

2023 AGM

WHITI WHITI ORA



OPEPE FARM TRUST

GOVERNANCE

Opepe Farm Trust Trustees: Temuera Hall (Chairperson), Ngahere Wall (Deputy Chair), Heemi Biddle, John Tupara, Renée des Barres (retired December 2022), Iraia Bailey (elected December 2022)

Opepe General Partner Limited Directors: Jan Hania (Chairperson), Temuera Hall, Ngahere Wall, Brad Tatere

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Vision

“Kia whangaihia ngā uri -
a tinatina, a hinengaro, a wairua”

“To provide sustenance to
beneficial owners and their
descendants - mind, body and soul”

Mission

“To support and sustain the mana and wellbeing of
the lands, marae and people of Opepe Farm Trust”

“We will achieve this by managing and growing
sustainable entities that will, in turn, build Opepe
assets and provide sustenance to Ngā Uri”

Nga Whanonga Pono o Opepe - Opepe Values



What Constitutes...

RETURN (UTU)

KA UTUA TŌ MAURI: GIVEN, FELT, OR DONE IN RETURN

- Care for and give back to the local communities.
- Repay the special nature (life force vital essence).
- Identify what are the key drivers to success and repay the source: people, clients, environment, communities.

What Constitutes...

WHENUA (LAND)

WHANAUNGATANGA TŌ AO: RELATIONAL, INTERCONNECTED WORLD

- Land does not exist by itself and is best considered as part of an ecosystem, thus displaying connectivity and valuing relationships.
- Understand all your relationships: internal and external, commercial, social, environmental and cultural. Have a relationship with and care for all aspects of your environment. Inputs, outputs, environmental and social, tangible and intangible, such as behaviours and values.
- Does the land user display a relational behaviour? Do they measure, manage and mitigate their environmental and social impact? This is consistent with principles of circular economy and zero cost accounting.

What Constitutes...

TĀNGATA (PEOPLE)

WHAKATAU TŌ KAHA: CONSENSUAL – COLLECTIVE POWER

- People are part of the relational ecosystem.
- The aspect of tāngata that is important is their behaviours and ethics: relating to or involving consent or consensus, and being open and transparent.
- Acting with integrity, harnessing your strength. Understand the collective strength across the business. Manage, sustain, and share those strengths. Understand what is working well and why. Apply the learning elsewhere.

What Constitutes...

WAIKUA (SOUL / SPIRIT)

KA HONOTAHĪ TŌ WAIKUA: COMPLEMENTAL AND COLLECTED

- Combining in such a way as to enhance or emphasise the qualities of each other or another; sharing wealth.
- Connect, bring together as one your spiritual essence.
- Core principles and values extend beyond physical and material gain.

What Constitutes...

HINENGARO

HŪMĀRIE TŌ MĀRAMA: HARMONY AND COLLECTIVE UNDERSTANDING

- The state of 'being in agreement' or concord; the quality of forming a pleasing and consistent whole. Display a willingness to change, adapt and engage new technologies.
- Be good natured, genial, and beautiful. Be clear and transparent, displaying honesty and integrity, with clear communications. Be conciliatory and collaborative in negotiations so that situations can be win-win for everyone wherever possible.

What Constitutes...

WAIORA (WELLBEING)

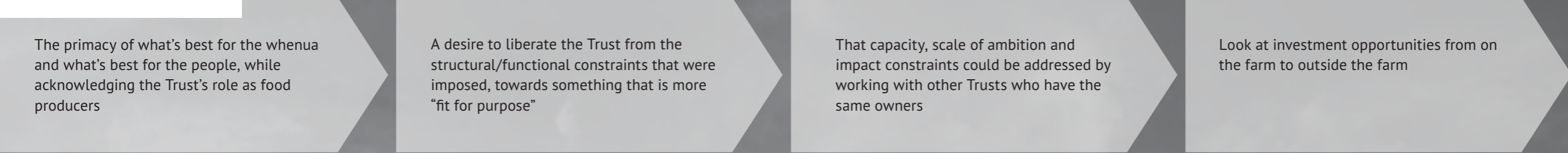
KIA KAWA TŌ ORA: CYCLICAL BEHAVIOUR LEADING TO SUCCESS

- Occurring in cycles; recurrent, leading to long term sustainable growth potential. Protocols and policies around what is considered successful beyond financial success. Celebrate and acknowledge success.
- Encourage successful behaviours and practices: phase out waste and pollution; identify and demonstrate environmental reduction targets. Ka mimiti (reduce), ka tukuru (reuse), ka whakahou (regenerate).

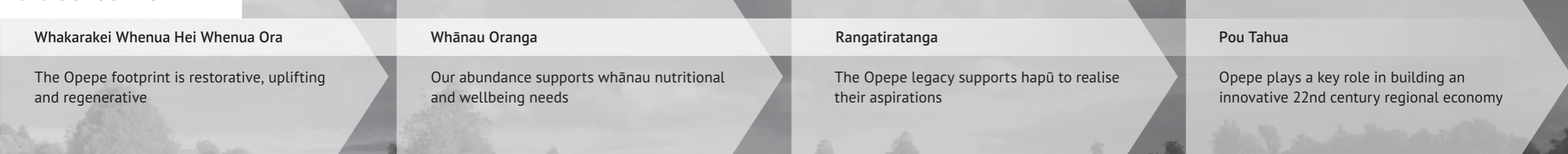
Opepe Kaupapa Strategy - On a Page



PRIMARY DRIVERS



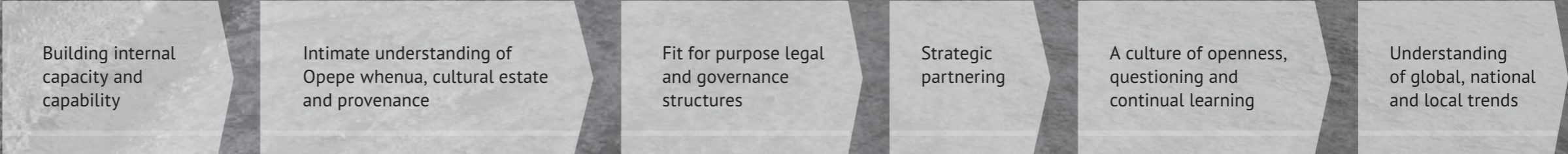
2070 OUTCOMES



2030 GOALS



THE KEY ENABLERS





Trustees Report

TE RERENGA KORERO O NGĀ KAITIAKI

Tēnā ano koutou e ngā whānaunga i whakapiri ai i runga i te whenua o Opepe. E ngā hapū o te hikuwai, kei te mihi, kei te mihi, kei te mihi.

*Mai te tihi o Tauhara
E tīaho ana te pou o taku kura
He hahae atu i ngā mata o te pō
He rarama tū whitinui
He rarama tū whitiroa
Ko te aroha e pupū ake nei
Ko taku parekawakawa te tohu
Ki a rātou kua huri ake rā
Auē taukiri e!*

NGĀ WHAKAARO MO NGĀ TINI MATE E URU PĀ ANA KI A PAPATUĀNUKU

An important aspect of our mahi is the support of whānau during tangihanga. We continue to maintain and develop our koha ‘miti, tāra rānei’ to the marae and whānau.

Our tangihanga support is now often coordinated with funding and support from our other Tauhara entities administered via He Akina.

Our Opepe Urupa Sub-Committee has been established to monitor and manage the urupa on Opepe whenua. We would like to acknowledge the work of the Tauhara Middle 12 Trust upon the opening of the new Tauhara Urupa on Mountain Road.

TE WHAIPAINGA O NGĀ WHANONGA PONO – VALUING THE VALUES

Our values and our whakapapa are the unwavering poutokomanawa that withstands time. Following our Māori world view of placing the importance on ‘Pāpātuānuku me ona uri’, Whakarakei Whenua is now a central component of the Trust.

This has led to the decisions to transform to regenerative farming systems, increase our tree planting area and to significantly increase our ‘Tauhara Kitea’ and ‘Tauhara Whakangahau’ projects planned for the front and skirtings of Tauhara Maunga. The Kaupapa Strategy brings

all aspects of our mahi together so that we can continue to develop policy and drive kaupapa into everyday operations.

TE TAI AO ME TE WHENUA – LAND AND ENVIRONMENT

To manage a successful farming operation, soil health is fundamental and central to regenerative farming. Diversity in feed crops also assists with reducing and eventually eradicating foreign chemicals and synthetic fertilisers.

We are near completion of the 60 hectare native planting programme enabled through the One Billion Trees programme and have started planning the expansion of our tree planting. We are continuing to develop our carbon emissions plan towards carbonzero, based on the Toitu Envirocare Carbon Emissions Management Framework. Our efforts to ‘Tiaki a Ranginui’ is driving change in our framing management, systems and processes.

NGĀ WHĀNAU ME NGĀ TĀNGATA – PEOPLE AND FAMILIES

*“Kia whangaihia ngā uri
- a tinatina, a hinengaro, a wairua”*

(To provide sustenance to beneficial owners and their descendants - mind, body and soul)

“To support and sustain the mana and wellbeing of the lands, marae and people of Opepe Farm Trust.

We will achieve this by managing and growing sustainable entities that will, in turn, build Opepe assets and provide sustenance to ngā uri.”

Our support for whānau and hapū is evolving and is driven by our tikanga and whakapapa.

To be more effective with our limited resources for distribution to our beneficial owners and their descendants we are combining with the charitable arm of Te Pae o Waimihia (TPoW) as all our Opepe owners are members of TPoW. By working collectively with TPoW, there will be more support options and lower distribution costs meaning more funds for actual distribution.

KA WHAKATIPUNGIA TE WHAKATUPURANGA HOU – DEVELOPING THE NEXT GENERATION

Our Associate Trustees: We are grateful for the contribution Tia Greenaway, Te Aue Addison and Diane Karaitiana have made to the Trust. In 2024 we will be looking to appoint another three Associate Trustees. Opepe is also supporting a collective leadership programme alongside the Lake Taupō Forest Trust and others.

TE PAKIHI POKA PĀKU – CORE BUSINESS

Farming is our core business and as you are aware the dairy and drystock units are governed and managed under our 100% owned subsidiary Opepe Farm Limited Partnership (OFLP). We welcome our new Chair to OFLP, Jan Hania, 'Nana he whakapapa ki a Ngāti Tūwharetoa'. Jan comes with extensive land and sustainability management experience and is well connected in these sectors.

Our regenerative farming and net carbonzero commitment is driving significant change in our systems and processes and is creating a deeper connection to the 'whenua me ona hua'. Change is always difficult and comes with commercial risk but with our industry facing substantial environmental and legislative challenges, our transformation is necessary, and furthermore, future farming is looking to be better aligned to our kaupapa and our 'Māori tikanga me te tiaki whenua'.

Recently our farming operations have been afflicted with weather and human resource issues. These tests are not new in the industry, as we continue to build operational resilience and a flexible and responsive culture. Me mihi ki ngā kaiwhahaere me ngā kaitohutohu (management and advisers) for their diligence and cooperation in maintaining a successful sustainable farming business.

TE WHAKAMARU TE WHAKATIPU, ME TE WHAKAEHU – PROTECTION, GROWTH AND DIVERSIFICATION

Opepe Farm Trust is an intergenerational entity charged with protecting 'te taonga-tuku-iho' for future generations. We are in the protein food business, with a focus on maintaining soil health to grow grass and crops to feed and rear sheep, beef and dairy animals. Food security

and food sovereignty are now global human and environmental issues putting pressure on our agriculture industry. Nitrate, phosphate, carbon-dioxide and methane data capture is a key requirement along with effluent, water and energy management. We must continue to transform towards circular economy principles (reduce, re-use, regenerate) to remain relevant in business and to protect Pāpātūānuku.

Investment diversification, both on and off our land, is a key component to resilience and risk mitigation. 'Whanaungatanga' based collective co-investment is our strategy for diversification. We continue to work collaboratively with Te Pae o Waimihia, Tupu Angitu, Tauhara Middle 15 and other like-minded entities.

We are investing alongside TPoW in 'Te Wharehono' (the new Taupō District Council building) through our jointly owned Tauhara Properties business. We have made small investments alongside Tupu Angitu in GEO40 (a geothermal minerals business) and Woolchemy (an innovative wool materials business). Our Investment Committee is currently looking at the potential of a solar farm on our Opepe lands.

For the June 2023 financial year, we present an operating profit of \$3.7m (\$3.4m in 2022), a net surplus after tax and distributions of \$0.99m (\$2m in 2022) and an increase in equity of \$25.9m to \$92.8m (\$65.9m in 2022 including the whenua).

Ko te whakakapi, he mihi nui Vernon Rameka me te tima o He Akina mo to ratou mahi kaingākau. He mihi nui hoki ki a Te Aue Addison mo tona ihihi me tona kamakama. Ara ki a koutou katoa e ngā whanaunga, kia tau i runga i te rangimarie a ki a whakatā i te wa o raumati.

*Kia hihiritia tō mahara, ka whiwhia.
Strive to do our best and we'll be rewarded.*

Ngā Kaitiaki,
Temuera Hall
Heemi Biddle
Ngahere Wall
John Tupara
Iraia Bailey



Farming Report

OPEPE FARMING LIMITED PARTNERSHIP

He whakamihi tēnei ki te whānau o Ōpepe I kaha ki te kaupapa, i pono ki te kaupapa ahakoa ngā piki me ngā heke i hoe whakamua.

Ko koutou ngā tino kaha no na koutou ngā uri o tēnei whenua.

Tēnā koutou katoa,

The 2023 season has been a challenge, both climatically and operationally, and will be remembered by many for the summer storm events in Northland, Auckland, the East Coast and Hawkes Bay.

For Opepe Farming Limited Partnership (OFLP), this meant good summer rain and reasonable pasture growth rates.

This was certainly easier than farming without rain and grass, but it is still a challenge turning this medium quality summer pasture into production and income.

Our operations teams have kept their focus amidst a rapidly changing environment and produced another strong financial result for this financial year, delivering a pre-tax profit of

\$2.5m. While positive, the result is down 28% on the record result of last year.

Total operating costs for 2023 were \$7.6m, up 9% on 2022.

Increased costs have been observed across all facets of the production system, consistent with the ongoing inflationary pressure and high interest rates affecting our economy.

OPERATIONAL OVERVIEW

Te Maea (Sheep and Beef Unit)

The team at Te Maea had a very positive year focusing on lifting ewe performance and the liveweights of all the dairy beef cattle that are reared from Te Maru and Te Mania.

We sold just over 6,400 lambs and kept nearly another 2,000 - mainly as ewe hogget replacements for our ewe flock.

This equated to 134% on a survival sale basis - which was down 3% on the previous year. However, we had sold nearly 60% of lambs by the end of January which helped priority feed the ewes and ewe lambs over the autumn to keep lifting the fertility of the ewes.

We sold 1,427 cattle from Te Maea: 972 two-and half-year cattle that were mostly finished, 300 cull dairy cows finished from Te Maru and Te Mania, and 155 lighter R2 steers and heifers on a store basis, so we were not over-stocked going into the 2023 winter.

Te Maru and Te Mania (Dairy Unit)

2022/2023 was the first year of a new feeding system on Te Maru and Te Mania. In recent years approximately 150 ha of lucerne had been harvested four times per year from Te Maea and the Tauhara and airport lease blocks.

We were struggling to get this made into high quality milking feed and it was determined that although we were farming extra cows and producing more milk it was not adding to the profitability of the operation. The extra cows and feeding out was also adding extra pressure to our whenua and our staff.

This feeding change, combined with some older cows coming through from our method of previously increasing cow numbers, contributed to a lower milk production result of 652,798 kgMS.

There was also another 24,500 kgMS produced and used in the calf rearing operation where 1,570 calves were reared. 500 of these are dairy replacement heifers and 1,070 are dairy beef animals that will be finished off at Te Maea in two years' time.

Capital Upgrades

The building upgrades that the Trust invested in have been well used and appreciated by the farm staff. The building known as 'The Cricket Pavilion' has been the living quarters to two, Growing Future Farmer cadets who have contributed positively to the Te Maea team over the year.

The revamped 'Shearers Quarters' facility now has a high standard of shared accommodation; a meeting room; and farm office. The facility is well used for board meetings, whole farm staff gatherings, daily office work by our farm management team, and provides accommodation for farm contractors and other paying customers.

The two new cottages were built off-site in Taupō and at the end of the 2023 year were ready to move onto Opepe (and now are located opposite the woolshed complex with members of the dairy team living in them).

Ngā Kaitiaki

Our monitoring of our impact on the environment has continued with four key areas being considered:

1. Nitrogen loss through the soil
2. Greenhouse gas emissions (mainly from our animals)
3. Energy use
4. Waste created

Our nitrogen losses are reported to the Waikato Regional Council as part of operating in the Lake Taupō Catchment. In the FY23 year we operated at 84% of our allowance in the catchment area and our losses were 6% lower than the previous year.

Our farm biological greenhouse gas emissions for the FY23 year were approximately 17,000t eCO₂ - this was 7% lower than the year before and 8% lower than the previous three-year average.

This reduction is mainly because of lower dairy cow numbers and a small decrease from selling our livestock earlier in the season.

In terms of 'purchased energy' our combined diesel and petrol consumption was up 600 litres (1.4%).

Electricity consumption was up 43,000wh. This was a 9% increase on FY22 but was 3% lower than in FY21. We will continue to see ups and downs in these results depending on our farm operating system. For example, in the year ahead we are establishing our crops and new pastures with our own direct drill. This will significantly reduce our contractor costs (and their fuel use) but our fuel use will increase because of the new activity.

Our skip bin use remained unchanged.

Going forward we aim to report to you on how these parameters relate to the kg of milk solids, sheep meat, and beef meat we produce. We are also looking at ways of sequestering more carbon on our land including links to our increased focus on soil health.

INCIDENTS AND CHALLENGES

This year we have had to deal with several unexpected challenges, which have required significant time and resource of our management team and advisors.

While these incidents have tested our resolve, it has reassured us that as an organisation, we are able to manage difficult incidents with mana and atawhaitanga inline with our Opepe values.

Firearms Incident:

This year there was a firearms incident on-farm. Due to the sensitivity of this incident, we will briefly speak on it during the AGM Farming Report.

Bovine (TB)

Earlier this year, the Te Maea (Sheep and Beef Unit) cattle went through its routine three-yearly on-farm TB testing procedure, which confirmed three positive test results for Bovine (TB).

Fortunately, our dairy units (Te Maru and Te Mania) were tested for TB in November, with no skin reactors found.

The farm will continue to take all practical precautions to prevent further spread of TB, including stock movement controls. Possums are the main source of bovine TB in New Zealand, and it is highly likely that the TB infection was spread through wildlife infection.

We are working closely with OSPRI to launch

pest control operations on Opepe whenua and the surrounds, to reduce the number of possums that could carry and spread TB to our livestock.

Dog Attack

On the 24th of October, a serious dog worrying incident occurred on-farm which resulted in the losses of 81 two-tooth ewes and 12 lambs.

Furthermore, 124 lambs (due to losing their mothers) have been weaned too early and their liveweight gain performance has been compromised.

Two dogs were found at the scene and were destroyed and removed from the farm. Management have been working with Police and the Taupō District Council to determine the ownership of the dogs and establish how they came to be on farm.

LOOKING AHEAD

Resilience:

This year Opepe farming has committed to a transitional resilience plan which seeks to achieve interconnected solutions to lift the wellbeing of Opepe lands, environment, people, and animals in our care.

A Transitional Resilience Plan has been developed to promote circular operating systems and behaviours, driven by the following aspirations which determine our business operations and practices:

- Putting the environment before profit, and achieving a balance between eco-system health, production, and profitability.
- Increasing the microbiological activity in our soils.
- Wider environmental considerations such as protecting and improving water, greenhouse gases and enhancing biodiversity.
- Using less energy – particularly fossil fuel energy.
- Reducing imported feeds such as imported PKE with a longer-term aim of zero.
- Reducing the use of synthetic and high energy requirement fertiliser products.

Our journey will start with an increased focus on the soil and the nutrients that are applied / added to the soil to achieve pasture production on an annual and seasonal basis.

These changes are being made with the aim to enhance and develop the microbiology of the soil. We hope this will positively affect each season to see overall improvement in our annual pasture production.

Our 2023 autumn fertiliser was applied under the new regime and we had some trial paddocks sown with the new seed mix.

The results of these changes will take time to occur, and in the short to medium term this will influence the processes being implemented in other parts of the farm operation such as cropping, pasture renewal, and the use of bought in feed.

ACKNOWLEDGEMENTS:

Our most important resource is our people and we

would like to acknowledge everyone who has supported the farm over the last year.

Special thanks to our operational and management team, David Milne and Leighton Swan, and their teams (and whānau) for their dedication, and the significant progress they have made to date.

Our thanks also to our professional advisors, Peter Keeling and Daniel Payton (Perrin Ag), Nick Hume (BFA Accountants), and Vernon Rameka and the He Akina whānau.

***Me haere tahi tātou i runga i tēnei haerenga.
We must travel together as one on this journey***

Mauri Ora,

OFLP Board of Directors: Jan Hania, Brad Tatere, Temuera Hall, and Ngahere Wall.

2022 AGM Minutes

SATURDAY, 17 DECEMBER 2022, 10AM
OPEPE FARM, DRYSTOCK UNIT
STATE HIGHWAY 5, TAUPŌ

1. Opening of Meeting

Meeting commenced at 10.00am.

Heemi Biddle opened the AGM with a karakia.

Ngahere Wall thanked the whānau for attending Opepe's first kānohi kitea AGM since the Covid-19 lockdowns. An apology was made to the whānau for cancelling the children's events due to poor weather conditions.

INTRODUCTIONS

Introductions were made to the whānau.

- Ngahere Wall (Trustee)
- John Tupara (Trustee)
- Renée des Barres (Trustee)
- Heemi Biddle (Trustee)
- Diane Karaitiana (Associate Trustee)
- Vernon Rameka
(He Akina Ltd - General Manager)
- Jan Hania
(Opepe General Partner Limited - Director)

Ngahere acknowledged Temuera Hall (Chairman), Te Aue Addison (Associate Trustee), Tia Greenaway (Associate Trustee), and Brad Tatere (Opepe General Partner Limited Chairman) who were unable to make it to the hui.

APOLOGIES

Ngahere advised that an Apologies Register was in circulation and noted the apologies of the board members as mentioned.

Resolution: That the Apologies be received.

Moved: Taka Loughlin
Seconded: Manino Clarke

Outcome: Approved

2. Minutes

The Minutes of the Opepe Farm Trust 2021 AGM were presented, and time allowed to review the minutes page by page.

Resolution: That the Minutes of the previous AGM held Saturday 11th December 2021 be confirmed as a true and accurate record of that meeting.

Moved: Anne Clarke
Seconded: Matiu Northcroft

Outcome: Approved

3. Financial Report and Appointment of Auditor

Presented by Vernon Rameka

The operating profit for the year ending 2022 was \$3.41m, up from \$2.95m in 2021. The operating surplus (before tax) was \$2.48m, again up from \$1.95m in 2021. The net surplus (after tax and distributions) was up \$2m from \$1.77m in 2021.

OPERATING PERFORMANCE

- The farming revenue (incl dairy, livestock and calving) was up 26% to \$10.49m. This was mainly driven by the strong milk prices and improvements in both the sheep and beef units. 31 hectares of forestry located next to the Opepe Forest was harvested due to a windblown event and resulted in a forestry revenue profit of \$807m, up 219% from last year.
- The operating expenses had increased from last year by 15%, and are mainly related to

on-farm activities, as inflation has affected expenses. Overall, the total operating profit for the 2022 financial year was up 15% to \$3.41m.

CASH PERFORMANCE

The vast majority of cash flow was attributed to operating activities totalling a net profit of \$3.4m. Cash flow from investing and financing activities were a combined net outflow of \$485k as a result of commercial improvements and the repayment of debt.

FINANCIAL POSITION

The Trust's total net assets have remained stable at \$69.3m. Total liabilities have increased slightly from \$2.95m in 2021 to \$3.4m, however the Trust's overall net worth or Trust equity has increased from \$61.8m in 2021 to \$65.9m.

TRUST EQUITY

In 2012 the Trust equity has steadily increased by \$25m to \$65m over a ten-year period due to increases in land valuations and carbon credits. As at the end of the 2022 financial year the carbon credits were valued at slightly over \$5m.

AUDITORS REPORT

The 2022 Financial Audit was undertaken by Crowe NZ Audit Partners. This year's audit opinion is without qualification, and we have been given a clean bill of health.

Questions and Answers

- Q1: Has the Trust assessed the returns on investment in carbon credits against farming?
- Nigel Baker

Response: Yes, the Trust has conducted research in that space. It is a balancing act between planting trees and feeding the people. There are areas of the farm that have been identified as unsuitable for grazing and will be included in the Trust's afforestation project. - Heemi Biddle

- Q2: Where in the long-term plan will the Trust consider reinstating owner dividends?
- Nachele Griffiths

Response: The Trust is trying to find meaningful ways to support whānau and make distributions to owners. - Ngahere Wall

Resolution: That the Audited Financial Reports for the Year Ending 30th June 2022 be received.
Moved: Anne Clarke Seconded: Matiu Northcroft
Outcome: Approved

Resolution: That the Trust reappoint Crowe as Auditor for 2023.
Moved: Anne Clarke Seconded: Matiu Northcroft
Outcome: Approved

4. Trustee Elections

Presented by Ngahere Wall

Ngahere announced the final results for the 2022 Trustee Elections. There were five vacancies to fill and votes were conducted through Elections NZ by internet and postal voting.

1. Heemi Biddle
2. Ngahere Wall
3. Temuera Hall
4. John Tupara
5. Iraia Bailey

The Trust acknowledged retiring trustee Renée des Barres for her term of service to the Trust.

5. Amendments to the Trust Order

Presented by Vernon Rameka

The special resolutions were shown on screen and voting was explained to the whānau.

TERM OF OFFICE AND TRUSTEE ROTATION CYCLE

The trustees sought the owners approval to extend the trustee term of office to six years, and to implement a staggered election rotation of trustees. This will remove the risk of a full replacement of the board and loss of institutional knowledge.

The resolution was put to the floor, and voting cast by way of postal vote or voting cards.

(Proposed) Resolution 1: That the beneficiaries support a variation of the Trust Order so that a trustee's maximum term of office without facing re-election shall be six years.
(Proposed) Resolution 2: That the beneficiaries support a variation of the Trust Order to provide for a staggered rotation of trustees. Elections to occur at the AGM in every third year from the date of this variation to fill two or three trustee positions as the case may be.
Note - Votes were counted after the AGM and the results were as follows: Total Votes Received: 514 In Favour: 337 Against: 122 Blank / Invalid: 55
Outcome: Approved

WRITE-OFF HISTORICAL SHAREHOLDER DIVIDENDS

The trustees sought the owners approval to make an application to the Māori Land Court to write-off historical shareholder dividends that remain unclaimed as at this AGM.

This is a historical issue, relating to the unclaimed dividends posted in the Trust's Statement of Financial Position as at 30 June 2010 - a total of \$429,590. Unfortunately, the record keeping prior to 2010 wasn't sufficient and as a result, these dividends can never be reconciled. If supported by the beneficiaries, it is the trustee's intent to set aside this putea for a distribution of some type for all the known beneficiaries.

Questions and Answers

- Q1: Have the shares been publicised?
- Manino Clarke
Response: No, as there are no records of who the unclaimed dividends belong to. - Heemi Biddle.
- Q2: Families may have more money than others based on shares. How will the Trust divvy this out?
Response: This will need to be treated as a distribution not a dividend, as all known beneficiaries will need to be given an equal opportunity to access the distribution. - Ngahere Wall

The resolution was put to the floor, and voting cast by way of postal vote or voting cards.

(Proposed) Resolution: That the beneficiaries support an application to the Māori Land Court to write-off historical shareholder dividends that remain unclaimed as at this AGM.
Note - Votes were counted after the AGM and the results were as follows: Total Votes Received: 514 In Favour: 220 Against: 242 Blank / Invalid: 52
Outcome: Not Approved

6. Kaupapa Strategy

Presented by Ngahere Wall, Renée des Barres and Diane Karaitiana

- Whakarākei Whenua - this strategy brings alignment to what benefits the whenua and relates to our farm footprint being restorative, uplifting and regenerative.
- Whānau Oranga - this relates to how we are supporting our beneficiaries to meet our wellbeing needs (wairua, tinana and hinengaro).
- Rangatiratanga - this focuses on what connects us to the whenua, and how we can make it more meaningful to the owners.
- Pou Tāhua - this relates to building an innovative 22nd century economy. We are working towards achieving this outcome with the expertise of the members of the Investment Committee.

7. Trustees Report

Presented by Ngahere Wall, Renée des Barres, John Tupara and Heemi Biddle

- The Trust has advanced its transition to a kaupapa-led entity underpinned by our indigenous Māori values.
- The Trust's organisational structure has changed slightly as we continue to diversify operations and drive strategic priorities.
- We are fortunate to have some highly skilled and experienced individuals in our newly

formed Whakarākei Whenua Committee and Opepe Investment Committee, who provide us with sound advice.

- We reached agreement with The Tūwharetoa Settlement Trust (TST) regarding the long outstanding Mangamawhitiwhiti liability. As acknowledgment, Opepe made a contribution to TST of \$250k towards social / cultural developments.
- We continue to explore opportunities that allow growth and diversification while protecting current assets.
- We are working with Tauhara Middle 15 Trust on some exciting projects on our shared whenua. The first project, Tauhara Kitea will bring the down the korowai (tree line) of the maunga and focus on carbon in-setting.
- Tauhara Ngahau is a tourism focused project. We are currently in the feasibility stages of this project and hope to present more at the next AGM.

Questions and Answers

- Q1: I am happy for the Trust to look at residential or papakainga developments on the land but would like to ensure that lease options are explored so the land remains owned by the shareholders. - Anne Clarke
Response: Agreed - Ngahere Wall
- Q2: What progress has the Trust made towards setting up internships for our rangatahi? - Jocelyn Te Ao Marama
Response: In our Farming Report we have information regarding Growing Future Farmers which should provide some insight into what we are working on in this space. - Ngahere Wall.

Resolution: That the Trustees Report be received.
Moved: Barbara Moana Seconded: Nachele Griffiths
Outcome: Approved

8. Farming Report

Presented by Ngahere Wall and Renee des Barres.

- Ngahere introduced the Farm Managers David

Milne (dry stock) and Leighton Swan (dairy) to the whānau.

- The farming business has had healthy returns, reporting a pre-tax profit of \$3.5m. This was mainly driven by strong farmgate milk prices and significantly improved profitability of the drystock unit.
- Milk production was down 8.5% on 2021 and down on Opepe Farm Limited Partnership average production by 4%. This was attributed to a particularly dry summer which impacted pasture production and staff shortages across the dairy units.
- Ford Scudder was introduced to the whānau as the farms first Growing Future Farmer (GFF) cadet. GFF provides rangatahi with the opportunity to work and study on the drystock farm. The farm will have two cadets on a rolling basis.
- Looking ahead, the farm team expect external pressures (inflation and interest rates) to significantly impact on profitability and acknowledge that our whānau will bear the burden of this economic cycle.

Questions and Answers

- Q1: Do cadets whakapapa to Opepe and how do rangatahi go about applying? - Wikitoria Staples
Response: GFF take the interest from rangatahi across the rohe and Opepe choose cadets from the pool of applicants. We may need to develop and implement a strategy to drive more of our own rangatahi into this pathway. - Ngahere Wall

Resolution: That the Farm Report be received.
Moved: Wikitoria Staples Seconded: Marina Wineera
Outcome: Approved

9. Looking Ahead

WHAKARĀKEI WHENUA

Presented by Renée des Barres.

The Whakarākei Whenua Committee are tasked with exploring opportunities that care for our Taiao, through diversifying operations and reducing our carbon footprint.

BEAUTIFICATION PROJECT

Presented by John Tupara

This project aims to beautify the areas that can be seen from State Highway 5.

All farm units have been renamed to honour the history and pūrākau of the whenua and the main farm gates have had new signage erected to reflect the new names.

- Te Maru o Tauhara - Te Maru (under the shadow or protection of Tauhara) previously known as 901.
- Te Mānia o Tauhara - Te Mānia (the open plains of Tauhara) previously known as 902.
- Te Maea o Taupō-nui-a-Tia - Te Maea (the coming in to view of Lake Taupō) previously known as Drystock.

ONE BILLION TREES PROJECT

Presented by John Tupara

Three areas were identified as land unsuitable for farming, the best option for this was to plant it back into natives. Government funding from the One Billion Trees Project was secured to assist with these costs.

Ngā Mahi Kaha was engaged as the contractor to undertake this mahi. They are committed to employing beneficiaries of Opepe and are piloting a rangatahi programme which reconnects school kids to the whenua.

TAUHARA KITEA

Presented by Ngahere Wall

A map identifying the areas that will be planted at the foot of Tauhara was presented to the whānau. These areas will be planted in 10-hectare stages.

MILK DISPENSER

Presented by Ngahere Wall

The milk dispenser project is the first example of vertical opportunities where produce from the farm can be offered directly to owners.

It is essential that operations of this nature follow strict compliance guidelines, which has delayed the launch of the sales. However we are committed to working through these details to ensure the milk is available at the next Opepe AGM.

MEAT SUPPLY

Presented by Heemi Biddle

The Trust is working with local meat processor and butcher, Lakeside Meats, to identify other vertical opportunities for meat produce.

The beef and mutton included in the distribution packs have been sourced from the whenua and is part of the kaupapa of 'feeding the whānau'.

The intent of the Trust is to make kai from the farm accessible to the whānau and we are committed to find ways to make this work.

10. General Business

Questions and Answers

- Q1: When collecting meat for tangihanga is it possible to include offal? - Ed Parker
Response: This is a good example of why we are looking at home-kill options. This feedback will be taken onboard. - Heemi Biddle
- Q2: What percentage of owners do the Trust have current information for? Can the first unclaimed dividends distribution go towards a project team to locate the unknown owners?
Response: Currently the board hold the details of approximately 50% of the owners. If the special resolution vote is not in favor of what has been proposed, the unclaimed dividends will remain on the books as a liability. - Heemi Biddle.
- Q3: Ngā mihi to Ngā Mahi Kaha for the mahi on Opepe. They not only work on Opepe, but also work with Te Pae o Waimihia and have made themselves available to support all our marae. Will Opepe continue to work with Ngā Mahi Kaha and other whānau who whakapapa to the whenua? - Raeleen Wilson
Response: Yes. I agree, the mahi that Ngā Mahi Kaha do is amazing. - Ngahere Wall

11. Whakamutunga

Ngahere expressed appreciation to all those who joined the online hui and wished whānau a safe and happy Christmas / New Year's period.

Robin Wall closed the hui at 1.19pm with a karakia whakamutunga.



Financial Report

Opepe Farm Trust

CONSOLIDATED SPECIAL PURPOSE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

Trust Directory

Nature of Business

Farming and Forestry

Location

Farm - Opepe Farm Trust - State Highway 5, Taupō
Business - 88 Kaimanawa Street, Taupō

Managing Trustees

Temuera Hall
Heemi Biddle
Renée des Barres (retired December 2022)
Ngahere Wall
John Tupara
Iraia Bailey (elected December 2022)

Bankers

Bank of New Zealand, Taupō

Solicitors

Morrison Kent

Auditors

Crowe New Zealand Audit Partnership

Accountant

BFA - Accountants and Business Advisors,
109 Tūwharetoa Street, Taupō
Asher Group Limited. PO Box 7233, Hamilton
He Akina Limited. 88 Kaimanawa Street, Taupō

Opepe Farm Trust

APPROVAL OF FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

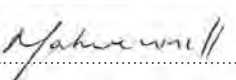
The Trustees are pleased to present the approved financial report including the financial statements of Opepe Farm Trust and its controlled entities for year ended 30 June 2023.

APPROVED

For and on behalf of the Trustees.


Trustee Temuera Hall

Date 12/12/2023


Trustee Ngahere Wall

Date 12/12/2023

Opepe Farm Trust

STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2023

	NOTES	2023 - GROUP	2022 - GROUP	2023 - PARENT	2022 - PARENT
Surpluses (Deficits) From Operations (excl. Depreciation & Finance)					
Property Rental & Board Room Hire (Putea)					
Property Rental & Board Room Hire (Putea)		-	35,858	-	35,858
Property Operating Expenses		-	(22,225)	-	(22,225)
Total Property Rental & Board Room Hire (Putea)		-	13,634	-	13,634
Forestry Activities					
Forestry Income		331,810	806,840	331,810	806,840
Forestry Operating Expenses		175,925	(196,047)	175,925	(196,047)
Total Forestry Activities		507,735	610,793	507,735	610,793
Farm Lease					
Farm Lease		1,726,823	1,539,762	1,726,823	1,539,762
Farm Lease Operating Expenses		(1,726,823)	(1,539,762)	(270,007)	(117,810)
Total Farm Lease		-	-	1,456,816	1,421,952
Taupo Operations					
Farming Revenue		10,153,963	10,497,289	-	-
Farm Operating Expenses		(7,607,363)	(6,957,668)	-	-
Total Taupo Operations		2,546,600	3,539,620	-	-
Gain/(Loss) on Financial Instruments		624,521	(797,148)	-	-
Other Income					
Interest Received		4,254	1	4,238	1
Dividends		-	8,233	-	4,441
Sundry Income		24,000	41,888	-	41,538
Total Other Income		28,254	50,123	4,238	45,981
Total From Operations		3,707,111	3,417,022	1,968,789	2,092,359
Surplus/Deficit From Investment Ventures					
Tauhara North Block Surplus/(Deficit) Excluding Revaluations		(53,877)	(37,434)	11,389	24,306
Tauhara Properties Limited Partnership Surplus/(Deficit)	12	97,847	77,193	97,847	77,193
Total Surplus/Deficit From Investment Ventures		43,970	39,759	109,236	101,499
Less Administration & Governance Costs					
Administration Expenses		627,119	342,350	304,566	106,068
Audit Fees		27,825	26,248	27,825	26,248
Tuwharetoa Settlement Trust		-	250,000	-	250,000
Governance and Secretarial Expenses		380,368	240,042	379,928	240,042
Total Less Administration & Governance Costs		1,035,312	858,639	712,320	622,358
Surplus Before Change in Value of Livestock Held, Depreciation, Interest & Finance Costs		2,715,769	2,598,142	1,365,706	1,571,500



The accompanying notes form part of these Financial Statements. These Financial Statements should be read in conjunction with the attached Audit Report.

Opepe Farm Trust

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2023

	NOTES	2023 - GROUP	2022 - GROUP	2023 - PARENT	2022 - PARENT
Plus (Less) Change in Value of Livestock Held					
Holding Gain (Loss)		(271,800)	789,215	-	-
Total Plus (Less) Change in Value of Livestock Held		(271,800)	789,215	-	-
Less					
Depreciation and loss on disposal adjustments	10	847,604	736,444	421,080	485,470
Depreciation Recovered		(139,110)	-	(139,110)	-
Interest & Finance Costs		90,627	92,947	17,156	16,961
Surplus (Deficit) Before Taxation, Provisions, Impairment, Appropriations & Capital Gains		1,644,847	2,557,966	1,066,579	1,069,070
Appropriations					
Koha, Donations & Grants		139,469	75,228	139,469	75,228
Total Appropriations		139,469	75,228	139,469	75,228
Operating (Loss)/Surplus Before Taxation		1,505,378	2,482,737	927,110	993,841
Taxation and Adjustments					
Income Tax Expense	7	514,121	476,196	514,121	476,196
Total Taxation and Adjustments		514,121	476,196	514,121	476,196
Operating (Loss)/Surplus After Taxation		991,257	2,006,541	412,989	517,645
Non-Controlling Interests					
Surplus Attributable to Non-Controlling Interests		2,847	6,077	-	-
Total Non-Controlling Interests		2,847	6,077	-	-
Net (Loss)/Surplus Attributable to the Parent Trust		988,409	2,000,465	412,989	517,645



The accompanying notes form part of these Financial Statements. These Financial Statements should be read in conjunction with the attached Audit Report.

Opepe Farm Trust

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

	NOTES	2023 GROUP	2022 GROUP	2023 PARENT	2022 PARENT
Assets					
Current Assets					
Cash and Bank	8	1,047,654	4,250,097	(56,222)	2,440,752
Accounts Receivables & Prepayments		1,190,149	1,722,150	123,264	445,816
Livestock	2	7,295,211	7,423,105	-	-
Manuka Kanuka Project		328,598	361,562	328,598	361,562
Stores & Produce on Hand		244,400	295,820	-	-
Total Current Assets		10,106,012	14,052,734	395,641	3,248,131
Non-Current Assets					
Property, Plant and Equipment	10	74,850,365	47,298,612	69,170,397	42,400,130
Investments	12	6,713,446	7,694,894	6,501,596	7,378,983
Loans to Subsidiaries	13	-	-	2,447,038	2,998,926
Investments in Subsidiaries	14	-	-	6,035,298	5,110,126
Other non-current assets assets		134,644	132,957	1,687	-
Capital Work in Progress		2,473,894	160,228	2,302,044	17,544
Total Non-Current Assets		84,172,350	55,286,692	86,458,061	57,905,708
Total Assets		94,278,361	69,339,426	86,853,701	61,153,839
Liabilities					
Current Liabilities					
Accounts Payable & Accruals		640,480	1,190,073	130,173	498,267
Unclaimed Dividends		429,590	429,590	429,590	429,590
Taxation Payable/(Receivable)	7	326,070	451,295	327,945	453,109
Total Current Liabilities		1,396,140	2,070,958	887,707	1,380,966
Non-Current Liabilities					
Term Loans	5	42,526	1,322,000	-	-
Other Non-Current Liabilities		4,000	3,600	-	-
Total Non-Current Liabilities		46,526	1,325,600	-	-
Total Liabilities		1,442,666	3,396,558	887,707	1,380,966
Net Assets		92,835,695	65,942,868	85,965,994	59,772,873
Equity					
Total Equity		92,835,695	65,942,868	85,965,994	59,772,873
Total Equity		92,835,695	65,942,868	85,965,994	59,772,873

Hall

Trustee Temuera Hall

Date 12/12/2023

Ngahere Wall

Trustee Ngahere Wall

Date 12/12/2023



The accompanying notes form part of these Financial Statements. These Financial Statements should be read in conjunction with the attached Audit Report.

Opepe Farm Trust

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2023

	2023 GROUP	2022 GROUP	2023 PARENT	2022 PARENT
Changes in Equity				
Balance at beginning of year				
Balance at beginning of year	65,942,869	61,770,450	59,772,873	57,188,954
Movements in Asset Revaluation Reserve Attributable to:				
Parent Trust Shareholders	25,694,545	2,185,798	25,780,132	2,066,274
Non-Controlling Partners	211,007	(19,921)	-	-
Prior Year Adjustment	(7,963)	-	-	-
Capital Gains on Sale of Assets	-	-	-	-
Distributions to Non-Controlling Partners	3,981	-	-	-
Total Movements in Asset Revaluation Reserve Attributable to:	25,901,570	2,165,877	25,780,132	2,066,274
Net Surplus/(Deficit) Attributable to:				
Parent Trust Shareholders	988,410	2,000,465	412,989	517,645
Non-Controlling Partners	2,847	6,077	-	-
Total Net Surplus/(Deficit) Attributable to:	991,257	2,006,542	412,989	517,645
Balance at end of year	92,835,696	65,942,869	85,965,994	59,772,873

Opepe Farm Trust

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2023

	2023 GROUP	2022 GROUP	2023 PARENT	2022 PARENT
Cash Flows from Operating Activities				
Receipts from Customers	11,536,771	14,226,118	2,402,997	2,230,133
Interest, dividends and other investment receipts				
Interest Income	4,262	2	4,238	1
Investment Income	-	5,707	-	4,441
Share of Profits from LP	109,236	101,499	109,236	101,499
Total Interest, dividends and other investment receipts	113,498	107,208	113,474	105,941
Payments to suppliers and employees	(8,795,983)	(10,499,499)	(1,007,769)	(457,849)
Income Tax Paid/(Refunded)	(639,286)	(64,684)	(639,286)	(64,283)
Interest Expense	(81,929)	(92,947)	(8,458)	(16,961)
Donations or grants paid	(102,702)	(75,228)	(102,702)	(75,228)
GST	(118,005)	104,248	(73,082)	37,393
Cash flows from other operating activities	-	(250,000)	-	(250,000)
Total Cash Flows from Operating Activities	1,912,364	3,455,215	685,175	1,509,146
Cash Flows from Investing and Financing Activities				
Receipts from sale of property, plant and equipment	569,621	1,445,165	176,502	1,415,525
Payments to acquire property, plant and equipment	(3,037,134)	(589,684)	(2,568,974)	(17,544)
Advances/(repayments) of loans borrowed from other parties	(1,279,474)	(446,000)	551,888	-
Capital repaid to owners or members	(3,981)	-	-	-
Cash flows from other investing and financing activities				
Other Assets (Current)	(3,404)	3,404	-	-
Financial Assets (non-current)	(1,348,646)	(873,176)	(1,345,701)	(872,738)
Investments - Equity Method	(11,789)	(24,306)	4,136	(24,306)
Total Cash Flows from Investing and Financing Activities	(5,114,807)	(484,597)	(3,182,149)	500,937
Net Increase/(Decrease) in Cash	(3,202,443)	2,970,619	(2,496,974)	2,010,083
Bank Accounts and Cash				
Opening cash	4,250,097	1,279,479	2,440,752	430,669
Net change in cash for period	(3,202,443)	2,970,619	(2,496,974)	2,010,083
Closing cash	1,047,654	4,250,097	(56,222)	2,440,752



Opepe Farm Trust

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

1. Statement of Accounting Policies

Reporting Entity

Opepe Farm Trust (the "Trust") is a Ahu Whenua Trust registered under the Te Ture Whenua Maori Land Act 1993.

The financial statements of Opepe Farm Trust are special purpose financial statements and have been prepared as required by the Trust Deed. The financial statements are for the Trust and the Group comprising the Trust, and its subsidiaries (Refer note 14).

Measurement Base

The accounting principles recognised as appropriate for the measurement and reporting of financial performance and financial position on a historical cost basis are followed by the Trust, except certain items for which specific accounting policies have been adopted.

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

Specific Accounting Policies

The following specific accounting policies which materially affect the measurement of financial performance and financial position have been applied:

a) Trade Receivables

Trade receivables are recognised at estimated realisable value.

b) Inventories

Inventories, other than livestock, are recognised at the lower of cost, determined on a first-in first-out basis, and net realisable value.

c) Property, Plant and Equipment

Property, Plant and Equipment is recognised at cost less aggregate depreciation, except for land and buildings. Land and buildings are valued at the latest Quotable Value less depreciation. Depreciation has been calculated using the maximum rates permitted by the Income Tax Act 2007, except for buildings which are depreciated based on their expected useful lives.

Expected useful lives of major asset categories are as follows:

- Vehicles: 3 - 8 years
- Computer Equipment: 2 - 7 years
- Plant and Equipment: 1 - 10 years
- Buildings: 1 - 100 years

d) Goods and Services Tax

The financial statements have been prepared on a GST exclusive basis, except for Accounts Receivable and Accounts Payable which are shown inclusive of GST.

e) Income Tax

The income tax expense charged to the Statement of Financial Performance is the current year's tax provision. Deferred tax accounting has not been adopted by the Trust.

f) Investments

Investments are shown at market value as at balance date, with the exception of Opepe Aquaculture Limited which are shown at their estimated realisable value. Opepe TM15 Partnership is shown at market value in the Parent financial statements of the Trust. Tauhara Properties Limited Partnership and He Akina Limited (From 1 April 2019) are investments in an associate which is accounted for using the equity accounting method. Opepe Farming Limited Partnership is an investment in a subsidiary and has been accounted for using the purchase method.

Opepe Farm Trust

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

g) Livestock

All livestock on hand has been valued at current market value determined by Central Livestock Limited (2022: Central Livestock Limited). Changes in value are recorded in the statement of financial performance. For taxation purposes livestock are valued using the herd scheme and the national standard cost scheme.

h) Basis of Consolidation - Purchase Method

The consolidated financial statements, which include the parent Trust and its subsidiaries, these are accounted for using the purchase method. In the parent financial statements investments in subsidiaries are recognised in accordance with f) Investments.

i) Revenue

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, and there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably.

The timing of the transfers of risks and rewards varies depending on the individual terms of the contract of sale.

Significant revenue policies

Milk income is recorded from the supplier statements. These statements are prepared monthly from milk collection records and recorded at the current market milk price as published by the entity supplied.

Rental and lease income is recognised in accordance with contractual arrangements.

Finance income comprises interest income on funds invested, changes in fair value of financial assets at fair value through profit or loss. Interest income is recognised as it accrues, using the effective interest method.

j) Milk Future Derivatives

Milk Future derivative instruments are recognised at fair value on the balance sheet, with any gains or losses on those instruments going through profit and loss as an operating expense.

Change in Accounting Policies

There have been no changes in accounting policies during the current financial year. All policies have been applied on basis consistent with those used in previous years.

There have been changes to prior year balances to conform with current year classifications.

2. Livestock on Hand

Opepe Farming Limited Partnership has the following Livestock on hand as at balance Date:

	2023	2023	2022	2022
	Qty	Value	Qty	Value
		\$		\$
Sheep	8,613	1,538,437	8,372	1,540,126
Beef Cattle	2,217	2,201,732	2,224	1,927,629
Dairy Cattle	2,454	3,555,042	2,637	3,955,351
Total:	13,284	7,295,211	13,265	7,423,106

3. Milk Future Derivatives

Opepe Farming Limited Partnership holds a Milk Futures account at Jarden, the balance as at balance date was \$356,520 (Prior Year: \$613,551), See Note 8 below.



Opepe Farm Trust

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

For the current financial year the amount recognised as revenue in the Statement of Financial Performance was a profit of \$778,345 (Prior Year: loss of \$797,148).

At 30 June 2023, the 68 contracts expiring 30 September 2023 had a contractual price between \$6.60 and \$10.50 with a total contractual value of \$3,057,240 and the 10 contracts expiring 30 September 2024 had a contractual price of \$8.54 with a total contractual value of \$512,400.

At 30 June 2022, the 76 contracts expiring 30 September 2022 had a contractual price of \$9.01 with a total contractual value of \$4,108,560 and the 58 contracts expiring 30 September 2024 had a contractual price between \$8.65 and \$10.50 with a total contractual value of \$3,057,240.

	2023 GROUP	2022 GROUP	2023 PARENT	2022 PARENT
4. Equity				
Capital				
Balance at beginning of year	260,451	260,451	260,451	260,451
Movement in the year	-	-	-	-
Balance at year end	260,451	260,451	260,451	260,451
Revaluation Reserves				
Asset Revaluation Reserve				
Balance at beginning of year	42,355,858	40,209,902	42,015,942	39,949,669
Movement in revaluation reserves	25,905,552	2,165,877	25,780,132	2,066,274
Less Non-Controlling share of movement	(211,007)	(19,921)	-	-
Prior Year Adjustment	(7,963)	-	-	-
Balance at year end	68,042,440	42,355,858	67,796,074	42,015,943
Capital Reserve				
Balance at beginning of year	3,381,503	3,381,503	3,381,503	3,381,503
Capital gains	-	-	-	-
Balance at year end	3,381,503	3,381,503	3,381,503	3,381,503
Total Revaluation Reserves	71,423,943	45,737,361	71,177,577	45,397,446
Retained Earnings				
Balance at beginning of year	19,175,655	17,175,190	14,114,976	13,597,331
Transfer from reserves	-	-	-	-
Net surplus attributable to parent trust beneficiaries beneficiaries	988,409	2,000,465	412,989	517,645
Balance at year end	20,164,064	19,175,655	14,527,965	14,114,976
Total Equity to Parent Trust Beneficiaries	91,848,459	65,173,468	85,965,993	59,772,873
Non-Controlling Interest				
Balance at beginning of year	769,401	743,403	-	-
Surplus attributable to non-controlling interest	2,847	6,077	-	-
Share of revaluation of property	211,007	19,921	-	-
Distributions to non-controlling interests	3,981	-	-	-
Balance at year end	987,236	769,401	-	-
Total Equity	92,835,695	65,942,869	85,965,993	59,772,873



Opepe Farm Trust

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

5. Bank of New Zealand

The Group has overdraft facilities totaling of \$1,300,000 (Prior Year: \$1,300,000) and a loan facility available of \$8,601,552 (Prior Year: \$8,601,552) with the Bank of New Zealand. The overdraft facility provides seasonal finance for the Trust and the loan facility was obtained to provide funding for the dairy conversion project. The overdraft and loan facility are secured over property owned by the Trust. The total amount drawn down at balance date was \$42,526 (Prior Year: \$1,768,000).

Opepe Farm Trust has provided the BNZ with a perfected security interest over all present and after acquired property. Opepe Farm Trust has also provided a \$4,690,000 (Prior Year: \$4,690,000) guarantee to the BNZ in relation to the borrowings by the Opepe Farming Limited Partnership.

Opepe Farming Limited Partnership has provided the BNZ with a perfected security interest over all present and after acquired property. Opepe Farming Limited Partnership has also provided a \$3,315,000 (Prior Year: \$3,315,000) guarantee to the BNZ in relation to borrowings by the Opepe Farm Trust.

Opepe Farm Trust has BNZ credit card facilities of \$5,500 (Prior Year: \$5,500). The credit card facility is unsecured and the interest rate on any overdue balance is 18.95% (Prior Year: 18.95%). Opepe Farming Limited Partnership has BNZ credit card facilities of \$15,000 (Prior Year: \$15,000).

6. Related Parties

Opepe TM15 Partnership

The Trust and Tauhara Middle 15 Trust are co-owners in the Tauhara North Farm. The Trust has a 80% interest in the Partnership.

Opepe Farming Limited Partnership

The Trust has a 100% ownership interest in Opepe Farming Limited Partnership. The general partner of Opepe Farming Limited Partnership is Opepe General Partner Limited.

Tauhara Properties Limited Partnership

The Trust has a 50% ownership interest in Tauhara Properties Limited Partnership. Te Pae O Waimiha owns the other 50% of Tauhara Properties Limited Partnership. Ngahere Wall is also a trustee of Te Pae O Waimiha. Opepe Properties Limited is the general partner of Tauhara Properties Limited Partnership.

Opepe Aquaculture Limited

The Trust has a 100% ownership interest in Opepe Aquaculture Ltd.

Sea Products Limited

Opepe Aquaculture Limited has a 50% ownership interest in Sea Products Limited.

Lake Taupo Forest Trust Management Limited

The Trust leases land to Lake Taupo Forest Management under a Memorandum of transfer granting a forestry right. Lake Taupo Forest Management Limited is owned 70% by Lake Taupo Forest Trust and 30% by Lake Rotoaira Forest Trust. Heemi Biddle and John Tupara are Trustees of Lake Rotoaira Forest Trust and The Trust. Heemi Biddle, John Tupara and Ngahere Wall are Trustees of Lake Taupo Forest Trust.

Lake Taupo Forest Trust, Lake Rotoaira Forest Trust and the Trust have beneficial owners in common.

Tupu Angitu Limited

Tupu Angitu Ltd was established as a commercial arm of Lake Taupo Forest Trust. Temuera Hall is a Director of Tupu Angitu. Opepe Farm Trust has invested \$500,000 through Tupu Angitu 2021 LP, into a newly established investment company ORIENS NO.9 NOMINEE LIMITED (8414301), Opepe holding 500,000 shares (3.284%). ORIENS NO.9 NOMINEE LIMITED was established for the specific purpose of making an equity investment in PMG GROUP LIMITED (8406981), holding 358,337 shares (35.83%). There have been no distributions to date.

Tuwharetoa Geo40 Limited Partnership

Opepe Farm Trust purchased a 20% share of Tuwharetoa Geo40 Limited Partnership. Tuwharetoa Geo40 Limited Partnership was established for the specific purpose of making an equity investment in GEO40 LIMITED (3021661), holding 1,666,667 shares (1.72%). There have been no distributions to date.



Opepe Farm Trust

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

He Akina Limited

Opepe Farm Trust owns 33% of He Akina Limited. He Akina Limited provide accounting and administrative services to Opepe Farm Trust and its subsidiaries.

Woolchemy NZ Limited

Opepe Farm Trust purchased 33,136 shares (1.60%) of Woolchemy NZ Limited (9429032825077). There have been no distributions to date.

	2023 GROUP	2022 GROUP	2023 PARENT	2022 PARENT
7. Income Tax Reconciliation				
Profit/(Loss) before Tax	1,505,378	2,482,737	927,110	993,841
Permanent Differences				
Add:	147,849	332,905	139,469	325,228
Deduct:	(114,402)	(633,031)	-	-
Total Permanent Differences	33,447	(300,126)	139,469	325,228
Timing Differences				
Add:	1,422,279	1,388,969	203,171	293,765
Deduct:	(18,827)	(842,868)	(25,000)	(25,000)
Total Timing Differences	1,403,452	546,101	178,171	268,765
Other Adjustments				
Taxable Profit/(Loss) Opepe Farming LP	-	-	1,686,710	1,127,229
Tax Adjustments Attributable to Minority Interests	(4,441)	(7,591)	6,376	6,057
Prior Year Adjustment Opepe Farming LP	-	-	-	-
Total Other Adjustments	(4,441)	(7,591)	1,693,085	1,133,286
Taxable Income/(Loss)	2,937,835	2,721,122	2,937,835	2,721,122
Tax at 17.5%	514,121	476,196	514,121	476,196
Deductions from Tax Payable				
Opening Balance	451,234	40,572	453,109	41,196
Prior period tax paid/(refunded)	-	-	-	-
Provisional Tax Paid	(639,286)	(64,283)	(639,286)	(64,283)
Withholding Tax	-	(190)	-	-
Imputation Credits	-	(1,062)	-	-
Total Deductions from Tax Payable	(188,051)	(24,962)	(186,176)	(23,087)
Income Tax Payable/(Refund Due)	326,070	451,234	327,945	453,109
	2023 GROUP	2022 GROUP	2023 PARENT	2022 PARENT

8. Cash and Bank

Charitable Account	2	2	2	2
BNZ Bank - Call Account	637	629	-	-
BNZ Current Account	532,709	961,301	-	-
BNZ Milk Futures Trading	258	883	-	-
BNZ Bank - Cheque Account	213,020	232,249	-	-
Farm First Call Account	3,896	2,266	3,896	2,266



Opepe Farm Trust

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

	2023 GROUP	2022 GROUP	2023 PARENT	2022 PARENT
OFLP Main Bank Account	-	-	-	-
Main Bank Account	(64,395)	2,362,069	(64,395)	2,362,069
OFLP Treasury Call Account	732	732	-	-
Putea Account	4,275	76,415	4,275	76,415
Milk Future Derivatives				
Jarden Securities Ltd - CMT A/c	356,520	613,551	-	-
Total Milk Future Derivatives	356,520	613,551	-	-
Total Cash and Bank	1,047,654	4,250,097	(56,222)	2,440,752

9. Contingent Liabilities

The entity has gained emission credits ("New Zealand Units" or "NZU's") and will incur liabilities through the Emissions Trading Scheme (ETS). The entity has applied and received credits on its post 1989 plantations. Should the plantation be deforested, a liability would be incurred unto a maximum of the credits received. At balance date the Trust holds 63,480 NZU's (Prior Year: 63,480).

	2023 GROUP	2022 GROUP	2023 PARENT	2022 PARENT
10. Property, Plant and Equipment				
Land and Buildings				
Land and Buildings At Valuation	80,152,892	52,521,961	75,427,782	48,725,084
Accumulated Depreciation	(6,356,248)	(6,411,678)	(6,269,718)	(6,333,385)
Total Land and Buildings	73,796,644	46,110,283	69,158,064	42,391,699
Plant and Equipment				
Plant and Equipment At Cost	1,668,092	1,501,592	25,679	25,679
Accumulated Depreciation	(892,123)	(766,123)	(11,292)	(9,621)
Total Plant and Equipment	775,968	735,469	14,387	16,058
Motor Vehicles				
Motor Vehicles At Cost	1,078,979	1,072,844	-	-
Accumulated Depreciation	(658,445)	(613,994)	-	-
Total Motor Vehicles	420,535	458,850	-	-
Office Equipment				
Office Equipment At Cost	37,468	89,904	35,760	88,196
Accumulated Depreciation	(39,376)	(97,336)	(37,814)	(95,823)
Total Office Equipment	(1,908)	(7,432)	(2,054)	(7,627)
Property Improvement				
Property Improvement At Cost	282,672	242,236	-	-
Accumulated Depreciation	(423,545)	(240,794)	-	-
Total Property Improvement	(140,874)	1,442	-	-
Total Property, Plant and Equipment	74,850,365	47,298,612	69,170,397	42,400,130

11. Land and Buildings

Land and buildings owned by the Group, have been revalued to the latest Quotable Values as at July 2022.



Opepe Farm Trust

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

	2023 GROUP	2022 GROUP	2023 PARENT	2022 PARENT
12. Investments				
Alliance Shares	31,983	31,890	887	887
Livestock Improvement Corporation	13,417	10,472	-	-
Emission Trading Units	2,595,183	4,924,083	2,602,680	4,824,480
Forestry	80,000	80,000	-	-
Taupo Saleyards Limited	875	875	875	875
Balance Agrinutrients Limited	365,715	365,715	365,715	365,715
Farmlands	4,295	4,295	4,295	4,295
Taonga	20,000	20,000	20,000	20,000
He Akina Limited	27,964	27,964	27,964	27,964
Tuwharetoa Geo40 Limited Partnership	500,000	-	500,000	-
PMG Group Limited Investment	500,000	-	500,000	-
Ravensdown Corporation Limited	43,257	43,257	43,257	43,257
Woolchemy Limited	100,000	-	100,000	-
Sea Products Limited	95,384	94,984	550	150
Tauhara Properties Limited Partnership	2,335,373	2,091,359	2,335,373	2,091,359
Total Investments	6,713,446	7,694,894	6,501,596	7,378,983

Tauhara Properties Limited Partnership - Equity Accounted Investment

	2023 GROUP	2022 GROUP	2023 PARENT	2022 PARENT
Tauhara Properties LP				
Opening Balance	2,091,359	1,218,620	2,091,359	1,218,620
Capital contributions	314,325	973,195	314,325	973,195
Distribution paid during the year	(165,488)	(77,194)	(165,488)	(77,194)
Equity Accounted Share of NPAT	95,177	(23,263)	95,177	(23,263)
Closing Balance	2,335,373	2,091,358	2,335,373	2,091,358

He Akina Limited Partnership - Equity Accounted Investment

	2023 GROUP	2022 GROUP	2023 PARENT	2022 PARENT
He Akina Limited				
Opening Balance	27,965	27,965	27,965	27,965
Distribution paid during the year	-	-	-	-
Closing Balance	27,965	27,965	27,965	27,965

13. Loans to Subsidiaries

	2023 GROUP	2022 GROUP	2023 PARENT	2022 PARENT
Opepe Farm Trust Loan	-	-	2,447,038	2,998,926
Total Loans to Subsidiaries	-	-	2,447,038	2,998,926

The loan to Opepe Farming Limited Partnership is interest free. The loan is not expected to be repaid in the next 12 months.



Opepe Farm Trust

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

14. Investments in Subsidiaries

Opepe TM15 Partnership

The Opepe TM15 Partnership owns the land known as Tauhara North. Opepe Farm Trust has an 80% interest in the partnership (Prior Year 80%). The property was revalued to the latest valuation for rating purposes on 1 July 2019, and the forestry crop is held at estimated market value of \$80,000. The value of the investment as at balance date is \$3,015,292 (Prior Year: \$2,990,986).

Opepe Aquaculture Limited

The Trust has a 100% ownership interest in Opepe Aquaculture Ltd (Prior Year: 100%). The value of the investment as at balance date is \$94,834 (Prior Year: \$94,834).

Opepe Farming Limited Partnership

The Trust has a 100% ownership interest in Opepe Farming Limited Partnership. The value of the investment as at balance date is \$2,000,000 (Prior Year: \$2,000,000).

15. Nitrogen Position

The Nitrogen Discharge Allowances are as follows (Units Per Hectare):
Opepe Dairy Farm 22 Units (Prior Year: 22 Units)

Opepe No 1 Farm 13 Units (Prior Year: 13 Units)
Tauhara North Farm 16 Units (Prior Year: 16 Units)
The Trust has kept within the allocated allowances.

16. Taonga

The Trustees have previously approved the purchase of historical paintings of Opepe beneficiaries by Captain Ryan. These Taonga are on loan to the Taupo Art Gallery.

17. Commitments for Capital Expenditure

The trust has capital commitments of \$2,612,150 as at balance date, balance spent at year end \$2,311,726 (Prior Year: \$1,700).

18. Events Subsequent to Balance Date

There were no events that have occurred after the balance date that would have a material impact on the Financial Statements.



INDEPENDENT AUDITOR'S REPORT

To the Beneficial Owners of Opepe Farm Trust

Opinion

We have audited the special purpose consolidated financial statements of Opepe Farm Trust (the Trust) and its controlled entities (the Group) on pages 25 to 37, which comprise the consolidated and separate statement of financial position as at 30 June 2023, and the consolidated and separate statement of financial performance, the consolidated and separate statement of changes in equity and the consolidated and separate statement of cash flows for the year then ended, and notes to the special purpose consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying special purpose financial statements present fairly, in all material respects, the financial position of the Trust and Group as at 30 June 2023, and its financial performance and its cash flows for the year then ended in accordance with the accounting policies as disclosed in Note 1 of the special purpose financial statements.

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 Special Purpose Consolidated Financial Statements* section of our report. We are independent of the Trust and 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, Opepe Farm Trust or any of its controlled entities.

Emphasis of Matter – Basis of Accounting and Restriction on Distribution

We draw attention to Note 1 to the special purpose consolidated financial statements, which describes the basis of accounting. The special purpose consolidated financial statements are prepared to assist Opepe Farm Trust to meet the provisions of the Trust Deed. As a result, the special purpose consolidated financial statements may not be suitable for another purpose. Our report is intended solely for the Trust's Beneficial Owners, as a body and should not be distributed to parties other than the Trust and its Beneficial Owners. Our opinion is not modified in respect of this matter.

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

The Trustees are responsible for the other information. Our opinion on the special purpose consolidated financial statements does not cover the other information included in the annual report and we do not and will not express any form of assurance conclusion on the other information. At the time of our audit, there was no other information available to us.

In connection with our audit of the special purpose consolidated financial statements, if other information is included in the annual report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the special purpose 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 that we obtained prior to the date of our auditors' report, we concluded that there is a material misstatement of this other information, we are required to report that fact.

Trustees' Responsibilities for the Special Purpose Consolidated Financial Statements

The Trustees are responsible on behalf of the Trust and Group for the preparation of the special purpose consolidated financial statements in accordance with the accounting policies as disclosed in Note 1 of the special purpose financial statements and for such internal control as the Trustees determine is necessary to enable the preparation of special purpose consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Our objectives are to obtain reasonable assurance about whether the special purpose 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 special purpose 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 special purpose 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.



2023 Annual General Meeting: Opepe Farm, Saturday 16th December, 10.00am