

OPARAU STATION TRUST



OPARAU STATION TRUST AGM PAPERS 23 March 2024

OPARAU STATION TRUST

Oparau Station Trust

Notice is hereby given of the Annual General Meeting

Saturday 23 March 2024

Onfarm 4267 State Highway 31, KAAWHIA

Registration of proxies, receipt of nomination forms for election of Trustees and updating of shareholder register will commence at 9.30am up to the start of the AGM at 11am.

AGENDA

1.	Mihi & Karakia Timatanga.
2.	Apologies.
3.	Schedule of Proxy Holders.
4.	Minutes of previous AGM - 15 April 2023. Resolution: That the Minutes of the previous AGM are tabled and endorsed.
5.	Annual Report 2023. Presented by Chairperson, Dan Sami & Farm Business Manager, Wayne Townsend. Resolution: That the Annual Report, including the on-farm Report, is tabled and approved.
6.	Annual Financial Statements for year 2023. Resolutions: <ol style="list-style-type: none"> 1. That the Summary Financial Report for the year ending 30 June 2023 is tabled and received. <i>Presented by Chartered Accountant, Steve Gibson, SGCA Accounting</i> 2. That the audited Financial Statement for the year ending 30 June 2023 tabled having been approved and signed off by the Trust. <i>Presented by Auditor, Matt Moir, Hammond & Moir.</i>
7.	Special Resolutions and Treaty Claim Updates
8.	Appointment of Auditor for next financial year 1 July Resolution: That Hammond Moir are retained as the Auditor for the next financial year.
9.	Distribution of Kaumatua Grant

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	<p>The Trust has agreed to a distribution for the year ending 30 June 2023 to those eligible Kaumatua who have attained the age of 65 years, as at 30 June 2022. The amount is \$345 pp.</p> <p>Payment of the grant requires proof of age and a New Zealand bank account into which the monies can be directly deposited.</p>
10.	General Business
11.	Close of AGM – Karakia Whakamutunga
12.	Lunch to follow – Adjourned to Meeting Room in Shearing Quarters

Daniel Sami - Chairperson

daniel.sami@oparaustationtrust.co.nz

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MINUTES OF ANNUAL GENERAL MEETING

Saturday 15 April 2023

Onfarm 4267 State Highway 31, KAAWHIA

Registrations commenced at 9.30am

Hui commenced at 11.00am

TO NOTE:

The COVID 19 Response (Requirements for Entities – Modifications and Exemptions) Act 2020 has provided temporary relief for governance entities who were unable to meet their statutory obligation or obligations in their constitution or rules because of the COVID outbreak.

The provisions of the Act are relevant for Maaori Trusts such as Oparau Station and are designed to help entities affected by COVID 19 restrictions to operate more effectively.

Initially, the Act covered the period 21 March to 30 November 2020 but was extended by Order in Council until 31 March 2022. Sections in the Act that provide temporary relief for entities cover the period from 3 November 2021 to 30 April 2022.

This Annual General Meeting is therefore a combination of two financial years 1 April 2020 to 31 March 2021 and 1 April 2021 to 31 March 2022.

MIHI ME KARAKIA TIMATANGA

Mihi Whakatau – John Pouwhare

Karakia offered by Jan Kewene.

There followed an introduction by those in attendance.

A quorum of eleven (11) shareholders in attendance was achieved.

IN ATTENDANCE

TRUSTEES:

Shareholders: Cathrine Holland, Tame Whitiora, Clint Kewene

Non-Shareholders: Daniel Elms & Daniel Sami.

SHAREHOLDERS IN ATTENDANCE

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Hone Edwards, Leeanne Searancke, Morgan Lee Thorne, Robyn Maikuku, Frank Thorne (left following the introductions with his apologies), Albert Kewene, Chantelle Hemara & John Pouwhare.

NON-SHAREHOLDERS IN ATTENDANCE:

Justin Pouwhare, Steve Gibson, Jan Kewene, Marcus Fletcher, Katia Holland.

AGENDA ITEM 2: APOLOGIES:

The following apologies were received and noted:

Tiriata Thorne, Whaanga Kewene, Te More Whitiara, Dixie Rawinia Whitiara, Shona Searancke, Taungy Searancke, Samuel Searancke, Gerrit Van Tol, Cherie Van Tol, Marilyn McFall, Tahi Donald Mc Fall, Kevin Tane, Karen Tane, Cheree Tane, James Tane, Marilyn Cobb, Kristella Kewene, Hope Kewene, Buddy Pouwhare, Andrew Tane, Jason Tane, Martha Fletcher, Petunia Pouwhare, Thomas Moke, Barbara Moke, Philip Moke, Margaret Ethel Mulligan (Waretini).

Motion: That apologies are received and noted.

Moved: Dan Sami

Seconded: Tame Whitiara

CARRIED

AGENDA ITEM 3: PROXY HOLDERS

Proxies were received from the following shareholders.

Hope Horsley Kewene (by email), Frank Thorne, Marilyn Cobb, Cathrine Holland, Chantelle Hemara.

Motion: That proxy holders are tabled and received.

Moved: Albert Kewene

Seconded: Tame Whitiara

CARRIED

AGENDA ITEM 4: MINUTES OF PREVIOUS AGM held 12 December 2020 in Te Awamutu

There being no matter arising.

Motion: That the Minutes of the AGM held 12 December 2020 are tabled and approved.

Moved: Cathrine Holland

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Seconded: Dan Elms

CARRIED

AGENDA ITEM 5: CONSOLIDATED ANNUAL REPORT for 1 July 2020 - 30 June 2021 and 1 July 2021 - 30 June 2022.

Annual Report presented by the Chairman, Cathrine Holland. Attached report.

Noted:

- Acknowledgement that great to have AGM onfarm.
- Request that 6 monthly onfarm visits are arranged for owners.
- Review of Trust Deed outstanding
- Review of Dividend policy required.
- Investigation into capital raising options to fund investments other than typical finance arrangements.
- Check on public liability insurance.
- Noted that there are other bottom lines to consider; not only the financials; *“that if we take from the land and water, we must give back the equivalent or greater value with the idea that such investments will result in even greater returns for the future”.*

MOTION: That the Annual Report 2020 – 2022 from the Chair is tabled and approved.

Moved: Albert Kewene

Seconded: Clint Kewene

CARRIED

AGENDA ITEM 5: CONSOLIDATED ANNUAL ONFARM REPORT for years 2020 – 2021 & 2021 - 2022

Annual Report presented by Wayne Townsend, Farm Manager

Noted:

- Impacts of drought period late summer and early autumn on beef production
- Cutting of 2 hectares of maize for farm stock.
- Registered first full year of producing our own beef progeny.
- Sheep sales made earlier than usual.
- Consider contrasting of costs against beef and sheep to better understand financial benefits.
- Key result areas – important to keep watchful eye on cattle to sheep ratios.
- Trust to investigate and look at a perspective on forestry as a new potential funding stream. Tree planting on ineffective land

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- Contact to be initiated with Ngaa Whenua Rahui Funders to check on upkeep of conservation areas set aside now that the Covenant has entered its thirteenth (13th) year.
- Important to continue with good farming practices and maintain a watchful eye on the increased introduction of regulations into the farming sector.

MOTION:

That the Annual Onfarm report for 2020/ 2021 & 2021 / 2022 as presented is tabled and received.

MOVED: Dan Elms

SECONDED: Albert Kewene

CARRIED

AGENDA ITEM 6: ANNUAL FINANCIAL STATEMENTS FOR YEAR 2020 / 2021 & 2021 / 2022

Presented by Steve Gibson – Principal from SGCA Accounting, Te Awamutu,

Apologies from Matt Moir – Auditor Hammond Moir, Te Awamutu

Presentation of documents:

- 1) Special Purpose Financial Statements
- 2) Summary Financial Statements for year ended 20 June 2022

Noted:

- There are two (2) months remaining to the end of this current financial year ending 30 June 2023.
- Education Grant is growing comprising \$60K from cashing up of Balance Shares & interest from unclaimed monies.
- The distribution and payment of unclaimed dividends to be considered by the Trust at next Trust meeting. Still being posted as a liability.
- Query as to whether the Trust remains with ANZ. Proposed in short term to reconsider at the end of six months.
- Speech bubbles in Statement is useful.
- Trust Equity year ending June 2021 at \$9,208,767; and as at June 2022 9,341.00

MOTIONS:

- 1) That the Trust conducts a formal review of its banking arrangement with ANZ, within the next six (6) months.

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- 2) That the Summary Financial Report provided by SGCA Accounting Limited is tabled and received.
- 3) That the audited Financial Statement for the two-year period ending 30 June 2022, is tabled as having been approved and signed off by the Trust.

Moved: Tame Whitiara

Seconded: Dan Sami

CARRIED

AGENDA ITEM 7: SPECIAL RESOLUTIONS

Attached three (3) Special Resolutions to be considered:

Agreed action:

- (1) The Trust will conduct a review of the Trust Deed to incorporate / not the proposed amendments to adopt an online / remote AGM incorporating full involvement and entitlement as being physically present at a general or special meeting of the Trust.

Carried: Unanimous decision.

AGENDA ITEM 8: UPDATE ON OPARAU STATION TRUST TREATY CLAIM

Noted:

- Claim 1439 Oparau Station Trust currently sits outside of Waikato Tainui Remaining Claims and therefore the current Deed of Mandate; noting however there is an opportunity for the Claim to be re-integrated back under the Waikato Tainui Mandate.
- Te Ruununganui o Ngaati Hikairo as an Iwi is yet to achieve a mandate to act on behalf of seven (7) other claims that are currently aligned to the Hapuu of Ngaati Hikairo under the mandate of Waikato Tainui; and not as a Ruununga claim.
- Coincidentally, Oparau is currently in discussion with Te Waka Kotahi in respect of a claim to realign State Highway 31 that was the result of a survey blunder by the Crown in which a section of the SH 31 sits on Station land. There have been initial talks of land swaps and compensation paid to the Trust by Te Waka Kotahi. To note, the Trust has engaged the legal firm of McCaw Lewis to represent its interests with Te Waka Kotahi.
- Included in the discussion and because of the survey mishap, our neighbour who crosses through the Station, is landlocked and is seeking direct exit and entry onto State Highway 31. We understand that the re-designation of being landlocked has prevented the neighbours from selling, subdividing, and developing their block.
- The advantages of going with Waikato Tainui is that the Tribe is already “at the table” and therefore it is likely the Oparau claim will be settled sooner. The disadvantage is

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the potential for the Oparau claim to be lost amongst the other claims or leveraged for other larger claims.

- The advantages of a Ngaati Hikairo mandate are unknown and therefore limited. There is no mandate and no seat “at the table” to date. The main disadvantage is that their circumstance could / will slow down the treaty claim process.

MOTIONS:

- (1) That the Trust engages with Waikato Tainui to be included under the mandate of the Remaining Claims, currently in discussion with the Crown.
- (2) That the discussion with Te Waka Kotahi is accelerated immediately in tandem with the Treaty claim with Waikato Tainui, with a view to seeking financial compensation and advantage for the land taken illegally for roading purposes.

MOVED: Dan Sami

SECONDED: Cathrine Holland

CARRIED

AGENDA ITEM 9: ELECTION OF TRUSTEES

The following provisions from the Trust Deed are relevant for the election of Trustees:

- Trustees and no more than nine (9) Trustees “
- Clause 16.4 states that two (2) Trustees will retire, and an election will be held to nominate replacement Trustees.
- Clause 16.6 notes that retiring Trustees are eligible for re – election.

The Trust has determined it will retain a Board of six (6) Trustees noting Clint Kewene is due for rotation and Cathrine Holland is retiring as Chairman and as a Trustee.

Nominations were received as follows:

NOMINEE	PROPOSER	SECONDER
Clint Kewene	Albert Kewene	Vittorio Edwards

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Katia Holland	Cathrine Holland	Tame Whitiara
Justin Pouwhare	Tukotahi John Pouwhare	Robyn Pouwhare Maikuku

MOTION:

- (1) That three nominees, Clint Kewene, Katia Holland, and Justin Pouwhare were duly elected as Trustees to the Oparau Station Trust

CARRIED Unanimous

ADJOURNMENT FOR LUNCH @ 1pm & reconvened at 2pm.

The time being 1pm, the meeting was adjourned, and lunch was served in the Shearing Quarters, prepared by the Kaawhia Maaori Women's Welfare League members.

AGENDA ITEM 10: DISTRIBUTION OF KAUMATUA GRANTS

Noted:

- The Trust has agreed to a distribution covering the two (2) intervening years to those eligible Kaumatua who have attained the age of 65 years as at 30 June 2022.
- The amount is \$345 pp that includes a 15% cost of living adjustment.

MOTIONS:

- 1) That the distribution will also be paid to Kaumatua who are not present, to send payments details through before 30 April 2023 for payment in May 2023.
- 2) That an urgent update of Kaumatua details is undertaken immediately.

MOVED: Albert Kewene

SECONDED: Tukotahi John Pouwhare

CARRIED

AGENDA ITEM 11: APPOINTMENT OF AUDITOR FOR NEXT FINANCIAL YEAR

MOTION:

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- (1) In support of the re-appointment of Hammond & Moir as Auditors for next financial year 2023 – 2024.

CARRIED: Unanimous

AGENDA ITEM 12. GENERAL BUSINESS

Resounding call by shareholders to be able to come back to the Station to re-establish family links with the whenua.

AGENDA ITEM 13: KARAKIA WHAKAMUTUNGA

There being no further matters for discussion the meeting was closed by Tukotahi John Pouwhare at 3.05pm.

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Oparau Station Trust Annual Report 2023

Our Strategy 2019 - 2024

OUR VISION

We are a whaanau based business with a great asset portfolio, using these to achieve maximum returns and to capitalise on future opportunities whenever and wherever they arise.

OUR VALUES

Rangatiratanga Kaitiakitanga Manaakitanga Whanaungatanga

OUR PRIORITIES

- To treasure the land and waters entrusted to us by our tuupuna
- To serve our beneficiaries as a professional Trust whilst honouring our values
- To excel in governance, operational, financial and environmental performance
- To achieve a sustainable business & responsible onfarm practices
- To have a diversified business that supports sustainable returns for beneficiaries
- To engage stakeholders with a focus on whaanau and whenua

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Trustee Changes

First, I want to acknowledge Cathrine Holland (Aunty Cath) for her 14 years of service to Oparau Station Trust. Cathrine was appointed as a trustee in March 2010 and has been the Chairperson since 2015. At last years AGM Cathrine announced her intention to retire as Chairperson, step down from the trust as a trustee and spend more time with her mokopuna. All of Cathrines work and leadership has been invaluable and very much appreciated by the trustees, the trust, the farm and shareholders. E mihi atu nei ko Cathrine.

We welcomed both Justin Pouwhare and Katia Holland as new trustees to the trust after their election at last years AGM. Both Justin and Katia add to the trusts knowledge kete with Justin having a background in civil engineering and Katia a background in law. Nau mai haere mai ki a koorua.

There has also been changes in existing trustee responsibilities. Thomas Whitiora (Uncle Thomas) stepped down from the deputy chairperson position in June last year but will stay on as a trustee. Trustees elected Daniel Elms to the role of deputy chairperson and myself to the vacant chairperson's role. Both Dan and I are getting up to speed and have appreciated the guidance from our fellow trustees.

Summary of 2023

The year that was 2023 can be best summed up as a year of consolidation in a challenging economic environment.

- Financially, a return to profit for the farm has been encouraging given the operating environment adding strength to the trusts improving cash and capital positions.
- Returns for lamb and beef are still strong in a historical context but the cost of production have risen markedly in the last three years.
- Inflation has impacted costs for everyone as the cost of living continues to make headlines, at an on an on-farm level, inflation impacts on costs is tracking closer to 10%. In short, this means that farming is being impacted by rising costs more than the average person.
- This is largely due to larger increases in fertiliser, animal health products and fuel with the latter being a key to running a farm – there is a cost to getting everything either to or from a farm. Cropping is a good example of this where the cost of growing feed crops, in general, has increased by around 50% in the last three years due to rises in contractor costs, seed, fertiliser, chemicals etc.

Overall, the signals are that current pricing will continue for the next 12-18 months so the focus will be on improving production in a cost-effective manner.

Onfarm Wayne (Townsend) has managed the farming operations and has worked with the trust to best identify opportunities for improvement and growth while also advising on, managing and mitigating onfarm risks.

Establishing a forestry programme for identified ineffective land blocks had been a focus. A staged approach to the establishment of forestry blocks over the next 3-4 years is being implemented with a balance of exotic and native plantings. This year (2024) we will be planting 22.5 hectare of Pine trees bringing total Pine forestry blocks up to 46 hectare. The objectives of the forestry programme is to

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put ineffective land to work and add a long term revenue stream to the farm via the emissions trading scheme (carbon credits).

Looking Forward

Onfarm

A steady as she goes approach is being taken for onfarm beef, sheep, cropping and forestry operations. The output of the engagement of AgFirst's review of the current farm operation and our overall system will be reviewed to identify where we can make change and improvements.

A better understanding of funding avenues both from local and central government agencies will be looked into to help fund and grow our forestry programme objectives.

Governance

As reported in last years annual report there is an outstanding action relating to Payment of Unclaimed Shareholder Dividends. A resolution to this action will be a focus for the trust in 2024.

A review of the current Trust Deed is still outstanding. The Trust will conduct a review of the Trust Deed to incorporate changes agreed at last years AGM in 2024.

Updates and finalisation to trust policies relating to dividends, education grants and trust assets will also be conducted.

A clear message at last years AGM from shareholders was to enable shareholders to return to Oparau to renew connections with the whenua. The trust will be looking to make this happen in 2024 and into the future.

Progress and providing an update on the Waitangi Treaty Claim #1439 and related SH31 alignment issues.

Final Thoughts

Thank you to Wayne (and whaanau) and Lance (Dawson) for all their hard work on farm and for looking after our whenua. Thank you to my fellow trustees for their effort and commitment over the year.

I am extremely honoured to take on the role of chairperson and am optimistic of what lies ahead for the trust and its shareholders.

Mahia te mahi

Pai Marire

Daniel Sami – Chairperson

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On Farm Report Year Ending June 30 2023



BEEF

Although total sales of 350 head of cattle were down on previous years the average head price was up to an average of \$1234.00 per head as more cattle had been sold off over the previous 2 dry summers. This left room for some of the cattle ground to go into Maize Grain.

With such a wet summer stock where in very good condition going into winter and that showed in the calf weaning rates on an average up 20kg per weaner and no need to get extra feed to feed the capital stock or use extra Maize Silage.

SHEEP

The sheep sales have stayed pretty flat on previous years with 1050 head being sold this year at an average price of \$100.25 back on last years average but pretty much the same as 2021-year average price per head.

Looking forward to next year a change of breed for the sheep coming with 16 Wilshire Rams being purchased to go over the Ewe Flock. Plan to have fully shedding sheep in 5 years' time.

Postives:

- No shearing
- No crutching
- No dagging

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- No dipping
- Happy Days!!! Time to go fishing 😊

MAIZE

The 2022-2023 year for Maize was great Maize area was lifted from 51 hectares to 71 hectares so up 20 more hectares than previous years and grain prices were also up on all other years – Highest grain price I've ever seen. But Fertiliser and Fuel costs were up which lifts the expenditure for the input costs of the grain

With the wetter summer than normal the Maize yield was still good at 13tonnes per hectare average. 1 tonne over our budgeted average.

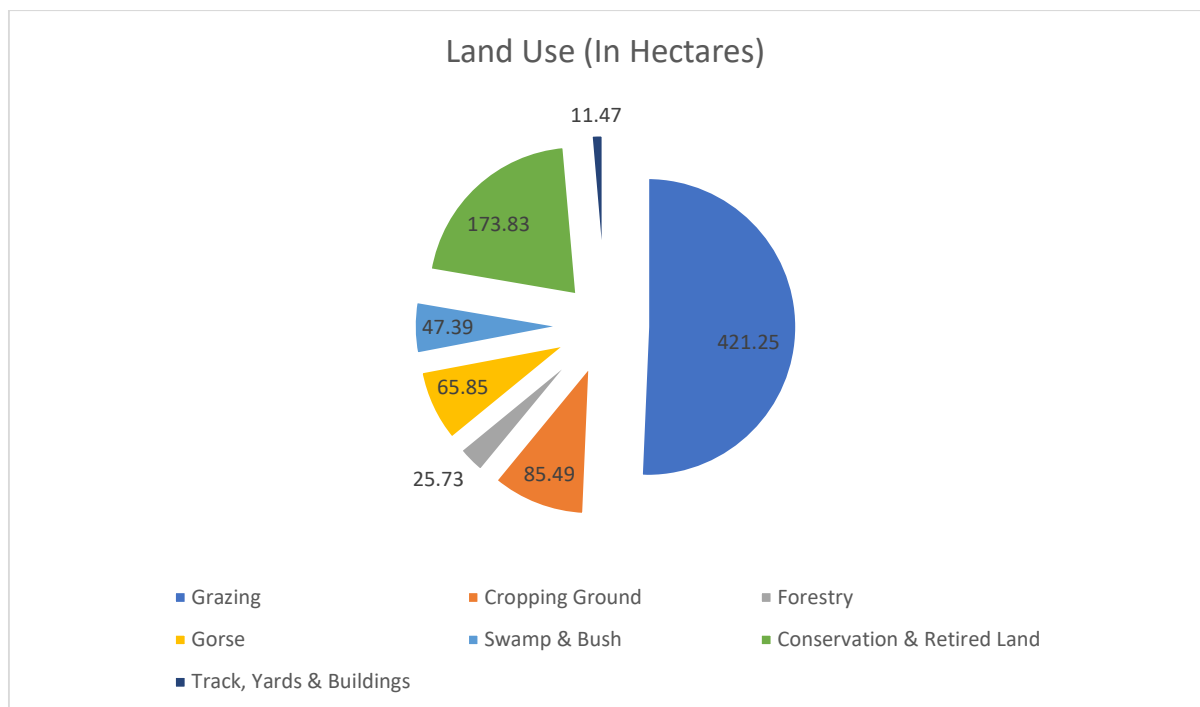
Maize return was good at \$2745.00 per hectare profit with all expenses off.

FORESTRY

Not much has changed this year with the forestry, still with 22 hectares of young pine trees and 2.4 hectares of older mature pine trees.

Planning forward we are looking at putting more of the lower producing land into forestry the next financial year to reduce spraying costs over the next few years on gorse control.

CURRENT LAND USE



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2023 STOCK RECONCILIATION

STOCK NUMBERS

Cattel 749 Sheep 1098

STOCK VALUE

Cattle 854,195 Sheep 188,129

KEY POINTS 2023

POSITIVES:

- Change to Wilshire sheep
- Stronger beef prices
- Higher Grain sales price
- Wetter Summer

NEGATIVES:

- Higher Fertiliser costs
- Higher fuel costs
- Falling lamb schedule

PLANNING GOING FORWARD

- More forestry to be planted
- Zero out carbon footprint
- Finish farm environmental plan
- Look at biodiversity
- Seek out more business opportunity's

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Financial Report- For the year ending 30 June 2023

Farm Operations

The main income area of the farm produced the following results

	2023	2022	
	\$	\$	
Beef Cattle	424,429	415,806	
Sheep	111,626	121,229	
Maize	194,964	49,480	
Other	<u>34,431</u>	<u>32,048</u>	
	765,450	618,563	Up by \$146,887

Farm operating Expenses	473,013	457,041
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Increase in R & M	13,000
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Pasture	20,000
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Less in Feed (ex maize)	15,000
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Admin Expenses	114,788	102,856
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Increase Trust meetings	7,000
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Insurance	4,000
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Audit	4,000
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Less farm advice	5,000
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Operating Profit	\$177,648	\$58,667
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This is a very good result and is pleasing to see the trust make this sort of money. While the maize shows a very strong result from the previous year it is important to consider all income lines and continues to show the value of diversification of income streams.

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It is also pleasing to know that this is all done without having to use anyone else's (like the bank's) money. There is a small cost of interest for a short period of going into overdraft while the maize planting and growing costs are funded.

Although at times it is frustrating to know that there is not money readily available to develop and grow business opportunities. Operating a farm with no debt certainly shows value when we are in high interest rate times like we are presently.

The Trustees and Wayne have done a very good job of controlling costs in an environment where farm cost inflation is a constant pressure.

Balance Sheet

The strong financial result from this year builds on previous years efforts and leaves the trust in a position to be able to fund its own operations and build up some cash reserves to cover less profitable years and seek opportunities that may come along.

Assets	2023	2022
Bank Balances	516,249	333,741
Stock	1,042,324	999,160
Other		
Property, plant and Equip	<u>10,572,165</u>	<u>8,120,582</u>
	12,244,238	9,481,889
Liabilities		
Taxes	65,000	2,500
Accounts payable	92,584	83,388
Unclaimed Distributions	48,913	48,913
Other	<u>1,273</u>	<u>54</u>
	207,770	134,855
Trust Equity	\$12,036,468	\$9,347,035

The Trust is in a very strong financial and Equity position and is a good base for the present and future trustees to use as a base to achieve their strategies.

Steve Gibson CA

Trust Accountant

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PROXY FORM

ANNUAL GENERAL MEETING 2023

IN THE MATTER of the Annual General Meeting of the Oparau Station Trust to be held at the Shearing Shed of the Oparau Station on Saturday 23 March 2024 and any adjournment thereof:

APPOINTMENT OF PROXY

I (Print Name)

being an owner or the person whose name is entered on the share register as a shareholder / owner in the Proprietors of Oparau Station Trust, **APPOINT** as my proxy at the above meeting and any adjournment thereof:

PROXY <i>Insert name</i>	
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HOW I WISH TO VOTE

Delete one of the following options:

My proxy will have authority to vote as he/she thinks fit.

OR

My proxy will vote in accordance with my direction.

WRITTEN CONSENT

DATED day/month/year.	
Full name of Shareholder	
Signature of Shareholder	

In presence of:	
Full name of Witness	
Signature of Witness	

Address:	
Occupation:	

This proxy form when completed, to be handed in by the Proxy holder to the Registration Desk from 9.30am up to the commencement of the meeting at 11am.