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24 December 2014

Mr Tim Castle
PO Box 10048
WELLINGTON

RE: Māori Fisheries Act (2015) Review

Tēnā Koe Tim,

Thank you for the opportunity to meet with you over the last few months as you conduct your Māori Fisheries Act (2015) review of the governance arrangements of the Māori Fisheries Settlement structures and the restrictions on the sale of settlement assets (as this relates to Aotearoa Fisheries Limited) as outlined in the terms of reference.

Attached is a report from Aotearoa Fisheries Limited of the key items that we believe should be brought to your attention as you conduct your review.

We would be pleased to discuss further any aspect of the report with you as required.

Heoi anō ra,

Whaimutu Dewes

Aotearoa Fisheries Limited Māori Fisheries Act (2015) Review Comments for the Reviewer

Aotearoa Fisheries Limited (AFL) believes there are five key areas that need to be brought to bear in the review of the governance arrangements of the Māori Fisheries Settlement structures and the restrictions on the sale of settlement assets as outlined in the Māori Fisheries Act (MFA) and its effect on AFL and its shareholders.

This paper outlines and discusses five key areas. These are:

1. Control vote
2. Governance
3. Capital structure
4. Assets transfer
5. The role of Te Ohu Kai Moana Trustee Limited (TOKM)

We also comment briefly on a potential AFL structure change previously proposed by others.

1. Control Vote

AFL's share structure and the rights attached to each share class are covered in Part C of AFL's constitution. The provisions of the Constitution mirror the relevant sections of the MFA.

AFL has two classes of shares, Voting Shares and Income Shares. TOKM is the sole holder of Voting Shares and must retain control of all Voting Shares.

Income Shares are issued to TOKM and Iwi Asset Holding Companies (AHC) in accordance with the MFA. TOKM has 20% of the Income shares, the 80% balance is apportioned to Iwi. A list of the Income shareholdings is attached at Appendix A.

The MFA states that TOKM must hold at least 20% of the Income Shares issued at any time.

1.1 Rights of Voting Shares

TOKM has the right to:

- Appoint and remove Directors
- Appoint and remove the Chair
- Receive and comment on AFL's draft business plan
- Approve AFL undertaking activities outside the seafood sector

As the sole holder of the Voting Shares TOKM also has the sole right to vote on any resolution to:

- Alter the constitution
- Approve a substantial transaction
- Approve an amalgamation
- Put AFL into liquidation
- Appoint the board of directors

A substantial transaction is defined as a transaction that would:

- Be a substantial transaction under the Companies Act
- Involve the acquisition or sale of assets that would either:
 - change the fundamental nature of AFL's business or,
 - have a gross value in excess of 50% of shareholder funds with an unrelated party or,
 - have a gross value in excess of 5% of shareholder funds with a related party

These rights are typical of those exercisable by ordinary shareholders in most companies in New Zealand and overseas.

The Voting Shares have no rights to vote on a resolution to appoint an auditor, to change the rights attaching to Income Shares, or on a non-binding resolution of Income Shareholders.

Voting Shares do not confer any rights to dividends or other distributions, these are only able to be received by Income shareholders.

1.2 Rights of Income Shares

AHC's and TOKM, as the holders of Income Shares, are entitled to vote on any resolution to:

- Appoint an auditor
- Approve a change to the constitution that affects the rights of Income Shareholders
- Approve the taking of any action by AFL that affects the rights attached to Income Shares
- Approve a non-binding resolution of Income Shareholders

Income Shareholders have sole rights to dividends or other distributions.

1.3 Effect of Share Structure

TOKM, as the sole holder of Voting Shares, and through its sole right to appoint and remove Directors, has effective control of AFL.

Previous examples of the exercise of the control voting rights include:

- Approve capital expenditure at Prepared Foods to increase pouch meal production
- Make various changes to the AFL Board
- Amend the Constitution in 2010 with respect to restrictions on Directors who are also directors of Sealord.
- Decline the approval of increased shareholding in Sealord Group Limited.

There is no requirement for TOKM to consult with, or otherwise involve, the Income Shareholders when exercising its rights as the sole Voting Shareholder.

The AHC's have no control over AFL other than indirectly through the indirect appointment of Directors to TOKM.

Communications with AFL shareholders have indicated that a major ramification of the current share structure is that there is a significant weakening of commitment to AFL, and while Iwi receive AFL dividends they essentially view AFL as a passive investment. The sentiments of alienation through disempowerment appear to be pervasive among AFL Income shareholders. There does not seem to be any direct link to the size of Income shareholding. Although the impact of the progress the respective Iwi have made in their comprehensive claims under the Treaty of Waitangi Act is probably relevant, AFL observes that the lack of affiliation is a general one and worth considering in its own right.

In conjunction with this, Iwi have no formal avenue for input on the strategic direction of AFL, and as they have no direct involvement in the governance of AFL, the observed result is disinterested shareholders. This in turn creates an environment where Iwi are comfortable transacting business with AFL competitors, that not only hampers AFL growth but also undermines collective Iwi access to optimising long term opportunities in assets that they already own.

There is a clear need to bring Iwi along with AFL as AFL works on implementing its strategic direction. Iwi shareholders hold the key to AFL's future growth through access to capital, Annual Catch Entitlement, people, ideas, and support for initiatives at a national and local level on matters ranging from fisheries management to engagement with local communities. Equally Iwi can benefit from access to AFL's scale, expertise, infrastructure, customers, and markets.

1.4 Changes in Control Vote

A number of options exist for moving AFL toward a structure with greater involvement of all shareholders in decisions normally reserved for shareholders.

A move to a conventional capital structure is the option most likely to achieve the aims of the settlement and create the optimum balance of Iwi ownership and engagement with AFL. This could be achieved by an amalgamation of the rights of Voting Shares and Income Shares into a single Ordinary Share class, issued in proportion to Income Shareholdings, with standard Company's Act rights attaching to the Ordinary Shares. Assuming TOKM remained at their existing 20% of Income Shares, Shareholdings would range from TOKM at 20% followed by Iwi shareholdings the largest at 12.63% (Ngāpuhi Asset Holding Company Limited) through to 0.06% (Ati Awa Ki Whakarongotai Holdings Limited).

The top 10 Iwi AHC Income Shareholders account for 55.04% of the votes. These top 10 are:

	%
Ngāpuhi Asset Holding Company Limited	12.63
Ngāti Porou Seafoods Limited	7.49
Kahungūnu Asset Holding Company Limited	6.30
Waikato Tainui Fisheries Limited	5.48
Ngāi Tahu Fisheries Investments Limited	4.89
Te Arawa Fisheries Holding Company Limited	4.77
Ngāti Tuwharetoa Fisheries Holdings Limited	4.03
Te Kupenga o Maniapoto Limited	3.63
Tuhoe Fish Quota Limited	3.50
Raukawa Ki Te Tonga AHC Limited	2.32

A material transaction as defined in the Companies Act needs to be dealt with by special resolution, and would require a majority of 75% of the votes. Despite the spread of relative shareholdings there would be little risk of the larger AHC's taking control of AFL, given constraints on share transfers, TOKM's 20% holding, and the number of AHC's that would need to act together to reach a 75% vote.

The top 10 Iwi AHC Shareholders (excluding TOKM) could not approve a material transaction without the support of the other shareholders. In reality however, the presumption would be that if a transaction was beneficial to the top 10 Iwi shareholders it would be beneficial to the other shareholders. Other combinations of shareholdings include:

- TOKM and the 4 largest AHC's would hold 50%
- TOKM and the 10 largest AHC's would hold 75%
- The 9 largest AHC's would hold 50% without TOKM
- The 32 largest AHC's would hold 75% without TOKM

The ICP is an exemplar case where larger Iwi such as Ngāti Porou, Te Arawa and Ngāti Tuwharetoa have combined with smaller Iwi to work collaboratively for the wider good.

Removal of the requirement that TOKM must always hold 20% of the Income shares would allow TOKM to dilute and not have to meet capital contribution calls.

2. Governance

The AFL Board believes that the AFL director appointment process needs to be transparent, based on merit (defined in an open process and capable of adapting to changes in the internal and external environments), with regular reviews of both Board and director performance.

TOKM, as the holder of the Voting Shares has the sole right to appoint and remove Directors. Up until the last AFL director appointments, TOKM did not have any direct consultation with the AFL Board, public advertising or Iwi involvement in the appointment process of individual directors.

The AFL Board in 2012 engaged Heidrick and Struggles to review the AFL Board competency matrix with the view to then determining the existing capabilities of each director and the Board and any gaps and areas where new directors could add to the strength of the Board.

The review included discussions with AHC's, TOKM and other stakeholders as well as the AFL board and management.

The competencies matrix included the following categories:

Regulatory Compliance

- Independent director
- Qualified designated financial expert
- Legal and company compliance (continuous disclosure)

Required Competencies & Expertise

- Senior management experience (recent)
- Relevant industry experience
- Consolidation/M&A expertise
- Strategy development
- Iwi / Fisheries settlement knowledge
- Company marketing / investor relations

Personal

- Capacity
- Committee expertise
- Ethnic diversity
- Gender diversity
- Geographic diversity
- Age
- Retired

Board Committees

- Audit & Risk
- Remuneration / Nominations
- Health & safety / Environment

A well balanced team that can access the diverse range of skills and experience to pursue the strategic objectives of AFL, and the right individual directors can add real value to AFL which ultimately benefits its shareholders.

On the basis of the Heidrick and Struggles review, TOKM then conducted a transparent, contestable process, recruiting directors in the areas where further expertise was required. Directors were then appointed based on their own individual merits. The AFL Chairman was involved in TOKM's Appointment Committee's decision-making process.

In substitution for the mechanics of a single control shareholder as the appointing body, we recommend an examination of options such as the nominations committee process in listed companies. As a transition mechanism, a shareholders' council function bears some examination to accompany the nominations committee role.

The frequency and content of accountability reports would include a continuation of the quarterly summary (currently to TOKM), half-year full report and annual reports. The addition of the continuous disclosure regime followed by listed companies could also be followed.

3. Capital Structure Flexibility

Under the current AFL capital structure as prescribed in the MFA, AFL is constrained in its ability to seek additional equity from shareholders, and therefore this constrains opportunities for growth.

The share structure removes AFL's ability to pursue a conventional capital raising from shareholders, and effectively allows TOKM a veto on any capital raising from AHC's given the requirement that TOKM must always hold 20% of Income Shares on issue.

The following summarises the various capital raising alternatives of issuing different classes of share capital under the MFA and the difficulties associated with each alternative.

3.1 Voting Share Issue

Technical Feasibility	Commercial Feasibility
<ul style="list-style-type: none"> Further voting shares could be issued to TOKM, however dividends can only be paid on Income shares. 	<ul style="list-style-type: none"> Unattractive to TOKM in the absence of ability to receive dividends. Strategic opportunities constrained to TOKM capacity to provide required capital.

3.2 Income Share Issue

Technical Feasibility	Commercial Feasibility
<ul style="list-style-type: none"> Income shares can only be issued to TOKM or Mandated Iwi Organisations (MIO's). Any issuance must be an offer pro-rata to existing shareholders. TOKM must hold at least 20% of Voting shares. This is applicable post capital raising: i.e. if TOKM does not <ul style="list-style-type: none"> subscribe for its proportionate amount, there can be no capital raising. Any offered but un-subscribed shares are cancelled. Over subscriptions are not possible. 	<ul style="list-style-type: none"> Depending on the size of the additional equity being sought, it may be difficult for TOKM to maintain their required 20% ratio of all Voting shares. Not all Iwi would have either the desire to invest further in AFL, or the financial resources to contribute additional equity.

3.3 Other Ordinary Share Issue

Technical Feasibility	Commercial Feasibility
<ul style="list-style-type: none"> AFL legal advice is that other classes of ordinary shares could not be issued. Whilst not expressly prohibited, their issuance would contravene the spirit of the MFA (if they are neither Voting nor Income Shares). Moreover, if they paid a dividend then they would fall within the definition of Income Shares and be subject to the restrictions noted above. 	<ul style="list-style-type: none"> N/A

3.4 Redeemable Preference Share Issue

Technical Feasibility

- AFL legal advice is that RPS cannot be issued as they are not expressly provided for in the constitution (as required by the Companies Act). Even if they were, by definition they would be Income Shares and subject to the Income Share restrictions noted above.

Commercial Feasibility

- N/A

3.5 Perpetual Preference Share Issue

Technical Feasibility

- AFL's legal advice is that Perpetual Shares could not be issued. Same analysis as for Other Ordinary Shares above.

Commercial Feasibility

- N/A

3.6 Debt Capital: Senior or Subordinated Bonds

Technical Feasibility

- No legislative or constitutional restriction on debt issuances.

Commercial Feasibility

- Would depend on capacity to service further debt on current earnings.

3.7 Transfer Assets to a New Subsidiary

Technical Feasibility

- Transfer AFL operating assets and quota into a new or existing subsidiary which issues capital in exchange for cash to new investors.
- Assets can be sold by AFL into other companies subject to approval from TOKM.
- No restriction on shareholders (i.e. can be non-MIO's)
- No restriction on classes of shares issued by AFL subsidiaries.
- May require OIA approval if substantial foreign investment (due to inclusion of quota).

Commercial Feasibility

- New shareholders could include MIO's or non MIO shareholders.
- Effectively 'selling down' existing shareholding
- Proceeds could be used to retire AFL debt if required.
- Would need to consider whether residual AFL earnings are sufficient to support residual AFL debt.
- AFL Management view: Some Iwi may be in a financial position to contribute but may see such an opportunity as paying to invest in assets they already own. Cash subscribers are therefore likely to be non-Māori.

3.8 Business Combination

Technical Feasibility <ul style="list-style-type: none"> ○ AFL enters into partner/joint venture/merger arrangements with other operators where growth can be achieved by combining businesses. ○ Assets can be transferred to Mergeco/JVco with TOKM's approval. ○ No restrictions on co-investors. ○ MFA aggregation issues may apply if AFL holds less than 50% of JVco / Mergeco ○ OIO approvals may be required for foreign investors. 	Commercial Feasibility <ul style="list-style-type: none"> ○ Provides an opportunity to pursue growth without AFL needing to source further capital itself. ○ Business partners could be Iwi and / or non-Māori. ○ Potential for Iwi investors to contribute quota assets rather than cash. ○ May be less contentious than amending shareholding in AFL directly. ○ Does not result in a reduction of AFL debt. ○ Would need to consider whether residual AFL assets / earnings are sufficient to service existing AFL debt. ○ Management view: Some Iwi may have quota that could be committed. However, they would be legally restricted from transferring the quota outright to another entity and in any event would be reluctant to do so. Iwi could agree to contribute ACE, however commitments cannot be for more than 5 years and Iwi would likely want an annual return.
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3.9 Partial Sell-down of Sealord Shareholding

Technical Feasibility <ul style="list-style-type: none"> ○ Partial sell-down of Sealord shareholding could be achieved by introducing new shareholders. 	Commercial Feasibility <ul style="list-style-type: none"> ○ Inconsistent with AFL's objective of increasing its holding in Sealord. ○ Could enable AFL to reduce leverage. ○ Universe of potential investors likely to be small. Indirect minority holding in a closely-held unlisted entity. ○ Would require approval from Sealord's other JV partner Nissui.
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In summary, addressing control through the Voting Shares as discussed earlier will potentially give extra financial flexibility.

4. Assets Transfer

The fisheries settlement was a full and final settlement of Māori commercial fisheries claims. Both Iwi settlement quota and AFL Income shares can only be sold to other MIO's or TOKM, with the process being complex and costly with a high probability of failing.

4.1 Quota Shares

The MFA allows Iwi to sell or exchange their quota shares with other Iwi. However, while it is possible for Iwi to sell or swap their quota shares, they can only do so by replacing the quota shares with different quota shares of an equivalent value. The need for multi-party negotiations on price and quota specie illustrates practical barriers to execution.

AFL believes that Iwi should be entitled to sell part or all of their settlement quota holdings, so long as the quota was sold to another Iwi or to AFL (so long as AFL remains controlled by Iwi, and if sold, would still retain the eligibility to purchase quota in the future). This will allow Iwi to take economically rational decisions on how they provide for their future generations.

AFL does not believe that Iwi should be able to sell settlement quota outside of Iwi or AFL. The settlement quota is of special significance and should remain within the Iwi/AFL ambit of control.

4.2 ACE

The MFA places a restriction on an Iwi being able to lease their ACE for periods exceeding five years. This restriction limits both AFL and individual Iwi from being able to negotiate the best terms available, when it is possible that Iwi could benefit from being able to lease the ACE for a period exceeding five years. As AFL pursues its fishing fleet renewal with fishers, by not being able to negotiate long-term ACE leases with Iwi restricts AFL's ability to enter into financing arrangements with fishers in certain geographical areas. The lease restriction also prevents Iwi from participating in the fishing vessel ownership and financing plan. This is because they are unable to commit the ACE to AFL for more than five years resulting in banks unwillingness to lend unless there is a long-term catch plan.

4.3 AFL shares

The MFA allows Iwi to sell their shares in AFL, however the process as prescribed in sections 69 and 70 of the MFA makes it complex and difficult for Iwi to work through the process. AFL is of the opinion that if Iwi have decided to dispose of the shares in accordance with their own constitutional documents, then the sale process should be straight forward as possible and should not require public notification. With the addition of AFL as a purchaser, and a purchaser of last resort, a surrogate market mechanism would emerge to provide price tension and assist Iwi to obtain satisfactory results. The ability to re-acquire would also preserve future generations' optionality.

5. Role of Te Ohu Kai Moana Trustee Limited

TOKM is the national voice for Māori in fishing, seafood and aquaculture related matters. AFL is of the opinion that this is a key function in order to protect and enhance the interests of Iwi in fisheries, fishing and fisheries related activities, as outlined in section 35 of the MFA. AFL believes that there would be a void if there was no TOKM, and that a substitute organisation would inevitably end up evolving in its place.

TOKM is therefore in the best position to provide policy and fisheries management advice and recommendations to Iwi and the wider Māori community. TOKM currently employs experienced, knowledgeable and well respected fisheries specialists. Therefore TOKM is the best entity that can represent and work with all Iwi to achieve responsible management of the fisheries assets and protect the settlement from any adverse effects of government initiatives that may diminish Iwi's settlement assets.

While AFL has an interest in fisheries matters, AFL's perspective is from a commercial point of view and not necessarily from a Treaty of Waitangi fisheries settlement perspective, including Māori customary fishing rights and other non-commercial dimensions.

In this regard, AFL firmly believes that there is a distinct on-going role for TOKM to act to protect and enhance the interests of Iwi and Māori in fishing and fishing related activities, and Iwi and Māori interests are best provided by splitting the commercial and non-commercial interests. Nevertheless, TOKM and AFL work together co-operatively on matters where there are common interests.

6. Māori Fishing Industry Structure

Alternative models have been proposed which would substantially change the structure of AFL and in particular the ownership of quota.

One particular proposal advocates transferring the entire quota package currently owned by AFL into three separate trusts (Inshore, Lobster and Pāua). Under this proposal the quota trusts would be governed by separate boards appointed directly by Iwi. AFL would have no automatic right to the ACE, but would compete with others for the ACE. This is different to the current situation where AFL derives ACE from the quota that it owns.

While AFL agrees that it must demonstrate that it has the capability and capacity to do an excellent job in managing the assets under its stewardship on behalf of its shareholders, to merely alter the access rights to quota utilisation will do more than the theoretical economic efficiency driver aimed at. It will re-orient the asset tenure toward quota owners compared with total enterprise owners. One high probability outcome, as a result of the skewed incentives is that AFL would become a toll processor and other competing companies, who retain the ability to create added integration value, would eventually take away the valuable quota bundles. That would strand the Iwi shareholders' value in AFL with no avenue to realise or rebuild it.

7. Summary

In summary, AFL is of the opinion that for AFL to be the investment medium of choice for Iwi, to maximise the value of Māori fisheries assets, and to continue to be a sturdy fisheries and seafood business that delivers growth to Iwi in shareholder wealth, there needs to be a thorough examination and change of the following functions:

- Control vote - transferring the control vote to the beneficial owners; and
- Governance - transparent, contestable, representative of shareholder, appointments of governors based on merit; and
- Capital Structure - conferring flexibility on capital formation; and
- Assets Transfer- ability to more easily transfer ACE and AFL shares;

From the changes that would therefore emanate, AFL is confident that Iwi will secure an efficient and effective structural organisation of those functions for sustainable, future growth.

**Ehara taku toa i te toa takitahi,
Engari te toa takitini.**

APPENDIX A: AFL's Shareholders

The following is a listing of AFL's shareholders.

Voting Shares

	Number of Shares	% of Total Shares
Te Ohu Kai Moana Trustee Limited	125,000	100%

Income Shares

	Number of Shares	% of Total Shares
Te Ohu Kai Moana Trustee Limited <i>(Note1)</i>	53,610	21.44%
Ngapuhi Asset Holding Company Limited	31,582	12.63%
Ngāti Porou Seafoods Limited	18,732	7.49%
Kahungunu Asset Holding Company Limited	15,748	6.30%
Waikato-Tainui Fisheries Limited	13,702	5.48%
Ngai Tahu Fisheries Investments Limited	12,220	4.89%
Te Arawa Fisheries Holding Company Limited	11,936	4.77%
Ngāti Tuwharetoa Fisheries Holdings Limited	10,078	4.03%
Te Kupenga o Maniapoto Limited	9,086	3.63%
Tuhoe Fish Quota Limited	8,754	3.50%
Raukawa Ki Te Tonga AHC Limited	5,800	2.32%
Te Atiawa (Taranaki) Holdings Limited	4,166	1.67%
Pare Hauraki Asset Holdings Limited	4,012	1.60%
Ngāti Awa Asset Holdings Limited	3,902	1.56%
Ngāti Whatua Fisheries Limited	3,862	1.54%
Te Waka Pupuri Putea Limited	3,534	1.41%
Ngai Te Rangi Fisheries AHC Limited	3,078	1.23%
Whakatohea Fisheries Asset Holdings Company Limited	2,976	1.19%
Whanganui Iwi Fisheries Limited	2,880	1.15%
ROTAB Investments Limited	2,666	1.07%
Te Aupouri Fisheries Management Limited	2,406	0.96%
Ngāti Kahu Fisheries Limited	2,134	0.85%
Ngāti Ranginui Fisheries Holding Company Limited	1,952	0.78%
Taranaki Iwi Fisheries Limited	1,768	0.71%
Ngāti Ruanui Fishing Limited	1,672	0.67%
Ika Toa Limited	1,532	0.61%
Te Urungi o Ngāti Kuri Limited	1,426	0.57%
Te Aitanga a Mahaki Trust Asset Holding Company Limited	1,326	0.53%
Ngatiwai Holdings Limited	1,212	0.48%
Rongowhakaata Iwi Asset Holding Company	1,098	0.44%
Rangitane o Te Ika a Maui Limited	978	0.39%
Te Pataka o Taranaki Limited	968	0.39%
Ngaruahine Fisheries Limited	964	0.39%
Ngāti Apa Asset Holding Company Limited	724	0.29%
Te Kumukumu Limited	668	0.27%
Whaingaroa Fisheries Company Limited	600	0.24%

Te Atiawa Asset Holding Company Limited	578	0.23%
Atiawa Nui Tonu Fisheries Limited	518	0.21%
Maruehi Fisheries Limited	486	0.19%
Ngāti Manawa Tokowaru Asset Holding Company Limited	462	0.18%
Te Hoiere Holding Company Limited	372	0.15%
Rangitane Holdings Limited	370	0.15%
Ngāti Pukenga Iwi Fish Holdings Limited	366	0.15%
Ngai Tamanuhiri Asset Holding Company Limited	356	0.14%
Ngāti Mutunga o Wharekauri Asset Holding Company Limited	334	0.13%
Te Patiki Holdings Limited	306	0.12%
Muaupoko Trading Company Limited	280	0.11%
Ngāti Maru (Taranaki) Fishing Limited	268	0.11%
Koata Limited	260	0.10%
Ngāti Rarua Asset Holding Company Limited	238	0.10%
Ngāti Whare Holdings Limited	206	0.08%
Ngāti Apa Ki Te Ra To Assets Holding Company Limited	192	0.08%
Tama Asset Holding Company	184	0.07%
Hokotehi Settlement Quota Holding Company Limited	176	0.07%
Ngaitakoto Holdings Limited	150	0.06%
Ati Awa Ki Whakarongotai Holdings Limited	146	0.06%
	250,000	100%

Note (1): The Te Ohu Kai Moana Trustee Limited ownership percentage represents TOKM's own 20% shareholding and the 1.44% on trust awaiting final settlement of two MIO's.

APPENDIX B: Information Supplied to the Reviewer

The following material was previously supplied to the Reviewer:

• Aotearoa Fisheries Limited – Historical financial information	9 October 2014
• Sealord Group Limited – Historical financial information	15 October 2014
• AFL 2014 Year in Review	4 December 2014
• Redeemable Preference Shares	8 December 2014
• AFL 2014 Financial Performance	17 December 2014
• Inshore Performance summary	17 December 2014

APPENDIX C: Meetings with the Reviewer

The following meetings between the Reviewer and either the AFL Chairman and or AFL management representatives have taken place:

- Friday 3 October 2014, at AFL offices
- Monday 1 December 2014, at TOKM offices
- Thursday 11 December 2014, at AFL offices

APPENDIX D: Glossary of Acronyms

The following abbreviations have been used throughout this report:

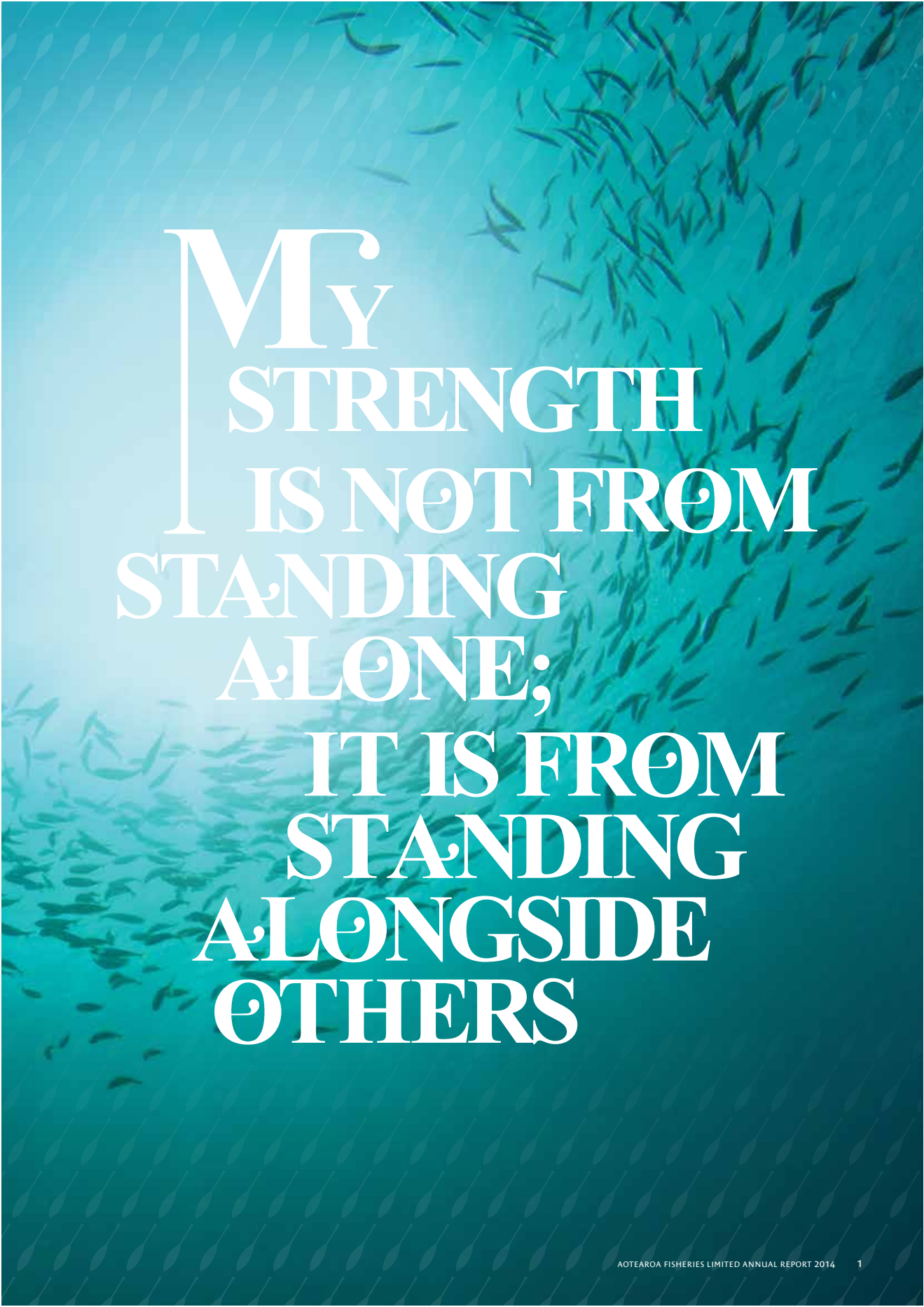
• ACE	Annual Catch Entitlement
• AFL	Aotearoa Fisheries Limited
• AHC	Asset Holding Company(ies)
• MFA	Māori Fisheries Act 2004
• MIO('s)	The 57 Mandated Iwi Organisations
• TOKM	Te Ohu Kai Moana Trustee Limited

TE HARA, TAKU TŌA, ITE TŌA, TAKITAHU

2014 ANNUAL REPORT



PŪRONGO A TE TIAMANA	2	CHAIRMAN'S REPORT
PŪRONGO A TE TUMUAKI	4	CEO'S REPORT
AFL INSHORE	10	AFL INSHORE
PREPARED FOODS	12	PREPARED FOODS
AFL AQUACULTURE	14	AFL AQUACULTURE
SEALORD GROUP LIMITED	16	SEALORD GROUP LIMITED
OCEANZ BLUE	18	OCEANZ BLUE
HE HAERENGA MAURI ORA	20	A SUSTAINABLE JOURNEY
HEI WHAKĀPOPOTO	22	IN SHORT
NGĀ HONONGA TALITOKO	27	KEEP CONNECTED
RĀRANGI TUMU	30	BOARD OF DIRECTORS
WHAKAHAERENGA RANGATŌPŪ	32	CORPORATE GOVERNANCE
NGĀ ĀPIHA WHAKAHAERE	34	EXECUTIVE TEAM
KUPU TAKA O TE PŪNAHA WHAKAHAERE ROHEROHENGA	36	QUOTA MANAGEMENT SYSTEM TERMINOLOGY
NGĀ WHAKATUTUKINGA WHAKAHARAHARA	37	PERFORMANCE HIGHLIGHTS
TUAKI PUTEA	38	FINANCIAL STATEMENTS
RĀNGI KUPU MĀORI	92	GLOSSARY OF MĀORI TERMS
PUKATAKI RANGATŌPŪ	94	CORPORATE DIRECTORY



MY
STRENGTH
IS NOT FROM
STANDING
ALONE;
IT IS FROM
STANDING
ALONGSIDE
OTHERS

CHAIRMAN'S REPORT:

STRENGTH IN PARTNERSHIPS

\$32.2 M
PAID TO TWI
TO DATE



HE TOA TAKITINI

HUANGA PŪTEA Ā TE KĀHUI

He pai te whanonga o Aotearoa Fisheries i te tau nei – i ngā wāhanga katoa, ā, ko ahau hei māngai mō te Ohu Whakahaere me ngā kaipupurihea e mihi nei ki ngā kaimahi katoa o Aotearoa Fisheries mō rātou i ū tonu, i ihu oreone tonu. Kua tutuki i te kamupene nei, hei rōpū, ngā whāinga katoa i whakatakotoria e mātou mō te ora me te whanaketanga o wō tātou tāngata, te otinga o ngā taumahi me te huanga ki te mahere. Ahakoa ngā taumahatanga, i mua tata tonu te huanga ā te kāhui i tā te mahere i tohu ai, e \$21.9 miriona te nui. Tūturu, he pikinga nunui tēnei i tā tērā tau ngaromanga e \$6 miriona te nui, he tohu tēnei o te hokinga o Sealord Group Limited ki te ora. \$12.7 miriona te nui o tana rourou, ā, he rawe tonu ngā mahi a te wāhanga o Inshore.

Ka hoki ki te ora, ka pāhotia e te Ohu Whakahaere o Aotearoa Fisheries te moni hua e \$8.8 miriona te nui. I whakautua te moni hua nei i waenga i te Tiheima 2014, me ngā whiwhinga tāke Mana Māori katoa e piri ana hoki.

Ō MĀTOU TĀNGATA

E noho mātāmua ana ko te Oranga me te Haumarutanga o wō mātou tāngata. He pai ngā huanga puta i te kāhui, ā, kua whakaritea e tēnā wāhi, e tēnā wāhi ōna hōtaka haumarutanga kakama hei toko i tō mātou whāinga, arā Whara Kore. E ahiakina ana ngā kaimahi katoa ki te pūrongo i ngā hauata katoa, ahakoa te iti rānei, te hauwarea rānei, ā, he pai tonu te ū a te hunga ki te tukanga nei.

Waihoki rā, kua oti i te tīma o Aotearoa Fisheries wētehi taumahi whakahirahira. Ko wētehi ko te whakatūwheratanga o ngā whare hou ki te Papaioea, ko te whakatūwheratanga o ngā whare o AFL Inshore i whakahoutia katoatia ki Bell Avenue, me te whakarewanga o te hōtaka hauora, Hikoi te Ora. E noho ana wētehi taumahi hei tūāpapa mārōrō mō te tupuranga o tā tātou Kamupene ā taihoa.

HOKONGA HEA ROHEROHEANGA O NGĀ IWI

Ko tō mātou hononga ki ō mātou kaiwhaipānga he wāhanga whakahirahira o te whakatutukitanga o tō mātou whāinga matua, he inenga hoki ō mātou o te angitū. Waihoki, he papai hoki te mahi tahi a Aotearoa Fisheries, Sealord me Te Ohu Kaimoana hei hoko i ngā rawa me ngā hea roherohenga i Anton's Seafood Limited.

Nā taua hokonga me taua mahinga tahi i taea ai te tāpaenga o ngā hea roherohenga, e \$5 miriona te wāriu, o te FMA1 (he patohe karaka te nuinga) ki ngā KPR o ngā Iwi. Nā te kaha hāhāia i poroa ai te kete kia whāiti iho ai ngā poronga i tā mātou i whakatau ai.

He tohu pai tēnei ō ngā mahi ka taea ā taihoa.

Hei whakakapi, tēnā kōtōu e ngā kaipupurihea, ngā kaimahi me aku hoa i runga i te ohu mō kōtōu i tautoko tonu, i ū tonu, i arahi tonu i tō tātou Kamupene. E kaikā ana mātou ki te tau e heke mai nei, ā, e hikaka ana mātou ki te pūrongo i ngā mahi ki a kōtōu.

Ngā mihi o te kirimete me te Tau Hou.

CONSOLIDATED FINANCIAL RESULTS

Aotearoa Fisheries has performed well this year – across all divisions and, on behalf of the Board of Directors and the shareholders I want to commend all of the Aotearoa Fisheries staff for their continued commitment and hard work. The company, as a group, has achieved the targets we set ourselves for people's safety, their development, project completion and profit against plan. Against steady headwinds the Group's consolidated profit was slightly ahead of plan at \$21.9 million. That is, of course, a big improvement from last year's recorded loss of \$6 million, and reflects the return to profit of Sealord Group Limited, which contributed \$12.7 million, as well as the outstanding efforts of the Inshore division.

With the return to profit, the Aotearoa Fisheries Board of Directors have declared a dividend of \$8.8 million. The dividend was paid in mid-December 2014, with full Māori Authority imputation credits attached.

OUR PEOPLE

Health and Safety of our people remains top of our priority list. Overall as a group, results have been pleasing and each site has in place pro-active safety programmes to support our goal of Zero Harm. All staff are encouraged to report every incident, regardless of how small or insignificant it might seem and participation has been positive.

As well, the team at Aotearoa Fisheries has seen the completion of a number of significant projects. The opening of Prepared Foods' new processing facilities in Palmerston North, opening of the fully refurbished AFL Inshore facilities in Bell Avenue and the launch of the wellness programme, Hikoi ki te Ora, are just a few. These projects are setting a solid platform for the future growth of our Company.

QUOTA SHARE PURCHASE BY IWI

Our relationship with our stakeholders is a critical part of achieving our Vision and one of our measures of success. The collaborative approach taken by Aotearoa Fisheries, Sealord and Te Ohu Kaimoana in the acquisition of assets and quota shares from Anton's Seafood Limited is particularly noteworthy in that regard.

That acquisition and collaboration enabled a pool of \$5 million of quota shares in FMA1 (largely orange roughy) to be offered to Iwi AHC's. The response from Iwi was so strong that the pool was divided into smaller parcels than anticipated.

This is a positive sign of what can be done in the future.

Finally, thank you to our shareholders, our staff and my fellow board members for your continued support, commitment, and guidance to our Company. We're enthusiastic about the coming year and look forward to keeping you updated on progress.

Merry Xmas and a happy and safe New Year.



Whaimutu Dewes
Tiamana Chairman

CEO'S REPORT: SUSTAINABLE VALUE

TOITŪ TE MANA

HOPUKANGA UARA, ARATAKINA TE TOITŪRANGA-ORANGA

I roto i ngā tau e rua, e toru kua hipa nei, kua kaha te aro a Aotearoa Fisheries ki te whakahounga o ngā hanga e taunaki ana i te āheinga o te rārangi ratonga. Koinei te tūāpapa o te mauranga hātepe o ngā kaimoana tuawhiti i whakaturia, i haao tūwātia hoki kia toitū tonu ai. Ko wēnei āhuatanga e toru te whakangaonga whāiti rawa e riro ai te ngākaunui o te kiritaki me te kaihoko.

Kua oti ngā whakahounga mō ngā pākikihi tio me Prepared Foods. E haere tonu ana wētehi o ngā taumahi whakahounga i waenga i te F15 mō te pākikihi Inshore.

Koinei te wā pai kia kaha ake te hoe, kia aro atu hoki ki ngā kaupapa matua e toru, arā:

- ki te tauri haere mai i te whakahounga o tō mātou tukanga whakarato ki te whakangao ki te hanganga me te pupuritanga o te uara o ngā ia tohanga, me te whakatupuranga o ngā mākete taitapa nui kē, ngā kiritaki taitapa nui kē hoki,
- ki te whakaū i te kaupapa me te ahurea o te Whara Kore,
- kia riro mai, kia mau tonu hoki tā mātou raihana ki te mahi. Mā ngā tohu toitū-oranga mārama e ū ai te whāinga wāhi ki tō mātou mahinga ika. Nā wētehi whakatau ā tōrangapū rawa atu i oti i te 2013-14 i mārama ai ehara te PWR me te tūranga o te Iwi i te kaitiaki pai, hei tauri ko ngā Waka Rāwaho Whai Kawenata ki te tohatohanga SNA1 HIKW ki te marohitanga ki te roherohe i wētehi wāhi moana mō te rehia noa iho.

Ahakoia te aranga whāiti ki te mākete, kāore mātou e tauri kē i te āheinga me te māia o te tukanga ratonga. Ūā ka hapainga te mana o te "me", kaua ko te hāneanea o te "rānei" e whai pānga rawa ake ki te āhua o tā mātou whakariterite i a mātou, me tō tātou āheinga hei hanganga, hei akoranga rānei mā mātou. E tutuki ai te huringa o te aranga me raka te pākikihi, me whai wāhi hoki ngā āhuatanga mahi hou, me rite hoki mō ngā mōreareatanga āhua ngāwari, me te whakangao i wētehi wā i mua i te māramatanga o te hua o roto kia hua ai ā te wā roa.

CAPTURING VALUE AND LEADING THE WAY OF SUSTAINABILITY

Over the past two to three years, Aotearoa Fisheries has focused strongly on infrastructure renewal to underpin supply chain capability. This is the foundation for consistent delivery of high quality and sustainable wild caught and farmed seafood. These three attributes are table stakes for earning customer and consumer preference.

Renewal is now substantially complete for the Prepared Foods and oyster businesses. There remains a number of renewal projects to be completed during F15 for the Inshore business.

The time is now right for the business to shift gears and focus on three key themes, namely:

- to progressively shift from renewal of our supply-process capability to invest more on creating and retaining value from distribution channels and growth of higher margin markets and customers,
- to inculcate a philosophy and culture of Zero Harm,
- to earn and protect our licence to operate. Access to our fisheries needs to be anchored by transparent sustainability credentials. A number of highly politicised decisions made in 2013-14 from Foreign Charter Vessels to SNA1 TAC allocations to the proposed creation of recreational only marine areas clearly demonstrates that we cannot rely on the QMS and Iwi status as a robust defence.

An increased market focus does not mean taking our eye off supply-process capability and efficiency. Rather it imposes the tyranny of "and", not the luxury of "or" which inevitably will have implications for how we organise ourselves and competencies we need to build or acquire. Executing this shift in focus will require the business to be agile and open to new ways of working, prepared to take moderate risks and investing sometimes ahead of the curve for longer term horizons.

PITOPITO KŌRERO Ā PŪTEA

I tēnei tau, \$16.0 miriona te huanga o wō Aotearoa Fisheries ake wāhanga i mua i te huamoni me te tāke. I tua rā taua huanga i te whāinga, heoi he whāiti kē i tō tērā tau. Ko te whakawhāititanga te hua o te hiahoko māmā ki te pāua pōwhā ki Āhia nā ngā kaupapa tōkautanga.

He kaha tonu te aurare pūtea i ngā mahinga e whakahaeretia ana e Aotearoa Fisheries anō, e \$9.1 miriona. \$10 miriona te pikinga o te nama i a mātou e whakahou nei i ngā hanganga, pēnei me te whare mahi ika hou o AFL Inshore ki Bell Avenue.

Mōkōri anō kia mīhia wētehi mahi tonu i tutuki. Kei tua noa atu i te mahere pūtea te huanga o AFL Inshore – he mahi whakahirahira i waenga i ngā wai whakawhiti moni me te nukuhanga ki te wāhi hou i roto i te tau.

Nā, he whāiti iho tā te wāhanga tio huanga moni i tā te mahere, ahakoa tērā he tau momona rawa tēnei, me te huaketo OSHV-1 e oke tonu nei. He whaitake rawa te tautoko ā pūtea nei ngā kaupapa pūtaiao moana, mā te hononga ki te kaituku rangahau, arā te Cawthron Institute hei tautoko ake i te mahi whakawhanake huanga.

He huihua ngā taumahatanga i pā ki Prepared Foods: ngā kaupapa tōkautanga ki Haina (me ngā pānga i puta mai ki wētehi māketē kē ki te Rāwhiti mā Tonga o Āhia) me te whanaketanga o te pāua whakatuhi i kōrengarenga ai ki Āhia.

WHĀINGA RAUTAKI

E mārō ana te haere o te whakahounga hanganga – hei tauira ko te whēketere hou, te whēketere whakaihuwaka o Prepared Foods i whakaritea i te Hepetema 2013. E whakawhanaketia ana e Aotearoa Fisheries ngā āheinga mahinga ika whakaihuwaka hei taunaki i ngā hua pūtea ukauka ki ngā kaiwhaipānga mō ngā ngahurutanga-tau e heke mai nei.

Ko wētehi atu mahi kua oti kē ko te whakahounga o te whare mahi ika ki Bell Ave, Auckland, ko ngā mahi whakaputa tio i te taha o te Cawthron Institute, me te whakahounga o tō mātou tūāpapa pākihi ā pūtea/hangarau.

FINANCIAL INFORMATION

This year Aotearoa Fisheries' own divisions made a profit of \$16.0 million before interest and tax. This was ahead of target, though lower than last year's figure. The reduction was the result of soft demand for canned pāua in Asia due to austerity measures.

Cash flow from Aotearoa Fisheries' own managed operations was also strong, at \$9.1 million. Debt increased by \$10 million as we continued to replace and refresh infrastructure, including the new Bell Avenue AFL Inshore processing facility.

I want to acknowledge some specific achievements here. AFL Inshore delivered a result well ahead of budget – no mean feat given high exchange rates and their move to new premises during the year.

While the oyster business' profitability was just short of Plan, never the less, it was a year in which pleasing sales (and production) volume growth on last year was achieved, even with the continuation of the OSHV-1 Virus. Our investment in applied marine science with research provider, Cawthron continues to assist in product development and enhancement.

Prepared Foods also faced multiple challenges: austerity measures in China with knock on effects to other major markets in South East Asia and the growth of farmed pāua which led to an oversupply in Asia.

STRATEGIC OBJECTIVES

The infrastructure upgrade is already well underway – witness the new, world class Prepared Foods factory that was commissioned in September 2013, for example. Aotearoa Fisheries is developing world class processing capabilities to underpin sustainable returns to shareholders for decades to come.

Other steps already taken down this path include the upgrade of the Bell Ave processing facility in Auckland, oyster breeding work with the Cawthron Institute, and the overhaul of our financial/IT business platform.

WHAKAHOUNGA TĀRURU

Ā, kāore mātou i te whakatōrekereke. I te tau ā pūtea 2015/2016 ka māunū te waka tuatahi ki tāi, ko te tuatahi o te tāruru ā uta hou. Ko te hoa haere o te whakahounga nei ko te tauira pākihi hou mō ō mātou whakauru kaihiika, e whai wāhi nei te maru o te mahere ukauka mō te haonga. E whakahihi ana ahau i tēnei: he umanga uaua, he umanga mōrearea te hī ika, ā, mā te hōtaka whakahounga nei e whāiti ai ngā mōreareatanga ā kīkōkiko, ā pūtea hoki kei mua i te aroaro o wō mātou kaihi ika.

Waihoki e haere ake nei ngā whakahounga o wō mātou whare mahiika ki Wharekauri, ngā ritenga whakaputanga hua hou o Prepared Foods, me te whakahounga o te whare mahi ika me te pātaka whakahaere pūnaha hangarau.

Kei te otinga o tō mātou hōtaka whakahou rawa ka rite te rārangi whakarato horopū, he whakahirahira rawa atu mō ngā pākihi katoa e hiahia ana ki te toro ki te ao whānui. Mā reira mātou e wātea ai ki te arotahi ki te whanaketanga o ngā hua hou me ngā ia hou ki te māketē, me te whakawhānui i te pākihi me ngā kiritaki rautaki – ka tautoko wēnei mea katoa i ngā taitapa nui kē e takea mai ana i tā mātou mau hātepe atu i ngā whakaputanga hua tuawhiti e ora tonu ai te mauri o te rauemi.

TOITŪ ORANGA

Te taha ki te toitū oranga, kāore e kore kei tō mātou whanonga i konei tō mātou oranga tonutanga ā haere ake nei. Kia whakamārama rā hoki au i taua kōrero.

Tuatahi iho, ehara te ika me te mātaitai i te rauemi mutunga kore. E mārāma ana ki ngā kaupuriheha katoa o Aotearoa Fisheries te whakahirahira o te haonga haepapa inaianei kia ora tonu ai te rauemi mō tātou ko ngā whakatupuranga e haere ake nei.

Tuarua iho, kei kiriora tātou mō tā tātou “raihaia ki te mahi”. Ka pūāwai tātou, ka whaihua ā tātou mahi mehera e mōhio ana ngā iwi, te kāwanatanga, ō mātou kiritaki me te hāpori whānui he kaha mātou ki te mahi e toitū tonu ai te oranga o te rauemi. Kua mutu ngā rā e “pai nei te whai” kaupapa toitū-oranga – e mārāma haere ana te tōnūtanga ukauka me te painga whakataetae e taunakitia ana e te whakahaerenga haonga toitū-oranga me ngā mahi i te pūnaha rauropi.

TUPURANGA MĀRAMATANGA KAIHOKO

Ko tērehi take ko te tupuranga o te mārāmatanga kaihoko. Kua whakapāngia te mate ki ngā kaihoko ki Haina e ngā kaiwhakarato kai nanakia, ā, inaianei e whakarērea ana e rātou ngā pākihi kāore anō kia whakaponotia e rātou. E ōrite ana te waiaro o ngā kaihoko puta i te ao, ka tika. Ko tērehi mahi e mutu ai te whakaponotanga ko te iti rānei, ko te korekore noa iho rānei e aro ki te pānga ki te talao – kāore i te hē te kī, ko te hunga mahi haepapa e toitū ai te ora o te rauemi he hunga whakarato e pai nei te haumarutanga kai me ngā tohu whaimana.

Waihoki rā, he mea nui te āheinga arunga. Mohoa nei i whakawhanake mātou i te FishTale, he pūmanawa tautono e whakamahia ai e te kiritaki ki te kite nā wai tana ika i hao, nō hea te ika, ā, he rohutohu tao ika hoki kei roto. He hangarau whakaihuwaka tēnei – ā, e whakahihi rawa ana mātou.

E tūhura ana mātou i ngā huarahi whakawhānui i te uara, whakawhānui hoki i te whakamāhinga o te rauemi e hao nei mātou, me te tautoko o te Vision Mātauranga Capability Fund. Hei konei mihi ai mātou ki ngā mahi a Iceland, pūtau whakare i te ao mō te whakaputa i ngā hoa whakaputanga o te ika. E 20 tau i pau kia eke a Iceland ki taua taumata, ā, kotahi tonu te huarahi e eke atu ai mātou hoki, arā ko te mahinga tahi o te kāwanatanga, te umanga, te māketē me ngā whakauru hangarau. Kei te timatanga o te huarahi mātou inaianei – engari me timata ka tika.

FLEET UPGRADE

And we're not slowing down. FY 2015/16 will see the first new boat enter the water as part of our inshore fishing fleet upgrade. This upgrade is being accompanied by a new business model for our fisher partners that includes the security of a long term catch plan. I'm tremendously proud of this: fishing is a difficult and risky trade, and this renewal programme will reduce both the physical and financial risks that our fishers face.

Also in the pipeline are upgrades to our processing facilities on the Chatham Islands, new product formats from Prepared Foods, and an upgrade of our factory processing and warehouse management IT systems.

Completing our asset renewal programme will provide us with a reliable supply chain, which is critical for any business with global ambitions. That will then allow us to focus on new product development, developing new channels to market, and growing business with strategic customers – all of which will contribute to higher margins based on our delivering of consistent, premium and sustainable products.

SUSTAINABILITY

As for sustainability, there is no question that our long term future hinges on how well we perform in this area. Let me explain why.

First, the supply of fish and other seafood is not infinite.

No Aotearoa Fisheries shareholder needs to be told the importance of our fishing responsibly today so that we and future generations can keep enjoying this resource as we do.

Second, we can never take for granted our “licence to operate”.

We will flourish and operate profitably only as long as Iwi, government, our customers and the wider community know they can count on us to operate sustainably. The days when sustainability was a “nice to have” are gone – it is becoming clearer by the day that our long term prosperity and competitive advantage is underpinned by sustainable fisheries management and ecosystem practices.

GROWING CONSUMER AWARENESS

One reason is growing consumer awareness. Consumers in China have been harmed too often by unscrupulous food suppliers, and now reject brands that have not earned their trust. Shoppers all over the world rightly share a similar attitude. One way to lose their trust is to show insufficient regard for one's impact on the environment – it's not going too far to say that credible sustainability practices is also seen as a proxy for suppliers that have good food safety and trustworthy credentials.

In that vein, traceability is becoming vital. We recently developed FishTale, an application that allows customers to use their smartphone to see who caught their fish, and where from, and also tells them how to prepare it. This is world-leading technology – and we're extremely proud of it.

With support from the Vision Mātauranga Capability Fund, we are also exploring ways to extract more value from, and increase the utilisation of the resource we harvest. In this respect, we admire the achievements of Iceland, which is leading the world in the production of co-products from fish. It took Iceland 20 years to gain that position, and the only way we will match them is through collaboration with government, industry, the market and technical partners. We're at the exploratory start of that journey now – but start we must.



HE TANGATA

E noho tonu ana hei kaupapa matua ko te ora o wō mātou tāngata. Ā mohoa nei, ko te taotū mahue wā mahi te inenga o tā mātou angitū e pā ana ki te haumarutanga. Ahakoa e mārakerake ana te kitea he inenga whakahirahira tērā, he toki pūhuki hoki. Mai anō i te 2013-2014, i timata mātou ki te āta tuhituhi i ngā taotūranga ki te wāhi mahi i rongoātia ai.

He nui noa atu te hauora i te haumarutanga noa iho. I te tau 2014, i whakaaranga e mātou he kaupapa hauora, ko Hiko ki te Ora te ingoa, hei akiaki i ō mātou kaimahi ki te kōwhiri i ngā whiringa hauora i te roa o te ora. Kāore anō kia eke te wā e pai ai te pūrongo i ngā putanga, engari e kōmai ana taku ngākau i te kaha o wō mātou tāngata ki te ū ki te hōtaka tūao nei na.

E mārō tonu ana te haere o wā mātou hōtaka pānui, tuhituhi, te reo hoki. Koinei te tau tuatoru e haere ana i pau ai i ō mātou kaimahi ngā ahiahipō me ngā murunga wiki i te whakapikinga o ngā pūkenga rorohiko, pāngarau, reo hoki. Ko te whakaharaharatanga: 10 rawa ngā kaimahi o Moana Pacific i whakaoti i te kōhi pōkaitahi, kotahi tau te roa, i te Mei 2014. Kā nui te mihi!

He tokorahi ō mātou kaimahi i whakangungua ki te mahi matū, te hapainga ā ringa, me te āwhina tūroto. I riro hoki i wētahi kaimahi ngā tohu a te Mana Tohu Mātauranga o Aotearoa mō te hāpai maripi.

PEOPLE

The wellbeing of our people remains a key objective. Until recently, we measured our safety success mainly in terms of lost time injuries. While that's obviously still a critical measure, it's also a blunt one. As of 2013-2014, we have therefore begun recording all workplace injuries that require any form of medical treatment.

There is also more to wellbeing than just safety. In 2014, we launched a health initiative called Hikoi ki te Ora, aimed at encouraging healthy lifestyle choices among our staff. It's too early to report on outcomes just yet, but I'm deeply encouraged by the enthusiastic uptake of this voluntary programme.

Our literacy and te reo programmes also continue at pace. For the third year in a row, many staff have given up evenings and weekends to increase their computer, mathematical and language skills. The highlight: 10 staff from Moana Pacific completed a year long certificate course in May 2014. Congratulations!

We have also had a number of staff undergo training in chemical handling, manual handling, first aid and also had staff achieve NZQA qualifications in knife handling.

AROTAKE MĀKETE

E 20 ngā whenua puta i te ao e tukuna atu ai ā mātou hua, ā, ko tōna 75% o te moni whiwhi e ahu mai ana i aua hokonga. Nā reira e pāngia tonutia ana tō Aotearoa Fisheries whanonga e te uara o te tāra o Aotearoa ki wētēhi moni tauhoko kē. I te tau 2013/14, i piki tere ki te tāra o Ahitereiria, tētehi o wō tātou moni tauhoko mātāmua, i te 85 hēneti ki te 91 hēneti te taurite.

Ahakoā te āwhina a tō mātou hōtaka rauhipūtea ōkawa ki te whakamāuru i wētēhi wero wai whakawhiti moni, ka tūnguru haere ngā taitapa i tēnei momo pikinga. He pēnei tonu te āhuatanga i te tau kua hipa nei, ā, nā runga i te raruraru, he pai te whanonga huanga o tērā tau – ahakoā e whakapau kaha ana mātou kia pai kē atu.

Me pēhea rā te whakatairite i ngā pānga wai whakawhiti moni, me te tautoko i te pikinga i ngā moni utunga me ngā taitapa i mua i te tāke i ngā marama e haere ake nei? E tango haere tonu ana mātou i ngā uru me te kōkiri i te māiatanga; hei tauira ko te whakakaonga o ngā mahinga o Auckland Inshore i ngā wāhi e toru ki te wāhi kotahi, ki Bell Avenue, Maungarei. Ka kimi tonu mātou i ngā mahi e piki ai te māiatanga; heoi anō, e kore e tutuki i te penapena pūtea anake. Me whakahohoro mātou i ā mātou mahi ki te hanga me te kapo i te uara ā māketē.

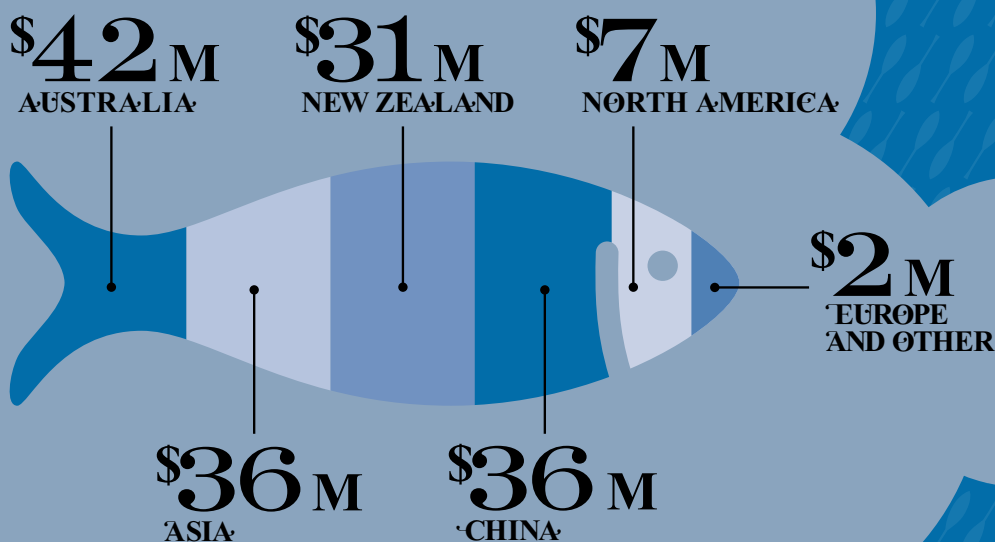
MARKET REVIEW

Our products are exported to 20 countries around the world, with approximately 75% of revenue derived from those sales. Aotearoa Fisheries' performance therefore continues to be influenced by the value of the New Zealand dollar against our trading currencies. 2013/14 saw a sharp increase against the Australian dollar, one of our main trading currencies, from an average 85c to 91c.

Although our formal hedging programme helps to cushion some exchange rate shock, such an increase must nevertheless erode margins. So it proved last year, and given that setback, the profit performance from last year is pleasing – although we strive to do better.

How do we offset exchange rate impacts and support earnings growth and gross margins in the medium term? We have continued to remove costs and drive efficiency; for example, as we consolidated the Auckland Inshore operations from three sites down to one, at Bell Avenue, Mt Wellington. We will continue seeking ways to increase efficiency; however, we cannot rely only on saving our way to prosperity. We must accelerate our efforts to build and capture market value.

AOTEAROA FISHERIES REVENUE



MATAPAE ME TE MAHERE PĀKIHI

I roto i ngā tau kua hipa nei, ko te aronga matua puta i ngā wāhanga pākihi e toru ko te hanga i te tūāpapa mārōrō mō te whakataetae, me ngā tukanga pakari mō ngā mahi me ngā rārangi whakarato e āhei tonu ai a Aotearoa Fisheries ki te whakarato hātepe i ngā whakaputanga hua tuawhiti. Ko te whakahounga whakangao ki ngā whare mahiika o Prepared Foods ki Te Papaioea, o Inshore ki Whitianga me Tāmaki Makaurau, me te mahinga tio ki Glenduan, Whakatū, me te aronga ki te whakahaerenga o te rārangi whakarato.

E toru rawa ngā kaupapa i takea mai ai te aronga rautaki: tupuranga taitapa nui kē, oranga me te haumarutanga Whara Kore, me te toitū-oranga.

E kōkiri ana a Aotearoa Fisheries inaianei mai i te tukanga whakarato hei tūāpapa, ki te aronga whakatewaho e āhei ai mātou ki te kapo uara kē mai i ngā hononga kaha ake i roto i ō mātou ia mātōhatoha.

Ko te kaupapa tuarua ko te whakau i te ahurea oranga me te haumarutanga Whara Kore puta i te pākihi. Ko te kaupapa tuatoru ko te toitū-oranga - me eke rawa a Aotearoa Fisheries ki te taumata mō te "raihana ki te mahi", ā, me tiaki hoki. E tutuki ai tēnei kaupapa ka whai tonu mātou i ō mātou tohu toitū-oranga, ā, e kore e waiho mā te Pūnaha Whakahaere Roherohenga hei taurima.

Ahakoa e matapae ana a Aotearoa Fisheries me Sealord ka haere tonu te tupuranga huanga moni ā te tau 2015, kei mua tonu i te aroaro o ngā kamupene e rua wētehi taumahatanga e pā ana ki te whakawhitinga moni rāwāho me ngā mōreareatanga māketē. Tērā ko te tāra o Aotearoa e wāwāhi ana i ngā matapae ohanga, arā kei runga rawa ake i ngā moni rāwāhi e hoko atu ai a Aotearoa Fisheries me Sealord, ā, e matapaetia ana mā konei e pēhia ai tō te kamupene huanga ā te tau 2015. E whakaarohia ana ka ngoikore haere te tāra o Aotearoa ki te tāra o Amerika hei te paunga o te tau hei tānga manawa mā mātou.

\$14.5 miriona te huanga o Aotearoa Fisheries e whakamaheretia ana i mua i te huamoni me te tāke. E whakamaheretia ana kia whāiti anō te rourou huanga a Sealord, he pānga nō ngā wai whakawhiti moni. E \$9.6 miriona te rourou huanga a Sealord e whakamaheretia ana. E \$6.3 miriona te huamoni me te tāke e whakamaheretia ana, e eke ai te \$17.8 miriona hei huanga mō te kāhui hei te tau 2015.

OUTLOOK AND BUSINESS PLAN

The focus over the last few years across all three business divisions has been to create a solid platform for competitiveness, with much tighter operational and supply chain processes to ensure Aotearoa Fisheries can consistently supply high quality products. This has involved rejuvenated investment in processing facilities at Prepared Foods in Palmerston North, Inshore facilities at Whitianga and Auckland, and the oyster nursery in Glenduan, Nelson, and a focus on supply chain management.

The strategic focus is now based on three main components: higher margin growth, zero harm health and safety, and sustainability.

Aotearoa Fisheries is now progressing from being supply-process driven to more externally focussed, where we can capture additional value from stronger relationships in our distribution channels.

The second focus is inculcating a culture of zero harm health and safety across the business. The third focus is sustainability, where Aotearoa Fisheries must both earn and protect the "licence to operate". We will achieve this by continuing to pursue our sustainability credentials, and not rely on the Quota Management System as a robust defence.

While both Aotearoa Fisheries and Sealord expect to deliver constant currency profit growth in 2015, both companies continue to face major challenges relating to foreign exchange and market risks. In particular, the New Zealand dollar continues to defy economic forecasts and has stayed high in relation to the currencies that Aotearoa Fisheries and Sealord sell to, and this is expected to suppress the companies' 2015 profit. There is some expectation that the New Zealand dollar will start to weaken against the US dollar later in the year which will give us some relief.

The Aotearoa Fisheries profit before interest and tax is planned at \$14.5 million. The profit contribution from Sealord is planned to be down on the 2014 year, as Sealord is also impacted by the exchange rates. The Sealord profit contribution is planned to be \$9.6 million. Interest and tax is planned at \$6.3 million, arriving at a planned consolidated 2015 profit of \$17.8 million.



Carl Carrington
Tumuaki CEO

AFL INSHORE: UNLOCKING OPPORTUNITIES

HUAKINA NGĀ WĀHI WHAI RAWA

He tau nunui tēnei mō AFL Inshore, te wāhanga i hangaia nuku atu i te 12 marama ki mua, i te whakakotahitanga o Moana Pacific Fisheries me OPC Fish and Lobster.

Tuatahi iho i whakakotahitia ō mātou mahinga ki Pukekohe me ngā kaimahi i whakawhiti mai i ngā mahinga o Anton's ki Bell Avenue, Maungarei i te Oketopa 2013. Kātahi ka whakanukuhia tō mātou Tari Matua i Halsey Street me ngā mahinga mātōhatoa tarāwhare i te Mei 2014. I oti wēnei mahi katoa nō te whakahounga nunui o te wāhi i haere, ā, me mihi ka tika ki ngā tāngata katoa i whai wāhi ki te mahi nei, i tutuki tonu ai ngā whāinga ahakoa ngā ritenga maha e whakapīroiroi ana.

I tae atu ngā iwi pupurihea, ngā kiritaki, ngā kaihiika, ngā rangatira me ngā kaimahi ki te whakatūwheratanga i te Oketopa 2014. I hora ko ngā kaimoana wainene katoa nō ngā peka katoa o Aotearoa Fisheries – pēnei me te kina a Wharekauri, ngā tupa a OPC, te hokarari me te araara mohou a Moana Pacific, ngā pāua a Prepared Foods me ā Kia Ora Seafoods tio i roto i te anga kotahi. Hei puru rourou ko te whakaputanga hua a tētehi o wō mātou kaipupurihea, te pāwhara a Ngāti Porou.

Inaianei e mihia ana ngā manuhiri ki te wāhi hou e te taonga whakamiharo, e Pā Kahawai, nā te kaimahi toi nei, nā Lewis Gardner

It's been a big year for AFL Inshore, the division formed a little over 12 months ago from the merger of Moana Pacific Fisheries and OPC Fish and Lobster.

First we merged our Pukekohe operations and the staff that had come across from the Anton's operations at Bell Avenue, Mt Wellington in October 2013. We then relocated our Halsey Street Head Office and domestic distribution functions in May 2014. This was all achieved while a major refurbishment of the site was undertaken, and it is a credit to all involved that the business continued to achieve targets through disruptive operating conditions.

The opening, in October 2014, was attended by Iwi shareholders, customers, fishers, dignitaries and staff, and showcased the best of our kaimoana from across Aotearoa Fisheries – like Chatham Island kina, OPC scallops, Moana Pacific fresh ling and trevally, Prepared Foods pāua and Kia Ora Seafoods Pacific oysters in the half shell. We also had the added bonus of being able to display one of our shareholder's products, smoked fish from Ngāti Porou.

Visitors to the new premises are now greeted by a stunning taonga, Pa Kahawai, by artist Lewis Gardner of Te Arawa, Ngāti Awa,



Whaimutu Dewes, Chairman AFL; Jamie Tuuta, Director AFL; Maurice Takarangi, Rangitaane; Mark Ngata, Ngāti Porou

nō Te Arawa, Ngāti Awa, Te Whānau ā Apanui me Ngāi Tahu. I takea mai te tauri i te poa tō, i hangaia a Pā Kahawai ki te parāoa, te pounamu me te tōtara i ahu mai i wētēhi pito o Aotearoa. Ko tana kōrero ko te mana o wō mātou lwi, ā, ko te whakamaharatanga ki te kawenga kia whakahaeretia o tātou rauemi mō ngā whakaturanga e haere ake nei.

Ko tētēhi atu whakaharataranga o te tau ko te tutukitanga o te hōtaka whakahou tāruru, ā, ka mauria mai te tuatahi o ngā waka hou ā te tau pūtea 2015/16. Koinei te whakatinanatanga o tētēhi o wā te kamupene kaupapa matua, arā ko te whakahounga o te tāruru hao e pai ai tā mātou ko ngā kaihiika mahi kia toitū ai te ora o te rauemi, haere ake nei, haere ake nei.

He nui whakahirahira ngā painga mō ngā kaihiika i tipakohia (ehara i a Aotearoa Fisheries ngā waka, kāore hoki mātou e whakamahi i aua waka): whāiti te pauranga penihini, utu kaimahi whāiti, utu whāiti mō te whakatika me te whakahae, me te āheinga ki te whakamahi i ngā hangarau toitū-oranga hou pērā i Precision Seafood Harvesting.

Mō Aotearoa Fisheries, ko te hua o te hōtaka whakahounga ko te ūnga ukauka o te āheinga hao ā muri nei, me te mauranga o te ratonga hātepe kē o te rārangi roroa o ngā ika tuawhiti mō te roanga o te tau. Mā konei e āhe ai te rōpū ki te mau atu i ā mātou hua papai ki te kiritaki o Aotearoa, ki ngā mākete puta i te ao hoki.

Ia tau ia tau pakari haere ai tō mātou mahinga tahi me tā mātou pākihi Sealord. Nā te hokonga ngātahi mohoa noa (me o mātou lwi pupurihea) o te Anton's Fisheries Factory me te Pūhera Roherohenga i puta ai te kaupapa mahinga tahi ki te mākete o Haina me te Rāwhiti mā Tonga o Āhia e whanake ake nei. E whai wāhi ana ki roto i te whakaritenga nei ko tā AFL Inshore tuku i te wairewa mahinga ki a Sealord mō te patohe karaka o te Rohe 1, e mahia nei i te ūnga mai ki uta, e tae horomata atu rā ki Haina. E pakari haere ana te hononga nei, ā, ko te hua ko te rautaki tapatahi e hāngai ana ki ngā wāhi whai rawa i te mākete e whanake nei ki Haina me te Rāwhiti mā Tonga o Āhia.

E manawarū ana a AFL Inshore i te rironga mai o ngā whakaaetanga HIT me Ngāti Wai me Hauraki i te tau kua hōri, e eke ai te tatau o ngā whakaaetanga hāngai o te ikawhaitira tau tini me o mātou kaupurihea ki te ono (ko wētēhi atu whakauru ko Tainui rātau ko Tūhoe, ko Ngāti Whare, ko Rangitāne). Ka tāpirihia atu ki tērā ko te waituhinga o te whakahounga o te hononga ki tō mātou whakauru tūroa, ki te Whakaurunga ā lwi (ka timata hei te Oketopa e heke nei), na he pāruhiruhi te rangi āpōpō mō AFL Inshore me o mātou whakauru kaihiika, lwi hoki.

Hei whakakapi ake, e whakahihi ana mātou ki te whakamahi i te rārangi kaupapa hihiko e pai ana ki te taiao, e toitū tonu ai te ora, puta i te nga whakahounga o te wāhi ki Bell Ave. Hei tauira ko te horoi i ngā ipu ika ki te wai mātaotao i te tuatahi, whai muri mai i te whakamātautau kia kaua e riro ngā taumata hauora. Waihoki ko te kimi i te huarahi papai hei whakamahi i te wera e puta ana i tō mātou pourewa whakamātao kia whāiti ai ngā utu mō te hiko me te wai (tirohia ki raro nei). Nuku atu i te \$50,000 i te tau e penatia ana e wēnei kaupapa e rua noa iho – ka mutu ka whakawhāitihia tā mātou pā kino ki te taiao.

E REWA AI TE TIO: TE RONGO PAI

I wēnei rā, whai ai ngā pūrongo mō te whakamahanatanga o te ai i ngā kupu "tio e rewā ana". Engari kāore i tēnei wā. Ia rā ia rā, e 5-8 tōne te tio e whakamahia nei hei tiaki i te haonga e kawea ana i te waka ki te whare mahinga. Te taenga atu, ka inea te taumaha - nā reira me tango te tio kia kaua tērā e inea hoki. I ngā rā o mua, ruia ai te wai mahana ki runga ki te ika.

Kātahi ka tau he māramatanga ki runga ki tētēhi o mātou: me kawea atu te wera i te pourewa whakamātao – he wera tēnei e ngaro atu ana ki te rangi – ki te wāhi whakarewa tio.

Inaianei, ia tau ia tau \$15,000 o ngā utu hiko me te wai e penatia ana i te whakaaaro atamai nei na. E whakamāmātia ana ngā taumahatanga i runga i te pourewa whakamātao hoki nā te māia rawa atu o te kawea atu i te wera, ka whakarororitia tana oranga.

Te Whānau ā Apanui me Ngāi Tahu. Based on the traditional trolling lure, Pa Kahawai is made from whalebone, pounamu and Totara sourced from different locations across Aotearoa. It tells of our lwi ownership and reminds us of our responsibility to manage our resources for our future generations.

Another highlight of the year has been the realisation of our fleet renewal programme, with the first new vessel scheduled for delivery in FY 2015/16. This starts to deliver on one of the business's top priorities of upgrading our harvesting fleet to position both ourselves and our fishers sustainably into the future.

The benefits for the selected fishers (Aotearoa Fisheries does not own or operate any vessels itself) will be immense: fuel efficiency, lower crew costs, lower repair and maintenance costs, and the ability to use new sustainable technologies like Precision Seafood Harvesting.

For Aotearoa Fisheries the renewal programme means security of our harvest capability into the future and delivery of a more consistent year-round supply of a wide ranging mix of top quality fish, allowing the organisation to deliver our premium products to both the New Zealand consumer and to markets around the globe.

Our collaboration with our Sealord business is growing stronger every year, with the recent joint purchase (along with our lwi shareholders) of the Anton's Fisheries Factory and Quota Parcel leading to a collaborative approach to the ever growing China and South East Asia market. This arrangement involves AFL Inshore providing Sealord with a processing solution for Area 1 orange roughy, which is processed immediately on reaching shore and arrives in China in pristine condition. The strengthening relationship also provides for a more aligned strategy when looking at opportunities from the developing China and South East Asia market.

AFL Inshore is also delighted to have secured long term ACE arrangements with both Ngāti Wai and Hauraki in the last year, bringing the total number of direct multi-year finfish arrangements with our shareholders to six (existing partners being Tainui, Tūhoe, Ngāti Whare and Rangitāne). Add to that the signing of a renewed relationship with our long-term partner the lwi Collective Partnership (beginning next October), and the future for AFL Inshore and our fisher and lwi partners is very positive indeed.

Finally, throughout the renovations of our Bell Ave site we're proud to be implementing a range of eco-friendly sustainability initiatives, like washing fish bins with cold water after first testing that hygiene standards won't be compromised and finding a smart way to use the heat generated by our cooling tower to save energy and water costs (see below). These two initiatives alone are saving our business over \$50,000 a year – and reducing our impact on the environment.

MELTING ICE: THE GOOD NEWS

These days, the words "melting ice" are usually followed by bad news about global warming. But not in this case. We use about 5-8 tonnes of ice every day to preserve our catch while it's in transit from the boat to our processing facilities. Once the fish arrives, it has to be weighed – which means the ice must be removed so it doesn't get weighed as well. We used to do that by spraying the fish with slightly warmed water.

Then one of our team had a brainwave: why not transfer the heat from our cooling tower – heat that was previously just going into the atmosphere – to the ice melt pad.

That flash of brilliance is now saving us \$15,000 in energy and water costs every year. It's also reducing strain on the cooling tower by transferring heat away more efficiently, prolonging its life.

PREPARED FOODS:
**WORKING HARD
IN A CHALLENGING
MARKET**



E WHAKAPAU KAHA ANA I TE MĀKETE TAUMAHA

I tēnei peka o tērā tau, i pānuitia e mātou te whakatūwheratanga o te whare mahiika hou, he whare whakaihūwaka e wātea ai a Prepared Foods ki te whātore i ngā wāhi whai rawa o ngā whakaputanga hua hou me ngā māketē hou.

Kāore i mōumou te wā i te tira o Prepared Foods hei whakamahi i te whare nei. I te Hepetema, i whakanuia te tau tuatahi i mahi ai rātou ki te wheketere hou.

Ko Prepared Foods te kaimahi pāua nui katoa o Aotearoa, me tētahi o ngā kaihangā kete kai e rite ana kia kainga hoki. Kei roto i te whare nei ko te whare pūtaiao i āta hangaia mō taua take tonu, ā, kei roto ko tētahi tauira iti o te whare mahiika, hanganga hoki. Nā te whakaaro atamai nei na i āhei ai a Prepared Foods ki te whakamātau i ngā whakaaro hou ki te whakaputanga hua me te pūhera, me te tūhura i te whaitake rānei, te koretake rānei i te ao kikokiko.

Ka whakawhanaketia tahitia ngā whakaaro me ngā whakauru ā ūmanga pēnei me Food Innovation Facilities, Massey Pilot Plant, Bakels Test Kitchen me Campden BRI kei Ingarangi rā anō e noho ana.

He rawe tēnei ki ngā kiritaki. Hei konei rātou e wātea ai ki te tono ki a Prepared Foods māna hei whakarite ngā tukanga me ngā tohutoa hei whakatutuki i ō rātou ake hiahia, ā, me te hōatu tauira ki a rātou i waenga i te whakawhanaketanga. Mehemea ka eke te whakaaro hou, ka taea te whakawhānui tere mō ngā rārangi whakaputanga hua whānui tonu.

He uaua kē ki te whakamōmona i te kōrero mō ngā wāhi whai rawa e hua ana i tēnei hanga. Ko tō ngā māketē mātāmua hiahia ko te whakahounga atamai e haere tonu nei, ā, ka whakanuia ki te tūmāutanga o ngā hononga e riro ai ngā hua i te katoa.

Ko te tau 2014 tētahi o ngā tau taumaha rawa atu mō te pākihi pāua. I te pakari tonu te tāra o Aotearoa ki te tāra o Amerika, ka tūnguru ngā taitapa i roto i ō Prepared Foods māketē nui katoa. He kīno kē atu ko te whāititanga o te hiahoko ki te pāua ki Haina nā ngā kaupapa tōkautanga i whakaritea ki reira, me te pikinga tere o te ratonga pāua whakatupu i Haina.

I tenei tau, i whakatūwhera a Prepared Foods i ngā māketē hou, a, i whakawhānui hoki i te rārangi o ngā hua e taea nei te whakarato. He tautoko i te oranga tangata tā tētahi māketē hou mahi, e whakahihī ana mātou ki te whakarato i taua māketē - i tēnei tau, mā roto i te rōpū āwhina o Aotearoa AWQAF i tukuna e Prepared Foods ngā kete kai e rite ana kia kainga, he kete i mauria ā rererangitia ki Dubai hei mātohatoanga ki ngā rōpū āwhina ki te Tauwaenga o te Rāwhiti.

Waihoki rā, i whakaputaria tahitia e Prepared Foods me Cerebos Gregg's Ltd he rārangi wairanu hokohoko, ā, i whakarewangia ki ngā toa hokomaha o Aotearoa inā noa ake nei. E whai wāhi ana i roto i te rārangi nei ko te Kau Bourguignon, te Spaghetti Bolognese, te rēme o Moroko, te aha atu, te aha atu. E ngākauria whānuitia kē ana ngā wairanu nei, ā, e haere tonu ana ngā kōrero kia whakawhānuitia tēnei whanaungatanga.

Ko tētahi wāhi o tō Prepared Foods whāinga matua ko te ekenga hei kaiwhakarato whakaihūwaka o te ao mō ngā whakaputanga hua hou e tūmā ana. E whakatutukitia haeretia ana te kaupapa nei i te nukuhanga ki te wheketere hou ki Te Papaioea - ā, ka whakangao tonu mātou ki ō mātou whare, ia tau ia tau, kia kaua rā mātou e tuku i tā te māketē e hiahia nei noa iho, engari kia puta tonu atu te ihu ki mua.

This time last year, we announced the opening of a new, state of the art processing facility to enable Prepared Foods to explore opportunities for new products and new markets.

The team at Prepared Foods have wasted no time putting it to work. In September, they celebrated their first year in operation in their new factory.

Prepared Foods is New Zealand's largest processor of pāua and one of the largest processors of ready to eat meals. Inside the facility is a purpose built laboratory that contains a small scale replica of the processing and manufacturing plant. This clever idea allows Prepared Foods to test new product and packaging ideas, and discover whether or not they'll work in reality.

Ideas are developed in collaboration with industry partners like Food Innovation Facilities, Massey Pilot Plant, Bakels Test Kitchen and UK-based Campden BRI.

Customers love it. It means they can ask Prepared Foods to adapt processes and recipes to meet their specific needs, and even provide them with samples at the development stage. If a new idea gets a pass mark, it can then be quickly scaled up for full production runs.

It's hard to overestimate the opportunities this creates.

Premium markets demand constant innovation, and reward it by continuing mutually rewarding relationships.

2014 has been one of the most challenging years for the abalone business. The New Zealand dollar continued to perform strongly against the US dollar eroding margins in Prepared Foods largest markets. Even worse was the weakening in demand for abalone in China due to austerity measures introduced there, coupled with a surge in farmed abalone supply from China.

This year Prepared Foods opened new markets and expanded the range of products it can supply. One new market we're especially proud to be supplying is humanitarian – this year, through the New Zealand aid agency AWQAF, Prepared Foods provided ready-to-eat meals which were air freighted to Dubai for distribution to relief agencies in the Middle East.

Furthermore, Prepared Foods produced a range of retail sauces in conjunction with Cerebos Gregg's Ltd, which were launched in New Zealand supermarkets recently. The range includes Beef Bourguignon, Spaghetti Bolognese, Moroccan Lamb and others. The sauces are already popular and talks are underway to extend the relationships.

Part of Prepared Foods' vision is to be one of the world's leading providers of innovative, extended shelf-life products. The move to the new factory in Palmerston North is already seeing that vision realised – and we will continue to invest in our facilities, year upon year, to ensure we don't just deliver what the market wants, but consistently stay one step ahead.

KAI MŌ TE ORANGA TANGATA

I te whakanuitanga o tōna tau tuatahi, i huraina e Prepared Foods a Kai Ora. E toru rawa ōna koru hei oko kai kahurangi kōmā, ko Kai Ora te tohu mō te oranga o te tangata. Ko tēnā koru, ko tēnā koru te tohu o tētahi āhuatanga o tō mātou tuakiri: mai i te rahi ki te iti ko te pāua, ko ngā wawata mō te tupuranga, me tā mātou whai i te huatau atamai me te whanaketanga. E mihia ana ngā manuhiri ki te wheketere hou e te tāraitanga nei, e Kai Ora, kei konei e whakaaturia ana.

FOOD FOR HEALTH AND WELLBEING

At their first year celebration, Prepared Foods unveiled Kai Ora. Made up of three koru above a pale blue food bowl, Kai Ora represents food for health and wellbeing. Each koru also represents an aspect of our identity: from largest to smallest they are the pāua, aspirations for growth, and our quest for innovation and development. Visitors to the new factory are greeted by a magnificent sculpture of Kai Ora, shown here.

AFL AQUACULTURE: SINGLE SEED, BAG GROWN OYSTERS

TIO KÖPURA TAKITAHĪ, TUPU RŌ KETE

I roto i ngā marama 12 kua hipa, he pai te haere o te panonitanga o ō mātou mahinga whakatupu. E parea ana te tikanga taketake o Aotearoa mō te kohi i te tio pirianga tūwā i runga rākau me te whakatupu ā pakeke noa. E whāia haeretia ana te tikanga hou, arā te āta tipako i te rāngai whakatupu, kātahi ka hua aua tio ki tō mātou whare i runga i te whenua. Ka āta tipakohia ngā uri mō ngā āhuatanga papai, ā, ka whakatupuria ki te whare nei kia pakeke rā anō e pai ai te noho i raro i ngā taumahatanga o te moana.

He whare whakatupu tio rongomaiwhiti te Cawthron Aquaculture Park ki Whakatū. E hāngai pū ana ōna putanga mō te tuawhiti me te whāihua ki ngā matapae i whakatakotoria i te whakangaonga i te tau 2013.

Solid progress has been made over the last 12 months in the transformation of our farming operations. The traditional New Zealand method of catching wild oyster spat on wooden sticks and growing them to maturity is being replaced by the careful selection of brood stock, followed by the spawning of those oysters at our land-based nursery. The spawned progeny is then culled for qualitative attributes, and grown at the nursery until it is mature enough to face the rigours of life at sea.

Our oyster nursery, based at the Cawthron Aquaculture Park in Nelson, is unique in New Zealand. Its qualitative and productivity outcomes are right in line with projections which were set when we made the investment back in 2013.



Ka hua ana ngā tio, he hanga (kōpura) takitahi te āhua, he rerekē i ngā “pā pirianga” tūwā e whakatupuria ana i runga rākau. Whakatupuria ai wēnei tio kōpura takitahi ki rō kete raumata, ā, he huhua ngā wā e “whakawhāitihia” ai i te roa o te oranga – he rite ki tā ngā kaiwhakatupu āporo tikanga whakawhāiti hua i runga i te rākau. Ko tā te mahi nei he whakariterite i te hanga me te āhua o te hua whakamutunga.

Hei te tau 2015, ka whānui haere te whakatupuranga o ngā tio kōpura takitahi i roto i ō mātou pāmu whakatupu ki te Taihū o te Waka a Māui, kātahi ka whakawhāiti atu ki ō mātou pāmu whakamanahua mōmona ki te Tai Tokerau me Pare Hauraki.

Ka taumaha ngā whakaritenga kawenga rawa, mō ō mātou mahinga pāmu ki te Ika Tapu a Māui hoki rā.

Ko te whāinga nui ko te pikinga o te tuawhiti o te hua, tōna āhua, te āhua o te kiko, te tupuranga, me te makoreatanga hoki – ka mutu ko te whakahaere kakama o te whakaritenga tonutanga o te tio pirianga mō ō mātou pākihi me ō mātou kiritaki hoki.

Ka whai wāhi tonu te tio tūwā i roto i ngā wāhi tupuranga e tika ana; heoi hei te tau 2015, kātahi tonu ka hua te nuinga o ā mātou tio e kohia ana, he mea āta tipakohia, kōpura takitahi, whakatupuria ki rō kete.

He tau kē tenei tio ki ngā kaimātotohatoa, kaihoko hoki o te tio ora tuawhiti (hanga anga katoa), e pai ai te riterite o te hanga, te ātanga kono me te āhua pai hei hoa haere mō ō mātou ritenga kai pai mai rā anō.

When the oysters are spawned, they are in single (seed) form, unlike the wild caught “spat clumps” grown on sticks. These single seed oysters are grown in mesh bags and “thinned out” many times over their life cycle – in the same way that apple growers thin fruit as it grows on the tree. This promotes consistency of shape and appearance of the final product.

2015 will see more single seed oysters grown on our intermediate grow-out farms in the Marlborough Sounds, then transferred to our nutrient-rich finishing farms in Northland and Coromandel.

This will be logistically challenging, in particular for our North Island farming operations.

The end game is better quality product in terms of appearance, meat condition, growth and survival attributes – and, of course, proactively managing the continuity of supply of oyster spat for our business and customers.

There will still be a place for wild caught oysters in those growing areas where it makes sense; however, in 2015 for the first time the majority of our oysters harvested will be selectively bred, single seed and bag grown.

This oyster is already proving attractive to high end live (whole shell form) distributors and consumers, where their consistent shape, plate appeal and good looks complement our traditionally good eating qualities.

SEALORD GROUP LIMITED: AUSTRALASIA'S LARGEST CERTIFIED SUSTAINABLE SEAFOOD PROVIDER

TŌ AHITERĒHIA KAIWHAKARATO NUI KATO A E WHAIMANA ANA MŌ TE MĀTAITAI TOITŪ-ORANGA

E piki tonu ana te hiahoko mō ngā mātaitai toitū-oranga, ā, e whakapau kaha ana a Sealord kia tau ai te mauri o te kiritaki me te kaihoko e pā ana ki tana haonga.

Whai muri iho i te whakamanatanga rāwaho o wētehi atu pāmu e rua o te ika noho kōpua me te ahu moana ki Tasmania me Queensland, ko tā Sealord rārangi mātaitai te rārangi nui katoa e whaimana ana mō te mātaitai toitū-oranga i roto i ngā mākete o Ahitereiria me Aotearoa.

I pānuitia e te Kaunihera Arataki ā Tai (KAT) te whakamanatanga o te tīkati me te hokarari o Aotearoa. Ka noho ko wēnei me te ūturi, te tunamoana tira roa me te pākiriikiro tai tonga hei ika e eke ana ki ngā taumata o te KAT. E 9% noa iho ngā ika tūwā o te haonga o te ao i whakamanahia e te rōpū o te ao nei na.

E whakawhānuitia ana e Sealord ngā rōrahinga o ngā momo ika mata, pātioiti hoki a KAT ki ngā mākete o Aotearoa me Ahitereiria. Ka āwhinatia e tana whakauru mahinga tahi, e Westfleet, hei whakarato i te hokarari mata me tētehi rārangi o ngā momo ā uta.

I te Hepetema, i tohua a Sealord King Reef ki te Raki o Queensland hei Mahinga Ahumoana Pai Katoa i te Whakaurunga Ahumoana o te Ao. I taua marama anō rā, i whakawhiwhia ki te pākihi mahinga tahi, ki Petuna ki Tasmania, ngā tiwhikete mō te Mahinga Ahumoana Pai Katoa mō ōna pāmu hāmāna.

15% noa iho o ngā mahinga ahumoana o te ao i whakawhiwhia ki te tohu nei.

E KAHA ANA TE TUPU KI AHITEREIRIA

E whai hua ana tā Sealord whai i te whakatupuranga o wōna hokonga me tana noho ki Ahitereiria. 158% te putanga o te iho o ngā hokonga mātaitai mohou i Aotearoa ki tua o te mahere pūtea o te tau pūtea 2014.

Ko te pūtake o taua angitū ko te whakaritenga, e 5 tau te roa, hei whakarato i te ūturi mohou ki ngā toa hokomaha Woolworths puta i Ahitereiria, i tāruatia ngā hokonga mohou ki reira i te tau 2014.

I tautokona tērā e ngā mahi whakatairanga puta i te motu e whakaatu ana i te māmā o te taka ūturi mohou a Sealord.

He whakahirahira te momo mohou nei, te hokarari o Aotearoa. Na, he pai tonu te whanonga o te taraute moana me te hāmāna e whakatupuria ana ki Petuna i Tasmania, me tā Sealord King Reef hāpukurāwaho nō te Raki o te Whenua Tapairu.

NGĀ TAUMAHATANGA I TE ARONGA WHAKAMUA

Kua mahue i a Sealord te hekenga o te tau 2013, ā, e pakari ana te pūtea. E pēnei tonu ai, he whakahirahira kia pai te whanonga o ngā

Demand for sustainable seafood continues to grow and Sealord is ensuring customers and consumers alike can feel confident about its catch.

Following independent accreditation of two more deepwater fish species and aquaculture farms in Tasmania and Queensland, Sealord offers the largest range of certified sustainable seafood to the Australian and New Zealand markets.

The Marine Stewardship Council (MSC) announced the certification of New Zealand hake and New Zealand ling, which joined hoki, albacore and Southern blue whiting as fish that measure up against the MSC's strict standards. Only 9% of the world's wild harvest fish have been certified through the global organisation.

Sealord is increasing the volumes of fresh and frozen MSC species to the New Zealand and Australian markets, aided by the growing joint venture partner, Westfleet, supplying fresh ling and a range of inshore species.

In September, Sealord King Reef Barramundi in Northern Queensland was awarded the Best Aquaculture Practice from the Global Aquaculture Alliance. In the same month, joint venture business Petuna in Tasmania was recognised with Best Aquaculture Practice certificates for its salmon farms.

Only 15% of aquaculture ventures worldwide have this accreditation.

AUSTRALIAN GROWTH ON TRACK

Sealord's focus on growing its sales and presence in Australia is showing real returns, with fresh seafood sales from New Zealand beating the FY14 budget by 158%. Sealord's aquaculture investments in Australia also delivered above-budget results.

Key to this success was the five year agreement to supply fresh hoki to Woolworths supermarkets across Australia, which saw fresh sales there double in 2014. This was backed by a nationwide marketing campaign demonstrating the ease of preparing fresh Sealord hoki.

New Zealand ling is another important fresh species. Meanwhile, farmed ocean trout and salmon from Petuna in Tasmania, along with Sealord King Reef barramundi from Northern Queensland, continue to perform.

FUTURE FOCUS MEANS CHALLENGING TIMES

Sealord has moved past the loss in 2013 and is in sound financial shape. To stay that way, it is critical that all facets of the business perform; something that resulted in a decision to streamline the company's Wetfish factory in Nelson.

āhuatanga katoa o te pākihi; nā konei i puta ai te whakatau ki te whakawhāiti i tō te kamupene wheketere Ikamākūkū ki Whakatū.

He hua tēnei o te pikinga o ngā utu me te wai whakawhiti moni teitei nāna nei i pēhi ngā utu mō te Ikamākūkū.

Ko te wheketere Ikamākūkū iti iho he kaha ake ki te arotahi ki ngā whakaputanga hua uara nui, ki te whakatutuki hoki i ngā hiahia o te kiritaki. E whakangao tonu ana a Sealord ki ngā mahinga ika ki Whakatū, ā, mā reira te pākihi e āhei tonu ai ki te panoni me te tū kaha tonu i roto i te whakataetae.

HE KOATA MIRIONA TAMARIKI E AKO ANA KI TE KAUKAU

E hāngai ana te whakaurunga o Sealord Swim for Life me Water Safety New Zealand ki te taurima i ngā tamariki i roto, i te taha hoki o te wai, ā, ki te whakawhāiti i te tokorahi o wō Aotearoa mate toreni.

E haere ake nei tana tau tuarima, ā, nuku atu i te 250,000 tamariki kua whai wāhi ki ngā akoranga kaukau puta i te motu.

This was a result of increased costs and a high exchange rate that put downward pressure on Wetfish pricing.

A smaller Wetfish factory will be better able to focus on higher value products and the needs of customers. Sealord's investment in processing in Nelson continues and the move will allow the business to adapt and remain competitive.

A QUARTER OF A MILLION TAMARIKI LEARNING TO SWIM

The Sealord Swim for Life partnership with Water Safety New Zealand is aimed at keeping young Kiwis safe in and around the water, and addressing New Zealand's high drowning toll.

Now entering its fifth year, the initiative has already seen more than 250,000 children participate in swimming lessons around the country.



OCEANZ BLUE: ABALONE SURVIVOR AND TRENDSETTER

OCEANZ BLUE

PĀUA MOREHU ME TE IHO PŪMANAWA

Tau noa ki Ruakākā, he wāhi e whāiti rawa nei ngā tūranga mahi, toko 24 ngā kaimahi wā kiki, tokoono ngā kaimahi wā hangere e whai mahi ana ki te whare pūhera o OceaNZ Blue. E kaha ana a OceaNZ Blue ki te hoko i ngā mea katoa e taea nei i roto i te rohe nei, ā, he wāhanga nui a OceaNZ Blue i roto i te ohanga o te haporī.

Mai anō i te whakatūranga, ko tōna rima ki te ono tau te roa kia puta he moni whiwhi i te pāmu pāua, ā, he roa noa atu kia tino eke te whakaputanga. Nō mātou te whiwhi i ō OceaNZ Blue kaupurihea māhaki. E ai ki te kaiwhakahaere, ki a Doug Lloyd, ko te take i hinga ai wētēhi o ngā pāmu pāua i Aotearoa nei ko te korekore noa iho e marama ki ngā kaiwhakanga o te roa o te wā kia rere mai ai te moni whiwhi.

I hokona i te Oketopa 2013, ā, e marama ana ki a Aotearoa Fisheries te roroa o te āhua o te whakangaonga ahu moana, ka mutu e titikaha ana ki te whakawhanake i te pāmu. Kua timata te hanganga o te whare hou hei whakaruruhau mō ngā ipu whakatupu e 3,000, ā, e 25/30 tōne kē atu ka whakaputaina ia tau, e eke ai te 145 tōne i te tau.

WHAKAIHUWAKA

Mai anō i tōna ōrokohanga, he hunga mahi atamai, he whakaihuwaka hoki a OceaNZ Blue o te ao mō te whakatupu pāua. I para a OceaNZ Blue i te huarahi o te whakaputanga pirianga ukauka i puta ai ngā panonitanga ki taua tukanga huri noa i te ao whānui. Koianei tētehi o ngā kamupene tuatahi ki te tukuruia i te waitai, nā reira i āta taea ai te āta whakarite te pāmahana o te wai, te aukati te rere o te waitai i ngā whakaōhītītanga mate matū kōiora, pēnei me te paenga o te kaupuke Rena.

Ko OceaNZ Blue te pāmu pāua tuatahi o te ao ki te whakatotoka ā hauota i te pāua, e puta ai he whakaputanga hua tuawhiti o te 'ritenga sashimi' mō te mākete o Āhia tonu atu.

HE AHA I AHUREI AI TĀ OCEANZ BLUE PĀUA?

E pūhake ana te mākete pāua i ngā pāmu pāua, nuku atu i te 20,000 puta i te ao i te tatauranga whakamutunga. Nā, me pēhea rā e eke ai te pāmu pāua āhua iti nei i te more o te whenua? Me tino eke ngā mahi, me whai hoki te wāhi kōunga o te mākete.

Hei tauira, ka puta tonu atu te iho o OceaNZ Blue nā tana hōtaka kairangi o te iranga me te whakamahinga o te wai horomata o te Whanga o Tāmure. He wāhanga whakahirahira te whakapono ki tō OceaNZ Haumarutanga Kai me tana āheinga aruarunga.

WĀHI WHAI RAWA & WERO

E whakapono ana a Doug Lloyd e āhei ana a OceaNZ Blue ki te whakaputa kia 400 tōne i te tau – ko tōna hāwhe o te tapeketanga o tō Aotearoa roherohenga tūwā – ki te wāhi e tū nei ōna whare. Ko tō mātou whāinga ko te tino whakawhānuitanga o te wāhi o OceaNZ Blue nā te mea kāore he huarahi e whakawhānuitia ai te roherohenga tūwā.

E whakapau kaha ana hoki a OceaNZ Blue ki te tuku i te pirianga ki ngā kaiwhakatupu hei whakawhānui i tō Aotearoa tapeketanga whakaputanga hua.

Ahakoa rā, me marama rā te whirinakitanga nunui o te ūmanga pāua o te ao ki runga o Haina, te taha ki te whakarātanga me te hiahoko. Nā runga i te hōtaka tōkautanga i mārakerake ai te kitea o te āheinga o ngā panonitanga o ngā kaupapa here o Haina ki te whakapā i ngā raruraru nui, i ngā raruraru kawekawe roroa ki te mākete pāua.

Ko tā Doug tino kōrero mō te ahu moana?
"He māmā noa iho – taea noatia te taunga iho o te māramatanga."

Based in Ruakaka, where employment opportunities are limited, OceaNZ Blue employs 24 full-time staff, and six part-time pack-house staff. Purchasing locally as much as possible, OceaNZ Blue is an important part of the community's economy.

From start-up it takes five to six years to generate income from an abalone (pāua) farm and even longer to get into full production. Luckily, OceaNZ Blue had patient shareholders. Manager, Doug Lloyd says that many of the abalone farming failures in New Zealand have been caused by investors not realising how long it takes to get revenue flowing.

Purchased in October 2013, Aotearoa Fisheries understands the long-term nature of an aquaculture investment and is committing further to developing the farm. Construction has begun on a new shed that will house 3,000 grow-out tubs and produce a further 25/30 tonnes per annum, taking production to 145 tonnes annually.

WORLD LEADERS

Since its establishment, OceaNZ Blue has been an innovator and world leader in abalone farming. OceaNZ Blue made a breakthrough in continuous spat production leading to changes of this process worldwide. The company was one of the first in the world to recirculate salt water, allowing it to control water temperature and shut off ocean water supply in case of biosecurity alerts, including a ship-grounding like the Rena.

OceaNZ Blue was also the first abalone farm in the world to cryogenically (nitrogen) freeze abalone, producing a premium 'sashimi grade' product for the Asian market in particular.

WHAT MAKES OCEANZ BLUE ABALONE UNIQUE?

The pāua market is cluttered with abalone farms, at the last count there were over 20,000 worldwide. So how does a relatively small pāua farm in the corner of the world compete? By doing things superbly and aiming at the premium end of the market.

For example, OceaNZ Blue's advanced genetics programme and use of water from pristine Bream Bay puts it in a league of its own. Confidence in OceaNZ Blue's Food Safety and traceability is also an important factor.

OPPORTUNITIES AND CHALLENGES

Doug Lloyd believes OceaNZ Blue can produce 400 tonnes annually – about half New Zealand's total wild quota – on the current site. Because there is no prospect of the wild quota increasing, our goal is to grow the OceaNZ Blue site significantly.

OceaNZ Blue is also working to supply growers with spat to increase the total New Zealand production.

Nonetheless, it should be recognised that there is a huge dependence of the world abalone industry on China, on both the supply and demand side of the business. The austerity programme has shown shifts in China policy can cause major and far reaching disruptions to the abalone market. OceaNZ Blue has certainly not escaped the effects of this policy.

Doug's favourite quote about aquaculture?

"It's easy – until you understand it."



OUR SUSTAINABILITY JOURNEY

TŌ TĀTOU TĀROINGA TOITŪ ORANGA

A SUSTAINABLE JOURNEY



HE HAERENGA MAURI ORA

Ko mātou te kamupene nui katoa, nō te Māori anake, i Aotearoa, ā, e pīkau ana mātou i tō mātou kawenga ki te tiaki i ō tātou taonga mō ngā whakatupuranga e haere ake nei.

Nā konei i whakawhanaketia ai e mātou i te tau 2014 he rautaki toitū-oranga puta i te pākihi, e whakakaongia ana he rārangi o ngā kaupapa toitū-oranga ki roto ki te hōtaka māia. E rima rawa ngā wāhi e kapi ana i te hōtaka:

1. Ō mātou tāngata: Whakatairangatia he oranga ora, oranga ngangahau e hāngai ana ki ō Aotearoa Fisheries uara, te kaitiakitanga me te manaakitanga.
2. Te āhua o te hao: Kia whaitake, kia māia te hao ika, kia whāiti ngā puhanga waro, ā, kia tiakina te taiao.
3. Te āhua o te hoko: Hokonga tarāwhare mehemea e taea ana mai i ngā kaiwhakarato haepapa e whakamahi ana i ngā hōtaka e pā ana ki te para me te hiko.
4. Te āhua o te mahi: Inea te wai, te para me te hiko ki ngā wāhi katoa, ā, whakatakotoria he whāinga hei whakawhāiti iho.
5. Ō mātou mākete: Mauria he mātaitai tuawhiti e āhei nei te aruaru, i haoa kia toitū tonu ai te oranga o te ika, ā, hei whakawhānui i te uara mō ngā kaupupurihea ā Iwi.

He pai te toitū oranga mō tātou katoa. Mō ngā kaupupurihea ā Iwi, ka kao mai ngā uara matua pēnei me te **whakapapa**, te **kaitiakitanga**, te **manaakitanga** me te **whakatupuranga**.

Mo te kiritaki, mā reira e tau ai te mauri nā te mea i haoa matatikatia ngā kaimoana e hokona ana e rātou i roto i ngā wai horomata, ā, e pai ana hei kai.

E kakama ake ana te mahi a ngā toa hokomaha hoki rā. E tokorahi haere ana ngā rārangi toa nunui i roto i ō mātou mākete whakahirahira rawa kia whai ngā kaiwhakarato i ngā tikanga pai mō te toitū-oranga me te tiaki taiao – ā, kia whakaaturia hoki aua mahi.

Ehara i te mea e whai kau ana mātou i ngā tikanga papai – rite tonu tā mātou para i te huarahi. Hei tauira ko Precision Seafood Harvesting: i roto i te whakaurunga me Sealord, Sanford me te kāwanatanga, e whakawhanake ana mātou i te hangarau hiika hou e whakahokia haumarutia ai ngā ika moroiti ki te moana. Ka mutu ka hia oratia ake ngā ika ki te waka, me te pai hoki o te āhua.

Kua whakawhanake hoki mātou i te pūmanawa rorohiko atamai, ko FishTale te ingoa, e āhei ai te kiritaki ki te kite nō hea te ika e hoko nei ia, ā, nā wai i hī (he tohutohu tao ika hoki kei roto).

Ki a mātou, he haerenga kē te toitū-oranga, ehara i te ūnga – he āhuatanga hei whakapakari tonu, hei whakapiki tonu. I roto i te tau kua hipa nei, e whakapau kaha ana mātou ki te whakapiki i te haumarutanga, me te mea nei he pai hoki ngā putanga. Ka mutu i whakaarahia e mātou a Hikoi ki te Ora, he hōtaka hauora e whakatairanga ana i ngā oranga hauora ki te kai pai, te hākinakina, te whakamaurutanga ahoetea me te parenga māuiuitanga.

Ko wētehi atu kaupapa hihiko ko ngā kaupapa here hoko e pai ai te whai tonu hei wāhi o ngā tauira marohitanga ā muri nei, me te mahere mō te ruke me te whakawhāiti i te para, he mahere hei whakamahinga ki roto i ō mātou wāhanga katoa ā te wā.

Ka pūrongo atu mātou ki a koutou i te kōkiritanga o te kaupapa i runga i tā mātou paetukutuku, i roto i ngā pūrongo weherua tau me ngā pūrongo ā tau ā muri nei. Kei roto tēhēhi whakarāpopoto nui kē o **Tō Mātou Haerenga Toitū-oranga** ā mohoa noa i roto i te pukaiti e noho ana hei hoa mō te pūrongo ā tau o tēnei tau.

As New Zealand's largest Māori-owned fisheries company, we recognise our duty to protect what we have for future generations.

So in 2014 we developed a sustainability strategy across the whole business, pulling together a range of sustainability projects into one coordinated programme. The programme covers five areas:

1. Our people: Promote a healthy, active lifestyle that reflects Aotearoa Fisheries' values of kaitiakitanga and manaakitanga.
2. How we harvest: Fish effectively and efficiently, keeping carbon emissions low and taking care of the environment.
3. How we buy: Buy locally where possible from suppliers who act responsibly and have waste and energy programmes in place.
4. How we operate: Measure water, waste and energy across all sites and set targets to reduce them.
5. Our markets: Deliver traceable, sustainably harvested, quality seafood and maximise value for Iwi shareholders.

Sustainability is good for everyone. For Iwi shareholders it captures central values like **whakapapa**, **kaitiakitanga**, **manaakitanga** and **whakatupuranga**.

For customers, it provides assurance that the seafood they buy from us has been harvested ethically, comes from clean waters and is safe to eat.

Even supermarkets are taking a more active role. More and more of the major chains in our most important markets are demanding that suppliers adopt good sustainability and environmental practices – and show that they're doing so.

We're not only adopting good practices – in many cases, we're leading the way. Take Precision Seafood Harvesting, for example: in partnership with Sealord, Sanford and the government, we are developing a new fishing technology that safely releases undersized fish back into the ocean. What's more, it also brings fish onto the boats alive and in perfect condition.

We've also developed smart software called FishTale, which allows shoppers with a smartphone to see where the fish they're buying was caught, and who caught it (and even tells them how to prepare it).

We see sustainability as a journey rather than a destination – something to continually work at and improve on. Over the last year we've worked hard to improve safety, with good results, and established Hikoi ki te Ora, a wellness programme that promotes healthy lifestyles through diet, exercise, stress management and illness prevention.

Other initiatives include a sustainable procurement policy to be included in future tender templates, and a waste management and minimisation plan that will be rolled out across all our divisions.

We will keep you updated on progress through our website and in future annual and half-yearly reports. You can find a full summary of **Our Sustainability Journey** to date in the booklet that accompanies this year's annual report.



Artist: Amiria Puia-Taylor, Ngāti Te Ata
Waiohū, Ngāti Tūpua, Samoan, Rarotonga/
Aitutaki and Tahitian

TE HII IKA

E tata oti ana ngā whakahounga ki tō mātou wāhi i Bell Avenue, Maungarei, engari i waenga i ngā paparaima hou i whakaaro mātou kua kore he tae, kua kore he mauri. Ka hanga a Amiria Puia-Taylor i 'Te Hii Ika', koia pū te mea e ngaro ana – he kōwaiwai e tītohu ana i tō mātou kaimahi huhua me tō mātou hononga ki te Moana Nui a Kiwa, ki ngā Iwi katoa, ki a Tangaroa hoki.

E whakaaturia ana e te kōwaiwai nei ngā uara o te kaitiakitanga me tō Aotearoa Fisheries manawanui ki te whakahonore i te Tiriti o Waitangi, te Ture Ika Māori, me te Māori hei Mana Tangata. Ka mihia te whare hou hei waka e pupuri ana i a tātou i roto i te kotahitanga, pēnei me te pupuritanga o ngā uri o Tangaroa i roto i te moana.

E mahi ana ngā kaihiika i raro i a Matariki – te kahu whetū i whakamahia e te Māori hei urungi waka, kia mōhio hoki rātou ki ngā rā pai mō te hii i tēnā ika, i tēnā ika.

E titohua ana te whakataukī, "Tāmaki-makau-rau – kainga ngā ika me ngā wheua katoa."

KO TE HAUMARUTANGA KAIMAHI TE MATUA

I tēnei tau, 18 rawa ngā Mihinī Whakatau Hukihukinga Manawa Aunoo (MWHMA) i whakaritea e Aotearoa Fisheries ki roto i tō mātou wāhi puta i te motu. Ko mātou tētehi o ngā kamupene tuatahi nāna nei tēnei mahi.

Ko te haumarutanga kaimahi te kaupapa o te whakatau nei. E titikaha ana mātou ki te haumarutanga kaimahi, ā, mō te tūpono noa ka puea ake he mate ohorere, e hiahia ana mātou kia rite mātou mō te mate manawa.

He whakamiharo rawa tā Aotearoa Fisheries rikoata mō te haumarutanga. He autāia tonu te tātaritanga rāwaho o tō mātou whare mahi ika ki Bell Ave i oti i a Mahi Haumarua Aotearoa me Sphere.

Ia rā ia rā, tokoiwa rawa ngā tāngata o Aotearoa e pāngia ana ki te mate manawa i roto i te haporī, engari ko tōna 10% ka morehu. E 40% te pikinga o te tūponotanga morehu me te MWHMA.

HEI WHAKARĀPOPOTO
IN SHORT

TE HII IKA

Renovations were nearly completed at our renovated Bell Avenue site in Mt Wellington, but amidst all the new concrete, we felt some colour and life was lacking. Amiria Puia-Taylor created exactly what was needed in 'Te Hii Ika' – a mural reflecting our diverse staff and our ties to Polynesia, to all Iwi and to Tangaroa.

The mural reflects the values of kaitiakitanga and Aotearoa Fisheries' commitment to honour the Treaty of Waitangi, the Māori Fisheries Act and Māori as Mana Tangata. It acknowledges the new building as the waka that holds everyone in union, just as the creatures of Tangaroa are held within the moana.

The fishermen are at work under Matariki – the constellation Māori used to navigate and tell when were the best times to fish for certain ika.

It denotes the whakataukī, the old proverb, "Tāmaki-makau-rau – where the fish are so succulent you can eat them bones and all."

IT'S ALL ABOUT STAFF SAFETY

This year Aotearoa Fisheries installed 18 St John Automated External Defibrillator (AED) units throughout our sites nationally. We are one of the first fishing companies to do so.

The decision was all about staff wellbeing. We're committed to staff safety and in the event of an emergency we want to be equipped to deal with a cardiac arrest.

Aotearoa Fisheries' safety record is already impressive. We received a very positive external audit of our Bell Ave processing plant from Work Safe New Zealand and Sphere.

Every day around nine New Zealanders suffer a cardiac arrest in the community but only about 10% will survive. An AED unit increases the odds of survival by up to 40%.





HEI WHAKARĀPOPOTO
IN SHORT

WORKING TOGETHER FOR THE BLACK PETREL

The seafood industry's Black Petrel Working Group is a collaborative effort to reduce risks from fishing to this threatened seabird.

The Group, made up of commercial and recreational fishers, environmental interests, government and iwi, is committed to finding long-term and effective solutions for protecting marine wildlife, including seabirds.

Members gathered in Leigh earlier this year to sign 'the Black Petrel pledge' – aimed at getting everyone fishing on the Hauraki Gulf to use seabird-smart fishing practices.

Southern Seabird Solutions Trust, which works with professional skippers and crew and recreational anglers to reduce harm to seabirds through fishing (and also runs Seabird Smart workshops), has played an important role in bringing together the relevant organisations.

Aotearoa Fisheries is committed to preventing these birds from ending up as by-catch. Our collaboration with other members of the Working Group is one way we can contribute to having the tāiko flourish.

SKIPPER WINS HOLDAWAY AWARD

Adam Clow, skipper of the 'Southern Cross', has won the prestigious 2014 Holdaway Award for leadership in the Hauraki Gulf Maritime Park – his second conservation award in just two years. A third generation fisherman who long-lines for snapper out of Whitianga for AFL Inshore, Adam's proud of his family connection with the sea and is determined to reduce seabird by-catch.

Adam usually sets in the dark, uses tori lines and adds heavy weights to sink the line quickly if there are birds around. He has found that reducing speed during the set has also been effective at reducing by-catch and also says he's found the Seabird Smart workshops really helpful.

"We just customise the set to deal with the conditions for learning new stuff and for trying out new techniques," he says.

"I think fishermen like us, who are in the game for life, are having to grab hold of these ideas and go with them. We want to be able to hold our heads up high when we say that we're fishermen".



Adam, along with Zak Olsen, who also won a Seabird Smart award in 2012, was privileged to meet Prince Charles, patron of Southern Seabirds Solutions Trust, at Government House during his visit to New Zealand in November 2012.

MAHI TAHI MŌ TE TĀIKO

Ko tō te ūmanga kaimoana Black Petrel Working Group he kaupapa mahi tahi hei whakawhāiti i ngā mōreareatanga a te hiika ki te manu mōrearea nei.

He rōpū tēnei e whai wāhi ana ngā kaihiika tauhokohoko, ngā kaihiika tākaro, ngā kaupapa tiaki taiao, te kāwanatanga me ngā iwi. E titikaha ana te Rōpū ki te kimi i ngā urupare ukauka, whaitake hoki hei tiaki i ngā ika o te moana, me ngā manu ā tai hoki.

I huihui ngā mema ki te whanga o Ōmaha i mua rā i te tau hei waitohu i te 'oati Tāiko' – ko te whāinga ia kia whai ngā tāngata katoa e hiika ana ki te Pare Hauraki i ngā tikanga tiaki manu ā tai.

He whakahirahira ngā mahi a Southern Seabird Solutions Trust i te huihuinga o ngā rōpū e whai pānga ana. He rōpū tēnei e mahi tahi ana me ngā kāpene me ngā kaimahi me ngā kaihuhiika ki te whakawhāiti i ngā mate o ngā manu ā tai nā te hiika te take (ka whakahaere wānanga Seabird Smart hoki).

E titikaha ana a Aotearoa Fisheries ki te kaupare i te rironga o wēnei manu hei haonga tē hiahiatia ai. Ko tā mātou mahi tahi me wētehī atu mema o te Rōpū Mahi nei na he huarahi e āhei ai mātou ki te tautoko i te pūāwaitanga o te tāiko.

KA RIRO I TE KĀPENE TE HOLDAWAY AWARD

Kua riro i a Adam Clow, kāpene o te 'Southern Cross', te Holdaway Award 2014 whaimana mō te rangatiratanga ki te Wāhi Rāhui o Pare Hauraki - koinei tana tohu tuarua mō te tiaki taiao i ngā tau e rua kua hipa nei. He uri ia o te reanga tuatoru o tana whānau e hiika ana, ko tana he hī tāmure ki te aho roroa ki Whitianga mā AFL Inshore. E whakahihī ana a Adam i te hononga o tona whānau ki te moana, ā, e manawanui ana ia ki te whakawhāiti i ngā manu ā tai e haoa ana.

Puti ai a Adam i te pō, ka whakamahia ngā taura whakatūraha manu, ā, here ai ia i ngā maihea taumaha kia totohu pāwawe ai te aho kei mau ngā manu e tata ana. Kua kite ia he whaitake kia āta haere te waka i te tukunga o te aho hei whakawhāiti i te haonga tē hiahiatia ai, ā, e mea ana ia he āwhina nui tā ngā wānanga Seabird Smart.

"Ka āta whakaritea te tukunga e ai ki tā mātou e pai ai hei kawē i ngā ritenga mō te ako kōrero hou me te whakamātau i ngā mahi hou," hei tāna.

"Ki ōku nei whakaaro, me kapo atu ngā mahi hou nei e ngā kaihiika pēnei i a mātou, he hunga e hiika ana ā mate noa, me te whakamahi atu. E hiahia ana mātou ki te hāpai i te kauae i te huanga ake he kaihiika mātou.



HEI WHAKARĀPOPOTO
IN SHORT

'DIAMOND JUBILEE' FOR OYSTER COUPLE

Vince and Janice Syddall have been honoured with lifetime achievement awards for their combined contribution of nearly 60 years to the New Zealand oyster industry. Vince was presented with the Joe Francis Memorial award and Janice received the Sam Wilson Trophy.

Vince, Pacific Marine Farms Operations Manager, started farming oysters as a labourer in 1980. Janice, Factory Administration Manager, joined Pacific Marine Farms in 1991.

"It's a fascinating industry to work in," says Vince. "Just when you think you know it all, Mother Nature will throw you a curve ball and you realise there's always more to learn."

And to people who ask Janice how the two of them have been able to live and work together for almost 30 years she just says, "The answer is simple: work is work and home is home."

ONO MAHURUTANGA MŌ TE TOKORUA MAHI TIO

Kua whakanuia a Vince rāua ko Janice Syddall ki ngā tohu ekenga oranga mō rāua i āpitī tahi ki te ūmanga tio o Aotearoa mō ngā tau e 60. I riro i a Vince te tohu Joe Francis Memorial, ā, i riro i a Janice te tohu Sam Wilson Trophy.

I timata a Vince, Kaiwhakahaere Mahi o Pacific Marine Farms, i roto i te mahi tio hei ihu oneone i te tau 1980. I piri mai a Janice, Kaiwhakahaere Tari o te Wheketere, ki a Pacific Marine Farms i te tau 1991.

"He whakamiharo te mahi i roto i te ūmanga nei," hei tā Vince. "Ka eke te wā e pōhēhē ai koe kua mau i a koe te iro, kātahi a Papatūānuku ka hangarau, ka mōhio koe he nui noa atu ngā mea hei ako māu."

Ka mutu ka pātai te hunga ki a Janice me pēhea rā kia piri tonu ai, kia mahi tahi tonu ai rāua i ngā tau e 30, ka kī atu ia, "He māmā te whakautu: ko te mahi anō te mahi, ko te kāinga anō te kāinga."

NGĀ TOHU HUHUA I RIRO I A PRECISION SEAFOOD HARVESTING

Tekau rawa ngā tau e mahi tahi ana a Aotearoa Fisheries, Sanford, Sealord me ngā mātanga pūtaiao ki Plant & Food Research, kātahi ka whakatūria a Precision Seafood Harvesting nō te toru tau. Ka whakarērea atu ngā puhoro tawhito, ka whakawhāititia rawatia te haonga tē hiahiaia ai ki te hangarau hao takahuri-ao nei na, ā, ka taea ngā ika te hao ora ake, tuawhiti noa hoki.

Nā reira mātou i manawarū ai i te Oketopa nei i te rironga i a Precision Seafood Harvesting o te Tohu Taioreore me te Tohu Atamai i te Toitū-oranga & Hangarau Mā i te 2014 Tohu Atamai o Aotearoa. Hei puru rourou, i eke rātou ki te whiringa whāiti mō te wāhanga Hiranga Atamai i te Rangahau.

Tōmua atu i te tau, e rua rawa ngā tohu nui i riro i a Precision Seafood Harvesting ki ngā Kiwi Innovation Network (KiwiNet) Research Commercialisation Awards.

PRECISION SEAFOOD HARVESTING WINS MULTIPLE AWARDS

Ten years of collaboration among Aotearoa Fisheries, Sanford, Sealord and scientists at Plant and Food Research saw Precision Seafood Harvesting launched three years ago. By doing away with traditional trawl nets, this revolutionary fishing technology dramatically reduces by-catch, and allows fish to be landed alive and in perfect condition.

So we were delighted this October when Precision Seafood Harvesting won the Supreme Award and the Innovation in Sustainability and Clean-Tech Award at the 2014 New Zealand Innovator Awards. To top things off, it was also a finalist in the Innovation Excellence in Research category.

Earlier in the year Precision Seafood Harvesting won Peoples Choice Award at the Kiwi Innovation Network (KiwiNet) Research Commercialisation Awards.





HEI WHAKARĀPOPOTO
IN SHORT

EXCITING NEW 'R&D' DEVELOPMENT WITH FOODHQ

For the next two years Aotearoa Fisheries will have access to a wide range of technologies, skills and innovations provided by 2,000 researchers and scientists. The access? FoodHQ, New Zealand's international centre for food development.

Aotearoa Fisheries will be collaborating with FoodHQ scientists from AgResearch, Massey University, Plant and Food and the Riddet Institute to develop new products and markets. This has been made possible by a Ministry of Business, Innovation, and Employment grant of \$180,000 from the Vision Mātauranga Capability Fund.

CEO Carl Carrington believes it's an important responsibility managing our resource for now and for the future. He identifies several major areas for development: tapping into more high-value products, thoroughly exploring the existing resource, and commercial follow on. "Innovation and creating maximum value from everything harvested are the way forward," he says.

AOTEAROA FISHERIES ON THE MENU AT ASIA'S LARGEST FISHERIES EXPO

The Expo brings leading seafood suppliers and buyers together from around the world so it is an important showcase.

All Aotearoa Fisheries divisions were present, together with Sealord, for the first time this year reflecting the importance we place on building our China market position.

Online purchases represent a significant proportion of consumer activity in China and the expo was an opportunity to nurture existing partnerships and establish new ones as we continue to bring together high quality, safe and trusted seafood with direct access to the growing middle class of discerning Chinese consumers.



Pacific Marine Farms - Don Collier promotes live oysters to growing middle class Chinese consumers

WHANAKETANGA 'R&W' WHAKAIIHIHI ME FOODHQ

I roto i ngā tau e rua e haere ake nei, e wātea ana a Aotearoa Fisheries ki tēhēhi rārangi o ngā hangarau, pūkenga, mahi hou hoki a ngā kairangahau me ngā mātanga pūtaiao e 2,000. Te whaiwāhitanga? Ko FoodHQ, tō Aotearoa rōpū o te ao mō te whanaketanga kai.

Ka mahi tahi a Aotearoa Fisheries ngā mātanga pūtaiao o FoodHQ mai i AgResearch, Te Kūnenga ki Pūrehuroa, Plant & Food, me te Riddet Institute hei whakawhanake i ngā whakaputanga hua hou me ngā māketē hou. I taea tēnei nā te pūtea tautoko a Hikina Whakatutuki \$180,000 te nui mai i te Vision Mātauranga Capability Fund.

E whakapono ana te tumuaki, a Carl Carrington, he kawenga whakahirahira te whakahaere i tō tātou rauemi mō nāianei, mō āpōpō hoki. He huhua ngā wāhi nunui hei whanaketanga i tautohua e ia: te rironga mai o ngā whakaputanga hua e nui kē atu nei te uara, te āta tūhura i te rauemi ōnāianei, me ngā hua tauhokohoko e makere iho ana. "Ko te mahi atamai hou me te whakapiki i te uara nui rawa mai i ngā haonga katoa te huarahi whakamua," hei tāna.

KEI RUNGA Ā AOTEAROA FISHERIES I TE RĀRANGI KAI KI TŌ ĀHIA HUINGA HIIKA NUI RAWA

Ka huihui mai ki te Huinga nei ngā kaiwhakarato kaimoana me ngā kaihoko kaimoana whakaihuwaka i ngā tōpito katoa o te ao, nā reira he whakaaturanga whakahirahira tēnei na. I tēnei tau, i reira ngā māngai o ngā wāhanga katoa o Aotearoa Fisheries, me ō Sealord hoki, mō te wā tuatahi. He tohu tēnei o te hiranga o te whakawhānui i tō mātou tūranga ki te māketē o Haina.

He wāhi nui ngā hokonga ā ipurangi o ngā mahi hokohoko ki Haina. Ka mutu he pai rawa te huinga hei arawhai i ō mātou whakaurunga, ki te hanga whakaurunga hou hoki i a mātou e whakakotahi nei i te kaimoana tuawhiti, haumarū e whakaponotia ana ki te whaiwāhi ki te karangatanga whairawa e whanake nei ki Haina, he kaihoko hinengaro hihiri.



HEI WHAKARĀPOPOTO
IN SHORT

TE ROTO O TE WHAKAKĪ REVIVES

An extensive, interlinked system of lakes, wetlands, sand dunes and barrier beach covering 577 hectares in Hawkes Bay is reviving under the kaitiaki of the Whakakī Lake Trust, established in 1969 by order of the Māori Land Court.

Decades of now-outdated farming methods had radically affected water levels and salinity, drastically reduced the wetland's area, and profoundly disrupted its ecology.

The Trust and supporters campaigned strenuously, using their own financial resources, to have their lake protected.

The old Rahui Channel was finally re-opened in 1997 and restoration work began. Recently Aotearoa Fisheries provided the Trust with funds to help realise their vision of a wild fowl sanctuary, educational resources, a comprehensive replanting programme, fresh water rejuvenation, and dune heightening to protect the lake from salt water incursion.

In time, the wetlands will once again provide an indigenous food resource and provide opportunities for recreation, education, and spiritual wellbeing.

NEW WEBSITES FOR FISH, IKA AND YÚ LOVERS

The new website for AFL Inshore was launched this year and is being made available in English, te reo and Chinese. Plans are underway for the Prepared Foods and Aotearoa Fisheries websites to do the same in 2015.

Check it out at: www.aflinshore.co.nz



KA ORA ANŌ TE ROTO O TE WHAKAKĪ

E rauora haere ana te pūnaha tūhonohono whānui o ngā roto, ngā repo, ngā tāhuna me te tātahi taupā, e 577 heketea te nui ki te Matau a Māui. Ko te Whakakī Lake Trust te kaitiaki, i whakatūria i te tau 1969 nā te tohutohu o te Kōti Whenua Māori.

He kaha rawa te pānga o ngā mahi pāmu neha kē ki te hōhonu me te kurutai o te wai, ka whakawhāititia rawatia te repo, ā, ka raruraru rawa atu te pūnaha rauropi.

I anga kaha te Tarāti me ōna kaitautoko, i whakamahi rātou i ā rātou ake pūtea, hei taurima i tō rātou roto.

I whakatūwheratia rawatia iho te Au Rāhui tawhito i te tau 1997, ā, i timata ngā mahi whakamāui. Inākuanei i tukuna e Aotearoa Fisheries he pūtea ki te Tarāti hei tautoko i te whakatinanatanga o tō rātou whāinga matua, arā he punanga manu tūwā, he rauemi mātauranga, he hōtaka whānui mō te whakatō rākau, te whakahoromatatanga o te wai māori, me te ahuahunga oneone ki ngā tāhuna kia teitei ake ai hei taurima i ngā roto kei whakaeke mai te wai tai.

Nāwai rā, ka noho anō te repo hei pātaka kai Māori, hei wāhi mō te tākaro, te akoranga, me te oranga wairua.

PAETUKUTUKU HOU MŌ TE HUNGA KAINGĀKAU KI TE IKA ME TE YÚ

I whakarewangia te paetukutuku hou mō AFL Inshore i tēnei tau, ā, kua whakaritea i roto i te reo Pākehā, te reo Māori, me te reo Hainamana. E haere ana ngā mahere e pēnei ai ngā paetukutuku a Prepared Foods me Aotearoa Fisheries hei te tau 2015.



NGĀ HONONGA TAUTOKO
KEEP CONNECTED

SUPPORTING THE NEXT GENERATION OF MĀORI ALL BLACKS

Aotearoa Fisheries support for our future Māori All Blacks starts at grass roots level. This year Iwi were invited to nominate their local sports team to win a set of drink bottles and holders. We had a big response and many appreciative young rugby teams right across the country were winners.

E TAUTOKO ANA I TE REANGA HOU O NGĀ Ō PANGO MĀORI

Ka timata te tautoko a Aotearoa Fisheries i ngā Ō Pango Māori āpōpō ki tōna pūtake. I tēnei tau i wātea ngā Iwi ki te tautoku i ō rātou tīma tākaro hei wini i te huinga tahā me ngā kete. He maha ngā urupare, ā, he huhua ngā tīma hutupōro rangatahi puta i te motu i whakawhiwhia ki ngā taonga nei.

TARĀTI WAKATOPATOPA WHAKARAUORA O TĀMAKI MAKĀURAU

E 4 ngā tau e haere ana te tautoko a Aotearoa Fisheries i te ratonga whakahirahira nei na. He wāhi tēnei o tā mātou atawhai i ō mātou kaihiika, kei tūpono noa te mate nui, ā, ka hiahia ana rātou ki te āwhina pāwawe i a rātou i tai.

AUCKLAND RESCUE HELICOPTER TRUST

For the fourth year running, Aotearoa Fisheries has supported this important service. It's part of taking care of our fishers, should the worst happen and they need urgent assistance while at sea.



Ō PANGO MĀORI – HE TĀROINGA WĀHIRUA

Ko Aotearoa Fisheries ngā kaitautoko whakahihī o te Kapa Ō Pango Māori anō. I te Noema o tēnei tau, he poto te tāroinga o ngā Ō Pango Māori ki Āhia, me wētehi kēmu ki te kapa Hāpani ki Kobe me Tokyo. I eke te rārangi wikitoria ki te 18 kēmu, whai muri iho i te kēmu whakamutunga, he kēmu autāia ki te kapa piki taumata o Hāpani.

I riro anō ngā tikanga whakapāho o ngā kēmu i a Aotearoa Fisheries, ngā kēmu i puta i te wā tonu i tākarohia ai i runga i te hōngere hākinakina o Sky, ā, i whakapāhōngia tōmuritia i runga o Whakaata Māori.

MĀORI ALL BLACKS – A TOUR OF TWO HALVES

Once again Aotearoa Fisheries are proud sponsors of the Māori All Blacks. In November this year the Māori All Blacks had a brief tour of Asia with games at Kobe and Tokyo against Japan. They extended their consecutive winning streak to 18 games, but only after a nail biting finale in game two against a resurgent Japanese side.

Once again Aotearoa Fisheries held the broadcast rights for the games, which were featured live on Sky Sport and delayed on Māori Television.

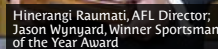




One of the initiatives to have come out of the bi-monthly seafood industries' Communications Forum is a set of educational resources funded by the industry. The set includes exciting elements like running a virtual fishery, skyping with a working fishing vessel – and even having fresh fish delivered to the classroom.

Aotearoa Fisheries have had four of the Fact Sheets translated into te reo Māori and made them available to all kura across the country. They can be downloaded from the Aotearoa Fisheries or Seafood New Zealand website, and will be promoted by Ministry of Done on their school visits.

Every year Māori come together to celebrate achievement in sport. Twenty-six world champions – as individuals or team members – were in line for honours at the 2014 Māori Sports Awards in late November. Aotearoa Fisheries continued our support by sponsoring the Sportsman of the Year Award – this year's winner was Jason Wynyard for wood chopping and power sawing. The growing number of Māori excelling at home and on the international stage is something we can all be proud of.



Ko tētehi o ngā kaupapa i puta i te Huinga Kōrerorero o te Ūmanga kaimoana e whakahaeretia ana i aua mārama ko te huinga rauem i mātauranga, nā te ūmanga te pūtea tautoko. Ko tētehi o ngā rauemi whakahihihi nei ko te mahinga ika matihiko, te kōrerorero ā ipurangi ki te waka hao ika e mahi ana – tae raua ake ki te ika mohou e mauria ana ki te akomanga.

E whā rawa ngā Pepa Pitopito Kōrero i whakamāoritia e Aotearoa Fisheries, ā, e wātea ana ngā kura puta i te motu ki te pā atu. Ka whakaheke i ngā paetukutuku o Aotearoa Fisheries me Seafood New Zealand, ā, ka whakatairangatia e Ministry of Done i wā rātou toronga atu ki ngā kura.

Ia tau ia tau karapinepine ai te Māori ki te whakanui i ngā angitū hākinakina. E 26 ngā tau o te ao - takitahi mai, kapa mai – i whakangaotia kia whakanuia ki ngā Tohu Tākaro Māori 2014 i te mutunga o te Noema. I tautoko tonu a Aotearoa Fisheries, arā i whakatairanga ake i te Tohu Toa o te Tau – ko te tau i tēnei tau ko Jason Wynyard mō te poro wāhine me te kani uekaha. He take whakahihī mā tātou katoa te pikinga o te tokorahi o ngā Māori e eke ana i konei, i tāwahi hoki.

WĀNANGA REO MĀORI 4 WHĀNAU

I karapinepine atu ngā kaiako mātanga ki te reo Māori, ngā kaiako remurere ki tōna whakamāuitanga ki Te Kura Kaupapa Māori o Te Kōtuku i te Rā Whānau o te Kuini, me te tautoko o Aotearoa Fisheries. 125 ngā tāngata i tatū ki te wānanga reo nei, i whakahaeretia i roto i te reo. I whai wāhi ngā tamariki me ngā pākeke ki te parakitihi me te ako i te taha o wētahi atu whānau kōrero Māori. He tuatahi tēnei ki te rohe o Tāmaki Makaurau, ko te whāinga o te wānanga ko te whakawhānui i te hōhonu, te kōunga me te wahapū o wō te hunga nei pūkenga reo Māori.

*“E rere ngā au o mihi ki a koutou o Aotearoa Fisheries
mō ō koutou raupī mai ki a matou!”*
Janine Tamaiti Paratene

Whāia rātou ki runga o Pukamata ki Māori 4 Grownups.

MĀTAURANGA KI TE ĀPURE

Nā te InZone Education Foundation i wātea ai ngā ākonga Māori, uri o te Moana Nui a Kiwa hoki o ngā kura tuarua ki wētahi o ngā kura whakaihūwaka o te motu, he kura ā kāwanatanga, he kura piri ki te kāwanatanga hoki – he hanga tēnei i kore nei e taea e rātou i mua. Kua mārōrō ngā tikanga āpure, ā, kua piki rawa atu ngā utu whare, me te mea nei kua peia atu ngā whānau Māori me ngā whānau moutere ki waho o ngā āpure kura papai. Heoi ko aua ākonga tonu he ākonga e kaha ana ki te wehe i te kura me ngā otinga hakahaka rawa, te hunga e kaha hiahia ana ki ngā akoranga kōunga rawa.

Kei roto i te whare puni, InZone Te Kāinga Wānanga, ko te āhuatanga whakapapa e waia nei ngā ākonga Māori, ākonga moutere hoki, mā reira e wana ai te wheakoranga akoako.

Ia marama ia marama tuari ai a Aotearoa Fisheries i te kaimoana ki ngā tama. Kāore mātou e karawhiu kau i te kaimoana; kua mahi mātou me te hunga ki InZone kia whānui ai te rārangi kai e tuarititia ana e mātou, kia whai āhuatanga mātauranga hoki – pēnei me te ako ki te pāwhara i te ika me te taka kaimoana. Mā reira ngā tama e wātea ai ki te whātoro i tētahi taonga taketake – tā rātou e kai nei, te takenga mai o taua kai me te haonga hoki.

MĀORI 4 WHANAU WANANGA REO

With the support of Aotearoa Fisheries, teachers who are exponents of te reo Māori and have a passion for its revitalisation gathered at Te Kura Kaupapa Māori o Te Kōtuku over Queen's Birthday. 125 participants attended the wānanga reo, conducted in te reo. Children and parents had the opportunity to practise and learn alongside other te reo-speaking families. A first for the Auckland region, the wānanga's aim was to grow the depth, quality and fluency of participants' Māori language abilities.

*“E rere ngā au o mihi ki a koutou o Aotearoa Fisheries
mō ō koutou raupī mai ki a matou!”*
Janine Tamaiti Paratene

Follow them on Facebook at Māori 4 Grownups.

EDUCATION IN ZONE

The InZone Education Foundation allows Māori and Pacific Island secondary school students access to some of New Zealand's highest performing state and integrated schools – something they would otherwise not have. As zoning restrictions have tightened and house prices have soared, Māori and Pacific Island families have been squeezed out of the favoured educational zones. Yet it is these students, who often leave school with the least successful results, who need access to the best quality education.

The boarding hostel, InZone Te Kāinga Wānanga, provides a whakapapa environment familiar to Māori and Pacific Island students, to enhance their learning experience.

Aotearoa Fisheries provides the boys with kaimoana every month. We don't just drop off the kaimoana; we've worked with the team at InZone to ensure that what we provide is varied and has an educational element attached – like learning how to smoke fish and how to prepare and cook kaimoana. That enables the boys to explore a traditional taonga – what they're eating, where it has come from and how it was caught.



InZone Education student making preparations for raw fish using fresh trevally.



Whaimutu Dewes,
Tiamana Chairman
Ngāti Porou, Ngāti Rangitīhi

Whaimutu Dewes is constantly reminded of the strictures of his elders to realise the aspirations of the people for the generations that follow. He served on the Treaty of Waitangi Fisheries Commission, is a former Director of Moana Pacific Fisheries and was Deputy Chair of Sealord Group Ltd from 1992 to 2008.

Whaimutu is also a current director of Contact Energy and Housing New Zealand and has held directorships with Television New Zealand and the AMP New Zealand Advisory Board, and senior management roles at Fletcher Challenge and in the public service.

"E noho koe ki te ngaki i nga werawera a o matua tipuna mo nga uri whakatipu". Nō Ngāti Porou, nō Ngāti Rangitīhi me ngā kārangatanga maha o Te Arawa a te Whaimutu. Kei te whakapono aia ki ngā tikanga i tohutohungia aia e ōna mātua.

E whakamaharatia tonutia ana a Whaimutu Dewes ki ngā kupu a ōna mātua e whakahaue ana i a ia ki te whakatinana i ngā wawātā o te iwi mō ngā whakatupuranga e haere ake nei. I mahi ia i te kōmihana kaimoana o te Tiritiri o Waitangi, he Tumu o mua o Moana Pacific Fisheries, me te Tiamana Tuarua o Sealord Group Ltd i te tau 1992 ki te tau 2008.

He tumu hoki a Whaimutu o Contact Energy me te kaporeihana ā Whare o Aotearoa, ā, i tū ia hei tumu mō te reo Tātaki me tō AMP Poari Tohutohu o Aotearoa, me ngā tūranga whakahaere mātāmua i Fletcher Challenge me te rāngai tūmatanui hoki.



Fred Cookson
Ngāti Uenukukōpako, Ngāti Kahungunu ki Te Wairoa

Fred is the senior partner in Opotiki accountancy firm Cookson Forbes and Associates. He works mainly throughout the Waikariki District, alongside many Iwi organisations which actively own and manage primary-sector-based assets.

Fred is also a director of Te Arawa Group Holdings Limited.

He holds a Bachelor of Commerce degree and is a member of the New Zealand Institute of Chartered Accountants and NZ Institute of Directors.

He is married to Alison (27 years) and they have five children.

Ko Fred te whakauru mātāmua i Cookson Forbes and Associates. Kei te rohe o te Waikariki ia e mahi ana i te nuinga o te wā i te taha o wētahi Rōpū ā Iwi e whakahaere ana i wō rātau ake rauemi o te ahu taiao.

Ko Fred te tumuaki o Te Arawa Group Holdings Limited. He tohu mātāuranga o te Tauhokohoko tōna, ā, he mema hoki ia o te Pūtahitanga kaitata Whai kawenata o Aotearoa, me te Pūtahitanga Tumu o Aotearoa.

Ko Alison tana hoa wahine (e 27 whitu te roa), ā, tokorima wā rāua tamariki.



Wayne Peters
Ngātiwai

Wayne is a solicitor/barrister with 31 years' experience in commercial, property, and financial law. In 2007, he opened his own legal practice providing a range of services to select clients requiring more than just legal advice. This approach has seen the practice grow to incorporate a partner, two other solicitors, and back up staff of eight.

Early 2009 saw Wayne elected to the New Zealand Rugby Union Board after being engaged in rugby administration at a provincial level for some years. Wayne has also been instrumental in the development and growth of Ngātiwai in fishing as well as in the current venture into tourism investment.

E 31 tau tā Wayne roa e mahi ana hei rōia i te ture tauhokohoko, rawa, pūtea hoki. I te tau 2007, i whakatūria e Wayne tōna ake tari ture hei tuku i ngā ratonga huhua ki ngā kiritaki motuhake e nui atu ai te hiahia i te tohutohu ā ture noa iho. Nā tēnei hautau ōna i tupu ai te tari kia kuhu atu he whakauru, tokorua ngā rōia, ā, tokowaru ngā kaimahi taunaki.

I te tau 2009, ka whiria a Wayne hei mema o te ūniana Whutupāoro o Aotearoa whai muri i ngā tau huhua e mahi ana ia i ngā whakahaerenga whutupāoro i te taumata o te rohe. He nui hoki te wāhi ki a Wayne i te whanaketanga me te tupuranga o Ngātiwai i roto i te hī ika, me tana toronga inaianei ki roto i te whakangaoranga tāpoi.



Jamie Tuuta
Ngāti Mutunga, Taranaki Iwi, Ngāti Maru

Jamie Tuuta is the Māori Trustee and also holds a range of governance positions in the health, Iwi development, fishing, agribusiness and investment sectors.

Jamie chairs Parininihi ki Waitotara Incorporation, and is a former Chair of Te Runanga o Ngāti Mutunga. He is a member of the Government-appointed Bioprospecting Taumata, the Government's PEAK Group for Sustainable Land Management and the Investment Advisory Panel for the Primary Growth Partnership.

Ko Jamie Tuuta te Kaitiaki Māori, ā, he huhua wōna tūranga whakahaere i roto i ngā rāngai hauora, wha naketanga Iwi, kaimoana, pāmu, whakangaonga hoki.

Ko Jamie te heamana o te Rūnanga o Parininihi ki Waitōtara, ā, he Heamana ia o te Rūnanga o Ngāti Mutunga i ngā wā o mua. He mema ia o te Taumata Mōtirotiro koiora (Bioprospecting Taumata) i tohua e te kāwanatanga, te rōpū PEAK mō te Whakahaerenga Whenua Tikanga Toitū, ā, o te kauhanga Tohutohu i ngā Whakangaonga (Investment Advisory Panel) mō te Whakaurunga Whanaketanga Matua.



Hinerangi Raumati
Ngāti Mutunga, Waikato

Hinerangi Raumati is a Chartered Accountant with significant investment, financial management and governance experience. Her current roles include Chair of Parininihi ki Waitotara Inc and Trustee of the Parininihi ki Waitotara Trust, Chair of P.K.W Farms Ltd, Chair of Nga Miro Trust, director on the Te Ohu Kai Moana board and director of Te Ohu Kai Moana Portfolio Management Services Limited. Hinerangi has been the Executive Director Operations at Te Wānanga o Aotearoa since 2010. Prior to her current role Hinerangi was Chief Financial Officer of Tainui Group Holdings Limited from 2002 to 2009. She is a member of the New Zealand Institute of Chartered Accountants.

He Kaitata Whai Kawenata a Hinerangi Raumati, ā, kua roa ia e mahi ana i te whakangaonga, whakahaereanga pūtea me te kāwanatanga.

Ko wētahi o wōna tūranga o naianei ko te Hea o Parininihi ki Waitōtara Inc, te Kaitiaki o te Rūnanga o Parininihi ki Waitōtara, Hea o P.K.W. Farms Ltd, Hea o te Rūnanga o Ngā Miro, tumu o te poari o Te Ohu Kai Moana, me te tumu o Te Ohu Kai Moana Portfolio Management Services Limited.

Ko Hinerangi te Tumu Whakahaere Mahinga i Te Wānanga o Aotearoa mai anō i te tau 2010. I mua rā ko tana tūranga ko te Tumuaki Pūtea o Tainui Group Holdings Limited i te tau 2002-2009.

He mema ia o te Wānanga mō ngā Kaitatari Whai Kawenata o Aotearoa.



Liz Ward
Ngāti Porou

Sydney-based Liz Ward is the Director Customer Service for Australia's Sydney Trains, responsible for a staff of over 3000. Liz was previously the Chief Executive of Wellington's CentrePort and has previous fisheries experience as the Chief Executive of Deep Cove Fisheries.

Liz is a commercially pragmatic senior executive with extensive experience driving business growth and improvement within a diverse range of industries in Australia, New Zealand, USA, Africa, Europe and the Asia Pacific region.

Liz has extensive experience working with boards, has held three previous directorships and is a current member of New Zealand Institute of Directors, and Women on Boards, Australia.

Kei Poihākēna a Liz Ward e noho ana, ā, koia te Tumu Ratonga Kiritaki mō tō Ahitereiria Sydney Trains, nuku atu i te 3000 kaimahi kei ōna kaokao. I mua, ko Liz te Tumuaki o tō Pōneke CentrePort, ā, koia te Tumuaki o Deep Cove Fisheries.

Ā tauhokohoko nei, he tumu e warea nei ngā whakaaro e te mahi whaihua, ā, kua roa ia e kōkiri ana i te whanaketanga pākihi me te whakapikinga i roto i ngā ūmanga huhua i Ahitereiria, Aotearoa, Amerika, Awherika, Ūropi, me te rohe o Āhia a Kiwa.

Kua roa rawa ia e mahi ana me ngā poari. E toru rawa ngā wā i mahi ai ia hei tumu, ā, he mema ia o te Wānanga mō ngā Tumu o Aotearoa me ngā Wāhinge i Runga Poari, Ahitereiria.



Tony Hannon

Tony is a Director of Bancorp Merchant Bankers with 25 years experience in all facets of corporate finance. He was on the Sealord deal team in 1992 when the historic acquisition was made.

He is currently Chairman of TBD Holdings, Healthpoint Partners, Omni Health and Snow Sports New Zealand, also serving as a Director of Radius Residential Care and CBL Insurance. He has been a Director of well known companies such as Jucy Rentals, AJ Hackett Bungy and Jade Software.

He Tumu a Tony o Bancorp Merchant Bankers, ā, e 25 tau te roa o tana mahi i ngā kawekawe katoa o te pūtea tauhokohoko. I roto ia i te kapa o te kawenata Sealord i te tau 1992 i oti ai te hokonga whakahirahira.

Koia te Heamana o TBD Holdings, Healthpoint Partners, Omni Health me Snow Sports New Zealand, ā, koia hoki te Tumu o Radius Residential Care me CBL Insurance. I mua, koia te Tumu o ngā kamupene rongonui pēnei me Jucy Rentals, AJ Hackett Bungy me Jade Software.



Alan Gourdie

Alan is an internationally experienced CEO and Global Marketing Director of high profile large national and global organisations within the telecommunications and FMCG industries.

He is currently principal of his own Consultancy, Gourdie and Associates specialising in business development and brand design for NZ companies wishing to expand their reach beyond NZ and into global markets. Recent and current clients include Methven NZ, Burgerfuel, Skinny Mobile (Telecom), The Warehouse Group and Griffins Foods. Alan is also an Independent Director for New Zealand's largest Strategy and Design company Designworks and the Chairman of Parrot Analytics, a successful "big data" start up.

Toro tonu atu ō Alan kawekawe ki te ao whānui mō ngā mahi Tumuaki, Tumu Whakatairanga ki te Ao hoki o wētahi kamupene ā motu, ā ao rongonui i roto i ngā rāngai whakapānga hīkōhiko me te Rawa Kiritaki Hohoro. Koia te mataamua o tōna ake kamupene akoako, Gourdie and Associates, mātanga o te whanaketanga pākihi me te whakahoahoa tohu mō ngā kamupene o Aotearoa e hiahia ana ki te whātoro ki waho o Aotearoa ki ngā mākete o te ao. Ko wētahi kiritaki ō mua, ō naianei hoki ko Methven NZ, Burgerfuel, Skinny Mobile (Telecom), The Warehouse Group me Griffins Foods. Ko Alan tētahi Tumuaki Rāwaho o tō Aotearoa kamupene Rautaki & Whakahoahoa nui katoa, ko Designworks, ā, koia hoki te Heamana o Parrot Analytics, he kamupene "araunga nunui" hou e angitū ana.

ROLE OF THE BOARD

Te Ohu Kai Moana Trustee Limited is the controlling shareholder of Aotearoa Fisheries and is responsible for appointments to the Board. The Board has statutory responsibility for the affairs and activities of Aotearoa Fisheries. Directors are required to monitor, direct, and control the activities of Aotearoa Fisheries and to ensure a high standard of corporate governance is exercised in the interests of the Company and shareholders.

The Board considers the annual business plan prior to the beginning of the financial year in order to determine the annual targets for Aotearoa Fisheries. The Board also sets the direction of Aotearoa Fisheries by agreeing objectives and approving strategies for the benefit of the business. It is the role of the Chief Executive Officer and senior management to develop the strategy and manage the day-to-day operations of Aotearoa Fisheries.

CODE OF CORPORATE GOVERNANCE

As required by our constitution the Board has implemented a Code of Corporate Governance (incorporating a Code of Ethics). This code is published on the Aotearoa Fisheries website www.afl.maori.nz and reflects accepted best practice among companies listed on the New Zealand Stock Exchange.

The guiding principles upon which the Company Governance Code is based, includes integrity and accountability. A clear understanding of moral and ethical responsibilities and strict observance of these obligations will assist the Company in gaining support from Iwi and other stakeholders for the Company's strategies.

The following is a summary of the sections from the Aotearoa Fisheries Corporate Governance Code:

Board Composition and Performance

The Board represents a balance of independence, skills, knowledge, experience, and perspectives ensuring Aotearoa Fisheries works effectively. During the course of the year the Board has guided the direction of Aotearoa Fisheries and provided oversight to management at a strategic level.

Ethical Standards

Directors have demonstrated and fostered ethical standards as required by the Code and acted honestly and in good faith.

Relationships with Iwi

Directors have ensured that Aotearoa Fisheries uses its best endeavours to work co-operatively with Iwi, consistent with the requirement of the Māori Fisheries Act to manage Aotearoa Fisheries assets in a commercial manner.

Stakeholder Interests

The Board respects the interests of all stakeholders within the context of Aotearoa Fisheries' special type of ownership and its fundamental purpose.

Reporting and Disclosure

Accountability is a principal incentive for good corporate governance and the Board demands integrity both in financial reporting and in the timeliness and level of disclosure.

Auditor

The Board ensures the integrity, objectivity and independence of the external audit process.

Risk Management

The Board will annually verify that Aotearoa Fisheries has appropriate policies and processes that identify and manage all potential and relevant risks.

Remuneration

Remuneration of executives is transparent, fair, and reasonable.

BOARD COMMITTEES

The Board uses committees in key areas where this enhances Aotearoa Fisheries' overall effectiveness while retaining full Board responsibility for all governance decisions.

Board Committees

The Board has two Committees to assist and enhance its stewardship in three key areas – financial integrity, business risk and executive remuneration.

Health and Safety Committee

The health and safety committee formed this year and members met on one occasion during the year. The Health and Safety committee members during the year ended 30 September 2014 were:

Jamie Tuuta (Chairman)
Whaimutu Dewes
Alan Gourdie
Liz Ward

Audit and Risk Committee

Written terms of reference guide the activities of the Audit and Risk Committee and these activities are reported to and reviewed by the full Board. Aotearoa Fisheries Directors who are not members of the Audit and Risk Committee receive all Committee papers and are free to attend meetings.

The Audit and Risk Committee assists the Board in financial reporting compliance and meeting its responsibilities under the Financial Reporting Act 1993 and the Companies Act 1993. The Audit and Risk Committee also reviews the work and findings of the external auditor, Deloitte. The Auditor has direct access, via the Chairman, to the Committee and Deloitte attend the Audit and Risk Committee meetings.

Prior written approval of the Board is required before the external auditors are able to perform any non-external audit work. This decision is based on a review of the appropriateness of engaging the external auditors for the specified non-audit work as opposed to Aotearoa Fisheries carrying out the work in-house or through other external parties. The Auditors did not carry out any non-audit work during the year.

The Audit and Risk Committee reviews the adequacy of Aotearoa Fisheries' internal controls and insurance policies. The Company has an ongoing internal audit programme to assist in ensuring the Company's performance is robust.

A good cross section of commercial, accounting, finance and legal experience is provided by Directors of the Audit and Risk Committee, who met on six occasions during the year. The Audit and Risk Committee members during the year ended 30 September 2014 were:

Fred Cookson (Chairman)
Wayne Peters
Hinerangi Raumati
Tony Hannon

Executive Remuneration Committee

The Executive Remuneration Committee has written terms of reference and its activities are reviewed by the full Board.

The Executive Remuneration Committee is responsible for setting and reviewing the remuneration of the CEO and

executive management as well as overseeing remuneration policies and practices at all levels of management. The Executive Remuneration Committee makes recommendations to the full Board on all matters requiring a decision.

The Executive Remuneration Committee met twice during the year. The members during the year ended 30 September 2014 were:

Whaimutu Dewes (Chairman)
Liz Ward

Table of Meeting Attendance for Directors

Attendance records of Board and Committee meetings for the year ended 30 September 2014 are provided in the table opposite.

TŪRANGA MAHI O RUNGA I TE MANA WHAKAHAERE

Ko Te Ohu Kai Moana Trustee Limited (Te Ohu Kai Moana) te kaupupurihea whai mana o Aotearoa Fisheries ā māna ngā tūranga ki te Mana Whakahaere e whakatau. He mana ā ture tō te Mana Whakahaere mō ngā take me ngā mahi o Aotearoa Fisheries. Ko tā ngā Tumu he mātai, he hautū, he whakahaere i ngā mahi a Aotearoa Fisheries kia eke tonu ki te teiteitanga o te tikanga whakahaere rangatōpū hei painga mō ngā kaupupurihea.

Ka wānangātia e te Mana Whakahaere te mahere pākihi ā tau i mua i te tīmatanga o te tau ki te whakatau i ngā whāinga ā tau mō Aotearoa Fisheries. ka whakatau anō te Mana Whakahaere i te ara o Aotearoa Fisheries mā te whakatau whāinga me te tuku whakaaetanga mō ngā rautaki hei painga mō te pākihi. ko te tino mahi a te Tumuaki me ngā kaiwhakahaere matua he whakawhanake i te rautaki me te whakahaere i ngā mahi o ia rā.

RITENGA WHAKAHAERE RANGATŌPŪ

E ai ki te tūtohunga o te Mana Whakahaere, kua whakamanahia he Ritenga Whakahaere Rangatōpū (me tētahi Ritenga Matatika). kua whakaputaina tēnei ritenga ki te paetukutuku o Aotearoa Fisheries e whakaata ana i ngā tikanga hangarite mō ngā kamupene e rarangitia ana i runga i te New Zealand Stock Exchange.

Ko te mana me ngā kawenga tika ngā mātāpono i whakatūria ai te Ritenga Whakahaere kamupene. Mā te āta mōhio ki ngā kawenga tōtika, ngā matatika me te ū tonu ki ngā herenga e āwhina i te kamupene kia whai tautoko mai i te lwi me ngā kaiwhaipānga mō ngā rautaki a te kamupene.

He whakarāpopototanga tēnei e whai ake nei o ngā wāhanga mai i te Ritenga Whakahaere Rangatōpū o Aotearoa Fisheries:

Kaupapa o Te Mana Whakahaere

He whakaatanga te Mana Whakahaere nō ngā tūnga motuhake, pūkengatanga, mātāuranga, wheako me ngā tirohanga kē kia mahi tika ai a Aotearoa Fisheries. I tēnei tau i ārahi ai te Mana Whakahaere i te ahunga o Aotearoa Fisheries me te āwhina i te taha whakahaere rautaki.

Paerewa Matatika

Kua whakatauiratia, kua poipoia e ngā Tumu ēnei paerewa matatika e ai tā te Ritenga me te mahi tahi i runga i te ngākau pono, whakapono hoki

Whakawhanaungatanga ā lwi

Kua ngana anō ngā Tumu kia mahi tahi a Aotearoa Fisheries me ngā lwi, kia eke tonu ki ngā ritenga o te Ture Mahinga Ika Māori (MFA) me whakahaere tikanga tauhokohoko i ngā rawa.

Wāhi Kaiwhaipānga

E whai koha ana te Mana Whakahaere ki ngā wāhi ō ngā kaiwhaipānga i roto i te wairua o te pānga motuhake me tōna tino kaupapa.

Pūrongotanga me ngā Whakapūakitanga

He kawenga matua te kawenga haepapa kia tika te whakahaere

rangatōpū me te tohe tonu a te Mana Whakahaere kia mana tonu te hāpai i ngā tikanga, tauki tahua pūtea me ngā whakapūakitanga kia huatau tonu.

Kaitātari Kaute

E kī taurangi ana te Mana Whakahaere ka whai mana, tōkeketanga me te motuhaketanga o te tātaringa kaute.

Whakahaere Mōrearea

I ia tau ka whakatūturuia e te Mana Whakahaere he kaupapa here rite me ngā tikanga e āhei ana ki te tautuhi me te whakahaere i ngā mōrearea katoa e rite ana, ka tūpono noa mai rānei.

Utunga

Ko ngā utunga āpiha e pūataata ana ki te titiro, e tika ana, e rite ana hoki.

NGĀ OHU O TE MANA WHAKAHAERE

Whakamahi ai te Mana Whakahaere i ētahi wāhi motuhake me ka whakapāhiha ake te whanonga o Aotearoa Fisheries me te pupuri tonu i ngā kawenga tūturu a te Mana Whakahaere mō ngā kōwhiringa whakahaere katoa.

Ngā Ohu o te Mana Whakahaere

E rua ngā ohu o te Mana Whakahaere hei āwhina hei whakapakari ake i tōna kaitiakitanga i ngā wāhi nui e toru nei – mana tahua pūtea, mōrearea pākihi me ngā utunga āpiha.

Ohu Hauora me te Haumarutanga

I whakatūria te ohu hauora me te haumarutanga i tēnei tau, ā, kotahi te wā e hui ai ngā mema i te tau. Ko ngā mema o te Ohu Hauora me te Haumarutanga taea noatia te tau i mutu i te 30 o Hepetema 2014 ko:

Jamie Tuuta (Tiamana)
Whaimutu Dewes
Alan Gourdie
Liz Ward

Ohu Tātari Kaute – Mōrearea

He tuinga tikanga whakahaere e ārahi ana i ngā mahi a te ohu whāiti nei, ā ka pūrongotia kia arotakengia e te Mana Whakahaere katoa. ko ngā Tumu Aotearoa Fisheries kāore i roto i te ohu whāiti e wātea ki te tiki i ngā pepa katoa o te ohu whāiti, e wātea ana hoki ki te haere ki ngā hui.

He āwhina tā te ohu whāiti nei i te Mana Whakahaere kia huatau ai te pūrongo tahua pūtea kia taea hoki ana haepapa i raro i te ture Financial Reporting Act 1993 me te Companies Act 1993. ka arotake hoki te ohu whāiti nei i ngā mahi me ngā kitenga o te kaitātari rawaho, Ernst and Young. kotahi tonu atu te kaitātari kaute, mā te Tiamana, ki te Ohu me te mea ka haere hoki a Deloitte ki ngā hui o te Ohu Tātari Kaute - Mōrearea.

Me whai whakaaetanga ā tuhi mai i te Mana Whakahaere katoa i mua i ngā mahi tātari a ngā kaitātari o waho ki te mahi i ētahi mahi tātari kaute kāore i waho atu o te ūmanga nei.

I whakatauria tēnei i runga i te arotakenga e titiro ana ki te tika, ki te hē rānei o te tiki kaitātari o waho mō ētahi mahi kāre e pā ana ki te mahi tātari, he pai ake pea mā ngā mea o Aotearoa Fisheries tonu e mahi, mā ētahi atu o waho rānei. Kāore ngā kaitātari i pērā mō te tau.

He arotake i te rawakatanga o ngā whakahaerenga o roto o Aotearoa Fisheries me ngā kaupapa here rānga te mahi a te Ohu Whāiti Tātari and Arotake Mōrearea. ka whakahaere tonutia a Aotearoa Fisheries i ngā hōtaka tātari hei āwhina i te kamupene kia mangoro te whanonga.

He hōhonu, he whānui ngā mōhiotanga tauhokohoko, tātari

me te taha ture e tokohia ake ana e ngā Tumu o te ohu, e whā ā rātau hui i tēnei tau. Anei ngā mema o te ohu o te tau mutunga ki te 30 o Mahuru 2014.

Fred Cookson (Tiamana)
Wayne Peters
Hinerangi Raumati
Tony Hannon

Ohu Whakatau Utu Āpiha Whakahaere

Kua tuhia e te Ohu Whakatau Utu Āpiha Whakahaere ētahi tikanga whakahaere kaupapa ko āna mahi ka arotakengia e te Mana Whakahaere katoa. Kei te Ohu Whakatau Utu Āpiha Whakahaere te mana hei whakatau, hei arotake i te utu o te Tumuaki me ngā āpiha whakahaere me te āta tiro i ngā kaupapa here me ngā tikanga i ngā taumata katoa o ngā whakahaerenga. ka tuku tūtohunga te Ohu Whakatau Utu Āpiha Whakahaere ki te Mana Whakahaere katoa mō ngā take katoa kia kōwhiria, kia whakataungia.

E rua ngā hui a te Ohu Whakatau Utu Āpiha Whakahaere i te tau. Anei ngā mema o te tau mutunga ki te 30 o Mahuru 2014.

Whaimutu Dewes (Tiamana)
Liz Ward

KAUWHATA O NGĀ HUI I TAE AI NGĀ TUMU

Kei raro nei te pūrongo rārangi ingoa e pā ana ki ngā hui a te Mana Whakahaere me ngā Ohu i tae ai rātau tae noa ki te 30 o Hepetema 2014.

Directors	Appointed	Board		Health & Safety Committee		Audit & Risk Committee		Remuneration Committee	
		Attended	Required	Attended	Required	Attended	Required	Attended	Required
W Dewes	01/10/2011	7	7	1	1	5	-	2	2
F Cookson	26/11/2007	7	7	-	-	6	6	-	-
A Gourdie	01/11/2013	5	7	1	1	-	-	-	-
T Hannon	01/11/2013	7	7	-	-	6	6	-	-
W Peters	26/11/2007	7	7	-	-	6	6	-	-
H Raumati	29/11/2012	7	7	-	-	6	6	-	-
J Tuuta	15/07/2011	7	7	1	1	1	-	2	2
L Ward	01/11/2013	6	7	1	1	2	-	2	2



Carl Carrington
Tumuaki CEO

Carl joined Aotearoa Fisheries in June 2012. Of Te Whakatohea and Ngaiterangi descent on his mother's side, he was raised and educated in Auckland. He holds a Bachelor of Chemical and Materials Engineering from Auckland University and a Masters of Business Administration from Cranfield School of Management.

Carl is committed to the development of organisations like Aotearoa Fisheries, that provide not only ongoing value to shareholders, but also bright career prospects for Māori. He is married to Alison and has two daughters, Sophie and Elizabeth.

I uru a Carl ki roto o Aotearoa Fisheries i te Pipiri 2012. Nō Te Whakatohea me Ngāi Te Rangi ia i tōna taha ūkaipō, ā, i whakaturia ia, i kuraina hoki ia i Tāmaki Makaurau. He Tohu Paetahi tōna i te Rāweke Matū mai i te Whare Wānanga o Tāmaki Makaurau, ā, he Tohu Paerua tōna i te Whakahaere Pākihi mai i te Cranfield School of Management.

E ūpoko mārō ana a Carl ki te whakawhanake i ngā rōpū pēnei i a Aotearoa Fisheries e tuku uara ukauka ana ki ngā kaipupuriha, e pai ai ngā huarahi mahi mō Ngāi Māori. Ko tana hoa wahine ko Alison, ā, tokorua wā rāua tamāhine, ko Sophie rāua ko Elizabeth.



Simon Jones
Tumu Pūtea
Chief Financial Officer

Simon has been involved in the primary sector for many years and his experience includes previous CFO roles and working in the USA for a public company where he managed an international finance and IT team in the USA, Russia, Chile, Japan and Canada. Simon has also spent time with an international accountancy firm in New Zealand, Canada and the USA.

Simon is a regular presenter at conferences and is a Chartered Accountant, with Master of Business Administration and Master of Commerce (Honours) degrees. Simon is married to Tina and his two young boys keep him busy when not at work.

E hia ngā tau e mahi ana a Simon in te rāngai ahu taiao, ko ngā tūranga Tumu Pūtea, hei tauria ko tētehi kamupene tūmatawhāiti i Amerika i whakahaere ai ia i te tīma hangarau mōhiohio i Amerika, Rūhia, Chile, Japan me Canada. Kua noho hoki a Simon mō tētehi wā i te kamupene kaute ā ao i Aotearoa, Canada me Amerika hoki.

He huhua tonu ngā huihuinga i kauhau ai ia i Aotearoa me Ahitereiria. He Kaikaute Whai Kawenata ia, he Tohu Paerua i te Tauhokohoko (Hōnora), he Tohu Paerua i te Whakahaere Pākihi hoki āna hoki. Kua moea rāua ko Tina, ā, ko tā wāna tamariki tokorua he whakapukumahi i a ia i te kāinga. Ko tana whai ko te ahuwhenua, ahakoa he huhua ake ōna wawatā i tā te wā e whakaae ai.



Allyn Glaysher
Kaiwhakahaere Matua o te Rōpū, Rauemi Tangata
Group General Manager,
Human Resources and
Corporate Affairs

Allyn has worked in the manufacturing and FMCG sector throughout his career. He originally held operations roles in the printing industry before moving to New Zealand Steel.

After five years at New Zealand Steel, Allyn spent six years travelling and exploring the world. On returning to New Zealand he took up an operations role with Hansells where he moved into Human Resources Management. Allyn went on to hold senior HR roles at Cadbury Confectionery and Fletcher Building.

Allyn is passionate about an equal opportunities culture and a safe workplace. He currently heads up Human Resources, Health and Safety, Sustainability and Communications for Aotearoa Fisheries.

Kua mahi a Allyn i ngā rāngai waihanga, rawa kiritaki hohoro (FMCG) hoki mō te roa o tana mahi. I timata ia i roto i ngā tūranga mahinga i roto i te ūmanga tā, kātahi ka tauri ki New Zealand Steel.

Ka rima tau ia i New Zealand Steel, kātahi ka pau te ono tau i a Allyn e tāroi ana i te nuku o te whenua. Ka hoki rawa iho ia ki Aotearoa, ka whai tūranga mahinga ia i roto o Hansells, i reira tauri ai ki te Whakahaerenga Rauemi Tangata. He tūranga mātāmua ōna i te Rauemi Tangata i Cadbury Confectionery me Fletcher Building, kātahi ia ka eke mai ki te waka o Aotearoa Fisheries.

E remurere ana a Allyn ki te ahurea o te tairitenga wāhi me te wāhi mahi haumaruru.

Koia te rangatira o te Rauemi Tangata, te Hauora me te Haumarutanga, te Toitū-oranga me te whakawhitiwhitinga kōrero mō Aotearoa Fisheries.



Don Collier
*Kaiwhakahaere Matua,
Aquaculture
General Manager, Aquaculture*

Of Ngāti Porou descent on his father's side and Kahungunu and Rongomaiwahine on his mother's, Don is a University of Victoria graduate.

A chartered accountant, Don was Commercial Manager at the former Treaty of Waitangi Fisheries Commission (Te Ohu Kaimoana) from 2002-2004.

He has an extensive commercial sector background and joined the fishing industry in 2002.

What gets him going in his work day? Don is truly passionate about our tiorope – the best oysters and possibly the best kai moana in the world – and he and his team are excited by the possibility of making them an even more globally recognised and appreciated delicacy.

Kei tōna taha ure tārewa ko Ngāti Porou te lwi, kei tōna taha ūkaipō ko Ngāti Kahungunu rāua ko Ngāti Rongomaiwahine. He ihu puta a Don o te Whare Wānanga o te Ūpoko o te Ika.

He kaikaute whai kawenata a Don, ā, koia te Kaiwhakahaere Tauhokohoko o Te Ohu Kaimoana (kua whakakorengia inaianei) i te tau 2002-2004.

He huhua āna mahi i te rāngai tauhokohoko, ā, i tauri ia ki te ūmanga hi ika i te tau 2002.

He aha ia e mataara ai i te mahi? Ko tana remurere ki te tiorope – koia rā hoki pea te tiorope katoa me te kai moana pai katoa puta i te ao – ā, e remurere ana rātau ko tōna tīma i te whai wāhi o te tiorope kia tohua kētia puta i te ao, ā, kia paitia hei puru rourou.



Dean Moana
*Tumuaki, Prepared Foods
Chief Executive, Prepared Foods*

Dean is a Chartered Accountant with a Bachelor of Commerce and Administration from Victoria University. He worked for Ernst & Young before joining Te Ohu Kai Moana's commercial team. A past Director of Moana Pacific Fisheries, he also holds a directorship in his own tribal fishing company, Ngāti Porou Fisheries Limited.

What motivates Dean to come to work each day, he says, is his confidence in the strength of Prepared Foods and the extraordinary calibre of Prepared Food's people across the board.

He Kaikaute Whai Kawenata a Dean, ā, he Tohu Paetahi i te Tauhokohoko me te Tari tāna nō te Whare Wānanga o te Ūpoko o te Ika. I mahi ia mō Ernst & Young i mua i tana hononga ki te rōpū tauhokohoko o Te Ohu Kai Moana. Ko Dean te Tumu Whakahaere o mua o Moana Pacific Fisheries, ā, koia te tumu o wētahi rōpū tauhokohoko pēnei me te kamupene kaimoana o tōna lwi, me Ngāti Porou Fisheries Limited.

Ko tana whakaawenga kia tae ia ki te mahi ia rā, hei tāna, ko tana mōhio ki te pakari o Prepared Foods me te tautōhitotanga o wō Prepared Foods tāngata puta noa.



Steve Tarrant
*Kaiwhakahaere Matua, Inshore
General Manager, Inshore*

Steve, a South Islander born in Temuka, brings to Aotearoa Fisheries 20 years experience in the seafood business plus five years with the Port of Wellington. He previously worked at Deep Cove Fisheries, which later became part of the Talleys Group.

One of the attractions of Aotearoa Fisheries was the chance to work under a different model – a 100% Māori owned company. Married to Kim and father of three children, Steve feels he's in the right niche – working in a company that is striving to be here for future generations.

I whānau a Steve i Te Umu Kaha (Temuka) i te Moana Pounamu, ā, e 20 tau tana roa i te ūmanga kaimoana, e rima tau tana roa e mahi ana i te taha o Te Whanganui a Tara/ Port Wellington. I mua atu, i mahi ia i Deep Cove Fisheries, i whakakaongia rā ki roto o te Talleys Group.

Ko tētahi o wō Aotearoa Fisheries painga ko te whai wāhi ki te mahi i raro i tētahi tauri kē – 100% nā te Māori. E mārena ana a Steve ki a Kim, ā, tokotoru āna tamariki. E whakapae ana a Steve kei te whaitua tōtika ia – e mahi ana i roto i te kamupene e tohe ana kia toitū mō ngā whakatupuranga e haere ake nei.

PŪNAHA WHAKAHAERE ROHEROHENGA (PWR)

I whakaurua mai te (PWR) i te tau 1986 ki te whakahaere, ki te tiaki hoki i ngā mahinga ika tauhokohoko o Aotearoa. He mea whakarite i runga i te ariā waihanga tika rawa i roto i ngā Roherohenga Tauhoko Motuhake (RTM) kia toitū tonu ai mā te whakarite rāhui ā tau mō ia momo ika tauhokohoko.

ROHEROHENGA TAUHOKO MOTUHAKE (RTM)

I tohaina ngā RTM mō ngā ika o uta katoa me ngā h i ngā ika wai hōhonu, na i tēnei rā e 100 ngā momo ika, huinga momo ika rānei, e whakahaeretia ana i ngā rāngai ika 636 motuhake i raro i te RTM. Ko ngā roherohenga o ia rāngai ika i tohaina mō ake tonu atu, he mea ine mā ngā hea roherohenga ukauka. Ka taea e ngā kaupupuri roherohenga te hoko atu, te rīhi i aua roherohenga, tika hopu ika rānei, me te whiriwhiri mō āhea o roto i te tau hauhakētia ai aua roherohenga.

HAONGA IKA Ā TAU (HIT)

I te tīmatanga o ia tau h i ika, ka taea e ngā kaupupuri roherohenga te HIT i puta mai i a rātau hea roherohenga. He tika tā te HIT kia hauhakētia he tūtanga ika rite i tētahi rohe mō te tau kotahi. Ka rerekē te HIT mai i tētahi tau ki tētahi tau, inā te nui o te Haonga Tauhokohoko Katoa e Whakaaetia ana (HTKW) ka whakaritea e te Minita Tautiaki i Ngā Tini a Tangaroa.

HAONGA IKA KATO E WHAKAAETIA ANA (HIKW)

Ko te HIKW te huinga o ngā ika ika ka mau mai i tētahi rāngai ika i tētahi wā, he tau te roa i te nuinga o te wā, ka tohaina ki te hunga h i tauhokohoko, tikanga, rēhia rānei. Mā te Minita Tautiaki i Ngā Tini a Tangaroa tēnei e whakarite ka mutu ana te kōrerorero ki te hunga h i, ka whakatauria ki te taumata teitei e whakaaetia ana i te nuinga o te wā.

QUOTA MANAGEMENT SYSTEM (QMS)

The QMS was introduced in 1986 to manage and conserve New Zealand's commercial fisheries. It is based on the concept of creating property rights in Individual Transferable Quota (ITQ) and ensuring sustainability by setting an annual limit on total commercial catches from each fish stock.

INDIVIDUAL TRANSFERABLE QUOTA (ITQ)

ITQ was allocated for all main inshore and deepwater fisheries, and today 100 species, or groups of species, are managed as 636 separate fish stocks under the QMS. The quota allocated for each fish stock is in perpetuity, and is measured in a fixed number of quota shares. Quota owners are able to buy, sell and lease their quota or catch rights, and to choose the method and the time of year they harvest their catches within these limits.

ANNUAL CATCH ENTITLEMENT (ACE)

At the beginning of each fishing year, quota owners are entitled to ACE generated from their quota shares. The ACE gives a right to harvest a specified quantity of a fish stock in an area for one year. ACE varies from year to year depending on the Total Allowable Commercial Catch (TACC) level set by the Minister of Fisheries.

TOTAL ALLOWABLE CATCH (TAC)

The TAC is the total regulated catch from a fish stock in a given time period, usually a year, and is allocated to commercial, customary and recreational fishers. This catch limit is set by the Minister of Fisheries after consultation with fishers, and is generally set at the maximum sustainable yield.

TOTAL ALLOWABLE COMMERCIAL CATCH (TACC)

The proportion of the TAC allocated to commercial fishers is known as the TACC.

HAONGA TAUHOKOHOKO KATO E WHAKAAETIA ANA (HTKW)

Ko te wāhanga o te HIKW ka tohaina ki te hunga h i tauhokohoko e mōhinga ana he HTKW.

HUANGA TOITŪ IKEIKE (HTI)

HTI, ko te huanga rarahi rawa ka taea tonutia te mau i tētahi rāngai ika i ia tau i runga i te korenga o taua rāngai ika e heke rawa.

UTUNGA HARA

Ko te utunga hara he utu ka tae ki te Kāwanatanga hei karo mō te h i pokanoa i te ika kare i te HIT o te tangata nāna i hopu. I waiha Ngātia hei akiaki i ngā kaihi ki te hoko HIT e rite ana ki a rātau hopunga i ia tau.

MAXIMUM SUSTAINABLE YIELD (MSY)

MSY is the largest average catch or yield that can continuously be taken from a fish stock each year without depleting that stock.

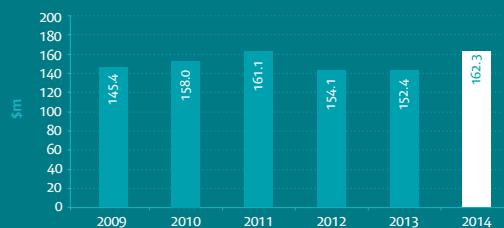
DEEMED VALUES

Deemed values are civil payments made to the Crown as a defence for landing catch of QMS species for which the individual fisher holds no ACE. They are designed to act as an incentive for fishers to obtain ACE which matches their catch for each fishing year.

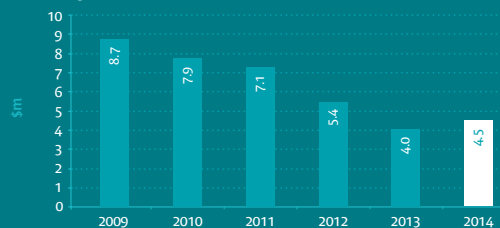
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Total Revenue



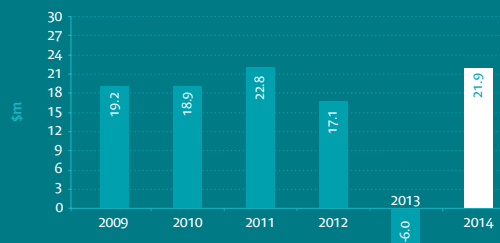
Financing Cost



Profit Contribution from Sealord



Profit for the Year



Operating Cash Flow



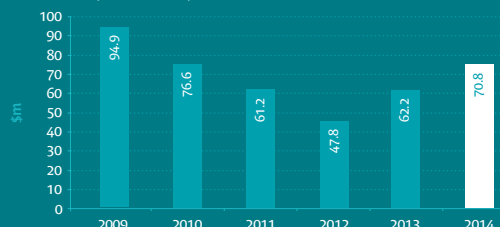
Total Assets



Total Shareholders' Equity



Bank Debt (Net of Cash)



TAŪKI MŌNI WHIWHI INCOME STATEMENT

FOR THE YEAR ENDED 30 SEPTEMBER 2014

\$000's	Note	Group		Parent	
		2014	2013	2014	2013
Sale of goods		154,542	144,796	154,748	14 77
Other revenue	4	7,762	7,562	1,094	2,364
Total revenue		162,304	152,358	155,842	147,341
Cost of sales	6	(124,540)	(112,650)	(119,341)	(107,617)
Gross profit		37,764	39,708	36,501	39,724
Other income / (expenses)	5	3,192	1,776	3,192	1,776
Distribution expenses	6	(5,228)	(4,922)	(5,228)	(4,922)
Administrative expenses	6	(19,689)	(19,189)	(19,854)	(19,352)
Finance expenses	6	(4,457)	(4,032)	(4,457)	(4,032)
Share of Sealord profit / (loss)	14	12,678	(22,964)	-	-
Share of profit of associates & joint ventures	15	280	767	51	-
Profit before income tax		24,540	(8,856)	10,205	13,194
Income tax (expense) / benefit	7	(2,583)	2,816	(2,183)	832
Profit for the year		21,957	(6,040)	8,022	14,026

The above Income Statement should be read in conjunction with the accompanying notes.

TAŪKI WHANUI MŌNI WHIWHI STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 SEPTEMBER 2014

\$000's	Note	Group		Parent	
		2014	2013	2014	2013
Profit / (Loss) for the year		21,957	(6,040)	8,022	14,026
Other comprehensive income					
Items that may be reclassified subsequently to profit or loss					
Gains / (losses) from:					
Cash flow hedges	25	(3,138)	2,998	(3,138)	2,998
Share of Sealord other comprehensive income	14	(2,356)	3,925	-	-
Income tax relating to components of comprehensive income	7 & 25	549	(525)	549	(525)
Other comprehensive income for the year net of tax		(4,945)	6,398	(2,589)	2,473
Total comprehensive income for the year net of tax, attributable to the shareholders		17,012	358	5,433	16,499

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

RIPANGE KAUTE

STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2014

		Group		Parent	
\$000's	Note	2014	2013	2014	2013
Assets					
Current assets					
Cash & bank balances	9	3,278	2,089	3,280	2,084
Trade & other receivables	10	18,854	14,740	18,886	14,705
Inventories	11	8,497	7,933	8,497	7,933
Biological assets	12	7,032	4,735	7,032	4,735
Current tax asset		554	-	554	
Derivative financial instruments	27	145	2,455	145	2,455
Total current assets		38,360	31,952	38,394	31,912
Non-current assets					
Property, plant & equipment	13	43,554	33,238	41,655	31,312
Investment in Sealord Group Limited	14	180,676	170,354	188,911	188,911
Investments in subsidiaries, associates & joint ventures	15	4,489	3,541	17,214	16,495
Quota shares	17	242,985	240,485	230,754	228,254
Goodwill	18	10,772	10,772	10,772	10,772
Intangibles	19	5,838	5,198	5,835	5,193
Other assets	20	2,882	2,935	2,882	2,934
Derivative financial instruments	27	189	367	189	367
Deferred tax asset	7	2,478	4,466	266	1,854
Total non-current assets		493,863	471,356	498,478	486,092
Total assets		532,223	503,308	536,872	518,004
Liabilities					
Current liabilities					
Trade & other payables	21	12,272	11,578	23,282	21,056
Provisions	22	11,293	2,371	11,293	2,371
Amounts owing to subsidiaries	25	-	-	20,000	20,000
Redeemable preference shares	25	20,000	20,000	-	-
Derivative financial instruments	27	1,536	556	1,536	556
Total current liabilities		45,101	34,505	56,111	43,983
Non-current liabilities					
Borrowings	23	74,125	64,309	74,125	64,309
Derivative financial instruments	27	283	9	283	9
Total non-current liabilities		74,408	64,318	74,408	64,318
Total liabilities		119,509	98,823	130,519	108,301
Net assets		412,714	404,485	406,353	409,703
Equity					
Shareholders' equity					
Capital contributed	25	286,979	286,979	286,979	286,979
Cash flow hedging reserve	25	(809)	1,780	(809)	1,780
Associates' derivative financial instruments & other reserves		(16,069)	(13,713)	-	-
Redeemable preference shares	25	4,125	4,125	-	-
Retained earnings		138,488	125,314	120,183	120,944
Total shareholders' equity		412,714	404,485	406,353	409,703

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

For and on behalf of the board, who authorised the issue of these Financial Statements on 26 November 2014.



Whaimutu Dewes
Chairman



Fred Cookson
Chairman of the Audit and Risk Committee

TAŪKI TŪTANGA REREKĒTANGA

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 SEPTEMBER 2014

\$000's	Note	Capital contributed	Redeemable preference shares	Cash flow hedging reserve	Associates' derivative financial instruments & other reserves	Retained earnings	Total equity
Group							
Balance at 1 October 2013		286,979	4,125	1,780	(13,713)	125,314	404,485
Net profit		-	-	-	-	21,957	21,957
Other comprehensive income for the year, net of tax		-	-	(2,589)	(2,356)	-	(4,945)
Dividend provision	22	-	-	-	-	(8,783)	(8,783)
Balance at 30 September 2014		286,979	4,125	(809)	(16,069)	138,488	412,714
Parent							
Balance at 1 October 2013		286,979	4,125	(693)	(17,638)	131,354	404,127
Net profit		-	-	-	-	(6,040)	(6,040)
Other comprehensive income for the year, net of tax		-	-	2,473	3,925	-	6,398
Dividend provision	22	-	-	-	-	-	-
Balance at 30 September 2013		286,979	4,125	1,780	(13,713)	125,314	404,485
Parent							
Balance at 1 October 2013		286,979	-	1,780	-	120,944	409,703
Net profit		-	-	-	-	8,022	8,022
Other comprehensive income for the year, net of tax		-	-	(2,589)	-	-	(2,589)
Dividend provision	22	-	-	-	-	(8,783)	(8,783)
Balance at 30 September 2014		286,979	-	(809)	-	120,183	406,353
Parent							
Balance at 1 October 2012		286,979	-	(693)	-	106,918	393,204
Net profit		-	-	-	-	14,026	14,026
Other comprehensive income for the year, net of tax		-	-	2,473	-	-	2,473
Dividend provision	22	-	-	-	-	-	-
Balance at 30 September 2013		286,979	-	1,780	-	120,944	409,703

The above Statement of Changes in Equity above should be read in conjunction with the accompanying notes.

TAUKI AURERE PŪTEA

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 SEPTEMBER 2014

\$000's	Note	Group		Parent	
		2014	2013	2014	2013
Cash flows from operating activities					
Cash was provided from:					
Receipts from customers		157,051	155,470	157,076	150,022
Interest received		73	88	73	88
		157,124	155,558	157,149	150,110
Cash was disbursed to:					
Payments to suppliers & employees		142,933	142,403	142,952	136,968
Interest paid		4,457	4,032	4,457	4,032
Taxation paid		600	-	600	-
		147,990	146,435	148,009	141,000
Net cash flows from operating activities	26	9,134	9,123	9,140	9,110
Cash flows from investing activities					
Cash was provided from:					
Dividends received		-	1,301	-	1,301
Sale of property, plant & equipment		2,078	235	2,078	235
		2,078	1,536	2,078	1,536
Cash was disbursed to:					
Purchase of property, plant & equipment		15,949	16,475	15,948	16,461
Acquisition of intangibles		3,222	1,775	3,222	1,770
Acquisition of investments		668	-	668	-
		19,839	18,250	19,838	18,231
Net cash flows from investing activities		(17,761)	(16,714)	(17,760)	(16,695)
Cash flows from financing activities					
Cash was provided from:					
Proceeds of borrowings		10,000	13,754	10,000	13,754
		10,000	13,754	10,000	13,754
Cash was disbursed to:					
Repayment of borrowings		-	-	-	-
Payment for debt issue		184	191	184	191
Dividends paid to shareholders		-	6,820	-	6,820
		184	7,011	184	7,011
Net cash flows from financing activities		9,816	6,743	9,816	6,743
Net increase / (decrease) in cash held		1,189	(848)	1,196	(842)
Cash at the beginning of the year		2,089	2,937	2,084	2,926
Effects of exchange rate on cash held in foreign currencies					
Cash at the end of the year	9	3,278	2,089	3,280	2,084
Comprising:					
Cash & bank balances		3,278	2,089	3,280	2,084

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

PITOPITO KŌRERO MŌ NGĀ TAUKI PŪTEA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2014

1. Corporate Information

Aotearoa Fisheries Limited (the Parent or the Company) was incorporated in New Zealand on 26 November 2004. The Aotearoa Fisheries Limited Group of Companies consists of the Company, its subsidiaries and associates (the Group).

On 29 November 2004, the Company was the recipient of assets and liabilities transferred under the Māori Fisheries Act 2004. The transfer was accounted for as a purchase transaction and the net fair value of the assets received by the Company was treated as capital contributed to the Company.

The Company and Group supplies sustainably produced seafood to consumers in domestic and major international markets. The registered office of the Group is 1-3 Bell Avenue, Mt Wellington.

2. Summary of Significant Accounting Policies

(a) Basis of Preparation

The financial statements have been prepared on the historical cost basis except where indicated otherwise within the specific accounting policies.

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000's), unless otherwise indicated.

(b) Statement of Compliance

These general purpose financial statements for the year ended 30 September 2014 have been prepared in accordance with New Zealand generally accepted accounting practice (NZ GAAP), and comply with New Zealand equivalents to International Financial Reporting Standards (NZ IFRS), and other applicable Financial Reporting Standards as appropriate for profit-oriented entities.

The financial statements comply with International Financial Reporting Standards (IFRS).

The financial statements have been prepared in accordance and comply with the requirements of the Companies Act 2003, the Financial Reporting Act 1993 and the Māori Fisheries Act 2004.

(c) New Accounting Standards and Interpretations

The Company adopts new standards and interpretations in the period in which they become mandatory.

» The amendment of the following Standards, Interpretations and Amendments has not led to any changes in the Group's accounting policies with measurement or recognition impact on the periods presented in these financial statements:

Improvements to NZ IFRS – Annual Improvements Process – This is an annual project that provides a mechanism for making non-urgent, but necessary, amendments to IFRS's. The International Accounting Standards Board (IASB) has separated the amendments into two parts: Part 1 deals with changes the IASB identified as resulting in accounting changes; Part 2 deals with either terminology or editorial amendments that the IASB believes will have minimal impact. These improvements have led to a number of changes in the details of the Group's accounting policies – some of which are changes in terminology only, and some of which are substantive, but have had no material effect on amounts reported.

» The impact of the adoption of the following standards and amendments has been to expand the disclosures provided in these financial statements.

NZ IFRS 10 Consolidated Financial Statements – This standard builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements. The standard provides additional guidance to assist in determining control where it is difficult to assess. The application of this standard has had no material impact on the group.

NZ IFRS 11 Joint Arrangements – This standard focuses on the rights and obligations of the parties to the arrangement rather than its legal form. There are two types of joint arrangements: joint operations and joint ventures. Joint operations arise where the investors have rights to the assets and obligations for the liabilities of an arrangement. A joint operator accounts for its share of the assets, liabilities, revenue and expenses. Joint ventures arise where the investors have rights to the net assets of the arrangement; joint ventures are accounted for under the equity method. Proportional consolidation of joint ventures is no longer permitted. Application of this standard by the Group did not impact the classification of the Group's joint arrangements as joint ventures.

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NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2014

NZ IFRS 12 Disclosure of interests in Other Entities – This is a new standard on disclosure requirements for all forms of interest in other entities, including joint arrangements, associates, structured entities and other off balance sheet vehicles. The application of this standard by the group has no material impact on the Group.

NZ IFRS 13 Fair Value Measurement – This standard defines fair value, sets out a single NZ IFRS framework for measuring fair value and requires disclosures about fair value measurements. NZ IFRS 13 does not determine when an asset, a liability or an entity's own equity instrument is measured at fair value. Rather, the measurement and disclosure requirements of NZ IFRS 13 apply when another IFRS requires or permits the item to be measured at fair value (with limited exceptions). The Group has complied with the requirements of NZ IFRS 13 as set out in Note 27.

Revised NZ IAS 19 Employee Benefits – The standard requires the recognition of all remeasurements of defined benefit liabilities/assets immediately in other comprehensive income (removal of the so-called 'corridor' method) and the calculation of a net interest expense or income by applying the discount rate to the net defined benefit liability or asset. This replaces the expected return on plan assets that was included in the Income Statement. The standard also introduces a number of additional disclosures for defined benefit liabilities/assets. The application of this standard has no material impact on the Group.

Revised NZ IAS 27 Separate Financial Statements – This standard is renamed Separate Financial Statements and is now a standard dealing solely with separate financial statements. The application of this standard by the group has had no material impact on the Group.

» Other Accounting Standards and Interpretations effective in the annual reporting period ended 30 September 2014 are not applicable or material to the Group's financial statements.

» Accounting standards and interpretations that have recently been issued or amended that are applicable to the Group and Company, but are not yet effective, have not been adopted by the Company for the annual reporting period ending 30 September 2014. These are outlined below:

Name	Effective for annual reporting periods beginning on or after
NZ IFRS 9 Financial Instruments	1 January 2018
NZ IFRIC 21 Levies	1 January 2014
NZ IFRS 15 Revenue from Contracts with Customers	1 January 2017
Amendment to NZ IAS 32 Financial Instruments: Presentation Offsetting Financial Instruments and Financial Liabilities	1 January 2014
Amendment to NZ IAS 39 Novation of Derivatives and Continuation of Hedge Accounting	1 January 2014
Annual Improvements to NZ IFRSs 2010-2012 Cycle	1 January 2014
Annual Improvements to NZ IFRSs 2011-2013 Cycle	1 January 2014
Amendments to NZ IFRS 11 – Accounting for Acquisitions of Interests in Joint Operations	1 January 2014
Amendments to NZ IAS 16 and NZ IAS 38 – Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016

The impact of the above standards and interpretations on the financial statements of the Group and Company in the period of initial application has been assessed and adoption will only affect presentation of the financial statements and will not have a direct impact on the measurement and recognition of amounts.

(d) Accounting Policies

There have been no changes in accounting policies.

(e) Basis of Consolidation

The financial statements incorporate the financial statements of the Parent and all subsidiaries (these are entities controlled by the Parent and significant subsidiaries are listed in Note 15). Control is achieved where the Parent has the power over the investee, is exposed, or has rights to variable returns from its involvement with the investee and has the ability to use this power to influence these returns.

All significant inter-company transactions are eliminated on consolidation. Subsidiaries' accounting policies are consistent with the policies adopted by the Group. The results of subsidiaries acquired or disposed of during the year are included in profit or loss from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Investments in subsidiaries are recorded at cost in the Parent's financial statements.

PITOPITO KŌRERO MŌ NGĀ TAUKI PŪTEA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2014

(f) Business Combinations

The acquisition method of accounting is used to account for all business combinations regardless of whether equity instruments or other assets are acquired. Cost is measured as the fair value of the assets given or liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree at the date of exchange. Acquisition related costs are recognised in profit and loss as incurred. Transaction costs arising on the issue of the equity instruments are recognised directly in equity.

All identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination that meet the conditions of recognition under NZ IFRS 3 Business Combinations are recognised at their fair values at the acquisition date except for deferred tax assets or liabilities and assets and liabilities related to employee benefits arrangements, which are measured in accordance with NZ IAS 12 Income Taxes and NZ IAS 19 Employee Benefits respectively, and assets (or disposal groups) that are classified as held for sale in accordance with NZ IFRS 5 Non Current Assets Held for Sale and Discontinued Operations, which are measured at fair value less costs to sell.

The excess of the cost of the business combination, any non controlling interests of the acquiree and the fair value of the acquirers previously held equity interest in the acquiree over the net fair value of the Group's share of the identifiable net assets acquired is recognised as goodwill. If the cost of the acquisition is less than the Group's share of the net fair value of the identifiable net assets, the difference is recognised as a gain in profit or loss in the Income Statement, but only after a reassessment of the identification and measurement of the net assets acquired. The Group's goodwill accounting policy is set out in Note (u) to follow.

(g) Revenue Recognition

(i) Revenue from the sale of goods is recognised when all the following conditions are satisfied:

- » The Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- » the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control;
- » the amount of revenue can be measured reliably;
- » it is probable that the economic benefits will flow to the entity; and
- » the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue is shown net of any goods and services tax, rebates and discounts, measured at fair value of the consideration received or receivable.

(ii) Rental income from operating leases is recognised on a straight line basis over the lease term.

(iii) Dividend income is recognised when the right to receive payments is established.

(iv) Interest received is accrued on a time basis using the effective interest method.

(h) Leases

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of specific asset or assets and if the arrangement conveys a right to use the asset.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Operating lease payments are recognised as an expense in profit or loss in the Income Statement on a straight line basis over the lease term. Operating lease incentives are recognised as a liability when received and subsequently reduced by allocating lease payments between rental expenses and reduction of the liability.

(i) Foreign Currency Translation

(i) Functional and Presentation Currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Group operates. The financial statements are presented in New Zealand dollars, which is the Company's functional and presentational currency.

(ii) Transactions and Balances

Transactions in foreign currencies are recorded using the exchange rates prevailing at the dates of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the end of the reporting period.

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NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2014

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rate prevailing at the date when the valuation was determined (spot rate at the transaction date or a rate approximating that rate). Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Any foreign exchange gains and losses arising from these transactions are recognised in profit or loss in the Income Statement, except when deferred in equity as qualifying cash flow hedges as outlined in Note (ac).

(j) Income Tax and Other Taxes

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the current period's taxable income. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

Deferred tax is provided on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences except:

- » When the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- » when the taxable temporary difference is associated with investments in subsidiaries, associates, or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry-forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- » When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- » when the deductible temporary difference is associated with investments in subsidiaries, associated or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax to be utilised.

Unrecognised deferred tax assets are reassessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

(k) Goods and Services Tax

Revenues, expenses, and assets are recognised net of the amount of the Goods and Services Tax (GST) except:

- » When the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- » receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Statement of Financial Position.

PITOPITO KŌRERO MŌ NGĀ TAŪKI PŪTEA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2014

(l) Receivables

Receivables are initially recorded at fair value. Receivables are reviewed periodically for impairment and a provision for impairment of receivables is established when there is evidence that the Group will not be able to collect all amounts due according to the original terms of the receivable. Bad debts are written off in the period in which they are identified.

(m) Inventory

Inventory is stated at the lower of cost or net realisable value.

Cost is determined on a weighted average basis and includes the expenditure incurred in bringing inventory to its existing condition and location. Costs include an appropriate share of fixed overheads, which are allocated on the basis of normal production capacity. Net realisable value is the estimated selling price in the ordinary course of business less any applicable selling expenses.

(n) Biological Assets

Biological assets relate to the Group's inventories of live shellfish growing on farms owned and operated by the Group. Biological assets are stated at fair value less point-of-sale costs, with any change therein recognised in profit or loss in the Income Statement. Biological assets are transferred to inventory at the time of harvest.

(o) Impairment

The carrying amounts of the Group's assets other than inventories, biological assets and deferred tax assets are reviewed at each balance date to determine whether there is any indication of impairment. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. If it is not possible to estimate the recoverable amount of the individual asset, the Group determines the recoverable amount of the cash generating unit to which the asset belongs.

Impairment losses directly reduce the carrying amount of assets and are recognised in profit or loss, in the Income Statement. Impairment losses of trade and other receivables are determined by an evaluation of the exposures on a line by line basis.

(p) Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses. Any gains and losses on the disposal of property, plant and equipment are recognised in profit or loss in the Income Statement. The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset. Impairment is tested when there are indicators of impairment.

(q) Depreciation of Property, Plant and Equipment

Depreciation is calculated using a combination of straight line rates and diminishing values to write-off the cost of depreciable assets over their expected useful economic life. Depreciation rates and the expected useful economic life of depreciable assets are regularly reviewed and adjusted as and when required. The effect of any changes in estimates are accounted for on a prospective basis.

All assets are depreciated on a straight line basis with the exception of motor vehicles, which are depreciated on the diminishing value basis.

	Years
Buildings	10-50
Leasehold improvements	3-30
Furniture, fittings and office equipment	2-10
Marine farm structures	14
Motor vehicles	3-8
Plant and machinery	2-20
Vessels	2-14

PITOPITO KŌRERO MŌ NGĀ TAUKI PŪTEA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2014

(r) Associate Companies and Joint Ventures

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint arrangement. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint arrangement is a contractual arrangement whereby the Group and other parties undertake economic activity that is subject to joint control, which is when the decisions relating to the relevant activities of the joint arrangement require the unanimous consent of the parties sharing control.

The Group's interest in associates and joint ventures is accounted for using the equity method of accounting in the consolidated financial statements and at cost in the parent company's financial statements. Under the equity method, investments in associates and joint ventures are carried in the Statement of Financial Position at cost and adjusted for post-acquisition changes in the Group's share of net assets of associates and joint ventures, less any impairment in the value of individual investments. The Group's share of profits or losses of associates and joint ventures is recognised in profit or loss in the Income Statement, and its share of movements in reserves is recognised in other comprehensive income.

Goodwill relating to an associate or a joint venture is included in the carrying amount of the investment and is assessed for impairment as part of that investment.

When the Group's share of losses in an associate or a joint venture exceeds its interest in the entity, including any unsecured long term receivables and loans, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

The accounting policies of associates and joint ventures conform to those used by the Group for like transactions and events in similar circumstances.

(s) Investments in Subsidiaries

Investments in subsidiaries, associates and joint ventures in the Parent's Financial Statements and any advances to subsidiaries, associates and joint ventures are stated at the lower of cost or their recoverable amount.

(t) Quota Shares

Quota shares are treated as an asset with an indefinite life, as the shares are issued under the Quota Management System, which is based on the concept of property rights in individual transferable quota. Quota shares purchased are recorded at cost. Quota shares are not amortised and are carried at cost less any accumulated impairment losses.

Impairment losses are recognised whenever the carrying amount of an asset exceeds its recoverable amount. Quota shares are tested for impairment annually or whenever there is an indication of impairment on an individual basis or at a cash-generating unit level. The indefinite life assessment is reviewed annually to determine whether it continues to be supportable.

(u) Goodwill and Intangibles

(i) Goodwill

Goodwill arising on the acquisition of a subsidiary represents the excess of the sum of the consideration transferred, the amount of any non controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest (if any) in the acquiree, over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the subsidiary recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. The recoverable amount is the higher of fair value less cost to sell and value in use. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. Any impairment loss is recognised immediately in profit and loss and is not reversed in a subsequent period.

On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

PITOPITO KŌRERO MŌ NGĀ TAŪKI PŪTEA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2014

(ii) Intangibles

Intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses. Amortisation is charged on a straight-line basis over their estimated useful lives. The estimated useful lives, residual values and amortisation method are reviewed at the end of each reporting period, with the effect of any changes being accounted for on a prospective basis.

(v) Marine Farm Licences

Marine farm licences are treated as an asset with an indefinite life as it is highly probable that the licences will be renewed and the costs of renewal are minimal. Marine farm licenses purchased are recorded at cost less any accumulated impairment losses. Marine farm licenses are tested for impairment annually or whenever there is an indication of impairment.

(w) Cash and Bank Balances

Cash and bank balances in the Statement of Financial Position comprise cash at bank and short-term deposits with an original maturity of three months or less.

For the purposes of the Cash Flow Statement, cash is net of outstanding bank overdrafts.

(x) Trade and Other Payables

Trade and other payables are carried at amortised cost and due to their short term nature they are not discounted. They represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

(y) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

(z) Employee Entitlements

Liabilities for annual leave, long service leave, and accumulating sick leave are accrued and recognised in the Statement of Financial Position. The liability for annual leave is measured at the amount expected to be paid when the leave liability is settled.

The liability for long service leave is recognised and measured at the present value of expected future payments made in respect of services provided by employees up to reporting date. Consideration is given to expected future wage and salary levels and probability of employee departures and periods of service.

The liability for accumulating sick leave is recognised based on what expectation that the Group has that it will pay sick leave with respect to the unused entitlement that has accumulated at the reporting date. Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable.

Contributions to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to contributions.

(aa) Finance Costs

Interest expense is accrued on a time basis using the effective interest method.

The effective interest method is a method of calculating the amortised cost of financial asset or financial liability and of allocating interest income over the relevant period (including all fees and points paid or received between the parties to the contract that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial instrument, or, where appropriate, a shorter period to the net carrying amount of the financial instrument.

All other borrowing costs are recognised in profit or loss in the Income Statement, in the period in which they are incurred.

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FOR THE YEAR ENDED 30 SEPTEMBER 2014

(ab) Redeemable Preference Shares

The component of the redeemable preference shares that exhibits characteristics of a liability is recognised as a liability in the Statement of Financial Position.

On issuance of the redeemable preference shares, the fair value of the liability component is determined using a market rate for an equivalent bond and this amount is carried as long-term liability on the amortised cost basis until extinguished on redemption. The increase in the liability due to the passage of time is recognised as a finance cost. Refer also to Note 25 (e).

The difference between the fair value of the redeemable preference shares and the component treated as a liability is treated as an equity component. It has been recognised and included in the equity, net of income tax effects and is not subsequently remeasured.

(ac) Derivative Financial Instruments

The Group uses derivative financial instruments such as forward exchange contracts, currency options and interest rate swaps to hedge its risk associated with foreign currency and interest rate fluctuations. Such derivative financial instruments are initially recognised at fair value on the date a derivative contract is entered into and subsequently re-measured at their fair value at each reporting date. The Group designates certain derivatives as either hedges of the fair value of recognised assets or liabilities or firm commitments (fair value hedges), hedges of highly probable forecast transactions or hedges of foreign currency risk of firm commitments (cash flow hedges).

A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities. Refer also to Note 27.

The Group's policy is to apply cash flow and fair value hedging in accordance with NZ IAS 39 and NZ IFRS 7. The Group designates certain hedging instruments, which may include derivatives, embedded derivatives and non-derivatives in respect of foreign currency exchange risk, as either fair value hedges or cash flow hedges. Hedges of foreign currency exchange risk on firm commitments are accounted for as cash flow hedges.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instruments and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument that is used in a hedging relationship is highly effective in offsetting changes in fair values or cash flows of the hedged item.

Cash Flow Hedges

Cash flow hedges are hedges of the Group's exposure to variability in cash flow that is attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction and that could affect profit or loss. The effective portion of any gain or loss on a hedging instrument is recognised in other comprehensive income and accumulated as a separate component of equity in the cash flow hedging reserve, while the ineffective portion is recognised in the profit or loss in the Income Statement.

Amounts taken to equity through the cash flow hedging reserve are transferred to the profit or loss in the Income Statement when the hedged transaction affects profit or loss, such as when a forecast sale or purchase occurs.

If a forecast transaction is no longer expected to occur, amounts previously recognised in the derivative financial instruments reserve are transferred to profit or loss in the Income Statement. If a hedging instrument expires or is sold, terminated or exercised without replacement or rollover, or if its designation as a hedge is revoked, amounts previously recognised in equity in the cash flow hedging reserve remain in equity until the forecast transaction occurs. If the related transaction is not expected to occur, the amount in equity is taken to profit or loss in the Income Statement.

Fair Value Hedges

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in profit or loss immediately, together with any changes in the fair value of the hedged item that are attributable to the hedged risk. The change in the fair value of the hedging instrument and the change in the hedged item attributable to the hedged risk are recognised in the line of profit or loss relating to the hedged item.

Hedge accounting is discontinued when the Group revokes the hedging relationship, the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. The adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to profit or loss from that date.

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FOR THE YEAR ENDED 30 SEPTEMBER 2014

(ad) Emission Rights

The Group received tradable emission rights from the New Zealand Government. These rights are allocated as a one-off allocation to compensate for the effect of increased fuel costs from the emission trading scheme based on the value of quota owned. These rights are defined as New Zealand Units issued to meet a participant's compliance obligations under the emissions trading scheme. These units received are treated as a Government Grant and initially accounted for at nominal cost. It is expected that future economic rights will flow to the Group and the rights can then be measured reliably. Once the Group begins to trade these Units, the results will be recognised through profit and loss in the Income Statement.

(ae) Guarantees

Financial guarantees provided by the Group are recognised at their fair value. Fair value is assessed using a probability weighted discounted cash flow approach. Subsequently, they are measured at the higher of the amount of the obligation as determined in accordance with NZ IAS 37 Provisions, Contingent Liabilities and Contingent Assets and the amount initially recognised less, where appropriate, cumulative amortisation recognised in accordance with the revenue recognition policies outlined above.

(af) Insurance Contracts

The Company is a member in the Accident Compensation Commission (ACC) Partnership Programme. Under the Partnership Programme the Company is liable for all its claim costs for a period of two years up to a specified maximum. At the end of the two year period, the Company pays a premium to ACC for the value of residual claims, and the liability for ongoing claims from that point passes back to ACC.

The liability for ACC Partnership Programme is recognised in provisions and measured as the present value of expected future payments to be made in respect of the employee injuries and claims up to the reporting date using actuarial techniques. Consideration is given to expected future wage and salary levels and experience of employee claims and injuries. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

3. Significant Accounting Judgements, Estimates and Assumptions

The preparation of the financial statements requires management to make judgements, estimates, and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue, and expenses. Management bases its judgements and estimates on historical experience and on other various factors it believes to be reasonable under the circumstances, the result of which form the basis of the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions and conditions. Management has identified the following critical accounting policies for which significant judgements, estimates, and assumptions are made. Actual results may differ from these estimates under different assumptions and conditions and may materially affect financial results or the financial position reported in future periods.

Further details of the nature of these assumptions and conditions may be found in the relevant notes to the financial statements.

(i) Significant Judgements

Taxation

Judgement is required in assessing whether deferred tax assets and certain deferred tax liabilities are recognised on the balance sheet. Deferred tax assets, including those arising from unrecouped tax losses, capital losses and temporary differences, are recognised only where it is considered more likely than not that they will be recovered, which is dependent on the generation of sufficient future taxable profits. Assumptions about the generation of future taxable profits and repatriation of retained earnings depend on management's estimates of future cash flows. These depend on estimates of future production and sales volumes, operating costs, restoration costs, capital expenditure, dividends and other capital management transactions. Judgements are also required about the application of income tax legislation. These judgements and assumptions are subject to risk and uncertainty, hence there is a possibility that changes in circumstances will alter expectations, which may impact the amount of deferred tax assets and deferred tax liabilities recognised in the Statement of Financial Position and the amount of other tax losses and temporary differences not yet recognised. In such circumstances, some or all of the carrying amounts of recognised deferred tax assets and liabilities may require adjustment, resulting in a corresponding credit or charge to the profit or loss in the Income Statement.

PITOPITO KŌRERO MŌ NGĀ TAUKI PŪTEA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2014

(ii) Significant Estimates and Assumptions

Estimation of Useful Lives of Assets

The estimation of the useful lives of assets has been based on historical experience as well as manufacturers' warranties (for plant and equipment), lease terms (for leased equipment), and turnover policies (for motor vehicles). In addition, the condition of the assets is assessed at least once per year and considered against the remaining useful life. Adjustments to useful lives are made when considered necessary.

Impairment of Quota

Determining whether the carrying value of quota is impaired is based on an estimation of the value in use or fair value less costs to sell of the quota. Fair value is determined by taking the average of three independent market valuations on each species. The carrying amount of quota at 30 September 2014 was \$243.0 million (2013: \$240.5 million). No impairment was recorded for the year ended 30 September 2014 (2013: \$0.35 million). Refer to Note 17.

Impairment of Goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires an estimate of the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value.

The carrying amount of goodwill at 30 September 2014 was \$10.8 million (2013: \$10.8 million). No impairment loss has been recognised. Refer to Note 18.

Marine Biological Investment

Marine biological assets are stated at fair value less estimated point of sale costs of oysters. Judgement is made over market prices ruling at balance date. Point of sale costs are best estimates made by management and based on historical and known future costs.

4. Other Revenue

\$000's	Note	Group		Parent	
		2014	2013	2014	2013
Dividends received – Sealord Group Limited	28	-	-	-	1,300
Dividends received – external		1	1	1	1
Interest received		73	88	73	88
Other income		128	159	128	159
Rental income		236	93	236	93
Revenue from associates & joint ventures	28	7,324	7,221	656	723
		7,762	7,562	1,094	2,364

5. Other Income / (Expenses)

\$000's	Group		Parent	
	2014	2013	2014	2013
Net foreign currency exchange gain / (loss)	2,624	1,210	2,624	1,210
Net foreign currency exchange gains on hedged sales	(126)	435	(126)	435
Net gain on disposal of assets	694	131	694	131
	3,192	1,776	3,192	1,776

PITOPITO KŌRERO MŌ NGĀ TAŪKI PŪTEA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2014

6. Expenses

(a) Expenses

The following items are included in cost of sales, distribution expenses, and administrative expenses.

\$000's	Note	Group		Parent	
		2014	2013	2014	2013
Amortisation of intangibles		82	19	80	19
Audit fees		140	127	140	127
Bad debts		34	162	34	162
Defined contribution expense (Kiwisaver)		350	244	350	244
Depreciation	13	3,200	2,182	3,173	2,151
Directors' fees		430	297	424	291
Donations		11	19	11	19
Doubtful debts	10	42	74	42	74
Employee benefits expense		20,708	18,832	20,006	18,093
Impairment of assets		-	710	-	710
Rental & operating lease costs	24	1,622	1,791	1,622	1,791
Research & development		687	794	687	794

(b) Finance Expenses

\$000's	Group		Parent	
	2014	2013	2014	2013
Bank loans & overdrafts	4,457	4,032	4,457	4,032

PITOPITO KŌRERO MŌ NGĀ TAUKI PŪTEA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2014

7. Income Tax

(a) Income Tax Expense

\$000's	Group		Parent	
	2014	2013	2014	2013
Current tax expense				
Current period	2,065	7,702	1,665	7,297
Use of imputation credits & loss carried forward	(1,242)	(7,762)	(837)	(7,349)
	823	(60)	828	(52)
Deferred tax expense	2,537	(834)	2,137	(832)
Previously unrecognised & unused tax losses	-	(1,982)	-	-
Origination & reversal of temporary differences	(777)	60	(782)	52
	1,760	(2,756)	1,355	(780)
Total income tax expense / (benefit)	2,583	(2,816)	2,183	(832)

Reconciliation of Effective Tax Rate

The tax on the profit before tax differs from the theoretical amount that would arise using the applicable New Zealand Corporation tax rate or Māori authority tax rates as follows:

\$000's	Group		Parent	
	2014	2013	2014	2013
Profit / (Loss) before tax	24,540	(8,856)	10,205	13,194
Income tax at applicable rate	5,800	(3,865)	1,786	2,309
Expenses not deductible / taxable income not included in accounting profit	(3,735)	11,567	(121)	4,988
Utilisation of prior year losses	(1,242)	(465)	(837)	(52)
Other	1,760	(774)	(1,355)	(780)
Previously unrecognised & unused tax losses	-	(1,982)	-	-
Imputation credits	-	(7,297)	-	(7,297)
Total income tax expense / (benefit)	2,583	(2,816)	2,183	(832)

The company is a Māori authority and is taxed at the Māori authority tax rate. Other entities in the Group are taxed at the corporate tax rates.

PITOPITO KŌRERO MŌ NGĀ TAUKI PŪTEA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2014

(b) Deferred Income Tax

The movement in deferred tax assets during the year, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

Group Deferred tax asset \$000's	Tax depreciation	Derivative financial instruments	Tax losses recognised	Provisions & other	Total
At 1 October 2013	174	(395)	3,320	1,367	4,466
Movement					
– Income Statement	(81)	106	(1,114)	(1,448)	(2,537)
– Equity	-	549	-	-	549
At 30 September 2014	93	260	2,206	(81)	2,478
At 1 October 2012	78	93	698	781	1,650
Movement					
– Income Statement	96	37	2,622	586	3,341
– Equity	-	(525)	-	-	(525)
At 30 September 2013	174	(395)	3,320	1,367	4,466

Parent Deferred tax asset \$000's	Tax depreciation	Derivative financial instruments	Tax losses recognised	Provisions & other	Total
At 1 October 2013	173	(395)	709	1,367	1,854
Movement					
– Income Statement	(86)	106	(709)	(1,448)	(2,137)
– Equity	-	549	-	-	549
At 30 September 2014	87	260	-	(81)	266
At 1 October 2012	79	93	69	781	1,022
Movement					
– Income Statement	94	37	640	586	1,357
– Equity	-	(525)	-	-	(525)
At 30 September 2013	173	(395)	709	1,367	1,854

All deferred tax assets are recognised. Deferred tax assets are recognised for tax loss carrying-forwards to the extent that the realisation of the related tax benefit through the future taxable profits is probable.

All deferred tax liabilities are recognised.

PITOPITO KŌRERO MŌ NGĀ TAUKI PŪTEA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2014

(c) Income Tax Effects Relating to Comprehensive Income

Group	Before tax amount	Tax (expense)/ benefit	Net of tax amount	Before tax amount	Tax (expense)/ benefit	Net of tax amount
\$000's	2014	2014	2014	2013	2013	2013
Cash flow hedges	(3,138)	549	(2,589)	2,998	(525)	2,473
Associates' derivative financial instruments	(2,356)	-	(2,356)	3,925	-	3,925
	(5,494)	549	(4,945)	6,922	(525)	6,397

Parent	Before tax amount	Tax (expense)/ benefit	Net of tax amount	Before tax amount	Tax (expense)/ benefit	Net of tax amount
\$000's	2014	2014	2014	2013	2013	2013
Cash flow hedges	(3,138)	549	(2,589)	2,998	(525)	2,473
	(3,138)	549	(2,589)	2,998	(525)	2,473

8. Imputation Credit Account

	Group		Parent	
\$000's	2014	2013	2014	2013
Balance at beginning of year	6,935	28,930	6,935	28,930
Imputation credits attached to dividends received	-	8,005	-	8,005
Imputation credits attached to dividends paid & accrued	(1,863)	(30,000)	(1,863)	(30,000)
Imputation credits attached to tax paid	600	-	600	-
Imputation credits accrued on tax receivable	(555)	-	(555)	-
Balance at end of year	5,117	6,935	5,117	6,935
Imputation credits available to shareholders of the Company through:				
Parent	5,117	6,935	5,117	6,935
Subsidiaries	-	-	-	-
	5,117	6,935	5,117	6,935

9. Cash and Bank Balances

	Group		Parent	
\$000's	2014	2013	2014	2013
Cash at bank & in hand	3,280	2,089	3,280	2,084
Bank overdraft	(2)	-	-	-
Total cash & bank balances	3,278	2,089	3,280	2,084

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NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 SEPTEMBER 2014

10. Trade and Other Receivables

\$000's	Group		Parent	
	2014	2013	2014	2013
Trade receivables	10,326	9,018	10,326	9,018
Allowance for doubtful debts	(118)	(106)	(118)	(106)
Other receivables & prepayments	7,737	5,383	7,458	5,298
Receivables				
– Subsidiaries	-	-	312	50
– Joint ventures	909	445	908	445
Total receivables & prepayments	18,854	14,740	18,886	14,705

(a) Bad and Doubtful Trade Receivables

The average credit period on sales of goods is 25 days (2013: 27 days). No interest is charged on trade receivables. The Group has provided for certain receivables. These were determined by consideration of the amounts and past payment history and default experience of each customer.

Before accepting a new customer the Company performs credit checks, including, but not limited to verifying credit references, performing company checks and investigating any previous defaults, to assess the creditworthiness of the new customer. In determining the recoverability of a trade receivable the Company considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the reporting date.

The Group has recognised a loss of \$0.076m (2013: \$0.236m) in respect of bad and doubtful trade receivables during the year ended 30 September 2014. The Company does not hold any collateral in respect of the balances above.

Movement in the allowance for doubtful debts				
\$000's	Group		Parent	
	2014	2013	2014	2013
Balance at 1 October	106	38	106	38
Impairment losses recognised on receivables (Note 27(e))	42	74	42	74
Amounts written off as uncollectible	(12)	(6)	(12)	(6)
Amounts recovered during the year	(18)	-	(18)	-
Balance at 30 September	118	106	118	106

(b) Related Party Receivables

For details of related party transactions refer to Note 28.

(c) Fair Value and Credit Risk

Due to the short-term nature of these receivables, their carrying value is assessed at their fair value including receivables from related parties. The maximum exposure to credit risk is the carrying value of receivables.

(d) Impaired Receivables

See Note 27(e).

(e) Foreign Exchange

A summarised analysis of the sensitivity of trade and other receivables to foreign exchange can be found in Note 27.

PITOPITO KŌRERO MŌ NGĀ TAUKI PŪTEA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2014

11. Inventories

\$'000's	Group		Parent	
	2014	2013	2014	2013
Raw materials at cost	657	814	657	814
Finished goods at cost	6,221	5,729	6,221	5,729
Finished goods at net realisable value	861	772	861	772
Packaging materials & fish bins	758	618	758	618
Total inventories	8,497	7,933	8,497	7,933

The cost of inventories recognised in the Group and Parent as an expense during the year was \$92.33 million (2013: \$84.10m), and includes \$0.204 million (2013: \$0.132 million) in respect of write-downs of inventory to net realisable value.

12. Biological Assets

\$'000's	Note	Group		Parent	
		2014	2013	2014	2013
Balance at beginning of year		4,735	1,355	4,735	1,355
Change in values less estimated point-of-sale costs		4,889	2,757	4,889	2,757
Business acquisitions	16	-	2,115	-	2,115
Harvested produce transferred to inventories		(2,592)	(1,492)	(2,592)	(1,492)
Total biological assets		7,032	4,735	7,032	4,735

Biological assets relate to the Company's inventories of oysters and paua growing on marine farms in New Zealand which are owned and operated by the Company.

The Company is exposed to financial risk in respect of the aquaculture activity. The primary financial risk associated with this activity occurs during the time of expending cash on the purchase of oyster spat, the maintenance of the water space growing areas and farms, and ultimately receiving cash from the sale of oysters and paua to third parties. This risk includes exposure to adverse movements in foreign exchange rates arising from sales to parties located overseas. The Company's strategy to manage this financial risk is to actively review and manage its working capital requirements.

The fair value less estimated point of sale costs of oysters and paua is determined by reference to market prices and a calculation of the point of sale costs, with any resultant gain or loss recognised in the income statement. Point of sale costs include all other costs that would be necessary to sell the assets.

The following valuation assumptions have been adopted in determining the fair value of the Groups biological assets:

- (a) Costs are based on current average costs and are variable depending on the biological assets location and age being assessed.
- (b) Revenue is based on current pricing and expected levels of production, with an assessment made about the long term future returns for each product.

Biological assets are measured at level 3 valuations (refer Note 27 (g)) and there were no transfers between levels during the year.

The following unobservable inputs were used to measure the Group's biological assets:

\$'000	Fair value at 30 September	Valuation technique	Unobservable inputs	Relationship of unobservable inputs to fair value
Oysters	2014: 4,692 2013: 2,620	Estimated market price of volumes produced	Annual oyster yield	The higher the yield the higher the fair value
			Annual price per dozen per season	The higher the price the higher the fair value
Pāua	2014: 2,340 2013: 2,115	Estimated market price of volumes produced	Annual pāua yield	The higher the yield the higher the fair value
			Annual price per kg per season	The higher the price the higher the fair value

Included in the cost of sales in the Group and Parent is a fair value uplift of \$2.3m (2013: \$0.9m) in relation to biological assets.

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NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 SEPTEMBER 2014

13. Property, Plant and Equipment

Group										
\$000's	Land	Buildings	Leasehold improvements	Furniture, fittings, & office equipment	Marine farm structures	Motor vehicles	Plant & machinery	Vessels	Capital work in progress	Total
Year ended 30 September 2014										
Opening net carrying amount	3,690	14,218	127	1,788	974	1,080	9,590	203	1,568	33,238
Additions	-	506	3	864	169	239	823	11	12,350	14,965
Disposals	(641)	(1,099)	(42)	(111)	(2)	(34)	(221)	-	(26)	(2,176)
Depreciation charge for the year	-	(725)	(95)	(475)	(136)	(265)	(1,478)	(26)	-	(3,200)
Impairment reversal / (losses) charged to Income Statement	-	391	42	293	-	-	1	-	-	727
Closing net carrying amount	3,049	13,291	35	2,359	1,005	1,020	8,715	188	13,892	43,554
Balance at 30 September 2014										
Cost	3,049	16,183	435	3,989	4,060	4,051	20,890	677	13,892	67,226
Accumulated depreciation	-	(2,892)	(400)	(1,630)	(3,055)	(3,031)	(12,175)	(489)	-	(23,672)
Net carrying amount	3,049	13,291	35	2,359	1,005	1,020	8,715	188	13,892	43,554

\$000's	Land	Buildings	Leasehold improvements	Furniture, fittings, & office equipment	Marine farm structures	Motor vehicles	Plant & machinery	Vessels	Capital work in progress	Total
Year ended 30 September 2013										
Opening net carrying amount	3,493	5,188	259	251	941	1,138	4,347	193	1,586	17,396
Additions	197	10,047	-	1,792	188	309	6,281	41	(18)	18,837
Disposals	-	(15)	-	(12)	-	(58)	(14)	(4)	-	(103)
Depreciation charge for the year	-	(306)	(118)	(243)	(155)	(309)	(1,024)	(27)	-	(2,182)
Impairment reversal / (losses) charged to Income Statement	-	(696)	(14)	-	-	-	-	-	-	(710)
Closing net carrying amount	3,690	14,218	127	1,788	974	1,080	9,590	203	1,568	33,238
Balance at 30 September 2013										
Cost	3,690	17,898	943	4,498	3,893	4,075	23,948	667	1,568	61,180
Accumulated depreciation	-	(3,680)	(816)	(2,710)	(2,919)	(2,995)	(14,358)	(464)	-	(27,942)
Net carrying amount	3,690	14,218	127	1,788	974	1,080	9,590	203	1,568	33,238

Additions for the year ended 30 September 2013 include a fair value adjustment of \$0.586 million (refer Note 16).

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Parent										
\$000's	Land	Buildings	Leasehold improvements	Furniture, fittings, & office equipment	Marine farm structures	Motor vehicles	Plant & machinery	Vessels	Capital work in progress	Total
Year ended 30 September 2014										
Opening net carrying amount	2,844	13,156	127	1,770	974	1,079	9,590	202	1,570	31,312
Additions	-	506	3	864	169	239	823	11	12,350	14,965
Disposals	(641)	(1,099)	(42)	(111)	(2)	(34)	(221)	-	(26)	(2,176)
Depreciation charge for the year	-	(704)	(95)	(469)	(136)	(265)	(1,478)	(26)	-	(3,173)
Impairment reversal / (losses) charged to Income Statement	-	391	42	293	-	-	1	-	-	727
Closing net carrying amount	2,203	12,250	35	2,347	1,005	1,019	8,715	187	13,894	41,655
Balance at 30 September 2014										
Cost	2,203	14,967	435	3,960	4,060	4,024	20,883	676	13,894	65,102
Accumulated depreciation	-	(2,717)	(400)	(1,613)	(3,055)	(3,005)	(12,168)	(489)	-	(23,447)
Net carrying amount	2,203	12,250	35	2,347	1,005	1,019	8,715	187	13,894	41,655

\$000's	Land	Buildings	Leasehold improvements	Furniture, fittings, & office equipment	Marine farm structures	Motor vehicles	Plant & machinery	Vessels	Capital work in progress	Total
Year ended 30 September 2013										
Opening net carrying amount	2,647	4,104	259	242	941	1,132	4,347	193	1,588	15,453
Additions	197	10,047	-	1,780	188	309	6,280	40	(18)	18,823
Disposals	-	(15)	-	(12)	-	(58)	(14)	(4)	-	(103)
Depreciation charge for the year	-	(284)	(118)	(240)	(155)	(304)	(1,023)	(27)	-	(2,151)
Impairment reversal / (losses) charged to Income Statement	-	(696)	(14)	-	-	-	-	-	-	(710)
Closing net carrying amount	2,844	13,156	127	1,770	974	1,079	9,590	202	1,570	31,312
Balance at 30 September 2013										
Cost	2,844	16,682	943	4,469	3,893	4,058	23,941	666	1,570	59,066
Accumulated depreciation	-	(3,526)	(816)	(2,699)	(2,919)	(2,979)	(14,351)	(464)	-	(27,754)
Net carrying amount	2,844	13,156	127	1,770	974	1,079	9,590	202	1,570	31,312

Additions for the year ended 30 September 2013 include a fair value adjustment of \$0.586 million (refer Note 16).

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NOTES TO FINANCIAL STATEMENTS

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14. Investment in Sealord Group

(a) Investment Details

\$000's	2014	2013
Kura Limited	180,676	170,354

Kura Limited is the 100% owner of Sealord Group Limited (Sealord), with Aotearoa Fisheries Limited owning a 50% interest in Kura Limited. Kura Limited is a joint venture, with Nippon Suisan Kaisha Limited (Nissui) owning the other 50% ownership interest and voting rights. The principal activities of Sealord are catching, procurement, processing and marketing of seafood in New Zealand and internationally.

(b) Movements in Carrying Amount

The movement in the carrying value of the investment in Kura Limited is as follows:

\$000's	2014	Group 2013
Balance 1 October	170,354	190,693
Share of profit / (loss) after tax	12,678	(22,964)
Share of other comprehensive income	(2,356)	3,925
Share of dividends	-	(1,300)
Balance at 30 September	180,676	170,354

(c) Summarised Financial Information

The summarised financial information is extracted from Kura Limited Statement of Financial Position.

\$000's	As at 30 September 2014	As at 30 September 2013
Current assets	212,619	226,904
Non-current assets	535,264	504,153
	747,883	731,057
Current liabilities	(80,610)	(76,079)
Non-current liabilities	(258,074)	(266,423)
	(338,684)	(342,502)
Net assets	409,199	388,555

\$000's	For the year ended 30 September 2014	For the year ended 30 September 2013
Revenue	448,193	457,302
Expenses	(422,838)	(501,696)
Profit for the year	25,355	(44,394)
Other comprehensive income / (expenses)	(4,711)	7,848
Total comprehensive income / (loss) for the year	20,644	(36,546)

The Company's share of contingent liabilities is disclosed in Note 30.

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NOTES TO FINANCIAL STATEMENTS

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15. Investments in Subsidiaries, Associates and Joint Ventures

(a) Investment Details

\$000's	Group		Parent	
	2014	2013	2014	2013
Investments in subsidiaries	-	-	16,495	16,495
Investments in associates	1	1	1	-
Investments in joint ventures	4,488	3,540	718	-
Total	4,489	3,541	17,214	16,495

(b) Investment in Subsidiaries

Details of the Company's significant subsidiaries are as follows:

Significant Subsidiary	Principal Activity
AFL Investments Limited	Investment company
Moana Pacific Fisheries Limited	Non trading company, licensed fish receiver
OPC Quota Limited	Quota owner
Pacific Marine Farms Limited	Investment company
Paua Holdings New Zealand Limited	Holding company
Prepared Foods Processing Limited	Investment company
Pupuri Taonga Limited	Quota owner
Prepared Foods 2009 Limited	Owens the Prepared Foods trading name

All subsidiaries are 100% owned, direct subsidiaries of the Parent, and are incorporated in New Zealand. All have a balance date of 30 September.

(c) Investment in Associates

Details of the Company's associates are as follows:

Associate	Ownership interests & voting rights		Principal Activity
	2014	2013	
Crabco Limited (ceased trading 25th October 2013)	33%	33%	Development of deep water crab fisheries
Trident Systems Limited Partnership	16%	16%	Inshore fisheries research
Area 2 Inshore Finfish Management Company Limited	2%	2%	Industry group

The associates are incorporated in New Zealand and have a 30 September balance date.

\$000's	Group	
	2014	2013
Investment in associates		
Share of associates equity at beginning of year	1	1
Acquisition of Associate	-	-
Total investment in associates	1	1

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NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2014

The summarised financial information in respect of the Group's associates is set out below:

	Group	
\$000's	2014	2013
Investment in associates		
Current assets	328	380
Non-current assets	-	-
	328	380
Current liabilities	(325)	(338)
Non-current liabilities	-	-
	(325)	(338)
Net assets	3	42
Revenue	890	792
Expenses	(890)	(734)
Profit for the year	-	59

(d) Investment in Joint Ventures

Details of the Company's joint ventures are as follows:

Joint Venture	Balance Date	Ownership interests & voting rights		Principal Activity
		2014	2013	
Auckland Fishing Port Limited	31 March	33%	33%	Holds an Auckland fishing wharf lease
Inshore Fisheries JV Limited Partnership	30 September	50%	50%	Harvests & markets wet fish
Jemco Limited	30 September	40%	40%	Market aquaculture products
Oceanz Seafood Licensing	30 September	50%	0%	Seafood franchise operator
Prepared Foods Limited	30 September	50%	50%	Markets canned abalone
Prepack Limited	30 June	50%	50%	Assembles ration packs
Precision Seafood Harvesting JV Limited Partnership	30 September	33%	33%	Harvesting, research & development

All the joint ventures are incorporated in New Zealand and have a 30 September balance date, with the exception of Auckland Fishing Port Limited and Prepack Limited.

The movement in the carrying value of the investment in joint ventures (excluding Kura Limited) is as follows:

	Group	
\$000's	2014	2013
Balance 1 October	3,540	2,773
Share of profit after tax	280	767
Share of dividends	-	-
Aquisition of investment	668	-
Balance at 30 September	4,488	3,540

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FOR THE YEAR ENDED 30 SEPTEMBER 2014

The summarised financial information in respect of the Group's associates is set out below:

\$000's	2014	2013
Current assets	11,130	11,417
Non-current assets	506	362
	11,636	11,779
Current liabilities	(4,418)	(4,339)
Non-current liabilities	(297)	-
	(4,715)	(4,339)
Net assets	6,921	7,440
Revenue	56,667	52,816
Expenses	(55,895)	(51,714)
Profit for the year	772	1,102

16. Business Combinations

On 27 September 2013 the Parent acquired the net assets and business of OceanNZ Blue Limited for a cash consideration of \$8.3 million. OceanNZ Blue is a paua farming operation located in Bream Bay Northland and is complementary to the Prepared Foods paua operations. Under NZ IFRS 3 the Parent had a period of 12 months to finalise the fair value of the assets and liabilities acquired. The adjustments are shown in the table below and have been adjusted in the prior year comparatives.

The acquisition had the following effect on the Group's assets and liabilities at their acquisition date:

\$000's	Provisional fair value on acquisition	Fair value adjustment	Fair value on acquisition
Inventories	231	-	231
Biological assets	2,115	-	2,115
Employee entitlements	(91)	(6)	(97)
Plant & equipment	4,292	586	4,878
	6,547	580	7,127
Goodwill on acquisition	1,754	(580)	1,174
Net cash outflow	8,301	-	8,301

The Goodwill recognised on acquisition was \$1.174 million being the difference between the total purchase consideration and the fair value of the underlying assets and liabilities. The goodwill included amounts in recognition of intellectual property and knowledge.

The value of assets and liabilities recognised on acquisition are their estimated fair values.

The cost of the acquisition was paid in cash and transaction costs relating to acquisition were taken up in profit and loss within the Income Statement.

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NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2014

17. Quota Shares

(a) Reconciliation of Carrying Amounts at the Beginning and End of the Period

	Group		Parent	
\$000's	2014	2013	2014	2013
Carrying amount at 1 October	240,485	240,830	228,254	228,599
Additions	2,500	-	2,500	-
Impairment losses charged to administration expenses	-	(345)	-	(345)
Carrying amount at 30 September	242,985	240,485	230,754	228,254

(b) Impairment Testing

Quota is tested for impairment annually by independent valuation (fair valued less costs to sell).

Quota was valued by three independent brokers. These valuations were based on historical and current FishServe data, market intelligence and advice from professional industry valuers. Adjustments were made for current knowledge of market values on certain species.

The three brokers who provided valuations were:

- » Aotearoa Quota Brokers Limited;
- » Finest Kind Limited; and
- » Quota Management Systems Limited.

The carrying amounts were determined to be lower than their recoverable amount for all quota. An impairment of \$0.35m was booked in the previous year relating to Australian quota and included in administration expenses in the Income Statement.

(c) Option to Buyback Quota

The Parent purchased 20 tonne of cray quota in 2009 under an agreement, where the vendor has an option to buyback quota at fair market value. The option can be exercised on 31 March each year until 31 March 2019. The option purchase price is determined by mutual agreement. If agreement cannot be reached the price will be determined by an expert industry valuer.

(d) Sale of Quota

The Company sold 9 tonnes of cray quota in March 2011 under an agreement whereby the Company and the purchaser have granted options in favour of each other, whereby the Company can require the purchaser to sell the quota to the Company at fair market value, and the purchaser may require the Company to purchase the quota at fair market value, within the election period being the period commencing two calendar months and ending one calendar month, prior to the start of the fishing year.

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NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2014

18. Goodwill

(a) Reconciliation of Carrying Amounts at the Beginning and End of the Period

\$000's	Note	Group & Parent	
		2014	2013
Opening net carrying amount		10,772	9,598
Additions recognised from business combinations occurring during year	16	-	1,174
Closing net carrying amount		10,772	10,772

(b) Impairment Testing

The aggregate carrying amount of goodwill relating to each division is as follows:

\$000's	Group & Parent	
	2014	2013
OPC	4,126	4,126
Moana Pacific Fisheries	584	584
Prepared Foods	4,888	4,888
OceanNZ Blue	1,174	1,174
Closing net carrying amount	10,772	10,772

During the year the Group assessed the recoverable amount of goodwill and determined that no write-down of the carrying amounts was necessary.

The recoverable amount of cash-generating units is determined based on value in use calculations. A discount factor of 7.5% per annum (2013: 7.25% per annum) was applied in the value in use models.

Cash flows were projected based on actual 2014 operating results and the 2015 financial budget approved by the directors. Value in use calculations cover a 5-year period with forecasted cash flows through to 2019 with a terminal value.

The 2015 budget EBIT is applied out to 2019 assuming zero (2013: 0%) growth, with the exception of Prepared Foods which is assumed a growth rate of 2.0% (2013: 3.0%). The cash flows beyond that five year period have been extrapolated, also assuming zero growth. Any reasonably possible change in the key assumptions on which recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of cash-generating units.

The carrying amounts of the divisions were determined to be lower than their recoverable amount and no impairment loss was recognised (2013: Nil).

The key assumptions used in the value in use calculations:

- (i) Sales growth – growth in sales was a conservative factor determined by management who have in-depth experience in the industry;
- (ii) Budget margins – based on historical margins; and
- (iii) Price inflation – forecast consumer price indices were applied to raw material costs and overheads.

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NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2014

19. Intangibles

Group	2014			2013		
\$000's	Marine farm licences	Software	Total	Marine farm licences	Software	Total
Opening net carrying amount	5,160	38	5,198	5,160	36	5,196
Additions	-	726	726	-	21	21
Disposals	-	(4)	(4)	-	-	-
Amortisation charge for the year	-	(82)	(82)	-	(19)	(19)
Closing net carrying amount	5,160	678	5,838	5,160	38	5,198
Cost	5,160	2,729	7,889	5,160	2,002	7,162
Accumulated amortisation	-	(2,051)	(2,051)	-	(1,964)	(1,964)
Net carrying amount	5,160	678	5,838	5,160	38	5,198

Parent	2014			2013		
\$000's	Marine farm licences	Software	Total	Marine farm licences	Software	Total
Opening net carrying amount	5,160	33	5,193	5,160	36	5,196
Additions	-	726	726	-	16	16
Disposals	-	(4)	(4)	-	-	-
Amortisation charge for the year	-	(80)	(80)	-	(19)	(19)
Closing net carrying amount	5,160	675	5,835	5,160	33	5,193
Cost	5,160	2,724	7,884	5,160	1,997	7,157
Accumulated amortisation	-	(2,049)	(2,049)	-	(1,964)	(1,964)
Net carrying amount	5,160	675	5,835	5,160	33	5,193

Marine farm licences are covered in Note 2(v).

The amortisation charge for the year of \$0.082 million, (2013:\$0.019 million) is an administration expense in the profit or loss in the Income Statement.

The carrying value of marine farm licences are reviewed annually for impairment by reference to current market valuation for the licences.

Key assumptions used in the valuation of the marine licenses:

- (i) Estimates were based on historic trends and known metrics from valuing similar enterprises;
- (ii) Adjustments made for reductions in productivity, yield and extra costs of production; and
- (iii) Revenue streams were updated to current prices.

PITOPITO KŌRERO MŌ NGĀ TAŪKI PŪTEA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2014

20. Other Assets

Other assets comprise of long-term advance payments.

21. Trade and Other Payables

\$000's	Group		Parent	
	2014	2013	2014	2013
Trade payables	6,107	5,098	6,079	4,941
Sundry payables & accruals	5,696	6,479	5,689	6,437
Payables to related party				
- Subsidiaries	-	-	11,045	9,678
- Joint ventures	469	1	469	-
- Key management personnel	-	-	-	-
Total Payables	12,272	11,578	23,282	21,056

(a) Fair Value

Due to the short-term nature of these payables, their carrying value is assessed as their fair value.

(b) Interest Rate, Foreign Exchange and Liquidity Risk

Information regarding foreign exchange, and liquidity risk exposure is set out in Note 27. Related party payables are on normal trade terms.

22. Provisions

(a) Description of Provisions

Employee Benefits

The Group is required to accrue for accumulating benefits such as annual leave, long service leave and sick leave. Long service leave is recognised and measured at the present value of expected future payments made in respect of service provided by employees.

Dividend Obligation

The obligation to pay a dividend pursuant to Section 76(2) of The Māori Fisheries Act 2004, has been recognised.

(b) Analysis of Provisions

\$000's	Group		Parent	
	2014	2013	2014	2013
Employee benefits	2,503	2,364	2,503	2,364
Dividend obligations	8,790	7	8,790	7
Total provisions	11,293	2,371	11,293	2,371

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FOR THE YEAR ENDED 30 SEPTEMBER 2014

(c) Movements in Provisions

Movements in each class of provision during the financial year are set out below:

\$000's	Employee benefits	Dividend	Total
Year ended 30 September 2014			
Carrying amount at start of year	2,364	7	2,371
Additional provision recognised	1,556	8,783	10,339
Utilised during the year	(1,417)	-	(1,417)
Carrying amount at end of year	2,503	8,790	11,293
Year ended 30 September 2013			
Carrying amount at start of year	2,112	6,828	8,940
Additional provision recognised	1,760	-	1,760
Utilised during the year	(1,508)	(6,821)	(8,329)
Carrying amount at end of year	2,364	7	2,371

23. Borrowings

\$000's	Group		Parent	
	2014	2013	2014	2013
Bank loans (secured)	74,125	64,309	74,125	64,309
Group & Parent				
2014 Repayable as follows:	Less than one year	Between 1-2 years	Between 2-5 years	Greater than 5 years
Bank loans (secured)	-	-	74,125	-
Group & Parent				
2013 Repayable as follows:	Less than one year	Between 1-2 years	Between 2-5 years	Greater than 5 years
Bank loans (secured)	-	64,309	-	-

(a) Assets Pledged as Security

Bank loans are secured by a general security agreement over the assets of the Group and a mortgage over the quota shares.

The Company borrows under a secured revolving credit agreement, which includes a negative pledge arrangement with its bank loan provider, which with limited exceptions does not permit the Company to grant any security interest over its assets. The negative pledge deed requires the Company to maintain certain levels of shareholders' funds and operate within defined performance ratios. The banking arrangements also create restrictions over the sale or disposal of assets.

(b) Bank Loans

The Company has its banking facilities with Westpac New Zealand Limited. These facilities mature on 30 November 2017.

The loans drawn down bear interest at a weighted average interest rate of 4.94% as at 30 September 2014 (2013: 6.05%).

The loans are subject to a floating interest rate. To hedge future interest rate risk, the Company has entered into a series of interest rate swap arrangements (refer Note 27(c)). These hedging arrangements transform the future variable debt interest cash flows, attributable to changes in the bank-to-bank rate, back to a known fixed debt interest cash flow based on the relevant swap rate existing at the inception of the hedge relationship.

Interest is paid on the core bank loans and cash flow hedgings swap arrangements quarterly in arrears.

Throughout the period the Company has complied with all covenant requirements by the lender.

(c) Defaults and Breaches

During the current and prior year, there were no defaults or breaches in respect of any of the loan conditions.

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24. Operating Lease Arrangements

Operating leases relate to offices, warehouse and processing facilities, retail shops and vehicles.

(a) Payments Recognised as an Expense

\$000's	Group		Parent	
	2014	2013	2014	2013
Minimum lease payments	1,622	1,791	1,622	1,791
Sub-lease payments received	(212)	(108)	(212)	(108)
	1,410	1,683	1,410	1,683

(b) Non-cancellable Operating Lease Commitments

\$000's	Group		Parent	
	2014	2013	2014	2013
Lease commitments under non-cancellable operating leases:				
Less than one year	1,257	1,545	1,257	1,545
Between one & two years	971	1,053	971	1,053
Between two & five years	1,724	1,823	1,724	1,823
Greater than five years	3,409	3,774	3,409	3,774
Total operating lease commitments	7,361	8,195	7,361	8,195

(c) Sublease Payments Expected

\$000's	Group		Parent	
	2014	2013	2014	2013
Sublease Payments expected:				
Less than one year	-	-	-	-
Between one & two years	(30)	(11)	(30)	(11)
Between two & five years	-	-	-	-
Greater than five years	-	-	-	-
Total operating lease commitments	(30)	(11)	(30)	(11)

The Company sold 9 tonnes of cray quota in March 2011 under an agreement that gives the Company a right of first refusal to purchase the annual catch entitlement derived from the quota and also requires the Company to purchase from the buyer the annual catch entitlement derived from the quota sold at fair value for a period of 10 years. The price paid for 9 tonne of cray ACE during the year was \$0.345 million (2013: \$0.346 million).

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25. Shareholders Equity

(a) Capital Contributed

Aotearoa Fisheries Limited was incorporated on 26 November 2004 and in accordance with the Māori Fisheries Act on 29 November 2004 the Company received certain assets and liabilities. The net fair value of the assets received pursuant to the Māori Fisheries Act 2004, was treated as capital contributed to the Company by its shareholders.

The following tables provide both a summary of the total shares and details of ownership of the voting and income shares.

\$000's	Group & Parent	
	2014 Number	2013 Number
Number of shares		
Voting shares	125,000	125,000
Income shares	250,000	250,000
Shares at end of year	375,000	375,000

\$000's	Group & Parent	
	2014	2013
Book value of shares		
250,000 fully paid income shares	286,979	286,979

(b) Voting Shares

All the voting shares are held with Te Ohu Kai Moana Trustee Limited, and confer all the rights to vote as under the Companies Act. The voting shares have no rights to dividends or other distributions.

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(c) Income Shares

Under the Māori Fisheries Act, 80% of the income shares are to be held with mandated iwi organisations, with Te Ohu Kai Moana Trustee Limited holding 20%. Te Ohu Kai Moana Trustee Limited is still holding income shares in trust for iwi that have yet to be allocated under the Māori Fisheries Act. Income shares carry an equal right to dividends and share in other distributions, including assets on a wind-up.

\$000's	2014 Number of Shares	2014 % of Total Shares	2013 Number of Shares	2013 % of Total of Shares
Voting Shares				
Te Ohu Kai Moana Trustee	125,000	100.00%	125,000	100.00%
Income Shares				
Te Ohu Kai Moana Trustee Limited (to be allocated)	3,610	1.44%	3,610	1.44%
Te Ohu Kai Moana Trustee Limited (held on trust)	50,000	20.00%	50,000	20.00%
Atiawa Ki Whakarongotai Holdings Limited	146	0.06%	146	0.06%
Atiawa Nui Tonu Fisheries Limited	518	0.21%	518	0.21%
Hokotehi Settlement Quota Holding Company Limited	176	0.07%	176	0.07%
Ika Toa Limited	1,532	0.61%	1,532	0.61%
Kahungunu Asset Holding Company Limited	15,748	6.30%	15,748	6.30%
Koata Limited	260	0.10%	260	0.10%
Maruehi Fisheries Limited	486	0.19%	486	0.19%
Muaupoko Trading Company Limited	280	0.11%	280	0.11%
Ngai Tahu Fisheries Investments Limited	12,220	4.89%	12,220	4.89%
Ngai Tamanuhiri Asset Holding Company Limited	356	0.14%	356	0.14%
Ngaitakoto Holdings Limited	150	0.06%	150	0.06%
Ngai Te Rangī Fisheries AHC Limited	3,078	1.23%	3,078	1.23%
Ngapuhi Asset Holding Company Limited	31,582	12.63%	31,582	12.63%
Ngaruahine Fisheries Limited	964	0.39%	964	0.39%
Ngāti Apa Asset Holding Company Limited	724	0.29%	724	0.29%
Ngāti Apa Ki Te Ra To Assets Holding Company Limited	192	0.08%	192	0.08%
Ngāti Awa Asset Holdings Limited	3,902	1.56%	3,902	1.56%
Ngāti Kahu Fisheries Limited	2,134	0.85%	2,134	0.85%
Ngāti Manawa Tokowaru Asset Holding Company Limited	462	0.18%	462	0.18%
Ngāti Maru (Taranaki) Fishing Limited	268	0.11%	268	0.11%
Ngāti Mutunga O Wharekauri Asset Holding Company Limited	334	0.13%	334	0.13%
Ngāti Porou Seafoods Limited	18,732	7.49%	18,732	7.49%
Ngāti Pukenga Iwi Fish Holdings Limited	366	0.15%	366	0.15%
Ngāti Ranginui Fisheries Holding Company Limited	1,952	0.78%	1,952	0.78%
Ngāti Rarua Asset Holding Company Limited	238	0.10%	238	0.10%
Ngāti Ruanui Fishing Limited	1,672	0.67%	1,672	0.67%
Ngāti Tuwharetoa Fisheries Holdings Limited	10,078	4.03%	10,078	4.03%
Ngāti Whare Holdings Limited	206	0.08%	206	0.08%
Ngāti Whatua Fisheries Limited	3,862	1.54%	3,862	1.54%
Ngatiwai Holdings Limited	1,212	0.48%	1,212	0.48%
Pare Hauraki Asset Holdings Limited	4,012	1.60%	4,012	1.60%

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\$000's	2014 Number of Shares	2014 % of total of Shares	2013 Number of Shares	2013 % of total of Shares
Rangitane Holdings Limited	370	0.15%	370	0.15%
Rangitane O Te Ika A Maui Limited	978	0.39%	978	0.39%
Raukawa Asset Holding Company Limited	2,666	1.07%	2,666	1.07%
Raukawa Ki Te Tonga AHC Limited	5,800	2.32%	5,800	2.32%
Rongowhakaata Iwi Asset Holding Company Limited	1,098	0.44%	1,098	0.44%
Tama Asset Holding Company Limited	184	0.07%	184	0.07%
Taranaki Iwi Fisheries Limited	1,768	0.71%	1,768	0.71%
Te Aitanga a Mahaki Trust Asset Holding Company Limited	1,326	0.53%	1,326	0.53%
Te Arawa Fisheries Holding Company Limited	11,936	4.77%	11,936	4.77%
Te Atiawa (Taranaki) Holdings Limited	4,166	1.67%	4,166	1.67%
Te Atiawa Asset Holding Company Limited	578	0.23%	578	0.23%
Te Aupouri Asset Holding Company Limited	2,406	0.96%	2,406	0.96%
Te Hoiere Holding Company Limited	372	0.15%	372	0.15%
Te Kumukumu Limited	668	0.27%	668	0.27%
Te Kupenga O Maniapoto Limited	9,086	3.63%	9,086	3.63%
Te Pataka O Tangaroa Limited	968	0.39%	968	0.39%
Te Patiki Holdings Limited	306	0.12%	306	0.12%
Te Urungi O Ngāti Kuri Limited	1,426	0.57%	1,426	0.57%
Te Waka Pupuri Putea Limited	3,534	1.41%	3,534	1.41%
Tuhoe Fish Quota Limited	8,754	3.50%	8,754	3.50%
Waikato-Tainui Fisheries Limited	13,702	5.48%	13,702	5.48%
Whaingaroa Fisheries Company Limited	600	0.24%	600	0.24%
Whakatohea Fisheries Asset Holdings Company Limited	2,976	1.19%	2,976	1.19%
Whanganui Iwi Fisheries Limited	2,880	1.15%	2,880	1.15%
Total shares	250,000	100.00%	250,000	100.00%

(d) Cash Flow Hedging Reserve

\$000's	Group		Parent	
	2014	2013	2014	2013
Balance at beginning of the year	1,780	(693)	1,780	(693)
Net (losses) / gains on cash flow hedges (post tax)	(2,589)	2,473	(2,589)	2,473
Balance at end of the year	(809)	1,780	(809)	1,780

This reserve records the gains or losses on a cashflow hedging instrument that are determined to be effective hedges.

The cumulative deferred gain or loss on hedges is recognised in profit or loss when the hedged transaction impacts the profit or loss, or is included as a basis adjustment to the non-financial hedged item, consistent with the applicable accounting policy.

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(e) Redeemable Preference Shares

On 22 December 2004, AFL Investments Limited issued \$20m redeemable preference shares to Aotearoa Fisheries Limited. Contemporaneously the \$20 million redeemable preference shares were transferred to Te Ohu Kai Moana Trustee Limited as repayment of a \$20m shareholder loan transferred to Aotearoa Fisheries Limited as part of the assets transferred under the Māori Fisheries Act.

The redeemable preference shares contain a guarantee provided by Aotearoa Fisheries Limited with a put option exercisable by Te Ohu Kai Moana Trustee Limited effective from 29 November 2011. The put option may be exercised at any time in an 8 year period ending on 29 November 2019. The put option must be exercised in parcels of at least 5 million shares on any given exercise date.

The compound financial instrument has been accounted for using the split accounting method, where the liability, deferred tax and equity components are separately accounted and disclosed on the balance sheet. The financial liability is current and callable on demand. The deferred tax balance is unwound to taxation expense.

At 30 September, the \$20 million face value of the redeemable preference shares is composed of several components within the balance sheet.

	Group	
\$000's	2014	2013
Current liabilities – Redeemable preference shares	20,000	20,000
Non-current assets – Deferred tax liability	-	-
Shareholders' equity – Redeemable preference shares	4,125	4,125
Shareholders' equity – Retained earnings	(4,125)	(4,125)
Total face value of the redeemable preference shares	20,000	20,000

26. Cash Flow Statement Reconciliation

Reconciliation of the profit for the year with Net Cash Flows from Operating Activities

	Group		Parent	
\$000's	2014	2013	2014	2013
Reported profit / (loss) for the year	21,957	(6,040)	8,022	14,026
Add / (deduct) non-cash items & non-operating items:				
Depreciation, amortisation & impairment	2,553	2,911	2,525	2,880
Change in fair value of intangibles & biological assets	(2,297)	(920)	(2,297)	(920)
Share of (profit) / loss of associates & joint ventures	(12,958)	22,197	(51)	-
(Gain) / loss on sale of property, plant & equipment	(694)	(131)	(694)	(131)
Amortisation of other assets	1,522	600	1,522	600
Unrealised foreign currency (gain) / loss	155	(178)	155	(178)
Bad debts	34	162	34	162
Other	-	44	(3)	46
Change in fair value of foreign exchange contracts & interest rate swaps	1,153	(316)	1,153	(316)
Increase / (decrease) in provision for deferred taxation	1,988	(2,816)	1,588	(832)
Movement in working capital				
Decrease / (increase) in receivables & prepayments	(3,974)	2,912	(4,041)	1,477
Decrease / (increase) in inventory & biological assets	(2,861)	(6,210)	(2,861)	(6,210)
Increase / (decrease) in payables & accruals	694	(1,814)	2,226	1,085
Increase / (decrease) in employee entitlements	139	246	139	246
Increase / (decrease) in other assets / liabilities	(53)	252	(53)	252
Add / (deduct) items classified as investing activities	1,776	(1,776)	1,776	(3,077)
Net cash flows from operating activities	9,134	9,123	9,140	9,110

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27. Risk Management

Financial Risk Management Objective and Policies

The Group's principal financial instruments comprise receivables, payables, bank loans and overdrafts, redeemable preference shares, cash and short-term deposits and derivatives.

Financial assets comprise cash and bank balances, receivables, related party receivables, and derivatives. Financial liabilities comprise payables, bank loans and overdrafts, redeemable preference shares, and derivatives.

The Group manages its exposure to key financial risks in accordance with the Group's treasury risk management policy, which is approved by the Board. The objective of the policy is to support the delivery of the Group's financial targets whilst protecting future financial security. The Group uses derivative financial instruments such as foreign exchange contracts, currency options and interest rate swaps to hedge certain risk exposures.

The Group enters into derivative transactions in accordance with the Group's treasury risk management policy, principally forward currency contracts, currency options and interest rate swaps. The purpose is to manage the currency risks and interest rate risk arising from the Group's operations and the cost of finance. The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, credit risk and liquidity risk. The Group uses different methods to measure and manage different types of risks to which it is exposed. These include monitoring levels of exposure to interest rate and foreign exchange risk and assessments of market forecasts for interest rate and foreign exchange. Ageing analyses and monitoring of specific credit allowances are undertaken to manage credit risk. Liquidity risk is monitored through rolling cash flow forecasts.

The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

The Board reviews and agrees policies for managing each of these risks as summarised below:

- » Primary responsibility for identification and control of financial risks rests with the Treasury Management Committee by applying the Group's treasury risk management policy approved by the Board; and
- » the Treasury Management Committee reviews and agrees strategies for managing each of the risks identified below, including, hedging cover of foreign currency and interest rate risk, credit allowances, and future cash flow forecast projections within policies imposed by the Board.

Fair Value

The fair value of financial assets and financial liabilities are determined as follows:

- » The fair value of financial assets and financial liabilities (excluding derivative instruments) is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions; and
- » the fair value of derivative instruments is calculated using quoted market prices where available. Forward foreign exchange contracts are measured using observable market forward exchange rates and yield curves derived from observable market interest rates matching maturities of the contracts. Interest rate swaps are measured at the present value of future cash flows estimated and discounted based on the applicable yield curves derived from observable market interest rates.

Quantitative Disclosures

(a) Instruments Used by the Group

Derivative financial instruments are used by the Group in the normal course of business in order to hedge exposure to fluctuations in foreign exchange and interest rates.

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At balance date the carrying value of foreign currency forward exchange contracts, currency options and interest rate swaps were:

	Group & Parent	
\$000's	2014	2013
Current assets		
Forward currency contracts – cash flow hedges	42	2,092
Forward currency contracts – fair value hedges	-	2
Forward currency contracts – options	-	361
Interest rate swap contracts – cash flow hedges	103	-
	145	2,455
Non-current assets		
Interest rate swap contracts – cash flow hedges	189	367
Assets	334	2,822
Current liabilities		
Forward currency contracts – cash flow hedges	(1,486)	-
Forward currency contracts – fair value hedges	(32)	(1)
Interest rate swap contracts – cash flow hedges	(18)	(555)
	(1,536)	(556)
Non-current liabilities		
Interest rate swap contracts – cash flow hedges	(283)	(9)
	(283)	(9)
Liabilities	(1,819)	(565)
Net total	(1,485)	2,257

(b) Foreign Currency Exchange Risk Management

The Group has exposure to foreign exchange risk as a result of transactions denominated in foreign currencies, arising in the normal course of business. The Group uses foreign currency forward exchange contracts and options to manage these exposures. The foreign currencies in which the Group primarily transacts are Australian dollars, United States dollars, British pounds, Euro and Japanese yen.

Where exposures are reasonably certain it is the Group's policy to hedge these risks as they arise. For those exposures that are less certain in their timing and extent, such as future sales and purchases, it is the Group's policy to cover a proportion of the anticipated exposures for a maximum period of twelve months forward.

Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not in New Zealand dollars. Approximately 69% (2013: 69%) of the Group's sales are denominated in currencies other than the New Zealand dollar, whilst almost 100% of costs are denominated in New Zealand dollars.

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Foreign Exchange Sensitivity Analysis

The following table details the Group's sensitivity to a 10% increase and decrease in the New Zealand dollar against the relevant foreign currencies. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign currency exchange rates. The sensitivity analysis includes only outstanding foreign currency exchange balances. A positive number indicates an increase in profit and other equity where the New Zealand strengthens 10% against the respective foreign currency. For a 10% weakening of the dollar against the relevant currency, there would be a decrease in profit and other equity, and the balances below are negative.

Group & Parent 30 September 2014 \$000's	Carrying Amount	Foreign Exchange Risk			
		-10% Profit	Equity	+10% Profit	Equity
Cash & cash equivalents	620	67	-	(58)	-
Derivatives – cash flow hedges	(1,475)	-	(3,638)	-	3,138
Trade debtors	6,611	839	-	(516)	-
Trade creditors	(313)	(36)	-	27	-
Total increase / (decrease)	-	870	(3,638)	(547)	3,138

Group & Parent 30 September 2013 \$000's	Carrying Amount	Foreign Exchange Risk			
		-10% Profit	Equity	+10% Profit	Equity
Cash & cash equivalents	210	23	-	(19)	-
Derivatives – cash flow hedges	2,093	-	(2,930)	-	2,357
Trade debtors	5,955	639	-	(560)	-
Trade creditors	(132)	(9)	-	16	-
Total increase / (decrease)	-	653	(2,930)	(563)	2,357

Management believes the balance date risk exposures are representative of the risk exposure inherent in the financial instruments.

Forward Foreign Currency Exchange Contracts

The notional principal amounts of the outstanding forward foreign exchange contracts at 30 September 2014 were \$40.2 million (2013: \$34.8 million). The hedged highly probable forecast transactions denominated in foreign currency are expected to occur at various dates during the next 12 months.

Forward currency contracts – cash flow hedges & fair value hedges

\$000's	NZD Notional Amounts		Average Contract Rates	
	2014	2013	2014	2013
Maturity 0-12 months				
Sell Australian dollars / Buy New Zealand dollars	23,940	24,413	0.9068	0.8272
Sell Euros / Buy New Zealand dollars	366	275	0.6161	0.5956
Sell JPY / Buy New Zealand dollars	710	679	85.2452	74.56
Sell US dollars / Buy New Zealand dollars	15,218	9,526	0.8179	0.7895
	40,234	34,893	-	-

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Cash flow hedges movement \$000's	Group & Parent	
	2014	2013
Opening balance	1,977	1,143
Charged to equity	(137)	2,924
Transfer to profit or loss	(3,189)	(1,996)
Income tax expense	582	(94)
Closing balance	(767)	1,977

The Group's exposure as at 30 September 2014 can be summarised as follows:

Group & Parent 30 September 2014 \$000's					
	USD	AUD	JPY	EUR	GBP
Foreign currency risk					
Cash & cash equivalents	550	66	3	-	1
Trade debtors	4,012	2,299	89	211	-
Trade creditors	271	39	-	-	3
Net Financial Position exposure before hedging activity	4,291	2,326	92	211	(2)
Forward exchange contracts – Financial Position related	4,562	2,365	92	211	1
Net exposure	(271)	(39)	-	-	(3)

Group & Parent 30 September 2013 \$000's					
	USD	AUD	JPY	EUR	GBP
Foreign currency risk					
Cash & cash equivalents	208	1	-	-	1
Trade debtors	2,611	2,983	175	186	-
Trade creditors	132	-	-	-	-
Net Financial Position exposure before hedging activity	2,687	2,984	175	186	1
Forward exchange contracts – Financial Position related	2,819	2,984	175	186	1
Net exposure	(132)	-	-	-	-

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(c) Interest Rate Risk

The Group's exposure to market interest rates relates primarily to the Group's long-term debt obligations.

The Group's policy is to manage its finance costs using a mix of fixed and variable rate debt or derivatives. The Group's treasury policy is to have a level of fixed rate exposure as a percentage of total debt.

To manage its cash flow volatility arising from interest rate changes, the Group enters into interest rate swaps, in which the Group agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount. These swaps are designated to hedge underlying debt obligations.

As at 30 September 2014, after taking into account the effect of interest rate swaps, 67% of the Group's interest rate exposures are fixed rate (2013: 78%).

Interest rate swap contracts with a nominal principal amount of \$30 million (2013: \$50 million), are exposed to fair value movements if interest rates change.

The Group constantly analyses its interest rate exposure. Within this analysis, consideration is given to potential renewals of existing positions, alternative financing, alternative hedging positions and the mix of fixed and variable interest rates.

Interest Rate Sensitivity Analysis

At 30 September 2014, if interest rates had moved, as illustrated in the table below, with all other variables held constant, post tax profit and equity would have been affected as follows:

Group & Parent \$000's	Profit for the year Higher / (lower)		Equity Higher / (lower)	
	2014	2013	2014	2013
+ 100 basis points	-	-	(1,302)	(910)
- 100 basis points	-	-	1,368	947

The movement in equity is due to the change in the fair value of derivative instruments designated as cash flow hedges.

The interest rate swaps require quarterly settlement of net interest receivable or payable. The settlement dates coincide with the dates on which interest is payable on the underlying debt. All swaps are matched directly against the appropriate loans and interest expense and as such are considered fully effective. They are settled on a net basis. The swaps are measured at fair value and all gains and losses attributable to the hedged risk are taken directly to equity and re-classified into profit and loss when the expense is recognised.

Interest Rate Swap Contracts

Interest rate swap maturities \$000's	Group & Parent	
	2014	2013
0-1 years	30,000	50,000
1-2 years	30,000	30,000
2-3 years	55,000	40,000
3-5 years	25,000	-
	140,000	120,000

Interest rate hedges movement \$000's	Group & Parent	
	2014	2013
Opening balance	(197)	(1,836)
Charged to equity	(329)	473
Transfer to profit or loss	517	1,597
Income tax expense	(33)	(431)
	(42)	(197)

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Interest rate used are as follows:	Group & Parent	
	2014	2013
Interest rate swaps (excludes margin)	2.68% - 3.64%	2.66% - 2.68%
Loans	3.58% - 4.54%	3.53% - 3.59%
Bank overdraft	3.80%	3.80%
Cash	2.50%	2.50%

(d) Liquidity Risk

Liquidity risk management objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans and committed available credit lines.

Management monitors rolling forecasts of the Group's liquidity against its undrawn borrowing facility. The table below reflects all contractually fixed payables for settlement, repayments and interest resulting from financial liabilities, including the net payments due pursuant to derivative financial instruments at 30 September 2014. For derivative financial instruments the net market value is presented, whereas for the other obligations the respective undiscounted cash flows for the respective upcoming fiscal years are presented. Cash flows for financial liabilities without fixed amount or timing are based on the conditions existing at 30 September 2014.

At balance date, the Group has available approximately \$23.5 million (2013: \$32.5 million) of unused credit facilities available for its immediate use. These credit facilities expire on 30 November 2017.

Group & Parent 2014 \$000's	Financial position	Contractual cash flows	6 months or less	6-12 months	1-2 years	2-5 years
Trade & other payables *	12,272	12,272	12,272	-	-	-
Provisions	11,293	11,293	5,647	5,646	-	-
Borrowings	74,125	75,693	261	261	523	74,648
Redeemable preference shares **	20,000	20,000	20,000	-	-	-
Guarantees	-	21,300	21,300	-	-	-
Total non-derivative liabilities	117,690	140,558	59,480	5,907	523	74,648
Foreign exchange contracts	(767)	40,234	26,193	14,041	-	-
Interest rate swaps	(42)	(9)	(8)	93	138	(232)

Group & Parent 2013 \$000's	Financial position	Contractual cash flows	6 months or less	6-12 months	1-2 years	2-5 years
Trade & other payables *	11,578	11,578	11,578	-	-	-
Provisions	2,371	2,371	1,186	1,186	-	-
Borrowings	64,309	65,701	1,590	1,585	65,120	-
Redeemable preference shares **	20,000	20,000	20,000	-	-	-
Guarantees	-	21,300	21,300	-	-	-
Total non-derivative liabilities	98,258	120,950	55,654	2,771	65,120	-
Foreign exchange contracts	1,977	34,893	23,108	11,785	-	-
Interest rate swaps	(197)	(197)	(232)	(322)	111	246

* Parent balance of \$23 million (2013: \$21 million) is included in 6 months or less.

** The redeemable preference shares are held in AFL Investments Limited, and are reflected in the Group as preference shares and in the Parent as a payable to a subsidiary.

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(e) Credit Risk

Credit risk arises from financial assets of the Group, which comprise bank balances, trade receivables, guarantees, foreign currency forward exchange contracts and options. The Group's exposure to credit risk arises from potential default of the counter party, with a maximum exposure equal to the carrying amount of these instruments. Exposure to credit risk is monitored on an ongoing basis.

Only major NZ registered banks are counter parties to the Company's bank balances and derivatives, and the Group does not anticipate non-performance by such counter parties.

The maximum exposure to credit risk is represented by the carrying value of each financial asset in the Statement of Financial Position or addressed in each applicable note.

At balance date there were no significant concentrations of credit risk other than with related parties with the result that the Group's exposure to bad debts is not significant.

The status of trade receivables at the reporting date is as follows:

Group \$000's	Gross receivables		Impairment	
	2014	2013	2014	2013
Not past due	7,639	6,895	-	-
Past due 0 - 30 days	1,289	1,355	33	-
Past due 31 - 120 days	1,229	719	4	65
Past due more than 120 days	169	49	81	41
Total	10,326	9,018	118	106

Trade receivables consist of a large number of customers. Ongoing credit evaluation is performed on the financial condition of accounts receivable and a comprehensive credit management policy is in place.

Apart from the impairment values reported in the table above, the Group does not have any significant credit risk exposure to any single trade debtor.

Parent \$000's	Gross receivables		Impairment	
	2014	2013	2014	2013
Not past due	7,639	6,895	-	-
Past due 0 - 30 days	1,289	1,355	33	-
Past due 31 - 120 days	1,229	719	4	65
Past due more than 120 days	169	49	81	41
Total	10,326	9,018	118	106

In summary, trade receivables are determined to be impaired as follows:

\$000's	Note	Group		Parent	
		2014	2013	2014	2013
Cross trade receivables		10,326	9,018	10,326	9,018
Individual impairment	10	(118)	(106)	(118)	(106)
Total receivables net		10,208	8,912	10,208	8,912

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(f) Capital Risk Management

The Group manages its capital to ensure that entities within the Group will be able to continue as a going concern while maximising the return to shareholders through optimisation of the use of debt and equity. The Group's overall capital management strategy remained unchanged from the prior year.

The capital structure of the Group consists of debt, which includes borrowings disclosed in Note 23, cash and bank balances and equity attributable to equity holders of Aotearoa Fisheries Limited, comprising issued capital, reserves and retained earnings as disclosed in Notes 9 and 25 respectively.

The Company's tangible assets are subject to a general security agreement held by the Company's bank.

The gearing ratio at 30 September was as follows:

\$000's	Note	Group		Parent	
		2014	2013	2014	2013
Borrowings	23	74,125	64,309	74,125	64,309
Less cash & bank balances	9	3,278	2,089	3,280	2,084
Net debt		70,847	62,220	70,845	62,225
Total shareholders' equity		412,714	404,485	406,353	409,703
Net debt to equity ratio		17%	15%	17%	15%

(g) Classification and Fair Values

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

- » Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- » Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- » Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Interest rate swaps and foreign exchange contracts are measured at fair value subsequent to initial recognition, and are measured using Level 2 valuations. Biological assets are measured at fair value and are measured using Level 3 valuations (refer Note 12).

Interest rate swaps and foreign exchange contracts are measured at present value of future cash flows estimated and discounted based on applicable yield curves derived from observable market interest rates. Accepted market best practice valuation methodology using mid-market interest rates and exchange rates at balance date is used, provided from sources perceived to be reliable and accurate. Interest rate swaps and foreign exchange contracts have been classified into Level 2 of the fair value hierarchy on the basis that the valuation techniques used to determine the values at balance date use observable inputs.

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Group 2014 \$000's	Derivative designated as hedging instrument	Cash & cash equivalents	Loans & receivables	Liabilities at amortised cost	Carrying amount	Fair value
Current assets						
Foreign exchange contracts	42	-	-	-	42	42
Interest rate swaps	103	-	-	-	103	103
Bank balances	-	3,278	-	-	3,278	3,278
Trade debtors	-	-	10,208	-	10,208	10,208
Other receivables	-	-	2,120	-	2,120	2,120
	145	3,278	12,328	-	15,751	15,751
Non-current assets						
Interest rate swaps	189	-	-	-	189	189
Other assets	-	-	153	-	153	153
	189	-	153	-	342	342
Total assets	334	3,278	12,481	-	16,093	16,093
Current liabilities						
Foreign exchange contracts	1,518	-	-	-	1,518	1,518
Interest rate swaps	18	-	-	-	18	18
Trade creditors & other payables	-	-	-	12,272	12,272	12,272
Provisions	-	-	-	11,293	11,293	11,293
Redeemable preference shares	-	-	-	20,000	20,000	20,000
	1,536	-	-	43,565	45,101	45,101
Non-current liabilities						
Interest rate swaps	283	-	-	-	283	283
Borrowings	-	-	-	74,125	74,125	75,779
	283	-	-	74,125	74,408	76,062
Total liabilities	1,819	-	-	117,690	119,509	121,163

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Group 2013 \$000's	Derivative designated as hedging instrument	Cash & cash equivalents	Loans & receivables	Liabilities at amortised cost	Carrying amount	Fair value
Current assets						
Foreign exchange contracts	2,455	-	-	-	2,455	2,455
Bank balances	-	2,089	-	-	2,089	2,089
Trade debtors	-	-	8,912	-	8,912	8,912
Other receivables	-	-	1,744	-	1,744	1,744
	2,455	2,089	10,656	-	15,200	15,200
Non-current assets						
Interest rate swaps	367	-	-	-	367	367
Other assets	-	-	213	-	213	213
	367	-	213	-	580	580
Total assets	2,822	2,089	10,869	-	15,780	15,780
Current liabilities						
Foreign exchange contracts	1	-	-	-	1	1
Interest rate swaps	555	-	-	-	555	555
Trade creditors & other payables	-	-	-	11,578	11,578	11,578
Provisions	-	-	-	2,371	2,371	2,371
Redeemable preference shares	-	-	-	20,000	20,000	20,000
	556	-	-	33,949	34,505	34,505
Non-current liabilities						
Interest rate swaps	9	-	-	-	9	9
Borrowings	-	-	-	64,309	64,309	64,309
	9	-	-	64,309	64,318	64,318
Total liabilities	565	-	-	98,258	98,823	98,823

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Parent 2014 \$000's	Derivative designated as hedging instrument	Cash & cash equivalents	Loans & receivables	Liabilities at amortised cost	Carrying amount	Fair value
Current assets						
Foreign exchange contracts	42	-	-	-	42	42
Interest rate swaps	103	-	-	-	103	103
Bank balances	-	3,278	-	-	3,278	3,278
Trade debtors	-	-	10,208	-	10,208	10,208
Other receivables	-	-	1,903	-	1,903	1,903
	145	3,278	12,111	-	15,534	15,534
Non-current assets						
Interest rate swaps	189	-	-	-	189	189
Other assets	-	-	153	-	153	153
	189	-	153	-	342	342
Total assets	334	3,278	12,264	-	15,876	15,876
Current liabilities						
Foreign exchange contracts	1,518	-	-	-	1,518	1,518
Interest rate swaps	18	-	-	-	18	18
Trade creditors & other payables	-	-	-	23,280	23,280	23,280
Provisions	-	-	-	11,293	11,293	11,293
Amounts owing to subsidiaries	-	-	-	20,000	20,000	20,000
	1,536	-	-	54,573	56,109	56,109
Non-current liabilities						
Interest rate swaps	283	-	-	-	283	283
Borrowings	-	-	-	74,125	74,125	75,779
	283	-	-	74,125	74,408	76,062
Total liabilities	1,819	-	-	128,698	130,517	132,171

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Parent 2013 \$000's	Derivative designated as hedging instrument	Cash & cash equivalents	Loans & receivables	Liabilities at amortised cost	Carrying amount	Fair value
Current assets						
Foreign exchange contracts	2,455	-	-	-	2,455	2,455
Bank balances	-	2,084	-	-	2,084	2,084
Trade debtors	-	-	8,912	-	8,912	8,912
Other receivables	-	-	1,708	-	1,708	1,708
	2,455	2,084	10,620	-	15,159	15,159
Non-current assets						
Interest rate swaps	367	-	-	-	367	367
Other assets	-	-	213	-	213	213
	367	-	213	-	580	580
Total assets	2,822	2,084	10,833	-	15,739	15,739
Current liabilities						
Foreign exchange contracts	1	-	-	-	1	1
Interest rate swaps	555	-	-	-	555	555
Trade creditors & other payables	-	-	-	21,056	21,056	21,056
Provisions	-	-	-	2,371	2,371	2,371
Redeemable preference shares	-	-	-	20,000	20,000	20,000
	556	-	-	43,427	43,983	43,983
Non-current liabilities						
Interest rate swaps	9	-	-	-	9	9
Borrowings	-	-	-	64,309	64,309	64,309
	9	-	-	64,309	64,318	64,318
Total liabilities	565	-	-	107,736	108,301	108,301

The carrying amount is approximately fair value for foreign exchange contracts and interest swaps.

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28. Related Party Transactions

The immediate parent and ultimate controlling party respectively of the Group is defined under the Māori Fisheries Act 2004. Details of the interest in Sealord Group Limited is disclosed in Note 14. Details of interests in subsidiaries, associates, and joint ventures are disclosed in Note 15.

Details of the year-end related party receivables and payables are disclosed in Notes 10 and 21 respectively.

(a) Transactions between the Company and Sealord Group Limited

During the year there have been transactions between the Company and Sealord Group Limited as follows:

\$000's	Group		Parent	
	2014	2013	2014	2013
Sales to Sealord Group Limited	1,661	948	1,661	948
Other revenue from Sealord Group Limited	6,618	6,448	-	-
Purchases from Sealord Group Limited	(1,096)	(45)	(1,096)	(45)
Dividend income	-	1,300	-	1,300

(b) Transactions between the Company and its Subsidiaries

During the year there have been transactions between the Company and its Subsidiaries as follows:

\$000's	Group		Parent	
	2014	2013	2014	2013
Other revenue from subsidiaries	-	-	200	200
Purchases from subsidiaries	-	-	(12,736)	(14,263)
Dividend income	-	-	-	-

(c) Transactions between the Company and its Associates and Joint Ventures

During the year there have been transactions between the Company and its associates and joint ventures as follows:

\$000's	Group		Parent	
	2014	2013	2014	2013
Sales to associates & joint ventures	38,672	40,006	38,672	40,006
Other revenue from associates & joint ventures	706	932	656	682
Purchases from associates & joint ventures	(2,971)	(2,134)	(2,971)	(2,134)
Dividend income	-	-	-	-

(d) Transactions with Other Related Parties

- (i) During the year, the Company purchased Annual Catch Entitlement (ACE) of \$9.61 million (2013: \$7.63 million) from Te Ohu Kai Moana Trustee Limited and other shareholders.
- (ii) During the year Pupuri Taonga Trust Limited recovered quota ownership costs of \$6.6 million (2013: \$6.4 million) from Sealord Group Limited.
- (iii) During the year, the Company purchased services of \$0.033 million (2013: nil) from Design Works Limited.

(e) Compensation of Key Management Personnel

The remuneration of the Chief Executive Officer and his direct reports during the year was as follows:

\$000's	Group & Parent	
	2014	2013
Short term benefits	2,581	2,617
Total compensation	2,581	2,617

PITOPITO KŌRERO MŌ NGĀ TAUKI PŪTEA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2014

29. Commitments

There are no capital commitments existing in relation to the Group, associates or joint ventures at 30 September 2014 (2013: Nil).

30. Contingent Liabilities and Contingent Assets

The company has issued a guarantee to Te Ohu Kai Moana Trustee Limited regarding the performance of its 100% owned subsidiary, AFL Investments Limited, with respect to the redeemable preference shares outlined in Note 25(e).

Kura Limited, a joint venture of Aotearoa Fisheries Limited, has given bank guarantees with the Group's share being \$10.9 million (2013: \$11.3 million).

All partners of the Precision Seafood Harvesting joint venture have issued a joint guarantee of \$10 million (2013: \$10 million).

31. Emission Trading Units

The Company has received Nil (2013: Nil) tonnes of carbon emission rights from the New Zealand Government. These rights are allocated to the Company as a one-off allocation to compensate for the effect of increased fossil fuel costs from the emission trading scheme based on the Company's value of quota owned.

Under the Company's accounting policy, these rights have been recorded at cost, that is Nil (2013: Nil). No units have been disposed of during the year. Should the Company dispose of these units the gain on disposal will then be recognised in profit and loss in the Income Statement.

32. Events After the Balance Date

On 26 November 2014, the Directors approved a gross dividend of \$10.6 million, resulting in a net cash dividend after Māori authority credits to shareholders of \$8.8 million (\$35.131 per share) to be paid in December 2014, which has been accrued under the requirements of the Māori Fisheries Act 2004, to pay at least 40% of profit back to shareholders.

THE SHAREHOLDERS OF AOTEAROA FISHERIES LIMITED

Report on the Financial Statements

We have audited the financial statements of Aotearoa Fisheries Limited and its subsidiaries (the "Group") on pages 38 to 87, which comprise the consolidated and separate statements of financial position as at 30 September 2014, the consolidated and separate income statements, statements of other comprehensive income, statements of changes in equity and statements of cash-flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

This report is made solely to the company's shareholders, as a body, in accordance with Section 205(1) of the Companies Act 1993. Our audit has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Board of Directors' Responsibility for the Financial Statements

The Board of Directors are responsible for the preparation of financial statements in accordance with generally accepted accounting practice in New Zealand and that give a true and fair view of the matters to which they relate, and for such internal control as the Board of Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view of the matters to which they relate in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates, as well as the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other than in our capacity as auditor, we have no relationship with or interests in Aotearoa Fisheries Limited except that partners and employees of our firm deal with Aotearoa Fisheries Limited on normal terms within the ordinary course of trading activities of the business of Aotearoa Fisheries Limited. These trading activities have not impaired our independence as auditor of the Company.

Opinion

In our opinion, the financial statements on pages 38 to 87:

- » Comply with generally accepted accounting practice in New Zealand;
- » comply with International Financial Reporting Standards; and
- » give a true and fair view of the financial position of Aotearoa Fisheries Limited and Group as at 30 September 2014, and their financial performance and cash flows for the year then ended.

Report on Other Legal and Regulatory Requirements

We also report in accordance with section 16 of the Financial Reporting Act 1993. In relation to our audit of the financial statements for the year ended 30 September 2014:

- » We have obtained all the information and explanations we have required; and
- » in our opinion proper accounting records have been kept by Aotearoa Fisheries Limited as far as appears from our examination of those records.



Chartered Accountants

26 November 2014

Auckland, New Zealand

This audit report relates to the financial statements of Aotearoa Fisheries Limited and group for the year ended 30 September 2014 included on Aotearoa Fisheries Limited's website. The Board of Directors is responsible for the maintenance and integrity of the entity's website. We have not been engaged to report on the integrity of Aotearoa Fisheries Limited's website. We accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website. The audit report refers only to the financial statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the audited financial statements and related audit report dated 26 November 2014 to confirm the information included in the audited financial statements presented on this website. Legislation in New Zealand governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

ĒTAHI ATU WHAKAPŪAKITANGA O TE PŪRONGO Ā TAU OTHER ANNUAL REPORT DISCLOSURES

1. Principal Activities

The Group's principal activities during the year were the harvesting, procurement, farming, processing, and marketing of sustainably produced seafoods.

2. Directors Holding Office During the Year

Whaimutu Dewes – Chairman	Ngāti Porou, Ngāti Rangatihi
Fred Cookson	Ngāti Uenukukopako, Ngāti Kahungunu
Alan Gourdie (appointed 1 Nov 2013)	
Tony Hannon (appointed 1 Nov 2013)	
Wayne Peters	Ngāti Wai
Hinerangi Raumati	Ngāti Mutunga, Waikato
Jamie Tuuta	Ngāti Mutunga, Taranaki Iwi, Ngāti Maru
Liz Ward (appointed 1 Nov 2013)	Ngāti Porou

3. Directors' Fees

	Group		Parent	
	2014	2013	2014	2013
Whaimutu Dewes	97,500	97,500	97,500	97,500
Fred Cookson	51,425	51,425	51,425	51,425
Russell Daff	5,546	6,072	-	-
Alan Gourdie	41,640	-	41,640	-
Tony Hannon	44,640	-	44,640	-
Wayne Peters	48,425	48,425	48,425	48,425
Hinerangi Raumati	48,425	42,104	48,425	42,104
Jamie Tuuta	48,425	48,425	48,425	48,425
Liz Ward	44,140	-	44,140	-
Total	430,166	293,951	424,620	287,879

Russell Daff is a director of Prepared Foods Processing Pty Limited.

4. Directors' Interests

The following are particulars of general disclosures of interest by Directors of Aotearoa Fisheries Limited, holding office during the year up to 30 September 2014 pursuant to section 140(2) of the Companies Act, 1993.

Name	Entity	Nature of interest	Iwi affiliations
Whaimutu Dewes	Contact Energy Limited	Director	Ngāti Porou
	Housing NZ Limited	Director	Ngāti Rangatihi
	Iwi Rākau Limited	Director	
	Ngāti Porou Fisheries Limited	Director	
	Ngāti Porou Forests Limited	Director	
	Ngāti Porou Holding Company Limited	Director	
	Ngāti Porou Seafoods Limited	Director	
	Ngāti Porou Whanui Forests Limited	Director	
	Rakaikura Limited	Director	
	Real Fresh Limited	Director	
	The Treasury	Director	
	Whainiho Developments Limited	Director	

ĒTAHI ATU WHAKAPŪAKITANGA O TE PŪRONGO Ā TAU OTHER ANNUAL REPORT DISCLOSURES

Name	Entity	Nature of interest	Iwi affiliations
Fred Cookson	Cookson Forbes & Associates Chartered Accountants Limited	Director	Ngāti Uenukukopako Ngāti Kahungunu ki te Wairoa
	External Reporting Advisory Board	Member	
	Te Arawa Group Holdings Limited	Director	
Alan Gourdie	Designworks (NZ) Limited	Director	
	Parrot Analytics Limited	Director	
	Story NZ Limited	Shareholder	
Tony Hannon	Snow Sports New Zealand Limited	Chairman	
	CBL Corporation Limited and group companies	Director	
	Property Collectives Limited	Director	
	Healthpoint Partners Limited and related company	Director	
	TBD Holdings Limited	Director	
	Bancorp Corporate Finance Limited	Partner	
	Snowline Investments Limited and subsidiary	Director	
	Radius Residential Care Limited and group companies	Director	
	Vomo Group companies	Director	
	Relational Capital Limited and related companies	Director	
	CXS Holdings Limited	Director	
	Sealord Group Limited	Director	
	Omni Health Limited and related companies	Director	
	General Capital Technologies Limited	Director	
Wayne Peters	Gibraltar Express Limited	Director	Ngāti Wai
	McCann 2008 Limited	Director	
	New Zealand Rugby Promotions Limited	Director	
	Ngatiwai Fishing Limited	Deemed Director	
	Oceanz Seafood Markets Limited	Director	
	Peters Consulting Limited	Director	
	Ruakaka Lands Limited	Director	
	Whau Valley Developments Limited	Director	
	Whau Valley Properties Limited	Director	
	Grown Forestry Rental Trust	Director	
Hinerangi Raumatī	Nga Miro Trust	Chair	Ngāti Mutunga Waikato
	P.K.W Farms Ltd	Director	
	Parininihi ki Waitotara Incorporation	Chair	
	Parininihi ki Waitotara Farms General Partner	Chair	
	Parininihi ki Waitotara Trust	Trustee	
	Te Ohu Kai Moana Trustee Limited	Director	
	Te Ohu Kaimoana Portfolio Management Services Limited	Director	
	Te Wananga o Aotearoa	Executive Director	
Jamie Tuuta	Māori Trustee	Statutory Trustee	Ngāti Mutunga Taranaki Iwi Ngāti Maru
	Putake Limited	Director	
	Quantum Limited	Director	
	Taranaki Iwi Claims Management Limited	Director	
	Taranaki Investment Management Limited	Director	
	Te Māori Lodges Limited	Director	
	Te Ohu Kai Moana Trustee Limited	Director	
	Te Ohu Kaimoana Portfolio Management Services Limited	Director	
	Tourism New Zealand	Board Member	
	Uruora Limited	Shareholder	
	Tamaki Makaurau Community Housing Limited	Director	
	Hospitality Services Limited	Director	
	Te Matai Kiwi Number 8 Limited	Director	
	RDF1 Limited	Director	
	Wools of New Zealand Limited	Director	
Liz Ward	Sydney Trains	Director, Customer Service	Ngāti Porou
	NSW Telco Authority	Director	

ĒTAHI ATU WHAKAPŪAKITANGA O TE PŪRONGO Ā TAU OTHER ANNUAL REPORT DISCLOSURES

5. Remuneration of Activities

During the year from 1 October 2013 to 30 September 2014, the following number of employees, including employees who left the Company during the year, received remuneration, benefits, and redundancy payments that exceed \$100,000 in total.

\$000's	Group		Parent	
	2014	2013	2014	2013
\$100,001 - 110,000	1	3	1	3
\$110,001 - 120,000	1	1	1	1
\$120,001 - 130,000	-	1	-	1
\$130,001 - 140,000	-	5	-	5
\$140,001 - 150,000	1	1	1	1
\$150,001 - 160,000	2	1	2	1
\$160,001 - 170,000	2	2	2	2
\$170,001 - 180,000	3	4	3	4
\$180,001 - 190,000	3	-	3	-
\$190,001 - 200,000	1	1	1	-
\$201,001 - 210,000	1	-	-	-
\$210,001 - 220,000	1	2	1	2
\$220,001 - 230,000	-	2	-	1
\$230,001 - 240,000	2	1	2	1
\$240,001 - 250,000	1	1	-	1
\$250,001 - 260,000	-	-	-	-
\$260,001 - 270,000	-	1	-	1
\$270,001 - 280,000	1	-	1	-
\$280,001 - 290,000	-	-	-	-
\$290,001 - 300,000	1	2	1	2
\$300,001 - 310,000	-	-	-	-
\$310,001 - 320,000	-	-	-	-
\$330,001 - 340,000	-	-	-	-
\$350,001 - 360,000	1	1	1	1
\$370,001 - 380,000	-	-	-	-
\$380,001 - 390,000	1	-	1	-
\$390,001 - 380,000	1	-	1	-
\$400,001 - 410,000	-	-	-	-
\$410,001 - 420,000	-	-	-	-
\$430,001 - 440,000	-	1	-	1
\$450,001 - 460,000	-	1	-	1
\$470,001 - 480,000	-	1	-	1
\$510,001 - 520,000	1	-	1	-
\$530,001 - 540,000	1	-	1	-
\$570,001 - 580,000	1	-	1	-
	27	32	25	30

A

abalone – pāua
active – ngangahau
app – pūmanawa tautono
aquaculture – ahu moana
aquisitions – ngā mea i hokona
area – rohe, wā
arrangement – tikanga
atmosphere – kōhauhau
attitude – waiaro
audit – tātari kaute
austerity measures – kaupapa tōkautanga
Automatic – aunoa (Matatiki)
Automated External Defibrillator (AED) – Mihinī Whakatau Hukihukinga Manawa Aunoa (MWHMA)
available – e wātea ana
average – taurite

B

Bream Bay – Whanga a Tāmure
business plan – mahere pākihi
bycatch – haonga tē hiahiaia ai

C

campaign – anga (2. Ka neke, ka haere rānei me te ū anō ki tētehi aranga kua whakārītea)
can – pōwhā (titi), pūau (birds), mātā (preserve fish/birds)
carbon emission – puhanga waro
chemical – matū (Glossary for Translated NCEA External Examination)
commerce – tauhokohoko
commercial – tauhokohoko
commitment – oati
committed – titikaha (stative: be steadfast, unwavering, resolute, committed, dedicated, unswerving)
competitors – kaiwhakataetae
complacent – kiriora (Ngata Dictionary)
conditions – ritenga
consistent – rite
consolidation – huinga rawa
consumer – kiritaki
contribution – tukuna
coproduct – hoa whakaputanga
corporate – rangatōpū
corporate directory – pukataki rangatōpū
corporate governance – whakahaerenga rangatōpū
customer – kiritaki

D

demand – hiahoko
develop – whakawhanake
director – tumu
disease – tahumaero
domestic – tara-ā-whare
draft – hukihuki
dynamic – hihiko

E

earnings – moni utunga
ecological observations – mātaitanga rauropi
economic – ohanga
economic conditions – āhuaranga ohanga
economy – ohanga
ecosystem – pūnaha rauropi (NCEA External Examinations Glossary)
effective, feasible – whaihua
effective interest method – huarahi huamoni utua
efficient – māia
energy – pūngao
erode – tūnguru
established – pūmau
exchange rate – wai whakawhiti moni
expectation – matapae
experienced – tautōhito, arowhero
explore – hōpara, tūhura
export – tuku rawa

F

farm (v) – ahu
farm (n) – pāmu
filter – tātari
finance (n) – pūtea
finance (v) – whakapūtea
financial performance – whanonga pūtea
financial results – hua tahua pūtea
fiscal year – tau ā pūtea
fleet – tāruu (Williams Dictionary of Māori)
foreign exchange – whitinga pūtea rawaho
fresh – mata (uncooked); mohou (recently caught)
frozen – pātio, totoka

G

Generator – mihinī hiko
Genetics – iranga
governance – whakahaere
gravy – wairanu

H

highlight – whakaharaharatanga
hoki (fish) – ūturi

I

import – hoko ki uta
imputation credits (Māori authority) – whiwhinga tāke Mana Māori
income – moni whiwhi
increase – whakarawa
increases – whakarawanga
indicate – tautuhi
industry – hāpori mahi / ūmanga
infrastructure – hanganga
initiative – kaupapa hihiko
injury – wharanga
inshore – o uta
inspection – mātaitanga
institution – whakanōhanga
insurance – rīanga
interest – moniutunga = (moni – money + utunga = pay); huamoni
integration – huatautanga
invest – whakangao
investment – moni whakangao
Iwi Collective Partnership – Whakaurunga ā Iwi
iwi shareholders – iwi whai hea

J

joint venture – ūmanga mahinga tahi

L

liability – nama
ling – hokarari
logistics – whakahaerenga kawenga rawa
long life – rā-tō-roa
long line – aho tū roa
lost time injuries – taotū mahue wā mahi
lure – poapoa
luxury products – whakaputanga hua rangatira

M

maintain – pupuri
Margins – taitapa
Marine husbandry – ahu mātaitai
Marine life – tini a Tangaroa
market – māketē
marketer – kaiwhakatairanga
marketing – whakatairanga
Marlborough Sounds – Ngā Whanga O Te Tau Ihu O Te Waka A Māui
Massey University – Te Kunenga ki Pūrehuroa
Mesh – raumata
Middle East – Tauwaenga
O Te Rāwhiti
Mount Wellington – Maungarei

N

New Zealand Exclusive Economic Zone – Wā Ohanga Motuhake o Aotearoa
note – tohu

O

obsolete – korehāhā
operation – mahi / nekeneke
opportunity – wāhi whai rawa
organisational culture – ahurea ā rūpu

P

package – pūhera (n.)
package – whakatakupe (v.i)
partner – whakauru = 'ally'
partnerships – whakaurunga
passion – remurere
Pāua, blackfoot – pāua
performance – whanonga
position – aranga
prepared food – takanga kai
preservatives – matū whakauka
president – tumuaki
primary industry – ahu taiao
priority – kaupapa matua
private fishery research institute – whare rangahau mātaitai matawhāiti
processing – ahunga mahi ika
product – whakaputanga-hua
profit – huanga
prosperity – tōnuitanga

Q

Quarantine, isolated – mōriroriro
quota – roherohenga
quota management system
– pūnaha whakahaere roherohenga
quota management system
terminology – pūkupu pūnaha
whakahaere roherohenga

R

recipe – tohutao (Te Aka)
recycle, recirculate – tukurua
responsive – kātoitōi (Williams
kātoitōi=make a response)
results – huanga
return – hua pūtea
revolutionary – takahuri-ao
(world/paradigm changing)
risk management
– whakawhāititanga mōrearea

S

safety – ārai hauata
sales – hokohoko
salinity – kurutaitanga
salmon – hāmāna
sanctuary – punanga
satisfactory – pai
sauce – wairanu
sector – rāngai mahi
shareholder – kaipupurihea
shelf stable – tūmau
sinker – maihea
society – porihanga (Te Aka)
sodium – konutai (Glossary for
Translated NCEA External
Examination 2007)
solitary – pakewa (Te Aka)
spat – kukuparāriki (kukupara
= small species of mussel, + riki
= small <intensifier>)
spat (of mussel) – miware
spat (of oyster) – tio pirianga
(piri = attach, + anga = shell;
“once the oysters have attached
themselves, metamorphosed
and set, they are then referred
to as spat”)
sponsorship – whakatairanga
stakeholder – kaiwhaipānga
standards – paerewa
statement – tauākī
stock (fish) – rāngai
strategy – rautaki
success – angitū
sufficient – rawaka
sulphur – pūngāwhā (Glossary for
Translated NCEA External
Examination)
supplier – kaiwhakarato
supply – whakarato

sustainable – toitū-ōranga

T

Technical – hangarau (Te Aka)
tonne – tōne, tāna
tori line – taura whakatūraha manu
total – tapekenga
traceability – āheinga aruarunga
trade – hoŋoko
trawl net – puhoro
trawl survey – tataritanga haonga
Trust – Tarati, Rūnanga

U

ultraviolet – hihi katinga
uncertain – haurokuroku

V

value – uara
virus – huaketo
voluntary – tūao

W

wealth – tōnuitanga
wetfish – ikamākūkū
wild – tūwā
(noun: growing out of place, wild)



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Hunga Whare Moni / Bankers
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