



Mangatawa Papamoa
Blocks Inc

ANNUAL GENERAL MEETING



2020

AGENDA

Saturday 17 October 2020
Club Mount Maunganui,
45 Kawaka Street, Mount Maunganui

10.00am

1. Karakia/Mihi
2. Apologies
3. Chairman's Report
4. Financial - Summary of the Audited Accounts 2019-2020 Accountant Fred Cookson
5. Trustee Remuneration Fee Recommendation/Trustee Meeting Attendance 2019-2020
6. Minutes of the previous AGM held 21 September 2019
7. Matters Arising from the Minutes of the AGM held 21 September 2019
8. Minutes of the SGM held on 9 November 2019
9. Matters arising from the SGM held on 9 November 2019
10. Reports
11. MPBI Orchard Report:
 - Mangatawa Orchard Report – Ray Gordon
 - SEEKA Report - Seeka – Rhys Rushton
12. Operations Report
 - Mangatawa Farm Report
 - Mangatawa Papakainga Report
 - Mangatawa Property Maintenance Report
 - Mangatawa Industrial Development Up-date.
 - Minimum Shareholding
 - Unclaimed Dividends Report
 - Pacific Coast Retirement Village & Pacific Lakes Retirement Village - Graham Wilkinson
13. Election: Nomination for two members of Committee of Management, Paula Werohia & Neil Te Kani retire by rotation, are eligible and offer themselves for re-election.
14. Appointment of Share-Valuer
"That the pursuant to s278 of Te Ture Whenua Maori Act 1993, Cookson Forbes Accounts be appointed as Share Valuer"
15. Appointment of an Auditor.
"That pursuant to s277 (2) of Te Ture Whenua Maori Act 1993, Jefferies Nock & Associates be appointed as Auditor"
16. Approve Payment of Dividend
"That payment of a dividend of \$7,70 per share (total expenditure of \$300,000 as recommended by the Committee of Management) be approved pursuant to s259 (1) (c) of Te Ture Whenua Maori Act 1993."
17. Committee of Management recommendation to approve payment of Grants – total \$80,000
 - ***Kaumatu Grants: \$25,000 total per annum.***
 - ***Kaumatu Health Grants: \$10,000 total per annum.***
 - ***Education Grants: \$20,000 total per annum.***
 - ***Sports Grants: \$10,000 total per annum.***
 - ***Koha/Marae: \$10,000 total per annum.***
 - ***Discretionary Grant \$5000***
18. General Business
19. 12.30 Lunch

CHAIRMAN'S REPORT



E NGA TANGATA WHAI PAANGA O TE WHENUA TUKU IHO O MANGATAWA PAPAMOA BLOCKS INC.

TENA KOUTOU KATOA

NAU MAI KI TENEI O TATOU HUI WHAKAHIRAHIRA MO TE TAU O RUA MANO RUA TEKAU

Greetings, good wishes and good health to you and your whanau on this challenging and unprecedented year.

A year when our public & private lives were, and still are being affected by this horrible pandemic, this mauiui Covid-19 virus.

My compliments to the office team of Mangatawa for your diligence and oversight of the situation with regards to our Kaumatua and papakāinga residents and the protocols that have to be adhered to.

Like me, I'm sure you are all sick of the word COVID but it is what it is, a very contagious, serious threat to our health until a vaccine is discovered, so be safe, stay vigilant and look after each other.



The Lock-down caused minimal disruption to Mangatawa businesses. Our staff were able to work from home and business carried on as normal with the exception of our property maintenance crew. Our orchard was one of the first to be named as an essential service which enabled the harvest to continue and by the end of the Lock-down our fruit would have arrived at overseas markets.

Our two other essential services were the Farm & Social Housing.

Pacific Coast Retirement Village simply closed its gates, 2 days before Lock-down allowing no visitors or family to enter unless there was an emergency. Our residents down there enjoyed sharing afternoon tipples outside each other's garages ensuring they remained in their bubbles.

The Mainfreight build and our Papakainga stage 4 was put on-hold until we moved into Level 3.

The phenomenal growth of the Incorporation in recent years can be attributed to our strategic decision to invest back into the land and infrastructure. We have managed to do this while still maintaining a healthy balance sheet, pay dividends and provide housing for our people.

We are all proud of our achievements and believe me the pendulum is about to swing back in favour of Mangatawa and away from the banks and lawyers as we overhaul capital costs and what's more, retain ownership of our land by not putting it at risk as security.

When you get your AGM Pack for this year's AGM look at the bottom line of your audited financial reports which by the way will also be posted on our web-site. You will notice another huge uplift in the capital value of our assets.

I look forward to catching up with you all at this year's AGM at Club Mount Maunganui on the 17th October 2020 and to answer any questions you may have for the Committee or our Accountant Fred Cookson.

I am pleased to recommend on behalf of your Committee of Management this year's shareholder dividend & grants a total of \$380,000. An increase from last year of \$63,000, around 20%. The normal resolutions will come up in the agenda item number 16 Dividend \$300,000 and number 17 and All Grants \$80,000.

One thing I won't be doing this year is accepting late proxies at the door, except for health reasons so 48 hours before the AGM meeting is the cut off. I don't want a repeat of last year's AGM when I was bombarded with late proxies resulting in a late start.

Paula & Neil are due for re-election and I strongly recommend that they be left on the board, with the knowledge and expertise they both have of Mangatawa's business it would be a pity to start someone new at this time and as our banks have stipulated, we need stability on the board.

Lastly, another challenge, we, your committee of management faced this year. I want to dispel any conclusions that might be drawn from certain misinformation posted on social media using Mangatawa Papamoa Blocks Inc., name as a platform to launch serious misinformation, slanderous, and hurtful insults, that none of your board members deserved.

I look forward to seeing you all at the AGM.

Naku Noa

Na

Kevin J Haua
Chairman

Mangatawa Papamoā Blocks Incorporated

Group Financial Statements

For the year ended 31 March 2020

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For the year ended 31 March 2020

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Directory

MANGATAWA PAPAMOA BLOCKS INCORPORATED

For the year ended 31 March 2020

Legal name of the entity:

Mangatawa Papamoa Blocks Incorporated

IRD Number:

010-915-058

Nature of Business:

Property Landlord & Agribusiness

- Kiwifruit Orchards

Sungold G3 7.11 Canopy Ha

Hayward Green 21.77 Canopy Ha

- Retirement Village Investor - Limited Partner

- Commercial & Industrial Property

- Beef Cattle Farming

- Papakainga Housing

- Kaumatua Housing

For the year ended 31 March 2020

1 Te Rama O Te Tihi Place

RD 5

Mangatawa

TAURANGA 3175

Committee of Management:

Name

K J Haua (Chairperson)

N Te Kani (Deputy Chair)

P M Werohia-Lloyd

V Werohia

W Kingi

100% Owned & Controlled Subsidiary Entities:

Mangatawa Developments Limited

Director

K J Haua

P Werohia-Lloyd

Business Activity

Commercial & Industrial Property

Truman Lane

Mangatawa

Mangatawa Retirement Village Limited

Directors

K J Haua

P Werohia-Lloyd

N Te Kani

Business Activity

50% Partner in Pacific Coast Village

210 Maranui Street

Papamoa

Mangatawa Pacific Lakes Limited

Directors

K J Haua

P Werohia-Lloyd

N Te Kani

Business Activity

50% Partner in Pacific Lakes Village

210 Maranui Street

Papamoa

Accountants:

Cookson Forbes & Associates Limited

Chartered Accountants

96 Waioweka Road

Ōpōtiki

Directory

MANGATAWA PAPAMOA BLOCKS INCORPORATED

For the year ended 31 March 2020

Bankers:

Bank of New Zealand
607-613 Cameron Road
TAURANGA

Solicitors:

Holland Beckett Lawyers
525 Cameron Road
TAURANGA

Kahui Legal
P O Box 1654
WELLINGTON

Auditors:

Jefferies Nock & Associates
Chartered Accountants
187 Peachgrove Road
Hamilton

Consolidated Statement of Profit or Loss

MANGATAWA PAPAMOA BLOCKS INCORPORATED

For the year ended 31 March 2020

	Note	2020	2019
		\$	\$
Revenue			
Revenue from sale of goods	1	3,213,893	2,620,811
Rental Revenue	2	859,459	690,403
Finance and Investment Revenue	3	479,084	447,445
Other Revenue	4	1,177,722	87,196
Total Revenue		5,730,158	3,845,855
Expenses			
Administration Expenses	5	332,654	254,655
Cost Related to the sale of goods	6	2,010,112	1,812,423
Depreciation & Amortisation		757,841	352,689
Employment and Personnel Costs	7	836,004	816,722
Finance Costs		559,526	377,093
Grants and Distributions	8	118,235	107,615
Governance Costs	9	158,327	169,574
Loss on Disposal		10,164	4,509
Total Expenses		4,782,663	3,895,260
Profit/(Loss) from Operating Activities		947,494	(49,405)
Other Movements			
Increase in share of Joint Ventures	15	11,002,092	7,876,210
Fair value movement on Livestock	13	(116,040)	83,010
IRD Penalties		1,057	-
Net Surplus for the Period before Taxation		11,832,489	7,909,815
Imputation Credits Converted to Losses		-	208,160
Prior Period tax adjustment		21,846	20,876
Income Tax Expense	10	-	-
Net Surplus for the Period After Taxation		11,854,335	7,680,779



These financial statements should be read in conjunction with the accompanying notes to the financial statements and audit report

Consolidated Statement of Changes in Equity

MANGATAWA PAPAMOA BLOCKS INCORPORATED

For the year ended 31 March 2020

	Capital Reserve	Retained Earnings	Asset Revaluation Reserve	Share Revaluation Reserve	Total Equity
	\$	\$	\$	\$	\$
Balance at 1 April 2019	3,145,985	35,398,597	68,245,126	3,858,884	110,648,592
Surplus/(Deficit) for the year	-	11,854,335	-	-	11,854,335
Revaluation of Land	-	-	-	-	-
Revaluation of Available for Sale Investments	-	-	-	524,126	524,126
Repayment of Capital Investment	-	3,101,000	-	-	3,101,000
Total Increase for the Year	-	14,955,335	-	524,126	15,479,461
Less Distribution to Owners	-	208,979	-	-	208,979
Balance at 31 March 2020	3,145,985	50,144,954	68,245,126	4,383,010	125,919,075
Balance at 1 April 2018	3,145,985	27,876,047	68,245,126	3,175,179	102,442,337
Surplus/(Deficit) for the year	-	7,680,779	-	-	7,680,779
Revaluation of Land & Buildings	-	-	-	-	-
Revaluation of Available for Sale Investments	-	-	-	683,705	683,705
Total Increase for the Year	-	7,680,779	-	683,705	8,364,484
Less Distribution to Owners	-	158,229	-	-	158,229
Balance at 31 March 2019	3,145,985	35,398,597	68,245,126	3,858,884	110,648,592



These financial statements should be read in conjunction with the accompanying notes to the financial statements and audit report.

Consolidated Balance Sheet

MANGATAWA PAPAMOA BLOCKS INCORPORATED

As at 31 March 2020

	Note	2020	2019
\$			
Assets			
Current Assets			
Cash & Cash Equivalents		429,149	640,260
Receivables		33,814	311,867
Biological Assets - Livestock	13	472,120	588,160
Income Tax	10	179,846	18,911
GST		24,080	248,038
Total Current Assets		1,138,989	1,805,036
Non-current Assets			
Investments	14	47,522,280	34,261,211
Intangibles	16	1,580,356	2,040,486
Kiwifruit Orchards	12	11,142,826	11,259,458
Property, Plant & Equipment and Investment Property	11	72,888,306	72,137,637
Related Party Advances	17	-	1,025,002
Total Non-current Assets		133,133,748	120,723,794
Total Assets		134,272,737	122,528,830
Liabilities			
Current Liabilities			
Creditors & Accrued Expenses		540,875	1,388,738
Unclaimed Dividends		300,824	251,304
Income in Advance		94,258	-
Third Party Funds - Pukekohatu		19,802	24,213
Current Portion of Term Borrowings	18	60,000	60,000
GST		-	-
Total Current Liabilities		1,015,759	1,724,255
Non-current Liabilities			
Term Borrowings	18	7,337,903	10,155,985
Total Non-current Liabilities		7,337,903	10,155,985
Total Liabilities		8,353,662	11,880,240
Total Net Assets		125,919,075	110,648,590
Represented By			
Trust Capital		3,145,985	3,145,986
Asset Revaluation Reserve		68,245,126	68,245,126
Share Revaluation Reserve		4,383,010	3,858,884
Retained Earnings		50,144,954	35,398,594
Total Equity		125,919,075	110,648,590

Signed for and on behalf of the Committee of Management who authorised these financial statements for issue on 28 August 2020

Chairman:



Committee Member:



Date: 28 August 2020



These financial statements should be read in conjunction with the accompanying notes to the financial statements and audit report.

Statement of Accounting Policies

MANGATAWA PAPAMOA BLOCKS INCORPORATED

For the year ended 31 March 2020

Reporting Entity

Mangatawa Papamoa Blocks Incorporated is a Maori Incorporation constituted pursuant to Te Ture Whenua Maori Land Act 1993.

The consolidated financial statements are presented. The consolidated financial statements of Mangatawa Papamoa Blocks Incorporated as at 31 March 2020 comprise the parent and its subsidiaries (together referred to as "the Group") and the Group's interest in associates and jointly controlled entities. Refer to the Directory and notes 14, 15 & 20 for further details on the Group's investments.

These financial statements were authorised for issue on the 26th August 2020 by the Board. The Group's owners or other beneficiaries do not have the power to amend the financial statements after issue.

Statement of Compliance and Basis of Preparation

These financial statements have been prepared in accordance with Special Purpose Framework for use by For-Profit Entities (SPFR for FPEs) published by the Chartered Accountants Australia and New Zealand.

The financial statements have been specifically prepared for the purposes of reporting to the owners and beneficiaries of the Incorporation, as well as meeting the Incorporation's income tax requirements and internal use.

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 Incorporation, unless otherwise stated in the Specific Accounting Policies.

SPECIFIC ACCOUNTING POLICIES

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

a) Basis of Measurement

These accounts have been prepared on a historical cost basis, varied by the revaluation of certain assets. These accounts have been prepared on the basis that the Incorporation is a going concern.

b) Functional and Presentation Currency

These financial statements are presented in New Zealand dollars (\$), which is the Group's functional currency. All financial information presented in New Zealand dollars has been rounded to the nearest dollar.

c) Goods and Services Tax (GST)

The financial statements have been prepared on a goods and services tax exclusive basis. Debtors and creditors are stated GST inclusive.

d) Taxation

The Incorporation and its subsidiaries account for income taxes using the Taxation Payable method of accounting. The Incorporation and its subsidiaries qualify for Maori Authority tax status with a tax rate of 17.5%.

e) Use of Estimates and Judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in the following notes:

Note 11	Valuation of land and buildings and depreciation - 2018
Note 13	Livestock valuation
Note 14	Investments - valuation of available-for-sale financial assets

f) Basis of Consolidation**i) Subsidiaries**

Statement of Accounting Policies

MANGATAWA PAPAMOA BLOCKS INCORPORATED

For the year ended 31 March 2020

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The controlled entities are consolidated applying the purchase method from the date on which control is transferred and are deconsolidated from the date that control ceases. In preparing the consolidated financial statements, all inter-entity balances and transactions, and unrealised gains and losses arising within the consolidated entity are eliminated in full. The accounting policies of the controlled entity are consistent with the policies adopted by the Group and have a 31 March reporting date.

ii) Associates

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. Associates are accounted for using the equity method (equity accounted investees). The parent financial statements include the Group's share of the income and expenses of equity accounted investees, after adjustments to align the accounting policies with those of the Group. Significant influence typically exists when the Group has between 20% and 50% of the ownership and voting power in an entity. The Group's share of other gains and losses of associates are recognised.

g) Revenue

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the group and revenue can be reliably measured. Revenue is measured at fair value of the consideration received. The following specific recognition criteria must be met before revenue is recognised.

i) Rental Income

Rental income is recognised in the statement of comprehensive revenue and expenses on a straight-line basis over the term of the lease/rental agreement.

ii) Sale of Goods

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

iii) Finance Income

Finance income comprises interest income on funds invested and dividend income. Interest income is recognised as it accrues, using the effective interest method. Dividend income is recognised on the date that the Group's right to receive payment is established.

iv) Other Revenue

Other Revenue is recognised as income when the rights to do so have passed. Other revenue consists of irregular one off payments and management fees.

h) Financial Instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument.

The Group derecognises a financial asset or, where applicable, a part of a financial asset or part of a group of similar financial assets when the rights to receive cash flows from the asset have expired or are waived, or the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party; and either:

- the Group has transferred substantially all the risk and rewards of the assets; or
- the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

Financial Asset

Financial assets are classified as loans and receivables and available-for-sale financial assets. The classifications of the financial assets are determined at initial recognition.



Statement of Accounting Policies

MANGATAWA PAPAMOA BLOCKS INCORPORATED

For the year ended 31 March 2020

The category determines subsequent measurement and whether any result in income and expenses is recognised in surplus or deficit or in Statement of Financial Performances. The Group's financial assets are classified as loans and receivables or as available for sale financial assets. The Group's financial assets include: cash and cash equivalents, short-term deposit, receivables from non-exchange transactions, receivable from exchange transactions and investments.

All financial assets are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is any objective evidence that a financial asset or group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described below.

Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, these are measured at amortised cost using the effective interest method, less any allowance for impairment. The Group's cash and cash equivalents, receivables and related party advances fall into this category of financial instruments.

Available for Sale Financial Assets

Available-for-sale financial assets are non-derivative financial assets that are either designated to this category or do not qualify for inclusion in any of the other categories of financial assets.

Impairment of Financial Assets

The Group assesses at the end of reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated.

For financial assets carried at amortised cost, if there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The amount of the loss is recognised in the profit or loss for the reporting period.

In determining whether there are any objective evidence of impairment, the Group first assesses whether there are objective evidence of impairment for financial assets that are individually significant, and individually or collectively significant for financial assets that are not individually significant. If the Group determines that there is no objective evidence of impairment for an individually assessed financial asset, it includes that asset in a group of financial asset with similar credit risk characteristics and collectively assesses them for impairment.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed by adjusting the allowance account. If the reversal results in the carrying amount exceeding its amortised cost, the amount of the reversal is recognised in profit of loss.

Financial Liabilities

The Group's financial liabilities include creditors, accruals and employee entitlements.

All financial liabilities are initially recognised at fair value and are measured subsequently at amortised cost using effective interest method.



Statement of Accounting Policies

MANGATAWA PAPAMOA BLOCKS INCORPORATED

For the year ended 31 March 2020

i) Cash & Cash Equivalents

Cash and cash equivalents comprise of cash balances and call deposits. Bank overdrafts, that are repayable on demand and form an integral part of the Group's cash management, are included as a component of cash and cash equivalents for the purpose of the reporting. Cash and cash equivalents are classified as loans and receivables.

j) Investment in Equity Securities

Investments in equity securities held by the Group are classified as available-for-sale except for investments in equity securities of subsidiaries, associates, partnerships and joint ventures which are measured at cost in the parent and then consolidated or equity accounted within the Group.

They are measured at fair value and changes therein recognised in direct in the statement of changes in equity through the share revaluation reserve. Any impairment or revaluation below cost is recognised through profit or loss.

The fair value of equity investments classified as available-for-sale is their quoted bid price at balance sheet date.

k) Receivables

Receivables are trade and other receivables that are stated at their cost less impairment losses and classified as loans and receivables. For trade receivables which are not significant on an individual basis collective impairment is assessed on a portfolio basis based on number of days overdue, and taking into account the historical loss experienced.

l) Creditors and Accruals

Creditors and Accruals are trade and other payables stated at cost and classified as financial liabilities.

m) Loans and Borrowings

Loans and borrowings are stated at amortised cost and classified as financial liabilities.

n) Property Plant & Equipment and Investment Properties

Investment Properties

Investment properties are properties held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, for supply of goods or services or for administrative purposes. Investment properties are measured initially at cost, including transaction cost.

Subsequent to initial recognition, investment properties are measured at fair value. Fair value is determined with a deduction of estimate transaction costs it may incur on sale or other disposal. Any gain or losses arising from a change in the fair value of the investment property are recognised as a surplus or deficit in the period that it is incurred through profit and loss and presented in the asset revaluation reserve in equity. When the investment property becomes an owner occupied property, the cost for subsequent accounting is its fair value at the date of the change in use.

When an owner-occupied property changes its use to an investment property, the property is premeasured to fair value and any gains arising on remeasurement is recognised in surplus or deficit to the extent that it reverses a previous impairment loss on the specific property, with any remaining gain recognised in Statement of Financial Performance and presented in the asset revaluation reserve in equity.

All Land & Buildings are valued by a registered valuer biannually.

Property Plant & Equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, except land and buildings which recorded at cost and subsequently revalued to fair value.



Statement of Accounting Policies

MANGATAWA PAPAMOA BLOCKS INCORPORATED

For the year ended 31 March 2020

Depreciation

Depreciation is recognised in profit or loss using the rates allowed by the Inland Revenue Department (as detailed below). Leased assets are depreciated over the shorter of the lease term and their useful lives. Land is not depreciated.

Land (Including Development)	0 - 13%	DV
Buildings / Structural Assets	0 - 20%	SL and DV
Plant & Equipment	10 - 80%	DV
Vehicles	13 - 30%	DV
Office Equipment & Furniture	14 - 50%	DV

o) Intangibles

Zespri G3 Licence

The Zespri G3 Licence is recognised at cost and amortised over 20 years from purchase date. The Zespri G3 Licence is not revalued.

p) Biological Assets

Livestock

Livestock is measured at fair value less point-of-sale costs, with any change therein recognised in the Statement of Financial Performance. Fair value is determined with reference to market prices for similar livestock and is assessed annually.

q) Kiwifruit Orchard

The Kiwifruit Orchards are measured at fair value, with any change therein recognised in the Statement of Movements in Equity and presented in the asset revaluation reserve. Fair value is determined based on valuation made by Preston Rowe Paterson, Registered Valuer, no valuation undertaken in the 2020 year.

r) Leased Assets

Leases in terms of which the Group assumes substantially all the risk and rewards of ownership are classified as finance leases. Upon initial recognition the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

Payments made under operating leases are recognised in the Statement of Financial Performance on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

Other leases are operating leases and the leased assets are not recognised on the Group's Balance Sheet.

s) Employee Benefits

Short-term employee benefit obligations, such as holiday pay, are measured on an undiscounted basis and is recognised as an expense when the commitment to the Group is recognised.

t) Finance Expenses

Finance expenses comprise interest expense on borrowings, unwinding of the discount on provisions, impairment losses recognised on financial assets (except for trade receivables) and losses on the disposal of available-for-sale financial assets. All borrowing costs are recognised in the Statement of Financial Performance using the effective interest method.

u) Changes in Accounting Policies

There have been no changes to the Group's accounting policies during the year, however, the Committee of Management did adopt a new presentation format. As a result some income, expenses, assets and liability items within the comparative figures may have been re-classified. There was no material effect on the final results.



Notes to the Financial Statements

MANGATAWA PAPAMOA BLOCKS INCORPORATED

For the year ended 31 March 2020

	2020	2019
	\$	\$
1 Revenue from sale of goods		
Avocado	2,677	45,155
Kiwifruit	3,086,185	2,509,704
Gross Profit from Live Stock Sales	125,031	65,952
Total Revenue from the Sale of Goods	3,213,893	2,620,811
2 Rental Revenue		
Commercial	420,056	226,906
Residential	439,403	463,497
Total Rental Revenue	859,459	690,403
3 Finance and Investment Revenue		
Interest	293	645
Dividends	478,140	445,769
Rebates	651	1,031
Total Finance and Investment Revenue	479,084	447,445
4 Other Revenue		
Maintenance Fees	13,421	4,058
Contract Revenue	52,836	76,862
Miscellaneous	22,876	5,347
TCC Easement	967,595	-
Te Puni Kokiri Grant	117,300	-
Depreciation Recovered	3,694	929
Total Other Revenue	1,177,722	87,196
5 Administration Expenses		
Accounting Fees	52,763	59,820
Auditor Fees	12,250	9,750
Equipment Lease/Hire	14,456	11,763
General Administration	212,636	153,357
Legal Expenses	33,279	9,230
Valuation Fees	7,270	10,735
Total Administration Expenses	332,654	254,655
6 Cost Related to the sale of goods		
Farm Working Expenses	166,741	212,243
Orchard Working Expenses	1,589,877	1,307,554
Housing & Property Expenses	253,494	284,959
Other Expenses	-	7,667
Total Costs Related to the Sale of Goods	2,010,112	1,812,423
7 Employment and Personnel Costs		
ACC	8,396	8,187
Kiwisaver Employer	16,819	12,729
Other Expenses	9,031	4,177
Wages & Salaries	801,728	791,629
Total Employment and Personnel Cost	836,004	816,722



Notes to the Financial Statements

MANGATAWA PAPAMOA BLOCKS INCORPORATED

For the year ended 31 March 2020

	2020	2019
	\$	\$
8 Grants and Distributions		
Koha	53,884	66,608
Education Grants	33,750	15,150
Kaumatua Grants & Subsidies	23,201	19,172
Sports Grants	7,400	6,685
Special Grants	-	-
Total Grants & Distributions	118,235	107,615
9 Governance Costs		
AGM & SGM Expenses	21,132	19,131
Meeting Expenses	29,373	20,515
Governance Training	-	3,174
Other Governance Costs	9,713	20,078
Trustee Fees & Honorarium	98,109	106,676
Total Governance Costs	158,327	169,574
10 Income Tax Expenses		
Net Profit Before Tax	11,832,489	7,909,815
Less Non-Assessable Income	(11,002,092)	(7,880,318)
Add Non-Deductible Expenses	118,235	107,615
Add Non-Deductible Interest Accrued HNZ	3,838	-
Add back IRD Penalties included in Expenses	1,057	-
Add Livestock Tax Adjustment	(24,429)	67,023
Adjusted Profit(Loss) for the year	929,098	204,135
Losses Carried forward	(1,019,752)	(1,080,946)
Share of Losses - Pacific Lakes Village Partnership	(734,212)	-
Share of Profit - Pacific Coast Village Partnership	509,112	-
Imputation Credits Converted to Loss	-	-
Adjusted Taxable Profit(Loss)	(315,754)	(876,811)
Total Income Tax Expense (17.5%)	-	-
Plus Tax Expense from Subsidiary	-	-
Total Group Tax Expenses for the Period	-	-
Reconciliation of Income Tax Payable/Receivable		
Opening balance	182,015	97,816
RWT Credits	24,209	22,604
Imputation Credits	133,621	123,171
Income tax paid during the year	42,982	-
Income tax refunds received	(37,878)	(18,519)
Excess Imputation Credits Converted to Loss	-	(208,160)
Taxation Payable (Receivable)	344,949	16,912
Maori Authority Credit Account		
Opening Balance	695,770	601,237
Tax Refunds Received	(18,519)	(18,519)
MACA attached to Distributions Paid	(41,021)	(32,723)
Payments to IRD	-	-
RWT	24,209	22,604
Imputation Credits	133,621	123,171
Closing Balance	794,060	695,770

The Maori Authority Credits relate to Mangatawa Papamoa Blocks Inc only. Credits for subsidiaries are not included in the above calculation.



Notes to the Financial Statements

MANGATAWA PAPAMOA BLOCKS INCORPORATED

For the year ended 31 March 2020

	2020	2019		
	\$	\$		
11 Plant, Property & Equipment and Investment Property				
	Cost/ Valuation	Revaluation	Accumulated Depreciation	Net Book Value
	\$	\$	\$	\$
2020				
Land	63,705,254	-	328,308	63,376,946
Buildings	9,487,925	-	306,880	9,181,045
Furniture & Fittings	110,077	-	84,080	26,017
Plant & Equipment	273,162	-	163,364	109,798
Motor Vehicles	210,244	-	59,308	150,936
Website	37,346	-	37,206	140
Office Equipment	129,523	-	86,099	43,424
	73,953,531	-	1,065,225	72,888,306
2019				
Land	63,028,211	-	275,560	62,752,651
Buildings	9,366,716	-	242,895	9,123,821
Furniture & Fittings	92,972	-	80,702	12,270
Plant & Equipment	264,475	-	141,608	122,867
Motor Vehicles	187,553	-	102,028	85,525
Website	37,346	-	37,067	279
Office Equipment	114,534	-	74,310	40,224
	73,091,807	-	954,170	72,137,637

Valuation

All land and buildings were valued on 31 March 2018 for \$65,275,000. The valuations were performed by Preston Row Paterson, registered valuers. The fair value movement is recognised in directly in the Statement of Changes in Equity through the Asset Revaluation Reserve. No valuations were undertaken in the year ended 31 March 2020.

The market value of property, plant and equipment items is the estimated recoverable amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties has each acted knowledgably, prudently and without compulsion.

Secured Assets

All present and acquired property, with the exception of land, is currently registered as security over the BNZ loan facilities as detailed in note 18.

12 Kiwifruit Orchards

At Cost	2,327,175	2,327,175
Less Accumulated Amortisation Adjustment	1,105,411	988,779
Plus Revaluation	9,921,062	9,921,062
Carrying amount at End of the Year	11,142,826	11,259,458

The Kiwifruit Orchards include Sungold G3 and Hayward varieties. The orchard canopy area of approximately 29 hectares was revalued as at 31 March 2018 to \$11,225,000. The Valuation was performed by Preston Row Paterson, registered valuers. The fair value movement is recognised directly in the Statement of Changes in Equity through the Asset Revaluation Reserve.



Notes to the Financial Statements

MANGATAWA PAPAMOA BLOCKS INCORPORATED

For the year ended 31 March 2020

	2020	2019
	\$	\$
13 Biological Assets		
(a) Livestock		
Total Sales	321,844	167,590
Total Purchases	196,812	101,638
Gross profit for beef cattle sales	125,031	65,952
Opening Stock	588,160	505,150
Closing Stock	472,120	588,160
Fair value movement	(116,040)	83,010
<p>Livestock comprises of beef cattle. As at 31 March 2020 total beef cattle on hand was \$472,120 (2019: \$588,160). The fair value of livestock is determined based on market data as at 31 March 2020. For taxation purposes, livestock is valued using NSC and Herd Scheme values.</p>		
14 Investments		
Investment in Associates & Joint Ventures		
Pacific Coast Retirement Village	15 (a) 33,514,972	24,293,771
Pacific Lakes Retirement Village (under development)	15 (b) 8,773,784	5,434,893
Total Investments in Associates & Joint Ventures	42,288,756	29,728,664
Available for Sale Investments		
Balance Agri-nutrients	7,606	7,152
Fairlands Trading Society Ltd	2,330	2,330
Te Awanui Huka Pak Ltd	1,977,048	1,977,048
Trust Power Ltd	39,386	41,293
Zespri NZ Ltd	2,523,924	1,941,480
Seeka Kiwifruit Industries Ltd	131,337	175,484
Mercury NZ Ltd	92,671	85,644
Port of Tauranga	93,775	84,165
Tilt Renewables Ltd	18,462	14,770
Whakatōhea Mussels (Ōpotiki) Limited	250,000	73,624
Seeka Loyalty Share Scheme	96,965	129,558
Total Other Investments at Fair Value	5,233,504	4,532,548
Total Investments	47,522,260	34,261,212



Notes to the Financial Statements
MANGATAWA PAPAMOA BLOCKS INCORPORATED
 For the year ended 31 March 2020

	2020	2019
	\$	\$
15 Investments in Joint Ventures and Associates		
(a) Pacific Coast Village Partnership		
"A" Capital	1,000	1,000
"C" Capital	1,557,000	3,100,000
Investment at Cost	1,558,000	3,101,000
Investment Opening Balance	24,293,771	18,750,454
Increase in share of Investment Equity	7,663,201	2,442,317
Closing Investment Value	33,514,972	24,293,771

The Incorporation is a 50% partner in the Pacific Coast Village Partnership (through its wholly owned subsidiary entity Mangatawa Retirement Village Limited). The Pacific Coast Village is situated at 210 Maranui Street Papamoa. The Pacific Coast Village is a registered retirement village and is required to prepare audited financial statements. The retirement village property is revalued annually by CBRE Limited, registered valuers, as at 31 March 2019. The increase in share of Investment Equity made in 2019 to bring the investment in the partnership to 50% of its net assets at balance date, as disclosed in the audited financial statements of the partnership. \$11,006,758 relates to the 2018 financial year and \$2,442,317 relates to the 2019 financial year.

(b) Pacific Lakes Retirement Village		
Capital	1,000	1,000
Investment at Cost	1,000	1,000
Investment Opening Balance	5,433,893	-
Increase in share of Investment Equity	3,338,891	5,433,893
Closing Investment Value	8,773,784	5,434,893
Total Increase in share of Joint Ventures	11,002,092	7,876,210

The Incorporation is a 50% partner in the Pacific Lakes Village Partnership (through its wholly owned subsidiary entity Mangatawa Pacific Lakes Limited). The Pacific Lakes Village is situated at 242 Granada Street Papamoa. The Pacific Lakes Village is a registered retirement village and is required to prepare audited financial statements. The retirement village property is revalued annually by CBRE Limited, registered valuers, as at 31 March 2019. The increase in share of Investment Equity made in 2019 to bring the investment in the partnership to 50% of its net assets at balance date, as disclosed in the audited financial statements of the partnership. \$5,434,893 relates to the 2019 financial year. As the Village is currently under construction this is the first year that it has been valued.

16 Intangible Assets		
Zespri G3 Licence		
At Cost	2,300,650	1,005,422
Plus 2015 G3 Adjustment	-	-
Plus addition Licence purchased	-	1,150,100
Less Accumulated Amortisation expenses	720,294	115,036
Carrying amount at end of the year	1,580,356	2,040,486



Notes to the Financial Statements
MANGATAWA PAPAMOA BLOCKS INCORPORATED
 For the year ended 31 March 2020

	2020	2019
	\$	\$
17 Related Party Transactions		
(a) Advances to Related Parties		
Pacific Coast Village Partnership	-	1,025,002
Total Advances to Related Parties	-	1,025,002

Repaid in full during the 2020 financial year

(b) Key Management Personnel

Paula Werohia is a Committee of Management member and is employed by the incorporation as its executive manager, which is a paid position.

Papakainga Solutions Limited is contracted under the Social Housing Unit to project manage the Papakainga Stage 2 development. Victoria Kingi is a Director of Papakainga Solutions Limited and also a member of the Committee of Management

18 Borrowings

BNZ	6,619,773	9,209,081
Housing NZ	612,489	668,651
Zespri Deferred G3 License	165,641	338,253
	7,397,903	10,215,985
Less Current Portion	60,000	60,000
Non-Current Portion	7,337,903	10,155,985
	7,397,903	10,215,985

BNZ Term Loan - 00016

Effective Interest Rate: 6.04%

BNZ Term Loan is a consolidation funding arrangement drawn down on the 20 February 2019 with a borrowing limit of \$5 million. The facility can be drawn down and repaid at the Committees discretion.

Security: All present and after acquired property excluding Land.

BNZ Term Loan - 001 - Mangatawa Developments Limited

Effective Interest Rate: 6.51%

The BNZ Term Loan was available for Drawdown on the 20 August 2018 and has been used to develop the industrial site. As at 31 March 2020 construction work was ongoing. There is a limit of \$6 million and interest is payable monthly on the balance.

Housing New Zealand

Term: 25 years from January 2012

Effective Interest Rate: 0.45%

The Housing New Zealand advanced \$1,027,000 in January 2012 to assist with the Papakainga housing site. HNz have contracted to rent 10 Kaumatua and kuia 2 bedroom units from MPBI for an initial 10 year term at market rates. The Units have been allocated to kuia and Kaumatua on the basis of criteria agreed by MPBI and HNz. HNz administers the tenancies.

19 Contingencies

There were no contingent assets or liabilities at balance date. (2019: \$nil).



Notes to the Financial Statements

MANGATAWA PAPAMOA BLOCKS INCORPORATED

For the year ended 31 March 2020

	2020	2019
	\$	\$
20 Commitments & Guarantees		
<p>The Incorporation has issued three licences to occupy for residential houses constructed on Incorporation land. The licence holders are permitted to construct their owner occupied houses, at their cost. Third party finance is secured over each of the houses and the Incorporation acts as guarantor in the event of loan arrears. Loan arrears that the owner is unable to rectify may result in transfer of ownership of the house to the Incorporation.</p>		
<p>The Incorporation subsidiary Mangatawa Developments Ltd, is committed to the development of the Truman Lane industrial land and has entered into a lease agreement with a "Blue Chip" tenant. The estimated development cost is approximately \$4.9m and debt funding arrangements have been secured through BNZ for borrowing of up to \$6.5m if required. The arrangements are secured by a "general security" over the assets of the company and the Incorporation but excluding the Incorporation land. The lease agreement will also be used as security when it comes in to force, expected to be in December 2019.</p>		
<p>The Incorporation subsidiary Mangatawa Retirement Village Ltd, is committed to participate in the development of the Pacific Coast Village pursuant to the terms and conditions of the limited partnership agreement. The liability to the Incorporation is limited to the extent of the capital invested which is fully paid.</p>		
<p>The Incorporation subsidiary Mangatawa Pacific Lakes Ltd is committed to participate in the development of "Pacific Lakes Village" pursuant to the terms and conditions of the limited partnership agreement. The liability to the incorporation is limited and no capital input is required.</p>		
<p>The Incorporation committed to purchase 3.71 hectares of Sungold G3 Kiwifruit License in Zespri's 2018 "tender round". The total capital commitment is \$1,322,615 GST inclusive and the Incorporation tender bid was successful.</p>		
<p>The final payment for the Mangatawa Interchange of \$81,163 and final payment on the Mangatawa Link Road for \$432,254 were paid in full to the Tauranga City Council on 30 June 2019. There are no further commitments for this project.</p>		
<p>The Incorporation has been assessed for Deferred Rates totalling \$242,996 at balance date. This amount is in dispute due to correlating issues and subject to final confirmation (2019: \$202,340)</p>		
220 Maranui Street	19,082	10,734
242 Grenada Street	223,914	191,606
	242,996	202,340

There are no other capital commitments to report at balance date.

21 Subsequent Events

Truman Lane Development

Mangatawa Developments Ltd concluded the arrangement of debt finance with BNZ for the development of the Truman Lane Property. The funding facility allows borrowing of up to \$6.5m based on terms as summarised in note 20 above.

Sungold Kiwifruit License

The Incorporation was successful in its bid to purchase 3.71 hectares of Zespri Sungold License for grafting in 2018. The total GST inclusive cost is \$1,322,615 which was paid in full on 20 July 2018.

Covid-19 Pandemic



Notes to the Financial Statements

MANGATAWA PAPAMOA BLOCKS INCORPORATED

For the year ended 31 March 2020

	2020	2019
	\$	\$
<p>Subsequent to year end the WHO declared a global pandemic in respect to the COVID-19 virus outbreak. Following establishment of a foothold with the New Zealand population, the New Zealand Government initiated a full societal shut down with significant isolation requirements and movement restrictions imposed on citizens (with only essential services permitted to operate). The countrywide lockdown commenced on 26 March 2020 and was initially forecast to run for a 4 week period.</p>		
<p>The countrywide lockdown is expected to have a significant economic impact on New Zealand, with flow through to the organisation's financial results being inevitable. However, due to the nature of the countrywide lockdown it is not practicable to estimate the impact that the event will have on the organisation at this time</p>		
<p>There were no other significant events subsequent to the 2020 results (2019: \$n.i).</p>		



INDEPENDENT AUDITOR'S REPORT

To the Beneficiaries of Mangatawa Papamoa Blocks Incorporated

Opinion

We have audited the consolidated/group financial statements of Mangatawa Papamoa Blocks Incorporated ('the Incorporation') on pages 4 to 19, which comprises the consolidated balance sheet as at 31 March 2020, consolidated statement of profit and loss, 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 consolidated financial statements on pages 4 to 19 present fairly, in all material respects, the financial position of the Incorporation as at 31 March 2020, and its financial performance for the year then ended in accordance with Special Purpose Framework for use by For-Profit Entities (SPFR for FPE's) published by Chartered Accountants Australia and New Zealand.

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

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 consolidated financial statements section of our report. We are independent of Mangatawa Papamoa Blocks Incorporated 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, the Mangatawa Papamoa Blocks Incorporated.

Emphasis of Matter Basis of Accounting

We draw attention to the notes to the consolidated financial statements, which describes the basis of preparation. The consolidated financial statements are special purpose financial statements and have been prepared for the predominant purpose of reporting back to the Management Committee and Incorporation Shareholders, and for taxation purposes. As a result, the financial statements may not be suitable for another purpose.

Management Committee Responsibility for the Consolidated Financial Statements

The Management Committee are responsible on behalf of the entity for the preparation and fair presentation of the consolidated financial statements in accordance with Generally Accepted Accounting Practice in New Zealand and for such internal control as the E Committee determine is necessary to enable the preparation of the consolidated financial statements that is free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Management Committee are responsible on behalf of the entity for assessing the entity'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 Management Committee either intend to liquidate the entity or to cease operations, or have no realistic alternative but to do so.

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

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

A further description of the auditor's responsibilities for the audit of the consolidated financial statements is located at the XRB's website at: www.xrb.govt.nz/standards-for-assurance-practitioners/auditors-responsibilities/audit-report-8/

Jefferies Nock

Jefferies and Nock Associates Chartered Accountants

28 August 2020

Hamilton

TRUSTEE REMUNERATION REVIEW

Additional information from James Stewart as an update on his recommendations for the Committee Meeting fees.

The 2020 Institute of Directors Report shows that the average across all sectors non-executive chair and director remuneration has increased by 1.80% over the last year. So, this is not a large increase although the Agriculture, Forestry and Fishing sector has increased by 7.70%!

In the circumstances I would be re-presenting my recommendation of last year and shortening up the review period to, for example, two years.

Kind regards

James Stewart
The Accounting Collective (Director)



The Trustee Remuneration review was undertaken by the Accounting Collective of Te Puke in July 2019.

The last remuneration was done in 2015. Although this report was tabled at the “Annual General Meeting of Share-holders in September 2019, it was agreed that the ‘committee of management’ bring it back to the 2020 AGM to give share-holders more time to think about it.

It is important that the trustees are sufficiently rewarded to attract high calibre persons offering to undertake these roles in the future, to minimise the risk of poor trustee succession and ensure that the maximum benefit is obtained from the current Trustee rotation policies.

Current

The last Trustee remuneration review in 2015 was approved by the ‘share-holders’ when the following rates were approved:

- a. Trustee Fees of \$700 per Trustee Meeting. Annual \$7,700.00 gross
- b. Meeting fees of 85.00 per hour for “authorised meetings” – if the meeting lasts more than 3 hours a normal meeting fee is paid.
- c. Chair honorarium of \$22,390 per annum gross
- d. \$1.04 per km travelled.

Findings Comparison:

- The lower, median and upper quartiles remuneration for non-executive directors of similar size / industry organisations is \$20,886, \$37,001 and \$54,611 respectively.
- The lower, median and upper quartiles remuneration for non-executive Trustees of Maori organisations of similar size is \$11,500, \$21,000 and \$54,611 respectively.
- The lower median and upper quartiles remuneration for non-executive Chairs of similar size / industrial organisations (Meetings and Chair Fee combined) are \$32,882, \$49,554 and \$86,085 respectively.
- The average remuneration paid to Chair (Meetings and Chair Fee combined) are \$32,882, \$49,554 and \$86,085 respectively.
- The average remuneration paid to Chair (Meetings and Chair Fee combined) of Maori Organisations of similar size / Industrial is \$24,500.

- It is recommended that the Chair is paid a loading of 1.8 times to 2.0 times the Trustee Remuneration for the additional duties, responsibilities and time involved.
- It is recommended that the Vice-Chair is paid a loading of at least 1.2 times the Trustee Remuneration for the additional duties, responsibilities and time involved.
- The lower, median and upper quartiles annual time commitments for Non-executive Directors (including board meetings, committee attendance and other governance duties) are 83 hours, 135 hours and 198 hours. The trustee of Maori organisations these figures are 120 hours, 148 hours and 208 hours respectively.

The Trustee Remuneration is based on the following:

1. The report from the 'Institute of Directors NZ'.
2. Directors, Trustee and Chair Remuneration paid to similar sized organisations within the 'Accounting Collectives' client base (both Maori and Pakeha owned).
3. Their knowledge of remuneration paid to other professional service providers,
4. The current size of the entity – based on the 2018 Financial Statements Mangatawa Papamoa Blocks Incorporated currently has 'Total Assets of \$107M, Turnover of \$3.60M and a sizeable share income from Pacific Coast Village of \$18.75M
5. The high calibre of the current Chair, Vice-Chair and Trustees.
6. The fact that the last Trustee and Chair remuneration review was 4 years ago.
7. The time commitment involved.
8. The fact travel time to meetings is not remunerated (this can be significant in some case).
9. The fact that being a Trustee / Chair is a significant time commitment that encroaches on each Trustee's work, family and personal life.
10. The responsibility of the position and accountability the Trustees and Chair have back to the share-holders.

Recommendation

That the following remuneration policy is presented to the next Annual General Meeting 2020 for discussion and approval:

1. Trustee Meeting Fees of \$1,100 per meeting gross.
2. Chair Honorarium of \$24,000 per annum.
3. Vice-Chair Honorarium of \$4,00 per annum (a new policy to bring the incorporation in line with the 'Institute of Directors NZ' recommendations that the Vice-Chair should be paid a loading of at least 1.25 times the Trustee Rate.
4. Authorised Meetings remunerated at \$100 per hour.
5. \$1.04per km travelled (no change).

MANGATAWA PAPAMOA BLOCKS INC.

TRUSTEE MEETINGS 2019-2020

2018 - 2019 Attendees	APR	MAY	JUNE	JULY	AUG	SEP	OCT	NOV	DEC
KEVIN	1 Mnthly + 1 Special Cultural	1 Mnthly + 1 Special	1 Mnthly + 1 SGM	1 Monthly + 2 Special Zespri AGM, Whakatohea AGM	1 Monthly	1 Mnthly + 1 Special MLC + AGM	1 Monthly + 1 STRAT	1 Mnthly + 1 Special FOMA	1 Monthly
WAKATA	1 Mnthly + 1 Special Cultural	1 Mnthly + 1 Special	1 Mnthly + 1 SGM	1 Monthly	1 Monthly	1 Mnthly + 1 Special MLC + AGM	1 Monthly + 1 STRAT	1 Mnthly + 1 Special FOMA	1 Monthly
NEIL	1 Mnthly + 1 Special Cultural	1 Monthly	1 Mnthly + 1 SGM	1 Mnthly + 1 Special KPI		1 Monthly + AGM	1 Monthly + 1 STRAT	1 Mnthly + 1 Special FOMA	
VICTORIA KINGI	1 Mnthly + 1 Special Cultural		1 Mnthly + 1 SGM	1 Monthly	1 Monthly	<i>Victoria Kingi Resigned off the board</i>	Victoria Werohia - New Comm 1 Board + a Strat	1 Monthly	
PAULA	1 Mnthly + 1 Special Cultural	1 Monthly	1 Mnthly + 1 SGM	1 Monthly	1 Monthly	1 Mnthly + 1 Special MLC + AGM	1 Monthly + 1 Strat	1 Monthly	1 Monthly
2019- 2020 Attendees	JAN	FEB	MAR						
Kevin	1 Monthly	1 Monthly	1 Monthly						
Wakata	1 Monthly	1 Monthly	1 Monthly						
Neil	1 Monthly	1 Monthly	1 Monthly						
Paula	1 Monthly	1 Monthly	1 Monthly						
Victoria		1 Monthly	1 Monthly						

ANNUAL GENERAL MEETING OF SHAREHOLDERS

10:00am Saturday 21 September 2019
Classic Flyers Café, Jean Batten Drive, Mt Maunganui

Present: Refer Attendance List attached

Meeting commenced at 10.15am

1. Mihi/Karakia

- 1.1 Karakia: Louis Te Kani
1.2 Chairman welcomed attendees to the AGM 2019.

2. Apologies and Proxies

2.1 **Apologies:** Tawhai Tawhai & Tangiwai Whanau Trust, Maureen Fraser, Molly Collier, Edward Ririnui, Kim Elvin, Rodney Toa, Graeme Cosgrove, Patrick Williams, Mathew Thatcher, Hemi Williams, Tania Tipene, Thomas Cooper, Pine McLeod, Keri Keelan, Raymond Haua, Mauata Te Rangi Williams, Christina Cavanagh, Sandra Ann Joseph, Kevin Stewart, Amaru Taikato, George McLeod, Waimihi Brott, Shannon Oliver, Helen Oliver, Peter O'Brien, Verna Gates, Marie Daniels, Nicholas Carroll, Te Hoipoarou Balfour, Paula Parkin, Deryck Werohia, Ngatai Kingi.

2.2 **Proxies:** Chair read out the proxies received as listed below:

Shareholder	SH No.	Shares	Proxy	Alternative Proxy
Tawhai Tawhai & Tangiwai Whanau Trust	473	1181.25	Paula Werohia	Sarah Rameka
Maureen Fraser	865	28.9	Pamela Fraser	
Edward Ririnui	861	28.9	Pam Fraser	
Kim Elvin	193	100	Pine McLeod	Pam Fraser
Rodney Toa	675	31.38164	Maybelle McLeod	Huriana Taite
Graeme Cosgrove	894	34.274	Lynette Cosgrove	Kevin Haua
Makuini Bernadette Marr	595	18.2525	Kathryn Bluett	
Patrick Williams	892	119.4448	Patricia Bidois	Kathleen Olsen
Mathew Thomas Thatcher	906	24.33	Pat Bidois	
Hemi Williams	890	119.54481	Pat Bidois	
Tania Tipene	905	24.35	Patricia Bidois	
Thomas Cooper	991	24.3675	Makere Cooper	
Pine McLeod	389	125.7765	Pam Fraser	
Keri Keelan	891	119.54481	Patricia Bidois	
Raymond Mark Haua	693	358.53443	Patricia Bidois	
Stefan Tuanau	817	157.6	Mary Smith	On the day
Janice Palmer	150	317.2	Patricia Bidois	On the day
Linda Carroll	200	10	Victoria Carroll	On the day

3. Election issues

- 3.1 Chair named the nominees wishing them the best and informing the hui that one nomination had been declined due to having no signature.
- 3.2 Chair informed the hui that there is a typing error on the voting form that voters can vote for just one nominee and confirmed that each voter can vote for up to two candidates as there are two vacant positions.
- 3.3 In response to query from a shareholder the Chair confirmed that all candidates will have opportunity to address the hui briefly prior to the voting.
- 3.4 In response to query from a shareholder the Chair confirmed that any shareholders will be able to ask one question of each of the candidates.
- 3.5 Scrutineer at 2018 AGM, Christopher Stokes, reminded voters that it was important to be careful with their vote. He had counted the votes at the last two AGMs and some had been made invalid last year due to voters ticking too many names.
- 3.6 Chair announced that two Incorporation beneficiaries who were candidates in local body elections would be given a brief time to address the hui at the end of general business (Christopher Stokes & Parewhati Taikato).

4. Chairman's Report

- 4.1 Matters arising
- 4.1.1 Chair confirmed that all consents in relation to resolutions approved by shareholders have now been approved by Maori Land Court with the exception of the extra land required by Mainfreight, this is to be heard in October 2019.

Resolution: That the Chairman's Report be accepted

Moved: Kathleen Olsen / Seconded: Makuini Marr Carried

5. Financial Summary of Accounts 2018-2019 – (Fred Cookson) 10:30am-11.50am

F Cookson referred to both the distributed financial accounts marked "subject to audit" and the power point summary displayed on the screen. The following points of discussion were made:

- 5.1 Auditor is progressing with full audited financial statements and it is hoped that it will be available late September / early October 2019. Fred is available to view and discuss the audited accounts on appointment at the office once they are available.
- 5.2 Responses to queries from shareholders:
- 5.2.1 Expenses explained in response to shareholder questions
- Grants include: Urupa restoration, marae maintenance etc.
 - Gold license purchase \$1m
 - Salaries/wages (17 permanent & 5 casual) 5 admin then spread across
 - Governance costs relative to previous years: CoM strategic planning costs covered by individual members of the Committee
 - Special meeting costs: Retirement village partnership; hui with TCC; project manager; other business of Mangatawa Inc.
 - Debt funding: BNZ provided funds facility for industrial development. No mortgage over whenua – Mainfreight build own building (\$40m) and will pay a lease for whenua \$500k p.a.
 - Rental revenue: includes commercial and papakainga
 - Priority for future is debt reduction
- 5.2.2 Total assets value increase
- All assets independently professionally valued; villages, orchards etc.
 - Whakatohea Mussel Farm: Mangatawa is a shareholder with other iwi; employ 200 FTE; F Cookson declared his conflict - he is involved in financials for this company and withdraws from any discussion with potential for conflict.
 - Dividend reduction explained as being recommendation from accountant based on financial commitments for the year.

- Dividend policy discussion: F Cookson recommended 10% of profit after tax until revenue allows higher percentage through consistent reliable cashflow.
- Overall increase in assets \$8.2m this year.

5.2.3 Pacific Coast Retirement Village

- 50% share value = \$24,293,771 with no cash being put in by Mangatawa who provided and still owns the land
- Loan advance from Mangatawa to Mangatawa Retirement Village Ltd in the beginning \$4m repayments to date \$2.975M
- PCV finances are monitored by Mangatawa members on the Partnership Board; relationship is honest as both partners have reputations to protect.
- Mangatawa presents consolidated accounts that include the villages which are currently in the hands of the auditor
- Discussion was held around moving AGM to October to allow for provision of full audited financials

5.2.4 General

- A shareholder queried the lack of audited accounts at the AGM. F Cookson reminded the hui that the constitution required that the AGM be held by 30 September. The auditor is not completed by then due to considerable amount of time taken to provide the consolidated report as is now required. F Cookson suggested that shareholders consider a resolution to move the AGM to October each year to ensure the availability of the audited accounts. It was acknowledged by shareholders that the Maori Incorporation Regulations (Te Ture Whenua Maori Land Act 1993) require the AGM to be held within 6 months of the end of the financial year. F Cookson advise shareholders that he believed the Maori Land Court was likely to support a request to move the AGM in these circumstances. There was considerable discussion on this matter and Shareholders agreed that it was better to have the AGM at a later date rather than not have complete information available at the AGM.
- In response to a question from a shareholder F Cookson confirmed that in his professional opinion there are no concerns at all around the Incorporation's finances. F Cookson commented that MPBI accounts are becoming more complicated with the continued growth. In the interests of fully informing shareholders it is desired by the Committee and required by regulatory authorities that Mangatawa Papamoa Blocks Inc. prepare final consolidated accounts that include: Limited partnership (50%), Mangatawa Development Ltd, Mangatawa Retirement Village Ltd and Mangatawa Pacific Lakes Ltd

Resolution: that the summary of accounts as presented, subject to the audited financial statements 2018-2019, are approved

Moved: Joe Harawira / Seconded: Maybelle McLeod Carried

Resolution: that future AGM are moved to October each year to ensure the availability of consolidated audited annual accounts

Moved: Tony Wihapi / Seconded: Whiti McLeod Carried Unanimous

6. Trustees Remuneration Review

- 6.1 A shareholder congratulated the Committee on the timeliness and completeness of the information provided to inform shareholders for the AGM discussions. The shareholder was impressed with the quality of candidates. Another shareholder explained that she received her information just before departing home for the AGM.

- 6.2 F Cookson discussed the recommendations from an independent reviewer (Accounting Collective, Te Puke) which were displayed on the screen and had been distributed to shareholders. The Incorporation is currently a \$120m organisation with a \$2.5m income and remuneration should reflect that.
- 6.3 A shareholder suggested that more information would be required for a decision e.g. the likely number of hui that Committee would be paid for etc. and commented that the responsibility for the size of the organisation is a consideration.
- 6.4 It was agreed that this matter be deferred for one year and then the remuneration be relative to the revenue and business volumes as potential revenue is realised and cashflow trends can be recognised.

F Cookson departed 11.50am

7. Minutes of the 2018 Annual General Meeting

- 7.1 Taken as read

8. Matters Arising from the previous minutes

- 8.1 A shareholder discussed item 16.1b where she believed her korero was misinterpreted. The shareholder's intent had been to suggest that kaumatua health grants be increased "by \$500" for each individual applications rather than "to more than \$500". It was explained that there are several grants available to kaumatua. The shareholder informed the hui that she applied for a kaumatua home but is ineligible due to her income from working 8 hours per week.
- 8.2 A shareholder discussed item 13 asking if the committee would consider increasing the kaumatua grants as it seems disproportionate when compared to total value of koha. It was explained that the koha includes work donated to marae, Urupa and grants to kaumatua groups to go to kapa haka etc.
- 8.3 A shareholder queried why his 4 sisters who in their whanau trust and are 65, do not receive a kaumatua grant. Other shareholders had similar experiences and there is a need to clarify this especially with the minimum shareholding discussions that are happening. There was discussion around the issue of identifying who in a whanau trust were shareholders and those who were not. The Committee will investigate the current situation and review the policy in the upcoming strategic planning.

Resolution: That the Minutes of the Annual General Meeting held 22 September 2018 are a true and correct record and matters arising have been addressed.

Moved: Makuini Marr / Seconded: Kevin Haua Carried

9. Election for two members Committee of Management – Deputy Chair facilitated the election process for two vacancies on the Committee of Management

- 9.1 Each of the four nominated candidates briefly addressed the hui. Each of the candidates were asked by one of the shareholders what were their views on the Committee going overseas for their strategic planning: there were a range of responses by the candidates:
- it is important they have somewhere they can focus on the planning and it is not important where that is especially when they pay their own way;
 - it is important to hold it off site and if they pay themselves there is no harm to shareholders;
 - even though they do pay their own costs it is not a good look;
 - it is not a good look could use the marae.
- 9.2 V Kingi was invited to address the hui as it is her last AGM as a member of the Committee of Management. Victoria expressed her appreciation for the time she has been on the board. Victoria urged new members of the Committee to be

solution focussed, encouraged robust critical debate. Victoria also spoke about the skillset required to manage the big assets coming; succession strategy and a maximum term.

- 9.3 Shareholder, A Werohia, requested a Poll voting process rather than “show of hands voting process”. Annette was supported by shareholders: T Cooper, P Werohia, W Kingi and K Haua. Some shareholders were not happy with the poll vote option however having met the requirements of the Constitution the Poll vote process proceeded. One shareholder objected to the process of the support for the poll vote.
- 9.4 It was agreed that C Stokes be the scrutineer and count the votes along with P Fraser in a private room.
- 9.5 The chairman resumed his position, was given and announced the results of the voting during lunch.

10. Appointment of Share Valuer

Resolution: That pursuant to s278 of Te Ture Whenua Maori Act 1993, Cookson Forbes Accountants be appointed as share valuer

Moved: Whiti McLeod / Seconded: Tony Wihapi Carried

11. Appointment of Auditor

Resolution: That pursuant to s277 (2) of Te Ture Whenua Maori Act 1993, Jefferies Nock & Associates be appointed as auditor

Moved: Debra Kinvig / Seconded: Pat Bidois Carried

12. Approve payment of dividend

Resolution: That payment of a dividend of \$6.50 per share (total expenditure of \$250,000.00 as recommended by the Committee of Management) be approved pursuant to s259 (1) of Te Ture Whenua Maori Act 1993

Moved: Paula Werohia / Seconded: Whiti McLeod Carried

13. Approve payment of grants

Resolution: That grants listed below as recommended by the Committee of Management are agreed for the 2018/2019 year:

- a) Kaumatua grants totalling \$20,000 per annum
Moved: Whiti McLeod / Seconded: Kevin Haua Carried
- b) Kaumatua health grants totalling \$7,000.00 per annum
Moved: Whiti McLeod / Seconded: Tony Wihapi Carried
- c) Education grants totalling: \$18,000 per annum
Moved: Tony Wihapi / Seconded: Whiti McLeod Carried
- d) Sports grants totalling \$7,000.00 per annum
Moved: Joe Harawira / Seconded: Anahera Ririnui Carried
- e) Koha/Marae totalling \$10,000.00 per annum
Moved: Tony Wihapi / Seconded: Whiti McLeod

14. **Minimum shareholding:** Committee considering setting a minimum of 5 shares; who in the whanau trust will benefit is it removing small shareholders from benefits. Committee of Management will develop a policy at the strategic planning and bring it back to shareholders. 65 was confirmed as the eligible age for receiving a kaumatua grant.

15. General Business

- 16.1 Mangatawa Park Action Group: Kaupapa McLeod, a previous member of the Committee of Management, introduced Sash Stosic who discussed a proposal for a development on the Asher Block using an onscreen presentation. There is more work to do and the action group is keen to move this project forward as soon as possible. It was agreed that the MPAG and Committee of Management work on more details and then bring the matter back to shareholders to discuss together with the papakainga options previously discussed by shareholders.
- 16.2 After some discussion it was agreed that the Committee of Management will review the Kaumatua grants policy and the Koha/Marae policy with a view to restricting marae grants to the three marae of Tamapahore, Tahuwhakatiki and Maungatapu
- 16.3 Minimum shareholding: discussion was held over for further discussion by the Committee and shareholders in 2020.
- 16.4 A shareholder suggested items for a Special General Meeting during 2020: Distribution Policy; Succession strategy; Co-construct whanaungatanga between Committee of Management and Shareholders (roles and responsibilities).

There being no further business the Chairman declared the meeting closed at 1.11pm and a karakia was given by Joe Harawira. Lunch was available for shareholders who heard from the two local body candidates while they ate. The voting result was also announced during this time.

Chairman announced the vote counts as advised by the scrutineer:

Kevin Haua	=	8559	Siobhan Pennington	=	1445
Victoria Werohia	=	6514	Whitiora McLeod	=	1140
Blanche (Piri) McMath	=	4489			

Chairman:

Date:

SPECIAL GENERAL MEETING OF SHAREHOLDERS

10.25am Saturday 09 November 2019
Club Mount Maunganui, Kaiwaka Street, Mt Maunganui

Present: Refer Attendance List attached

Mihi/Karakia

Karakia: Louis Te Kani

Chairman welcomed shareholders to the SGM 09 November 2019 explaining that this Special General Meeting had been called to repeat the voting for 2 members of the Committee of Management due to an error on some of the proxy forms distributed for the AGM 19 September 2019. They had the incorrect closing date on them. Chairman apologised for this error. Chairman then introduced Deputy Chairman Neil Te Kani who assumed Chairmanship of the hui for the election process.

Scrutineers: Chairman informed the hui that Pirihiira (Blanche) McMath had requested that Anthony Ririnui be approved as an independent scrutineer in counting the votes and this was supported by the hui. Chairman informed the hui that Committee of Management request that Christopher Stokes be approved as a scrutineer as he had been in recent AGM's and this was supported by the hui.

Annette Werohia- Beadle asked for a Poll Vote to be taken for the election process

It was then acknowledged that apologies and proxies had not yet been read and K Haua took the hui through this process.

Apologies

Bill Tini, Maureen Fraser, David Fraser, Rahoroi Te Amo, Eva Donovan, Hikurangi Webb (left early), Naomi Pohatu, Shirley Oliver, Graeme Crosgrove, Geranium Harawira, Koa Williams, Emarina Watson, Kathryn Palmer, Kaupapa McLeod, Wikitoria Taite, Thomas Cooper, Maybelle McLeod, Margaret Currie, Kiwi Molly McLeod, Ripeka Tukukino, Lisa Taikato, Gary Black, Raymond Haua, Ngahua Dixon, Hinerongo Walker, Arthur Thatcher, Patrick Williams, Rakiroa Blake (AKA James RZ Dickson), Lindsay Te Ra Muru, Hemi Williams, Janice Palmer, Kathryn Bluett (administrator Richard Hetaraka Bluett), Kathryn Bluett, Margaret-Anne Nicholson, Mathew Thatcher, June Forbes (Taipari & Whakaipo Bluett Whanau Trust), Keri Keelan, Maureen Haua, Simone Taite, Anne Morrison, Janine Kakau, Victoria Kingi (Trustee Hine Carroll Estate), Victoria Kingi (Carroll), Kihi Falwasser, Amaru Taikato, Pita O'Brien, Deryck Werohia,

Proxies

Chair read out the proxies received as listed below:

Share-holder Name	Share-holder ID Number	Amount of Shares Held	1 st Proxy Name	2 nd Proxy Name
Rahoroi Ihipa Te Amo	401	148.42		Sarah Rameka
Mark Koa Williams	197	43.326	Rangi Oliver	
Emarina Watson	58	43.326	Rangi Oliver	
Geranium Harawira	605	0.15	Rangi Oliver	

Shirley Oliver	718	5	Sarah Rameka	
Maria Te Aranga Tini Whanau Trust (Bill Koro Tini)	1026	147.062	Sarah Rameka	
Marama Rameka	576	10.8819	Sarah Rameka	
Janine Kakau	878	10.29	Sarah Rameka	
Wikitoria Taite	544	24.3937	Te Mahinui	

Thomas Cooper	991	24.3675	Makeke Sharon Cooper	
Turumakina & Susan Harawira Whanau Trust (Amokura Jobe)	519	10.1048	Hinenui Cooper	Lesley Millard
Maureen Katarina Fraser	865	28.9	Pamela Fraser	
David Mania Fraser	44	3.43	Pamela Fraser	
Maaka & Mateanini Harawira Whanau Trust (Ripeka Tukukino)	205	3.1047	Joe Harawira	
Kihi Falwasser	192	27.995	Rosina Harawira	
Patricia Lloyd	681	34.27033	Christine Comerford	
Anne Marie Morrison	680	34.27033	Christine Comerford	
Gerard J Cosgrove	682	34.27034	Christine Comerford	
Kathryn June Palmer	893	34.274	Lynette Susan Cosgrove	
Graeme Cosgrove	894	34.274	Lynette Susan Cosgrove	
Margaret Currie	583	125.77655	Thelma McLeod	
Gary Black (Executor of Mary Black)	251	315.873	Thelma McLeod	
Kaupapa McLeod	584	125.77655	Thelma McLeod	
Maybelle McLeod	588	75.77655	Thelma McLeod	
Kiwi Molly McLeod	195	10	Thelma McLeod	
Victoria Kingi	524	10	Poihaere Walker	
Keri Keelan	891	119.54481	Patricia Bidois	
Mathew Thatcher	906	24.33	Patricia Bidois	
Janice Palmer	150	317.2	Patricia Bidois	
Hemi Williams	890	119.54481	Patricia Bidois	
Rakiroa Blake	824	317.2	Patricia Bidois	
Patrick Williams	892	119.4448	Patricia Bidois	
Arthur Thatcher	903	24.34	Patricia Bidois	
Hinerongo Walker	130	61.151	Patricia Bidois	
Raymond Haua	693	358.53443	Patricia Bidois	Kathleen Olsen
June Forbes	610	146.02	Kathleen Olsen	
Margaret Anne Nicholson	949	102.811	Kathleen Olsen	Patricia Bidois
Administrator of Richard Bluett (Kathryn Bluett)	424	73.01	Kathleen Olsen	
Kathryn Bluett	179	73.01	Kathleen Olsen	
Ngahuia Dixon	346	61.151	Andrew McMath	
Simone Taite	668	45.0375	Andrew McMath	
Estate of Hine Kahu Carroll (Victoria Kingi)	127	126.7583	Poihaere Walker (Declined shares are still in an Estate)	
Estate of Michael Haua (Maureen Haua)	694	358.53443	Patricia Bidois (Declined shares are still in an Estate)	
Estate of Te Kapuhua Muru (Lindsay Georgina Te Ra Muru)	329	61.06	Patricia Bidois (Declined shares are still in an Estate)	
Eva Donovan	81	11.3566	Victoria Werohia (Declined Nominee is a proxy)	

Lisa Taikato	763	10.1918	Pirihiira McMath (Declined Nominee is a proxy); Siobhan Pennington (Declined Nominee is a proxy)	
Naomi Pohatu	613	85.1925	Naomi Pohatu (Declined Nominated Herself)	
Tahuri Blake	997	21.251	Andrew McMath (Declined Late Proxy)	

Resolution: that the apologies and proxies are received

Moved: Lydia Flintoff / Seconded: Debra Kinvig Carried

Deputy Chairman resumed chairmanship of the hui and asked for confirmation that he had received a request for a Poll Vote (vote by shareholding) and Annette Werohia Beadle confirmed she had indeed asked for a Poll vote. Deputy Chairman advised that a Poll Vote is held when 5 shareholders request it. The following shareholders supported the request by Annette Werohia Beadle for a Poll Vote:

- Parewhati Taikato
- Christine Comerford
- Wakata Kingi
- Kevin Haua
- Paula Werohia

In response to a question from a shareholder Deputy Chairman explained that a process had been started and needed to be finished in accordance with relevant regulations.

Shareholder Thelma McLeod asked for her opposition to the Poll Vote to be recorded.

Deputy Chair reminded the hui that there are two vacancies to be filled and each shareholder can vote for up to two candidates.

Candidates were invited to address the hui:

Whitiora McLeod: apologised that there was only an out of date profile available for staff to distribute with AGM. He would encourage the Incorporation getting mortgages to self- build industrial buildings as he believed the revenue would be greater and there would be more opportunity to employ our own people. He looks forward to revenue such that a dividend pool of \$2-3m is available rather than the \$200k that is available now.

Pirihira McMath: will not add to what has already been said at the AGM. Thanked attendees for giving up their time and encouraged them to vote for their preferred candidate

Kevin Haua: Would like one more term to complete the Industrial developments at Truman Lane and the retirement villages. Thanked and acknowledged the hard work of the CoM members. A gain from 2015 the capital value of the incorporation was \$50m and it is now \$110m.

Siobhan Pennington: has skills and experience that will be useful with the loss of Victoria Kingi. Legal background with 20yrs experience including local government. Ability to look over a long timeframe for the wider good. Governance needs to have a wider perspective with a view to sustainable achievement. Current Board and staff have done a great job and should be proud.

Victoria Werohia: Told by grandparents it is a responsibility to give back to my people. Background is in helping organisations to “take risks courageously not stupidly”.

Query from shareholder as to what happens to voting papers on conclusion of this hui. They are held by the incorporation for two months then they go to the Maori Land Court. The papers can be viewed at the office by shareholders who might wish to.

The Ballot box was taken around for shareholders to insert their voting papers and was then taken to a quiet area to be counted by 2 scrutineers, Anthony Ririnui and Chris Stokes, with Mangatawa Committee of Management Secretary Sarah Rameka and Mangatawa Office Manager Pam Fraser.

A shareholder requested clarification of the process to have a Poll Vote and also commented that he had heard more from the candidates as they spoke than he had before however had already voted and so it was too late to change his mind. The shareholder asked that the Chair suggest at the beginning of future hui that shareholders hold their vote until the candidates had presented themselves to the shareholders.

1. Election of two members of Committee of Management

Results paper signed by both scrutineers was handed to N Te Kani who read them out to the shareholders present.

Kevin Haua	8097.86003	Whitiora McLeod	1336.17334
Victoria Werohia	7014.12138	Siobhan Pennington	804.60239
Pirihira McMath	4907.56834		

Kevin Haua and Victoria Werohia were congratulated on their election to the Mangatawa Papamoa Blocks Incorporation Committee of Management.

Having concluded the business the hui closed by karakia by Kevin Haua at 11.30am

OPERATIONS REPORT

Kia Ora Koutou Katoa

Another year has quickly passed us by and what a year that has been. The biggest being the Covid-19 virus and lock-down, and having to live differently from what we were all used to. Fortunately, it didn't have too much effect on our business and the team that takes care of our property maintenance, plus some casual staff at the time had a bit of a holiday was the only effect.

Minimum Health & Safety Incidences, no major incidences reported across all MPBI businesses.

ORCHARD

AS THE Chairman has already mentioned Lock-down due to Covid-19 didn't have any effect on our orchards, we had one G3 gold block to harvest when the Lock-down came in so the majority of our G3 sun-gold fruit was harvested, packed and shipped off to Asia, and we also had 245 trays of Hayward on that first shipment.

Over-all we have managed to bring in another good harvest although we did experience some sooty mould the same as other growers, but certainly not as bad as last year. The last two summers being long hot and dry only helps this bug to grow. Seeka are now taking extra measuring precautions to bring it under control and hopefully to get rid of the sooty mould for this coming season.



Ray Gordon, our orchard manager is currently assisted by Fred Harawira, a local whanau resident, who has been responsible for the mowing of the orchards for around the last 6 months and Haukore Kingi, mokopuna of the late Peter & Puti Ririnui who has recently started as our potential orchard cadet.

Winter pruning and tying down is progressing. Not as far through as expected with delays around weather and hi-cane applications. The gold and front Hayward orchards are complete and about halfway through back orchard. A good canopy achieved across most of the orchard. An excellent job in the Hayward was carried out continuing to make long overdue structural cuts in places which will be beneficial going forward. We can see the improvement where this was done last year in the front orchard. Although some weak wood in areas following last summer drought bud numbers are up on last year.

HI cane was applied to the gold blocks 1,2,3,4 and 5 on the 13th August. The back Hayward orchard sprayed on the 14th August and the front orchard green and gold on the 16th august. Base fertiliser was applied on the 4th August to the gold and back orchard. The front was spread on the 6th August. Still waiting for the ramming of broken tiebacks and strainers and repairing holes in artificial shelter.

Some loose wires and ag-beam rollovers to attend to in September. Will get onto these after pruning. Cutting out dead vines as we come across them in back orchard and will replace these next year. Haukore has been getting good grounding in winter pruning and thumbs up from Jas.

Total Trays - Sungold-G3 145,190 Hayward- 208,800 = 354,040 Trays

AVOCADO



We have a total of 49 mature trees that are all in the orchard opposite the Marae and are our oldest trees.

Although our Avo trees got their first prune last year they still produced a crop and we harvested 23 bins of Avo this year. The second prune has now taken place which means that we can now fence off the second stage of the Avo's and follow up with extra security.

Over the last 5 years our orchard and other Avo orchards have been hit very hard by thieves.

We had one reported incident of theft this year and that was about 3-4 weeks ago with the majority of the fruit at the bottom of the trees being taken off. This equates to approximately 3-4 bins x \$900 per bin, being on the conservative side that's how much has been lost from theft this year.

Flower bud break is underway and variable from tree to tree depending on the individual crop load. Monitoring of flower shoots indicates flower bud development this is the same time or slightly later as last season. At the same time for trees holding no crop that are flowering early and heavily.

These trees are holding enough unopened flower buds to flower OK in spring. The weather is too cold for effective bee activity so there won't be too much fruit set if there are bees in the orchard, at present we can expect the main flowering in October.

All husbandry requirements are being carried out on time and within budget.



FARM

Pasture

As the rainfall continues, causing the humid conditions, this is resulting in good grass growth. We are continuing to feed silage as well as palm kernel to all classes of stock, we also have an order of 5 tonne of fertilizer to be applied within the next week or two.

The boys, casuals George Tiopira & Te Ngare Ake Ake, are making good progress on the areas of noxious weeds and gorse removal which they are raking in to piles and will be burnt, these areas will be followed up with a spray program.



Overall, the farm is looking good still lots of green grass in the paddocks at this time.

According to livestock agents last month cattle prices are starting to lift and look like they will continue into the spring and beyond. With this demand we will continue to sell stock both through the sale yards and on the farm.



There has also been good progress made on the Mangatawa Lane roading with culverts been laid which will improve both the quality of the road and reduce maintenance up keep.

Total Stock on hand as of writing: Total = 1261 = \$499,840

Total deaths -the majority caused from dog attack's = 13 (2029-2020 year)

Stock sales have increased for this year and showing good sales results from our young bulls.

Environmental Sustainability Project - planting of drain sides- this was carried out over 6 weeks with x4 local whanau members coming into work to split the flax plants and get them ready for planting.

They planted along the main drain sides in group plantings and along smaller water ways within the farm areas itself. Overall, there were 4,750 flax planted and 100 native trees.

Special thanks to Kini Kakau, Uira Walker, Te Ngare Ake Ake, Edward Taite & Supervisor Tumanako McLeod



PAPAKAINGA

Health & Safety - There were no health & safety incidents reported in the last year apart from the odd bee sting & one of our property maintenance team suffering from a sore back due to weed-eating for to longer period.

The 4-bedroom whanau homes and kaumatua units' quarterly inspections were completed for the year. Repairs and maintenance are carried out as required, electrical, washing machine break-downs, stoves, fridges and rodents damaging wiring. We've also had a few issues with children clogging up the toilets with toilet rolls.

Security issues- Unfortunately we have had problems with whanau & visitors parking their vehicles on the sides of Mangatawa Lane, then jumping over the fence to visit some of our residents. This has caused considerable stress to some residents as it means strangers walking past their living area's including bedrooms, in some cases looking in their windows and disturbing their privacy. We had one young woman that was quite alarmed to see a face staring at her through her bedroom window one night. Although we have informed our residents of this several times there seems to be non-compliance as some of their visitors are still parking on the road-sides and jumping the fence.

The other issue in regard security was there were many people using the security gates at the papakainga with an entrance tag that are only issued to residents. We have managed to address this by ensuring all residents get new tags and the old ones that were reported stolen or missing de-coded so they can no longer be used.



Kaumatua papakainga- We have installed a new security gate and street light on Nga Tuahine Place the entrance way into the kaumatua area. We have also installed CCTV camera's due to some Mokopuna of residents and other people coming up in the middle of the night and disturbing our Kaumatua, this has certainly helped to deter that activity.

Resident meetings for both our kaumatua & whanau residents are held monthly of which our Housing Tenancy Manager attends, recommendations and copies of the Minutes of those meetings are reported to the monthly Committee meetings.

Mangatawa Link road on to Truman Lane - We have experienced a lot of near-miss accidents with staff and residents over the last 2 years. This issue was taken to Tauranga city council, who have confirmed that a temporary splitter island will be installed within the next 2 week, while a permanent traffic island will be installed hopefully before Christmas.



New Staff Member- Emma Parkinson from Te Whanau-a- Apanui & Ngaiterangi who's Tupuna is Petera Karehana, joined our team 3 months ago and has now been employed on a permanent basis as our "Tenancy Housing Assistant."

Recovery response to COVID19 - housing: The current climate presents opportunity for Maori land owners, such as Mangatawa, to increase their ability to meet the housing needs of their whanau/shareholders/beneficiaries with financial support from central government. One of the biggest obstacles nationally to increasing the housing stock is lack of land.

Maori, including Mangatawa, have land and high housing need and so are in a great position to benefit our shareholders with housing requirements. Government announced general funding for 8000 homes and additional specific Maori housing budget.

Marae Restoration - Government has just released a \$90 million budget for Marae restoration that is being managed in the Tauranga Moana rohe by Ms Ngawa Hall from Te Puni Kokiri.

New housing to address homelessness/housing shortage

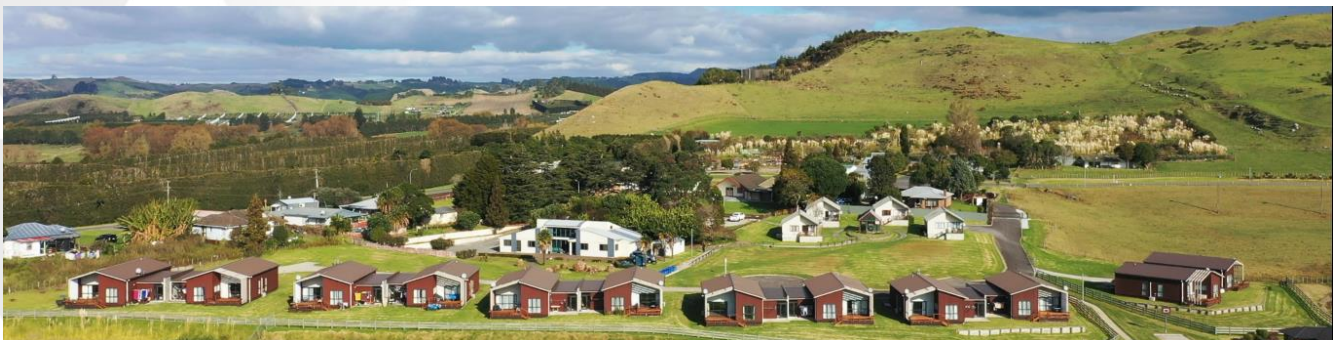
Community Housing Providers CHP's - Mangatawa is one and supports a submission from Community Housing Aotearoa a request from the Ministry of Housing and Urban Development around a set of funding options that will enable CHP's to deliver 30% of all new social housing places at scale and pace. The opportunity will also be taken to open the government up to the potential of CHP's to deliver affordable rental and progressive home ownership options as well as social housing.

Some of the short-term options included in the paper are:

- a. Restoring up front funding
- b. Access to Crown contracting rates and standard designs
- c. Access to reduced consenting costs and/or an accelerated consenting process
- d. Replace Rent Maximums with rent setting guidance as recommended in the Public Housing Rent Setting review 2020
- e. Commence the work on medium and longer-term options.



Lastly, we would like to say a **BIG 'THANKYOU'** to REREMOANA WALL who has been employed by Mangatawa as our Office Administrator on a part-time basis and Mangatawa Resident JESSY MCLEOD for all the mahi they did over the Covid-19 lockdown with our resident Kaumatua. Running errands, delivering kai & care packs and generally supporting and being there for them throughout the lockdown.



PROPERTY MAINTENANCE

It's always pleasing to hear the favourable comments from whanau & the community in general when it comes to the property maintenance crew and the care they take when carrying out mahi that is reflected by the way our Papakainga looks to the wider community. According to those comments, our papakainga looks like a park with lawns always mown and weed-eating and gardens kept tidy and clean. This is the third year we have been able to report this.

A big thank you to Tumai, Wikitoria, Galvin, Sheree and our casual staff we bring in from time to time, you all do a great job!



As spring is upon us now, property maintenance staff will be putting mulch down where needed, trimming shrubs and potting up as well as tidying up the gardens.

Weeding is ongoing, but with the introduction of a new weed spray program, spraying weeds regularly every 4 months per-year will certainly help in suppressing weed growth and help with a few sore backs.



This will free our staff up to grow-on our own plants, that will be used for replacement planting and new plantings which will be planted out in Autumn-early Winter between April and August 2021.

The majority of our permanent staff have all passed their first aid, grow-safe (for spray mix and application) and some with equipment training eg: chainsaw, certification.

Wikitoria is still attending Toi Ohomai Fruit Production, Level 3 and showing good results, she has 2 more assignments left before October that will see the end of this Level certification.

TRUMAN LANE INDUSTRIAL DEVELOPMENT



ML plan lodged March 2020 with LINZ for the issue of titles and we are still waiting on the Maori Land Court to issue the Titles.

The Mangatawa Industrial estate tower sign has been installed.

Kahui legal are redrafting the agreement to lease for Lot 6- final draft agreed to 4 September 2020.

A Follow up with Seeka was carried out, Seeka no longer require this Lot of Land.

Mangatawa looking into development of Lots 1 & 2 themselves and as finance permits.



Mainfreight Ltd blessing of the building & surrounds & those that work there.

As usual our Apotoro Pahu Akuhata carried out a very enlightening korero leading up to the blessing of the Mainfreight building held on site 10 September 2020.

Our local Kaumatua, residents & staff of Mangatawa joined us at the blessing of which there were 20 Mainfreight Managers and staff.

What a magnificent building and so big. It all went very well and we were most impressed by its size.

The open space of offices and lower floor open decks.

Thank you to Mainfreight staff and General Manager & CEO of Mainfreight Don Braid their fantastic hospitality.



TRUMAN LANE INDUSTRIAL DEVELOPMENT

General taken from Peter Cross's last report to the Committee of management.

AS this will be my last report to the COM as health reasons preclude me from carrying on in my role, I would like to thank everyone for their past courtesies and for allowing me to become involved in some exciting projects which I sincerely hope have made a worthwhile contribution to the Incorporation. From an early involvement with Pacific Coast Village (2007) through until today much has been achieved. I just hope the Incorporation continues to go from strength to strength, which I am sure it will.

It's with a great deal of sadness that I will be unable to participate in what the future holds for Mangatawa.

Peter Cross Industrial Development Manager.

We lost Peter 3 weeks after he had tabled his last report, in the early stages of Covid-19 Lock-down, our sincere condolences were sent from the Committee of management, Mangatawa share-holders & Staff to his wife Sharon.



Current Update:

Mainfreight Blessing	Ratana Apotoro Pahu Akuhata.	10 September 2020
Mainfreight Carvings Erected	James Tapiata	20 September 2020.
Mainfreight Opening	Mainfreight	13 October 2020.
Mcleod Cranes Ltd	Building starts	20 December 2020
Mt Engineering Ltd	Lease Finalised	4 September 2020
Mt Engineering Ltd	Building Starts	20 October 2020

DISCUSSION DOCUMENT

Minimum Share-holding Unit

Matter for consideration and discussion by the share-holders of the Mangatawa Papamoa Blk. Inc. The Committee of Management welcome share-holder's recommendations, if you are not attending the AGM then please email your comments/recommendations to "secretary@mangatawa.com" or in writing by post before the AGM- 17/10/2020.

The recommendation to put in place a minimum share unit is to hold the shares that would normally disappear if they are to be succeeded to below 1 share.

If the minimum share unit is say, 5 shares, these shares would need to go into a 'whanau trust or similar trust to be held by the whanau to eternity.

Maori Incorporations Constitution Regulations 1991. Minimum Share unit (2-7)

- a. The share-holders may from time to time, by special resolution, fix a specified number of shares as the minimum share unit for the incorporation.
- b. No share-holder shall transfer to any person any number of shares that would reduce the number of shares of the transferor to less than the minimum share unit.
- c. No shareholder shall transfer to any other person any number of shares less than the minimum share unit unless-
 - the shares being transferred comprise all the shares of the transferor; and
 - the shares are being offered to-
 - (i) an existing share-holder, or
 - (ii) the incorporation, or trustee, on behalf of a putea trust or whanau trust.

- *Currently MPBI only pay out dividends that are over \$10.00.*
- *Share-holders are paid dividends on the number of shares they hold.*
- *Currently MPBI pay out grants equally to all share-holders and up to the budget allowance.*
- *Do you think that grants should be paid out the same as dividends, as on the number of shares you own?*
- *Education, Sports, Kaumatua grants -will they remain the same, as in all share-holders are paid out the same or do we look at paying grants, by share-holding?*
- *If the Committee put in place a minimum share unit, what would you consider to be fair*

- Currently there are:
 - 120 Share-holders with under one share.
 - 151 Share-holders under 5 shares
 - 99 Share-holders are between 5- 10 shares
 - 430 Share-holders between 10- 100 shares
 - 84 Share-holders between 100-500 shares
 - 4 Share-holders hold 500 – 1000 shares
 - 4 Share-holders hold between 1000- 2000 shares

Total share-holding 38,810.0008

UNCLAIMED DIVIDEND UPDATE

Research has continued into our “Unclaimed Dividends” with some share-holders responding very quickly and others not so fast.

Total Unclaimed dividends \$313,422.69

However, we are pleased to report the following outcomes to date:

X 12 shareholders have given their bank account details and are being paid out.

\$3,860.10

X 13 share-holders have been contacted, and have confirmed back that they have started their process of succession.

\$24,244.01

X 21 “Estates of Share-holders; have been contacted and Mangatawa is waiting for bank account numbers to pay their ‘unclaimed dividends out.

\$38,760.05

Internal administration-

X10 shareholders updating physical file.

X21 Share-holders ID needs to be adjusted.

-Committee of Management Approvals

- Letters to share-holder or Estate updates.

-Letters to Maori Land Court updating share register.



PACIFIC COAST VILLAGE

PACIFIC COAST VILLAGE PARTNERSHIP



I am pleased to report that the last year ending 31 March 2020 was a very productive one with the value of our partnership climbing strongly. For Pacific Coast, the Hikurangi Serviced Apartments of 36 units completed late last year and as at today, 13 are occupied, 11 are sold with settlement pending, and there is interest in many of the remaining apartments. This success will allow the partnership to repay development debt for the apartments and to start in early 2021 on the 60-bed Aged Care Facility.

This will then provide a full-service continuum of care for residents and complete the village. The Aged Care Facility is also where the partnership sees the potential for employment and scholarships for MPBI shareholders and their families.

As well as making progress on development the financial results were also impressive. The audited profit for the partnership was \$21.5 million, increasing the value of the partnership to almost \$68 million. This figure represents the value that it is estimated the village would fetch in a sale today, but the intention of course is to complete the village and see its value increase to closer to \$100 million on completion of the Aged Care.



By this time the village will be fully mature and produce high levels of distributions to the partners.

While the village is also developing and generally applying proceeds to debt reduction, the past year also saw Pacific Coast pay a total of \$2.5 million to MPBI. A much smaller sum is expected to be paid this year as the Aged Care Facility requires investment, but it is just time until strong cashflows will flow to the partnership.





PACIFIC LAKES VILLAGE

PACIFIC LAKES VILLAGE PARTNERSHIP

Pacific Lakes also continued well with the first 14 units being settled by March, currently 27 houses are occupied today, and a further 50 units presold and under development.

The partnership is being cautious in the pace of development in case the real estate market changes through Covid-19 issues. To date, there has been no evidence of that.

The Lake House, our first community asset has also started and will assist to further drive sales.

The profit for this partnership was satisfactory at this early stage being \$6.6 million for the past year, like Pacific Cost recognising the increasing value of the village, and while most funds are currently being applied to development, the first year's land rental of \$100,000 was paid to MPBI. This year \$200,000 is payable, and this increases by \$100,000 each year.

These sums are exclusive of profits earned by the partnership as the village develops. In time, it is likely Pacific Lakes will increase in value to somewhere in the order of Pacific Coast. Two large assets for MPBI on their land.

One last comment regarding investigations to utilise treated wastewater as discussed at the 2019 AGM. While these investigations are continuing, along with several other environmental initiatives, the cost for this would appear prohibitive at this time. We will update MPBI as we can





PACIFIC LAKES VILLAGE

Media Release

Waste minimisation plans a winner for Pacific Lakes Village

7 September 2020: Plans to set up worm farms and green waste composting has seen Pacific Lakes Village in Mount Maunganui receive a \$10,873 grant from the Tauranga City Council Resource Wise Community Fund.

The annual \$50,000 contestable community fund supports waste minimisation initiatives in Tauranga.

Pacific Lakes Village, currently under development, is one of the newest additions to the Generus

Living Group of retirement villages and the first with a sustainable approach to design.

Central to the village is the creation of its own ecosystem via a series of waterways, fed from rainwater and natural aquifers that will support the regeneration of plant and birdlife. The village community centre, The Lake House, is designed to operate off the grid with its own solar and rainwater recycling systems.

The goal of the waste minimisation project at the village is to design and introduce good waste practices that can be used across the retirement village sector.

“The first step is developing the necessary infrastructure to support behavioural change,” says Generus Living Group director Graham Wilkinson.

“We are thrilled to be working with Tauranga City Council to support its Waste Management and Minimisation Plan. Sustainable awareness is rapidly increasing, but there is still a lot we must do, both as individuals and as businesses. Through this project, we want to empower our senior communities by providing meaningful support and tools.”

The project will include the establishment of worm farms for residential kitchen waste and large-scale green waste composting trials on-site, complemented by an ongoing educational programme and workshops for residents. Sustainable irrigation solutions will also be explored.

There are many other eco-friendly features within the village, including homes pre-wired for solar, electric vehicle charging stations, LED lighting, and community gardens and greenhouses.

Generus Living Group launched its first waste minimisation pilot in October 2019 at its sister village, Pacific Coast, also in Mount Maunganui, with a focus on reducing operational waste to landfill and improving waste management efficiencies.



PACIFIC LAKES VILLAGE

As a result, 100 per cent of landscaping green waste is being diverted from landfill from the extensive 16.2ha property, and glass depositories and battery separation bins have been installed. Considerable work has also gone into finding the best solutions for restaurant and cafe food waste.

“Our Pacific Coast team has fully embraced the operational waste challenge,” says Graham. “The progress made has really demonstrated the impact we can make with simple behavioural changes and decisions.

“As a business, sustainability is important to us, and to our iwi partners Mangatawa Papamoa Blocks Incorporation. We are committed to embedding sustainability into our organisational culture, through a shared vision for a sustainable future and our role as kaitiaki (guardian).”

The Pacific Lakes Village waste minimisation project forms a key part of the company’s sustainability strategy, which focusses on health and wellbeing, nature, energy, water, waste, community, employment, conversation, and innovation.

ENDS

For more information contact Generus Living Group director Graham Wilkinson, phone 021 346 844.

THE LEGEND OF MANGATAWA

Long, long ago, a whale and her baby swam into the Tauranga Harbour. They swam through the entrance, past Mauao (Mt Maunganui) and Te Moutere o Matakana to Te Papa (Tauranga).

They decided to venture further into the harbour, so they swam up past Te Papa and Matapihi toward Maungatapu. Once there, they found the water getting shallower, so they decided to return to deeper water. However, instead of swimming back out through the entrance, they turned and headed into the Rangataua arm of the harbour between Matapihi and Maungatapu.

They struggled over the mudflats of Rangataua, trying to find a way back to the open sea. They knew which direction the ocean lay; they could hear the sound of the waves pounding on to the beach at Omanu and Papamoa. Tired and thirsty, they stopped at 'Karikari' on the eastern shore of Rangataua to drink from a spring. They did not know that the spring was magic and that drinking from the spring would turn them into stone. They began to drink. Suddenly all life departed from them.

They both became fixed with the mother whale gazing northward out to the sea and the baby whale nestled beside her. The father whale came in search of his family. He saw that they had turned to stone. He too, drank from the spring and became fixed behind the mother and baby whale, and is known as 'Kopukairoa'. The mother whale, 'Mangatawa', lies at the southern end of Rangataua Bay with the baby whale, 'Hikurangi', nestled beside her. There is a spring at the base of 'Mangatawa'. Sometimes the water flowing from it is quite white, and it is said to be the milk of the mother whale or 'Te Waiu o te Tohora'. Mangatawa rests there as a guardian of the people of Tauranga Moana and Te Arawa.





**Kia Tau Nga Manaakitanga
Ki Runga I a Koutou Katoa**

Ki a haumaruru te noho.