.





## Consolidated Balance Sheet

|   | NOTES | 30 JUN 2025        | 30 JUN 2024       |
|---|-------|--------------------|-------------------|
| Investments in equity accounted entities - Te Mana O Te Wai | 12    | 441                | 441               |
| <b>Total Non current liabilities</b>                        |       | <b>5,082,469</b>   | <b>6,005,817</b>  |
| <b>Total Liabilities</b>                                    |       | <b>10,075,472</b>  | <b>12,127,110</b> |
| <b>Net assets</b>   |       | <b>100,691,443</b> | <b>94,947,078</b> |
| <b>Equity</b>   |       |                    |                   |
| Retained earnings   |       | 18,492,690         | 17,455,352        |
| Capital Reserves  |       | 3,068,130          | 3,068,130         |
| Asset Revaluations  |       | 79,129,365         | 74,422,338        |
| Portion Attributable to Minority Interest                   |       | 1,258              | 1,258             |
| <b>Total Equity</b>   |       | <b>100,691,443</b> | <b>94,947,078</b> |

  
Pereniki Conrad - Chairman  
Clayton Wiki - Treasurer

Date

20 October 2025

This statement should be read with the Auditor's Report and the Notes to the Financial Statements.





# Notes to the Consolidated Financial Statements

## Parengarenga Incorporation For the year ended 30 June 2025

### 1. Statement of Accounting Policies

#### Reporting entity

Parengarenga Incorporation ("the group") comprises of Parengarenga B3C Trust, Parengarenga A Incorporation and its subsidiary Parengarenga Fishfarm Limited and Parengarenga Wai Limited. Parengarenga A Incorporation and Parengarenga B3C Trust are Maori incorporations established under Te Ture Whenua Maori Act 1993. The group holds a 96.71% interest in Parengarenga Fishfarm Limited being a limited liability company established under the Companies Act 1993.

#### Basis of preparation

These consolidated financial statements have been prepared in accordance with Special Purpose Framework for use by For-Profit Entities (SPFR for FPEs) published by the New Zealand Institute of Chartered Accountants. The Committee of Management has determined that this is the most appropriate reporting framework. They are a for-profit entity, not required under legislation or constitution to prepare general purpose financial reports therefore are eligible to elect to apply the NZICA special purpose framework.

#### Nature of business

The incorporation is engaged in Farming / Leasing / Forestry. The nature of the incorporation's business has not changed during the year under review.

#### Historical cost

These consolidated financial statements have been prepared on a historical cost basis, except for certain assets which have been revalued as identified in specific accounting policies below. Reliance is placed on the fact that the business is a going concern.

Accrual accounting is used to recognise expenses and revenue when they occur.

#### Changes in accounting policies

There have been no changes in accounting policies. All accounting policies have been applied on bases consistent with those used previous years.

#### Accounts receivable

Accounts receivable are stated at expected realisable value, after providing against debts where collection is doubtful. Bad debts are written off during the period in which they are identified.

#### Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for the sale of goods and services, to the extent it is probable that the economic benefits will flow to the incorporation and revenue can be reliably measured.

Sales of goods and livestock are recognised when the entity has transferred the significant risk and rewards associated with ownership of goods to the customer.

Lease income is recognised on a straight line basis over the life of the lease.

Forestry income is recognised on sale or harvest of the forest.

This statement should be read with the Auditor's Report and the Notes to the Financial Statements.





Interest received is recognised as interest accrues, gross of refundable tax credits received.

Dividends received are recognised on receipt, net of nonrefundable tax credits.

Government grants are recognised as revenue on receipt where no performance conditions have been specified on receipt of the grant.

Royalty revenue is recognised on receipt.

## Livestock

Livestock is measured at Herd & NSC values as issued by Inland Revenue, high-priced livestock is valued at cost price for the tax year of purchase and depreciated in following tax years. Change in Herd Scheme Value gains and losses are recognised in the livestock revaluation reserve. If the revaluation reserve has a deficit for a type of livestock, that deficit is recognised in the Statement of Profit or Loss in the period that it arises. Any revaluation surplus that reverses previous revaluation deficits in subsequent periods is recognised as revenue in the Statement of Profit or Loss. The gains or losses due to livestock number changes are recorded directly in the Statement of Profit or Loss.

## Functional currency

The financial statements are presented in New Zealand dollars (NZ\$) and all values are rounded to the nearest NZ\$, except where otherwise indicated.

## Investment Property

Investment property are stated at historical cost less any impairment losses. Historical cost includes expenditure directly attributable to the acquisition of assets and includes the cost of replacements that are eligible for capitalisation when these are incurred.

## Issued Capital

|   | 2025       | 2024       |
|---|------------|------------|
| 1,146,766 ordinary shares, fully paid (2024: 1,146,766) | 32,345,456 | 32,345,456 |
| 3,261,000 ordinary shares, fully paid (2024: 3,261,000) | 4,465,716  | 4,465,716  |

There are 1,146,766 shares for Parengarenga A Inc and 3,261,000 shares for Parengarenga B3C Trust fully paid at balance date.

Each share conveys the right to a vote.

## Financial Instruments

### Financial Assets

At initial recognition the incorporation determines the classification of financial assets as either held at fair value, cost or amortised cost. Financial assets are initially measured at fair value, estimated at the transaction price less any associated transaction costs.

#### Amortised cost

Amortised cost includes assets where the incorporation intends to earn contractual cash flows in the nature of principal and interest payments. Such assets are carried at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, as well as through the amortisation process.

This statement should be read with the Auditor's Report and the Notes to the Financial Statements.





## Notes to the Consolidated Financial Statements

### Cost

Equity instruments are classified as held at cost. Assets are stated at cost less any accumulated impairment loss. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired.

### Fair value

Financial assets not held at amortised value or cost are held at fair value and include financial derivatives such as forward contracts and interest rate swaps. Assets are subsequently measured at fair value only when the fair value of the instrument can be reliably measured based on a quoted price for an identical asset in an active market. Where no active market price is available the instrument shall be measured at prior year's fair value less any accumulated impairment loss.

Increases in fair value are recognised in the asset revaluation reserve, decreases in fair value are recognised in the asset revaluation reserve to the extent that there is a reserve balance in relation to the asset. If the fair value of the asset falls below cost this is recorded as an impairment in the profit and loss.

### Financial Liabilities

Financial liabilities, including borrowings and bank overdrafts, are initially measured at fair value net of transaction costs and are subsequently measured at amortised cost using the effective interest method.

Interest expenses are recognised in profit or loss on an effective yield basis.

### Property, Plant & Equipment

Property, plant and equipment are stated at historical cost less any accumulated depreciation and impairment losses. Depreciation is provided at the maximum rates permitted by the Income Tax Act 2007.

Land and Buildings vested to Parengarenga A Incorporation under the Te Ture Whenua Maori Act 1993 have been revalued to the Government valuation dated 2024 as specifically allowed by the NZICA SPFR standards. The transfer of the land as freehold property is for a total land area of approximately 6.248 hectares, with the date of transfer (with no consideration) being 14 March 1965. Valuations take place with intervals no greater than 5 years.

Depreciation is calculated on a diminishing value basis over the estimated useful life of the asset using depreciation rates published by Inland Revenue and from 22 May 2025 onward the 20% New Asset Investment Boost as been claimed on qualifying new assets. Assets estimated useful life is reassessed annually. The following estimated depreciation rates/useful lives have been used:

|                   |        |                   |
|-------------------|--------|-------------------|
| Buildings         | 0-30%  | diminishing value |
| Development       | 3-20%  | diminishing value |
| Land              | 0%     | diminishing value |
| Office Equipment  | 18-60% | diminishing value |
| Plant & Equipment | 8-67%  | diminishing value |
| Vehicles          | 18-36% | diminishing value |

Land vested to the Parengarenga B3C Trust under the Te Ture Whenua Maori Act 1993 has been revalued to the government valuation dated 2024. The transfer of the land as freehold property is for a total land area of approximately 9,842 hectares, with the date of transfer (with no consideration) being 16 August 1991. The total land area relating to the B3C freehold farms (included in the above) is 5,805 hectares. The Maori Land Court has approved the portioning out to approximately 257.7 hectares known as Ngatekawa included in the above total.

Buildings transferred from the Maori Trustee (1992) have been valued at their 1992 insurance indemnity value less depreciation. Allowance has been made for the revaluation of improvements to the valuation dated 2024.

The total pastoral area of Parengarenga B3C Trust is 4,288 hectares, and has a valuation (2024) of \$31,950,000.

This statement should be read with the Auditor's Report and the Notes to the Financial Statements.





## Exceptional items

Exceptional items are large income and/or expense items that do not arise as a result of normal business operations and are not expected to recur. Exceptional items are disclosed separately in the statement of profit or loss where the total value exceeds 5% of revenue.

## Goods and services tax

The financial statements are stated exclusive of goods and services tax (GST) except for accounts receivable and accounts payable, which are stated inclusive of GST. The entity is group registered for goods and services tax (GST).

## Income tax

Provision is made for taxation after taking full advantage of all deductions and concessions permitted using the taxes payable method.

## Impairment of non financial assets

At each balance date, non-financial assets are classified into four categories: assets measured at fair value, assets currently available that the incorporation intends to use to the end of its useful life; assets intended to be sold prior to the end of their useful life; and assets damaged or idle at balance date. Assets measured at fair value or assets the incorporation intends to use to the end of its useful life, are not reviewed for impairment at balance date. Assets intended to be sold prior to the end of their useful life or assets damaged or idle at balance date are reviewed to determine if any indicators of impairment exist. If indicators exist the asset is tested for impairment to ensure that the carrying amount of the asset is recoverable. If the recoverable amount of an asset is determined to exceed its carrying amount then the resulting difference is recognised as an impairment loss in profit or loss for that period.

## Comparative figures

The comparative figures shown are for a twelve month period.

Consolidated Land, Lease, Forestry & Fishfarm: Since the comparative period, various Forestry-related expenses have been reclassified to Wages and Standing Charges (insurance, interest expenses, rates). Also income tax expenses of \$27,416 had been grouped with depreciation in error.

## 2. Forestry expenses

Due to the gradual surrender of the forestry lease from the Crown, Parengarenga A Incorporation is now responsible for the costs of maintaining the forestry. These services have not been contracted out for the 2025 year.

This statement should be read with the Auditor's Report and the Notes to the Financial Statements.





## Notes to the Consolidated Financial Statements

**3. Livestock****Beef Cattle Trading Statement**

|                                    | 2025         |           |                  | 2024         |           |                  |
|------------------------------------|--------------|-----------|------------------|--------------|-----------|------------------|
|                                    | Qty          | Avg Price | \$               | Qty          | Avg Price | \$               |
| <b>Sales</b>                       |              |           |                  |              |           |                  |
| MA Cows                            | 341          | 1,480.76  | 504,941          | 235          | 1,108.17  | 260,421          |
| R2 Heifers                         | 366          | 1,389.81  | 508,669          | 108          | 1,486.86  | 160,581          |
| R1 Heifers                         | 388          | 1,083.72  | 420,483          | -            | -         | -                |
| Breeding Bulls                     | 6            | 1,955.32  | 11,732           | 3            | 1,468.39  | 4,405            |
| R2 Bulls                           | 1,117        | 2,287.86  | 2,555,538        | 1,375        | 1,847.42  | 2,540,203        |
| R1 Bulls                           | -            | -         | -                | 163          | 736.44    | 120,040          |
| R2 Steers                          | -            | -         | -                | 25           | 1,961.07  | 49,027           |
| <b>Sales total</b>                 | <b>2,218</b> |           | <b>4,001,363</b> | <b>1,909</b> |           | <b>3,134,676</b> |
| <b>Purchases</b>                   |              |           |                  |              |           |                  |
| MA Cows                            | 6            | 4,283.33  | 25,700           | -            | -         | -                |
| R2 Heifers                         | -            | -         | -                | 30           | 1,550.00  | 46,500           |
| Breeding Bulls                     | 29           | 3,975.03  | 115,276          | 21           | 2,576.19  | 54,100           |
| R2 Bulls                           | 41           | 1,450.85  | 59,485           | 80           | 1,488.65  | 119,092          |
| R1 Bulls                           | 659          | 1,103.57  | 727,251          | 715          | 767.19    | 548,540          |
| Bull Calves                        | 6            | 925.00    | 5,550            | -            | -         | -                |
| R2 Steers                          | 3            | 1,250.00  | 3,750            | -            | -         | -                |
| R1 Steers                          | -            | -         | -                | 1            | 1,661.60  | 1,662            |
| <b>Purchases total</b>             | <b>744</b>   |           | <b>937,011</b>   | <b>847</b>   |           | <b>769,894</b>   |
| <b>Net Cash Proceeds</b>           |              |           | <b>3,064,351</b> |              |           | <b>2,364,783</b> |
| Opening Stock on Hand              | 5,332        |           | 5,930,874        | 5,040        |           | 5,903,829        |
| Herd Scheme Adjustment             |              |           | 2,216,574        |              |           | (295,227)        |
| Adjusted Opening Stock on Hand     | 5,332        |           | 8,147,448        | 5,040        |           | 5,608,602        |
| <b>Plus: Closing Stock on Hand</b> |              |           |                  |              |           |                  |
| <b>Herd Scheme</b>                 |              |           |                  |              |           |                  |
| MA Cows                            | 1,271        | 1,865.00  | 2,370,415        | 1,195        | 1,304.00  | 1,558,280        |
| R2 Heifers                         | 423          | 1,521.00  | 643,383          | 620          | 1,145.00  | 709,900          |
| R1 Heifers                         | 450          | 944.00    | 424,800          | 682          | 671.00    | 457,622          |
| Breeding Bulls                     | 71           | 3,534.00  | 250,914          | 71           | 2,878.00  | 204,338          |
| R2 Bulls                           | 1,569        | 1,741.00  | 2,731,629        | 1,530        | 1,292.00  | 1,976,760        |
| R1 Bulls                           | 1,168        | 1,181.00  | 1,379,408        | 894          | 855.00    | 764,370          |
| R1 Steers                          | -            | -         | -                | 1            | 855.00    | 855              |
| Autumn Heifer Calves               | 166          | 944.00    | 156,704          | 169          | 671.00    | 113,399          |
| Autumn Bull Calves                 | 167          | 1,181.00  | 197,227          | 170          | 855.00    | 145,350          |
| <b>Total Herd Scheme Valuation</b> | <b>5,285</b> |           | <b>8,154,480</b> | <b>5,332</b> |           | <b>5,930,874</b> |
| <b>Market Value</b>                |              |           |                  |              |           |                  |
| Breeding Bulls                     | 2            | 9,183.00  | 18,366           | -            | -         | -                |

This statement should be read with the Auditor's Report and the Notes to the Financial Statements.





## Notes to the Consolidated Financial Statements

|                                    |              |                  |              |                  |
|------------------------------------|--------------|------------------|--------------|------------------|
| Total Market Value Valuation       | 2            | 18,366           | -            | -                |
| <b>Total Closing Stock on Hand</b> | <b>5,287</b> | <b>8,172,846</b> | <b>5,332</b> | <b>5,930,874</b> |
| <b>Gross Surplus from Trading</b>  |              | <b>3,089,749</b> |              | <b>2,687,055</b> |

| Reconciliation of Quantities | 2025         | 2024         |
|------------------------------|--------------|--------------|
| Opening Stock on Hand        | 5,332        | 5,040        |
| Purchases                    | 744          | 847          |
| Natural Increase             | 1,300        | 1,400        |
| <b>Total Increase</b>        | <b>2,044</b> | <b>2,247</b> |
| Sales                        | 2,218        | 1,909        |
| Deaths and Missing           | (129)        | 46           |
| <b>Total Decrease</b>        | <b>2,089</b> | <b>1,955</b> |
| <b>Closing Stock on Hand</b> | <b>5,287</b> | <b>5,332</b> |

**Sheep Trading Statement**

|                                    | 2025          |           |                  | 2024          |           |                  |
|------------------------------------|---------------|-----------|------------------|---------------|-----------|------------------|
|                                    | Qty           | Avg Price | \$               | Qty           | Avg Price | \$               |
| <b>Sales</b>                       |               |           |                  |               |           |                  |
| MA Ewes                            | 1,730         | 104.28    | 180,406          | 1,309         | 76.79     | 100,519          |
| Two-tooth Ewes                     | 185           | 86.96     | 16,087           | -             | -         | -                |
| Ewe Hoggets                        | -             | -         | -                | 443           | 119.85    | 53,095           |
| Ewe Lambs                          | 2,680         | 128.44    | 344,229          | 2,503         | 104.67    | 261,993          |
| Wether Lambs                       | 5,055         | 154.67    | 781,840          | 5,213         | 112.54    | 586,694          |
| <b>Sales total</b>                 | <b>9,650</b>  |           | <b>1,322,562</b> | <b>9,468</b>  |           | <b>1,002,301</b> |
| <b>Purchases</b>                   |               |           |                  |               |           |                  |
| Breeding Rams                      | 23            | 1,650.00  | 37,950           | 12            | 1,950.00  | 23,400           |
| <b>Purchases total</b>             | <b>23</b>     |           | <b>37,950</b>    | <b>12</b>     |           | <b>23,400</b>    |
| <b>Net Cash Proceeds</b>           |               |           | <b>1,284,612</b> |               |           | <b>978,901</b>   |
| Opening Stock on Hand              | 11,222        |           | 1,437,829        | 10,803        |           | 1,903,840        |
| Herd Scheme Adjustment             |               |           | 494,833          |               |           | (454,665)        |
| Adjusted Opening Stock on Hand     | 11,222        |           | 1,932,662        | 10,803        |           | 1,449,175        |
| <b>Plus: Closing Stock on Hand</b> |               |           |                  |               |           |                  |
| <b>Herd Scheme</b>                 |               |           |                  |               |           |                  |
| MA Ewes                            | 5,731         | 178.00    | 1,020,118        | 4,505         | 134.00    | 603,670          |
| Two-tooth Ewes                     | -             | -         | -                | 2,005         | 159.00    | 318,795          |
| Ewe Hoggets                        | 2,182         | 147.00    | 320,754          | 2,010         | 101.00    | 203,010          |
| Ewe Lambs                          | 2,650         | 147.00    | 389,550          | 2,576         | 101.00    | 260,176          |
| Mixed Lambs                        | -             | -         | -                | 31            | 101.00    | 3,131            |
| Breeding Rams                      | 86            | 310.00    | 26,660           | 83            | 309.00    | 25,647           |
| <b>Total Herd Scheme Valuation</b> | <b>10,649</b> |           | <b>1,757,082</b> | <b>11,210</b> |           | <b>1,414,429</b> |

This statement should be read with the Auditor's Report and the Notes to the Financial Statements.





## Notes to the Consolidated Financial Statements

**Market Value**

|                                    |               |   |                  |               |          |                  |
|------------------------------------|---------------|---|------------------|---------------|----------|------------------|
| Breeding Rams                      | -             | - | -                | 12            | 1,950.00 | 23,400           |
| Total Market Value Valuation       | -             | - | -                | 12            |          | 23,400           |
| <b>Total Closing Stock on Hand</b> | <b>10,649</b> |   | <b>1,757,082</b> | <b>11,222</b> |          | <b>1,437,829</b> |
| <b>Gross Surplus from Trading</b>  |               |   | <b>1,109,032</b> |               |          | <b>967,555</b>   |

**Reconciliation of Quantities**

|                              | 2025          | 2024          |
|------------------------------|---------------|---------------|
| Opening Stock on Hand        | 11,222        | 10,803        |
| Purchases                    | 23            | 12            |
| Natural Increase             | 10,200        | 10,319        |
| <b>Total Increase</b>        | <b>10,223</b> | <b>10,331</b> |
| Sales                        | 9,650         | 9,468         |
| Deaths and Missing           | 1,146         | 444           |
| <b>Total Decrease</b>        | <b>10,796</b> | <b>9,912</b>  |
| <b>Closing Stock on Hand</b> | <b>10,649</b> | <b>11,222</b> |

**4. Property, plant & equipment and depreciation**

| 2025                     | Cost/Valuation<br>\$ | Accumulated<br>depreciation<br>\$ | Net book value<br>\$ |
|--------------------------|----------------------|-----------------------------------|----------------------|
| Land - valuation         | \$44,493,300         | -                                 | \$44,493,300         |
| Buildings - valuation    | \$3,170,264          | \$872,006                         | \$2,298,258          |
| Development - valuation  | \$6,592,569          | \$569,867                         | \$6,022,702          |
| Office Equipment - cost  | \$67,926             | \$47,362                          | \$20,564             |
| Plant & Machinery - cost | \$8,115,023          | \$3,140,477                       | \$4,974,547          |
| Motor vehicles - cost    | \$2,457,864          | \$1,433,053                       | \$1,024,811          |
| <b>TOTALS</b>            | <b>\$64,896,946</b>  | <b>\$6,055,176</b>                | <b>\$58,834,181</b>  |

| 2024                     | Cost/Valuation<br>\$ | Accumulated<br>depreciation<br>\$ | Net book value<br>\$ |
|--------------------------|----------------------|-----------------------------------|----------------------|
| Land - valuation         | \$44,493,300         | -                                 | \$44,493,300         |
| Buildings - cost         | \$3,170,264          | \$864,114                         | \$2,306,150          |
| Development - cost       | \$6,559,105          | \$533,255                         | \$6,025,850          |
| Office Equipment - cost  | \$50,099             | \$39,048                          | \$11,051             |
| Plant & Machinery - cost | \$7,931,613          | \$2,343,372                       | \$5,588,241          |
| Motor vehicles - cost    | \$2,410,211          | \$1,256,124                       | \$1,154,087          |
| <b>TOTALS</b>            | <b>\$64,614,592</b>  | <b>\$5,035,913</b>                | <b>\$59,578,679</b>  |

Land, buildings and development have been restated to valuation in accordance with the rateable purposes.

This statement should be read with the Auditor's Report and the Notes to the Financial Statements.





## 5. Land valuation

Land vested by the Maori Land Court has previously been revalued to Government Valuations. An independent market valuation was undertaken by Zane Lucich, B.Appl.Sc (Rural & Farm Management) Dip. BS (Urban Valuation), Registered Valuer in January 2012. In 2024 the land was revalued to Government Valuations. Revaluations undertaken are as follow:

### A Incorporation

|                                     |      |                  |
|-------------------------------------|------|------------------|
| Land Valuation                      | 1974 | 480,000          |
| Land Valuation                      | 1982 | 1,244,000        |
| Land Valuation                      | 1992 | 406,000          |
| Land Valuation                      | 1995 | 2,130,000        |
| Land Valuation                      | 1998 | 1,470,000        |
| Land Valuation                      | 2001 | 290,000          |
| Land Valuation                      | 2004 | 880,000          |
| Land Valuation                      | 2007 | 100,000          |
| Land Valuation                      | 2010 | (1,400,000)      |
| Land Valuation                      | 2012 | <u>(290,000)</u> |
| Market Valuation at 12 January 2012 |      | \$5,310,000      |
| Land Valuation                      | 2017 | (396,500)        |
| Land Valuation                      | 2020 | 1,302,500        |
| Land Valuation                      | 2024 | 6,327,300        |
| Closing Valuation                   |      | 12,543,300       |

### B3C Trust

|                                     |      |                   |
|-------------------------------------|------|-------------------|
| Land Valuation                      | 1977 | 320,000           |
| Land Valuation                      | 1982 | 1,412,000         |
| Land Valuation                      | 1989 | (575,000)         |
| Land Valuation                      | 1992 | 113,000           |
| Land Valuation                      | 1995 | 1,335,500         |
| Land Valuation                      | 1998 | 197,000           |
| Land Valuation                      | 2001 | (119,000)         |
| Land Valuation                      | 2004 | 73,500            |
| Land Valuation                      | 2007 | 352,000           |
| Land Valuation                      | 2010 | (507,000)         |
| Land Valuation                      | 2012 | <u>13,804,000</u> |
| Market Valuation at 12 January 2012 |      | 16,406,000        |
| Land Valuation                      | 2017 | (2,506,000)       |

This statement should be read with the Auditor's Report and the Notes to the Financial Statements.





## Notes to the Consolidated Financial Statements

|                   |      |                  |
|-------------------|------|------------------|
| Land Valuation    | 2020 | <u>(450,000)</u> |
| Land Valuation    | 2024 | 18,500,000       |
| Closing Valuation |      | 31,950,000       |

## 6. Investments

Investments in subsidiaries are recognised at the lower of cost or net asset backing. Increases in fair value are recognised in the asset revaluation reserve, decreases in fair value are recognised in the asset revaluation reserve to the extent that there is a reserve balance in relation to the asset. If the fair value of the asset falls below cost this is recorded as an impairment in the profit and loss.

Shares have been revalued to current market values.

|                        | Quantity | Cost      | Year Purchased | Market Value |
|------------------------|----------|-----------|----------------|--------------|
| Balance Agri-Nutrients | 32,097   | \$193,038 | 1997-2008      | \$288,873    |
| SFF Ltd - Ordinary     | 33,694   | \$47,117  | 2009-2010      | \$25,271     |
| Farmlands              | 12,175   | \$12,175  | 1997-2010      | \$12,175     |

## 7. Tree crop valuation

An independent market value of Parengarenga A forest was undertaken by Forest Services Limited as at 30 June 2025.

Forestry is measured at fair value less estimated costs to sell as assessed by independent forest managers. The basis of valuation of young stands not yet ready for harvest has been to determine the net present value of each stand. The revenue from future timber sales is predicted along with the costs of producing, harvesting and marketing the timber. The pre-tax cash flow is discounted at the appropriate market rate to derive a net present value.

Revaluation gains and losses are recognised in the forestry revaluation reserve. If the revaluation reserve has a deficit, that deficit is recognised in profit or loss in the period in which it arises.

The 2025 tree crop valuation is a full valuation, and replaces the full valuation prepared in 2024.

Movements in value of Forest are:

| Year | Value        | Movement          |
|------|--------------|-------------------|
| 2013 | \$4,100,000  | Valuation         |
| 2017 | \$20,859,000 | Interim Valuation |
| 2018 | \$31,833,000 | Valuation         |
| 2019 | \$32,190,000 | Valuation         |
| 2021 | \$33,700,00  | Valuation         |
| 2022 | \$38,700,000 | Valuation         |
| 2023 | \$37,200,000 | Valuation         |
| 2024 | \$37,500,000 | Valuation         |
| 2025 | \$39,500,000 | Valuation         |

This statement should be read with the Auditor's Report and the Notes to the Financial Statements.





## 8. Impairment of Fishfarm Assets

As the liabilities of Parengarenga Fishfarm Limited exceed its assets, the trustees resolved to recognise an impairment in the 2015 financial year. As the building is a special purpose building in a remote location it would be very difficult to obtain an accurate market value assessment. The trustees performed a valuation exercise as at 30 June 2015 to estimate the value of the assets of Parengarenga Fishfarm Limited. This resulted in recognising an impairment from a cost price less depreciation of \$3,859,921 to an assessed value of \$1,804,416. A further impairment was determined at 30 June 2017 to allow for depreciation for the 2016 and 2017 year. In 2018 another further impairment was determined at 30 June 2018 to allow for depreciation for the 2018 year. In 2019 a further impairment was determined to allow for depreciation for the 2019 year and this was made again for the following years.

The sublease agreement between A Inc and Parengarenga Fishfarm Limited has not been renewed and as per lease agreement the leased assets have fallen back to Parengarenga A Inc Corporation & B3C Trust. This has been recorded in the 2024 tax year along with a further impairment. The only remaining asset is the Resource Consent \$38,233

## 9. Secured loans

BNZ CARL Loan -03028 is a secured loan with a balance of \$650,000 at 30 June 2025. Repayments are \$7,000 per month, interest rate is 5.95% per annum and maturity date is 26/02/2026.

BNZ CARL Loan -03030 is a secured loan with a balance of \$3,650,000 at 30 June 2025. No monthly repayments, interest bearing only loan, interest rate is 6.08% per annum and maturity date is 02/11/2026.

BNZ CREDITPLUS 3440-16 (Forest Machinery) is an overdraft facility with a balance of \$2,874,445 at 30 June 2025.

The limit reduces as it is repaid, the interest rate is 10.03% per annum and maturity date is 28/04/28.

Security on the BNZ loans is by registered stock security, all at Far North Road pastured at land situated at Parengarenga Station.

Perfected Security interest in all present and after acquired property of The Proprietors of Parengarenga A.

|               | Current         | Non-Current        | Total              |
|---------------|-----------------|--------------------|--------------------|
| BNZ CARL 3028 | \$84,000        | \$566,000          | \$650,000          |
| BNZ CARL 3030 | \$0             | \$3,650,000        | \$3,650,000        |
|               | <b>\$84,000</b> | <b>\$4,216,000</b> | <b>\$4,300,000</b> |

## 10. Te Tumu Paeroa share purchase fund

The Maori Trustee currently holds 26% of the shares in Parengarenga A Incorporation and Parengarenga B3C Trust. These were acquired by the Maori Trustee in accordance with the Maori Affairs Act 1953 which allowed the Maori Trustee to purchase share interest in Maori Land, amalgamate and on sell those shares to other owners.

Under the Maori Affairs Amendment Act 1987 the value of the shares held by the Maori Trustee were deemed to be an advance made by the Maori Trustee to the owners of the other shares. A Deed of Agreement was entered in January 1995 between the Maori Trustee and Parengarenga Incorporation to repay the advance of \$843,000. This was to be paid by half yearly instalments of \$21,075. Upon repayment of the full advance to the Maori Trustee the shares will be vested to the other owners of the shares. The advance was due to be repaid in 2016.

Due to the length of time before the shares would be vested in the Incorporation the Trustees decided to suspend payments to the Maori Trustee until the amalgamation has been signed off by the Maori Land Court.

A further agreement was entered into during the 2016 financial year whereby on the amalgamation being signed off by the Maori Land Court, Te Tumu Paeroa will transfer their shares back to the incorporation and the incorporation will resume repayments over a number of years.

At 30 June 2025 there is a balance of \$800,850 outstanding and this amount is recorded as a liability in the consolidated balance sheet.

This statement should be read with the Auditor's Report and the Notes to the Financial Statements.





## 11. Leases

### B3C Trust

The entity leases land being the Te Kao 107 block (40.225ha) from the Maori Trustee. The term of the lease is for five years commencing 1 October 2012. The annual lease charged is considered by the Trustees to be an operating lease. This lease expired 30 September 2017 and has not been renewed yet. The lease is still ongoing under a month to month arrangement with the terms of the expired agreement.

The entity leases land being the Te Kao 87 & 91 block (22.4626ha) from Riwa Wiki. The term of the lease is for ten years commencing 1 August 2011. The annual lease charge is considered by the Trustees to be an operating lease. This lease expired 1 August 2021 and has not been renewed yet. The lease is still ongoing under a month to month arrangement with the terms of the expired agreement.

The entity leases land being the Te Kao 100, PT 101, 102 blocks (33.6218ha) from W & M Brown. The term of the lease is for ten years commencing 1 August 2011. The annual lease is considered by the Trustees to be an operating lease. This lease expired on 1 August 2021 and has not been renewed yet. The lease is still ongoing under a month to month arrangement with the terms of the expired agreement.

The entity leases land being the Te Kao 103 block (54.5187ha) from Te Kahuwhero Herepete Whanau Trust. The term of the lease is for ten years commencing 1 August 2011. The annual lease is considered by the Trustees to be an operating lease. This lease expired on 1 August 2021 and has not been renewed yet. The lease is still ongoing under a month to month arrangement with the terms of the expired agreement.

The entity leases land being the Te Kao 49 & 50 blocks (60.58ha) from Jackie, Priscilla and Kody Wiki. The term of the lease is for eight years commencing 10 August 2015 with a two year right of renewal. The annual charge is considered by the Trustees to be an operating lease. This lease expired on 7 August 2023 and has not been renewed yet. The lease is still ongoing under a month to month arrangement with the terms of the expired agreement.

The entity leases land being the Te Kao 60, 67 and 68 blocks (56.67ha) from The Estate of Matengaroa Wiki. The term of the lease is for eight years commencing 15 August 2005 with a two year right of renewal. The annual lease is considered by the Trustees to be an operating lease. This lease expired 15 August 2017 and has not been renewed yet. The lease is still ongoing under a month to month arrangement with the terms of the expired agreement.

The entity leases land being the Te Kao 47 and 58 blocks (75.00ha) from Kiri Pako. The term of the lease is for eight years commencing 1 November 2008 with a five year right of renewal. The annual lease is considered by the Trustees to be an operating lease. This lease was renewed for a further 5 years in 2016 and expired on 1 November 2021 and has not been renewed yet. The lease is still ongoing under a month to month arrangement with the terms of the expired agreement.

The entity leases land being the Te Kao 43A block (3.985ha) from Huria Subritzky. The term of the lease is for ten years commencing 1 April 2012 with a three year right of renewal. The annual lease is considered by the Trustees to be an operating lease. This lease expired on 31 March 2022 and has not been renewed yet. The lease is still ongoing under a month to month arrangement with the terms of the expired agreement.

The entity leases land being the Te Kao 43B, 58A2 and 59 blocks (71.2089ha) from Tregea Subritzky Trust. The term of the lease is for ten years commencing 1 April 2012 with a three year right of renewal. The annual lease is considered by the Trustees to be an operating lease. This lease expired on 31 March 2022 and has not been renewed yet. The lease is still ongoing under a month to month arrangement with the terms of the expired agreement.





## Lease disclosures

Finance lease - future minimum lease payments under non-cancellable leases

|                         | 2025   | 2024    |
|-------------------------|--------|---------|
| <b>Leases</b>           |        |         |
| Not later than one year | 42,305 | 72,671  |
| Later than one year     | 64,263 | 102,298 |

The entity leases the following assets: 2 x John Deere Tractor & Loader

A263571 - start date 28 Aug 2021: Amount financed \$159,412.50; interest rate 0.99% pa; term 48 months; total amount repayable \$162,131.88; monthly repayment \$2,760.56.

A304465 - start date 15 April 2024: Amount financed \$172,315; interest rate 3.30% pa; term 48 months; total amount repayable \$182,717.82; monthly repayment \$3,295.36

### Finance lease

Finance leases which effectively transfer to the company substantially all of the risks and rewards incidental to ownership of the leased item are capitalised at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised as an expense in profit and loss.

## 12. Equity Accounted Investees - Te Mana O Te Wai - Te Hiku Limited Partnership

Parengarenga Wai GP Limited has a 50% interest in the Te Mana O Te Wai - Te Hiku Limited Partnership, which was registered on 2 December 2021 and started trading in 2023.

Movements in the carrying amount of the investment in equity accounted entities:

Investment in equity accounted entities as 1 July 2024 (\$442)

Share of profit/loss (\$)

**Investment in equity accounted entities at 30 June 2025 (\$442)**

**Assets Liabilities Revenue Profit**

Summarised financial information of equity accounted entities \$ \$ (\$) (\$)

Details for assets & liabilities as per 30 June 2025:

Current Assets: \$ Westpac bank account / \$ asset under construction / \$ GST

Current Liability: \$ Accounts Payable

Non-current Liability: \$ Provincial Growth Fund Loan

The Facility is secured with 50% by Parengarenga Wai GP Limited in favour of the Ministry by a registered first ranking general security deed or agreement to be granted in favour of the Ministry in respect of all of its present and after acquired property.

A contingent liability of \$250,000 (partnership share) exists for the PGF Loan, shall the partnership fail to create a working asset.

## 13. Ownership

In 1992, the Maori Trustee transferred 74% of the shares to the Maori Owners. This transfer removed the Taxation exemption previously confirmed with the Inland Revenue Department. The owners of Parengarenga B3C Trust are now responsible for the taxation of 74% of the entity.

This statement should be read with the Auditor's Report and the Notes to the Financial Statements.





#### 14. Contingent assets and liabilities

The directors of Parengarenga Fishfarm Limited are currently looking for equity partners to utilise the fish farm plant.

Parengarenga Incorporation drew down on a loan for Forestry equipment. This guarantee was supported by:

- Existing Registered Stock Security over sheep and cattle.
- A Deed of Lease over the Forestry Lease owned by Parengarenga A Incorporation.

The Incorporation (B3C Trust) had a personal grievance claim with a former employee, the costs are not known at balance date.

#### 15. Capital expenditure

Parengarenga Incorporation has no commitments for significant capital expenditure at balance date.

#### 16. Intended business combination

It is the intention of the Trustees to combine the Parengarenga B3C Trust, and the Parengarenga A Incorporation, into one reporting entity. The effect of this combination will be that only one set of financial statements will be prepared for the entity which will reflect the trading activities of both entities. At the time of preparing the 2018 financial statements, approval had been received from the courts to carry out this combination. The shareholders present at the 2013 AGM agreed to the amalgamation of Parengarenga B3C Trust and Parengarenga A Incorporation into a single share register. The Maori Land Court is yet to ratify the methodology for this amalgamation.

#### 17. Subsequent events

There were no other events after balance date which materially affect these reports.

#### 18. Related parties

Transactions with M & C Hire Limited in which Huia Cooper is a shareholder/director, contracting expenses \$NIL (2024: \$2,668).

Transactions with Te Runanga Nui O Te Aupouri Trust in which Pereniki Conrad is an employee, lease block water fees, fencing & riparian planting expenses (materials & labour) \$12,696, owed at balance date \$12,696. (2024: \$26,411 and \$25,596 owed)

Transactions with Te Kao Local Store in which Joyce Munns is a shareholder/director, general & workshop supplies expenses \$2,149, owed at balance date \$181. (2024: \$2,151 and \$283 owed)

This statement should be read with the Auditor's Report and the Notes to the Financial Statements.





## 19. Taxation

As a Maori Authority, tax is charged at 17.5% of the taxable earnings related to the Maori Owners. The details for the year ended 30 June 2025 are as follows:

|  | 2025      | 2024      |
|--|-----------|-----------|
| <b>Taxation</b>                                  |           |           |
| <b>Net Surplus / (Deficit)</b>                   |           |           |
| Net Surplus / (Deficit)                          | 1,334,251 | (802,345) |
| <b>Adjusted for</b>                              |           |           |
| Less Taharoa Block C Write Off                   | -         | -         |
| Plus Holiday Pay Accrual                         | (6,902)   | 14,205    |
| Less Capital Profit on Sale of Assets            | -         | -         |
| Plus Parengarenga Fishfarm Expenses              | -         | -         |
| Plus Gross Dividends                             | -         | -         |
| Less Net Dividends                               | -         | -         |
| Non Ded Parengarenga Fishfarm                    | -         | 1,199,051 |
| <b>Total</b>                                     | (6,902)   | 1,213,256 |
| <b>Total</b>                                     | 1,327,349 | 410,911   |
| <b>Deduct:</b>                                   |           |           |
| 26% Maori Trustee Share (until 2024)             | -         | (106,837) |
| <b>Total</b>                                     | -         | (106,837) |
| 74% Maori Owned (until 2024)                     | 1,327,349 | 304,074   |
| <b>Brought Forward:</b>                          |           |           |
| Loss brought Forward                             | 773,590   | 460,275   |
| <b>Total Brought Forward:</b>                    | 773,590   | 460,275   |
| <b>Taxation at 17.5%</b>                         |           |           |
| Taxation at 17.5%                                | 296,913   | 108,043   |
| <b>Total Taxation at 17.5%</b>                   | 296,913   | 108,043   |
| <b>Less:</b>                                     |           |           |
| Withholding Tax Paid                             | 3,427     | 3,681     |
| Provisional Tax Paid                             | 73,053    | 18,564    |
| Provisional Tax Paid Post Balance Date           | -         | 106,000   |
| Imputation Credits Paid                          | -         | -         |
| Imputation Credits to carry forward to next year | -         | -         |
| Taxation Payable / (Refundable)                  | 220,433   | (20,202)  |
| Loss to be Carried Forward                       | 1,773,047 | 773,590   |

## 20. Maori authority credit account

The balance of the Maori authority credit account as at 2025 is \$1,323,973. (Last Year: \$1,161,694)

This statement should be read with the Auditor's Report and the Notes to the Financial Statements.





## INDEPENDENT AUDITORS REPORT

To the Shareholders of Parengarenga Incorporation

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the consolidated financial statements of Parengarenga Incorporation and its subsidiaries (the Group) on pages 5 to 24, which comprise the consolidated statement of financial position as at 30 June 2025, and the consolidated statement of comprehensive income, consolidated statement of movement in equity for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

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

#### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards)* (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board and the *International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, the Incorporation or any of its subsidiaries.

#### Emphasis of Matter - Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the financial statements, which describes the basis of accounting. The financial statements have been prepared for the owners, Inland Revenue Department and the Entity's financiers. As a result, the financial statements may not be suitable for another purpose.



## PARENGARENGA INCORPORATION

### Statement Pursuant To Section 278(4) Of Te Ture Whenua Maori Act 1993

#### PARENGARENGA A INCORPORATION'S SHARE VALUATION

The Parengarenga A Incorporation valuation includes the net assets of:

- (i) Forestry & Leasing

The valuation has been prepared on the net asset position in the audited financial statements as at 30 June 2025.

#### Asset Valuation

The method of valuation of fixed assets is as follows:

- (a) Land & Improvements - 2024 government valuations
- (b) Other fixed assets (including plant) - cost less accumulated depreciation
- (c) Tree crop valuation - independent market value undertaken as at 30 June 2025

#### Share Valuation

|                              |              |
|------------------------------|--------------|
| Parengarenga A Incorporation | \$48,749,831 |
| Total Net Assets             | \$48,749,830 |
| <hr/>                        |              |
| Number of Shares             | 3,261,000    |
| <hr/>                        |              |
| Net Assets per Share         | \$14.95      |
| VALUE PER SHARE              | \$14.95      |



## PARENGARENGA INCORPORATION

### Statement Pursuant To Section 278(4) Of Te Ture Whenua Maori Act 1993

#### PARENGARENGA B3C TRUST'S SHARE VALUATION

The Parengarenga B3C Trust valuation includes the net assets of:

- (ii) Forestry Leasing and Royalties
- (iii) Farming Operations

The valuation has been prepared on the net asset position in the audited financial statements as at 30 June 2025.

#### Asset Valuation

The method of valuation of fixed assets is as follows:

- (d) Land & Improvements - 2024 government valuation
- (e) Buildings - 2024 government valuation less accumulated depreciation
- (f) Other fixed assets (including plant) - cost less accumulated depreciation

Livestock has been valued at the 2025 National Average Market Values released by the Inland Revenue.

#### Share Valuation

|                        |              |
|------------------------|--------------|
| Parengarenga B3C Trust | \$51,937,144 |
| Total Net Assets       | \$51,937,144 |
| =====                  | =====        |
| Number of Shares       | 1,146,766    |
| Net Assets per Share   | \$45.29      |
| VALUE PER SHARE        | \$45.29      |

It must be recognised there are special factors governing the Parengarenga Incorporation share values as there are several restrictions on the selling, purchasing and transfer of shares in Maori Incorporations (Section 264 and 268 of Te Ture Whenua Maori Act 1993).

Yours faithfully

A Edwards BBS FCA  
Share Valuer

  
Dated \_\_\_\_\_

# Our Priorities and Targets

## *Whakaarotau me Whāinga*



# Our 3 Year Priorities

|  |   |  |  |
|--|---|--|--|
| <b>Farm</b>                                  | Develop a sound understanding of the Incorporation's needs and requirements of, and the priorities for the farm business  | Develop and implement a clear, long-term plan to invest in future sustainable growth for the farm business. To maximise yields and financial returns | Develop and implement a comprehensive plan of best practice and continuous improvement   |
| <b>Forest</b>                                | Develop and implement a comprehensive plan of best practice adoption and continuous improvement   | Implement a program of staff development and mentoring to ensure that a credible succession plan is in place for every key role in the business      | Investigate and, if approved pursue a strategic partnership to maximize yields and financial returns in the downstream activities of the Forestry business. Including but not restricted to milling and logging operations |
| <b>Biochar</b>                               | Complete a business case for biochar and make an investment decision.   |  | Business case completed and awaiting research results.   |
| <b>Horticulture</b>                          | Complete water and soil investigations.   |  | Completed investigations. Discontinued due to high costs and environmental risks   |
| <b>People, values, processes, technology</b> | Implement a shared IT solutions platform. Develop a business continuity plan.   |  | Completed.<br>Ongoing.   |
| <b>Environment</b>                           | Farm Environmental Plan expanded to include revitalisation of nature element. Forest Environmental plan developed that includes revitalisation of nature element. |  | Commenced<br>Completed and managed through the FSC process.  |

# Our Annual Priorities

|  | 2023   | 2024   | 2025   |
|--|--|--|--|
| <b>Farm</b>                                  | Develop a 3 year farm business plan template that includes performance benchmarking, environmental | Develop and implement a clear, long-term plan to invest in future sustainable growth for the farm business. To maximise yields and financial returns | Develop and implement a comprehensive plan of best practice of best practice and continuous improvement  |
| <b>Forest</b>                                | Develop and implement a comprehensive plan of best practice adoption and continuous improvement    | Implement a program of staff development and mentoring to ensure that a credible succession plan is in place for every key role in the business      | Investigate and, if approved pursue a strategic partnership to maximize yields and financial returns in the downstream activities of the Forestry business. Including but not restricted to milling and logging operations |
| <b>Biochar</b>                               | Complete a business case for biochar and make an investment decision.                              |  | Business case completed and awaiting research results.   |
| <b>Horticulture</b>                          | Start water and soil investigations.   | Complete water and soil investigations.  | Completed investigations. Discontinued due to high costs and environmental risks   |
| <b>People, values, processes, technology</b> | Implement a shared IT solutions platform.  | Progressing a shared IT solutions platform   | Completed.   |
|  | Develop a business continuity plan.  |  | Ongoing.   |
| <b>Environment</b>                           | Farm Environmental Plan expanded to include revitalisation of nature element.                      |  | Completed  |
|  | Forest Environmental plan developed that includes revitalisation of nature element.                |  | Completed and managed through the FSC process.   |





# 2025 Strategic Targets

|  | Targets   | Progress  |
|--|---|---|
| <b>Farm</b>                                  | <ul style="list-style-type: none"><li>• \$4.46m revenue</li><li>• \$548k net profit</li><li>• Business plan KPI targets are met</li></ul>   | \$4.0m revenue<br>\$181k net profit   |
| <b>Forest</b>                                | <ul style="list-style-type: none"><li>• \$10.5m revenue</li><li>• \$233k net profit</li><li>• Benchmarking KPI targets are met</li><li>• FSC certification attained</li></ul>   | \$11.0m revenue<br>\$400k net profit<br>FSC certification achieved and benchmarking KPI targets completed |
| <b>Biochar</b>                               | <ul style="list-style-type: none"><li>• Complete a business case for biochar and make an investment decision.</li></ul>   | Business case completed and awaiting research results.  |
| <b>Horticulture</b>                          | <ul style="list-style-type: none"><li>• Complete water and soil investigations.</li></ul>   | Completed investigations. Discontinued due to high costs and risks  |
| <b>People, values, processes, technology</b> | <ul style="list-style-type: none"><li>• Implement a shared IT solutions platform.</li><li>• Develop a business continuity plan.</li></ul>   | Completed.<br>Ongoing.  |
| <b>Environment</b>                           | <ul style="list-style-type: none"><li>• Farm Environmental Plan expanded to include revitalisation of nature element.</li><li>• Forest Environmental plan developed that includes revitalisation of nature element.</li></ul> | Completed<br>Completed and managed through the FSC process.   |



Crew 2 skid site



Lake Waikanae

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