

Taukī tahua pūtea

_____ **Financial statements**

FOR THE YEAR ENDED 30 SEPTEMBER 2023

Taukī moni whiwhi

Consolidated income statement

FOR THE YEAR ENDED 30 SEPTEMBER 2023

\$000's	Note	2023	2022
Sale of goods		125,495	122,752
Other revenue		7,282	7,744
Total revenue	15	132,777	130,496
Cost of sales	13	(104,352)	(98,122)
Gross profit		28,425	32,374
Other income/(expenses)	14	(309)	(1,237)
Distribution expenses	13	(5,363)	(5,687)
Administrative expenses	13	(15,995)	(17,868)
Finance expenses	13	(4,485)	(2,624)
Share of Sealord profit	4	(2,044)	3,353
Share of profit of associates & joint ventures	5	4,180	4,296
Profit before income tax		4,409	12,607
Income tax expense	17	(885)	(597)
Profit for the period		3,524	12,010

The above Income Statement should be read in conjunction with the accompanying notes.

Taukī whānui moni whiwhi

Consolidated statement of comprehensive income

FOR THE YEAR ENDED 30 SEPTEMBER 2023

\$000's	Note	2023	2022
Profit for the period		3,524	12,010
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss (Losses) / gains from:			
Cash flow hedges	2	3,438	(944)
Share of Sealord other comprehensive income	4	3,499	(292)
Income tax relating to components of comprehensive income	2 & 18	(602)	165
Other comprehensive income for the year net of tax		6,335	(1,071)
Total comprehensive income for the year net of tax, attributable to the shareholders		9,859	10,939

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Ripange kaute

Consolidated statement of financial position

AS AT 30 SEPTEMBER 2023

\$000's	Note	2023	2022
Assets			
Current assets			
Cash & bank balances	20	437	679
Trade & other receivables	21	11,464	9,144
Inventories	22	7,895	6,398
Biological assets	9	9,195	8,327
Income tax	17	352	555
Derivative financial instruments	28	826	65
Total current assets		30,169	25,168
Non-current assets			
Property, plant & equipment	23	61,522	61,426
Right of use assets	24	12,832	8,542
Investment in Sealord Group Limited	4	235,867	235,192
Investments in associates & joint ventures	5	3,101	2,681
Other investments	6	746	562
Quota shares	8	255,356	245,353
Goodwill	10	4,710	4,710
Intangibles	25	7,332	6,342
Deferred tax	18	-	150
Derivative financial instruments	28	1,582	1,157
Total non-current assets		583,048	566,115
Total assets		613,217	591,283
Liabilities			
Current liabilities			
Trade & other payables	26	6,811	9,819
Provisions	11	4,299	8,069
Lease liabilities	24	609	610
Redeemable preference shares	12	20,000	20,000
Derivative financial instruments	28	432	2,908
Total current liabilities		32,151	41,406
Non-current liabilities			
Borrowings	27	61,100	43,500
Lease liabilities	24	9,463	5,057
Deffered Tax	18	718	-
Derivative financial instruments	28	16	-
Total non-current liabilities		71,297	48,557
Total liabilities		103,448	89,963
Net assets		509,769	501,320
Equity			
Shareholders' equity			
Capital contributed	2	286,979	286,979
Cash flow hedging reserve	2	1,576	(1,260)
Associates' derivative financial instruments & other reserves		3,948	449
Retained earnings		217,266	215,152
Total shareholders' equity		509,769	501,320

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

For and on behalf of the Board, who authorised the issue of these Financial Statements on 30 November 2023.



Rachel Taulelei
Chair



Glenn Hawkins
Chair of the Audit & Risk Committee

Taukī tapatahi rerekētanga

Consolidated statement of changes in equity

FOR THE YEAR ENDED 30 SEPTEMBER 2023

\$000's	Note	Capital contributed	Cash flow hedging reserve	Associates' derivative financial instruments & other reserves	Retained earnings	Total equity
Balance at 1 October 2022		286,979	(1,260)	449	215,152	501,320
Net profit		-	-	-	3,524	3,524
Other comprehensive income for year, net of tax		-	2,836	3,499	-	6,335
Dividend provision	3	-	-	-	(1,410)	(1,410)
Balance at 30 September 2023		286,979	1,576	3,948	217,266	509,769
Balance at 1 October 2021		286,979	(481)	741	207,946	495,185
Net profit		-	-	-	12,010	12,010
Other comprehensive income for year, net of tax		-	(779)	(292)	-	(1,071)
Dividend provision	3	-	-	-	(4,804)	(4,804)
Balance at 30 September 2022		286,979	(1,260)	449	215,152	501,320

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Taukī aurere pūtea

Consolidated statement of cash flows

FOR THE YEAR ENDED 30 SEPTEMBER 2023

\$000's	Note	2023	2022
Cash flows from operating activities			
Cash was provided from:			
Receipts from customers		123,438	123,182
Interest received		114	44
Taxation received		123,552	123,226
Cash was disbursed to:			
Payments to suppliers & employees		115,818	109,102
Interest paid		4,485	2,624
Taxation paid		417	1,826
		120,720	113,552
Net cash flows from operating activities	16	2,832	9,674
Cash flows from investing activities			
Cash was provided from:			
Dividends received		4,739	11,102
Sale of property, plant & equipment		24	103
Loan repayment from Sealord		-	3,720
		4,763	14,925
Cash was disbursed to:			
Purchase of property, plant & equipment		5,704	10,477
Purchase of quota		10,003	8
Purchase of other investments		348	453
Acquisition of intangibles		1,192	599
		17,247	11,537
Net cash flows from investing activities		(12,484)	3,388
Cash flows from financing activities			
Cash was provided from:			
Proceeds of borrowings		21,000	10,300
		21,000	10,300
Cash was disbursed to:			
Repayment of borrowings		3,400	9,720
Payment of lease liabilities		3,386	2,532
Dividends paid to shareholders		4,804	10,819
		11,590	23,071
Net cash flows from financing activities		9,410	(12,771)
Net (decrease) / increase in cash held		(242)	291
Cash at the beginning of the period		679	388
Cash at the end of the year	20	437	679
Comprising:			
Cash and bank balances		437	679

The Statement of Cash Flows above should be read in conjunction with the accompanying notes.

Pitopito kōrero mō ngā taukī pūtea

Notes to the financial statements

FOR THE YEAR ENDED 30 SEPTEMBER 2023

1. Reporting Entity and Basis of Presentation

Corporate Information

Aotearoa Fisheries Limited, trading as Moana New Zealand (the Company) was incorporated in New Zealand on 26 November 2004. The Moana New Zealand Group of Companies consists of the Company, its subsidiaries and associates (the Group).

The Group's principal activities during the year were the harvesting, procurement, farming, processing, and marketing of sustainably produced seafoods to consumers in domestic and major international markets. The registered office of the Group is 1-3 Bell Avenue, Mt Wellington, Auckland.

Basis of Preparation

The financial statements have been prepared on the historical cost basis except where indicated otherwise within the specific accounting policies.

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000's), unless otherwise indicated.

Statement of Compliance

These general purpose financial statements for the year ended 30 September 2023 have been prepared in accordance with generally accepted accounting practice (GAAP), and comply with New Zealand equivalents to International Financial Reporting Standards (NZ IFRS), and other applicable Financial Reporting Standards as appropriate for profit-oriented entities. The financial statements also comply with International Financial Reporting Standards ('IFRS'), and with the requirements of the Companies Act 1993, the Financial Reporting Act 2013 and the Māori Fisheries Act 2004.

New Accounting Standards and Interpretations

The Group adopts new standards and interpretations in the period in which they become mandatory. There have been no new or amended standards that have an impact on the Group's financial statements for the year ended 30 September 2023.

There have been no new standards or amendments to standards that are not yet effective and have not been early adopted by the Group that materially impact the Group's financial statements for the year ended 30 September 2023.

Accounting Policies

There have been no changes in accounting policies.

Basis of Consolidation

The financial statements incorporate the financial statements of the Company and all subsidiaries (these are entities controlled by the Company and significant subsidiaries are listed in Note 5, collectively the Group). Control is achieved where the Company has power over the investee, is exposed, or has rights to variable returns from its involvement with the investee and has the ability to use this power to influence these returns.

All significant inter-company transactions are eliminated on consolidation. Subsidiaries' accounting policies are consistent with the policies adopted by the Group.

Significant Accounting Judgements, Estimates and Assumptions

Management is required to make judgements, estimates, and assumptions that affect the reported amounts in the financial statements. Management bases its judgements and estimates on historical experience and on various other factors it believes to be reasonable under the circumstances. Actual results may differ from these estimates. The principal areas of judgements and estimates made in preparing the financial statements include impairment of quota and goodwill, and marine biological assets. Further details of these judgements may be found in the relevant notes to the financial statements.

Pitopito kōrero mō ngā taukī pūtea

Notes to the financial statements

FOR THE YEAR ENDED 30 SEPTEMBER 2023

2. Shareholders' Equity

(a) Capital Contributed

Pursuant to the Māori Fisheries Act, the Company received certain assets and liabilities in 2004, of which the net fair value was treated as a shareholders' capital contribution.

The following table is a summary of the share capital.

	2023 Number of shares	2023 Book value of shares \$000	2022 Number of shares	2022 Book value of shares \$000
Voting shares	125,000	-	125,000	-
Income shares (fully paid)	500,000	286,979	250,000	286,979
Shares at end of year	625,000	286,979	375,000	286,979

(b) Voting Shares

All the voting shares are held with Te Ohu Kai Moana Trustee Limited, and confer all the rights to vote as under the Companies Act. The voting shares have no rights to dividends or other distributions.

(c) Income Shares

Under the Māori Fisheries Act, 80% of the income shares are to be held with mandated iwi organisations, with Te Ohu Kai Moana Trustee Limited holding 20%. Te Ohu Kai Moana Trustee Limited is still holding income shares in trust for iwi that have yet to be allocated under the Māori Fisheries Act. Income shares carry an equal right to dividends and share in other distributions, including assets on a wind-up.

On 30 November 2022, the Directors approved a taxable bonus share issue to shareholders. The Company issued a total of 250,000 new shares to shareholders in proportion to their existing shareholding.

	2023 Number of Shares	2023 % of Total Shares	2022 Number of Shares	2022 % of Total Shares
Te Ohu Kai Moana Trustee Limited (to be allocated)	6,664	1.33%	3,332	1.33%
Te Ohu Kai Moana Trustee Limited (held on trust)	100,000	20.00%	50,000	20.00%
Atiawa Ki Whakarongotai Holdings Limited	292	0.06%	146	0.06%
Atiawa Nui Tonu Fisheries Limited	1,036	0.21%	518	0.21%
Hokotehi Settlement Quota Holding Company Limited	352	0.07%	176	0.07%
Ika Toa Limited	3,064	0.61%	1,532	0.61%
Kahungunu Asset Holding Company Limited	31,496	6.30%	15,748	6.30%
Koata Limited	520	0.10%	260	0.10%
Maruehi Fisheries Limited	972	0.19%	486	0.19%
Muaūpoko Trading Company Limited	1,120	0.22%	560	0.22%
Ngāi Tahu Fisheries Investments Limited	24,440	4.89%	12,220	4.89%
Ngāi Tamanuhiri Asset Holding Company Limited	712	0.14%	356	0.14%
Ngāitakoto Holdings Limited	300	0.06%	150	0.06%
Ngāi Te Rangi Fisheries AHC Limited	6,156	1.23%	3,078	1.23%
Ngāpuhi Asset Holding Company Limited	63,164	12.63%	31,582	12.63%
Ngāruahine Fisheries Limited	1,928	0.39%	964	0.39%
Ngā Wairiki - Ngāti Apa Developments Limited	1,448	0.29%	724	0.29%
Ngāti Apa Ki Te Rā Tō Assets Holding Company Limited	384	0.08%	192	0.08%
Ngāti Awa Asset Holdings Limited	7,804	1.56%	3,902	1.56%
Ngāti Kahu Fisheries Limited	4,268	0.85%	2,134	0.85%
Ngāti Manawa Tokowaru Asset Holding Company Limited	924	0.18%	462	0.18%
Ngāti Maru (Taranaki) Fishing Limited	532	0.11%	266	0.11%
Ngāti Mutunga o Wharekauri Asset Holding Company Limited	668	0.13%	334	0.13%
Ngāti Porou Seafoods Limited	37,464	7.49%	18,732	7.49%
Ngāti Pūkenga Iwi Fish Holdings Limited	732	0.15%	366	0.15%
Ngāti Ranginui Fisheries Holding Company Limited	3,904	0.78%	1,952	0.78%

Pitopito kōrero mō ngā taukī pūtea

Notes to the financial statements

FOR THE YEAR ENDED 30 SEPTEMBER 2023

	2023 Number of Shares	2023 % of Total Shares	2022 Number of Shares	2022 % of Total Shares
Ngāti Rārua Asset Holding Company Limited	476	0.10%	238	0.10%
Ngāti Ruanui Fishing Limited	3,344	0.67%	1,672	0.67%
Ngāti Tūwharetoa Fisheries Holdings Limited	20,156	4.03%	10,078	4.03%
Ngāti Whare Holdings Limited	412	0.08%	206	0.08%
Ngāti Whātua Fisheries Limited	7,724	1.54%	3,862	1.54%
Ngātiwai Holdings Limited	2,424	0.48%	1,212	0.48%
Pare Hauraki Asset Holdings Limited	8,024	1.60%	4,012	1.60%
Rangitāne Holdings Limited	740	0.15%	370	0.15%
Rangitāne o Te Ika A Māui Limited	1,956	0.39%	978	0.39%
Raukawa Asset Holding Company Limited	5,332	1.07%	2,666	1.07%
Raukawa Ki Te Tonga AHC Limited	11,600	2.32%	5,800	2.32%
Rongowhakaata Iwi Asset Holding Company Limited	2,196	0.44%	1,098	0.44%
Tama Asset Holding Company Limited	368	0.07%	184	0.07%
Taranaki Iwi Fisheries Limited	3,536	0.71%	1,768	0.71%
Tapuika Holding Limited	1,050	0.21%	525	0.00
Te Aitanga ā Māhaki Trust Asset Holding Company Limited	2,652	0.53%	1,326	0.53%
Te Arawa Fisheries Holding Company Limited	22,822	4.56%	11,411	4.56%
Te Ātiawa (Taranaki) Holdings Limited	8,332	1.67%	4,166	1.67%
Te Ātiawa Asset Holding Company Limited	1,156	0.23%	578	0.23%
Te Aupōuri Asset Holding Company Limited	4,812	0.96%	2,406	0.96%
Te Hoiere Asset Holding Company Limited	744	0.15%	372	0.15%
Te Kumukumu Limited	1,336	0.27%	668	0.27%
Te Kupenga o Maniapoto Limited	18,172	3.63%	9,086	3.63%
Te Pataka O Tangaroa Limited	1,936	0.39%	968	0.39%
Te Patiki Holdings Limited	612	0.12%	306	0.12%
Te Urungi O Ngāti Kuri Limited	2,852	0.57%	1,426	0.57%
Te Waka Pūpuri Pūtea Limited	7,068	1.41%	3,534	1.41%
Tuhoe Fish Quota Limited	17,508	3.50%	8,754	3.50%
Waikato-Tainui Fisheries Limited	27,404	5.48%	13,702	5.48%
Whaingaroa Fisheries Company Limited	1,200	0.24%	600	0.24%
Whakatōhea Fisheries Asset Holdings Company Limited	5,952	1.19%	2,976	1.19%
Whanganui Iwi Fisheries Limited	5,760	1.15%	2,880	1.15%
Total shares	500,000	100.00%	250,000	100.00%

(d) Cash Flow Hedging Reserve

\$000's	2023	2022
Balance at beginning of the year	(1,260)	(481)
Net gains on cash flow hedges (post tax)	2,836	(779)
Balance at end of the year	1,576	(1,260)

This reserve records the gains or losses on cashflow hedging instruments that meet the hedge accounting requirements of NZ IFRS9 and are determined to be effective hedges.

The cumulative deferred gain or loss on hedges is recognised in the Income Statement when the hedged transaction impacts revenue or expense, or is included as a basis adjustment to the non-financial hedged item, consistent with the applicable accounting policy (refer note 28).

Pitopito kōrero mō ngā taukī pūtea

Notes to the financial statements

FOR THE YEAR ENDED 30 SEPTEMBER 2023

3. Dividend Declared

On 29 November 2023, the Directors approved a gross dividend of \$1.7 million (2022: \$5.8 million), resulting in a net cash dividend after Māori authority credits to shareholders of \$1.4 million. This has been accrued in the financial statements under the requirements of the Māori Fisheries Act 2004, to pay at least 40% of profit back to shareholders. The dividend will be paid in December 2023.

The dividend is calculated as follows:

\$000's	2023	2022
Profit for the year	3,524	12,010
Dividend as a percentage of profit	40.0%	40.0%
Dividend	1,410	4,804

The following shows the dividend components:

\$000's	2023	2022
Dividend declared after balance date	1,709	5,823
Māori authority credits	(299)	(1,019)
Net cash dividend to shareholders	1,410	4,804

Dividend per share	\$2.82	\$19.22
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The 2022 dividend per share is based on 250,000 issued shares. A comparative based on the issued shares as at 30 September 2023 (500,000) is \$9.61 per share.

4. Investment in Sealord Group

(a) Investment Details

Kura Limited is the 100% owner of Sealord Group Limited (Sealord), with Moana New Zealand owning a 50% interest in Kura Limited. Kura Limited is a joint venture incorporated in New Zealand, with Nippon Suisan Kaisha Limited owning the other 50% ownership interest and voting rights.

The principal activities of Sealord are catching, procurement, processing and marketing of seafood in New Zealand and internationally. The Company's investment in Sealord is accounted for using the equity accounting method as outlined in note 5.

The Company advanced to Sealord two loans of \$3.5m, one in 2017 and one in 2016 for the construction of a new deep sea vessel. Both loans were denominated in EUR. An equivalent loan to Sealord was also made by Nippon Suisan Kaisha Limited. The loans to Sealord were for five years, renewable for a further three years and unsecured. Moana New Zealand charged interest to Sealord at the same interest cost to Moana New Zealand from its banker. Further details of the loans are described in note 27. The loan advanced in 2016 was repaid in 2021, while the loan advanced in 2017 was repaid in 2022.

\$000's	2023	2022
Kura Limited	235,867	235,192

(b) Movements in Carrying Amount

The movement in the carrying value of the investment in Kura Limited is as follows:

\$000's	2023	2022
Balance 1 October	235,192	242,195
Share of profit/(loss) after tax	(2,044)	3,353
Share of other comprehensive income	3,499	(292)
Share of dividends	(780)	(6,341)
Loan advance		(3)
Loan payment		(3,720)
Balance at 30 September	235,867	235,192

Pitopito kōrero mō ngā taukī pūtea

Notes to the financial statements

FOR THE YEAR ENDED 30 SEPTEMBER 2023

(c) Summarised Financial Information

The summarised financial information is extracted from the audited Kura Limited Statement of Financial Position.

\$000's	As at 30 September 2023	As at 30 September 2022
Current assets	342,835	318,529
Non-current assets	738,679	743,850
	1,081,514	1,062,379
Current liabilities	(139,420)	(204,814)
Non-current liabilities	(425,775)	(342,595)
	(565,195)	(547,409)
Net Assets	516,319	514,970

\$000's	For the year ended 30 September 2023	For the year ended 30 September 2022
Revenue	447,263	461,863
Expenses	(451,351)	(455,158)
Profit/ (loss) for the year	(4,088)	6,705
Other comprehensive income/ (expenses)	6,997	(584)
Total comprehensive income/ (loss) for the year	2,909	6,121

Included within the summarised financial information above are the following items, extracted from the audited Kura Limited Statement of Financial Position;

\$000's	As at 30 September 2023	As at 30 September 2022
Cash and cash equivalents	6,117	20,994
Current financial liabilities (excluding trade and other payables and provisions)	(48,043)	(116,747)
Non-current financial liabilities (excluding trade and other payables and provisions)	(360,810)	(277,277)
Depreciation and amortisation	(37,833)	(34,488)
Interest income	2,122	28
Interest expense	(19,802)	(12,377)
Income tax expense/ (income)	1,880	3,070

Pitopito kōrero mō ngā taukī pūtea

Notes to the financial statements

FOR THE YEAR ENDED 30 SEPTEMBER 2023

The summarised financial information in respect of the Group's associates is set out below:

\$000's	2023	2022
Current assets	20,595	17,286
Non-current assets	10,753	4,379
	31,348	21,665
Current liabilities	(15,561)	(14,121)
Non-current liabilities	(11,189)	(4,803)
	(26,750)	(18,924)
Net Assets	4,598	2,741
Revenue	92,580	83,782
Expenses	(83,809)	(75,675)
(Loss)/Profit for the year and total comprehensive income	8,771	8,107

(d) Investment in Joint Ventures

Details of the Group's joint ventures are as follows:

Joint Venture	Balance Date	Ownership interests		Principal Activity
		2023	2022	
Auckland Fishing Port Limited	31 March	33%	33%	Holds an Auckland fishing wharf lease
Baypackers Limited Partnership	30 September	20%	20%	Harvests & markets wet fish
Inshore Fisheries JV Limited Partnership	30 September	50%	50%	Harvests & markets wet fish
Jemco Limited	30 September	0%	40%	Market aquaculture products
Oceanz Seafood Licensing	30 September	50%	50%	Retail seafood franchise operator
Prepared Foods Limited	30 September	50%	50%	Markets canned abalone
Precision Seafood Harvesting Limited	30 September	25%	0%	Harvesting, research & development
Precision Seafood Harvesting JV Limited Partnership	30 September	33%	33%	Harvesting, research & development

All the joint ventures are incorporated in New Zealand.

During the year the Group sold its investment in Jemco Limited.

During the year the Group purchased a 25% share in Precision Seafood Harvesting Limited. At September 2023 an assessment of the value of the shareholding in Precision Seafood Harvesting was undertaken and identified that the carrying value of the investment was higher than the estimated future cash flows. An impairment of \$0.17m was recognised.

The movement in the carrying value of the investment in joint ventures (excluding Kura Limited) is as follows:

\$000's	2023	2022
Balance 1 October	1,165	1,496
Share of profit after tax	(116)	(251)
Share of dividends	(120)	(80)
Investment in joint venture	348	-
Impairment of investment	(165)	-
Balance at 30 September	1,112	1,165

Pitopito kōrero mō ngā taukī pūtea

Notes to the financial statements

FOR THE YEAR ENDED 30 SEPTEMBER 2023

The summarised financial information in respect of the Group's joint ventures (excluding Kura Limited) is set out below:

\$000's	2023	2022
Current assets	5,844	4,432
Non-current assets	8,628	5,017
	14,472	9,449
Current liabilities	(3,148)	(2,592)
Non-current liabilities	(5,050)	(4,250)
	(8,198)	(6,842)
Net Assets	6,273	2,607
Revenue	33,683	31,623
Expenses	(34,262)	(32,798)
(Loss)/Profit for the year and total comprehensive income	(579)	(1,175)

6. Other Investments

The carrying value of other investments is as follows:

\$000's	2023	2022
Balance at 30 September	746	562

Pitopito kōrero mō ngā taukī pūtea

Notes to the financial statements

FOR THE YEAR ENDED 30 SEPTEMBER 2023

7. Related Party Transactions

The immediate parent and ultimate controlling party respectively of the Group is defined under the Māori Fisheries Act 2004 (refer note 2). Details of the interest in Sealord Group Limited is disclosed in Note 4. Details of interests in subsidiaries, associates, and joint ventures are disclosed in Note 5.

Details of the year-end related party receivables and payables are disclosed in notes 21 and 26 respectively.

(a) Transactions between the Group and Sealord Group Limited

During the year there have been transactions between the Group and Sealord Group Limited (Sealord) as follows:

\$000's	2023	2022
Sales to Sealord	360	1,731
Other revenue from Sealord	6,540	7,148
Purchases from Sealord	(6,606)	(7,157)
Dividend received from Sealord	780	6,341
Interest received from Sealord	-	20
Loan repayment from Sealord	-	3,720
Foreign exchange movements on loan advance to Sealord	-	3

(b) Transactions between the Group and its Associates and Joint Ventures

During the year the Company leased berthage from Auckland Fishing Port for \$0.2 million (2022: \$0.2 million)

During the year there have been transactions between the Group and its associates and joint ventures as follows:

\$000's	2023	2022
Sales to associates & joint ventures	14,423	15,101
Other revenue from associates & joint ventures	-	-
Purchases from associates & joint ventures	(497)	(508)

(c) Transactions with Other Related Parties

During the year, the Company purchased Annual Catch Entitlement (ACE) of \$4.6 million (2022: \$4.9 million) from Te Ohu Kai Moana Trustee Limited and other shareholders.

During the year Pupuri Taonga Trust Limited recovered quota ownership costs of \$6.5 million (2022: \$7.1 million) from Sealord Group Limited.

During the year there have been transactions between the Group and companies associated with its Directors as follows:

\$000's Company	2023		2022	
	Purchased Services	Sales	Purchased Services	Sales
ANZCO Foods	232	-	-	-
Bancorp Corporate Finance Limited	-	-	402	-
Quality Ocean International Limited	-	200	-	431
	232	200	402	341

(d) Compensation of Key Management Personnel

The remuneration of the Board of Directors has been disclosed in note 13.

The remuneration of the Chief Executive Officer and his direct reports during the year was as follows:

\$000's	2023	2022
Short term benefits	4,548	4,466
Total compensation	4,548	4,466

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8. Quota Shares

Quota shares are treated as an asset with an indefinite life, as the shares are issued under the Quota Management System, which is based on individual transferable quota property rights. Quota shares purchased are recorded at cost. Quota shares are not amortised and are carried at cost less any accumulated impairment losses.

Impairment losses are recognised whenever the carrying amount of an asset exceeds its recoverable amount. Quota shares are tested for impairment annually or whenever there is an indication of impairment on an individual basis or at a cash-generating unit level. The indefinite life assessment is reviewed annually to determine whether it continues to be supportable.

Determining whether the carrying value of quota is impaired is based on an estimation of the value-in-use or fair value less costs to sell of the quota. Fair value is determined by taking the average of three independent market valuations on each species. These valuations were based on a comparable sales methodology, factoring in the following Level 2 and 3 inputs; historical and current FishServe data, market intelligence and advice from professional industry valuers. Adjustments were made for current knowledge of market values on certain species.

The three brokers who provided valuations were:

- Aotearoa Quota Brokers Limited;
- Finest Kind Limited; and
- Quota Management Systems Limited.

The value-in-use of the quota shares is assessed under a discounted cash flow model for the relevant cash generating unit if the fair value of any of the individual quota shares within that cash generating unit is below its carrying amount. Where the value-in-use of quota shares was calculated to determine the recoverable amount, this was prepared on the basis described in Note 10.

The carrying amounts were determined to be lower than their recoverable amount for all quota.

\$000's	2023	2022
Carrying amount at 1 October	245,353	245,345
Additions	10,003	8
Disposals	-	-
Carrying amount at 30 September	255,356	245,353

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9. Biological Assets

Biological assets relate to the Group's inventories of live shellfish growing on farms owned and operated by the Group. Biological assets are stated at fair value less point-of-sale costs, by reference to market prices, with any change therein recognised in the Income Statement. Biological assets are transferred to inventory at the time of harvest.

The following valuation assumptions have been adopted in determining the fair value of the Groups biological assets:

- Costs are based on current average costs and are variable depending on the biological assets location and age being assessed.
- Revenue is based on current pricing and expected levels of production, with an assessment made about the long term future returns for each product.

Biological assets are valued at market prices less harvesting, and post harvest costs, and are measured using Level 3 valuations (refer note 28 (g)) and there were no transfers between levels during the year.

\$000's	2023	2022
Balance at beginning of year	8,327	6,816
Change in values less estimated point-of-sale costs	7,700	7,825
Harvested produce transferred to inventories	(6,832)	(6,314)
Total biological assets	9,195	8,327

The following unobservable inputs were used to measure the Group's biological assets:

\$000's	Fair Value at 30 September 2023	Valuation technique	Unobservable inputs	Relationship of unobservable inputs to fair value
Oysters	2023: 6,947	Estimated market price of volumes produced less costs	Annual oyster yield	The higher the yield the higher the fair value
	2022: 6,456		Annual price per dozen per season	The higher the price the higher the fair value
Pāua	2023: 2,248	Estimated market price of volumes produced less costs	Annual pāua yield	The higher the yield the higher the fair value
	2022: 1,871		Annual price per kg per season	The higher the price the higher the fair value

Included in the cost of sales in the Group is a fair value increase of \$0.868 million (2022: \$1.510 million) in relation to biological assets.

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10. Goodwill

The acquisition method of accounting is used to account for all business combinations regardless of whether equity instruments or other assets are acquired. The excess of the cost of the business combination, any non controlling interests of the acquiree and the fair value of the acquirers previously held equity interest in the acquiree over the net fair value of the Group's share of the identifiable net assets acquired is recognised as goodwill.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. Goodwill is currently held only in the Ika cash-generating unit. The recoverable amount is the higher of fair value less cost to sell and value-in-use. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. Any impairment loss is recognised immediately in the Income Statement and is not reversed in a subsequent period.

Determining whether goodwill is impaired requires an estimation of the value-in-use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires an estimate of the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. A discount factor of 9.20% per annum (2022: 8.50% per annum) was applied in the value-in-use models.

Cash flows were projected based on actual 2023 operating results and the 2024 financial budget approved by the directors. Value-in-use calculations cover a 5-year period with forecasted cash flows through to 2028 with a terminal value. The 2024 budget EBIT is applied out to 2028 assuming 3% (2022: 3%) growth. The cash flows beyond that five year period have been extrapolated, assuming 2% (2022:2%) growth. Any reasonably possible change in the key assumptions on which recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of cash-generating units.

The key assumptions used in the value in use calculations:

- (i) Sales growth - growth in sales was determined by management who have in-depth experience in the industry;
- (ii) Budget margins - based on historical margins; and
- (iii) Price inflation - forecast consumer price indices were applied to raw material costs and overheads.

The carrying amount of the Ika business unit was determined to be lower than the recoverable amount and no impairment loss was recognised.

\$000's	2023	2022
Opening net carrying amount	4,710	4,710
Closing net carrying amount	4,710	4,710

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11. Provisions

The Group has two significant provisions. These are employee benefits, and dividend obligations.

\$000's	2023	2022
Employee benefits	2,889	3,265
Dividend obligations	1,410	4,804
Total provisions	4,299	8,069

Employee Benefits

Liabilities for annual leave, long service leave, and accumulating sick leave are accrued and recognised in the Statement of Financial Position. The liability for annual leave is measured at the amount expected to be paid when the leave liability is settled.

The liability for long service leave is recognised and measured at the present value of expected future payments made in respect of services provided by employees up to reporting date. Consideration is given to expected future wage and salary levels and probability of employee departures and periods of service.

The liability for accumulating sick leave is recognised based on what expectation that the Group has that it will pay sick leave with respect to the unused entitlement that has accumulated at the reporting date. Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable.

Contributions to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to contributions.

Dividend Obligation

Under the requirements of the Māori Fisheries Act 2004, the Company must pay at least 40% of profit back to shareholders. This obligation to pay a dividend has been recognised as a provision.

Movements in each class of provision during the financial year are set out below:

\$000's	Employee benefits	Dividend	Total
Year ended 30 September 2023			
Carrying amount at start of year	3,265	4,804	8,069
Additional provision recognised	2,174	1,410	3,584
Utilised during the year	(2,550)	(4,804)	(7,354)
Carrying amount at end of year	2,889	1,410	4,299
Year ended 30 September 2022			
Carrying amount at start of year	2,959	10,819	13,778
Additional provision recognised	2,216	4,804	7,020
Utilised during the year	(1,910)	(10,819)	(12,729)
Carrying amount at end of year	3,265	4,804	8,069

12. Redeemable Preference Shares

On 22 December 2004, AFL Investments Limited issued \$20 million redeemable preference shares to Moana New Zealand. Contemporaneously the \$20 million redeemable preference shares were transferred to Te Ohu Kai Moana Trustee Limited as repayment of a \$20 million shareholder loan transferred to Moana New Zealand as part of the assets transferred under the Māori Fisheries Act. The non-interest bearing redeemable preference shares comprise 20 million shares with an issue price of \$1 per share.

The redeemable preference shares agreement allows Te Ohu Kai Moana Trustee Limited to put the redeemable preference shares to Moana New Zealand at any date from 29 November 2011 to 29 November 2019. In June 2019 a Variation Deed was signed extending the term of the put option to 29 November 2024. The redemption price is to be determined through negotiation between the parties, but cannot exceed \$1 per share.

At the Te Ohu Kai Moana Trustee Limited Hui-a-tau held on 31 March 2016, Iwi resolved that the redeemable preference shares should be cancelled by converting them into ordinary shares. These shares will be transferred to Iwi at the same time as Te Ohu Kai Moana Trustee Limited's voting and Income shares in Moana New Zealand, as part of the share capital changes to be made under the proposed revisions to the Māori Fisheries Act.

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15. Revenue

(a) Revenue from contracts with customers

Revenue from the sale of goods is recognised at a point in time either when the goods are dispatched or when goods have reached their destination, depending on the terms and agreements with customers and when documentary evidence supports the customer taking ownership and control of the product. A receivable is recognised at this point as the right to payment becomes unconditional and only the passage of time is required before payment from the customer. Due to the perishable nature of seafood there is the potential of returns, claims and rejects from the customer. The impact of claims and returns have been assessed and found to be not significant to the revenue recognised and hence there are no impacts on the Group's revenue recognition. There is no variable consideration or financing components and payment terms are ordinarily within 30 days. Revenue is shown net of any goods and services tax, rebates and discounts, measured at fair value of the consideration received or receivable.

000's Market	Revenue	
	2023	2022
North America	5,427	5,473
China	8,985	8,133
Rest of Asia (Singapore, Taiwan, Hong Kong)	16,754	15,597
Australia	28,228	29,293
Other (Europe and Pacific Islands)	291	1,397
New Zealand	73,092	70,603
	132,777	130,496

(b) Other Revenue

(i) Rental income from operating leases is recognised on a straight line basis over the lease term.

(ii) Dividend income is recognised when received.

(iii) Interest received is accrued on a time basis using the effective interest method.

\$000's	Note	2023	2022
Dividends received		16	1
Interest received		114	44
Other income		-	-
Rental income		612	552
Revenue from related parties	7	6,540	7,148
		7,282	7,745

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16. Cash Flow Statement Reconciliation

(a) operating activities

\$000's	2023	2022
Reported profit for the year	3,524	12,010
Add/(deduct) non-cash items and non-operating items:		
Depreciation, amortisation and impairment	9,201	8,079
Movement in fair value of biological assets	(868)	(1,511)
Share of profit of associates & joint ventures	(2,136)	(7,649)
Loss on sale of property, plant & equipment	65	38
Unrealised foreign currency (gain)/loss	(45)	191
Bad debts	4	26
Other	20	359
Change in fair value of foreign exchange contracts & interest rate swaps	(808)	323
Decrease in deferred tax	868	319
Movement in working capital		
Decrease/(increase) in receivables & prepayments	(2,320)	1,168
Decrease/(increase) in inventory & biological assets	(2,365)	(2,285)
Increase/(decrease) in payables & accruals	(3,008)	(901)
Increase/(decrease) in employee entitlements	(376)	305
Increase/(decrease) in other assets/liabilities	203	(1,713)
Add/(deduct) items classified as investing activities	3,988	4,681
Add/(deduct) items classified as financing activities	(3,115)	(3,766)
Net cash flows from operating activities	2,832	9,674

17. Current Tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities on the current period's taxable income and any adjustments in respect of previous years.

Income tax is recognised in the income statement, apart from when it relates to items recognised directly in other comprehensive income or equity, in which case it is recognised in other comprehensive income or equity.

\$000's	2023	2022
Current tax expense	619	113
Deferred tax expense	266	484
Total income tax expense	885	597

The tax on the profit differs from the theoretical amount that would arise using the applicable New Zealand Corporation tax rate or Māori authority tax rates as follows:

\$000's	2023	2022
Profit/(Loss) before tax	4,409	12,607
Income tax at applicable rate	481	3,523
Non-taxable income not included in accounting profit	824	(859)
Expenses not deductible	76	450
Other	(146)	(20)
Imputation credits	(350)	(2,497)
Total income tax expense	885	597

The company is a Māori authority and is taxed at the Māori authority tax rate. Other entities in the Group are taxed at the corporate tax rates.

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18. Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

Judgement is required in assessing whether deferred tax assets and certain deferred tax liabilities are recognised on the balance sheet. Deferred tax assets, including those arising from unrecouped tax losses, capital losses and temporary differences, are recognised only where it is considered more likely than not that they will be recovered, which is dependent on the generation of sufficient future taxable profits. These judgements and assumptions are subject to risk and uncertainty, hence there is a possibility that changes in circumstances will alter expectations, which may impact the amount of deferred tax assets and deferred tax liabilities recognised in the Statement of Financial Position and the amount of other tax losses and temporary differences not yet recognised.

The movement in deferred tax assets during the year, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

Deferred tax asset \$000's	Tax depreciation	Derivative financial instruments	Provisions and other	Total
At 1 October 2022	850	268	(968)	150
Movement				
- Income Statement	(131)	-	(135)	(266)
- Equity	-	(602)	-	(602)
At 30 September 2023	719	(334)	(1,103)	(718)
At 1 October 2021	918	103	(552)	469
Movement				
- Income Statement	(68)	-	(416)	(484)
- Equity	-	165	-	165
At 30 September 2022	850	268	(968)	150

The following are the income tax effects relating to Comprehensive Income

Group	Before tax amount	Tax (expense) /benefit	Net of tax amount	Before tax amount	Tax (expense) /benefit	Net of tax amount
\$000's	2023	2023	2023	2022	2022	2022
Cash flow hedges	3,438	(602)	2,836	(944)	165	(779)
Associates' derivative financial instruments	3,499	-	3,499	(292)	-	(292)
	6,937	(602)	6,334	(1,236)	165	(1,071)

19. Imputation Credit Account

\$000's	2023	2022
Balance at beginning of year	15,101	11,845
Imputation credits attached to dividends received	350	2,497
Imputation credits attached to dividends paid and accrued	(12,299)	(1,019)
Imputation credits attached to tax paid and refunded	416	1,778
Balance at end of year	3,568	15,101

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20. Cash and Bank Balances

Cash and bank balances in the Statement of Financial Position comprise cash at bank and short-term deposits with an original maturity of three months or less.

\$000's	2023	2022
Cash at bank & in hand	437	679
Total cash & bank balances	437	679

21. Trade and Other Receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for expected credit losses.

The Group applies the simplified approach to measuring expected credit losses which uses a lifetime expected credit loss allowance for all receivables as they all display the same risk profile. Related party receivables are mainly trade in nature and are on terms consistent with external customers.

\$000's	2023	2022
Trade receivables	10,049	7,850
Provision for loss allowance	(72)	(128)
Other receivables & prepayments	1,374	1,104
Receivables - Joint ventures	113	318
Total receivables & prepayments	11,464	9,144

Bad and Doubtful Trade Receivables

The average credit period on sales of goods is 27 days (2022: 22 days). No interest is charged on trade receivables. The Group maintains a provision for estimated losses expected to arise from customers being unable to make required payments. Receivables are reviewed periodically for impairment and bad debts are written off in the period in which they are identified.

The measurement of expected credit losses is a function of the probability of default, loss given default and the exposure at default. The Group considers an event of default as occurring when information obtained (internally and externally) indicates a debtor is unlikely to pay its creditors including the Group. The assessment of the probability of default and loss given default is based on historical data adjusted by forward looking information relating to the debtor and general economic conditions of the debtors. As for the exposure at default, this is represented by the assets' gross carrying amount at the reporting date.

Before accepting a new customer the Group performs credit checks, including, but not limited to verifying credit references, performing company checks and investigating any previous defaults, to assess the creditworthiness of the new customer. In determining the recoverability of a trade receivable the Group considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the reporting date.

The Group has recognised a gain of \$0.052 million (2022: loss (\$0.052) million) in respect of bad trade receivables during the year ended 30 September 2023.

The Group does not hold any collateral in respect of the balances above.

\$000's	2023	2022
Balance at 1 October	128	102
Expected credit loss	(52)	52
Amount written off during the year	(4)	(26)
Balance at 30 September	72	128

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22. Inventories

Inventory is stated at the lower of cost or net realisable value.

Cost is determined on a weighted average basis and includes the expenditure incurred in bringing inventory to its existing condition and location. Costs include an appropriate share of fixed overheads, which are allocated on the basis of normal production capacity. Net realisable value is the estimated selling price in the ordinary course of business less any applicable selling expenses.

\$000's	2023	2022
Raw materials at cost	1,773	1,116
Finished goods at cost	3,752	2,339
Finished goods at net realisable value	575	1,731
Packaging materials & fish bins	1,794	1,212
Total inventories	7,893	6,398

The cost of inventories recognised in the Group as an expense during the year was \$62.5 million (2022: \$57.8 million), and includes \$0.008 million writedown (2022: \$0.095 million writedown) in respect of inventory to net realisable value.

23. Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses. Any gains and losses on the disposal of property, plant and equipment are recognised in the Income Statement. The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset. Impairment is tested when there are indicators of impairment.

The estimation of the useful lives of assets has been based on historical experience as well as manufacturers' warranties (for plant and equipment), lease terms (for leased equipment), and turnover policies (for motor vehicles). In addition, the condition of the assets is assessed at least once per year and considered against the remaining useful life. Adjustments to useful lives are made on a prospective basis when considered necessary.

All assets are depreciated on a straight line basis with the exception of motor vehicles, which are depreciated on the diminishing value basis.

	Years
Buildings	5-50
Leasehold improvements	3-30
Furniture, fittings, and office equipment	2-10
Marine farm structures	14
Motor vehicles	3-8
Plant and machinery	2-20
Vessels	2-14

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\$000's	Land	Buildings	Leasehold improvements	Furniture, fittings, & office equipment	Marine farm structures	Motor vehicles	Plant & machinery	Vessels	Capital work in progress	Total
Year ended 30 September 2023										
Opening net carrying amount	8,461	23,289	1	1,229	8,492	2,233	11,267	545	5,909	61,426
Additions/transfers	-	524	-	179	44	710	2,108	382	1,758	5,705
Disposals	-	-	-	-	-	(39)	(35)	(16)	-	(90)
Depreciation charge for the year	-	(1,243)	(1)	(309)	(1,139)	(624)	(2,104)	(99)	-	(5,519)
Impairment (losses) / reversal charged to Income Statement	-	-	-	-	-	-	-	609	-	610
Closing net carrying amount	8,461	22,570	-	1,099	7,397	2,280	11,236	812	7,667	61,522
Balance at 30 September 2023										
Cost	8,461	32,761	327	3,720	12,936	4,370	35,216	1,649	7,667	107,106
Accumulated depreciation	-	(10,191)	(327)	(2,621)	(5,539)	(2,090)	(23,980)	(837)	-	(45,585)
Net carrying amount	8,461	22,570	0	1,100	7,397	2,280	11,235	812	7,667	61,522

\$000's	Land	Buildings	Leasehold improvements	Furniture, fittings, & office equipment	Marine farm structures	Motor vehicles	Plant & machinery	Vessels	Capital work in progress	Total
Year ended 30 September 2022										
Opening net carrying amount	8,461	20,736	3	1,192	2,500	1,932	9,673	300	10,455	55,252
Additions/transfers	-	3,608	-	317	6,465	817	3,504	312	(4,546)	10,477
Disposals	-	-	-	-	(63)	(40)	(3)	(9)	-	(115)
Depreciation charge for the year	-	(1,055)	(2)	(287)	(410)	(498)	(1,903)	(58)	-	(4,213)
Impairment (losses) / reversal charged to Income Statement	-	-	-	7	-	22	(4)	-	-	25
Closing net carrying amount	8,461	23,289	1	1,229	8,492	2,233	11,267	545	5,909	61,426
Balance at 30 September 2022										
Cost	8,461	32,239	327	3,601	12,892	3,805	34,300	1,293	5,909	102,827
Accumulated depreciation	-	(8,950)	(326)	(2,372)	(4,400)	(1,572)	(23,033)	(748)	-	(41,401)
Net carrying amount	8,461	23,289	1	1,229	8,492	2,233	11,267	545	5,909	61,426

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24. Leases

The Group leases certain property, plant and equipment. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases and leases of low value assets where the Group recognises the lease payments as an other operating expense on a straight-line basis over the term of the lease. Annual Catch entitlement multi year leases are prepaid in full on inception date.

The right of use (ROU) assets are initially measured at cost, which comprises the initial amount of the lease liability plus any prepaid lease payments. The ROU assets are subsequently depreciated using the straight line method over the shorter of the estimated useful lives of the ROU assets or the remaining estimated lease term. The estimated useful lives of ROU assets are determined on the same basis as similar owned assets within property, plant and equipment.

Lease liabilities are initially measured at the present value of the unpaid lease payments at commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate (IBR), which reflects the borrowing rates that could be obtained from financial institutions as if the Group had purchased the leased asset, with the term of the borrowing similar to the lease term. The weighted average rate applied on adoption of IFRS 16 in 2020 was 4.7%.

The weighted average rate applied for new additions in 2023 was 6.17%

ROU assets are tested for impairment in accordance with NZ IAS 36 Impairment of Assets, replacing the previous requirements to recognise a provision for onerous lease contracts. The liability is remeasured when there is a change in future lease payments arising from a change in an index or a rate and if the Group revises its assessment as to whether it will exercise a purchase, extension or termination option. A corresponding adjustment is made to the carrying amount of the right of use asset, or is recognised in the income statement if the carrying amount of the right of use asset has been reduced to zero.

The lease term is the non-cancellable period of a lease, together with periods covered by an option (available to the lessee only) to extend or terminate the lease if the lessee is reasonably certain to exercise/not to exercise that option. In determining the lease term, the Group considers all facts and circumstances that create an economic incentive to exercise/not exercise an option. Such assessment is reviewed if a significant event or change in circumstances occurs which affects this assessment and is within the control of the Group.

Right of Use Assets \$000's	Buildings	Plant and machinery	Annual Catch Entitlement	Motor Vehicles	Total
Balance at 1 October 2022	4,793	1	3,077	671	8,542
Additions	5,055	-	2,674	41	7,770
Terminations (net)	-	-	-	-	-
Depreciation	(711)	(1)	(2,632)	(136)	(3,480)
Balance at 30 September 2023	9,137	0	3,119	576	12,832

\$000's	Buildings	Plant and machinery	Annual Catch Entitlement	Motor Vehicles	Total
Balance at 1 October 2021	5,453	14	4,020	515	10,002
Additions	32	-	1,719	347	2,098
Terminations (Net)	-	-	-	-	-
Depreciation	(692)	(13)	(2,662)	(191)	(3,558)
Balance at 30 September 2022	4,793	1	3,077	671	8,542

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Lease Liabilities - Maturity Analysis \$000's	2023	2022
Lease liabilities under NZ IFRS 16		
Less than one year	609	610
Between one and five years	815	1,599
More than five years	8,648	3,458
Total lease payable	10,072	5,667

Current

Non-current

The Group leases various property, plant and equipment under non-cancellable leases expiring within three months to 21 years. The leases have varying terms and have no option to purchase in respect of the leased operating plant and equipment in the financial year ended 30 September 2023. Annual Catch Entitlement leases are prepaid in full on inception date for periods from 3 to 5 years and are negotiated based on commercial rates.

Amount Recognised in the Income Statement \$000's	2023	2022
Depreciation of right-of-use assets	(3,480)	(3,558)
Interest on lease liabilities	(452)	(280)
Short-term leases	(45)	(45)
Leases of low-value assets	(25)	(25)

The total cash outflow for leases in 2023 was \$3.8 million (2022: \$2.8 million)

\$000's	2023	2022
Opening Leases	5,667	6,100
Additions	7,791	2,098
Interest	452	280
Repayments	(3,838)	(2,811)
Terminations	-	0
Closing leases	10,072	5,667

Pitopito kōrero mō ngā taukī pūtea

Notes to the financial statements

FOR THE YEAR ENDED 30 SEPTEMBER 2023

25. Intangibles

Intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses. Amortisation is charged on a straight-line basis over their estimated useful lives. The estimated useful lives, residual values and amortisation method are reviewed at the end of each reporting period, with the effect of any changes being accounted for on a prospective basis.

Software is amortised over 2-5 years. Costs incurred in configuring or customising software in a cloud computing arrangement are only recognised as an intangible asset if the activities create an intangible asset that the Group controls and the intangible asset meets the recognition criteria. If the recognition criteria and definition are not met, the cost of configuration and customisation is recognised as an operating expense.

Marine farm licences are treated as an asset with an indefinite life as it is highly probable that the licences will be renewed and the costs of renewal are minimal. Marine farm licenses purchased are recorded at cost less any accumulated impairment losses. The carrying value of marine farm licences are reviewed annually for impairment, or whenever there is an indication of impairment. Impairment testing was performed using a discounted cash flow model based on value-in-use. A post-tax discount rate of 9.6% (2022: 8.7%) was applied. Future cash flows were projected for 5 years and a terminal growth rate of 2% (2022: 1%) was applied. Key assumptions on EBITDA and capital expenditure were based on actual results and business plans.

The forecasts for purposes of valuation are sensitive to changes in foreign exchange rates, projected operating earnings and cash flows in the terminal year.

\$000's	2023			2022		
	Marine farm licences	Software	Total	Marine farm licences	Software	Total
Opening net carrying amount	6,181	161	6,342	5,686	390	6,076
Additions	660	532	1,192	495	104	599
Disposals	-	-	-	-	-	-
Amortisation charge for the year	-	(202)	(202)	-	(333)	(333)
Closing net carrying amount	6,841	491	7,332	6,181	161	6,342
Cost	6,841	6,481	13,322	6,181	5,949	12,130
Accumulated amortisation	-	(5,990)	(5,990)	-	(5,788)	(5,788)
Net carrying amount	6,841	491	7,332	6,181	161	6,342

The amortisation charge for the year of \$0.202 million, (2022: \$0.333 million) is an administration expense in the Income Statement.

26. Trade and Other Payables

Trade and other payables are initially recognised at fair value and then subsequently measured at amortised cost.

\$000's	2023	2022
Trade payables	2,674	2,542
Sundry payables & accruals	3,678	7,033
Payables to related parties - Joint Ventures	459	244
Total Payables	6,811	9,819

Pitopito kōrero mō ngā taukī pūtea

Notes to the financial statements

FOR THE YEAR ENDED 30 SEPTEMBER 2023

27. Borrowings

At 30 September 2021 the Group entered new agreements with Westpac New Zealand Limited and Bank of New Zealand for its banking facilities. Each facility is for \$50m with a maturity date of 30 November 2026 and are subject to a floating interest rate. The Group has negative working capital of \$2.0 million. The undrawn debt facilities of \$38.9 million (2022: \$56.5 million) exceed the negative working capital.

To hedge future interest rate risk, the Group has entered into a series of interest rate swap arrangements (refer Note 28(c)). These hedging arrangements transform the future variable debt interest cash flows, attributable to changes in the bank-to-bank rate, back to a known fixed debt interest cash flow based on the relevant swap rate existing at the inception of the hedge relationship. During the year, the weighted average interest rate was 5.46%, (2022: 3.81%).

Interest is paid on bank loans, and the cash flow hedge swap arrangements quarterly in arrears.

The bank loans are secured by a general security agreement over the assets of the Group and a mortgage over the quota shares. In addition there is a negative pledge, which with limited exceptions does not permit the Group to grant any security interest over its assets. The negative pledge deed requires the Group to maintain certain levels of shareholders' funds and operate within defined performance ratios. The banking arrangements also create restrictions over the sale or disposal of assets.

Throughout the year, the Company has complied with all covenant requirements.

\$000's	2023	2022
Bank loan - Moana New Zealand operations (secured)	61,100	43,500
Total bank loan	61,100	43,500

2023 repayable as follows:	Less than one year	Between 1-2 years	Between 2-5 years	Greater than 5 years
Bank loans (secured)	-	-	61,100	-

2022 Repayable as follows:	Less than one year	Between 1-2 years	Between 2-5 years	Greater than 5 years
Bank loans (secured)	-	-	43,500	-

\$000's	2023	2022
Opening borrowings	43,500	42,920
Withdrawals	21,000	10,300
Repayments	(3,400)	(9,720)
Foreign exchange movements	-	0
Closings borrowings	61,100	43,500

Pitopito kōrero mō ngā taukī pūtea

Notes to the financial statements

FOR THE YEAR ENDED 30 SEPTEMBER 2023

28. Risk Management

The Group manages its exposure to key financial risks in accordance with the Group's treasury risk management policy, which is approved by the Board. The objective of the policy is to support the delivery of the Group's financial targets whilst protecting future financial security.

Derivative Financial Instruments

The Group uses derivative financial instruments such as forward exchange contracts, currency options and interest rate swaps to hedge its risk associated with foreign currency and interest rate fluctuations. Such derivative financial instruments are initially recognised at fair value on the date a derivative contract is entered into and subsequently re-measured at their fair value at each reporting date. The Group designates certain derivatives as either hedges of the fair value of recognised assets or liabilities or firm commitments (fair value hedges), hedges of highly probable forecast transactions or hedges of foreign currency risk of firm commitments (cash flow hedges).

A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

The Group's policy is to apply cash flow and fair value hedging in accordance with NZ IFRS 9. The Group designates certain hedging instruments, which may include derivatives, embedded derivatives and non-derivatives in respect of foreign currency exchange risk, as either fair value hedges or cash flow hedges. Hedges of foreign currency exchange risk on firm commitments are accounted for as cash flow hedges.

Cash Flow Hedges

Cash flow hedges are hedges of the Group's exposure to variability in cash flow that is attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction and that could affect profit or loss. The effective portion of any gain or loss on a hedging instrument is recognised in other comprehensive income and accumulated as a separate component of equity in the cash flow hedging reserve, while the ineffective portion is recognised in the profit or loss in the Income Statement.

Amounts taken to equity through the cash flow hedging reserve are transferred to the profit or loss in the Income Statement when the hedged transaction affects profit or loss, such as when a forecast sale or purchase occurs.

If a forecast transaction is no longer expected to occur, amounts previously recognised in the cash flow hedge reserve are transferred to profit or loss in the Income Statement. If a hedging instrument expires or is sold, terminated or exercised without replacement or rollover, or if its designation as a hedge is revoked, amounts previously recognised in equity in the cash flow hedging reserve remain in equity until the forecast transaction occurs.

Fair Value Hedges

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in profit or loss immediately, together with any changes in the fair value of the hedged item that are attributable to the hedged risk. The change in the fair value of the hedging instrument and the change in the hedged item attributable to the hedged risk are recognised in the line of profit or loss relating to the hedged item.

Hedge accounting is discontinued when the Group revokes the hedging relationship, the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. The adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to profit or loss from that date.

Fair Value

The fair value of financial assets and financial liabilities are determined as follows:

- the fair value of financial assets and financial liabilities (excluding derivative instruments) is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions; and
- the fair value of derivative instruments is calculated using quoted market prices where available. Forward foreign exchange contracts are measured using observable market forward exchange rates and yield curves derived from observable market interest rates matching maturities of the contracts. Interest rate swaps are measured at the present value of future cash flows estimated and discounted based on the applicable yield curves derived from observable market interest rates.

Pitopito kōrero mō ngā tauā pūtea

Notes to the financial statements

FOR THE YEAR ENDED 30 SEPTEMBER 2023

Quantitative Disclosures

(a) Instruments Used by the Group

Derivative financial instruments are used by the Group in the normal course of business in order to hedge exposure to fluctuations in foreign exchange and interest rates.

At balance date the carrying value of foreign currency forward exchange contracts, currency options and interest rate swaps were:

\$000's	2023	2022
Current assets		
Forward currency contracts - cash flow hedges	524	16
Interest rate swap contracts - cash flow hedges	302	49
	826	65
Non-current assets		
Forward currency contracts - cash flow hedges	5	-
Interest rate swap contracts - cash flow hedges	1,577	1,157
	1,582	1,157
Assets	2,408	1,222
Current liabilities		
Forward currency contracts - cash flow hedges	(432)	(2,908)
	(432)	(2,908)
Non-current liabilities		
Forward currency contracts - cash flow hedges	(16)	-
Interest rate swap contracts - cash flow hedges	-	-
	(16)	-
Liabilities	(448)	(2,908)
Net total	1,960	(1,686)

(b) Foreign Currency Exchange Risk Management

The Group has exposure to foreign exchange risk as a result of transactions denominated in foreign currencies, arising in the normal course of business. The Group uses foreign currency forward exchange contracts and options to manage these exposures. The foreign currencies in which the Group primarily transacts are the Australian Dollar, United States Dollar, British Pound, the Euro and Japanese Yen.

Where exposures are reasonably certain it is the Group's policy to hedge these risks as they arise. For those exposures that are less certain in their timing and extent, such as future sales and purchases, it is the Group's policy to cover a proportion of the anticipated exposures for a maximum period of twelve months forward.

Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not in New Zealand dollars. Approximately 45% (2022: 55%) of the Group's sales are denominated in currencies other than the New Zealand Dollar, whilst almost 100% of costs are denominated in New Zealand dollars.

Pitopito kōrero mō ngā taukī pūtea

Notes to the financial statements

FOR THE YEAR ENDED 30 SEPTEMBER 2023

Foreign Exchange Sensitivity Analysis

The following table details the Group's sensitivity to a 10% increase and decrease in the New Zealand dollar against the relevant foreign currency:

\$000's	Carrying Amount	Foreign Exchange Risk			
		10% decrease		10% increase	
		Profit	Equity	Profit	Equity
Cash & cash equivalents	103	11	-	(9)	-
Derivatives - cash flow hedges	81	-	(5,076)	-	4,153
Trade debtors	5,687	632	-	(517)	-
Trade creditors	26	(3)	-	2	-
Total increase / (decrease)		640	(5,076)	(523)	4,153

\$000's	Carrying Amount	Foreign Exchange Risk			
		10% decrease		10% increase	
		Profit	Equity	Profit	Equity
Cash & cash equivalents	-	7	-	(6)	-
Derivatives - cash flow hedges	(2,888)	-	(4,890)	-	4,009
Trade debtors	3,161	356	-	283	-
Trade creditors	20	(2)	-	(2)	-
Total increase / (decrease)		361	(4,890)	275	4,009

Forward Foreign Currency Exchange Contracts

The main source of hedge ineffectiveness in these hedging relationships is the effect of the counterparty and the Group's own credit risk on the fair value of the forward contracts, which is not reflected in the fair value of the hedged item attributable to changes in foreign exchange rates. No other sources of ineffectiveness emerged from these hedging relationships.

The notional principal amounts of the outstanding forward foreign exchange contracts at 30 September 2023 were \$46.8 million (2021: \$45.2 million). The hedged highly probable forecast transactions denominated in foreign currency are expected to occur at various dates during the next 18 months.

Forward currency contracts - cash flow hedges & fair value hedges	NZD Notional Amounts		Average Contract Rates	
	2023	2022	2023	2022
Maturity 0-12 months				
Sell Australian dollars / Buy New Zealand dollars	21,461	25,875	0.9082	0.8793
Sell US dollars / Buy New Zealand dollars	21,805	19,404	0.6081	0.5709
Maturity 13- 24 months				
Sell Australian dollars / Buy New Zealand dollars	-	-	-	-
Sell US dollars / Buy New Zealand dollars	3,613	-	0.5992	-
	46,879	45,279		

Cashflow hedges movement

\$000's	2023	2022
Opening balance	(2,255)	(247)
Charged to equity	2,563	(3,676)
Transfer to profit or loss	203	1,242
Income tax expense	(484)	426
Closing balance	27	(2,255)

(c) Interest Rate Risk

The Group's exposure to market interest rates relates primarily to the Group's long-term debt obligations.

The Group's policy is to manage its finance costs using a mix of fixed and variable rate debt or derivatives. The Group's treasury policy is to have a level of fixed rate exposure as a percentage of total debt.

Pitopito kōrero mō ngā taukī pūtea

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FOR THE YEAR ENDED 30 SEPTEMBER 2023

To manage its cash flow volatility arising from interest rate changes, the Group enters into interest rate swaps, in which the Group agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount. These swaps are designated to hedge underlying debt obligations.

As the critical terms of the interest rate swap contracts and their corresponding hedged items are the same, the Group performs a qualitative assessment of effectiveness and it is expected that the value of the interest rate swap contracts and the value of the corresponding hedged items will systematically change in opposite direction in response to movements in the underlying interest rates. The main source of hedge ineffectiveness in these hedge relationships is the effect of the counterparty and the Group's own credit risk on the fair value of the interest rate swap contracts, which is not reflected in the fair value of the hedged item attributable to the change in interest rates. No other sources of ineffectiveness emerged from these hedging relationships.

As at 30 September 2023, after taking into account the effect of interest rate swaps, 52% of the Group's interest rate exposures are fixed rate (2022: 51%).

Interest rate swap contracts with a nominal principal amount of \$70.5 million (2022: \$44.0 million), are exposed to fair value movements if interest rates change.

Interest Rate Sensitivity Analysis

At 30 September 2023, if interest rates had moved, as illustrated in the table below, with all other variables held constant, post tax profit and equity would have been affected as follows:

\$000'S	Profit for the year		Equity	
	Higher/(lower)		Higher/(lower)	
	2023	2022	2023	2022
+ 100 basis points	-	-	(771)	(509)
- 100 basis points	-	-	824	529

Interest rate swap contracts

Interest rate swap maturities \$000's	2023	2022
0-1 years	26,500	10,000
1-2 years	14,000	12,000
2-3 years	20,000	10,000
3-5 years	10,000	12,000
	70,500	44,000

Interest rate hedges movement \$000's	2023	2022
Opening balance	995	(234)
Charged to equity	444	1,262
Transfer to profit or loss	228	228
Income tax expense	(118)	(261)
Closing balance	1,549	995

Interest rates used are as follows:	2023	2022
Interest rate swaps (excludes margin)	2.09% - 5.29%	2.09% - 3.61%
Loans	4.995% - 6.93%	0.87% - 4.995%
Bank overdraft	12.55%	9.25%
Cash	5.55%	2.50%

Pitopito kōrero mō ngā taukī pūtea

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FOR THE YEAR ENDED 30 SEPTEMBER 2023

(d) Liquidity Risk

The liquidity risk management objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans and committed available credit lines.

Management monitors rolling forecasts of the Group's liquidity against its undrawn borrowing facility. The table below reflects all contractually fixed payables for settlement, repayments and interest resulting from financial liabilities, including the net payments due pursuant to derivative financial instruments at 30 September 2023. For derivative financial instruments the net market value is presented, whereas for the other obligations the respective undiscounted cash flows for the respective upcoming fiscal years are presented. Cash flows for financial liabilities without fixed amount or timing are based on the conditions existing at 30 September 2023.

At balance date, the Group has available approximately \$38.9 million (2022: \$56.5 million) of unused credit facilities available for its immediate use. These credit facilities expire on 30 November 2026.

2023						
\$000's	Financial Position	Contractual cash flows	6 months or less	6-12 months	1-2 years	2-5 years
Trade & other payables	6,811	6,811	6,811	-	-	-
Provisions	4,299	4,299	2,855	1,444	-	-
Borrowings	61,100	64,997	375	397	794	63,432
Redeemable preference shares	20,000	20,000	20,000	-	-	-
Guarantees	-	9,272	9,272	-	-	-
Lease Liabilities	10,072	5,891	568	568	1,120	3,635
Total non-derivative liabilities	102,282	111,270	39,881	2,409	1,914	67,067
Foreign exchange contracts	27	46,879	28,380	14,886	3,613	-
Interest rate swaps	1,549	1,879	194	108	721	856
2022						
\$000's	Financial Position	Contractual cash flows	6 months or less	6-12 months	1-2 years	2-5 years
Trade & other payables	9,819	9,819	9,819	-	-	-
Provisions	8,069	8,069	6,437	1,632	-	-
Borrowings	43,500	47,398	375	397	794	45,832
Redeemable preference shares	20,000	20,000	20,000	-	-	-
Guarantees	-	9,827	9,827	-	-	-
Lease Liabilities	5,667	8,311	431	431	1,277	6,172
Total non-derivative liabilities	87,055	103,424	46,889	2,460	2,071	52,004
Foreign exchange contracts	(2,255)	45,280	31,691	13,589	-	-
Interest rate swaps	995	1,206	-	49	409	748

Pitopito kōrero mō ngā taukī pūtea

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(e) Credit Risk

Credit risk arises from financial assets of the Group, which comprise bank balances, trade receivables, foreign currency forward exchange contracts and options. The Group's exposure to credit risk arises from potential default of the counter party, with a maximum exposure equal to the carrying amount of these instruments. Exposure to credit risk is monitored on an ongoing basis.

Only major NZ registered banks are counter parties to the Group's financial instruments, and the Group does not anticipate non-performance by such counter parties.

At balance date there were no significant concentrations of credit risk other than with related parties with the result that the Group's exposure to bad debts is not significant.

The status of trade receivables at the reporting date is as follows:

\$000's	Gross receivables		Impairment		Expected credit loss %	
	2023	2022	2023	2022	2023	2022
Not past due	9,075	6,821	-	-	0.0%	0.0%
Past due 0 - 30 days	634	770	-	-	0.0%	0.1%
Past due 31 -120 days	276	161	8	30	2.9%	18.6%
Past due more than 120 days	64	98	64	98	100.0%	100.0%
Total	10,049	7,850	72	128		

(f) Capital Risk Management

The Group manages its capital to ensure that entities within the Group will be able to continue as a going concern while maximising the return to shareholders through optimisation of the use of debt and equity. The Group's overall capital management strategy remained unchanged from the prior year.

The capital structure of the Group consists of debt, which includes borrowings disclosed in note 27, cash and bank balances and equity attributable to equity holders of Aotearoa Fisheries Limited, comprising issued capital, reserves and retained earnings as disclosed in notes 2 and 20 respectively. The borrowings disclosed in note 27 are subject to covenants based on the Group's capital. Throughout the year, the Company has complied with all covenant requirements.

The Group's tangible assets are subject to a general security agreement held by the Group's bank.

The gearing ratio at 30 September was as follows:

\$000's	Note	2023	2022
Borrowings	27	61,100	43,500
Less cash & bank balances	20	437	679
Net debt		60,663	42,821
Total shareholders' equity		509,769	501,320
Net debt to equity ratio		12%	9%

Pitopito kōrero mō ngā taukī pūtea

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(g) Classification and Fair Values

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Interest rate swaps and foreign exchange contracts are measured at fair value subsequent to initial recognition, and are measured using Level 2 valuations. Biological assets are measured at fair value and are measured using Level 3 valuations. (refer note 9). Borrowings and redeemable preference shares for disclosure purposes are measured using Level 2 valuation inputs.

2023 \$000's	Derivative designated as hedging instrument	Financial assets at amortised cost	Financial liabilities at amortised cost	Carrying amount	Fair value
Current assets					
Foreign exchange contracts	524	-	-	524	524
Interest rate swaps	302	-	-	302	302
Bank balances	-	437	-	437	437
Trade debtors	-	9,977	-	9,977	9,977
Other receivables	-	270	-	270	270
	826	10,684	-	11,510	11,510
Non current assets					
Foreign exchange contracts	5	-	-	5	5
Interest rate swaps	1,577	-	-	1,577	1,577
Other assets	-	-	-	-	-
	1,582	-	-	1,582	1,582
Total assets	2,408	10,684	-	13,093	13,093
Current liabilities					
Foreign exchange contracts	432	-	-	432	432
Interest rate swaps	-	-	-	-	-
Trade creditors & other payables	-	-	6,811	6,811	6,811
Provisions	-	-	4,299	4,299	4,299
Lease liabilities	-	-	609	609	609
Redeemable preference shares	-	-	20,000	20,000	20,000
	432	-	31,719	32,151	32,151
Non current liabilities					
Lease liabilities	-	-	9,463	9,463	9,463
Foreign exchange contracts	16	-	-	16	16
Interest rate swaps	-	-	-	-	-
Borrowings	-	-	61,100	61,100	61,100
	16	-	70,563	70,579	70,579
Total liabilities	448	-	102,282	102,730	102,730

Pitopito kōrero mō ngā taukī pūtea

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2022 \$000's	Derivative designated as hedging instrument	Financial assets at amortised cost	Financial liabilities at amortised cost	Carrying amount	Fair value
Current assets					
Foreign exchange contracts	16	-	-	16	16
Interest rate swaps	49	-	-	49	49
Bank balances	-	679	-	679	679
Trade debtors	-	7,722	-	7,722	7,722
Other receivables	-	568	-	568	568
	65	8,969	-	9,034	9,034
Non current assets					
Interest rate swaps	1,157	-	-	1,157	1,157
Other assets	-	-	-	-	-
	1,157	-	-	1,157	1,157
Total assets	1,222	8,969	-	10,191	10,191
Current liabilities					
Foreign exchange contracts	2,908	-	-	2,908	2,908
Interest rate swaps	-	-	-	-	-
Trade creditors & other payables	-	-	9,819	9,819	9,819
Provisions	-	-	8,069	8,069	8,069
Lease liabilities	-	-	610	610	610
Redeemable preference shares	-	-	20,000	20,000	20,000
	2,908	-	38,498	41,406	41,406
Non current liabilities					
Lease liabilities	-	-	5,057	5,057	5,057
Interest rate swaps	-	-	-	-	-
Borrowings	-	-	43,500	43,500	43,500
	-	-	48,557	48,557	48,557
Total liabilities	2,908	-	87,055	89,964	89,964

29. Commitments

The Group has committed to converting suitable oyster farms to the flip-farm method. As at 30 September 2023 the value of contracts yet to be completed is Nil (2022: \$1.625m).

The Group has committed to the construction of a processing facility in Wellington. At 30 September 2023 the value of the contracts yet to be completed is \$0.946m (2022: Nil).

In mid September 2023 Sealord announced that it had entered into an agreement to acquire privately-owned Independent Fisheries. The purchase was conditional on satisfying a number of conditions, including clearance from the New Zealand Commerce Commission and consent from the Overseas Investment Office. In mid November 2023 the New Zealand Commerce Commission approved the acquisition. Moana New Zealand has committed to subscribe to additional ordinary shares in Kura Limited for \$20m such that Kura Limited in turn subscribes for ordinary shares in Sealord Group Limited for that amount. This is conditional on Nippon Suisan Kaisha Limited subscribing for additional shares in Kura Limited for the same value and purpose. The funds are to be utilised by Sealord as a contribution towards funding the acquisition of Independent Fisheries.

Pitopito kōrero mō ngā taukī pūtea

Notes to the financial statements

FOR THE YEAR ENDED 30 SEPTEMBER 2023

30. Contingent Liabilities and Contingent Assets

Kura Limited, a joint venture of Aotearoa Fisheries Limited, has given bank guarantees with the Group's share being \$6.9 million (2022: \$7.3 million).

Moana New Zealand has given a bank guarantee of \$2.3m (2022: \$2.5m) to Santy Maria Fishing Ltd for the purchase of a new fishing vessel. The guarantee applies for the term of the loan which has 7 years remaining.

31. Events after the Balance Date

On 22 May 2023 Moana New Zealand announced that it had agreed to lease from Sanford Limited through a new long-term agreement the Annual Catch Entitlement (ACE) for much of Sanford's quota of North Island inshore species for an annual value of \$10.5m (with agreed annual price escalation). The transaction included the sale of two of Sanford's inshore fishing vessels (which Moana New Zealand will on sell to an existing contract fisher) and a selection of processing equipment and refrigerated vehicles/trailers. It also included the purchase by Moana New Zealand of one marine farm comprised of three coastal permits in the Croisilles Harbour. The aggregate purchase value of the other assets was \$6.9m. On 13 September 2023, the New Zealand Commerce Commission announced that it had granted Moana New Zealand clearance in respect of the transaction. The transaction was also conditional on Sanford agreeing acceptable terms for the discontinuation of toll processing with an existing toll processing customer – this condition was satisfied on 31 October 2023.

Ētahi atu whakapuakitanga o te pūrongo ā tau

Other annual report disclosures

FOR THE YEAR ENDED 30 SEPTEMBER 2023

1. Principal Activities

The Group's principal activities during the year were the harvesting, procurement, farming, processing, and marketing of sustainably produced seafoods to consumers in domestic and major international markets.

2. Directors Holding Office During the Year

Tony Hannon (ceased 1 December 2022)	Ngāi Tahu
Glenn Hawkins	Ngāti Whakaue, Ngāti Maniapoto
Rangimarie Hunia	Ngāti Whatua
Dylan Lawrence	Ngāti Raukawa-ki-te-Tonga, Ngāti Ranginui, Tūhourangi
Mavis Mullins	Rangitane, Atihau Nui a Paparangi, Ngāti Ranginui, Ngāti Hainamana
Paki Rawiri (appointed 1 December 2022)	Waikato, Ngāpuhi
Greg Summerton (ceased 14 July 2023)	Ngāi Tahu
Rachel Taulelei	Ngāti Raukawa ki te Tonga, Ngāti Rārua, Ngāti Koata
Jamie Tuuta	Ngāti Mutunga, Ngāti Tama, Ngāti Maru, Te Ati Awa, Taranaki Tūturū

3. Directors' Fees

	2023	2022
Tony Hannon	11,500	69,000
Glenn Hawkins	65,500	63,000
Rangimarie Hunia	58,000	47,500
Dylan Lawrence	66,000	22,000
Mavis Mullins	66,000	63,750
Paki Rawiri	50,000	-
Greg Summerton	50,000	60,000
Rachel Taulelei	118,000	96,583
Jamie Tuuta	65,250	16,500
Total	550,250	537,000

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FOR THE YEAR ENDED 30 SEPTEMBER 2023

4. Directors' Interests

The following are particulars of general disclosures of interest by Directors of Aotearoa Fisheries Limited, holding office during the year up to 30 September 2023 pursuant to section 140(2) of the Companies Act, 1993.

Name	Entity	Nature of interest	Iwi affiliations
Tony Hannon	Bancorp Corporate Finance Limited	Shareholder	Ngāi Tahu
	Carrington Trustees Limited (and subsidiaries)	Director	
	Farmgas Partners Limited	Director	
	General Capital Partners Limited (and subsidiaries)	Chair	
	Hannon Trust	Beneficial interest	
	Hannon Investment Trust	Beneficial interest	
	InfraCo Limited	Chair	
	Omni Health Limited (and related entities)	Chair/Indirect beneficial Interest	
	Relational Capital Limited (and related entities)	Director/Indirect beneficial interest	
	Rock Isle Forestry Limited	Director/Beneficial interest	
	Sealord Group Limited/Kura Limited	Director	
	Transition Capital Limited (and related entities)	Director	
	Treble Cone Investments Limited (and related entities)	Director/Indirect beneficial interest	
	Vomo Island Resort Group (and related entities)	Director/Indirect beneficial interest	
Wanaka Ski Racing Limited	Director		
Glenn Hawkins	Glenn Hawkins & Associates Limited	Director/Shareholder	Ngāti Whakaue
	Iwi Collective Partnership	Accountant	
	Life Skills For Life Trust	Chairman	
	Ngāti Whare Group	Accountant	
	Sealord Group Limited/Kura Limited	Director	
	Whānau Ora Commissioning Agency Limited	Director	
Rangimarie Hunia	Te Ohu Kaimoana	Chair	Ngāti Whatua
	Westpac Sustainability Panel	Panelist	
Dylan Lawrence	Aukaha Capital Limited	Director / shareholder	Ngāti Raukawa-ki-te-Tonga Ngāti Ranginui Tūhourangi
	Golden Goose Step Investments Limited	Director / shareholder	
	Ngāti Raukawa Ki Te Tonga AHC Limited	Director	
Mavis Mullins	AgTech NZ	Board member	Rangitane
	Hawkes Bay Rugby Union	Director	
	Ngā Kaihauti Tikanga Taiao (Environmental Protection Agency Maori Advisory Committee)	Chair	Atihau Nui a Paparangi
	Ngā Whenua Rahui	Chair	Ngāti Ranginui
	Runanga Rangitane o Tamaki Nui a Rua	Chair	Ngāti Hainamana
	StockX Ltd UNICEF	Director Director	
Greg Summerton	Okains Bay Seafood Limited (and related entities)	Director/Shareholder	Ngāi Tahu
	Quality Ocean International Limited	Director/Shareholder	
	Plant and Food Research Science Excellence Advisory Group	Member/Advisor	
	The GM Summerton Trust	Trustee	
	Waikene Station Limited	Director/Shareholder	
Paki Rawiri	Te Ohu Kaimoana	Director	Waikato, Ngāpuhi
	University of Waikato	Council member	
	Te Pukenga (NZ Institute of Skills and Technology)	Employee	
Rachel Taulelei	Oho 2021 Limited	Co-founder/Director	Ngāti Raukawa ki te Tonga
	AFL Investments Limited	Director	
	ANZCO Foods Limited	Director	Ngāti Rārua
	APEC Business Advisory Council	Member	Ngāti Koata

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	CWBG Limited	Director	
	Fonterra Sustainability Advisory Panel	Chair	
	Movac	Advisory Board Member	
	Movac Fund 5 LP	Limited Partner	
	Pupuri Taonga Limited	Director	
	RLAW Limited	Director	
	Sealord Group Limited/Kura Limited	Director	
	Tokomanawa Queens Foundation	Trustee/Chair	
	The Warehouse Group	Director	
	Wellington Regional Stadium Trust	Chair	
Jamie Tuuta	Ōtamarākau Ventures GP Limited (8223472)	Director	Ngāti Mutunga
	Taranaki Mounga Project Limited (5958869)	Director	Taranaki Iwi
	Dairy Holdings Limited (1122216)	Director	Ngāti Maru
	Taranaki Iwi Claims Management Limited (2434748)	Director	
	Ngāti Mutunga Custodian Company Limited (6186157)	Director/Shareholder	
	Te Pakihi O Maru Management Limited (6774674)	Director	
	Māui Toa GP Limited (8251704)	Director/Shareholder	
	Māui Toa Investment Manager Limited (8352941)	Director/Shareholder	
	Port Taranaki Limited (406110)	Director	
	Whakaata Māori	Chair	
	Wellington Zoo	Trustee	
	Te Rūnanga o Ngāti Mutunga	Chair	
	Te Kāhui o Taranaki iwi	Trustee	
	Sealord Group Limited/Kura Limited	Chair	
	Pūainuku Vines General Partner Limited (8224454)	Director	
	Pūainuku Pastures General Partner Limited (8157198)	Director	
	Pūai Tangaroa General Partner Limited (8231534)	Director	
	Ka Uruora Aotearoa Trustee Limited (8354332)	Director/Shareholder	
	Ka Uruora Trustee Limited (7403616)	Director	
	Ka Uruora Ki Te Raki Trustee Limited (8379328)	Director	
	Ngaa Pou Tiritiri Limited (8141240)	Director	
	Te Pataka O Rauru Limited (1945687)	Director	
	Te Pataka O Tangaroa Limited (1934042)	Director	
	Kii Tahi Limited (1624149)	Director	
	Maara Moana Limited (8140495)	Director	
	Maara Moana HC Limited (6872915)	Director	
	Maara Moana GP Limited (6872654)	Director	
	Kotato Limited (5489964)	Director	
	Totaranui Limited (824937)	Director	
	Te Atiawa Asset Holding Company Limited (1902383)	Director	
	Totaranui Te Atiawa General Partner Limited (6888016)	Director	
	TWL Management Limited (6121748)	Director	
	TWL Trust Limited (6121767)	Director/Shareholder	
	RFR General Partner Limited (6309348)	Director	

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Taranaki Whānui Limited (2168135)	Director
Lowry Bay Section One Limited (3384713)	Director
Education Pnbst Limited (3588171)	Director
Port Nicholson Block Properties Limited (3264968)	Director
Shelly Bay Limited (2207414)	Director
The Lodge At Shelly Bay Limited (2393579)	Director
Whites Line East Limited (5831509)	Director
Tramways Limited (5831427)	Director
LBS General Partner Limited (7360656)	Director

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5. Remuneration of Employees

During the year from 1 October 2022 to 30 September 2023, the following number of employees, including employees who left the Company during the year, received remuneration, benefits, and redundancy payments that exceed \$100,000 in total.

\$000's	Group	
	2023	2022
\$100,000 - 110,000	9	6
\$110,001 - 120,000	5	3
\$120,001 - 130,000	8	8
\$130,001 - 140,000	4	8
\$140,001 - 150,000	5	3
\$150,001 - 160,000	4	3
\$160,001 - 170,000	1	2
\$170,001 - 180,000	1	3
\$180,001 - 190,000	2	-
\$190,001 - 200,000	1	-
\$200,001 - 210,000	-	-
\$210,001 - 220,000	1	2
\$220,001 - 230,000	1	1
\$230,001 - 240,000	1	2
\$250,001 - 260,000	3	2
\$260,001 - 270,000	-	2
\$270,001 - 280,000	2	2
\$280,001 - 290,000	2	1
\$300,001 - 310,000	-	-
\$310,001 - 320,000	-	1
\$320,001 - 330,000	-	-
\$330,001 - 340,000	-	1
\$340,001 - 350,000	1	1
\$350,001 - 360,000	2	-
\$380,001 - 390,000	-	1
\$400,001 - 410,000	1	-
\$420,001 - 430,000	-	1
\$430,001 - 440,000	1	-
\$460,001 - 470,000	-	2
\$470,001 - 480,000	1	-
\$490,001 - 500,000	1	-
\$510,001 - 520,000	-	1
\$520,001 - 530,000	1	-
\$1,000,001 - 1,010,000	-	1
\$1,150,001 - 1,160,000	1	-

