

PAROA TRUST

MINUTES FROM THE ANNUAL GENERAL MEETING HELD AT THE MOHAKA
MARAЕ ON 20th SEPTEMBER 2003 COMMENCING AT 10.25 AM

1. **KARAKIA:**

M Albert

2. **MIHI:**

C K King, H Hokianga and M McDermott

3. **PRESENT:**

L McDonnell (Chairman), M McDonnell, G Pomana, D Aramakutu, W Hodges and A Culshaw-Kaisa (Trustees), A O'Connor (Farm Manager), H Collier (Secretary/Consultant), S Mathews (Auditor) and about 75 beneficiaries and guests.

4. **APOLOGIES:**

L Joe, J Hawkins, R Paku

9/03/01 **It was resolved** apologies be accepted

Moved: A Hawkins
Second: P Edwards
CARRIED

5. **MINUTES:**

9/03/02 Minutes from the previous Annual General Meeting held on 14 September 2002 were read and **it was resolved** they be adopted as a true and correct record.

Moved: W Hodges
Second: M Farmer
CARRIED

6. **MATTERS ARISING:**

Mohaka Marae Donation

Mr C King explained progress with building the ablution block had been slower than expected. Planning and preparatory work was ongoing as was fundraising.

W Hodges explained Paroa's donation was made on the understanding work would begin immediately. Work had not started as soon as the trustees expected and hence the Paroa trustees had queried the delay.

Education Grants

A Gemmell proposed the trustees formulate a policy for Education Grants. This would allow shareholders to understand what was available.

The chairman replied no policy was in place. Priority was on farm development. Education grants were paid as funds were available. In the past these payments had been for minimal amounts only.

Dividends

H Hokianga asked when Paroa would pay dividends. He noted the issue was raised 3 years ago and he wanted to see what was to be paid. He also suggested Paroa trustees send AGM Reports to all beneficiaries. He supported the trustees donation to the marae.

Operating Policies

A Gemmell asked what the trusts operating policies were.

The chairman explained distributions were Age Grants and Marae Donations. These were decided by the Trustess annually. Otherwise priority was to fully develop the farm.

W Hodges commented Paroa did not have a Putea Fund. Such a fund would be used to pay grants and donations. He added many beneficiaries would have uneconomic dividends. A Gemmell proposed an Annual Statement of Intent provided to beneficiaries would clarify confusion about distributions and donations.

T Pere suggested small shareholdings be consolidated. This would minimise uneconomic shareholdings.

7. ANNUAL REPORTS:

The secretary and the auditor presented the Annual Reports.

The result for the year was a loss of \$223,352.

Gross Income	\$228,024	\$519,160
Expenditure	<u>\$451,376</u>	<u>\$402,383</u>
Result	(\$223,352)	\$116,778

- ⊙ The result reflected a collapse in beef prices. This affected the value of stock on hand and squeezed trading margins.
- ⊙ Cattle Account had a loss \$36,497, down from \$317,285 last year. Cattle numbers were down at 491 hd. The average sale price was \$843/hd compared with \$1,153 last year.
- ⊙ Sheep Income was \$196,465, an improvement on \$180,099 in 2002. Numbers were up by 996 hd at 4396. The average sale price was \$66.10. Lambing was up at 142%.
- ⊙ Wool Income was \$51,453 from 17,762kg.
- ⊙ The Grape Income was \$17,178. The loss was less than the \$28,586 loss in 2002.
- ⊙ Expenditure was \$451,376 up on \$402,382. Features were:

Weed Control	\$44,066
Fencing	\$25,794
Fertiliser	\$70,331

Total Assets were valued at \$2,537,706 with debt at \$303,122.

- ⊙ Development – Paroa has a total area of 1628ha. About 700ha is developed. At present 140ha is being fenced following a spray program last December. This development was part of the Trustees current Management Plan.
- ⊙ The Hawkes Bay Regional Council (HBRC) had prepared an Environmental Plan. This included erosion control and aesthetic issues. Tourism and Recreational landuse opportunities had also been noted in this plan.
- ⊙ Pahauwera Society – A Gemmell suggested Paroa seek representation on the Society. He thought Paroa would bring valuable business expertise, to the Society.

9/03/03 **It was resolved** the Annual Report be adopted.

Moved: E Hohipuhia
Seconded: P Edwards
CARRIED

8. **GENERAL BUSINESS**

Wainohu Land

R Wainohu questioned how the Wainohu land became part of Paroa. He noted Paroa had about 51,000 shares. The total number of shares owned by the Wainohu family was about 20,000 shares. He asked when the Wainohu family would see the benefits from the land included in Paroa.

The chairman replied the benefit was the land was part of a larger operation that was trading successful.

R Wainohu asked when the Wainohu land could be partitioned from the Trust.

The chairman said that was up to the Wainohu family. The costs involved could be significant. It was up to the Wainohu family to apply to the Maori Land Court.

R Wainohu asked whether the Trustees would buy the Wainohu shares. The chairman accepted this was possible.

Moe-Hiwi Cooper commented the Wainohu family could apply to the Maori Land Court to partition their land from Paroa.

W Hodges stated he was part of the Wainohu family and did not want to pull his shares from Paroa. He and his family accepted the decision of their parents to put the land into Paroa.

Cottages

L Pere asked whether Shavers Cottage could be identified.

The chairman explained its location and confirmed it was owned by Paroa. The mechanism by which this land was included in Paroa was then questioned. After some further discussion it was agreed this be addressed to the secretary in his office.

Papakaiinga

There was no papakainga in Paroa.

Hokianga Estate

H Hokianga commented on a number of matters relating to the Hokianga land including an attempt to build a house on their land and survey and registration of the urupa.

Variation of the Trust Deed

The secretary explained a proposed variation of the Trust Deed. The purpose was to allow for the orderly appointment of proxies and nominations of trustees. The trustees wanted to streamline the election process. Prepared voting forms requiring beneficiaries to tick their preferred candidates was given as an example.

9/03/04 **It was resolved** the Resolution to vary the Trust Deed with respect to the appointment of proxies and trustees be approved.

Moved: W Hodges
Seconded: W Ruiwhiu
CARRIED

