

# *Apata* SUPPLIERS ENTITY LTD

Notice of Annual General Meeting  
Wednesday 16 September 2020

Chairman's report

and

Financial Statements for the  
15 months to 30 June 2020

**APATA SUPPLIERS ENTITY LIMITED  
NOTICE OF ANNUAL MEETING**

The 22nd annual meeting of the Beneficiaries of the Trust Fund  
Of Apata Suppliers Entity Limited will be held on  
Wednesday 16 September 2020 at 3.30pm  
At Tauranga Yacht Club, Sulphur Point, Tauranga

Business:

1. Proxies received
2. Apologies
3. Minutes of the last annual meeting held  
  
"The Minutes of the annual meeting held on have been signed by the chairman of the meeting as being a true and correct record"
4. Annual Report - Chairman's report to be received
5. To consider, approve and adopt the Apata Suppliers Entity Limited 2019 Grower Special Purpose Pool Statement of Financial Performance
6. To elect, by ordinary resolution, not more than five Trustees to the Board of Apata Suppliers Entity Trust.
  - The Grower elected Trustees to retire this year are Helen Allan, Wade Hunkin, Robbie Mayston, Braden Strahan and Alastair MacKenzie.
  - Nominations have been received from: Helen Allan, Matt Flowerday, Wade Hunkin and Robbie Mayston.
  - Alastair MacKenzie has resigned, Braden Strahan will not be standing again, and Nathan Smith has confirmed that he will be standing down at the Annual General Meeting.
7. To adopt the Trustees' recommendation to reappoint Baker Tilly Staples Rodway Audit Limited, Chartered Accountants, Tauranga as the company's auditors, in accordance with section 196(1) of the companies Act 1993 and to authorise the Directors to fix the auditors remuneration for the ensuing year
8. To consider any other business which may be properly submitted to the annual meeting.

By order of the Trustees of Apata Suppliers Entity Limited



Chairman

**We are pleased to advise that Todd Muller, MP Bay of Plenty, will be attending the meeting and will give a presentation at the conclusion of the business.**

**Notice of Motion**

Notice of any motions shall be given to the Trustees at least five days prior to the date of the meeting.

**Proxies**

A beneficiary of the Trust is entitled to appoint a proxy to attend and vote at the meeting.  
A proxy need not be a beneficiary of the Trust.

If a proxy is signed under Power of Attorney, this must be produced for noting by the Company. A declaration of Non-Revocation of the Power of Attorney must be attached.

Companies appointing a proxy must do so either under the signature of two Directors, or have an authority produced for noting by the company.

Completed proxies must be received at the offices of Apata Group Limited, 9 Turntable Hill Road, RD 4, Katikati not later than 48 hours before the time of the meeting.

**DIRECTORY FOR THE YEAR ENDED 31 MARCH 2020**

Nature of Business	:	Export Kiwifruit Special Purpose Grower Pool
Place of Business	:	9 Turntable Hill Road, RD 4, Katikati 93 First Avenue, Tauranga
Registered Office	:	9 Turntable Hill Road, RD 4, Katikati
Current Directors	:	Allan H Birley A Carnachan S C (appointed) Hunkin W (Chairman) McTurk S MacKenzie A (resigned) Mayston M N (appointed) Mayston R N O'Brien P Oliver G Smith N Strahan B
Shareholders	:	Trustees of Apata Suppliers Trust 1,000 Ordinary Shares
Current Auditor	:	Baker Tilly Staples Rodway Audit Limited Tauranga
Bankers	:	ANZ Bank of New Zealand Tauranga

## **CHAIRMAN'S REPORT**

I am pleased to be able to present this report on the results of the 2019 harvest and coolstore season for Apata Suppliers Entity Limited, once again, a year without major problems and a solid overall result for growers.

The 2019 growing season was characterised by a drier than normal summer. As a consequence, fruit of all varieties was very high in dry matter but somewhat smaller than expected so impacting overall fruit volumes. Compared with the previous year SunGold volumes continued to grow up 11% as new blocks mature but Green volumes were down Conventional by 15% and Organic by 22% due to reduced productivity and smaller fruit size.

Fruit flowed through the sheds smoothly without reports of major issues. Compared with 2020 it was quite uneventful.

Turning to fruit loss, compared with the previous year the 2019 storage season saw a slightly shorter Green storage season and a similar SunGold storage program to the previous year. Green fruit loss returned to levels more typical of recent years at 1.3% (2.9% in 2018) and below Industry (1.6%). The Green Organic was at 1.2% (0.36% in 2018) and a little higher than Industry (1%). SunGold fruit loss was impacted by issues with fruit in one CA room 1.7% (1.6% in 2018) was a little higher than industry (1.4%). The issues observed during the CA program were investigated by the Apata team and some valuable lessons learned. Overall, another excellent result from a fruit storage perspective.

2020 has certainly been a year that will be remembered. The Covid-19 lockdown was imposed just as the harvest commenced but after initial jitters harvest was able to continue with a significant number of new requirements being imposed on orchard and at the packhouse. The Apata team responded magnificently to the new challenge so the harvest was able to be completed without major disruption.

The impact of changes made to harvest maturity criteria and suspension of the taste program due to the sudden unavailability of Eurofins to independently test the industry's fruit are not clear. During harvest the simplified process meant growers had no reason to delay but less extensive testing provides a less complete picture of initial fruit quality.

On behalf of the Entity Board I wish to acknowledge the hard work and dedication of all the Apata team. It is their continued attention to detail and determination to do what is best for the fruit that has delivered for all of us as growers a great result in 2019. A special thank you to the Apata staff who rose to the additional challenge posed by the arrival of Covid-19. Without that effort a harvest and coolstore season would not have been possible.

As always, a big thank you to Dinah Rutherford who once again has managed the pools and other entity business superbly and made the Chairman's job so straightforward.

Finally thank you to the Entity Board for their support and contribution over the year. The discussions are invariably robust and far reaching, the questions searching.

Wade Hunkin - Chairman

**APATA SUPPLIERS ENTITY LIMITED  
SPECIAL PURPOSE FINANCIAL STATEMENTS FOR THE  
2019 GROWER POOL FOR THE 15 MONTHS TO 30 JUNE 2020**

**Statement of Financial Performance**

<b>INCOME</b>	<b>Total Pool to Date</b>	<b>Pool Average per Tray</b>
	<b>\$</b>	<b>\$</b>
ZESPRI payments and incentives	159,054,464	12.8115
ZESPRI Class 2 & NSS	1,867,965	0.1505
Interest	246.43	0.0000
Other Income	11,025.75	0.0009
Insurance Hail Claim	37,408	0.0030
<b>TOTAL INCOME</b>	<b>160,971,109</b>	<b>12.9659</b>
<b>LESS EXPENDITURE</b>		
Progress and fruit incentive payment Class 2 & NSS	156,700,951	12.6219
Contracted logistics services	1,867,965	0.1505
Horticultural NZ Levy	2,005,059	0.1615
Donation	193,883	0.0156
	16,800	0.0014
Administration		
Entity administration	124,083	0.0100
Insurance Hail cover and liability	34,579	0.0028
Directors re-imburements	11,700	0.0009
General, accountancy and Audit and Bank fees	16,090	0.0013
<b>TOTAL EXPENDITURE</b>	<b>160,971,109</b>	<b>12.9659</b>
<b>EXCESS INCOME OVER EXPENDITURE</b>	<b>\$-</b>	<b>\$-</b>

**2019 POOL TRAYS SUBMITTED TO 30 JUNE 2020**

Zespri Green Conventional	6,333,586
Zespri Green Organic	863,340
Zespri SunGold GA CK & OB	5,157,565
Zespri Sweet Green	60,494
<b>TOTAL TRAYS</b>	<b>12,414,985</b>



**Director: Wade Hunkin**

**Date: 25 August 2020**



**Director: Robert Mayston**

**Date: 25 August 2020**



The accompanying notes and auditor's report form part of these financial statements.

## **NOTE1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

### **Reporting Entity**

Apata Suppliers Entity Limited is a company registered under the Companies Act 1993. These financial statements are special purpose financial statements for the 2019 Grower Pool (2019/2020 kiwifruit harvest) and are prepared specifically for the Entity's growers.

### **Measurement Base**

These financial statements have been prepared on the basis of historical cost. Accrual accounting is used to recognise expenses and revenues when they occur.

### **Specific Accounting Policies**

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

#### **a) Revenue**

Revenue is recognised once it has been earned under the Zespri Annual Supply Agreement which determines the flow of funds from revenue earned in the markets, approved by the Zespri Board following the costs and calculations of Fruit and Service Payments received.

#### **b) Goods & Services Tax**

The Statement of Financial Performance has been prepared so that all components are stated exclusive of GST.

### **Changes in Accounting Policies**

There have been no changes in Accounting Policies. All policies have been applied on bases consistent with those used in previous years.



## INDEPENDENT AUDITOR'S REPORT

### To the Shareholders of Apata Suppliers Entity Limited

#### Report on the Audit of the Special Purpose Financial Statements

##### Opinion

We have audited the special purpose financial statements of Apata Suppliers Entity Limited ('the Company') on pages 1 to 2, which comprise the statement of financial performance of the 2019 Grower Pool for the 15 months ended 30 June 2020, and notes to the special purpose financial statements, including significant accounting policies.

In our opinion, the accompanying special purpose financial statements for the 2019 Grower Pool present fairly, in all material respects, the financial performance of the 2019 Grower Pool of Apata Suppliers Entity for the 15 months ended 30 June 2020 in accordance with the policies stated.

Our report is made solely to the Shareholders of the Company. Our audit work has been undertaken so that we might state to the Shareholders of the Company 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 Shareholders of the Company as a body, for our audit work, for our report or for the opinions we have formed.

##### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) ('ISAs (NZ)'). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with Professional and Ethical Standard 1 (Revised) *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board and the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* ('IESBA Code'), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, Apata Suppliers Entity Limited.

##### Emphasis of Matter

We draw attention to Note 1 of the special purpose financial statements, which describes that the financial statements are special purpose financial statements, having been prepared specifically for the Entity's growers.

As a result, the special purpose financial statements may not be suitable for another purpose. Our report is intended solely for the Company and the Shareholders of the Company and should not be distributed to parties other than the Company or the Shareholders. Our opinion is not modified in respect of this matter.

#### **Responsibilities of the Directors for the Special Purpose Financial Statements**

The Directors are responsible on behalf of the Company for the preparation and fair presentation of the special purpose financial statements in accordance with the policies stated, and for such internal control as the Directors determine is necessary to enable the preparation of the special purpose financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the special purpose financial statements, the Directors are responsible on behalf of the Company for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's Responsibilities for the Audit of the Special Purpose Financial Statements**

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

A further description of the auditor's responsibilities for the audit of the special purpose financial statements is located at the External Reporting Board's website at:

<https://xrb.govt.nz/standards-for-assurance-practitioners/auditors-responsibilities/audit-report-8/>

*Baker Tilly Staples Rodway*

**BAKER TILLY STAPLES RODWAY AUDIT LIMITED**

**Tauranga, New Zealand**

25 August 2020