



ANNUAL REPORT 2024-2025

# RIPOATA A TAU



## Whārangī

• Te Pae Tawhiti, Te Kaupapa me ngā Matapono   Vision, Purpose and Values	3
• Te Ripoata ā te Heamana   Chairman's Report	4-7
• Trustees	8
• Te Pūrongo ā te Tumu Whakarae   Chief Executive's Report	9-11
• Trustees' Recommendations to Beneficial Owners	12-13
• Ngā Ringa Raupa o Te Tari	14
• Contact Information	15 & 77

.....

### 1. Te Pūrongo Ahumoni

Financial Report, Audit and Consolidated Financial Statements	16-59
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### 2. He Ringa Ahuwhenua | Strategy in Action

#### Our Year in Review:

I. Ngāhere   Forestry	61-67
II. Huakiwi   Kiwifruit	68-71
III. Pāmu   Farms & Nursery	72-73
IV. Honi	74-75

# RĀRANGI IHIRANGI CONTENTS



## TE PAE TAWHITI **OUR VISION**

**He Whenua Hua, He Tangata Ora**

Productive Lands, People Wellbeing

## TE KAUPAPA **OUR PURPOSE**

**He Ringa Ahuwhenua**

**He Hanga Mahi**

Busy Hands, Creating Opportunities



## NGĀ MATAPONO **OUR VALUES**

**HE RINGA AHUWHENUA**

We are action oriented

**KAITIAKITANGA**

We are responsible guardians

**TE TŪ O NGĀTI HINE**

We are Ngāti Hine

**WHAKANENEKE**

We are transformative

**MANA MOTUHAKE**

We are self sufficient

**WHANAUNGATANGA**

We build strong relationships



# TE RIPOATA Ā TE HEAMANA

## CHAIRMAN'S REPORT

Pita Tipene

E mihi tonu ana ki a koutou katoa, e te iwi, nō koutou kē ngā whenua, e tiakina mai nei e mātou, e ngā tarahiti tokowhitu.

Me mihi tonu rā hoki ki te hunga kua ngaro i te tirohanga kanohi, haere e ngā mate, whakangaro atu ki tērā o ngā kāinga, e kiia nei ko te kāinga tūturu mō tātou te tangata. Okioki mai rā e te hunga mate.

Ka hoki anō ki a tātou te hunga ora, e oke tonu nei, ki te whakakō atu, ki te whakatutuki hoki i ngā kaupapa kua waihōtia mai e rātou mā, tēnā rā kōutou katoa.

Me mihi hoki ki te hapu o Ngāti Hau, e huihui mai nei tātou ki tēnei o ngā marae o Akerama.

Kua roa kē te wā, kia tū anō he hui ā tau ki waenganui i a koutou. E kore hoki mātou ko te wareware i a koutou kei tēnei pito o ngā whenua o tātou – tēnā rā koutou.

### Overview of the year

This year has been one of both challenge and opportunity, steady progress and reflection.

As the forestry sector continues to evolve amidst economic, environmental and climate policy shifts, the kiwifruit industry is having a very strong period with record volumes and growing global demand.

The dairy and honey industries present their own unique challenges and opportunities which we continue to meet with strategic planning, innovation and an eye toward long term growth.

Through the peaks and troughs, Ngāti Hine Forestry Trust remains steadfast in its mission — He Ringa Ahuwhenua, He Hanga Mahi.

Through strong governance, prudent financial management, and a deep commitment to our kaupapa, the Trust continues to ensure that our whenua and the Trust's assets are managed sustainably for the benefit of our shareholders and the generations that follow.

## Key Achievements

**Key achievements this year** include:

- Returns to shareholders: Progressing this commitment has been our highest priority, and we are proud of the work done to deliver several initiatives over the past year, including:
  - Investing in kaimahi dedicated to:
    - engaging with our shareholders and whānau, being available to kōrero with them, and holding ‘drop-in’ days at the Moerewa office
    - holding workshops to assist whānau with Māori Land Court successions and navigating Te Pataka Whenua Maori
    - keeping whānau informed through digital pānui, launching a Facebook page, sharing our mahi and stories
  - Delivering several shareholder wananga to hear their aspirations and whakaaro
  - Kuia kaumatua koha payments for shareholders attending the AGM
  - One-off shareholder payments to those with 1,000+ shares
  - Delivery of firewood to kuia kaumatua shareholders
  - Providing in-kind support at community events

As mentioned in last year’s annual report and discussed at the AGM, there needs to be some ‘gesture’ for shareholders that have less than 1,000 shares (about 94% of all shareholders).

Given that the cost of administering a payment to each of these shareholders (approx. 5,700) would outweigh the amount they would receive, one alternative is to collectivise the payments and make distributions that are more impactful.

Accordingly, the Trustees are pleased to present a recommendation for the shareholders consideration, which features later in the annual report.

- **Whenua acquisition and climate change mitigation:** As mentioned in last year’s annual report, the Trust has been exploring the ETS and utilising its carbon credits (NZUs) as a means of acquiring more land. The Trust used this strategy to purchase a 226ha farm in Motatau which was settled in October 2025. This has the following benefits:

- The Trust has added a further 226ha of whenua within the rohe to its holdings
- It has locked in the value of NZUs that were sold to buy the farm. At the date of writing, the same number of NZUs has a value of over \$1m less than at the time of sale. The short-term outlook is that the NZU price will continue dropping, whereas the capital value of the farm will likely rise over time
- New income streams for the Trust - 100ha carbon crop planted on the steeper land (between the Trust’s 2 farms) will generate carbon revenue. The carbon modelling done during due diligence anticipates that the cost of the farm and carbon crop will be repaid within 12 years. In addition, the Trust receives dairy farm lease income for the balance of the farm
- Carbon farming, if done responsibly, delivers important environmental benefits such as slowing climate change, reducing land erosion and supporting biodiversity. The new carbon crop (pinus radiata) is complemented by native rakau, both planted and established. This is in keeping with our ‘Te Kuirā’ or mosaic approach to diversified land use

“OUR SUCCESS IS  
BUILT ON THE  
STRENGTH OF  
OUR PEOPLE.  
TOGETHER, WE’VE  
ACHIEVED  
MILESTONES THAT  
MATTER.”



for shareholders. Currently, limited resources restrict the ability to scale operations effectively.

The objective of the Toia Mai project is to develop a financial mechanism for Ngati Hine Forestry Trust that enables the Trust to bring forward future forestry earnings at a reasonable cost. One of our Trustees, Jane Frances, has been leading this work (given her expertise, connections and background as an economist). Trustees will speak further to this important work at the AGM.

## Financial Performance

The Trust has maintained a stable financial position despite ongoing volatility in carbon prices and rising costs across the sectors that impact the Trust (forestry, kiwifruit, agriculture and honey). Prudent cost management, solid returns from kiwifruit and diversification into carbon farming have helped offset sector pressures.

Expansion of our contract services in forestry and kiwifruit represents a forward-looking approach to sustainable revenue generation and strengthened operational capability. A comprehensive financial summary is available in the Pūrongo Ahumoni / Financial Report section.

## Te Poari and Governance

This year, the Board focused on strengthening governance systems and strategic oversight to ensure the Trust remains resilient and future-ready.

Key initiatives included the review of our strategic and investment priorities and plans, enhancements to compliance and reporting processes with a new Audit, Finance and Risk Committee, and continued investment in trustee development.

I wish to acknowledge the dedication of our Trustees — their wisdom, diverse experience, and commitment to our kaupapa underpins our work together for the benefit of Te Hunga Whai Tika (shareholders, uri and wider stakeholders).



- It aligns with the objectives of the Trust as set out in the Trust Order 'to expand the Trust's assets by the acquisition of additional land or other assets' and 'to maximise wealth creation and a financial return for the owners from the Trust assets consistent with good management and environmental practices'
- **Active 'Hands-on' Management:** As highlighted in last year's annual report, this remains a key driver of operational improvements and overall success. We continue to invest in strategic workforce growth in forestry & ngahere, kiwifruit and honey which provides us with greater control and oversight of these businesses, and stronger alignment with our goals and values such as kaitiakitanga.
- **Indigenous Forestry Transition kaupapa launch:** In alignment with our Te Kuira approach, the Trust has been working on a kaupapa for the last 4 years based on transitioning from pine to native rakau over several generations. The kaupapa was called He Ringa Ahuwhenua, He Hanga Mahi which was matauranga led and science supported in partnership with Scion, funded by Te Uru Rakau. Peter Prime (Project Manager) and Amadonna Jakeman (Matauranga Integration Kairangahau) expertly coordinated and delivered all operational aspects of the kaupapa. More information on this kaupapa can be found later in the Annual Report.
- **'Toia Mai' Project - Bringing forward future forestry cashflows:** The start of harvesting forestry is about 15 years off, meaning the income would usually be deferred until then. The Trust has been investigating options for accessing a portion of that income in advance of harvest. Funds would be used to undertake activities to diversify and grow the Trust's investment portfolio, further enhancing benefits

## Challenges and Future Outlook

The forestry sector faces significant change. Regulatory adjustments to the ETS, increasing environmental expectations, and global demand shifts all present both risk and opportunity.

However, these challenges reinforce the need for a uniquely Māori approach to land stewardship — one that balances economic return with ecological integrity and cultural responsibility.

In the year ahead, the Trust will:

- Continue to provide shareholders with opportunities for enhanced engagement with the Trust.
- Deepen engagement in the carbon and biodiversity markets, ensuring the Trust is positioned to benefit ethically and sustainably.
- Continue exploring land use diversification, integrating native species and enhancing long-term resilience to climate change.
- Continue exploring global opportunities for the strategic development of our manuka honey business.

- Strengthen strategic partnerships across iwi, hapū, whanau, marae, community groups and government to advance Māori-led forestry, whenua and climate solutions.
- Support whānau development, fostering skills and leadership for the next generation of kaitiaki.

On behalf of the Board, I extend heartfelt thanks to our owners, trustees, kaimahi, contractors, and partners for your collective effort and dedication.

Your support ensures that the Trust continues to uphold the mana of those before us and the mauri of our whenua.

As we move forward, may our mahi be guided by unity, vision, and kaitiakitanga — to care for the land that sustains us all.

Nā reira, e kore e mutu ngā mihi ki a kōutou, ā, kia kaha tonu tātou.

**Pita Tipene**  
**Chair**  
**Ngāti Hine Forestry Trust**





**Pita  
TIPENE**  
Chair



**Waihoroi  
SHORTLAND**



**Len  
BRISTOWE**



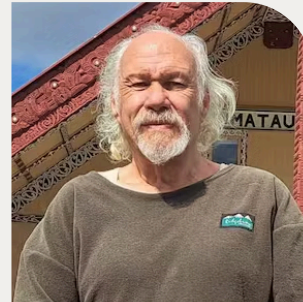
**Maxine  
SHORTLAND**



**Kawiti  
BROWN**



**Jane  
FRANCES**



**Mike  
BUTLER**

NGĀ TARAHITI  
**TRUSTEES**



# TE PŪRONGO A TE TUMU WHAKARAE

## CHIEF EXECUTIVE REPORT

Heidi Mackey

### Tēnā koutou katoa

He mihi nui tēnei ki a kōoutou katoa mō tō koutou tautoko ki ngā mahi a te Tarahiti i roto i tēnei tau.

Ka tangi tonu te ngākau ki ō tātou tupuna i huri ki tua o te ārai – moe mai rā i te āhurutanga o te pō. Mā rātou e ārahi tonu i a tātou kia ū ki te kaupapa o te kaitiakitanga, kia mau tonu te mana o tō tātou whenua rangatira.

### Overview

The 2024–2025 year has been one of consolidation, innovation, and renewed purpose.

The Trust made good progress against an ambitious annual plan, meeting key operational and strategic goals that support long-term benefits for the Trust's shareholders.

Our team has continued to be proactive and hands on with operations in forestry, kiwifruit and honey. Kiwifruit production remains the Trust's main source of revenue, and as a result we have been heavily reliant on its performance.

The acquisition of a new farm has begun to provide more diversified revenue helping to strengthen our overall income base over time. Forestry activities remain on track, with the prospect of gaining more sustainable work and training opportunities for our kaimahi.

In the honey division, we continued planning for entry into selected high-value markets and started early exploratory work into nutraceutical research and development integrated with our honey and native afforestation efforts.

Alongside this work, the Trust has remained focused on building the capability of our people to support consistent delivery and ensure we are well prepared for future opportunities.

### Operational Performance

During the year, the Trust has continued to strengthen and expand its performance across all operational fronts. Highlights include:

- Improving our organisational capacity to deliver: Bringing more work in-house while investing in our people with training and development opportunities, such as our kiwifruit orchard kaimahi studying horticulture at Primary ITO, and management training for Taoho Cooper, with Seeka's cadetship programme. We have also started reviewing our systems, policies and processes to support optimal productivity, efficiency and performance.
- Whanau and Shareholder Engagement: We have held several shareholder focus group hui, implemented regular pānui and Facebook updates to strengthen relationships with our shareholders and to promote transparency.

- Delivery of He Ringa Ahuwhenua, He Hanga Mahi kaupapa: A lot of mahi undertaken over 4 years to develop an approach for transitioning from pine to natives over several generations. More on this later in the annual report. Special acknowledgements to Peter Prime and Amadonna Jakeman for their leadership in the kaupapa, and all those that contributed.
- Taiao: Enhanced erosion control and riparian planting programmes implemented in a priority catchment area (Kawakawa), reflecting our commitment to protecting the mauri of our awa and whenua.
- Supporting uri, marae and community with aligned kaupapa: Within the confines of the Trust Order, the Trust has provided in-kind support to multiple kaupapa over the year.
- Oversight of all forestry operations: The Ngati Hine and Ruatangata forests covered by the Crown Forestry Right is 3,625 hectares. PF Olsen is the current forestry manager and we monitor ongoing operations throughout the year such as blanking, releasing, foliage sampling, road maintenance, fire protection, access and security. This ensures long-term forest health, soil stability, safety and environmental balance.
- Silviculture and Maintenance: Continued pruning, e-thinning and other forestry maintenance by our own team towards taking a more active role in the management of our forest.
- Developing our honey business: Manuka honey has been a strategic investment for the Trust over many years. Last year saw the implementation of a refreshed approach, bringing the business in-house. This year, we have doubled our hive numbers and had a successful pollination season on the orchards. We are exploring opportunities to export our honey into premium international markets.



## Financial and Commercial Overview

Despite challenging market conditions, including uncertainty in the ETS and NZU price and rising operational costs, the Trust delivered a stable financial performance. Key outcomes included:

- Strong results from kiwifruit production and Zespri dividends: Kiwifruit production on the Trust's 6 orchards was up 44% on last season (2025 = 431,000 trays compared with 2024 = 299,000 trays) – above average for industry on a per hectare basis.
- Investment in infrastructure: Capital improvements made to infrastructure on the orchards to optimise future production and support ongoing compliance and safety.
- Recalibrating investments: Shifting the value of NZUs into a new farm has added diversified revenue streams (carbon and farm lease cashflows) that are now contributing to operational performance, which reduces reliance on just kiwifruit. This also mitigates risk, such as NZU market volatility (e.g. the NZUs used to purchase the farm were worth \$1m less just 2 months later).
- Replacement of NZUs used to purchase farm: Carbon modelling shows that it will take approximately 12 years for the 100 hectare carbon crop to generate enough NZUs to replace the sold units. It will continue to generate additional NZUs until the trees are 16 years old. The Trust also owns the farm freehold and it will have a commercial crop with an estimated value of \$2.5m at harvest. In the meantime, it also generates annual income from the dairy farm.
- Reduced Seeka debt by \$800,000 over the last financial year. This accrual relates to losses and development costs accrued between 2019-2022.





- Continued investment in native afforestation to secure long-term value for future generations.

Our financial management remains disciplined and future-focused, ensuring that today's gains contribute to tomorrow's stability.

## Sector & Environmental Context

The forestry and horticulture sectors continue to undergo change — from ETS reforms to growing expectations around climate resilience and indigenous leadership in land management.

The Trust has taken an active role in:

- Engaging with government and industry discussions on Māori participation in the ETS and biodiversity credit systems..
- Exploring diversification opportunities, including continuing native afforestation and ecosystem restoration projects.
- Mahitahi with Māori kiwifruit grower networks to share knowledge, strengthen Māori influence in the sector, and advocate for fair and sustainable outcomes.

These developments ensure the Trust remains at the forefront of sustainable land use and whenua Māori leadership.

## Ngā Tangata me te Hapori

Our success continues to depend on the dedication and skill of our people. Instilling a culture of wellbeing, mahitahi and continuous improvement has been key.

This year, the Trust has invested in staff development and training opportunities connected to management pathways while embedding our values within all levels of our operations.

We also value our partnerships and relationships with other Ngāti Hine entities, community groups and Māori organisations, funders, enablers and supporters.

We acknowledge and thank our partners, kaimahi and contractors for their commitment to excellence and safety, and for upholding high standards in their mahi.

## Te Tirohanga Whakamua

As we look to 2025–2026, our priorities are clear:

- To continue empowering our people to lead in forestry, whenua and environmental restoration, horticulture and honey.
- To advance native species integration and sustainable land-use diversification.
- To deliver on the agreed returns to shareholders, and continued engagement opportunities.
- To continue careful development of our honey business.
- To strengthen digital systems and data capability to support planning and decision-making.
- To deepen participation in the carbon and biodiversity markets while safeguarding cultural integrity and environmental values.

The coming years will require agility and innovation, but with unity, strong governance, and purpose-driven leadership, the Trust is well-positioned for continued growth and resilience.

My sincere thanks to our Board of Trustees for their strategic leadership and unwavering support. To our kaimahi and contractors – thank you for your hard work and dedication throughout the year. To our beneficial owners — thank you for your trust and support.

Together, we continue to uphold the vision of our tupuna: to protect, grow, and sustain the whenua for the wellbeing of our people and our future generations.

Mauri ora ki a tātou!  
Nā, Heidi Mackey

**Trustees' Recommendations to be  
considered by the  
Beneficial Owners  
at the  
2025 Annual General Meeting**

**The Trustees recommend that the Beneficial Owners:**

1. Accept the minutes of the 2024 AGM on 23 November 2024 as a true and accurate record of that meeting
2. Receive the 2025 Annual Report
3. Receive the audited 2024/2025 Financial Statements
4. Authorise the Trustees to appoint BDO Kerikeri, or equivalent, as auditors for the 2025/26 financial year
5. Approve a one-off koha to be made to shareholders as follows:
  - a. To kaumatua and kuia 60+ years physically present at the AGM the sum of \$200.
6. Approve that the Trust issues a direction under section 220A of Te Ture Whenua Māori Act to register all present and future land titles vested in the Trustees in the name of Ngāti Hine Forestry Trust, including Tororoa farm
7. Approve that the Trust apply to the Māori Land Court to vary the Trust as follows:
  - a) **To remove clauses 7.6, 7.7 & 7.8 and replace them with the following:**

**7.7 Grants for the benefit of Beneficial Owners and their uri**

- 7.7.1 Providing the Trustees are satisfied that there are sufficient reserves set aside under clause 7.5 hereof, the Trustees must allocate a percentage of net operating profit after tax in each financial year to be distributed in grants in accordance with clause 7.7 and its subclauses.

**Trustees' Recommendations to be  
considered by the  
Beneficial Owners  
at the  
2025 Annual General Meeting**

- 7.7.2 The default annual percentage that is available for distributing as grants is 10%. This percentage may be increased or decreased by the Trustees in any year, in accordance with a Grant Distribution Policy.
- 7.7.3 The Trustees may, at their discretion, approve grant applications for the benefit of Beneficial Owners or descendants of Beneficial Owners up to the amount set aside for this purpose, in accordance with the Grant Distribution policy which may include (without limitation):
- (a) Kaumatua and kuia support
  - (b) Educational, vocational and training assistance
  - (c) Marae Capital Building Projects
  - (d) Community grants and sponsorship (such as Te Ahuareka festival, kura, kohanga reo and sports clubs within the rohe)
- 7.7.4 The Grant Distribution Policy, and any proposed change to it by the Trustees, must be authorised by resolution of the Beneficial Owners at a general meeting.
- 7.7.5 Uncommitted funds in any one year will be held and distributed the following year(s) for this purpose.
- 7.7.6 All such expenditure must be reported to the owners in the annual report and the financial report at the first Annual General Meeting after the expenditure has occurred or has been committed.



**Amos Cook**  
**Chief Financial Officer**

This year has been about more than just numbers – it's been about building trust, strengthening foundations, and ensuring decisions are made with care. The focus has been on building financial independence, ensuring fairness, working in partnership, and preserving/enhancing future earnings.



**Prinni Livingstone**  
**Rau Tautoko**

I would like to take this opportunity to acknowledge each of you, our whānau-shareholders. Your ongoing engagement and presence remain central to the Trust's mahi, guiding us as we move forward together. Over the past year, I transitioned into a new role focused on strengthening engagement with our whānau-shareholders, hapu, marae and the wider community.

Key highlights for the year include:

- Puna Whakaaro Hui, where whānau-shareholders generously shared their lived experiences and whakaarō about the trust direction
- Supporting whānau access to Māori Land Court records
- Teaching new whānau each year how to manage the registration table, to promote knowledge within our whānau-shareholders
- Assisting whānau-shareholders with Kaumātua and Kuia koha payments and one-off shareholder koha applications



**Nola Sooner**  
**Administration Services Manager**

I began working for Ngati Hine Forestry Trust in Year 2023 as Board Secretary to the Board of Trustees. In March 2025 I increased my hours of mahi and was appointed Administration Services Manager. I am generally based down in the Whangarei office but travel up to Moerewa and elsewhere in the Ngati Hine rohe for meetings when required.

Highlights:

- Learning about the history of Ngati Hine Forestry Trust.
- Meeting shareholders at the AGM and other hui.
- Working with dedicated staff to improve services on behalf of shareholders.
- Our orchards produce the best Kiwifruit I've ever tasted!
- Attending the Ngati Hine FM Pink Ribbon Breakfast task-master themed, team-building event where \$1022 was raised for Breast Cancer.

NGĀ RINGA RAUPA  
O TE TARI



# WHAKAPĀ MAI



## Engagement and Communications

### Tākoha Ropati

### Pūkenga Whakawhiti Korero

Ngāti Hine Forestry Trust's communications continue to strengthen connections with shareholders, trustees, kaimahi, and the wider Ngāti Hine whānau.

Our focus has been on transparency, storytelling, and visibility, highlighting our people, our whenua, and our collective efforts through a consistent multi-channel approach: website, newsletters, video capture, and social media engagement.

## CONNECT WITH US



**Website:** [www.ngatihine.maori.nz](http://www.ngatihine.maori.nz)



**Email:** [info@ngatihine.maori.nz](mailto:info@ngatihine.maori.nz)



**Ph:** (09) 459 6425



**Follow us on Facebook**  
Ngāti Hine Forestry Trust



### Visit our offices

- 5 Walton Street, Whāngarei
  - 65 Main Road, Moerewa
- Kaimahi on-site every Tuesday.



**Whakaahua:** Prinni Livingstone with Cilla Brown



TE PŪRONGO AHUMONI  
**FINANCIAL REPORT,  
AUDIT AND  
CONSOLIDATED  
FINANCIAL  
STATEMENTS**  
FOR THE YEAR ENDED 30 JUNE 2025

## Financial Report – Year Ended 30 June 2025

The Ngāti Hine Forestry Trust Group is pleased to present its financial report for the year ended 30 June 2025. This year's results reflect a strong and stable performance, underpinned by our commitment to prudent financial management and the sustainable development of our whenua and resources.

With a net surplus of \$1.64 million, the Trust continues to build resilience and long-term value for our shareholders. Key contributors include the kiwifruit orchards, carbon revenue, forestry lease, and strategic investments in workforce capability. While challenges remain, the Trust is well-positioned to pursue new opportunities and value-add initiatives.

This report outlines our financial performance & position, audit outcomes, and strategic direction, reaffirming our focus on delivering enduring benefits for our people and whenua.

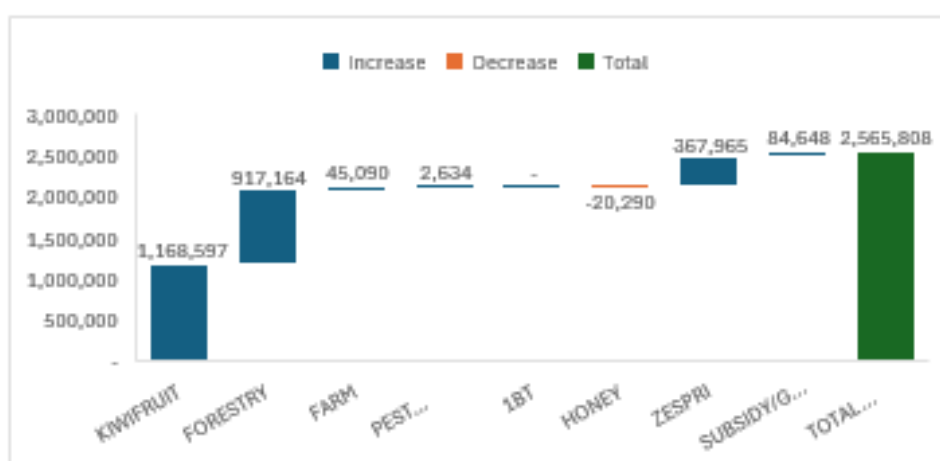
### 1. FINANCIAL PERFORMANCE

Key Metrics	2025	2024	Change
Net Profit (Loss)	1,643,250	1,105,554	48.6%
Total Revenue	2,565,808	1,833,371	40.0%
Total Equity	33,756,475	32,120,225	5.1%

#### Key contributors

- **Kiwifruit Orchards:** \$1.17m profit from lease income and profit share with Seeka
- **Forestry:** \$917k profit, supported by Crown lease income and ETS revaluation.
- **DOC Pest Control:** \$2.6k surplus, project completed successfully.
- **Farm Operations:** \$45k profit, driven by strong milk solids price (\$10/kg)  
Total milk solids produced were 50,260 kg.
- **Honey Division:** \$20k loss due to hive expansion and increased costs.
- **1BT Programme:** Continued investment in native forest transition
- **Other Income:** Includes Zespri dividends, grants and training subsidies.

#### Division net profit/Total Income



## Expenses

Expenses	2025	2024	Change
Finance & Occupancy	102,960	135,959	-24.3%
Administration	246,235	201,904	22.0%
Operating	573,363	389,955	47.0%
Total Expenses	922,558	727,818	26.8%

Operating and administration expenses increased in FY2025 to \$922,558 (2024: \$727,818), reflecting strategic investments in workforce capability. The largest contributor was salaries and wages, driven by the expansion of in-house teams for orchard maintenance and forestry services. While this represents a short-term cost increase, it is expected to reduce reliance on external contractors and improve margins over time.

Finance and occupancy costs decreased by 24%, primarily due to lower interest and rental expenses. Overall, the expense profile aligns with the Trust's long-term strategy to build internal capacity and support sustainable growth.

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## 2. FINANCIAL POSITION

### Balance Sheet

The Trust remains in a strong financial position, with total assets of \$40.86m and total liabilities of \$6.9m, resulting in net equity of \$33.8m.

Our asset base includes whenua, orchards, forests, and carbon credits, providing a strong foundation for future growth. Liabilities include \$4.7m in loans for orchard development and \$2.2m in operating deficits held by Seeka.



Assets are equal to liabilities plus equity

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## 3. AUDIT & COMPLIANCE

BDO Northland has completed the annual audit of the Ngāti Hine Forestry Trust Group for the financial year ended 30 June 2025. The audit resulted in an **unmodified (clean) audit opinion**, confirming that the financial statements present a true and fair view of the Trust's financial position and performance. No significant issues were identified in relation to revenue recognition or management override, and all material misstatements were corrected.

While some minor internal control improvements were recommended these did not materially affect the audit outcome. The Trust's governance, financial systems, and reporting processes were found to be sound, with no instances of fraud, non-compliance, or disagreements with management reported.

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## 4. CHALLENGES & OPPORTUNITIES

### Challenges

- **Scale Constraints:** While current cash flow levels allow the Trust to meet short-term obligations, limited resources continue to restrict the ability to scale operations effectively.
- **ETS price volatility affects profit.**
- **Kiwifruit Market Uncertainty:** Profit share outcomes depend heavily on Seeka's performance and global kiwifruit demand.
- **Portfolio Concentration:** The asset base is heavily weighted toward fixed assets, with value only realized upon sale. Greater diversification could improve cash flow, support operational growth, and enhance shareholder returns.

### Opportunities

- **Carbon Farming Expansion:** Transitioning additional land into carbon farming offers long-term sustainability and increased ETS revenue.
- **Kiwifruit Growth:** Strong outlook for orchard harvest volumes and profit share agreements, with development costs expected to decline over the next two years.
- **Workforce Capability:** Expanding in-house teams for orchard and forestry management will reduce reliance on contractors and improve margins.
- **Diversification & Value-Add:** Opportunities exist to expand into processing, honey production, and active forest management to create new revenue streams.

While the Trust continues to grow its financial strength, we face challenges that require careful navigation. Market volatility, limited liquidity, and reliance on external partners present risks to our long-term aspirations. However, these are balanced by exciting opportunities — expanding carbon farming, strengthening our ~~kaimahi~~, and diversifying income through honey and forestry initiatives. By investing in our people and whenua, we can build resilience and deliver enduring value for our whānau & shareholders

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## 5. OUTLOOK

As the Trust enters the 2025/26 financial year, it does so with a strong and resilient foundation built not only on financial performance, but also on sound governance, operational capability, and strategic foresight. The transition to in-house financial management has enhanced control, reduced costs, and improved responsiveness. New systems, including payroll, have increased transparency and fairness for ~~kaimahi~~, while workforce expansion and ~~Safetree~~ accreditation reflect a deepening commitment to safety and sustainability. Improved orchard profit forecasting has also supported more informed planning.

Looking ahead, the focus remains on improving financial systems, strengthening reporting, and planning for long-term sustainability. Opportunities include expanding carbon farming and optimizing orchard operations as development costs decline. Continued investment in workforce capability and value-add initiatives such as honey processing and contract services will help diversify income streams. While challenges such as liquidity management and market volatility persist, the Trust is well-positioned to build financial independence and deliver value for shareholders.

## INDEPENDENT AUDITOR'S REPORT TO THE BENEFICIARIES OF NGATI HINE FORESTRY TRUST GROUP

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

#### Opinion

We have audited the consolidated financial statements of Ngati Hine Forestry Trust Group ("the Group"), which comprise the balance sheet as at 30 June 2025, and the combined statement of profit or loss and statement of changes in equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group for the year ended 30 June 2025 are prepared, in all material respects, in accordance with Chartered Accountants Australia and New Zealand's Special Purpose Financial Reporting Framework for use by For-Profit Entities ("the CAANZ Framework").

#### 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 we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

#### Emphasis of Matter - Basis of Accounting and Restriction on Distribution and Use

We draw attention to Note 1 to the consolidated financial statements, which describes the basis of accounting. The consolidated financial statements are prepared solely for the Group's beneficiaries, as a body. As a result, the consolidated financial statements may not be suitable for another purpose. Our report is intended solely for the Group and the Group's beneficiaries, as a body, and should not be distributed to or used by parties other than the Group or the Group's beneficiaries. Our opinion is not modified in respect of this matter.

KERIKERI PARTNERS: Solomon Dalton Angela Edwards Joanne Roberts

WHANGAREI PARTNERS: Greg Atkins Scott Kennedy Adelle Wilson

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### **Other Information**

The Trustees are responsible for the other information. The other information obtained at the date of this auditor's report is information contained in the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Trustees' Responsibilities for the Consolidated Financial Statements**

The Trustees are responsible for the preparation of the consolidated financial statements in accordance with the CAANZ Framework and for such internal control as the Trustees determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Trustees are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group 's internal control. Evaluate
- the appropriateness of accounting policies used and the reasonableness of
- accounting estimates and related disclosures made by trustees.

Conclude on the appropriateness of the use of the going concern basis of accounting by the Trustees and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group 's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

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

#### Who we Report to

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

Signed by:  
  
 CB88014FAB782C88

**BDO Northland**

Kerikeri

New Zealand

Date: 28October 2025

# **Ngati Hine Forestry Trust Group - Annual Report**

Ngati Hine Forestry Trust Group  
For the year ended 30 June 2025

# Contents

Directory

Approval of Financial Report

Divisional Statement of Profit or Loss - Forestry

Divisional Statement of Profit or Loss - Honey

Divisional Statement of Profit or Loss - Kiwifruit Orchards

Divisional Statement of Profit or Loss - 1BT

Divisional Statement of Profit or Loss - Nursery

Divisional Statement of Profit or Loss - DOC Pest Control

ProductionReport - Farm

Divisional Statement of Profit or Loss - Farm

Combined Statement of Profit or Loss

Statement of Changes inEquity

Balance Sheet

Notes to the Financial Statements

DepreciationSchedule

DepreciationSchedule

Independent Auditors Report

# Directory

## Ngati Hine Forestry Trust Group For the year ended 30 June 2025

### Nature of Business

Administration, ownership of land for afforestation, horticulture, manuka honey, nutraceuticals and agriculture

### Address

5 Walton Street  
Whangarei

### Trust Formation Date

23 December 1974

### Trustees

Pita Tipene (Chairman)  
Lynden Bristowe  
Kawiti Brown  
Michael Butler  
Jane Frances  
Waihoroi Hoterene  
Maxine Shortland

### Group Members

Ngati Hine Forestry Trust  
Hineora Limited  
Ngati Hine Forestry Charitable Trust (currently dormant)



### Beneficiaries

Ngati Hine H2B Beneficiaries as per list held by the Maori Land Court



### Chartered Accountant

Sumpter Baughen Chartered Accountants Limited

### Bankers

Westpac NZ Ltd

### Solicitors

ThomsonWilson Law

### Auditor

BDO Kerikeri

# Approval of Financial Report

## Ngati Hine Forestry Trust Group For the year ended 30 June 2025

The Trustees are pleased to present the approved financial report including the historical consolidated financial statements of Ngati Hine Forestry Trust Group for year ended 30 June 2025.

APPROVED

For and on behalf of the Trustees

Signed by:  
  
CE1D859D9200C22D

~~Pita Tipene (Trustee and Chairman)~~ Mike Butler (Trustee)

Date..2..8.../...1...0../...2...0..2...5.....

Signed by:  
  
B01C8BAFA8D2ADEE

(Trustee)

Date..2..8.../...1...0../...2...0..2...5.....

# Divisional Statement of Profit or Loss - Forestry

## Ngati Hine Forestry Trust Group

For the year ended 30 June 2025

	NOTES	2025	2024
<b>Trading Income</b>			
Emissions Trading Scheme - Revaluation NZU's	20	645,976	797,755
Emissions Trading Scheme - Non Taxable Gain on Sale		88,717	-
Rent - Crown		270,027	269,518
<b>Total Trading Income</b>		<b>1,004,719</b>	<b>1,067,273</b>
<b>Other Income</b>			
Co-Funding Flora and Fauna	8	-	11,499
Contract Services		41,777	21,177
<b>Total Other Income</b>		<b>41,777</b>	<b>32,675</b>
<b>Total Income</b>		<b>1,046,496</b>	<b>1,099,948</b>
<b>Expenses</b>			
<b>Operating Expenses</b>			
Audit Fees		1,065	-
Communications & Marketing		652	-
Depreciation		2,099	2,196
Forestry Consultants		2,292	19,761
Forestry Equipment		3,987	450
Health and Safety		3,800	1,702
Insurance		44,891	31,562
Motor Vehicle		14,182	-
Office Expenses		247	-
Repairs and Maintenance		10,358	19,916
Salaries & Wages		42,892	12,398
Training Programme		1,560	-
Trustees Fees		-	6,400
Trustees Meeting Expenses	17	1,308	-
Trustees Travel Expenses		-	2,049
<b>Total Operating Expenses</b>		<b>129,333</b>	<b>96,433</b>
<b>Total Expenses</b>		<b>129,333</b>	<b>96,433</b>
<b>Profit (Loss) Before Taxation</b>		<b>917,164</b>	<b>1,003,516</b>

These financial statements are to be read in conjunction with the accompanying Notes. These statements have been audited.

# Divisional Statement of Profit or Loss - Honey

## Ngati Hine Forestry Trust Group

For the year ended 30 June 2025

	NOTES	2025	2024
<b>Trading Income</b>			
Honey Sales		80,719	98,167
Land Lease Received		132,683	88,481
Pollination		78,064	-
<b>Total Trading Income</b>		<b>291,466</b>	<b>186,647</b>
<b>Cost of Sales</b>			
Opening Stock		-	163,685
Stock Impairment Allowance		-	(65,519)
<b>Total Cost of Sales</b>		<b>-</b>	<b>98,167</b>
<b>Gross Profit</b>		<b>291,46</b>	<b>88,48</b>
<b>Total Income</b>		<b>6</b>	<b>1</b>
<b>Expenses</b>		<b>291,46</b>	<b>88,48</b>
<b>Operating Expenses</b>		<b>6</b>	<b>1</b>
Bee Health		51,411	12,180
Depreciation		45,976	11,638
Drum Storage		-	4,460
Electricity - Office		1,282	-
Freight & Cartage		2,189	10,543
Health and Safety		2,461	848
Honey Extraction		26,577	-
Lab Testing - Honey		1,453	-
Management Costs - Honey Project		43	11,857
Motor Vehicle		19,037	5,942
Office Expenses		348	-
Operating Expense		18,333	3,843
Printing Stationery & Typing		-	386
Repairs and Maintenance		281	1,152
Salaries & Wages		123,492	8,418
Shed Expenses		86	-
Subscriptions		1,437	1,081
Telephone & Internet		545	39
Training Programme		16,432	-
Travel		234	-
Weed and Pest control		139	-
<b>Total Operating Expenses</b>		<b>311,756</b>	<b>72,388</b>
		<b>311,756</b>	<b>72,388</b>
<b>Total Expenses</b>			
<b>Profit (Loss) Before Taxation</b>		<b>(20,290)</b>	<b>16,093</b>

These financial statements are to be read in conjunction with the accompanying Notes. These statements have been audited.

# Divisional Statement of Profit or Loss - Kiwifruit Orchards

## Ngati Hine Forestry Trust Group For the year ended 30 June 2025

	NOTES	2025	2024
<b>Trading Income</b>			
Lease - Orchard Ahikiwi		42,700	42,700
Lease - Orchard Ahuareka		56,300	56,433
Lease - Orchard Paparata		63,483	66,201
Lease - Orchard Pukerau		39,675	38,392
Lease - Orchard TeAraKopeka		42,525	42,525
Lease - Orchard Te Tara Kowhai		67,733	68,100
Profit Share - Orchard Ahikiwi		368,229	184,272
Profit Share - Orchard Ahuareka		326,378	289,514
Profit Share - Orchard Pukerau		-	20,033
Profit Share - Orchard Te AraKopeka		122,690	-
Rent - Orchard House		-	18,200
<b>Total Trading Income</b>		<b>1,129,713</b>	<b>826,370</b>
<b>Other Income</b>			
Contract Services		372,026	250,386
MSD Wages Grant		34,686	-
<b>Total Other Income</b>		<b>406,712</b>	<b>250,386</b>
<b>Total Income</b>		<b>1,536,426</b>	<b>1,076,755</b>
<b>Expenses</b>			
<b>Operating Expenses</b>			
Audit Fees - Review & Consultancy		1,100	-
Consultancy		-	3,918
Depreciation		148,737	146,097
Health and Safety		1,261	500
Insurance		2,182	4,315
Interest - Bank Overdraft		233	834
Interest - Term Loans		323,483	434,029
Legal Fees		-	2,798
Losses on Sale		10,870	-
Management Fee HousingPortfolio		-	1,795
Motor Vehicle		31,143	7,013
Office Expenses		352	-
Office Expenses - Catering		410	-
Orchard Costs		500	2,416
Orchard Expenses - Non Deductible		(774,375)	(255,937)
Rates - Land & Water	26	7,968	3,800

These financial statements are to be read in conjunction with the accompanying Notes. These statements have been audited.

## Divisional Statement of Profit or Loss - Kiwifruit Orchards

	NOTES	2025	2024
Repairs and Maintenance		9,702	10,401
Salaries & Wages		595,300	272,563
Staff Expenses		123	395
Telephone & Internet		1,156	-
Training Programme		6,936	-
Travel		350	8,489
Trustees Fees	17	400	4,400
Trustees Meeting Expenses		-	49
Trustees Travel Expenses		-	446
<b>Total Operating Expenses</b>		<b>367,828</b>	<b>648,322</b>
<b>Total Expenses</b>		<b>367,828</b>	<b>648,322</b>
<b>Profit (Loss) Before Taxation</b>		<b>1,168,597</b>	<b>428,433</b>

These financial statements are to be read in conjunction with the accompanying Notes. These statements have been audited.

# Divisional Statement of Profit or Loss - 1BT

## Ngati Hine Forestry Trust Group

For the year ended 30 June 2025

	NOTES	2025	2024
<b>Trading Income</b>			
MPI Funding		405,850	681,804
<b>Total Trading Income</b>		<b>405,850</b>	<b>681,804</b>
<b>Total Income</b>		<b>405,850</b>	<b>681,804</b>
<b>Expenses</b>			
<b>Operating Expenses</b>			
Accountancy		-	49,264
Administration Costs		650	661
Consultancy		3,933	7,040
Contractors & Materials -1BT SitePrep, Planting &Maintenance		11,838	36,251
Health and Safety		4,383	-
Indigenous Forest Trials -PlantGrowingand Care		15,011	33,599
Indigenous Forest Transition Strategy		4,960	12,421
Motor Vehicle		15,785	12,000
Office Expenses		614	5,253
Plant Purchases		5,600	8,225
Project Administration & Management Costs		78,609	130,137
Raising Seedlings		71	-
Raising Seedlings - Nursery Materials		3,114	4,499
Regulatory Review		17,391	-
Repairs and Maintenance		193	2,629
Replant Trees		-	3,140
Salaries & Wages		121,047	177,755
Seeds & Collection		-	14,580
Telephone & Internet		582	-
Travel		-	2,231
Trustees Fees		1,600	8,000
Trustees Meeting Expenses	17	1,048	486
Trustees Travel Expenses		-	3,367
Wananga and Hui Costs		38,022	77,035
<b>Total Operating Expenses</b>		<b>324,451</b>	<b>588,573</b>
		<b>324,451</b>	<b>588,573</b>
<b>Total Expenses</b>			
<b>Profit (Loss) Before Taxation</b>		<b>81,399</b>	<b>93,230</b>

These financial statements are to be read in conjunction with the accompanying Notes. These statements have been audited.

# Divisional Statement of Profit or Loss - Nursery

## Ngati Hine Forestry Trust Group For the year ended 30 June 2025

	NOTES	2025	2024
<b>Total Income</b>		-	-
<b>Expenses</b>			
<b>Operating Expenses</b>			
Contractors & Materials -1BT SitePrep, Planting &Maintenance		-	2,143
Motor Vehicle		1,671	1,223
Office Expenses		1,371	489
Raising Seedlings		41	6,252
Raising Seedlings - Nursery Materials		-	1,090
Repairs and Maintenance		670	4,192
Salaries & Wages		77,647	28,503
Seed Collection		-	143
Telephone & Internet		-	415
<b>Total Operating Expenses</b>		<b>81,399</b>	<b>44,449</b>
<b>Total Expenses</b>		<b>81,399</b>	<b>44,449</b>
<b>Profit (Loss) Before Taxation</b>		<b>(81,399)</b>	<b>(44,449)</b>

These financial statements are to be read in conjunction with the accompanying Notes. These statements have been audited.

# Divisional Statement of Profit or Loss - DOC Pest Control

**Ngati Hine Forestry Trust Group**  
**For the year ended 30 June 2025**

	NOTES	2025	2024
<b>Trading Income</b>			
DOC Jobs for Nature Funding		170,241	287,320
<b>Total Trading Income</b>		<b>170,241</b>	<b>287,320</b>
<b>Total Income</b>		<b>170,241</b>	<b>287,320</b>
<b>Expenses</b>			
<b>Operating Expenses</b>			
Accountancy		-	2,229
Consultancy		-	10,000
Health and Safety		519	4,913
Motor Vehicle		181	2,151
Office Expenses		-	564
Operating Expense		-	78
Pest Control		2,300	7,888
Raising Seedlings		(38)	-
Repairs and Maintenance		38	265
Salaries & Wages		164,208	257,739
Trustees Fees		400	1,200
Trustees Travel Expenses	17	-	294
<b>Total Operating Expenses</b>		<b>167,607</b>	<b>287,320</b>
<b>Total Expenses</b>		<b>167,607</b>	<b>287,320</b>
<b>Profit (Loss) Before Taxation</b>		<b>2,634</b>	<b>-</b>

These financial statements are to be read in conjunction with the accompanying Notes. These statements have been audited.

# Production Report - Farm

## Ngati Hine Forestry Trust Group

For the year ended 30 June 2025

	2025		2024	
	KgMS	Total \$	KgMS	Total \$
<b>Monthly Production</b>				
July	203	1,216	21	128
August	4,416	28,553	1,832	9,344
September	5,851	43,513	4,376	22,329
October	7,617	56,976	6,311	36,507
November	7,432	63,723	6,246	39,648
December	6,042	74,338	5,708	32,824
January	5,187	44,113	5,836	33,512
February	4,775	40,603	4,745	39,482
March	4,836	41,116	4,184	43,120
April	3,532	30,013	2,938	19,275
May	369	15,702	867	5,401
June	-	-	-	-
<b>Current Season Total Income</b>	<b>50,260</b>	<b>439,866</b>	<b>43,064</b>	<b>281,573</b>
<b>Last Season Deferred Income</b>				
July		15,062		19,630
August		15,064		19,630
September		-		20,504
October		13,287		-
June		12,251		12,770
<b>Gross Income from Milk Production</b>		<b>495,531</b>		<b>354,106</b>

These financial statements are to be read in conjunction with the accompanying Notes. These statements have been audited.

# Divisional Statement of Profit or Loss - Farm

## Ngati Hine Forestry Trust Group

For the year ended 30 June 2025

	NOTES	2025	2024
<b>Trading Income</b>			
Dairy Produce (Milk) Gross Surplus		495,531	354,106
Volume Charge		455	327
Sharemilkers Share		(247,992)	(177,355)
<b>Total Trading Income</b>		<b>247,994</b>	<b>177,078</b>
<b>Gross Profit</b>		<b>247,994</b>	<b>177,078</b>
<b>Other Income</b>			
Contract Services		-	14,400
Sundry Farm Income		-	9,600
<b>Total Other Income</b>		<b>-</b>	<b>24,000</b>
<b>Total Income</b>		<b>247,994</b>	<b>201,078</b>
<b>Expenses</b>			
<b>Farm Working Expenses</b>			
Animal Health		3,470	391
Dairy NZ Levies		1,082	1,292
Farm working - General		5,492	3,530
Feed		37,103	27,286
Fertiliser		48,471	63,134
Herd Improvement - Calf rearing		-	5,548
Seeds		18,423	-
Shed Expenses		-	1,738
Soil Testing		254	494
Weed and Pest control		5,836	14,535
<b>Total Farm Working Expenses</b>		<b>120,131</b>	<b>117,949</b>
<b>Repairs and Maintenance</b>			
Farm Buildings		1,773	34,340
Drainage		800	-
Forestry		-	827
Other Land Maintenance		1,666	24,208
Plant & Equipment		-	11,285
Other Repairs and Maintenance		2,400	2,222
Tracks and Races		-	21,763
Water Supply		685	9,806
Yards, Gates & Fences		14,849	6,196
<b>Total Repairs and Maintenance</b>		<b>22,173</b>	<b>110,648</b>

These financial statements are to be read in conjunction with the accompanying Notes. These statements have been audited.

	NOTES	2025	2024
<b>Operating Expenses</b>			
Consultancy		15	-
Depreciation		32,137	31,976
Electricity		-	1,364
Freight & Cartage		800	-
Health and Safety		(155)	243
Insurance		9,755	9,046
Interest		-	38
Motor Vehicle		-	2,643
Office Expenses		63	159
Penalties - Non Deductible		1,610	-
Rates - Land & Water		16,189	22,202
Salaries & Wages		187	1,238
Security		-	3,450
Trustees Fees		-	1,200
Trustees Travel Expenses	17	-	413
<b>Total Operating Expenses</b>		<b>60,601</b>	<b>73,970</b>
<b>Total Expenses</b>		<b>202,904</b>	<b>302,566</b>
<b>Profit (Loss) Before Taxation</b>		<b>45,090</b>	<b>(101,488)</b>

The farming operation is linked to the two properties located at Matawaia Maromaku Road and Taikirau Road. The property at Matawaia Maromaku Road will be used as a Nursery and Carbon Farm. The property at Taikirau Road is a Dairy unit.

These financial statements are to be read in conjunction with the accompanying Notes. These statements have been audited.

# Combined Statement of Profit or Loss

## Ngati Hine Forestry Trust Group For the year ended 30 June 2025

	NOTES	2025	2024
<b>Divisional Revenue</b>			
Profit from Forestry		917,164	1,003,516
Profit (Loss) from Honey		(20,290)	16,093
Profit from Kiwifruit Orchards		1,168,597	428,433
Profit from 1BT		81,399	93,230
Loss from Nursery		(81,399)	(44,449)
Profit from DOC Pest Control		2,634	-
Profit (Loss) from Farm		45,090	(101,488)
<b>Total Divisional Revenue</b>		<b>2,113,195</b>	<b>1,395,335</b>
<b>Other Income</b>			
Adjustment of KFI JV Investment	14	(940)	19,133
Contract Services		17,472	-
Dividends Received		367,965	412,121
Interest Received		270	6,574
Rent - Orchard House		14,798	-
Sundry Income		53,048	208
<b>Total Other Income</b>		<b>452,613</b>	<b>438,036</b>
<b>Total Income</b>		<b>2,565,808</b>	<b>1,833,371</b>
<b>Expenses</b>			
<b>Operating Expenses</b>			
AGM/SGM Expenses	10	10,867	32,032
Cleaning		315	4,265
Consultancy		70,207	70,883
Electricity - Office		3,192	4,875
Equipment Hire		-	257
Feasibility Expense		-	1,220
Health & Safety		-	3,500
Management Fee Housing Portfolio		481	-
Motor Vehicle		11,023	38,262
Repairs and Maintenance		2,763	1,037
Salaries & Wages		466,402	223,114
Share of Losses from KFI JV		4,985	5,085
Staff Expenses	14	334	-
Travel		1,073	5,424
Training Programme		1,720	-
<b>Total Operating Expenses</b>		<b>573,363</b>	<b>389,955</b>

These financial statements are to be read in conjunction with the accompanying Notes. These statements have been audited.

	NOTES	2025	2024
<b>Administration Expenses</b>			
Accident Compensation Levy		2,379	1,506
Accountancy		19,132	43,289
Administration Costs		4,230	5,599
Archiving Project		8,618	-
Audit Fees		16,275	13,275
Audit Fees - Review & Consultancy		122	-
Bank Fees		1,201	1,140
Computer and IT		25,067	9,370
FBT		7,851	9,419
Legal Fees		8,963	16,991
Legal Fees - Non-Deductible		3,510	-
Non-Deductible Expenditure		290	-
Office Expenses		22,996	26,374
Printing Stationery & Typing		5,099	1,058
Security		648	447
Subscriptions		7,034	2,095
Tax Penalties		223	-
Telephone & Internet		1,676	2,711
Trustees Fees		66,000	49,200
Trustees Meeting Expenses	17	10,103	5,868
Trustees Travel Expenses		34,817	13,560
<b>Total Administration Expenses</b>		<b>246,235</b>	<b>201,904</b>
<b>Finance &amp; Occupancy Expenses</b>			
Depreciation		38,087	50,031
Insurance		37,982	38,322
Interest		4,100	12
Rent - Office Whg		10,833	44,821
Rates - Land & Water		11,958	2,773
<b>Total Finance &amp; Occupancy Expenses</b>		<b>102,960</b>	<b>135,959</b>
<b>Total Expenses</b>		<b>922,558</b>	<b>727,818</b>
<b>Profit (Loss) Before Taxation</b>		<b>1,643,25</b>	<b>1,105,55</b>
<b>Net Profit (Loss) for the Year</b>		<b>0</b>	<b>4</b>
		<b>1,643,25</b>	<b>1,105,55</b>
		<b>0</b>	<b>4</b>

These financial statements are to be read in conjunction with the accompanying Notes. These statements have been audited.

# Statement of Changes in Equity

## Ngati Hine Forestry Trust Group

For the year ended 30 June 2025

	NOTES	2025	2024
<b>Trust Equity</b>			
Opening Balance	9	32,120,225	31,014,671
<b>Movements</b>			
Net Profit (Loss)	9	1,643,250	1,105,554
Beneficiary Distributions - Capital	9	(7,000)	-
<b>Total Movements</b>		<b>1,636,250</b>	<b>1,105,554</b>
<b>Total Trust Equity</b>		<b>33,756,475</b>	<b>32,120,225</b>

These financial statements are to be read in conjunction with accompanying Notes. These statements have been audited.

# Balance Sheet

## Ngati Hine Forestry Trust Group As at 30 June 2025

	NOTES	30 JUN 2025	30 JUN 2024
<b>Current Assets</b>			
<b>Cash and Bank</b>			
Westpac Business Trading Acct		182,960	-
Westpac Manuka TrainingMPI		-	14,592
Westpac On Call Account		17,110	319
Westpac NZ Ltd - Hineora Limited		49,946	49,646
<b>Total Cash and Bank</b>		<b>250,016</b>	<b>64,557</b>
			254,279
Trade and Other Receivables	11	791,827	67,417
Income Tax Receivable	4	65,097	-
Potential Purchase of Farm - Costs to Date		3,144	1,111
Provision for Crown Forestry Reimbursement		1,111	<b>387,364</b>
<b>Total Current Assets</b>		<b>1,111,195</b>	
<b>Current Liabilities</b>			
<b>Cash and Bank</b>			
Westpac Business Trading Acct	7	-	162,244
<b>Total Cash and Bank</b>		<b>-</b>	<b>162,244</b>
		130,395	130,937
Trade and Other Payables	12	82,836	30,481
Employee Entitlements		32,535	284
GST Payable		8,306	8,235
Income in Advance	13	444,935	243,328
Loans	7	9,253	9,253
Provision for Protection of Flora and Fauna	8	-	58,841
Tagged Funding - DOC Funds for Nature	25	27,291	27,443
Tagged Funding - MPI	25		
<b>Total Current Liabilities</b>		<b>735,551</b>	<b>671,047</b>
<b>Working Capital</b>		<b>375,644</b>	<b>(283,683)</b>

These financial statements are to be read in conjunction with the accompanying Notes. These statements have been audited.

	NOTES	30 JUN 2025	30 JUN 2024
<b>Non-Current Assets</b>			
Investments	6	607,534	607,534
Property, Plant and Equipment (refer Schedule)		31,952,611	32,008,789
Capitalised Cost of Forest		1,088,645	1,088,645
Emissions Trading - NZU's	20	4,723,700	4,604,186
NativeForest Restoration		1,025,083	1,007,143
Orchard Licence	26	378,018	378,018
Orchard Capital Costs	26	130,672	251,554
Tenancy Bond		560	560
Westpac NZ Ltd - Charitable Trust		-	2,022
<b>Total Non-Current Assets</b>		<b>39,906,823</b>	<b>39,948,451</b>
<b>Total Non-Current Assets and Working Capital</b>			
		<b>40,282,468</b>	<b>39,664,768</b>
<b>Non-Current Liabilities</b>			
Loans	7	4,441,000	4,685,175
Seeka Accrual	26	2,084,993	2,859,368
<b>Total Non-Current Liabilities</b>		<b>6,525,993</b>	<b>7,544,543</b>
<b>Net Assets</b>			
		<b>33,756,475</b>	<b>32,120,225</b>
<b>Equity</b>			
Retained Earnings	9	26,155,925	24,519,675
Trust Corpus	9	7,600,550	7,600,550
<b>Total Equity</b>		<b>33,756,475</b>	<b>32,120,225</b>

These financial statements are to be read in conjunction with the accompanying Notes. These statements have been audited.

# Notes to the Financial Statements

## Ngati Hine Forestry Trust Group

### For the year ended 30 June 2025

#### 1. STATEMENT OF ACCOUNTING POLICIES

##### Reporting Entity

The Group consists of the Trust and its wholly owned subsidiaries Hineora Limited being a company incorporated under the Companies Act 1993 and Ngati Hine Forestry Charitable Trust (currently dormant).

Ngati Hine Forestry Trust is a an Ahu Whenua Trust established by a trust deed dated 23 December 1974, and subject to the Trusts Act 2019. Ngati Hine Forestry Trust Group is engaged in the business of administration, ownership of land for afforestation, horticulture, manuka honey, nutraceuticals and agriculture.

Hineora Limited is a wholly owned subsidiary engaged in nutraceuticals.

##### Statement of Compliance and Basis of Preparation

The financial statements have been prepared in accordance with A Special Purpose Framework for use by For-Profit Entities (SPFR for FPEs) published by the New Zealand Institute of Chartered Accountants other than where specified in the accounting policies where the Group has stepped up to New Zealand Equivalents to International Financial Reporting Standards (NZ IFRS).

Ngati Hine Forestry Trust is designated as an Ahu Whenua Trust and accordingly must comply with the Te Ture Whenua Maori Act 1993. There is no statutory requirement under this act or under the Trust Order to prepare financial statements in accordance with Generally Acceptance Accounting Practice. The Trustees identify the Group as for-profit and have elected to prepare consolidated financial statements on a special purpose basis.

The consolidated financial statements have been specifically prepared for income tax purposes and internal use.

The accounting principles recognized as appropriate for measurement and reporting of the Combined Statement of Financial Performance and Statement of Financial Position on a historical cost basis are followed by the trust, unless otherwise stated in the Specific Accounting Policies.

The information is presented in New Zealand dollars. All values are rounded to the nearest \$.

#### Changes in Accounting Policies

There have been no changes in accounting policies. Policies have been applied on a consistent basis with those of the previous reporting period other than where stated.

### Revenue Recognition

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

Sales of goods and services are recognised in the period by reference to the stage of completion of the transaction at the end of the reporting period.

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

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

Dividends received are recognised on receipt, net of non-refundable tax credits.

Donations and Grants with no "use or return" conditions are recorded when cash is received. Donations and grants with "use" or "return" conditions attached are recorded as a liability when cash is received and as conditions are met, the liability is reduced and revenue is recognised.

Profit shares pertaining to the kiwifruit orchards are recognised when the amount of revenue can be reliably measured and they have been determined by Seeka.

Contract revenue is recorded when milestones have been met.

### Receivables

Receivables are stated at their estimated realisable value. Bad debts are written off in the year in which they are identified.

### Inventories

Inventories are stated at the lower of cost, determined on a first-in-first-out basis, and net realisable value; after making estimated allowances for damaged or obsolete stock.

### Income Tax

Income tax is accounted for using the taxes payable method. The income tax expense in the Combined Statement of Profit or Loss represents the estimated current obligation payable to Inland Revenue in respect of each reporting period after adjusting for any variances between estimated and actual income tax payable in the prior reporting period.

### Goods and Services Tax

All amounts are stated exclusive of goods and services tax (GST) except for accounts payable and accounts receivable which are stated inclusive of GST.

### Property, Plant and Equipment

Property, plant and equipment is stated at historical cost less any accumulated depreciation and 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.

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

Depreciation has been calculated using the maximum rates permitted by the Income Tax Act 2007.

Land and buildings were revalued to Government Valuation at 1 September 1998. For financial reporting purposes this now represents deemed cost. The revaluation reserve created in 1998 has been absorbed with the accumulations balance of the Trust.

Kiwifruit licences are included in fixed assets, other than those licences that have not been paid in full, which are showing as non-current assets.

The Ngati Hine Forestry Trust was gifted one pounamu stone on 17 January 1992 and another seven stones on 25 February 1995 from Ngai Tahu. These are classified as heritage assets for the purposes of financial reporting, however, due to the cultural significance of the pounamu it is not appropriate to place a monetary value on them. Therefore, they do not appear on the register of fixed assets.

## Forestry Assets

All planted forestry assets have been recorded at cost including silviculture and development.

Native forest restoration has been treated as an asset on the basis that it will support future earnings from manuka honey and nutraceuticals. The Trustees have split project management related costs associated with the MPI training program as 50% capital and 50% expenditure in the year incurred.

## Intangible Assets

### NZU's Emission Trading

The NZU's are considered an intangible asset and therefore are no longer included as a financial instrument for the current year or the previous year.

The Group has stepped up to NZ IAS 38 and accordingly, units acquired and retained by the Trust are carried at fair value at balance date based on available market prices. Any increase or decrease in value will be captured on an annual basis within the Statement of Financial Performance.

Carbon credits are intangible assets with indefinite useful lives. The useful lives of intangible assets are assessed each year by the Trustees.

## Seeka Accrual

Amounts owed to Seeka as at balance date are reflected as a liability in the consolidated financial statements. This balance includes amounts unpaid on prior harvests and past year's capital costs, if any.

## Marae Grant Distributions

The Ngati Hine Forestry Trust Order makes provision for distributions to be made to Marae (Clause 7.6). A Marae Grants policy was approved by beneficial owners at the Trusts AGM on 18 November 2017. Marae Grant payments are treated as distributions to members and are a deduction from equity. Depending on the tax status of the recipient Marae, the Trust may be required to attach Maori Authority Tax Credits and/or deduct Resident Withholding Tax from any payments made.

## Financial Instruments

### Financial Instruments - Financial Assets

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

#### Amortised cost

Includes assets intended to earn contractual cash flows in the nature of principal and interest payments. Such assets are carried at amortised cost. Gains and losses are recognised in statement of financial performance when the assets are derecognised or impaired, as well as through the amortisation process.

### 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 statement of financial performance when the assets are derecognised or impaired.

### Fair Value

Financial assets not held at amortised cost or cost are held at fair value. 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. Gains and losses are recognised in statement of financial performance for movements in the fair value of the assets and when the assets are derecognised.

### Financial Instruments - Financial Liabilities

Financial liabilities, including borrowings, 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 statement of financial performance.

## Joint Ventures

Ngati Hine Forestry Trust has an interest in joint venture operations where they are entitled to a share of future economic benefits. Ngati Hine Forestry Trust's interest is recorded using the equity method which recognises the share of earnings and distributions received (in the statement of financial performance) and the share of net assets as an investment in joint ventures (in the statement of financial position).

## Basis of Consolidation

Consolidated financial statements are not within the scope of SPFR for FPEs and accordingly the Group has stepped up to NZ IFRS 10 (Consolidated Financial Statements) and NZ IFRS 12 (Disclosure of Interests in Other Entities).

### Controlled entities

Controlled entities are entities controlled by the Group. The Group controls an investee if all three of the following elements are present: power over the investee, exposure to variable returns from the investee, and the ability of the investor to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control. The financial statements of the Group's controlled entities are included in the consolidated financial statements from the date that control commences until the date that control ceases. Subsequent changes in a controlled entity that do not result in a loss of control are accounted for as transactions with owners of the controlling entity in their capacity as owners, within net assets/equity. The financial statements of the controlled entities are prepared for the same reporting period as the controlling entity, using consistent accounting policies.

### Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity accounted associates and jointly-controlled entities are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

## NZ IFRS Accounting Standards Applied

The Group has elected to apply some financial reporting standards that are outside the scope of the Special Purpose Framework. The following is a summary of those financial reporting standards:

NZ IFRS 10 - Consolidated Financial Statements

NZ IFRS 12 - Disclosure of Interests in Other Entities

NZ IAS 38 - Intangible Assets

	2025	2024
<b>2. Tax Reconciliation</b>		
Profit (Loss) Before Taxation	1,643,250	1,105,554
<b>Permanent Differences</b>		
Adjustment of Kiwi JV Investment	940	(19,133)
Co-Funding Floraand Fauna	-	(9,566)
Emissions Trading Scheme - Revaluation NZU's	(645,976)	(797,755)
Emissions Trading Scheme - Non Taxable Gain on Sale	(88,717)	-
Gifts	-	9,476
Holiday Pay Movement	50,108	18,703
Impairment of Stock	-	(65,519)
Imputation Credits to Gross up Dividend	84,141	115,623
Legal Fees - Non Deductible	3,510	-
Non Deductible Expenditure	290	-
Orchard Expenses - Non Deductible	(774,375)	(255,937)
Penalties - Non Deductible	1,610	-
Tax Penalties	223	-
<b>Total Permanent Differences</b>	<b>(1,368,244)</b>	<b>(1,004,107)</b>
	275,005	101,447
Profit (Loss)	(275,005)	(101,447)
Tax Losses Utilised This Year	-	-
Taxable Profit (Loss)	-	-
Tax Expense @17.5%		

The business profit (loss) returned for income tax differs from that shown in the financial statements. The difference has occurred because some figures are not tax deductible for income tax purposes, or other amounts may be required to be separately disclosed in the income tax return. The reconciliation between the two figures is as shown above.

The taxable profit before utilisation of tax losses in 2025, consists of a \$278,752 (2024 \$105,055) profit in Ngati Hine Forestry Trust, a \$(1,725) (2024 \$(3,603)) loss in Hineora Limited and a \$(2,022) (2024 \$(5)) loss in Ngati Hine Forestry Charitable Trust. Due to current year losses or losses brought forward, Ngati Hine Forestry Trust has a tax expense of \$nil (2024 \$nil), Hineora has a tax expense of \$nil (2024 \$nil) and Ngati Hine Forestry Charitable Trust has a tax expense of \$nil (2024 \$nil). Ngati Hine Forestry Charitable Trust is a non-active entity and no tax returns are required.

	2025	2024
<b>3. Tax Losses</b>		
Tax Losses available to carry forward (including imputation credits converted to a loss)	2,382,744	2,178,964
<b>Total Tax Losses</b>	<b>2,382,744</b>	<b>2,178,964</b>

The tax losses carrying forward in 2025 consists of \$1,777,433 of losses plus \$480,808 of current year imputation credits converted to a loss for Ngati Hine Forestry Trust (2024 \$2,056,186) and \$124,503 losses for Hineora (2024 \$122,778).

	2025	2024
<b>4. Income Tax</b>		
<b>Opening Balance</b>		
Opening Balance	(67,417)	(107,115)
<b>Total Opening Balance</b>	<b>(67,417)</b>	<b>(107,115)</b>
<b>Increases</b>		
Refunds	67,417	107,115
<b>Total Increases</b>	<b>67,417</b>	<b>107,115</b>
<b>Decreases</b>		
Income Tax - Dividend Withholding Credits	65,054	58,533
Income Tax - Imputation Credits Received	84,141	115,623
Income Tax - RWT Paid	43	1,142
Income Tax - Withholding Tax Deducted	-	7,742
<b>Total Decreases</b>	<b>149,238</b>	<b>183,040</b>
<b>Less Excess Imputation Credits Transferred to Loss</b>		
Less in Excess Imputation Credits Transferred to Loss	(84,141)	(115,623)
Income Tax (Receivable)	(65,097)	(67,417)

### 5. Financial Instruments

Significant Accounting Policies provides a description of each category of financial assets and financial liabilities and the related accounting policy. The carrying amounts in financial assets and financial liabilities in each category are as follows:

Financial Assets 2025	Amortised Cost \$	Cost \$	Total \$
Cash and Cash Equivalents	250,016	-	250,016
Trade and Other Receivables	735,291	-	735,291
Shares in Companies	-	292,804	292,804
Shares in Maori Land	-	314,731	314,731
<b>Total Financial Assets</b>	<b>985,307</b>	<b>607,534</b>	<b>1,592,842</b>
<b>Financial Liabilities 2025</b>			
Trade and Other Payables	(84,242)	-	(84,242)
Loans	(4,885,935)	-	(4,885,935)
<b>Total Financial Liabilities</b>	<b>(4,970,177)</b>	<b>-</b>	<b>(4,970,177)</b>

Financial Assets 2024	Amortised Cost \$	Cost \$	Total \$
		-	234,536
Trade and Other Receivables	234,536	292,804	292,804
Shares in Companies	-	314,731	314,731
Shares in Maori Land	-	607,534	842,071
Total Financial Assets	234,536		
Financial Liabilities 2024		-	(97,687)
Cash and Cash Equivalents	(97,687)	-	(100,136)
Trade and Other Payables	(100,136)	-	(4,928,503)
Loans	(4,928,503)	-	(5,126,326)
Total Financial Liabilities	(5,126,326)		

2025

2024

## 6. Term Investments

### Shares in Companies

Ballance - 30 shares	243	243
Kerikeri Irrigation - 1,840 shares	524	524
Zespri - 490,620 shares	292,037	292,037
<b>Total Shares in Companies</b>	<b>292,804</b>	<b>292,804</b>

### Shares in Maori Land

Shares in Maori Land	314,731	314,731
<b>Total Shares in Maori Land</b>	<b>314,731</b>	<b>314,731</b>

### Total Term Investments at Cost

1 1

The Trustees intend to retain these shares as a long term investment and therefore consider the cost based accounting treatment to be reasonable. No impairment has taken place.

607,53 607,53  
4 4

The original cost of 85,644.312 Ngati Hine H2B shares was \$83,699, a revaluation was done in 2001 bringing the value of the shares to \$296,329 (85,644.312 shares at \$3.46/share).

As at 1 July 2007 the historical share revaluation reserve created in 2001 was absorbed within the accumulations balance of the Trust. The Trust elected to adopt the balance of \$296,329 as forming deemed cost.

The original cost of 85 Motatau 1C9B1 shares was \$18,401.

	2025	2024
<b>7. Term Loans - Secured</b>		
<b>Term Loans</b>		
<b>Westpac NZ Ltd - 94</b>		
Term Portion	1,110,000	1,171,043
Current Portion	61,055	60,832
<b>Total Westpac NZ Ltd - 94</b>	<b>1,171,055</b>	<b>1,231,875</b>
<b>Westpac NZ Ltd - 95</b>		
Term Portion	440,000	499,265
Current Portion	60,451	61,589
<b>Total Westpac NZ Ltd - 95</b>	<b>500,451</b>	<b>560,854</b>
<p>Ngati Hine Forestry Trust raised the above Westpac loans to purchase the Pukerau Orchard property and Zespri Licences.</p> <p>The bank holds a registered first mortgage over the five orchard properties and had an assignment over orchard rental proceeds. The maturity date of both the -94 and -95 loans is February 2029 and the interest rate at balance date was 4.70%.</p>		
<b>Westpac NZ Ltd - 96</b>		
Term Portion	2,891,000	3,014,867
Current Portion	122,714	120,906
<b>Total Westpac NZ Ltd - 96</b>	<b>3,013,714</b>	<b>3,135,774</b>
<p>Ngati Hine Forestry Trust raised the above Westpac loan to purchase the Ahikiwi Orchard property and to complete conversion of the Te Tara Kowhai and Paparata Orchards.</p> <p>The bank holds a registered first mortgage over the five orchard properties and had an assignment over orchard rental proceeds. The maturity date of loan -96 is February 2029 and the interest rate at balance date was 4.70%.</p>		
<b>Westpac NZ Ltd - Agriline Facility</b>		
Term Portion	-	-
Current Portion	200,715	-
<b>Total Westpac NZ Ltd - Agriline Facility</b>	<b>200,715</b>	<b>-</b>
<p>This is a temporary credit facility utilised to smooth cashflow timing. It was repaid in full post balance date.</p> <p>The bank holds a registered first mortgage over the five orchard properties and had an assignment over orchard rental proceeds. The maturity date of the Agriline loan is January 2026 and the interest rate at balance date was 8.70%.</p>		
<b>Total Term Loans</b>	<b>4,885,935</b>	<b>4,928,503</b>
	4,885,935	4,928,503
<b>Total Term Liabilities</b>		
<b>Current Portion of Term Liabilities</b>		
Current Portion of Term Liabilities	444,935	243,328
<b>Non- Current Liabilities</b>		
Non- Current Liabilities	4,441,000	4,685,175
<b>Total Term Liabilities</b>	<b>4,885,935</b>	<b>4,928,503</b>

The Trust has an overdraft arrangement with the bank. As at balance date, the limit was \$50,000 (2024: \$200,000) and the security arrangement mirror those of the loans above.

	2025	2024
<b>8. Provisions</b>		
<b>Protection of Flora &amp; Fauna</b>		
Opening Balance including Term and Current Portions	(9,253)	(20,751)
Co-Funding Flora & Fauna	-	11,498
<b>Total Provisions including Term and Current Portions</b>	<b>(9,253)</b>	<b>(9,253)</b>

During 1998 the Trust received a payment of \$78,232 for fencing after the present tree crop is harvested in 10-12 years. This was held as a liability in the balance sheet with interest accrued.

The condition requiring fencing of the kawenata area was amended 14 May 2018 and now requires that this provision is used to establish and maintain an effective pest control programme.

The Trust has entered into a Pest Control project with Doc Funds for Nature, this provision has been used as the Trust's contribution to this project.

As part of the pest control programme, fencing costs were incurred in the 2024 financial statements on forest land. Accordingly, the costs and associated Co-Funding Flora and Fauna income from the provision were recognised in the 2024 Forestry divisional statement.

	2025	2024
<b>9. Group Equity</b>		
Opening Balance	32,120,225	31,014,671
Net Income/(Loss)	1,643,250	1,105,554
Beneficiary Distributions - Capital	(7,000)	-
<b>Total Group Equity</b>	<b>33,756,475</b>	<b>32,120,225</b>

As at 1 July 2005 the historical revaluation reserve created in 1998 was adopted as the deemed cost of land and buildings and absorbed within the accumulations balance of the Group. For future information purposes, the Group continues to disclose the compilation of the historic reserve.

<b>The Group balance of accumulations includes the following historical revaluations: Government Valuations 1 September 1998:</b>	<b>\$</b>
a) Leased to Carter Holt (5062.0407ha) Capital Value	6,361,500
b) Land - Capital Value	1,105,000
(i) Pt Ngati Hine H2B (446.8865ha)	132,000
(ii) Motatau 1C9B1 (108.193ha) - Capital Value \$220,000 Only 60% owned by the Group	
c) Land & Buildings Moerewa (Lot 40 DP6732) - Capital Value	58,000
d) Kauri Table	20,000
Less cost of: Forestry Block	(1,270,748)
Land and Building Moerewa	(55,764)
<b>Historic Revaluations Included within Accumulations</b>	<b>6,349,988</b>
Cost of Forestry Block Land & Improvements (at cost or original valuation) Owners Initial Contribution	480,000
Cost of Additional Land	122,879
Cost of Permanent Fencing	384,380
Cost of Survey and Title Costs	283,489
<b>Total Cost of Forestry Block Land &amp; Improvements</b>	<b>1,270,748</b>
<p>Owners initial contribution was the value of the Ngati Hine Block at the inception of the Ngati Hine Forestry Trust.</p> <p>Accumulations Available for Distribution</p> <p>Group Capital comprising the Owners' initial contribution of \$480,000 and Accumulations comprising retained earnings and the historical land and share revaluations reserves created in 1998.</p> <p>However, the Ngati Hine Forestry Trust Trust Deed stipulates that Trust Corpus comprises "the land and interests in land specified in the Second Schedule and any other land or interest in land to which Section 243(1)(b) of the Act applies".</p> <p>In terms of the Trust Deed then, Corpus and Accumulations are:</p>	
<b>Group Capital</b>	6,361,500
Land originally Leased to Taumata Plantations (Lease reducing as harvest proceeds)	
Pt Ngati Hine H2B (446.8865ha)	1,105,000
Motatau 1C9B1 (60% share)	132,000
<b>Trust Deed Corpus</b>	<b>7,598,500</b>
<b>Charitable Trust Corpus</b>	<b>2,050</b>
<b>Accumulations</b>	<b>\$</b>
Total Equity	33,756,475
LESS: Trust Corpus'	7,600,550
<b>Balance of Accumulations available for distribution</b>	
<b>Total Group Capital</b>	<b>33,756,475</b>

	2025	2024
<b>10. AGM/SGM Expenses</b>		
Advertising	854	2,563
Catering	5,339	11,369
Printing & Stationery	4,370	6,514
Other (including MaraeHire, Cleaning)	304	2,110
Gifts to Shareholder Attendees	-	9,476
<b>Total AGM/SGM Expenses</b>	<b>10,867</b>	<b>32,032</b>

	2025	2024
<b>11. Accounts Receivable and Prepayments</b>		
Accounts Receivable Prepaid Expenditure	735,291	234,536
<b>Total Accounts Receivable and Prepayments</b>	<b>56,536</b>	<b>19,743</b>
	<b>791,827</b>	<b>254,279</b>

	2025	2024
<b>12. Accounts Payable</b>		
Accounts Payable	84,242	100,136
Accruals	46,153	30,801
<b>Total Accounts Payable</b>	<b>130,395</b>	<b>130,937</b>

	2025	2024
<b>13. Income Received in Advance</b>		
Forestry Rental	8,306	8,235
<b>Total Income Received in Advance</b>	<b>8,306</b>	<b>8,235</b>

	2025	2024
<b>14. Investment in Related Entities</b>		
<b>KFI Joint Venture</b>		
Opening Balance	-	(14,048)
Funds Introduced	5,925	-
Share of Earnings/ (Loss)	(4,985)	(5,085)
Adjustment of KFI JV Investment	(940)	19,133
<b>Total</b>	<b>-</b>	<b>-</b>

Ngati Hine Forestry Trust is a 50 percent partner in a joint venture operation which has the Harvesting and Marketing contract for the Matawaia Forest.

The investment presented a negative position in prior years. In 2024 the investment was brought back to zero on the basis that the Trust has no constructive obligation to repay losses incurred.

For 2025, the net gain (being funds introduced net of losses) was offset against the prior years' impairment through the Profit and Loss.

	2025	2024
<b>15. Orchard Properties - Kerikeri</b>		
Te Tara Kowhai - Land	317,383	317,383
Te Tara Kowhai - Vines & Structures	933,635	933,635
Te Tara Kowhai - Zespri Licence	2,692,000	2,692,000
Paparata - Land	295,853	289,733
Paparata - Vines & Structures	1,271,527	1,254,418
Paparata - Zespri Licence	2,596,000	2,596,000
Te Ara Kopeka - Land	246,621	246,621
Te Ara Kopeka - Vines & Structures	632,165	502,636
Te Ara Kopeka - G3 Licence	1,147,200	1,147,200
Ahuareka - Land	904,411	904,411
Ahuareka - Vines & Structures	1,027,273	1,016,320
Ahuareka - Gold Licence	105,661	105,661
Pukerau - Land	804,338	804,338
Pukerau - Vines & Structures	989,939	989,939
Pukerau - Buildings	122,661	122,661
Pukerau - GA Licence	1,099,328	1,099,328
Ahikiwi - Land, Vines & Structures	3,476,609	3,476,609
Ahikiwi - Vines	7,235	7,235
Ahikiwi - G3 Licence	1,155,587	1,155,587
<b>Total Orchard Properties - Kerikeri</b>	<b>19,825,425</b>	<b>19,661,715</b>

Ngati Hine Forestry Trust owns six orchard properties in Kerikeri, the most recent purchase was Ahikiwi on 19 November 2020. The cost price as at balance date is above. These six properties are all leased to Seeka for a term of 15 years. All orchard properties also own water rights which are allocated on a per hectare basis. These water rights are allocated to the parcels of land and if the orchards are sold the water rights stay with the land.

The conversion of the Paparata and Te Tara Kowhai orchards was completed in 2021.

	2025	2024
<b>16. Farm Properties - Maromaku</b>		
Matawaia Maromaku Road - Land	3,317,930	3,307,732
Matawaia Maromaku Road - Buildings	113,869	93,455
Taikirau Road - Land	2,084,630	2,073,520
Taikirau Road - Buildings	340,968	340,968
<b>Total Farm Properties - Maromaku</b>	<b>5,857,397</b>	<b>5,815,675</b>

Ngati Hine Forestry Trust purchased two farm properties in Maromaku on 1 June 2022. The cost price at balance date is above. 108ha of these farms will be converted from dairy farming to carbon farming.

## 17. Trustees Payments

Trustees Payments 2025	Fees \$	Travel \$	Total \$
E Beattie	2,000	551	2,551
P Tipene	18,000	1,662	19,662
L Bristowe	7,600	1,992	9,592
W Hoterene	6,000	931	6,931
E Morton	13,200	8,436	21,636
K Brown	7,600	986	8,586
M Butler	6,800	634	7,434
Jane Frances	3,200	177	3,377
Maxine Shortland	4,000	491	4,491
Total Trustees Payments	68,400	15,860	84,260

Trustees Payments 2024	Fees \$	Travel \$	Total \$
E Beattie	10,000	2,428	12,428
P Tipene	16,000	1,097	17,097
L Bristowe	9,200	2,719	11,919
P Cherrington	2,400	263	2,663
W Hoterene	9,200	1,584	10,784
E Morton	21,200	8,633	29,833
J Baker	1,200	317 43 4	1,517
K Brown	400 800	17,088	443 804
M Butler	70,400		87,488
Total Trustees Payments			

The Trustees Payments have been disaggregated to better reflect the performance of each Division.

## 18. Subsidiary Entities

Hineora Limited is a wholly owned subsidiary engaged in nutraceuticals and has been included within these consolidated financial statements.

Ngati Hine Forestry Charitable Trust is currently dormant and is not registered with DIA Charities. The Trust's bank account was closed during the year.

## 19. Cost of Planted Forest and Forestry Right Agreement

The Stand Unit costing method has been used with forests being recorded at the cost of planting, silviculture and development costs. The Cost of Forest comprises the expenditure on these costs.

The Cost of Forest represents the cost incurred by Ngati Hine Forestry Trust to plant the pine trees during the 2011, 2012, 2017, 2018 and 2022 financial years. On 11 April 2018 the Trust entered into a Forestry Right with the Crown to establish second and third pine rotation crops. The pine trees planted by the Trust in 2011, 2012, 2017 and 2018 were included within the Forestry Right. The Forestry Right is in two parts (both identical, but covering the forest state in two parts) and will, once fully implemented, have established a second rotation pine crop comprising 3,576 hectares. From this Forestry Right the Trust receives an annual rental (paid quarterly) from the Crown and on harvest, commencing in around 2035, the Trust will receive a significant percentage share of the net stumpage (harvest) proceeds. All costs during the term of the Forestry Right are met by the Crown. As the second rotation is harvested the Crown will replant a third rotation pine crop at its cost which will then be handed over to the Trust. The Forestry Right will therefore conclude at the end of the second rotation leaving the Trust owning 100% of the third rotation.

## 20. Emissions Trading - NZU's

Ngati Hine Forestry Trust has an ongoing obligation and commitment to comply with the Emissions Trading Scheme. The Trust is a landowner of pre 1990 forest land and as such is a mandatory participant in the Emissions Trading Scheme (ETS). This effectively means that the Trust must either maintain the use of the land via replanting or some form of natural regeneration or it will incur a carbon emissions liability.

In 2012 the Trust received 1,472 NZU's and in 2013 received 2,368 NZU's (total 3,840 NZU's) in relation to pre 1990 forest land on Motatau IC9B1. As the Trust owns 60% of Motatau IC9B1, 60% of the NZU's belong to the Trust. The Trustees have recognised the 60% share of those NZU's on hand effective from 30 June 2018 in conjunction with the primary block noted below.

In 2011 the Trust received 104,972 NZU's which were subsequently sold. The sale proceeds were included in the 2011 accounts.

In 2014 168,868 NZU's were received. In December 2021 the Trust sold 80,000 NZU's and a further 10,425 were sold in this financial year. The sale proceeds are included in these accounts. The balance of 78,443 are being held by the Trust. For financial reporting purposes, the NZU's retained are recorded based on the tradable commodity value at balance date; being \$58.50 as at 30 June 2025 (2024: \$50.50).

NZU's transferred under the allocation are considered capital in nature and therefore, they are not subject to income tax when they are received or sold by the Trust. Also, no tax is payable on any increase in market value of the NZU's during the time they are held.

	2025	2024
<b>Emissions Trading - NZU's Movement</b>		
Opening Balance	4,604,186	3,806,431
Units Sold	(526,463)	-
Current Year Revaluation	645,976	797,755
<b>Total Market Value</b>	<b>4,723,700</b>	<b>4,604,186</b>

## 21. Related Parties

The Trustees of NHFT are trustees of Ngati Hine Forestry Charitable Trust. The Ngati Hine Forestry Trust made no distribution to the Ngati Hine Forestry Charitable Trust (2024: Nil).

At balance date, Lynden Bristowe and Patrick Morton are Directors of Hineora Limited and all Ngati Hine Forestry Trust Trustees are shareholders.

No payments were made to JB Business Power (Jim Baker, previous Trustee) for Consultancy work this year. (2024: \$3,325).

## 22. Capital Commitments

At balance date the Group has no capital commitments. (2024: \$nil).

## 23. Contingent Liabilities

At balance date the Group has no contingent liabilities. (2024: \$nil).

## 24. Events Occurring After Balance Date

There are no events occurring subsequent to year end.

## 25. Deferred Revenue

Ngati Hine Forestry Trust has entered into a funding agreement with MPI He Ring Ahuwhenua, He Hanga Mahi to transition from an exotic forest system to an indigenous forest system over a period of 4 years. MPI may recover funding which has been misspent or uncommitted if it has not been spent or contractually committed, if activities are abandoned or if excess funding is received.

Ngati Hine Forestry Trust entered into a funding agreement with Department of Conservation (DOC) to provide Jobs for Nature whilst restoring the mauri and mana or Te Taiao over a 3 year project. DOC may recover funding which has been misspent or uncommitted if it has not been spent or contractually committed, if activities are abandoned or if excess funding is received. This project is now complete and no funds were required to be repaid.

## 26. Orchard Transactions

Orchard transactions of both a capital and revenue nature have taken place and these have been quantified in these financial statements as follows:

	2025	2024
<b>Orchard Transactions</b>		
Orchard License (Non Current Asset)	378,018	378,018
Orchard Capital Expenditure (NonCurrent Asset)	130,672	251,554
Orchard Expenses - deductible(Expense)	9,769	47,516
2021 & 2022 Profit Share Te Ara Kopeka (Income) - used to part pay above items	(61,386)	(164,879)
Orchard Expenses - non deductible(Expense)	1,627,920	2,347,159
<b>Balance Accrued - Future Years</b>	<b>2,084,993</b>	<b>2,859,368</b>

Harvest costs for the following season (the 2025 harvest) of \$371,197 have been included in Orchard Expenses - non deductible and in the Seeka Accrual as at balance date.

Where the losses (excluding the \$371,197 harvest costs for the following season) represented by this liability have not been fully recovered from the last crop to be harvested by Seeka, under the lease Seeka has no right of recovery from the Trust.

The movement in the Seeka Accrual is made up as follows:

	2025	2024
<b>Seeka Accrual Movement</b>		
Opening Balance	2,859,368	3,115,305
<b>Current Year Transactions:</b>		
Less Repaid from Harvest Proceeds	(476,835)	(204,369)
Less Last Year's Accrued Harvest Costs	(673,120)	(1,065,653)
Add This Year's Harvest Shortfall	4,382	340,965
Add This Year's Accrued Harvest Costs	371,197	673,120
<b>Orchard Expenses - non deductible</b>	<b>(774,375)</b>	<b>(255,937)</b>
<b>Total Seeka Accrual Movement</b>	<b>2,084,993</b>	<b>2,859,368</b>

## 27. Going Concern

There are no events at balance date affecting going concern.

# Depreciation Schedule

## Ngati Hine Forestry Trust Group

For the year ended 30 June 2025

ASSETTYPE	COST	OPENINGVALUE	PURCHASES	DISPOSALS	LOSS	DEPRECIATION	CLOSING VALUE
Forests (Amortised)	20,668	13,711	-	-	-	686	13,026
Furniture & Fittings	41,616	21,682	-	-	-	208	21,474
Honey	148,200	143,192	-	-	-	14,696	128,497
Land & Buildings	13,328,079	13,234,241	41,721	-	-	22,113	13,253,849
Land Development (Amortised)	195,209	168,581	-	-	-	12,102	156,479
Motor Vehicles	368,943	234,352	13,244	13,478	10,870	51,874	182,243
Orchard Development Expenditure (Amortised)	2,968,256	1,305,156	120,882	-	-	124,240	1,301,798
Orchard Stock (Amortised)	242,078	185,980	-	-	-	13,949	172,031
Orchards Land & Buildings	16,615,091	16,572,263	42,828	-	-	2,955	16,612,136
Plant & Equipment	230,846	129,631	5,661	-	-	24,213	111,079
<b>Total</b>	<b>34,158,987</b>	<b>32,008,789</b>	<b>224,336</b>	<b>13,478</b>	<b>10,870</b>	<b>267,035</b>	<b>31,952,612</b>

# Depreciation Schedule

## Ngati Hine Forestry Trust Group For the year ended 30 June 2024

	ASSETTYPE COST	OPENING VALUE	PURCHASES	DISPOSALS	DEPRECIATION	CLOSING VALUE
Forests (Amortised)	20,668	14,433	-	-	722	13,711
Furniture & Fittings	41,616	21,920	-	-	239	21,682
Honey	148,200	164,407	146,856	-	3,705	143,192
Land & Buildings	13,286,358	180,683	84,576	-	14,742	13,234,241
Land Development (Amortised)	195,209	187,333	-	-	12,102	168,581
Motor Vehicles	355,700	1429,781	95,729	-	48,711	234,352
Orchard Development Expenditure (Amortised)	2,847,374	201,059	-	-	124,625	1,305,156
Orchard Stock (Amortised)	242,078	16,572,263	-	-	15,079	185,980
Orchards Land & Buildings	16,572,263	90,629	-	-	-	16,572,263
Plant & Equipment	225,185	-	61,016	-	22,014	129,631
<b>Total</b>	<b>33,934,651</b>	<b>31,862,552</b>	<b>388,176</b>	<b>-</b>	<b>241,939</b>	<b>32,008,789</b>



HE RINGA AHUWHENUA

# OUR YEAR IN REVIEW

STRATEGY IN ACTION

Te Uru Rākau



est S

Peter  
Prime



**“WE ARE NOT JUST PLANTING TREES  
– WE ARE REVIVING SYSTEMS.  
ECOLOGICAL, CULTURAL,  
SPIRITUAL AND SOCIAL SYSTEMS,  
GROUNDED IN WHO WE ARE  
AS NGĀTI HINE.”**

**PETER PRIME**  
KAUPAPA PROJECT MANAGER

# HE RINGA AHUWHENUA HE HANGA MAHI INDIGENOUS FORESTRY TRANSITION STRATEGY



Earlier this year, at Motatau Marae, the Trust celebrated the launch of **He Ringa Ahuwhenua, He Hanga Mahi**, a world-first Indigenous forestry strategy that reimagines a transition from exotic monoculture forestry toward a living, breathing ngahere Māori.

Developed over four years (2021–2025), this visionary kaupapa was led by Ngāti Hine Forestry Trust in partnership with Scion (Crown Forestry Research Institute, now as a group within the newly formed Bioeconomy Science Institute) and funded by Te Uru Rākau – New Zealand Forest Service through the One Billion Trees programme.

The strategy delivers a bold, intergenerational direction for restoring native forests grounded in kaupapa Māori and matauranga o Ngāti Hine.

From 2021 to 2025, the project was guided by three interconnected components:

1. Wānanga held at marae and hui to hold rā whakatō rākau (planting days).
2. Ngahere Papatō and Trial Sites
3. The creation of Te Rautaki Ngahere Māori – An Indigenous Forestry Strategy.



Wānanga became places of learning, and collective design. These hui shaped seed selection, planting techniques, and site development, while also bringing forward kōrero about birdlife, insects, animals, Papatūānuku and people.

Repo (wetlands), awa, and the wider mauri of the environment and water from Ngāti Hine catchments to the Kaipara and Bay of Islands harbours were also discussed. During rā whakatō rākau (planting days) whānau, tamariki from kōhanga reo and kura planted native trees to the sound of waiata, alongside kaumātua, and kaimahi.

# FORESTRY NGAHERE

# HE RINGA AHUWHENUA HE HANGA MAHI INDIGENOUS FORESTRY TRANSITION STRATEGY

“OUR MOKOPUNA WILL ONE DAY WALK AMONG THE TREES THEY PLANTED. THROUGH THIS KAUPAPA, WE’RE EMBEDDING HUA PARAKORE VALUES INTO THE SOIL, THE NGAHERE, AND THE FUTURE.  
HINEĀMARU ROPATI  
PUNA MĀTAURANGA KAITAUTOKO”



Peter Prime  
Kaupapa Project Manager



Hineāmaru Ropati with  
her tungane, Bunny



Pita Tipene, Chair of Co-governance Committee and  
Amadonna Jakeman, Maturanga Integration  
Kairangahau



Ernest Morton  
Co-governance Committee

TE KAHUI  
WHAKAHAERE



# TE RAUTAKI 2025 - 2125

## HE RINGA AHUWHENUA HE HANGA MAHI



### Te Pae Tawhiti

Kia hoki mai te ketekete o nga manu  
ki nga ngaherehere o Ngati Hine  
Te ngorengore o te tuna  
Ka harihari te iwi  
Kia korikori nga ngangara

### Te Kaupapa

Me whakarongo, kia mau, kia tutuki noa

### Ma wai?

Ma nga uri whakaheke

### Nga Matapono

1. Whakawhangaunga
2. He Ringa Ahuwhenua
3. Whakanekeneke
4. Kaitiakitanga
5. Mana Motuhake
6. Te Tu o Ngati Hine



### Waiora - Whainga 1.

1. Matauranga
2. Putaiao
3. Whakamana
4. Whanaungatanga o te ngahere



### Tangata - Whainga 2.

1. Herenga tangata ki te whenua
2. Whaia te matauranga
3. Kaingamaha/Ahikaa



### Korowai - Whainga 3.

1. Whakamana
2. Whakapapa
3. Hua/Rongoa
4. Kuanga



### Whai Rawa - Whainga 4.

1. Rangatiratanga
2. Mahitahi
3. Manaaki

# FORESTRY SILVICULTURE



“MY GOAL IN FORESTRY THIS YEAR  
– ESTABLISH A CREW AND HELP TRAIN  
THEM SO WE CAN TACKLE THE MAHI  
COMING UP OVER THE NEXT FEW YEARS.”

JOSH WITEHIRA  
FORESTRY KAIMAHI

## **Forestry Right with the Crown - Second Rotation Pine Crop**

As has been reported to beneficial owners previously, the Trust's intergenerational land utilisation strategy, is to return as much of the Trust's lands back into a healthy native forest. In the meantime, it has been necessary to return, at least initially, a significant part of the forest into a second rotation (and a third pine crop will follow).

The Trust is therefore implementing a mosaic approach as has been discussed at previous general meetings with the long-term goal to transition over time the forest lands from exotic pine to native species based on scientific evidence as to optimal land utilisation.

A joint venture agreement (Forestry Right) between the Trust and the Crown was executed on 11 April 2018 in relation to a second rotation forest crop on the land. A second joint venture agreement covering Ruatangata Forest was executed on 29 October 2019. Under the terms of the 35-year Forestry Right the Crown meets all forestry costs and pays an annual rental to the Trust, plus a substantial share of net profits (stumpage) at the time of harvest.

Total forest area covered by the Forestry Right is currently 3,625 hectares (ha) (Ngāti Hine and Ruatangata Forests). The net stocked area measured at February 2025 (NSA declaration) was 3,322 ha. The Forestry Right with the Crown is for one rotation only and it includes the requirement for the Crown to plant a third rotation at its cost which will then be owned 100% by you, the beneficial owners.

The Forestry Right with the Crown includes the operation of a Joint Management Committee which enables the Trustees to actively participate in the oversight of all forestry activities over the period of the rotation. PF Olsen Ltd (PFO) is contracted by the Crown to manage the day-to-day forestry activities undertaken within the forestry estate. The Trust has a small silviculture team led by Josh Witehira which has obtained SafeTree certification and is an approved subcontractor to PFO.

The Forestry Right agreement with the Crown, was a very significant step towards the goal of self-determination including at the end of this second rotation the Trust finally owning and managing 100% of the third rotation forest crop.

This was an exceptional step forward given that the lease signed in 1981 with Carter Holt meant that the Trust only had a 9% share in the ownership of the crop that was planted in the 1980s. In only another couple of decades the beneficial owners will commence owning 100%, given that the pine trees planted by the Trust in the winters of 2011, 2012 and 2017 comprising 660.3 hectares are included within this Forestry Right.

Harvesting of the second rotation could start as early as within the next 15 years with a third rotation planting commencing at that point.

## **Matawaia Forest**

The Matawaia forest has been a distinct forest within the overall forests of the Trust. The Trust entered into a 50/50 Joint Venture Partnership with Kiwi Forestry International Ltd in 2013. This partnership involved the planting and management for 28 years of the second rotation crop of the Matawaia Forest area.

Planting of a second rotation pine crop commenced in 2015 and concluded in the winter of 2018. A total of 283.1 hectares of second rotation pine has been established of which 50% is owned by you the beneficial owners.

The remaining areas are either very steep land and or wetland areas which will not be replanted in pine but rather have either been planted in mānuka or left to regenerate back into native.

## **Emissions Trading Scheme (ETS)**

All the first rotation pine plantation of 4,564 hectares situated on the Trust land is pre 1990 forest in terms of the Climate Change Response Act 2002 (Emissions Trading Scheme). This means that the Trust must ensure that this land is returned to a defined forest species after harvest that meets the criteria which is laid down in the Emission Trading Scheme (ETS).

The ETS criterion states that at four years after harvest the land must either have 500 stems per hectare of exotic forest species (e.g. pine) or be regenerating predominantly in indigenous species (e.g. mānuka) which is growing in a manner that is likely to become forest land ten years after the harvest and that at twenty years there is crown cover of at least 30% from trees that have reached 5 metres in height.

Any lands that end up not meeting this ETS criterion will be deemed to be “deforested”, and the Trust would then have to return 750 NZU’s (New Zealand Units) per hectare to the Crown. The risk of the Trust having to compensate for de-afforested land at some future time is extremely low.

At balance date, the Trust held 78,443 NZU's which had a tradable value as of 30 June 2025 of \$4,588,915 (= \$58.50 per NZU). Following balance date, the Trust sold 60,000 NZUs for \$3,452,000 to reinvest proceeds in a farm which provides cashflow from carbon and a dairy lease. Earlier this month, the Government announced proposed changes to the ETS which had an immediate effect on market confidence with the NZU price dropping about \$10 overnight. The timing of the sale meant we were able to lock in value before the price dropped. The balance of NZUs held is currently 18,433. Returns will be filed annually as additional carbon units accrue at Te Pae Tata farm and a small carbon block on the steeper land at Tororoa farm.

In August 2013 the Trust lodged with the Waitangi Tribunal a contemporary claim against the imposition by the Crown of the ETS upon the Trust's forest lands. This claim is registered as Wai 2397. The Trustees are continuing to progress this claim, however, as reported previously any early resolution is not anticipated.

A detailed topographic map of a mountainous region, likely in New Zealand, showing contour lines, rivers, and roads. A large area is outlined in red, indicating the Ngāti Hine Foresty Trust Whenua. The map includes a grid system and various geographical labels.

# NGĀTI HINE FORESTRY TRUST WHENUA

**"IT'S GOOD TO SEE OUR YOUNG PEOPLE HERE WORKING. WE'VE SET THEM UP WITH PRIMARY ITO SO THEY CAN GET A TOHU BEHIND THEM. HOPEFULLY, I CAN GO AWAY TO DRIVE A SCHOOL BUS AND THEY CAN TAKE OVER. MY ASPIRATIONS ARE TO SEE THESE FULLAS RUNNING THE PLACE."**

**—JOE MARSH  
ORCHARD MANAGER**



**OUR KIWIFRUIT TEAM**



**TAOHO COOPER**  
FUTURE ORCHARD MANAGER AND SEEKA CADET



**ROB MANUEL**  
TEAM LEAD



**JOE MARSH**  
ORCHARD MANAGER

HUAKIWI  
**KIWIFRUIT**

## **Paparata, Te Tara Kowhai, Te Ara Kopeka, Ahuareka, Pukerau and Ahikiwi – Kiwifruit Orchards**

The trust owns six kiwifruit orchards in Kerikeri – Waipapa comprising 49.7456 hectares (123 acres) of land. There is 32.17 hectares (79 acres) of Zespri SunGold G3 kiwifruit canopy.

Paparata, Te Tara Kowhai and Te Ara Kopeka were purchased by the Trust in 2004. Ahuareka was purchased in December 2006, Pukerau in December 2018 and Ahikiwi in November 2020.

A brief overview of the orchards follow:

### ***Ahuareka – KPIN 6275***

7.5207 hectares of land

5.58 hectares of canopy Zespri SunGold G3

### ***Pukerau – KPIN 3330***

7.8201 hectares of land

4.01 ha hectares of canopy Zespri SunGold G3 (3.85 ha plus 0.16 transferred from Paparata in April 2021)

### ***Paparata – KPIN 3566***

9.5828 hectares of land

6.33 hectares of canopy Zespri SunGold G3 (cultivar conversion to SunGold July/August 2020). (Licence canopy was 6.49 ha but 0.16 ha transferred to Pukerau in April 2021)

### ***Te Tara Kowhai – KPIN 2953***

10.5013 hectares of land

6.73 hectares of canopy Zespri SunGold G3 (cultivar conversion to SunGold July 2020).

### ***Te Ara Kopeka – KPIN 8181***

8.1467 hectares of land

5.25 hectares of canopy Zespri SunGold G3 (cultivar conversion to SunGold July 2019).

1.33 canopy hectares within Te Ara Kopeka (total canopy 5.25 ha) was converted to G3 licence using Seeka acquired Zespri licence. The cost of this licence, cut over and infilling of planting (on whole orchard) and irrigation upgrade totalling \$494,514 is to be repaid to Seeka from income proceeds from the 1.33 ha area of this orchard.

|

### ***Ahikiwi – KPIN 7405***

6.1740 hectares of land – Purchased from Ohel Orchard Limited 20 November 2020.

4.26 hectares of canopy Zespri SunGold G3 made up of five licence areas grafted and added to in stages from 2018 to 2020.

### ***Leases to Seeka Limited***

All six SunGold orchards have lease and supply agreements with Seeka Limited.

All six SunGold orchard leases are now on a 95% profit share (to the Trust) basis.

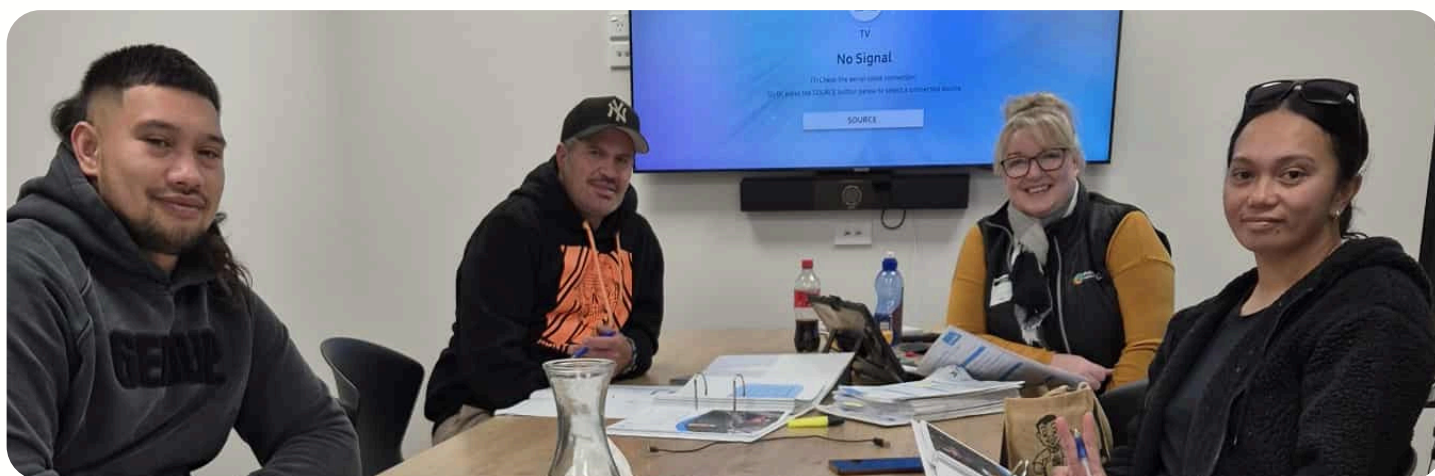
These leases are of a profit share nature which provide a monthly rental being a share of the profit in advance and that any losses sustained are carried by Seeka until the following season. Seeka cash flow the whole operation.

Within these leases there are five yearly review provisions which allow the Trust and Seeka to take stock of the arrangements in place thus providing an opportunity for the Trust to consider taking over the operational management of the orchards or to agree to some other type of arrangement.

In July 2023, the Trust and Seeka co-appointed a kiwifruit orchard cadet, Taoho Peihopa-Cooper. Taoho will train and work with Seeka towards becoming a future orchard manager for Ngati Hine Forestry Trust.

In October 2023, the Trust directly employed 12 experienced orchard Kaimahi to provide orchard maintenance on the Trust's orchards. Robert Manuel leads this team who have contributed to some fantastic results this season. We are also very pleased that Joe Marsh took on the role as the Trust's orchard manager. With his 30 years of industry experience, he has also made a big difference to operations and outputs.

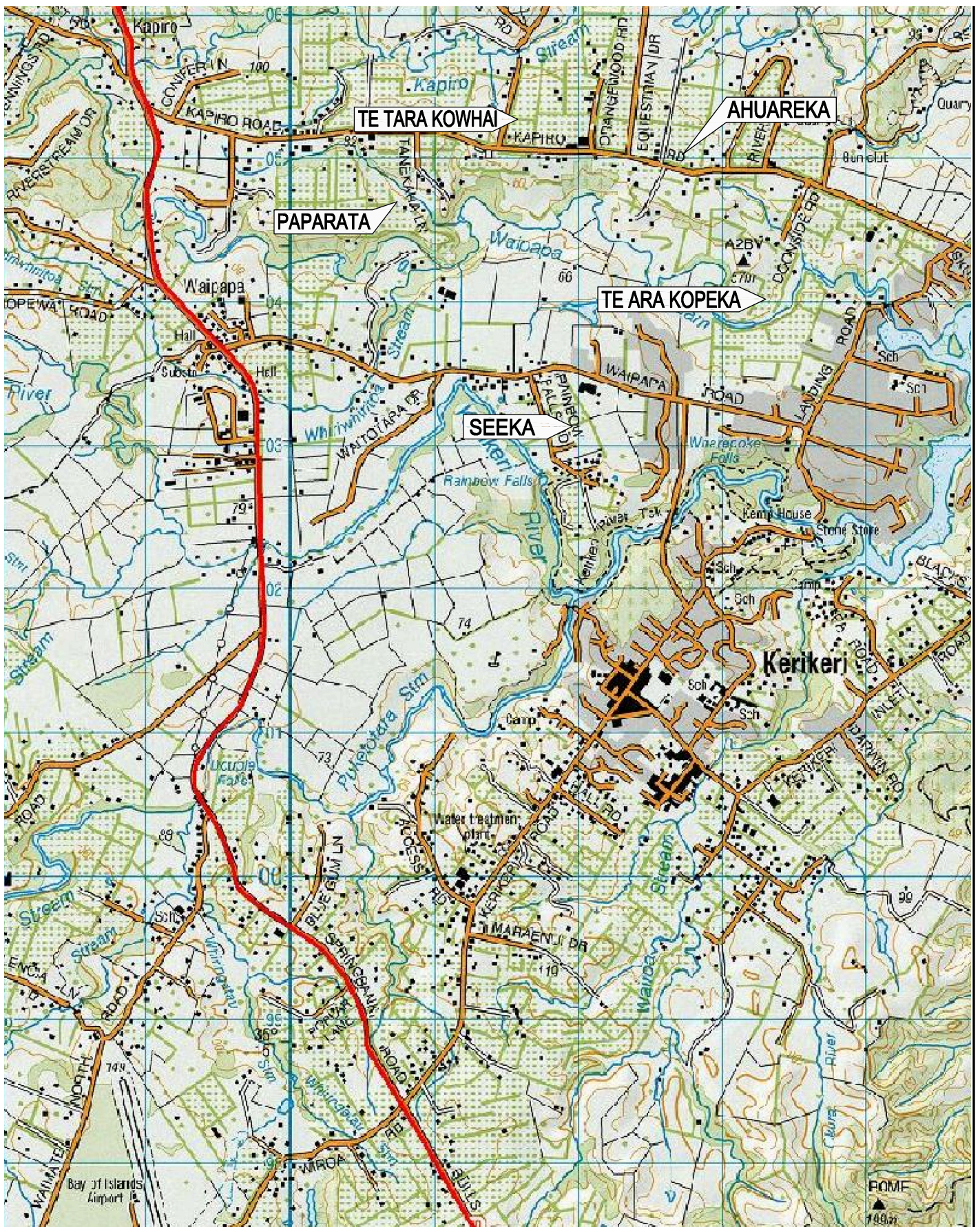
The relationship with Seeka is one of mutual collaboration with a favourable profit share arrangement in place, and support for the Trust's aspiration to eventually manage its own orchards.



STUDY SESSION FOR SOME OF OUR TEAM: ROB, PONO AND JOCELYN, SUPPORTED BY TRINA FROM PRIMARY ITO .

**“FOR NEARLY THREE YEARS, I’VE BEEN SUPERVISING THE KIWIFRUIT TEAM, WHICH HAS VARIED EXPERIENCE. A MAJOR HIGHLIGHT WAS HARVESTING OUR FIRST CROP, WHICH MY TEAM HAD PRUNED. LOOKING AHEAD, MY AMBITION IS TO EXPAND THE TEAM SO THAT WE CAN HANDLE MORE OF THE ORCHARD WORK. OVERALL, IT’S BEEN A YEAR FULL OF MEANINGFUL MILESTONES AND EXCITING PROGRESS.”**

– ROB MANUEL  
TEAM LEAD



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## Ngati Hine Forestry Trust Kiwifruit Orchards

Prepared for  
Ngati Hine Forestry Trust

DRAWN LJR  
DATE Dec 2018

SCALE (A3)  
1:25000

SHEET  
1  
SERIES 1 of 1  
REF 9553/1/1/A



**Silviculture Contractors team at Tororoa Farm**



**Tororoa Farm - Motatau**

NGĀ PĀMU

# TE PAE TATA TE TOROROA



## TOROROA FARM MOTATAU

As part of the Trust's strategy to acquire whenua in the rohe utilising carbon credits (NZUs), it has added a further 226ha to its holdings. This farm has been named Tororua in recognition of the whakapapa of the whenua.

Earlier this year, the Trust conducted extensive due diligence on the farm and settled the purchase in October 2025. To fund the purchase, the Trust sold NZUs and established approximately 45ha of pine and 16ha of manuka on the farm. The balance of the land is leased back to the former owner to continue dairy farming, which provides additional revenue for the Trust. Between the carbon crop planted at Tororua and a further 50ha at Te Pae Tata, the cost of the farm will be repaid in 12 years.

The plan is to supplement the carbon planting with pockets of native rakau in and around the pine. This is intended to support the reversion to natives once the pine trees are harvested. This plan is consistent with our mosaic approach, native afforestation, biodiversity and climate goals while also providing cashflow.

## TE PAE TATA FARM TAKIRAU

The Trust settled the purchase of Te Pae Tata farm in Maromaku in June 2022. The farm is approximately 480 hectares in area and comprises a dairy unit, significant stands of native forest and two environmentally significant water ways.

This whenua is significant in that while it faces into Taikirau, it backs onto Waiomio and this is therefore part of our Ngati Hine heartland within the Motatau blocks. The Trust utilised NZ Units (ETS) to fund the purchase of this whenua. We have established a c.110 ha "carbon farm" on the property which will repay a portion of the NZ Units used to fund the acquisition.

In 2022, a native plant nursery was set up on Te Pae Tata to supply rakau for He Ringa Ahuwhenua, He Hanga Mahi kaupapa. Our intention is for the nursery to be a key component of an "Innovation hub" on Te Pae Tata showcasing environmental standards, research and entrepreneurship.

In terms of the dairy platform, the Trust has had sharemilker Jonathan Nyhuis managing the dairy unit with approximately 180 cows since the Trust acquired Te Pae Tata.



**Samaria Jakeman, Nursery Manager**



HONEY & POLLINATION  
**HONI**



## HONEY & POLLINATION HONI



Over the past year, the Ngāti Hine Forestry Trust's honey operation has continued to develop steadily. Although the business is still in its early stages, we have made encouraging progress across growth, production, and planning for the future.

This season, we increased our beehive numbers and introduced Ngāti Hine hives to the Trust's kiwifruit orchards in Kerikeri. From 500 hives, we harvested 14 tonnes of Kānuka honey — a pleasing result for a young operation.

We have now begun our second season with 350 hives placed in the kiwifruit orchards and have expanded to a total of 800 hives. Our team has also grown with the addition of a second beekeeper, who is settling in well and helping to strengthen our overall capacity.



**SEAN LAYBOURN**  
HEAD OF APIARY



**WILLIAM TAE**  
BEE KEEPER

Our mānuka honey operation is currently outsourced to Mānuka Health, which has run hives on the Trust's whenua for three seasons. The Trust benefits from a favourable profit share while Mānuka Health manages the full operation.

Looking ahead, the outlook for the honey operation is positive, with a focus on directly securing higher-value export markets for stronger and more sustainable returns.

**“OUR GOAL IS TO EXPAND TO 1,000 HIVES OVER THE NEXT TWO YEARS AND EXPLORE EXPORT OPPORTUNITIES TO SHOWCASE NGĀTI HINE FORESTRY TRUST HONEY ON THE GLOBAL STAGE. ACHIEVING THIS WOULD BE A MAJOR MILESTONE FOR THE TRUST — CREATING EMPLOYMENT OPPORTUNITIES ACROSS BEEKEEPING, EXTRACTION, BOTTLING, MARKETING, AND EXPORTING.”**

— SEAN LAYBOURN  
HEAD OF APIARY



## CONNECT WITH US



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[www.ngatihine.maori.nz](http://www.ngatihine.maori.nz)

