

ANNUAL REPORT

- 2016/17 -

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**Te Awanui Huka Pak,
100% Māori owned and
operated based in Mount
Maunganui, New Zealand.**

CHAIRMAN'S REPORT 2016/17

**Pāpaki tū ana ngā tai ki Mauao
I whakanukunukuhia,
I whakanekenekehia,
I whiua reretia e Hotu a Wahinerua ki
te wai,
ki tai wīwī, ki tai wāwā,
Kī te whai ao, ki te ao mārama,
Tihei mauriora.**

I am pleased to introduce Te Awanui Huka Pak Limited's (Te Awanui) Annual Report for the Financial Year ending 31 March 2017.

At the last Annual General Meeting, I signalled to shareholders that we were looking to implement projects that would go towards realising our vision of being a 'Prosperous, Commercially Innovative Māori Collective' and I am pleased to report that we have made significant progress towards this and look forward to highlighting some of those achievements in further detail at the meeting.

ACHIEVEMENTS FOR THE YEAR

Key achievements for the year include:

- Development of our Horticulture Strategy "Growing Our Future"
- Development of our Training and Education Programme "Kiwi Leaders"
- Recruitment of a dynamic and talented operations team
- Implementation of our Technical Services Division - Orchard Advisory and Management
- Signed Kawenata with Seeka Ltd and Plant and Food Research NZ

- Received strong returns from our investment in Seeka Ltd
- Received strong returns from our commercial properties

GROWING OUR FUTURE

Our strategy "Growing Our Future" was developed to acknowledge our founding vision of Māori having more influence across the entire Horticultural and Fresh Produce value chain whilst recognising the changing landscape of the industry and identifying the key areas that we need to be proactive in. These areas form the key components of our strategy and involve growing; Our Food Basket, High Value Markets, Value Add, People and Innovation.

In order to deliver on this strategy, we have had to make changes to our Corporate structure which allowed this flexibility but also protection of our company and shareholder assets and influence. Our Board and Management team have spent considerable time over the last few months reviewing alternative structures and developing some of our investment fundamentals such as Statement of Investment Policies and Objectives (SIPO) as well as our investment metrics.

Currently, our asset portfolio is made up of commercial property and shares in Seeka Ltd. Areas we are potentially interested in investing in include;

- Commercial land use options for Māori Freehold Land
- Horticulture
- Food growing/harvesting with value-added opportunities



Ratahi Cross - Chairman

- Food technology
- Infrastructure, logistics and supply chain
- People development/training
- Growth businesses
- The Bay of Plenty as a priority

As the largest New Zealand shareholder in Seeka Ltd (8% alone and 13% including Te Awanui shareholders) we viewed this as an opportunity to redefine our relationship with them, where we no longer exist as a passive shareholder but rather an active partnership where we look to collaborate on areas where there is mutual benefit and advances our cultural and commercial interests. Our new relationship with Seeka Ltd has already opened many opportunities for us which include cadetships, capability to deliver orchard management services, opportunity to invest in orchard acquisitions and developments, value add products and still a range of other opportunities left to discuss. Our intention is that we share these opportunities with our shareholders as a first right, and later look to include other Māori collectives from across Tauranga Moana, Aotearoa and possibly even abroad.

BOARD APPOINTMENTS

At the first Board meeting following last year's AGM, Andy Rolleston was selected as the Deputy Chairperson, Huhana Rolleston was appointed as the Assistant Chairperson and I was privileged to remain as the Chairperson.

During the year we also put in place two sub-committees of the Board: Audit & Finance Committee (Andy Rolleston (Chair), Taari Nicholas and Huhana Rolleston) and a Relationship Committee (Gerry Gardiner (Chair), Kevin Haua and Ratahi Cross).

Externally with associated companies, Gerry Gardiner is selected by Te Awanui as a Director on Tuhono Whenua Horticulture Ltd, and I sit on the Seeka Ltd Board.

DIVIDEND POLICY

At the last meeting, shareholders asked us to review the dividend policy to allow for more certainty around the timing and amount. Historically the dividend has been the sum of the Seeka dividend paid to Te Awanui. We propose to carry on this approach going forward. Our Dividend Policy is set out below:

"Te Awanui Huka Pak's intention is to declare two dividends each financial year. These dividends will be paid after we have received Seeka's interim and final dividends, normally in March and September.

The Directors reserve the right to amend the policy at any time. Each dividend will be determined

after due consideration of the capital requirements, operating performance, financial position and cashflows of the company at the time."

MĀORI KIWIFRUIT GROWERS FORUM

We were pleased to take part in the development of the National Māori Growers Forum, formally established earlier this year and equally delighted that one of our Te Awanui whānau sit on the representative committee on behalf of Tauranga Moana; Marita Ranclaud along with Kiritapu Allan.

There are a number of industry wide issues that can potentially affect our position in the industry coming through the pipeline such as the G3 allocation, environmental regulations, workforce development etc.

Therefore it is of growing importance that we have an independent and influential voice to advocate on our behalf to ensure Māori interests are upheld.

We have met with the Chair of the forum, Tiaki Hunia and expressed our interest in keeping communication lines open and offering our support when and as required. We are keen supporters of the forum and look forward to watching developments.

FUTURE FOCUS

As mentioned last year, financially we have a solid base in which to move forward, our shareholders are a strong collective and resolute. The

key strategic matters and future focus for our Board in the upcoming year include:

- Keeping abreast of the changes within the Kiwifruit industry;
- Keeping abreast of the key trends and identifying strategic opportunities within the Bay of Plenty region, nationally and internationally;
- Strengthening our existing on and off-shore relationships and building new strategic relationships where it makes sense;
- Developing our board skills and experience and implement best governance practices; and
- Supporting and monitoring the progress and performance of our CEO to operationalise our strategic plan.

Finally, I wish to thank all those that have contributed to our journey thus far and look forward to the upcoming year.

Ngā Mihi

Ratahi Cross
Chairman

CEO REPORT 2016/17

Tēnā koutou e rau Rakatira mā

It is a pleasure to present our operations report for the year ended 31 March 2017. This year we have put in place a clear plan to deploy the Board's vision of being a "Prosperous, Commercially Innovative Māori Collective" which operates at the interface of commercial and collective, underpinned by our culture. This has culminated in our strategy "Growing Our Future" detailed below:



Growing our future

We have an inclusive horticulture strategy and action plan to grow our future that provides opportunities for those interested in working with us.



Growing our food basket

Increasing our growing footprint by:

- optimising current production value
- developing more orchards
- acquiring further orchards
- having additional produce varieties
- expanding where we grow locally and internationally



Growing high value niche markets

Existing relationships already in high value produce markets:

- Japan - Far Mind
- Singapore/Japan - Sumifru
- Australia - Seeka



Growing Value

Adding value where it makes commercial sense:

- Kiwifruit – Kiwicrush
- Avocado Oil



Growing our people - Kiwi Leaders

Kiwi Leaders is a people development blueprint spanning the value chain, the Kiwi Leader service suite includes:

- Governance
- Scholarships
- Internships
- Mentoring
- Cadetships



Grow our Innovation

We seek to engage in:

- near commercial research & development
- science and technology
- branding opportunities
- niche high value retailing and;
- securing access to cultivar rights

Another exciting development is our Kiwi Leaders programme which was designed as a response to our shareholders who asked us to create initiatives that would see our people shift into higher level education and employment in the hopes of one day working with and employing our own.

Kiwi Leaders

We have an inclusive horticulture strategy and action plan to grow our future that provides opportunities for those interested in working with us.



Governance Development

Better Board's make better business

This programme includes an online self-assessment, board review, a fit for purpose development plan, and facilitated workshops on critical areas of development.



Scholarships

Supporting your learning and your future

A service which helps to identify and facilitate the uptake of available scholarships through industry and Te Awanui networks.



Internships

Experience your future now

A service to facilitate the uptake of available local and international internships within industry and Te Awanui networks.



Cadetships

Earn while you learn

An opportunity to gain work experience, obtain higher level qualifications, build industry networks and earn while you learn.



Mentoring

Learning through shared experience

A structured mentoring service with knowledgeable and experienced mentors from across the country.



Rangatahi

Developing tomorrow's leaders today

Structured networking events for rangatahi including access to an annual summit and a network of up and coming Māori industry leaders.

With a clear strategy, we have recruited a team with the capability and capacity to deliver this plan. In addition to this we have put in place an investment framework and reviewed the corporate structure as mentioned in the Chairman's report. The review of our corporate structure will enable us to accommodate the tensions between wanting to retain land, reduce debt, pay a dividend and grow the business. In practice we think in a balanced way we can achieve all of these drivers.

OUR TEAM

As mentioned above, we have a dynamic and talented team brought in to deploy our strategic plan. Last year we welcomed Ngaria Rolleston (Communications and Business Development Manager) and Hiria Te Amo (Clients Services Manager) who joined existing team member Pani Robinson (Office Administrator).

This year we have been fortunate to grow our team further to include part time; Bryan Grafas (Technical Adviser), Hana Toroa CA (Management Accountant) and Veronica Waiari (Finance Administrator). Our most recent recruits are Monique Corbett who will drive Kiwi Leaders and Daniel Doney who has been brought on to manage our Orchard Management Services.

Our part time additions have been an economical solution to increasing our capacity and capability within our team. Another dimension of our team philosophy is to grow each and everyone's leadership ability together with experience.

SEEKA LIMITED

Seeka Ltd continues to perform strongly for us, a summary of their annual report is set out below:

Key Financial metrics

- \$191.32m total revenue — up 35% on the previous corresponding period (pcp)
- \$24.76m EBITDA — up 78% on pcp
- Excluding the effect of insurance settlement (\$ 3.63m), EBITDA totalled \$21.14m — up 52% on pcp.
- \$16.96m EBIT — up 135% on pcp
- \$10.39m net profit after tax — up 143% on pcp
- \$0.65 basic earnings per share — compared with \$0.29 pcp — up 124%

- \$197.31m total assets — up 20%
- \$4.88 net asset backing per share — compared with \$4.34 at 31 December 2015
- \$68.73m long term borrowings — up 31%
- \$1.25 increase in share price for the year

Seeka's audited profit after tax for the year ended 31 December 2016 totals \$10.39m which is within the forecast range of \$9.5m to \$10.6m. The resulting basic earnings per share of \$0.65 is also within the forecast range of \$0.59 to \$0.66.

KEY OPERATIONAL HIGHLIGHTS

- Handling a record 32.44m trays of New Zealand kiwifruit — up 17% on pcp
- Excellent New Zealand kiwifruit performance; 2.68% fruit loss for Hayward conventional, (pcp 7.66%), 1.11% for Hayward organic (pcp 3.58%) and 0.35% for SunGold (pcp 1.85%)
- Excellent avocado returns of \$26.86 per tray (pcp \$16.64) — again delivering industry-leading returns to growers
- First harvest of produce grown by Seeka Australia
- Construction of additional coolstores and new kiwifruit packing machine in Australia
- Establishment of Australian nursery operations and the trialling of approximately 10 hectares of new varieties in Australia
- Integration of Seeka Australia team and systems
- Settlement of the Oakside mitigation losses at \$3.63m
- Reinstatement of the Oakside facility following the March 2015 fire

- Purchase of the Kiwi Crush range of products
- Successful rebrand of Seeka
- Major infrastructure and capacity build with coolstore and pre-cooler expansion at two of our main sites at Main Road Katikati and KKP in Maketu
- 9,500 new Seeka Surestore plastic bins added to the business
- Purchase of Seeka 360 property at Young Road, Paengaroa, and initial site refurbishment for Seeka's new headquarters

SEEKA DIVIDEND

The Seeka Ltd directors declared a fully imputed dividend of \$0.10 per share. The dividend was paid 24 March to those shareholders on the register at 5pm on 17 March, 2017. This dividend declaration brings fully imputed dividends distributed to shareholders relating to the 2016 financial year to \$0.20 per share.

For Te Awanui this totals \$253,282. We are excited about the prospects of Seeka Ltd and the opportunities the relationship presents for us.

OTHER INVESTMENTS

We have a 10% share in Tuhono Whenua Horticulture Limited, this investment is under review and a recommendation on our future position will be made in the current year.

We expect to make the minimum investment in the Blueberry initiative Miro LP and will seek expressions of interest to invest in growing from our shareholders as a priority.

RELATIONSHIPS

We are always looking for opportunities to collaborate on areas of mutual interest with our industry partners. We currently have Kawenata with two key industry players - Seeka Ltd and Plant & Food Research NZ. The signing of these Kawenata commemorated the commitment to working together over the next 12 months on key projects that will bring value to both parties. Within Kiwi Leaders we have also signed an operational Kawenata with Whenua Kura, their kaupapa is about growing the next generation of Māori leaders for the land based industries through education, employment and enterprise. We have two further significant Industry partnerships being developed together with a range of organisations supportive of the Kiwi Leaders initiative.

CLIENT SERVICES

Over the past year our Client Services team have done well to build our customer base and through Hiria Te Amo's efforts in this space, particularly the recruitment of two new clients, we are able to secure her full-time as Client Services Manager. We are pleased to expand our service offering to our shareholder growers and potentially other Māori growers with the provision of Consultancy services, orchard management and orchard development.

CONSULTANCY SERVICES

Bryan Grafas leads our technical consultancy service and has over 25 years' experience in the kiwifruit industry. He brings a wealth of technical and strategic capability to the role of Technical Advisor. His previous roles include General

Manager, Orchard Division at Seeka Ltd and orchard management. This is a complementary service for Te Awanui Shareholder Growers.

In addition to providing advice on orchard operations, Bryan is also available to provide consultation on orchard developments which includes assessment of land options, assistance with financial modelling and facilitating investment if required. Once past the feasibility stage we can oversee the implementation of the development through to production.

ORCHARD MANAGEMENT

Te Awanui has recently expanded its service offering to include a comprehensive orchard management service, which includes:

- orchard visits together with field supervision of orchard inputs
- soil and leaf testing, vine monitoring and crop estimates
- ordering required fertiliser and application of fertiliser
- maintenance of spray programmes and GAP compliance
- pollination (both hives and artificial pollination)
- arranging all outside staff and contractors required (e.g. winter pruning etc)
- preparation of orchard management plans and budgets
- such other services as required for the efficient running of the Orchard.

Our Orchard Management services is provided by Daniel Doney. Daniel, originally from Whakatane, is known to many of our growers and is acknowledged as an experienced

orchard manager that delivers tangible results for growers.

FINANCIAL RESULT

An overview of Financial Results as at Year End 31 March 2017 is provided on the following page.

Te Awanui report's a net operating profit before tax of \$571,999 for the year ending 31 March 2017, compared to \$404,323 last year.

Overall income for the year was \$1,382,110 compared to \$1,463,644 last year. This decrease was due to the Seeka Ltd dividend being substantially less this year because of the sale of shares in 2016. This decrease has been partially offset with the increase in Lease income from Lots 3 and 4 having been leased.

Total expenses for the year of \$810,111 is down 23.5% from \$1,059,321 in 2016. This is mostly due to favourable interest rates on the bank loan and minimal Co-branding Project expenses being incurred.

The full set of audited financials is provided later in this report.

ACKNOWLEDGEMENTS

My thanks go to our Board of Directors and team, our partners, and most of all our shareholders for their continued support, confidence and commitment.

Ngā Mihi

Te Horipo Karaitiana
Chief Executive Officer

TE AWANUI HUKA PAK LTD
SUMMARY OF FINANCIAL STATEMENTS
FOR THE YEARS ENDED 31 MARCH 2015, 2016 & 2017

	2017	2016	2015
Income			
Lease Income	992,168	902,447	1,013,325
Grant Income	-	18,950	-
Administration & Secretarial Services	126,611	154,814	137,267
FOMA Rent/Administration Income		2,037	-
Orchard Productivity Fund	-	-	16,177
Co-Branding Income	-	30,520	-
Dividends Received	253,482	354,875	405,571
Interest Received	6,989	1	-
Travel Income		-	-
Office Rent	2,860	-	-
Total Income	1,382,110	1,463,644	1,572,340
Less Expenses			
Administration Expenses	509,632	406,998	456,034
Co-Branding Expenses	12,605	190,294	-
Standing Charges	283,556	457,105	601,456
Non-cash Adjustments	4,318	4,924	7,603
Total Expenses	810,111	1,059,321	1,065,093
Operating Profit/(Loss)	571,999	404,323	507,247
Net Capital Gains/(Losses):			
On Land Revaluation	885,000	410,000	700,000
On Share Revaluation	1,989,834	- 3,200,827	2,002,508
FINANCIAL POSITION			
Equity	18,555,321	15,455,962	14,144,588
Represented By:			
Working Capital Surplus/(Deficit)*	445,842	284,379	- 9,643,926
Non Current Assets	23,659,479	20,771,583	23,788,514
Non Current Liabilities	- 5,550,000	- 5,600,000	-
Excess Assets over Liabilities	18,555,321	15,455,962	14,144,588

* Working capital is equal to Current Assets less Current Liabilities

FINANCIAL REPORT

Te Awanui has reported a net operating surplus of \$571,999 before tax for the year ended 31 March 2017. This is an increase of 18.2% on last year's net operating surplus of \$404,323.

Overall income for the year was \$1,382,110 compared to \$1,463,644 last

year. This decrease was due to the Seeka Ltd dividend being substantially less this year because of the sale of shares in 2016. Lease income has increased this year due to Lots 3 & 4 being leased.

Total expenses for the year of \$810,111 is down 23.5% from \$1,059,321 in

2016. This is mostly due to favourable interest rates on the bank loan and minimal Co-branding Project expenses being incurred.

The full set of audited financials is provided later in this report.

NET OPERATING PROFIT

Te Awanui has reported a net operating surplus of \$571,999 before tax for the year ended 31 March 2017. This is an increase of 18.2% on last year's net operating surplus of \$404,323.



Growing People, Performance and Opportunities



teawanui.co.nz



FINANCIAL STATEMENTS

- 2016/17 -

Te Awanui Huka Pak Limited

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Directory

Te Awanui Huka Pak Limited For the year ended 31 March 2017

Nature of Business

Property Ownership and Investments

Registered Office

221 Totara Street

MOUNT MAUNGANUI 3116

IRD Number

46-673-573

Directors

Gerard Te Hoe Gardiner

Taaringaroa Albert William Nicholas

Te Timatanga Neil Te Kani

Peter Ratahi Cross

Kevin James Haua

Huhana Jane Rolleston

Marc Andrew Tauwhitu Rolleston

Chartered Accountant

Finlay Dykzeul Limited

Chartered Accountants

314 Maunganui Road

Mount Maunganui 3116

Bankers

BNZ

Cameron Road

Tauranga 3112

Solicitors

Cooney Lees & Morgan

87 First Avenue

PO BOX 143

Tauranga 3140

Auditor

Ingham Mora

60 Durham Street

Tauranga 3110

Shareholders

Gardiner Trust	2,916 Ordinary Shares
Mangatawa Papamoa Inc	174,960 Ordinary Shares
Meretaka Trust	38,880 Ordinary Shares
K & M Ngatai	44,072 Ordinary Shares
M J & M E & R M Ellis	45,680 Ordinary Shares
T K J Thatcher	500 Ordinary Shares
W T Paki	9,720 Ordinary Shares
T K Briggs	986 Ordinary Shares
Murray Orchards	88,579 Ordinary Shares
Ngai Tukairangi No.2 Trust	302,821 Ordinary Shares
Ngati Haua Development Scheme	57,101 Ordinary Shares
Ongare Trust	72,900 Ordinary Shares
Patetu Trust	39,971 Ordinary Shares
Pirihima Whanau Trust	51,516 Ordinary Shares
Pori Pori Development Scheme	135,372 Ordinary Shares
Ranginui No 12	217,729 Ordinary Shares
Tangitu Whanau Trust	85,000 Ordinary Shares
Tauranga Moana Trust Board	178,205 Ordinary Shares
Tauwhao Te Ngare Trust	243,000 Ordinary Shares
TOTAL SHARES	1,789,908 Ordinary Shares

Approval of Financial Report

Te Awanui Huka Pak Limited For the year ended 31 March 2017

The Directors are pleased to present the approved financial report including the historical financial statements of Te Awanui Huka Pak Limited for year ended 31 March 2017.

APPROVED

For and on behalf of the Board of Directors.



Director

Date 7.7.17



Director

Date 7/7/2017

Statement of Profit or Loss

Te Awanui Huka Pak Limited For the year ended 31 March 2017

	NOTES	2017	2016
Income			
Administration & Secretarial Services - Related Parties		103,775	114,529
Administration & Secretarial Services - Other		22,836	40,285
FOMA Rent/Administration Income		-	2,037
Office Rent - Ngai Tukairangi		2,860	-
Co-Branding Funding		-	18,950
Co-Branding Research Program Income		-	30,520
Lease Received - Seeka		857,486	857,486
Lease Received - CRS Tauranga Limited		134,682	44,961
Dividends Received		253,482	354,875
Interest Received		6,989	-
Interest Received - IRD Use of Money		-	1
Total Income		1,382,110	1,463,644
Expenses			
Administration Expenses			
Accountancy Fees		8,190	11,101
Advertising		3,829	-
Audit Fees		6,930	6,600
Bank Fees & Charges		386	448
Chairperson Honorarium		10,400	9,533
Co-Branding Expenses		12,605	190,284
Computer Expenses & Support		9,935	3,500
Consultancy		12,120	21,240
Director Fees		36,130	45,100
Directors Meeting Expenses		5,417	7,571
Entertainment - 50% Deductible		-	1,866
Entertainment - 50% Non Deductible		2,757	2,146
Fringe Benefit Tax		198	5,423
General Expenses		7,287	3,606
Koha & Community Grants		3,500	2,500
Legal Expenses		16,195	20,911
Licences and Subscriptions		4,172	4,991
Loan Fees		-	8,170
Loss on Disposal of Fixed Assets		1,138	-
Meeting Expenses		9,276	-
Travel Expenses - Staff		14,753	3,456
Printing & Photocopier Expenses		12,537	25,553
Stationery		5,038	-
Postage & Courier		9,330	2,573
Shareholder Events		3,157	-
Staff Training and Welfare		5,937	1,763

These financial statements are to be read in conjunction with the accompanying Notes and Auditor's Report.



	NOTES	2017	2016
Superannuation		5,160	3,549
Sustainability Project		-	5,000
Telephone and Internet		8,366	6,674
Travel Expenses		25,277	2,415
Valuation Fees		2,685	3,200
Vehicle Expenses		4,621	9,389
Contractors Fees		42,894	-
Salaries and Wages		232,015	188,732
Total Administration Expenses		522,238	597,292
Standing Charges			
ACC Levy		694	582
Insurance		4,254	3,128
Interest - Loans		256,981	453,378
Interest - Overdraft		57	17
Rates		21,570	-
Total Standing Charges		283,556	457,105
Non Cash Expenses			
Depreciation	6	4,318	4,924
Total Non Cash Expenses		4,318	4,924
Total Expenses		810,111	1,059,321
Net Profit (Loss) Before Taxation		571,999	404,323
Taxation and Adjustments			
Tax Expense	2	93,992	15,146
Total Taxation and Adjustments		93,992	15,146
Net Profit (Loss) After Tax		478,007	389,177
Realised Gains (Losses) on Assets			
Realised Gain on Sale of Seeka Shares		-	3,940,353
Total Realised Gains (Losses) on Assets		-	3,940,353
Net Surplus (Loss) for the Year		478,007	4,329,530



These financial statements are to be read in conjunction with the accompanying Notes and Auditor's Report.

Statement of Changes in Equity

Te Awanui Huka Pak Limited For the year ended 31 March 2017

	2017	2016
Equity		
Opening Balance	15,455,963	14,144,588
Increases		
Net Surplus	478,007	4,329,530
Asset Revaluation Reserve	885,000	410,000
Share Revaluation Reserve	1,989,834	(3,200,827)
Total Increases	3,352,841	1,538,703
Decreases		
Dividend Paid	253,482	228,134
Unclaimed Dividends	-	(805)
Total Decreases	253,482	227,328
Total Equity	18,555,321	15,455,963



These financial statements are to be read in conjunction with the accompanying Notes and Auditor's Report.

Balance Sheet

Te Awanui Huka Pak Limited As at 31 March 2017

	NOTES	31 MAR 2017	31 MAR 2016
Assets			
Current Assets			
Cash and Cash Equivalents	4	372,372	217,692
Accounts Receivable - Related Parties		26,001	13,010
Accounts Receivable - Other		37,231	44,584
Income Tax Receivable	3	-	46,251
Miro Berry Investment		210,000	10,000
Total Current Assets		645,604	331,536
Non-Current Assets			
Property, Plant and Equipment	6	23,836	10,773
Investment Property	8	16,855,000	15,970,000
Shares in Listed Company	9	6,780,644	4,790,810
Total Non-Current Assets		23,659,479	20,771,583
Total Assets		24,305,083	21,103,119
Liabilities			
Current Liabilities			
Accounts Payable		51,171	31,174
Interest Payable Accrual		3,528	2,097
BNZ Credit Cards		7,709	4,228
GST Payable		25,110	9,656
Revenue Received in Advance		82,176	-
Income Tax Payable	3	30,069	-
Total Current Liabilities		199,762	47,156
Non-Current Liabilities			
BNZ Term Loan (00002)	11	5,550,000	5,600,000
Total Non-Current Liabilities		5,550,000	5,600,000
Total Liabilities		5,749,762	5,647,156
Net Assets		18,555,321	15,455,963
Equity			
Retained Earnings	7	7,331,450	7,106,925
Asset Revaluation Reserve	7	4,664,408	3,779,408
Share Revaluation Reserve	7	6,559,463	4,569,629
Total Equity		18,555,321	15,455,963



These financial statements are to be read in conjunction with the accompanying Notes and Auditor's Report.

Notes to the Financial Statements

Te Awanui Huka Pak Limited For the year ended 31 March 2017

1. Statement of Accounting Policies

Te Awanui Huka Pak Limited is a company incorporated under the Companies Act 1993 and is engaged in the business of Property Ownership and Investments.

These financial statements have not been prepared for external use. They are prepared for tax purposes only and should not be relied on for any other purpose. They are therefore defined as special purpose reports and comply with IRD minimum requirements.

Statement of Compliance and Basis of Preparation

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

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

The accounting principles recognised as appropriate for the measurement and reporting of the Statement of Financial Performance and Statement of Financial Position on a tax value basis are followed by the company, unless otherwise stated in Specific Accounting Policies.

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

(a) Revenue Recognition

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

(b) Expenses

Expenses have been classified on their business function and recorded at the value the company expects to pay for the goods or services purchased.

(c) Accounts Receivable

Accounts Receivable are recognised at estimated realisable value.

(d) Property, Plant & Equipment

Property, Plant & Equipment is recognised at cost less aggregate depreciation. Historical cost includes expenditure directly attributable to the acquisition of assets, and includes the cost of replacements that are eligible for capitalisation when these are incurred.



Depreciation Rates have been charged at the following:

Account	Method	Rate
Motor Vehicles	Diminishing Value (100%)	30%
Plant & Equipment	Diminishing Value (100%)	25% - 80.4%
Furniture & Fittings	Diminishing Value (100%)	15.6% - 21.6%

(e) Income Tax

Income tax is accounted for using the taxes payable method. The income tax expense recognised in the Statement of Financial Performance is the estimated income tax payable in the current year, adjusted for any differences between the estimated and actual income tax payable in prior years.

(f) Shares in Listed Companies

Investments in listed companies are stated at market value as traded on the NZ Stock Exchange at balance date.

(g) Goods and Services Taxation (GST)

Revenues and expenses have been recognised in the financial statements exclusive of GST except that irrecoverable GST input tax has been recognised in association with the expense to which it relates. All items in the Statement of Financial Position are stated exclusive of GST except for receivables and payables which are stated inclusive of GST.

(h) Investment Properties

Investment property is revalued on an annual basis by a registered valuer.

(i) Changes in Accounting Policies

There have been no changes in Accounting Policies this year.

All Accounting Policies were applied consistently during the year.

(j) Shares in Unlisted Companies

Shares in Unlisted Companies are valued at cost at the time of investment.

	2017	2016
2. Tax Reconciliation		
Net Profit (Loss) Before Tax	571,999	404,323
Additions to Taxable Profit		
Entertainment - 50% Non Deductible	2,757	2,146
Koha & Community Grants	3,500	2,500
Imputation Credits Received	98,576	138,007
Non-deductible Travel	10,913	-
Total Additions to Taxable Profit	115,746	142,653
Taxable Profit (Loss)	687,746	546,975
Tax Payable at 28%	192,569	153,153
Imputation Credits	98,576	138,007
Tax Expense for the Year	93,992	15,146



2017 2016

3. Income Tax**Income Tax Payable (Receivable)**

Opening Balance	(46,251)	(36,753)
Provision for Tax	192,569	153,153
RWT Paid	(17,673)	(24,644)
Imputation Credits Received	(98,576)	(138,007)
Total Income Tax Payable (Receivable)	30,069	(46,251)

2017 2016

4. Cash and Cash Equivalents

BNZ Dividend Account	130	-
BNZ Call Account	50	-
BNZ Cheque Account	-	(23,370)
BNZ Business Account	372,192	241,061
Total Cash and Cash Equivalents	372,372	217,692

2017 2016

5. Imputation Credit Account**Imputation Credit Account**

Opening Balance	1,781,414	1,707,481
Increases		
Resident Withholding Tax Paid	17,673	24,644
Imputation credits on dividends received	98,576	138,008
Total Increases	116,249	162,652
Decreases		
Imputation Credits Attached to Dividends	98,576	88,719
Total Decreases	98,576	88,719
Total Imputation Credit Account	1,799,087	1,781,414



	2017	2016
Revaluation	885,000	410,000
Total Investment Property	16,855,000	15,970,000

The investment properties have been revalued by Telfer Young (Tauranga) Limited to current market value dated 31 March 2017 totalling \$16,855,000 (2016: \$15,970,000).

The original cost of the investment properties was \$13,073,592, made up of land at \$11,623,674 and development of \$1,449,918.

	2017	2016
9. Shares in Listed Company		
Shares - Seeka Ltd	6,780,644	4,790,810
Total Shares in Listed Company	6,780,644	4,790,810

The company holds 1,267,410 shares (2016:1,267,410) in Seeka Ltd which represents 8% (2016: 8%) of the shares on issue. The shares have been revalued to \$5.35 (2016: \$3.78) per share at balance date. This value is the price the shares were traded for on the NZ Stock Exchange at 31 March 2017.

During the year, no shares were sold (2016: 1,267,410 shares sold at \$3.30).

10. Shares in Unlisted Company

The company holds 100,000 shares (2016: 100,000 shares) in Tuhono Whenua Ltd which represents 10% (2016: 10%) of the shares issued. The shares are valued at \$0 (2016: \$0) as at the time of investment there was no value placed on them.

During the year, no shares were sold (2016: Nil).

	2017	2016
11. Term Loan - Secured		
BNZ Term Loan		
Opening Balance	(5,600,000)	-
BNZ Term Loan (00002)	50,000	(5,600,000)
Funds Drawn Down	120,000	-
Funds Repaid	(120,000)	-
Total BNZ Term Loan	(5,550,000)	(5,600,000)
Total Term Loan - Secured	(5,550,000)	(5,600,000)

The term loan with BNZ is secured over the land and buildings at the corner of Totara Street, Te Awanui Way & Taiaho Place, Mount Maunganui.

The BNZ loan is interest only as follows:

Loan \$5,550,000 at 4.64% pa - Maturing 29/11/2019

The Directors do not intend to repay the loan on maturity but will renegotiate a further term with BNZ.



12. Related Parties

Transactions with Poripori Development Scheme, Ngai Tukairangi Development Scheme, Tauwhao Te Ngare Trust, Ranginui 12 Trust and Pirihima Whanau Trust have been disclosed in the financial statements. These entities are related to Te Awanui Huka Pak Ltd as they are shareholders in this Company, which provides them with Secretarial and Administration Services.

Ratahi Cross is a Director of Seeka Limited and a Director of Te Awanui Huka Pak Limited. Seeka Limited leases land from Te Awanui Huka Pak Limited. Te Awanui Huka Pak Limited also has an 8% shareholding in Seeka Limited and receives dividends.

No related party debts have been written off or forgiven during the year.

There were no significant transactions or transactions that were on terms and conditions that are likely to be different from the terms and conditions of transactions in similar circumstances, involving related parties during the financial year (2016: - Nil).

13. Capital Commitments

The company has no capital commitments as at 31 March 2017 (2016: - Nil).

14. Contingent Liabilities

The company has no contingent liabilities and no guarantees as at 31 March 2017.

15. Events Subsequent to Balance Date

After balance date the Miro Berry investment was revised and amended.



INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Te Awanui Huka Pak Limited

Opinion

We have audited the financial statements of Te Awanui Huka Pak Limited ("the Company") on pages 6 to 15, which comprise the balance sheet as at 31 March 2017, the statement of profit or loss and statement of changes in equity for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying special purpose financial statements present, in all material respects, the financial position of the Company as at 31 March 2017, and its financial performance for the year then ended in accordance with the Inland Revenue Department minimum requirements under the Tax Administration (Financial Statements) Order 2014.

Basis for Opinion

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

Basis of Accounting and Restriction on Distribution

Without modifying our opinion, we draw attention to Note 1 to the financial statements, which describes the basis of accounting. The financial statements are prepared using a special purpose basis of accounting to assist the directors of Te Awanui Huka Pak Limited in reporting to their shareholders and for taxation purposes. As a result, the financial statements may not be suitable for another purpose. Our report is intended solely for the shareholders of Te Awanui Huka Pak Limited and should not be distributed to other parties.

Other Information

The Directors are responsible for the other information. The other information comprises the directory information included on pages 3 to 5 of the report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Those Charged with Governance for the Financial Statements

The Directors are responsible on behalf of the Company for the preparation of the financial statements in accordance with the tax basis of accounting and for such internal control as those charged with governance determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, those charged with governance are responsible on behalf of the Company for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless those charged with governance either intends to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

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

A further description of the auditor's responsibilities for the audit of the financial statements is located at the New Zealand External Reporting Board's website.

https://xrb.govt.nz/Site/Auditing_Assurance_Standards/Current_Standards/Description_Auditors_responsibilities.aspx.

The engagement partner on the audit resulting in this independent auditor's report is Richard Dey.

Ingham Mora

INGHAM MORA

Tauranga
7 July 2017

DIRECTOR PROFILES

Ratahi Cross (Chairman)

Ratahi has a background in Natural Science specializing in Native flora and fauna. He also lectures in Māori History for several tribes he belongs to.

Ratahi is the Chairman of several Trust Boards throughout the Eastern areas of the North Island. He chairs Ngāi Tūkairangi Trust, the largest Māori kiwifruit grower in New Zealand.

The orchard is the jewel in the crown of Māori kiwifruit orchards and is situated on the Matapihi Peninsula at Mount Maunganui. Ngāi Tūkairangi is the Largest Māori shareholder in Zespri and Te Awanui Huka Pack Ltd. Ngāi Tūkairangi also has a wholly owned subsidiary called Tūkairangi Investments Limited who are developing multiple strands of business interests both in and outside the industry.

Andy Rolleston (Deputy Chairman)

Ngāi Te Rangi, Ngāti Ranginui, Ngāti Whakaue and Ngāti Rangitahi

Andy is the Managing Director of Pelco NZ Ltd, a privately owned and operated company established in 1995 based in Mount Maunganui, and has extensive experience in the fishing and agriculture industries. He has developed strong networks and governance experience that are testament to the various board and advisory board appointments throughout his career.

Elected by shareholders to the Board of Poripori Farm A Trust in 2010, Andy has held the chairman's position since appointment and also chairs the Trust's Operations Committee.

Huhana Rolleston

Ngāi Te Rangi, Ngāti Ranginui, Ngāti Whakaue

Huhana graduated from the University of Waikato with a Bachelor of Arts majoring in Te Reo Māori and a Bachelor of Laws in April 2010.

She started with Indigenous Corporate Solutions Ltd in March 2010 – a company that provides specialist consultancy services to iwi in the area of treaty settlement negotiations. In this role she led workstreams, with primary responsibilities in Department of Conservation redress and inter and intra iwi cross claims.

She also gained practical experience from being part of the litigation team in the Environment Court and the Iwi Chairs technical advisory team on the Government Share Offer programme.

Huhana joined Koning Webster Lawyers in July 2012 as a solicitor and her primary area of work remains in treaty settlement negotiations.

Huhana is currently the Operations Manager for the Ngāi Te Rangi Settlement and Iwi Trust's.

Kevin Haua

Kevin is the Chairman for Mangatawa Pāpāmoa Blocks Inc, incorporated under the Māori Affairs Act in 1957. The Incorporation owns approximately 750 acres of land in the Pāpāmoa area, close to Mount Maunganui. It has over 20 hectares of kiwifruit orchards, is developing a further 10 hectares of Gold Kiwifruit, has a 5 hectare avocado orchard, runs a dry stock farm, has a long-term contract with the Tauranga City Council to maintain a significant area of wetlands and

storm-water reserves and operates the Pacific Coast Retirement Village alongside our retirement development partner, Retirement Assets Ltd.

The social arm of Mangatawa Pāpāmoa Blocks Incorporation sees the expansion of shareholder housing from 1 bedroom units suitable for the single elderly, two bedroom units for elderly with partners or caregivers and 4 bedrooms homes for families. The Incorporation also supports shareholders by way of education and sporting grants, health grants and dividends.

As a Māori Incorporation, Mangatawa is a recognised legal entity with a status that is a cross between a trust and an incorporation formed under the Companies Act.

The Incorporation is owned by approximately 700 shareholders of the Ngā Pōtiki, Tribe who elect a Committee of Management (COM) comprising of five members, they hold a term for 3 years. The value of the incorporation in 2014 was \$60 Million.

Gerry Gardiner

Gerry is currently the Chairman for Ngamanawa Incorporation and of the Ngāti Hangarau Marae Committee. He is also a Director for Te Awanui Huka Pak Limited on Tuhono Whenua Horticulture Limited. He is currently employed as a private contractor.

Neil Te Kani

Te Timatanga Neil Te Kani holds numerous governance roles, he is the Chairman on Tukairangi Investments Limited, Te Orea Trust and Tauranga Moana Museum Trust, Deputy Chairman of Mangatawa Incorporation, a Trustee of Ngai Tukairangi Trust, Ranginui 12 and a representative on NZ Kiwifruit Growers Inc.

He was selected onto the Fonterra Governance training programme of which he is the only Māori to have achieved this outside the farming fraternity.

He takes his position as Trustee and Director very seriously and believes that he adds value as part of the Governance structure through financial literacy and modelling through to Strategic planning.

Neil recently purchased an orchard in Pahoia which has allowed him to understand the industry from a grower's perspective, something he always wanted to do. He is a strong believer in the Single Point of Entry which allows maximization of fruit returns to growers. It is this model that guarantees the strongest "in market" positioning and because of that, allows for premium fruit payments to be made on a high taste, high quality product.

Taari Nicholas

Chartered Accountant Taari Nicholas has held numerous directorships and was the first Māori member of the New Zealand Stock Exchange. With extensive experience at senior levels in funds management and investment banking Taari has been an Earthquake Commissioner and is currently a director of Te Awanui Hukapak Ltd, Ngati Ruanui Holdings Limited, Southern Pastures Ltd, Te Waharoa Investments Ltd (Ngati Haa) and Miraka Ltd.

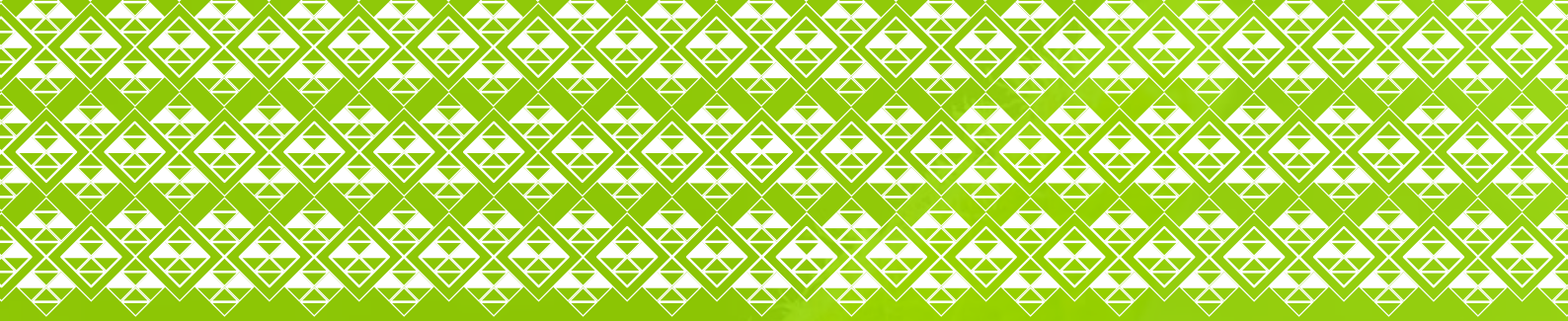
He is also a Committee of Management Member of the Parininihi-ki-Waitotara Incorporation and a trustee of the Pirirakau Trust and the Waikato-Tainui Endowed College.

DECLARATION OF INTEREST REGISTER

JULY 2017

As a requirement of the Companies Act an Interest Register of all Directors is required. The following table lists Te Awanui's Director's interests in companies outside of Te Awanui Huka Pak Ltd. This information will be updated as and when required.

MEMBERS	ROLES AND RESPONSIBILITIES OUTSIDE TAHP LTD:
Ratahi Cross	Director, Seeka Kiwifruit Industries Limited
	Chairman, Ngai Tukairangi No 2 Trust
	Chairman, Tawhiti Trust
Andy Rolleston	Chairman, Poripori Farm A Trust
Neil Te Kani	Chairman, Tauranga Moana Museum Trust
	Chairman, Te Orea Trust
	Deputy Chairman, Mangatawa Incorporation
	Trustee, Ngāi Tukairangi No 2 Trust
Gerry Gardiner	Trustee, Ranginui No 12 Trust
	Chairman, Ngamanawa Incorporation
	Chairman, Ngāti Hangarau Marae Committee
	Director, Tūhono Whenua Horticulture Limited
Taari Nicholas	Owner, Te Huakiwi Orchards
	Committee Member/Shareholder, Parininihi ki Waitotara Inc
	Director/Shareholder, Southern Pastures Management Limited
	Director, Miraka Limited
	Director, Ngāti Ruanui Holdings Corporation Limited
	Director, P.K.W. Farms Limited
	Member Advisory Committee, Direct Capital IV
	Trustee, Pirirakau Trust
	Te Waharoa Investments Limited
	Taranaki Capital Partners Limited
Waikato Tainui Group Investments Committee	
Kevin Haua	Chairman, Mangatawa Papamoa Blk Inc
	Managing Director, Taylor Roofing
	Chairman, Ranginui 4
	Chairman, Pacific Coast Retirement Village
Huhana Rolleston	Chairman, Mangatawa Retirement Village Ltd
	Trustee, Peata Roretana Whanau Trust
	Operations Manager, Ngāi Te Rangi Settlement Trust
	Operations Manager, Te Rūnanga O Ngāi Te Rangi Iwi Trust



 **TE AWANUI**
Ki Te Whai Ao

teawanui.co.nz