



 **TE AWANUI**
Ki Te Whai Ao

2018
Annual
Report

**HUNDRED
PERCENT
MĀORI
OWNED**

**GROWING
PEOPLE,
PERFORMANCE**



OPPORTUNITIES

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Chairman's Report

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,
Ki te whai ao, ki te ao mārāma,
Tīhei mauriora.

Once again, I am pleased to introduce Te Awanui Huka Pak Limited's (Te Awanui/ the Company) annual report for the year ending 31 March 2018. The purpose of this report is to provide an update on governance and strategic matters for shareholders, share comments on industry matters and finally to provide a glimpse of the future for Te Awanui.

STRATEGY

To recap, the Board have been engaged in a structured journey of strategic definition, development and deployment since July 2016. Following the establishment of the vision and values, the board also defined three guiding principles of cultural, collective and commercial which together, form the foundations of our operational strategy designed to achieve Te Awanui's kaupapa of 'a prosperous, commercially innovative Māori collective'. These principles help to guide us on our pursuit of satisfying diverse stakeholder demands and tensions between paying a dividend, reducing debt, whilst growing the business.

Last year you will recall that we signaled a change in our corporate structure to allow for flexibility to deliver on our strategy but also the protection of our company and shareholder assets and influence. One year on, we are pleased with the progress we have made which includes the finalisation of our strategic blueprints, Statement of Investment Policies and Objective (SIPO) and investment strategy.

After much consideration and professional advice, the Board have established Te Awanui Capital Limited (TACL) as a pure investment company which is 100% owned by Te Awanui Huka Pak Ltd.

TACL is now the vehicle to deploy the commercial aspects of the broader horticulture strategy included in the Growing our Future blueprint and has the ability to raise further capital.

In August 2017, TACL made its first investment into Rising Sun Orchards Ltd, a 26-hectare avocado orchard in the Far North which to date has been an exceptional investment for Te Awanui generating strong returns.

We are now in a position to bring opportunities to shareholders and the wider Māori collective investor network and will give our shareholders in the first instance the option to invest capital into TACL. The Board is yet to determine the parameters for that and will do so in the coming year.

KIWI LEADERS

I am particularly proud of Kiwi Leaders which was a strategic response to the simple principle of 'our people are our future' which is based off the premise that developing our people was just as important as increasing Orchard Gate Return.

Management designed and established Kiwi Leaders, a programme which aims to attract, develop and retain highly

“I am particularly proud of Kiwi Leaders which was a strategic response to the simple principle of ‘our people are our future’ which is based off the premise that developing our people was just as important as increasing Orchard Gate Return.”

skilled Māori for primary industries. The programme aims to positively shift the perception of our industry amongst youth to highlight the diverse career opportunities that exist whilst simultaneously working with our employers network to create high value work experience or employment opportunities.

TALENTED TEAM

We required Management to;

- build an enduring core capability;
- engage and develop talent and;
- put in place succession planning to ensure resilience.

Management have been successful in building an innovative culture within Te Awanui reflecting the values determined by the Board. We're extremely grateful to have such a talented and committed team and commend them on their achievements over the last 12 months.

HOLDING TO ACCOUNT

As part of our role of holding Management to account we set and regularly monitor our annual targets which are monitored and measured by operational objectives and KPI's.

Our objectives for the upcoming 2018/19 year are:

- a) Continue to consider investment opportunities that are aligned to

our Growing our future strategy and SIPO (via Te Awanui Capital Ltd);

- b) Strive to meet our financial projections (\$550,000 NPBT);
- c) Drive revenue from our various business units
- d) Refine and grow our orchard services

To hold ourselves to account we have adopted our own workplan which seeks to improve the effectiveness of governance.

INDUSTRY VOICE

We supported the establishment of the National Māori Kiwifruit Growers Forum as a vehicle to exert influence in the industry. It is important that we support this forum to advance key industry issues on our behalf. Some of those being;

- Regulation or deregulation of the NZ Kiwifruit industry and Māori positioning within that.
- The use of or reliance on Māori land to reach Zespri's forecasted production demands
- Indigenous to indigenous partnership opportunities across the globe in growing
- The role of Māori in the Kiwifruit industry and Zespri
- Environmental impacts of kiwifruit spraying

THE FUTURE

On reflection, it was back in July 2016 that the Board adopted a simple strategic plan that included the values, vision and three key strategic guiding principles cultural, collective and commercial.

We have achieved a lot in this short time and are optimistic about our future.

With over 30 years since Te Awanui was established, and almost two years since the implementation of our new strategy, it's timely to raise the question - What is the collective potential of Te Awanui Huka Pak in this new innovative industry?

As a Board we will be considering this and deciding on ways that we can better mobilise the collective, ensure that we are fit for purpose and remain relevant in this current environment and lastly that the skills around the Board table and operations are what we need to execute our vision.

NGA MIHI

Finally, I would like to thank our shareholders for the continued support, and my fellow Board members and Management for executing effectively the direction of the company.

Ngā Mihi

Ratahi Cross
Chairman



CEO Report

OPERATIONS

I am pleased to present the annual operations report for Te Awanui for the year ended March 31 2018. This year management have:

- Established Te Awanui Capital Limited
- Established Kiwi Leaders and deploying well
- Provided a free orchard technical advisory service for shareholders
- Improved and expanded Business Support Services
- Exceeded Governance's NPBT target of \$430,000
- Deployed a blended strategy to include commercial, cultural and collective principles
- Built a talented team within the parameters determined by Governance

STRATEGIC DIRECTION

The Board requires Management to:

- Deploy based on the vision, values and strategic direction defined by the Board
- Develop a talented operational team
- Build resilience and depth, utilising the skills and capability within the Te Awanui team

Following a period of review by the Board of our current strategy, we have been deploying against this strategy for just over 18 months and like the Board I am very happy with progress.

TALENTED TEAM

We set out to lift the capability in the company and have exceeded that above all expectations. As mentioned above we have created a workplace which reflects resilience, sustainability and succession planning.

One of the major reasons we have been able to attract such high level capability into the organisation is the provision of a flexible work environment that enables part time but focused work arrangements.

Each of our staff members are emerging leaders in their own right and we take pride in the fact that 80% of staff whakapapa back to the company in some way. Our employment practices combined with our operational culture make Te Awanui an exceptional employer.

KIWI LEADERS

Like our Chairman, I am particularly proud of Kiwi Leaders which was a strategic response to the simple principle of 'our people are our future'.

We have gained significant awareness of this programme both locally and nationally (for example it has been adopted as the key step change

initiative in the wider Bay of Plenty Māori Youth Strategy He Rangatahi He Anamata and recognised by NZKGI in the latest Labour report distributed to government).

In the last 9 months of operation, the team have managed to achieve impressive results for the industry and Te Awanui whanau.

At this stage Te Awanui continue to finance Kiwi Leaders which is the sum of 1FTE, however through strong partnerships with industry, have managed to either offset or avoid any event costs.

With that being said, the results that the team have been able to pull off with limited resource is nothing short of spectacular.

Now that we have established proof of concept and strong industry and government backing, the focus for the coming year is to monetise and generate revenue for Kiwi Leaders.

BUSINESS SUPPORT SERVICES

This is the longest standing service out of Te Awanui and continues to move from strength to strength. The team have gone through a process of streamlining all of the internal processes and are now in a better position to expand this part of the business. What started as a modest trustee capability project with TPK, our business support

service has grown over the years to now include;

- Secretarial services;
- Communications management;
- Financial services;
- Database management;
- Distributions; and
- Property Management.

ORCHARD SERVICES

We continue to offer advisory services to our shareholders via Bryan Grafas. This service was initiated just over one year ago as a way to support our growers to optimise orchard performance. It is now time to conduct a review of this service offering and will be seeking feedback from shareholders on some of the gaps in support you see that Te Awanui could fill.

Recently we engaged with shareholders to discuss post-harvest services and received valuable feedback. As a result we will be initiating grower pre harvest meetings beginning February next year to pre-empt some of the issues that arise in the busy season, but also as a way to familiarise our shareholders with the post-harvest process.

To ensure that we are fulfilling a service that is meaningful and useful to our growers, regular feedback is critical. So thank you to those that have taken the time to meet with us and share your views.

FINANCIAL SUMMARY

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

Te Awanui has reported a net operating surplus of \$535,393 before tax for the year ended 31 March 2018. This is a decrease of 6.4% on last year's net operating surplus of \$571,999.

Overall income for the year was \$1,647,936 compared to \$1,382,110 last year. This growth was due to increases in the Seeka Ltd dividend, Seeka Orchard Support Contracts, Lease income and Business Services income.

With the increase in income, total expenses for the year have increased as well by 37.3% from \$810,111 last year to \$1,112,543 in 2018. This is mostly due to administration expenses and extra interest on the bank loans.

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

“Each of our staff members are emerging leaders in their own right and we take pride in the fact that 80% of staff whakapapa back to the company in some way.”

SUMMARY OF FINANCIAL STATEMENTS

for the years ended 31 March
2016, 2017 & 2018

	2018	2017	2016
Income			
Lease Income	1,073,298	992,168	902,447
Grant Income	-	-	18,950
Administration & Secretarial Services	176,885	126,611	154,814
FOMA Rent/Administration Income	-	-	2,037
Orchard Productivity Fund	-	-	-
Co-Branding Income	-	-	30,520
Seeka Orchard Support	108,650		
Dividends Received	278,830	253,482	354,875
Interest Received	213	6,989	1
Sundry Income	7,500		-
Office Rent	2,560	2,860	-
Total Income	1,647,936	1,382,110	1,463,644
Less Expenses			
Administration Expenses	778,958	509,632	406,998
Co-Branding Expenses	-	12,605	190,294
Standing Charges	316,983	283,556	457,105
Non-cash Adjustments	16,602	4,318	4,924
Total Expenses	1,112,543	810,111	1,059,321
Operating Profit/(Loss) Before Tax	535,393	571,999	404,323
Dividend as percentage of Operating Profit	52.08%	44.32%	87.77%
Net Capital Gains/(Losses):			
On Land Revaluation	3,190,000	885,000	410,000
On Share Revaluation	1,330,780	1,989,834	- 3,200,827
FINANCIAL POSITION			
Equity	23,144,810	18,555,321	15,455,962
Represented By:			
Working Capital Surplus/(Deficit)*	303,246	445,842	284,379
Non Current Assets	29,191,564	23,659,479	20,771,583
Non Current Liabilities	- 6,350,000	- 5,550,000	- 5,600,000
Excess Assets over Liabilities	23,144,810	18,555,321	15,455,962
* Working capital is equal to Current Assets less Current Liabilities			

“The Board is focused on ensuring that we create a financially sustainable platform within our business.”

SUSTAINABILITY

The Board is focused on ensuring that we create a financially sustainable platform within our business. This involves a blended strategy which looks to satisfy all tensions between business growth, dividend distribution and debt reduction.

From an operational perspective, achieving this will be a result of building revenue streams through our various service offerings to allow for the redistribution of property rental income towards debt reduction and/or to increase dividend payment.

In addition, the Board have recently adopted a debt management policy which ensures that we regularly monitor and lessen debt where we can.

UPCOMING YEAR

As mentioned in the Chairman's reports our objectives for the upcoming 2018/19 year are:

- a) Continue to consider investment opportunities that are aligned to our Growing our future strategy and SIPO (via Te Awanui Capital Ltd)
- b) Strive to meet our financial projections (\$550,000 NPBT)
- c) Drive revenue in Business Support Services
- d) Monetise Kiwi Leaders; and
- e) Refine our Technical Orchard service

Finally, I would like to thank the team for their outstanding work and commitment throughout the year and to our network of stakeholders for your continued support.

Heoi ano,

Te Horipo Karaitiana
Chief Executive Officer

OUR VISION

**TE AWANUI HUKA PAK
WILL BE A PROSPEROUS,
COMMERCIALY
INNOVATIVE MAORI
COLLECTIVE**

An aerial photograph of a coastal town in New Zealand, featuring a large mountain in the background, a harbor with a few boats, and a sandy beach. The town includes several multi-story buildings and residential areas. The entire image is overlaid with a semi-transparent green filter.

**WE ARE
BASED IN
MOUNT MAUNGANUI,
NEW ZEALAND**

FINANCIAL STATEMENTS

2017 /
2018



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Independent
Auditor's Report

Directory

Te Awanui Huka Pak Limited
For the year ended 31 March 2018

Nature of Business

Property Ownership and Investments

Registered Office

221 Totara Street

Directors

Gerard Te Hoe Gardiner
Taaringaroa Albert William Nicholas
Turi Ngatai
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

Solicitors

Kahui Legal
1108 Fenton St
PO BOX 1177
Rotorua 3040

Auditor

William Buck Audit (NZ) Limited
60 Durham Street
Tauranga 3110

IRD Number

46-673-573

Shareholders

Gardiner Trust
Mangatawa Papamoa Inc
Meretaka Trust
K & M Ngatai
M J & M E & R M Ellis
T K J Thatcher
W T Paki
T K Briggs
Murray Orchards
Ngai Tukairangi No.2 Trust
Ngati Haua Development Scheme
Ongare Trust
Patetu Trust
Pirihima Whanau Trust
Pori Pori Development Scheme
Ranginui No 12
Tangitu Whanau Trust
Tauranga Moana Trust Board
Tauwhao Te Ngare Trust
TOTAL SHARES

2,916 Ordinary Shares
174,960 Ordinary Shares
38,880 Ordinary Shares
44,072 Ordinary Shares
45,680 Ordinary Shares
500 Ordinary Shares
9,720 Ordinary Shares
986 Ordinary Shares
88,579 Ordinary Shares
302,821 Ordinary Shares
57,101 Ordinary Shares
72,900 Ordinary Shares
39,971 Ordinary Shares
51,516 Ordinary Shares
135,372 Ordinary Shares
217,729 Ordinary Shares
85,000 Ordinary Shares
178,205 Ordinary Shares
243,000 Ordinary Shares
1,789,908 Ordinary Shares

Approval of Financial Report

Te Awanui Huka Pak Limited
For the year ended 31 March 2018

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 2018.

APPROVED

For and on behalf of the Board of Directors.

Director



Date 17/08/2018

Director



Date 17/08/2018

Consolidated Statement of Profit or Loss

Te Awanui Huka Pak Limited
For the year ended 31 March 2018

	Notes	Group 2018	Group 2017
Income			
Administration & Secretarial Services - Related Parties		109,708	103,775
Administration & Secretarial Services - Other		67,177	22,836
Seeka Orchard Support		108,650	0
Office Rent - Ngai Tukairangi		2,560	2,860
Lease Received - Seeka		857,486	857,486
Lease Received - CRS Tauranga Limited		215,812	134,682
Dividends Received		278,830	253,482
Interest Received		213	6,989
Sundry Income		7,500	0
Total Income		1,647,936	1,382,110
Expenses			
Administration Expenses			
Accountancy Fees		2,443	8,190
Advertising		2,296	3,829
AGM - TAHP		6,738	0
Audit Fees		7,135	6,930
Bank Fees & Charges		427	386
Chairperson Honorarium		10,400	10,400
Co-Branding Expenses		0	12,605
Computer Expenses & Support		7,646	9,935
Consultancy		15,924	12,120
Contractors Fees		15,274	42,894
Director Fees		32,400	36,130
Directors Meeting Expenses		6,062	5,417
Director Travel - International		4,500	0
Director Travel		6,517	9,488
Entertainment - 50% Non Deductible		3,430	2,757
Fringe Benefit Tax		229	198
General Expenses		11,524	7,287
Kiwi Leaders Expenses		6,634	0
Koha & Community Grants		7,400	3,500
Legal Expenses		20,375	16,195
Licences and Subscriptions		11,726	4,172
Maori Innovation Expenditure		9,506	0
Loss on Disposal of Fixed Assets		0	1,138
Meeting Expenses		14,230	9,276
Office Consumables		7,483	4,973
Postage & Courier		11,265	9,330
Printing & Photocopier Expenses		3,684	12,537
Seeka Orchard Support Contractor		115,623	0
Stationery		7,304	5,038
Shareholder Events		0	3,157
Staff Training		5,740	965
Superannuation		58	5,160
Telephone and Internet		9,320	8,366
Travel Expenses		32,826	19,630
Travel Expenses - International		19,189	10,913
Valuation Fees		2,965	2,685
Vehicle Expenses		4,804	4,621
Salaries and Wages		355,881	232,015
Total Administration Expenses		778,958	522,238
Standing Charges			
ACC Levy		908	694
Insurance		17,637	4,254
Interest - Loans		277,045	256,981
Interest - Overdraft		0	57
Rates		21,392	21,570
Total Standing Charges		316,983	283,556

Non Cash Expenses			
Depreciation	6	16,602	4,318
Total Non Cash Expenses		16,602	4,318
Total Expenses		1,112,543	810,111
<hr/>			
Net Profit (Loss) Before Taxation		535,392	571,999
<hr/>			
Taxation and Adjustments			
Tax Expense	2	77,672	93,992
Total Taxation and Adjustments		77,672	93,992
<hr/>			
Net Profit (Loss) After Tax		457,721	478,007
<hr/>			
Net Surplus (Loss) for the Year		457,721	478,007

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

Consolidated Statement of Changes in Equity

Te Awanui Huka Pak Limited
For the year ended 31 March 2018

Account	2018	2017
Equity		
Opening Balance	18,555,321	15,455,963
Increases		
Net Surplus	457,721	478,007
Asset Revaluation Reserve	3,190,000	885,000
Share Revaluation Reserve	1,330,780	1,989,834
Total Increases	4,978,501	3,352,841
Decreases		
Dividend Paid	389,012	253,482
Total Decreases	389,012	253,482
Total Equity	23,144,810	18,555,321

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

Consolidated Balance Sheet

Te Awanui Huka Pak Limited

As at 31 March 2018

	Notes	31 Mar 2018	31 Mar 2017
Assets			
Current Assets			
Cash and Cash Equivalents	4	279,927	372,372
Accounts Receivable - Related Parties		13,436	26,001
Accounts Receivable - Other		108,777	37,231
Income Tax Receivable	3	22,925	0
Miro Berry Investment		60,000	210,000
Total Current Assets		485,064	645,604
Non-Current Assets			
Investment Property	8	20,045,000	16,855,000
Property, Plant and Equipment	6	35,140	23,836
Shares in Listed Company	9	8,111,424	6,780,644
Te Awanui Capital Limited	12	1,000,000	0
Total Non-Current Assets		29,191,564	23,659,479
Total Assets		29,676,628	24,305,083
Liabilities			
Current Liabilities			
Accounts Payable		57,349	51,171
Interest Payable Accrual		7,564	3,528
BNZ Credit Cards		8,442	7,709
GST Payable		26,287	25,110
Revenue Received in Advance		82,176	82,176
Income Tax Payable	3	0	30,069
Other Current Liabilities		0	0
Total Current Liabilities		181,818	199,762
Non-Current Liabilities			
BNZ Term Loans		6,350,000	5,550,000
Total Non-Current Liabilities		6,350,000	5,550,000
Total Liabilities		6,531,818	5,749,762
Net Assets		23,144,810	18,555,321
Equity			
Retained Earnings	7	7,400,159	7,331,450
Asset Revaluation Reserve	7	7,854,408	4,664,408
Share Revaluation Reserve	7	7,890,243	6,559,463
Total Equity		23,144,810	18,555,321

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 2018

1. Statement of Accounting Policies

Te Awanui Huka Pak Limited (TAHP) is a company incorporated under the Companies Act 1993 and is engaged in the business of Property Ownership and Investments. This year Te Awanui Capital Limited (TACL) was formed as a 100% subsidiary of TAHP.

These financial statements have been consolidated with the above entities and 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.

(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	30%
Plant & Equipment	Diminishing Value	25% - 80.4%
Furniture & Fittings	Diminishing Value	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.

	Group 2018	Group 2017
2. Tax Reconciliation		
Net Profit (Loss) Before Tax	535,392	571,999
Additions to Taxable Profit		
Entertainment - 50% Non Deductible	3,430	2,757
Koha & Community Grants	7,400	3,500
Imputation Credits Received	108,434	98,576
Non-deductible Expenses	10,008	10,913
Total Additions to Taxable Profit	129,272	115,746
Taxable Profit (Loss)	664,664	687,746
Tax Payable at 28%	186,106	192,569
Imputation Credits	108,434	98,576
Tax Expense for the Year	77,672	93,992
	2018	2017

3. Income Tax

Income Tax Payable (Receivable)		
Opening Balance	30,069	(46,251)
Previous Year's Tax Payment/Refund	(31,107)	0
Provision for Tax	186,106	192,569
RWT Paid	(19,422)	(17,673)
Provisional Tax Paid	(80,136)	0
Imputation Credits Received	(108,434)	(98,576)
Total Income Tax Payable (Receivable)	(22,925)	30,069

	2018	2017
4. Cash and Cash Equivalents		
BNZ Dividend Account	0	130
BNZ Cheque Account	172	0
BNZ Call Account	65,077	50
BNZ Business Account	214,678	372,192
Total Cash and Cash Equivalents	279,927	372,372

	2018	2017
5. Imputation Credit Account		
Imputation Credit Account		
Opening Balance	1,799,087	1,781,414
Increases		
Resident Withholding Tax Paid	19,363	17,673
Imputation credits on dividends received	108,434	98,576
Total Increases	127,797	116,249
Decreases		
Imputation Credits Attached to Dividends	108,434	98,576
Total Decreases	108,434	98,576
Total Imputation Credit Account	1,818,450	1,799,087

6. Property, Plant and Equipment

2018 Fixed Asset Schedule

Asset Type	Cost	Opening Value	Purchases	Disposals	Depreciation	Closing Value
Furniture & Fittings	7,359	1,571	-	-	261	1,310
Motor Vehicle	47,226	5,556	-	-	1,667	3,889
Plant & Equipment	51,512	2,972	13,940	-	5,478	11,434
Website - TAHP	14,334	13,737	-	-	6,869	6,868
Website - Kiwi Leaders	13,967	-	13,967	-	2,328	11,639
Total	134,398	23,836	27,907	-	16,603	35,140

2017 Fixed Asset Schedule

Asset Type	Cost	Opening Value	Purchases	Disposals	Depreciation	Closing Value
Furniture & Fittings	7,359	1,406	1,310	1,019	127	1,571
Motor Vehicle	47,226	7,937	-	-	3,402	5,556
Plant & Equipment	73,228	1,430	3,038	284	1,212	2,972
Website - TAHP	14,334	-	14,334	-	597	13,737
Total	142,147	10,773	18,682	1,303	5,338	23,836

	Group 2018	Group 2017
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7. Retained Earnings

Retained Earnings		
Opening Balance	7,331,450	7,106,925
Current Year Earnings	457,721	478,007
Dividend Paid	(389,012)	(253,482)
Total Retained Earnings	7,400,159	7,331,450
Reserves		
Opening Balance	11,223,871	8,349,037
Asset Revaluation Reserve	3,190,000	885,000
Share Revaluation Reserve	1,330,780	1,989,834
Total Reserves	15,744,651	11,223,871
Total Retained Earnings	23,144,810	18,555,321

	2018	2017
8. Investment Property		
Opening Value	16,855,000	15,970,000
Revaluation	3,190,000	885,000
Total Investment Property	20,045,000	16,855,000

The investment properties have been revalued by Telfer Young (Tauranga) Limited to current market value dated 31 March 2018 totalling \$20,045,000 (2017: \$16,855,000).

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.

	2018	2017
9. Shares in Listed Company		
Shares - Seeka Ltd	8,111,424	6,780,644
Total Shares in Listed Company	8,111,424	6,780,644

The company holds 1,267,410 shares (2017:1,267,410) in Seeka Ltd which represents 8% (2017: 8%) of the shares on issue. The shares have been revalued to \$6.40 (2017: \$5.35) per share at balance date. This value is the price the shares were traded for on the NZ Stock Exchange at 31 March 2018.

During the year, no shares were sold (2017: Nil).

10. Shares in Unlisted Company

The company holds 100,000 shares (2017: 100,000 shares) in Tuhono Whenua Ltd which represents 10% (2017: 10%) of the shares issued. The shares are valued at \$0 (2017: \$0) as at the time of investment there was no value placed on them.

At the February 2018 meeting the Board resolved to exit Tuhono Whenua Limited. At balance date the Board were still awaiting information from Tuhono Whenua Limited in order to determine the details of the exit.

During the year, no shares were sold (2017: Nil).

	Group 2018	Group 2017
11. Term Loan - Secured		
BNZ Term Loan		
Opening Balance	(5,550,000)	(5,600,000)
BNZ Term Loan (00002)	(800,000)	50,000
Funds Drawn Down	0	120,000
Funds Repaid	0	(120,000)
Total BNZ Term Loan	(6,350,000)	(5,550,000)
Total Term Loan - Secured	(6,350,000)	(5,550,000)

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:

\$5,550,000 at 4.65% pa - Maturing 29/11/2019

\$800,000 at 5.57% pa - Maturing 29/11/2019

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

	2018	2017
12. Te Awanui Capital Limited		
Opening Balance	0	0
Share of purchase of Avocado Orchard	1,000,000	0
Total Te Awanui Capital Ltd	1,000,000	0

This year Te Awanui Capital Limited (TACL) was formed as a 100% subsidiary. TACL has a balance date of 31 March.

During the year TACL invested \$1,000,000 (2017:Nil) in an avocado orchard in Northland owned by Rising Sun Orchard Limited.

TAHP advanced \$1,000,000 to TACL for the purchase and also incurred \$6,707 of expenses related to TACL that were on charged.

13. 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.

Gerry Gardiner is the Chairman of Ngamanawa Incorporation who were provided with Secretarial and Administration Services from TAHP.

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.

TAHP also provide orchard management services to Seeka Limited.

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 (2017: Nil).

14. Capital Commitments

The company has no capital commitments as at 31 March 2018 (2017: Nil).

15. Contingent Liabilities

The company has no contingent liabilities and no guarantees as at 31March 2018 (2017: Nil).

16. Events Subsequent to Balance Date

Subsequent to balance date the directors of Rising Sun Orchard Limited approved an option for Seeka Limited to purchase the above avocado orchard. The purchase price exceeds the value of the investment in the orchard. The option was approved on 4 July 2018 and Seeka have 6 months from this date to exercise the option.

Te Awanui Huka Pak Limited

Independent auditor's report to the Shareholders

Report on the Audit of the Financial Statements

Opinion

We have audited the special purpose financial statements of Te Awanui Huka Pak Limited (the Company) and its subsidiary (together "the Group"), which comprise the consolidated balance sheet as at 31 March 2018, and the consolidated statement of profit or loss and consolidated statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying special purpose financial statements of the Company and Group are prepared, in all material respects, in accordance with the accounting policies outlined in Note 1 to the financial statements.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 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 the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 to the financial statements, which describes the basis of accounting. The financial statements have been prepared to enable the Company to report to its shareholders and for taxation purposes.

CHARTERED ACCOUNTANTS & ADVISORS

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William Buck Audit (NZ) Limited

Information Other than the Financial Statements and Auditor's Report Thereon

The directors are responsible for the other information. The other information obtained at the date of this auditor's report is the information included in the Directory, 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 on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Directors' Responsibilities

The directors are responsible on behalf of the Company and Group for the preparation of financial statements prepared in accordance with the accounting policies disclosed in Note 1 to the financial statements, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The directors are also responsible for the selection of accounting policies that are appropriate for the Company and Group.

In preparing the financial statements, the directors are responsible for assessing the Company and Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company and Group 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 our responsibilities for the audit of these financial statements is located at the External Reporting Board (XRB) website at:

<https://www.xrb.govt.nz/standards-for-assurance-practitioners/auditors-responsibilities/>

This description forms part of our independent auditor's report.

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

Restriction on Distribution and Use

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



William Buck Audit (NZ) Limited

Tauranga
20 August 2018

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 Rangitīhi

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 (Assistant Chair)

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.

Gerry Gardiner

Gerry is currently the Chairman for Ngamanawa Incorporation and of the Ngāti Hangarau Marae Committee. He is currently employed as a private contractor.

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, and Te Waharoa Investments Ltd (Ngati Haua).

He is also a Committee of Management Member of the Parininihi-ki-Waitotara Incorporation, trustee of the Pirirakau Trust and member of the Waikato Tainui Group Investments Committee.

Kevin Haua

Kevin is currently the Chairman for Mangatawa Papamoa Blocks Inc. The Incorporation owns approximately 750 acres of land in the Pāpāmoa area which includes over 30 hectares of kiwifruit, 5 hectares of avocados and a dry stock farm. Mangatawa also jointly own and operate the Pacific Coast Retirement Village, papakainga and support shareholders by way of education and sporting grants, health grants and dividends.

Kevin resides in Welcome Bay and is currently the Chair of Pacific Coast Retirement Village, Mangatawa Retirement Village Ltd, Ranginui 4 and Managing Director for Taylor Roofing.

Turi Ngatai

Ngāi Te Rangī, Ngāti Ranginui

Turi has over four decades of experience in the kiwifruit industry at grower, management and governance levels.

His professional background lies in education spending over 17 years in teaching and principal roles at various primary, intermediate and secondary schools, and a further 17 years in senior management roles at Te Wananga o Aotearoa. These roles led Turi to be awarded an Order of Merit for services to education in 1998.

Turi now resides in Matapihi to support his father on their kiwifruit orchard. Turi is currently the Deputy Chairman at Te Runanga o Ngai Te Rangī and Executive Director Maori for the Open Polytechnic NZ.

DECLARATION OF INTEREST REGISTER SEPTEMBER 2018

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 TAHK LTD:
Ratahi Cross	Director, Seeka Kiwifruit Industries Limited
	Chairman, Ngai Tukairangi No 2 Trust
	Chairman, Tawhiti Trust
Andy Rolleston	Chairman, Poripori Farm A Trust
Turi Ngatai	Deputy Chairman, Te Runanga o Ngai Te Rangi
	Executive Director Maori, Open Polytechnic NZ
Gerry Gardiner	Chairman, Ngamanawa Incorporation
	Chairman, Ngāti Hangarau Marae Committee
	Trustees, Hangarau Charitable Trust
	Owner, Te Huakiwi Orchards
Taari Nicholas	Committee Member/Shareholder, Parinihi ki Waitotara Inc
	Director/Shareholder, Southern Pastures Management Limited
	Director, Ngāti Ruanui Holdings Corporation Limited
	Director, P.K.W. Farms Limited
	Member Advisory Committee, Direct Capital IV
	Trustee, Pirirakau Trust
	Director, Te Waharoa Investments Limited
	Director, Matariki Capital Partners Ltd
	Waikato Tainui Group Investments Committee Member
Director, Rangitane Tu Mai Ra Limited	
Director, Te Kiwai Maui of Ngaruahine Ltd	
Kevin Haua	Chairman, Mangatawa Papamoia Blk Inc
	Managing Director, Taylor Roofing
	Chairman, Ranginui 4
	Chairman, Pacific Coast Retirement Village
	Chairman, Mangatawa Retirement Village Ltd
Huhana Rolleston	Trustee, Peata Roretana Whanau Trust
	Operations Manager, Te Rūnanga O Ngāi Te Rangi Iwi Trust



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