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**Private & Confidential**

Leith Comer  
Chief Executive  
Te Puni Kokiri  
PO Box 3943  
Wellington 6145

18 January 2010

Dear Sir,

**Interim Report on Tekau Plus – Financial Analysis**

The terms of business and scope of this assignment are recorded in the Agreement dated 3 December 2009 and this letter is subject to the limitations set out in Appendix Eight to this letter and in that Agreement.

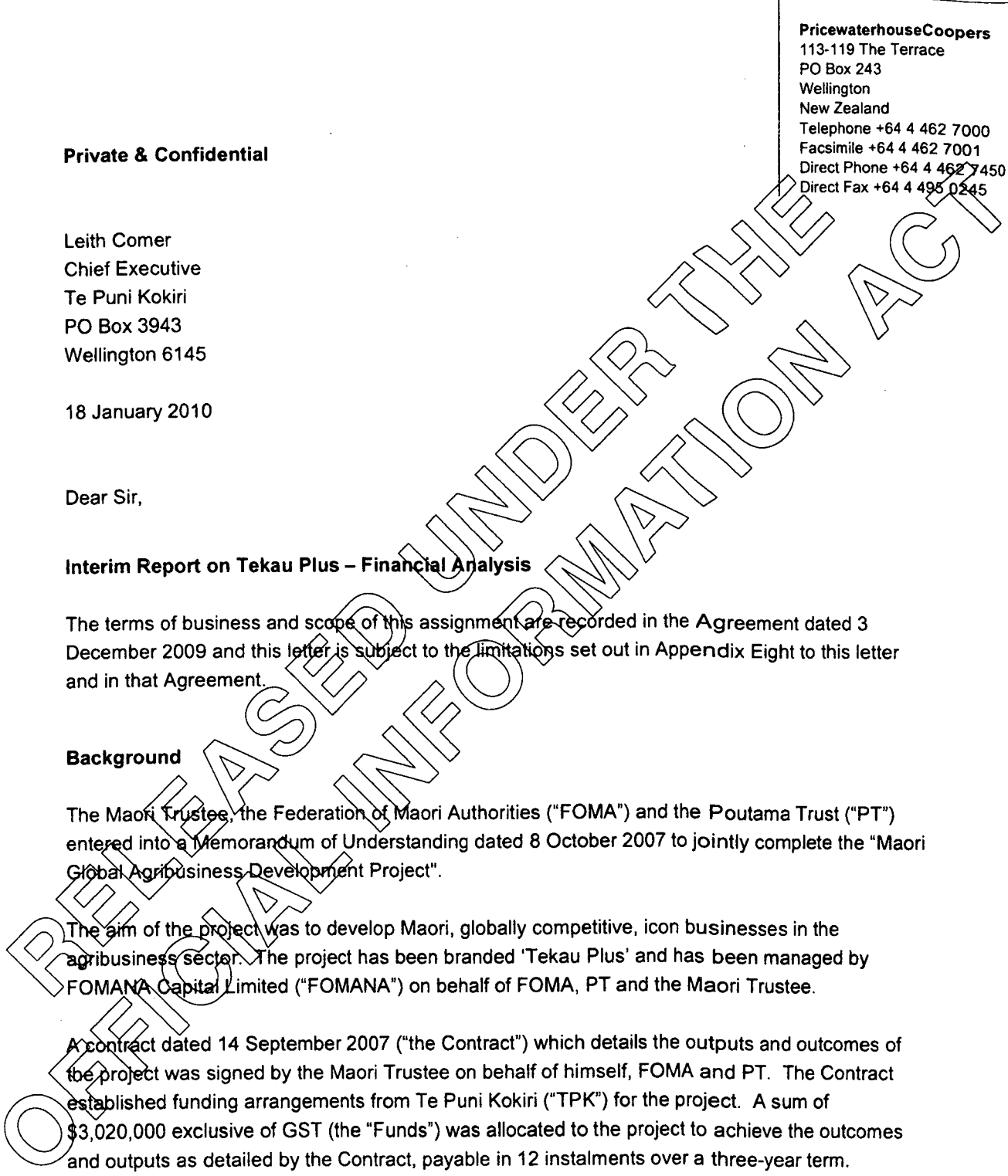
**Background**

The Maori Trustee, the Federation of Maori Authorities ("FOMA") and the Poutama Trust ("PT") entered into a Memorandum of Understanding dated 8 October 2007 to jointly complete the "Maori Global Agribusiness Development Project".

The aim of the project was to develop Maori, globally competitive, icon businesses in the agribusiness sector. The project has been branded 'Tekau Plus' and has been managed by FOMANA Capital Limited ("FOMANA") on behalf of FOMA, PT and the Maori Trustee.

A contract dated 14 September 2007 ("the Contract") which details the outputs and outcomes of the project was signed by the Maori Trustee on behalf of himself, FOMA and PT. The Contract established funding arrangements from Te Puni Kokiri ("TPK") for the project. A sum of \$3,020,000 exclusive of GST (the "Funds") was allocated to the project to achieve the outcomes and outputs as detailed by the Contract, payable in 12 instalments over a three-year term.

As at 30 November 2009, eight instalments have been paid by TPK to Tekau Plus totalling \$1,820,000 exclusive of GST (\$2,047,500 inclusive of GST). Tekau Plus has raised an invoice to TPK for instalment nine for \$275,000 exclusive of GST (\$309,375 inclusive of GST) which as at the date of this letter has not been paid by TPK. As at 30 November 2009 Tekau Plus has received



cash Funds of \$2,047,500 (instalments one to eight GST inclusive) and recognised income of \$2,095,000 (instalments one to nine GST exclusive).

We understand that clauses contained in the Contract establish the right of TPK to request financial information from Tekau Plus to facilitate an assessment of the outcomes and outputs of the project.

We have been engaged to provide TPK with assistance in performing analysis on the financial information that has been provided by Tekau Plus in response to requests detailed in letters to John Paki (the Maori Trustee) from TPK dated 7 October 2009, 13 November 2009 and 1 December 2009.

### Scope

The scope of our engagement is set out in our agreement dated 3 December 2009 and has been to consider and analyse the financial information available from Tekau Plus to assist TPK assess the financial performance and position of Tekau Plus in relation to the outputs that have been generated from the project.

The work performed by us to date has consisted of the following:

- 1) Summarise the financial position and performance of Tekau Plus;
- 2) Understand and comment on the structure of the Tekau Plus bank accounts and validate the cash position of the project;

### Funding

- 3) Reconcile the Funds that have been paid by TPK to the accounting records of Tekau Plus and validate transactions to bank statements;

### Payments and Expenses

- 4)
  - a) Summarise the process for authorisation of the services provided to Tekau Plus and payment for those services;
  - b) Reconcile the accounting records of Tekau Plus to supplier statements, invoices, and bank transactions;
  - c) Ensure that all invoice payments have been approved by the Board of Tekau Plus;
  - d) Analyse the expenses incurred by Tekau Plus against the Contract outputs that have formed the basis for approval of invoice by the Board; and

- 5) Comment on any other observations as relevant to the exercise.

This analysis does not include any assessment of the quality of output or the extent to which the tasks completed contribute to achieving the overall objectives of the project.

**Results of the work performed**

**1) Summary of the financial position and performance of Tekau Plus**

Table 1 below is derived from the general ledger of Tekau Plus and summarises the financial performance for the term of the Contract up to and including 30 November 2009. It also summarises the financial position of Tekau Plus as at 30 November 2009.

**Table 1 – Summary Financial Performance and Position**

Tekau Plus	General Ledger 30 Nov 2009	Adjustment	Total
Income Statement	\$	\$	\$
Interest Income	(16,519)		(16,519)
Contract Income	(2,095,000)		(2,095,000)
	<u>(2,111,519)</u>		<u>(2,111,519)</u>
Contract Payments	30,000		30,000
Strategy & Operational - Agribusiness	175,250	10,000	185,250
Governance & Systems - Agribusiness	231,656	37,150	268,806
Stakeholders Meetings & Comms - Agribus	218,019	49,875	267,894
Analysis & Research - Agribusiness	279,560	35,000	314,560
Cluster - Agribusiness	349,880	85,000	434,880
	<u>1,284,365</u>		<u>1,501,390</u>
<b>Net surplus</b>	<b>(827,154)</b>	<b>217,025</b>	<b>(610,129)</b>
Balance Sheet			
Westpac Trust Current Account	7,010		7,010
ASB Bank Call Deposits	576,863		576,863
Debtors Control Account	309,375		309,375
	<u>893,248</u>		<u>893,248</u>
Creditors Control Account	0	(217,025)	(217,025)
GST Payable/Receivable Account	(66,094)		(66,094)
	<u>(66,094)</u>		<u>(283,119)</u>
<b>Net Assets</b>	<b>827,154</b>	<b>(217,025)</b>	<b>610,129</b>

Source: Tekau Plus General Ledger and Creditors Schedule

The adjustment is made to reflect the invoices that have been issued to Tekau Plus that as at the time of commencing our work had not been entered into the general ledger. They relate to services provided in the July to September 2009 quarter and have been approved by the Tekau Plus Board (see Creditors and Commitments section of this letter).

## 2) Bank function and cash position

The Tekau Plus bank accounts are administered by the finance staff of the Maori Trustee. Tekau Plus operates two bank accounts, a Westpac account and an ASB deposit account. The function of these accounts was discussed with Andrea Williams (Manager Asset Management and Asset Development for the Maori Trustee).

- Westpac Bank Account

Andrea confirmed that this is the global account for the Maori Trustee and is not a specific account established for Tekau Plus. The account contains a large number of transactions relating to a wide range of activities, including Tekau Plus transactions. The general ledger of Tekau Plus records the transactions in this bank account that relate to Tekau Plus and individual transactions can be identified on the physical bank account statements.

- ASB Bank Deposit Account

Andrea confirmed that this account was established specifically for Tekau Plus and is used to deposit those funds that are not immediately required by Tekau Plus. The funds in the deposit account earn monthly interest and, as required, these funds are transferred to the Westpac account to enable Tekau Plus to make payments.

The above explanations are consistent with the nature of the transactions we have observed in both the general ledger of Tekau Plus and on the physical bank statements for the accounts. As at 30 November 2009 the cash balances per the accounting records of Tekau Plus were as follows;

- \$ 7,009.86 - Westpac account
- \$576,862.77 - ASB deposit account

No transactions have occurred in the Westpac account relating to Tekau Plus since 4 September 2009 when funds of \$309,375 were transferred to the ASB deposit account. Similarly, no transactions other than the application of monthly interest earnings have occurred in the ASB account since this date.

We have sighted, and noted no areas of concern relating to, the bank reconciliation for the Westpac account for the months of September, October and November 2009. These reconciliations had been performed and reviewed by staff of the Maori Trustee.

The ASB deposit balance has been agreed to a statement of account as at 30 November 2009 of \$576,862.77.

### 3) Funding

A schedule of the Funds paid to Tekau Plus up to 30 November 2009 is included as Table 5 in Appendix One to this letter. This schedule details the invoices raised by Tekau Plus in relation to the Funds, a schedule of Funds payments obtained from TPK and the subsequent cash receipts in the Westpac bank account for Tekau Plus.

Instalments one to eight totalling \$2,047,500 (including GST) have been invoiced to TPK and subsequently paid. These payments have been agreed in all instances to the Westpac bank account and the general ledger accounting records of Tekau Plus (a/c 120010: Contract income and a/c 801000: Westpac Trust Current Account).

We conclude that all Funding payments made to Tekau Plus from TPK have been accurately accounted for and that the accounting records in relation to payments of Funds are consistent between TPK and Tekau Plus.

An invoice has been raised by Tekau Plus in relation to instalment nine for \$275,000 exclusive of GST (\$309,375 including GST). This invoice has not been paid by TPK and is therefore included as a debtor in the general ledger of Tekau Plus which as at 30 November 2009 has a balance of \$309,375 (i.e. representing this instalment nine invoice as due to Tekau Plus).

### 4) Payments and Expenses

#### *a) The invoice approval and payment process*

A summary of the Tekau Plus process for invoice approval and payment is provided below;

- Invoices are addressed to the Maori Trustee on behalf of Tekau Plus.
- These invoices are entered into the general ledger of Tekau Plus. The gross invoice is entered into the creditors control clearing account while a corresponding entry to recognise the expense is coded to the relevant expense category based on the outputs per the Contract;
  - GL account 220010 - Contract Payments
  - GL account 222011 - Strategy and Operational
  - GL account 222012 - Governance and Systems

- GL account 222013 - Stakeholder Meetings & Communications
- GL account 222014 - Analysis & Research
- GL account 222015 - Clusters
  
- FOMA, FOMANA, PT and the Maori Trustee submit quarterly "Statements of Service" ("Statements") which classify the services and associated costs by category (as listed above) and summarise the outputs relevant to the costs that have been incurred.
  
- The Tekau Board approves all Statements and subsequently invoices are submitted to Tekau Plus for payment. The Statements and associated invoices of the Maori Trustee, FOMA, FOMANA and PT are therefore approved on a quarterly basis.
  
- Approval is required by two members of the Tekau Board. The Board members consist of Rino Tirikatene of FOMA and/or its delegate (Rino has recently been appointed, prior to him Paul Morgan represented FOMA), PT representative Richard Jones and the Maori Trustee, John Paki in whose absence Ben Gordon would substitute.
  
- Following approval by the Board, invoice payments are usually processed by Andrea Williams, who receives the invoices from the respective parties. Andrea compiles the paper work which is then passed to members of the Maori Trustee's finance team, normally Sue Stewart and Les Appleton, to make payment.
  
- Payments to suppliers are only made from the Westpac bank account when sufficient funds are held; no payments to suppliers are made directly from the ASB deposit account.

*b) and c) Testing of payments made by Tekau Plus*

A schedule of payments by Tekau Plus up to and including 30 November 2009 is included as Table 6 in Appendix Two to this letter. This schedule details all payments (and receipts) that have occurred during the term of the Contract through the Tekau Plus bank accounts.

This schedule shows that no supplier payments are made from the ASB Deposit account as all outflows relate to transfers to the Tekau Plus Westpac account. As would be expected under this scenario, the respective inflows and outflows match for each of the accounts, i.e. transfers from the Westpac account to the ASB deposit total \$1,900,000.00, which matches the related inflows to the ASB deposit account. Likewise, transfers from the ASB deposit account to the Westpac account total \$1,339,655.83 match the related inflows to the Westpac account.

Excluding the transfers to the ASB account, the outflows from the Westpac account total \$1,507,789.62 and are classified in Table 6 of Appendix Two. The majority of these payments are made to the key suppliers as listed in Table 6 and total \$1,444,502.55. Table 7 of Appendix Two

schedules these payments in date order. All these payments have been verified to the relevant approval of the Tekau Board and the Westpac bank account statements.

Based on this work, we conclude that all payments to FOMANA, FOMA, PT and the Maori Trustee as scheduled in Table 7 of Appendix Two have been approved by the Board of Tekau Plus, have occurred and have been accounted for accurately by Tekau Plus.

d) Analysis of Tekau Plus expenses

The aforementioned payments and the related expenses have been analysed by supplier and category of expenditure up to and including 30 November 2009. A summary of these expenses by output and supplier is provided below.

Table 2 – Tekau Plus expenses by outcome and supplier

Tekau Plus General Ledger		Maori	FOMA &	Poutama	Total
Code	Description	Trustee	FOMANA	Trust	
220010	Contract Payments	\$0.00	\$30,000.00	\$0.00	\$30,000.00
220011	Strategy & Operational - Agribusiness	\$0.00	\$173,750.00	\$1,500.00	\$175,250.00
220012	Governance & Systems - Agribusiness	\$69,517.55	\$150,188.00	\$11,950.00	\$231,655.55
220013	Stakeholders Meetings & Comms - Agribus	\$250.00	\$213,168.67	\$4,600.00	\$218,018.67
220014	Analysis & Research - Agribusiness	\$0.00	\$276,300.00	\$3,260.30	\$279,560.30
220015	Cluster - Agribusiness	\$0.00	\$347,380.00	\$2,500.00	\$349,880.00
<b>Total amounts excluding any GST</b>		<b>\$69,767.55</b>	<b>\$1,190,786.67</b>	<b>\$23,810.30</b>	<b>\$1,284,364.52</b>

Source: Tekau Plus General Ledger

We note from the Board meeting dated 18 February 2008 that the Tekau Plus Board approved the following fee structure for PT, the Maori Trustee, FOMA and FOMANA;

- \$800 per meeting for 'governance' work
- \$250 per hour for other consultancy work in the other output areas.

Further, and in relation to Table 2 above we note that;

- The total expense of \$1,284,364.52 is GST exclusive. The GST inclusive total is \$1,444,502.55 as per Table 7 of Appendix Two.
- Expenses relating to Spotless NZ (catering) as per Tables 6 and 7 of Appendix Two have been included in the FOMA & FOMANA column and are in total less than \$200.
- The GL account 220010 "Contract Payments" relates to expenses incurred in the Symposium project.
- The total expense of \$1,284,364.52 has been analysed by supplier, date, category and output in the following pages.

*The Maori Trustee*

Table 3 below schedules the quarterly fees (excluding GST) that have been approved by the Tekau Plus Board in relation to services provided by the Maori Trustee.

**Table 3 – Maori Trustee Expenses**

Quarter	Year	Governance & Systems				Meetings & Communications		Expenses	Totals
		Service Fees Hrs	\$	Governance Mtg	\$	Hrs	\$		
Oct, Nov, Dec	2007	n/a	\$7,500.00	3	\$2,400.00	1	\$250.00	\$102.65	\$10,252.65
Jan, Feb, Mar	2008	n/a	\$7,500.00	3	\$2,400.00	0	\$0.00	\$0.00	\$9,900.00
Apr, May, Jun	2008	n/a	\$7,500.00	5	\$4,000.00	0	\$0.00	\$0.00	\$11,500.00
Jul, Aug, Sep	2008	n/a	\$7,500.00	3	\$2,400.00	0	\$0.00	\$14.90	\$10,014.90
Oct, Nov, Dec	2008	n/a	\$7,500.00	2	\$1,600.00	0	\$0.00	\$0.00	\$9,100.00
Jan, Feb, Mar	2009	n/a	\$7,500.00	2	\$1,600.00	0	\$0.00	\$0.00	\$9,100.00
Apr, May, Jun	2009	n/a	\$7,500.00	3	\$2,400.00	0	\$0.00	\$0.00	\$9,900.00
<b>Sub Total</b>			<b>\$52,500.00</b>	<b>21</b>	<b>\$16,800.00</b>	<b>1</b>	<b>\$250.00</b>	<b>\$217.55</b>	<b>\$69,767.55</b>
Jul, Aug, Sep	2009	n/a	\$7,500.00	2	\$1,600.00	0	\$0.00	\$0.00	\$9,100.00
<b>Total</b>			<b>\$60,000.00</b>	<b>23</b>	<b>\$18,400.00</b>	<b>1</b>	<b>\$250.00</b>	<b>\$217.55</b>	<b>\$78,667.55</b>

Source: Tekau Plus general ledger as at 30 November 2009

The sub total of \$69,767.55 represents expenses incurred up to and including the quarter ended June 2009. The service fees represent a standard monthly fee of \$2,500 plus GST for administration services provided by the Maori Trustee (e.g. invoice processing, payments, GST returns etc) and the governance fees relate to the attendance of John Paki (the Maori Trustee) at Tekau Plus board meetings and related activities. All the above expenses have been agreed to Tekau Plus Board approved Statements.

The costs for the July, August and September quarter of \$9,100 have been approved by the Board and the subsequent invoice raised and submitted to Tekau Plus by the Maori Trustee. This invoice had, however, not been entered into the general ledger at the time our work commenced and therefore is not shown as a creditor (a/c 811100: Creditors control account). It has not been paid at the date of this letter.

*The Poutama Trust*

A table of quarterly fees (excluding GST) that have been approved by the Tekau Plus Board in relation to services provided by PT is shown on the following page.



Table 4 – The Poutama Trust expenses

Quarter	Year	Strategy and Operations		Governance & Systems		Meetings & Communications		Research & Analysis		Clusters		Totals
		Hrs	\$	Mtg	\$	Hrs	\$	Hrs	\$	Hrs	\$	\$
Oct, Nov, Dec	2007	0	\$0.00	0	\$0.00	1	\$250.00	0	\$0.00	0	\$0.00	\$250.00
Jan, Feb, Mar	2008	0	\$0.00	3	\$750.00	3	\$1,600.00	0	\$0.00	0	\$0.00	\$2,350.00
Apr, May, Jun	2008	4	\$1,000.00	5	\$4,000.00	0	\$0.00	0	\$0.00	0	\$0.00	\$5,000.00
Jul, Aug, Sep	2008	2	\$500.00	3	\$2,400.00	6	\$1,500.00	0	\$0.00	2	\$500.00	\$4,900.00
Oct, Nov, Dec	2008	0	\$0.00	1	\$800.00	0	\$0.00	0	\$0.00	2	\$500.00	\$1,300.00
Jan, Feb, Mar	2009	0	\$0.00	2	\$1,600.00	1	\$250.00	0	\$0.00	4	\$1,000.00	\$2,850.00
Apr, May, Jun	2009	0	\$0.00	3	\$2,400.00	4	\$1,000.00	0	\$0.00	2	\$500.00	\$3,900.00
Gianluigi Zenti			\$0.00		\$0.00		\$0.00		\$3,260.30		\$0.00	\$3,260.30
<b>Sub total</b>		<b>6</b>	<b>\$1,500.00</b>	<b>17</b>	<b>\$11,550.00</b>	<b>15</b>	<b>\$4,100.00</b>	<b>0</b>	<b>\$0.00</b>	<b>8</b>	<b>\$3,000.00</b>	<b>\$23,810.30</b>
Jul, Aug, Sep	2009	0	\$0.00	3	\$2,400.00	10	\$2,500.00	0	\$0.00	6	\$1,500.00	\$6,400.00
<b>Total</b>		<b>6</b>	<b>\$1,500.00</b>	<b>20</b>	<b>\$13,950.00</b>	<b>25</b>	<b>\$7,100.00</b>	<b>0</b>	<b>\$0.00</b>	<b>14</b>	<b>\$4,500.00</b>	<b>\$30,210.30</b>

Source: Tekau Plus general ledger as at 30 November 2009

The sub total of \$23,810.30 represents expenses incurred up to and including the quarter ended June 2009. This includes costs of \$3,260.30 in relation to the visit of Gianluigi Zenti in June 2009.

The costs for the July, August and September quarter of \$6,400 have been approved by the Board and the subsequent invoice raised by PT, however, as with the Maori Trustee invoice for this quarter, this had not been entered into the general ledger at the time our work commenced.

Appendix Four to this letter provides an overview of the services and outcomes supporting these fees and is based on the "Schedule of Services" submitted on a quarterly basis to the Board. The fees generally represent an hourly charge for the services provided by Richard Jones in attending stakeholder, Board and other such meetings.

*FOMANA and FOMA*

Tables of quarterly fees (excluding GST) that have been approved by the Tekau Plus Board in relation to services provided by FOMA and FOMANA are included as Appendix Three to this letter.

Appendix Five and Six to this letter schedules, by quarter, the services and outputs that have been provided by FOMA and FOMANA respectively. These schedules are based on the "Schedule of Services" submitted on a quarterly basis to the Board and have resulted in the approval for payment of the related invoices.

**5) Other matters**

**Creditors and Commitments**

*Creditors*

As noted in section 1) and 4) d), invoices relating to services provided to Tekau Plus for the period July, August and September 2009 have not been processed in the general ledger.

We note that the Tekau Plus Board has approved Statements for the period July, August and September 2009 as follows:

• The Maori Trustee	\$ 9,100 plus GST	(See Table 3)
• The Poutama Trust	\$ 6,400 plus GST	(See Table 4)
• FOMA & FOMANA	<u>\$201,525 plus GST</u>	(See Appendix Three)
	<b>\$217,025 plus GST</b>	

The Statements in relation to the final quarter of 2009 (months October, November and December 2009) will be submitted in January 2010. As at the date of this letter these services are yet to be submitted to the Board and invoices, however, we note that further costs will have been incurred by the project during this time that are not reflected in the summary financial position in Section 1.

#### *Commitments*

A schedule of commitments is attached as Appendix Seven to this letter. This has been obtained from Andrea Williams and schedules the allocation by cluster of the forecasted expenses in the category for the project. Andrea has confirmed these are not irrevocable commitments but rather a forecast/budget of expenses to be incurred by Tekau Plus. These amounts have however been agreed in principle by the Tekau Plus Board and minuted accordingly.

#### *GST*

We note from discussions with Andrea Williams that Tekau Plus is shortly required to file a GST return, and settle the associated GST liability, in January 2010. Currently, as instructed by TPK, no cash payments are being made by Tekau Plus. In this case however, the GST return, and subsequent payment, represents a statutory requirement and we understand the return period relates to transactions prior to the payment freeze. We recommend that Tekau Plus management advise TPK in writing of the required payment and in such a letter seek approval for this payment to be made.

#### *Qualitative assessment of outcomes*

We recommend that once this letter has been considered TPK meets with the Tekau Plus Board to discuss any concerns they have relating to the financial management of the project and the associated outcomes to date. We would be happy to assist in this or any other related matter.

Should you require any further information regarding this letter, please do not hesitate to contact us directly.

Yours faithfully  
PricewaterhouseCoopers



Murray Coppersmith  
Partner



Hamiora Bowkett  
Director



Neil Phipps  
Associate Director

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OFFICIAL INFORMATION ACT

**Appendix One**

**Tekau Plus Funding**

- Tekau Plus invoices have been agreed to copies of instalment invoices issued to TPK.
- The schedule of TPK payments has been provided by Eruera Reedy of TPK.
- Tekau Plus Bank Account details have been agreed to the accounting entries in the general ledger of Tekau and to original Westpac bank account statements.

**Table 5 – Funding**

Instalment	Notes	Tekau Plus - Invoices					TPK Payments		Tekau Plus - Bank Account		
		Invoice Ref #	Date	Net NZ \$	GST NZ \$	Total NZ \$	Date	Value NZ \$	Date	\$ Amount	Agreed to Bank
One		2007/11-11	11 November 2007	\$100,000	\$12,500	\$112,500	14 November 2007	\$112,500	15 November 2007	\$112,500	Yes
Two		2007/11-26	26 November 2007	\$260,000	\$32,500	\$292,500	12 December 2007	\$292,500	13 December 2007	\$292,500	Yes
Three		2008/03-31	31 March 2008	\$180,000	\$22,500	\$202,500	22 April 2008	\$202,500	24 April 2008	\$202,500	Yes
Four		9001249	24 June 2008	\$180,000	\$22,500	\$202,500	2 July 2008	\$202,500	3 July 2008	\$202,500	Yes
Five	a	9001269	1 November 2008	\$175,000	\$21,875	\$196,875	18 December 2008	\$196,875	11 December 2008	\$196,875	Yes
Five	b	9001275	27 February 2009	\$100,000	\$12,500	\$112,500	11 June 2009	\$112,500			
Six		9001276	27 February 2009	\$275,000	\$34,375	\$309,375	11 June 2009	\$309,375	11 June 2009	\$731,250	Yes
Seven		9001278	25 May 2009	\$275,000	\$34,375	\$309,375	11 June 2009	\$309,375			
Eight		9001280	30 June 2009	\$275,000	\$34,375	\$309,375	3 September 2009	\$309,375	3 September 2009	\$309,375	Yes
Nine	c	9001282	30 September 2009	\$275,000	\$34,375	\$309,375					
<b>Totals</b>				<b>\$2,095,000</b>	<b>\$261,875</b>	<b>\$2,356,875</b>		<b>\$2,047,500</b>		<b>\$2,047,500</b>	

a Instalment Five was invoiced without the cluster instalment of \$112,500 (including GST)  
 b Instalment Five element relating to clusters  
 c Instalment Nine has been issued by Tekau Plus but not paid by TPK

Source: Tekau Plus General Ledger, TPK schedules provided by Eruera Reedy and Westpac bank statements

## Appendix Two

### Schedule of Cash Flows

Below is a schedule of General Ledger accounting entries in relation to the Westpac call and ASB deposit bank accounts. The General Ledger account for the Westpac account contains certain non-cash items (such as system corrections) which, when noted from performing a scan of the transaction listings, have been adjusted in the table. The values below represent gross cash flows and are therefore GST inclusive.

Table 6 – Schedule of Tekau Plus Cash flows

801000 Westpac Trust Current Account				
Ref	Cashflow Description	Inflows	Outflows	Net
(a)	Transfer in/(out) from/to ASB Deposit	\$1,339,655.83	(\$1,900,900.00)	(\$560,344.17)
(b)	GST and related corrections	\$19,356.68	(\$55,000.00)	(\$35,643.42)
(c)	Interest contra	\$8,287.07	(\$8,287.07)	\$0.00
	<b>Sub Total</b>	<b>\$1,367,299.45</b>	<b>(\$1,963,287.07)</b>	<b>(\$595,987.59)</b>
(d)	Ministry of Maori Development	\$2,047,500.00	\$0.00	\$2,047,500.00
(e)	Maori Trustee	\$0.00	(\$78,488.49)	(\$78,488.49)
(f)	FOMA/FOMANA Capital Limited	\$0.00	(\$1,339,430.63)	(\$1,339,430.63)
(g)	Poutama Trust	\$0.00	(\$26,379.05)	(\$26,379.05)
(h)	Spotless	\$0.00	(\$204.38)	(\$204.38)
	<b>Sub Total</b>	<b>\$2,047,500.00</b>	<b>(\$1,444,502.55)</b>	<b>\$602,997.45</b>
	<b>Total for Westpac Account</b>	<b>\$3,414,799.48</b>	<b>(\$3,407,789.62)</b>	<b>\$7,009.86</b>
804020 ASB Bank Call Deposit Account				
	Cashflow Description	Inflows	Outflows	
(i)	Interest	\$16,518.60	\$0.00	\$16,518.60
(j)	Transfer in/(out) from Westpac account	\$1,900,000.00	(\$1,339,655.83)	\$560,344.17
	<b>Total for ASB Deposit Account</b>	<b>\$1,916,518.60</b>	<b>(\$1,339,655.83)</b>	<b>\$576,862.77</b>

Source: Tekau Plus general ledger as at 30 November 2009

#### Notes

- (a) Transfers made between Westpac account and the ASB deposit account, see also (j) below.
- (b) GST payments, refunds and corrections – net payment by Tekau Plus of \$35,643.42
- (c) Interest entries that cancel out – none cash entries – interest is earned on the ASB account deposits – see (i)
- (d) Funding payments received from Te Puni Kokiri in relation to the Contract (Instalments one to eight)
- (e) Funds paid to the Maori Trustee for services provided to Tekau Plus
- (f) Funds paid to FOMA and FOMANA for services provided to Tekau Plus
- (g) Funds paid to PT for services provided to Tekau Plus
- (h) Funds paid to Spotless NZ for catering services provided to Tekau Plus

(i) Interest earnings on cash balance in ASB deposit account

(j) Transfers made between the Westpac account and ASB deposit account, equal and opposite to (a)

**Appendix Two (continued)**

**Schedule of Tekau Plus Payments**

The schedule below details the supplier payments from the Westpac bank accounts per the general ledger accounting entries. These payments have been validated to authorisations from the Tekau Board and to the physical Westpac bank statements as noted.

**Table 7 – Schedule of Payments**

Ref#	General Ledger - Westpac Bank Account			Westpac Bank Statements			Board Paper Approval
	T Date	Payee	GL Credit	Date	Payment	Vouched	
1	19/12/2007	FOMANA CAPITAL LTD	(12,500.00)	19/12/2007	(12,500.00)	Yes	Yes
2	06/03/2008	FOMANA CAPITAL LTD	(6,075.00)	06/03/2008	(6,075.00)	Yes	Yes
3	06/03/2008	FOMANA CAPITAL LTD	(157,500.00)	06/03/2008	(157,500.00)	Yes	Yes
4	13/03/2008	Poutama Trust	(2,081.25)	13/03/2008	(2,081.25)	Yes	Yes
5	20/03/2008	MAORI TRUST OFFICE GP FUND	(8,437.50)	20/03/2008	(8,437.50)	Yes	Yes
6	20/03/2008	MAORI TRUST OFFICE GP FUND	(115.48)	20/03/2008	(115.48)	Yes	Yes
7	17/04/2008	MAORI TRUST OFFICE GP FUND	(2,981.25)	17/04/2008	(2,981.25)	Yes	Yes
8	23/04/2008	FOMANA CAPITAL LTD	(10,012.50)	23/04/2008	(10,012.50)	Yes	Yes
9	23/04/2008	MAORI TRUST OFFICE GP FUND	(11,137.50)	23/04/2008	(11,137.50)	Yes	Yes
10	23/04/2008	Poutama Trust	(843.75)	23/04/2008	(843.75)	Yes	Yes
11	23/04/2008	FOMANA CAPITAL LTD	(3,150.00)	23/04/2008	(3,150.00)	Yes	Yes
12	28/04/2008	FOMANA CAPITAL LTD	(135,000.00)	28/04/2008	(135,000.00)	Yes	Yes
13	01/05/2008	Joari Natbu (Spotless)	(12.00)	01/05/2008	(12.00)	Yes	Yes
14	31/07/2008	FOMANA CAPITAL LTD	(199,406.25)				Yes
15	31/07/2008	MAORI TRUST OFFICE GP FUND	(12,937.50)	31/07/2008	(217,966.75)	Yes	Yes
16	31/07/2008	Poutama Trust	(5,625.00)				Yes
17	31/07/2008	Spotless Services (NZ) Ltd	(37.13)	31/07/2008	(37.13)	Yes	Yes
18	04/09/2008	FOMANA CAPITAL LTD	(33,750.00)	04/09/2009	(33,750.00)	Yes	Yes
19	15/12/2008	FOMANA CAPITAL LTD	(129,375.00)	15/12/2008	(129,375.00)	Yes	Yes
20	15/12/2008	MAORI TRUST OFFICE GP FUND	(2,700.00)				Yes
21	15/12/2008	MAORI TRUST OFFICE GP FUND	(8,437.50)	15/12/2008	(11,266.76)	Yes	Yes
22	15/12/2008	MAORI TRUST OFFICE GP FUND	(129.26)				Yes
23	15/12/2008	Poutama Trust	(5,512.50)	15/12/2008	(5,512.50)	Yes	Yes
24	15/12/2008	FOMANA CAPITAL LTD	(12,543.75)	15/12/2008	(12,543.75)	Yes	Yes
25	16/12/2008	FOMANA CAPITAL LTD	(4,500.00)	16/12/2008	(4,500.00)	Yes	Yes
26	15/01/2009	Spotless Services (NZ) Ltd	(33.75)	15/01/2009	(33.75)	Yes	Yes
27	15/01/2009	Spotless Services (NZ) Ltd	(45.00)	15/01/2009	(45.00)	Yes	Yes
28	15/01/2009	Spotless Services (NZ) Ltd	(47.25)	15/01/2009	(47.25)	Yes	Yes
29	15/01/2009	Spotless Services (NZ) Ltd	(29.25)	15/01/2009	(29.25)	Yes	Yes
30	31/03/2009	FOMANA CAPITAL LTD	(29,137.50)	31/03/2009	(29,137.50)	Yes	Yes
31	31/03/2009	FOMANA CAPITAL LTD	(27,112.50)	31/03/2009	(27,112.50)	Yes	Yes
32	18/06/2009	FOMANA CAPITAL LTD	(314,662.50)				Yes
33	18/06/2009	MAORI TRUST OFFICE GP FUND	(20,475.00)	18/06/2009	(339,806.25)	Yes	Yes
34	18/06/2009	Poutama Trust	(4,668.75)				Yes
35	13/08/2009	MAORI TRUST OFFICE GP FUND	(11,137.50)	13/08/2009	(11,137.50)	Yes	Yes
36	13/08/2009	FOMANA CAPITAL LTD	(2,700.00)	13/08/2009	(2,700.00)	Yes	Yes
37	20/08/2009	FOMANA CAPITAL LTD	(162,005.63)	20/08/2009	(162,005.63)	Yes	Yes
38	20/08/2009	Poutama Trust	(4,387.50)	20/08/2009	(4,387.50)	Yes	Yes
39	03/09/2009	Poutama Trust	(3,260.30)	03/09/2009	(3,260.30)	Yes	Yes
		<b>Totals</b>	<b>(1,444,502.55)</b>		<b>(1,444,502.55)</b>		

Source: Tekau Plus general ledger as at 30 November 2009, Westpac bank statements and Board Papers

**Appendix Three**

**FOMA and FOMANA Expenses**

Quarterly fees (excluding GST) as approved by the Tekau Plus Board in relation to services provided by FOMA & FOMANA are shown below.

**FOMA**

We have performed a calculation of representative hours for all outputs with the exception of Governance. This calculation has been performed on the basis of the invoiced total divided by \$250 per hour. We note that governance fees for FOMA represent \$800 per meeting and so a representative number of meetings has been calculated based on this rate.

**Table 8 – FOMA expenses**

Quarter	Year	Strategy and Operations		Governance & Systems		Meetings & Communications		Analysis & Research		Clusters		Contract Payments		Totals
		Hrs	\$	Mtg	\$	Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$	\$
<b>FOMA</b>														
Oct, Nov, Dec	2007	0	\$0.00	0	\$0.00	12	\$3,000.00	0	\$0.00	0	\$0.00	0	\$0.00	\$3,000.00
Jan, Feb, Mar	2008	4	\$1,000.00	3	\$2,400.00	20	\$5,000.00	0	\$0.00	2	\$500.00	0	\$0.00	\$8,900.00
Apr, May, Jun	2008	20	\$5,000.00	5	\$4,000.00	10	\$2,500.00	18	\$4,500.00	25	\$6,250.00	0	\$0.00	\$22,250.00
Jul, Aug, Sep	2008	10	\$2,500.00	3	\$2,400.00	15	\$3,750.00	0	\$0.00	10	\$2,500.00	0	\$0.00	\$11,150.00
Oct, Nov, Dec	2008	0	\$0.00	2	\$1,600.00	10	\$2,500.00	0	\$0.00	80	\$20,000.00	0	\$0.00	\$24,100.00
Jan, Feb, Mar	2009	0	\$0.00	2	\$1,600.00	0	\$0.00	0	\$0.00	0	\$0.00	0	\$0.00	\$1,600.00
Apr, May, Jun	2009	0	\$0.00	3	\$2,400.00	0	\$0.00	0	\$0.00	0	\$0.00	0	\$0.00	\$2,400.00
<b>Sub Total</b>		<b>34</b>	<b>\$8,500.00</b>	<b>18</b>	<b>\$14,000.00</b>	<b>67</b>	<b>\$16,750.00</b>	<b>18</b>	<b>\$4,500.00</b>	<b>117</b>	<b>\$29,250.00</b>	<b>0</b>	<b>\$0.00</b>	<b>\$73,000.00</b>
Jul, Aug, Sep	2009	0	\$0.00	3	\$2,400	0	\$0.00	0	\$0.00	0	\$0.00	0	\$0.00	\$2,400.00
<b>Total</b>		<b>34</b>	<b>\$8,500.00</b>	<b>21</b>	<b>\$16,800.00</b>	<b>67</b>	<b>\$16,750.00</b>	<b>18</b>	<b>\$4,500.00</b>	<b>117</b>	<b>\$29,250.00</b>	<b>0</b>	<b>\$0.00</b>	<b>\$73,800.00</b>

Source: Tekau Plus general ledger as at 30 November 2009

**Appendix Three (continued)**

**FOMANA**

We have performed a calculation of representative hours for all outputs with the exception of Governance. This calculation has been performed on the basis of the invoiced total divided by \$250 per hour. We note that governance fees for FOMANA represent meetings and time charged at both \$800 plus GST on a per meeting basis and at \$250 plus GST per hour for other tasks. We do not have information relating to the split of these charges and so have not included a representative hour's calculation for the governance outcome.

**Table 9 – FOMANA expenses**

Quarter	Year	Strategy and Operations		Governance & Systems		Meetings & Communications		Analysis & Research		Clusters		Contract Payments		Totals
		Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$	\$
<b>FOMANA</b>														
Oct, Nov, Dec	2007	200	\$50,000.00		\$22,538.00	240	\$60,043.67	300	\$75,000.00	140	\$35,000.00	0	\$0.00	\$242,581.67
Jan, Feb, Mar	2008	160	\$40,000.00		\$25,000.00	100	\$25,000.00	40	\$10,000.00	80	\$20,000.00	0	\$0.00	\$120,000.00
Apr, May, Jun	2008	140	\$35,000.00		\$15,000.00	100	\$25,000.00	171	\$42,800.00	160	\$40,000.00	0	\$0.00	\$157,800.00
Jul, Aug, Sep	2008	108	\$27,000.00		\$20,000.00	68	\$17,000.00	80	\$20,000.00	140	\$35,000.00	120	\$30,000.00	\$149,000.00
Oct, Nov, Dec	2008	10	\$2,500.00		\$10,000.00	60	\$15,000.00	240	\$60,000.00	320	\$80,000.00	0	\$0.00	\$167,500.00
Jan, Feb, Mar	2009	24	\$6,000.00		\$15,000.00	120	\$30,000.00	122	\$30,500.00	220	\$55,000.00	0	\$0.00	\$136,500.00
Apr, May, Jun	2009	19	\$4,750.00		\$28,250.00	98	\$24,375.00	134	\$33,500.00	213	\$53,130.00	0	\$0.00	\$144,005.00
<b>Sub Total</b>		<b>691</b>	<b>\$168,250.00</b>		<b>\$138,788.00</b>	<b>785</b>	<b>\$196,418.67</b>	<b>1,007</b>	<b>\$277,800.00</b>	<b>1,273</b>	<b>\$310,130.00</b>	<b>120</b>	<b>\$30,000.00</b>	<b>\$1,117,386.67</b>
Jul, Aug, Sep	2009	40	\$10,000.00		\$23,250.00	190	\$47,375.00	140	\$35,000.00	334	\$83,500.00	0	\$0.00	\$199,125.00
<b>Total</b>		<b>701</b>	<b>\$178,250.00</b>		<b>\$162,038.00</b>	<b>875</b>	<b>\$243,793.67</b>	<b>1,227</b>	<b>\$302,800.00</b>	<b>1,607</b>	<b>\$403,630.00</b>	<b>120</b>	<b>\$30,000.00</b>	<b>\$1,913,516.67</b>

Source: Tekau Plus general ledger as at 30 November 2009



**Appendix Four**

**Summary of Schedule of Services in relation to the Poutama Trust**

1) Period: October, November, December 2007 (Schedule of services from memorandum meeting # 5, 25 February 2008)

<b>Communications</b> <b>Hours: 1, Invoiced: \$250</b> <ul style="list-style-type: none"> <li>Meeting with CE and manager - NZTE</li> </ul>	<b>Governance</b>
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2) Period: January, February, March 2008 (Schedule of services from memorandum meeting # 7, 15 April 2008)

<b>Communications</b> <b>Hours: 3 Invoiced: \$750</b> <ul style="list-style-type: none"> <li>Meetings with various stakeholders and potential speakers for 10+ symposium.</li> <li>Provided feedback on drafts of the following documents:</li> <li>E 10+ overview paper, 3 year overview milestone plan, Te Puna strategy, 10+ Offer &amp; Request for Statement of Interest, 10+ Generic – Sponsorship paper</li> </ul>	<b>Governance</b> <b>Meetings: 2 Invoiced: \$1,600</b> <ul style="list-style-type: none"> <li>Read papers and Chair Board Meetings x2</li> </ul>
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We note that the Tekau Plus general ledger, as summarised in Table 4 of this letter, has categorised \$1,600 as "Meetings and Communications" and \$750 as "Governance & Systems".

3) Period: April, May, June 2008 (Schedule of services from memorandum meeting # 12, 25 June 2008)

<b>Strategy</b> <b>Hours: 4 Invoiced: \$1,000</b> <ul style="list-style-type: none"> <li>Review and editing of reports</li> <li>Sourcing of speakers and review of reports for export symposium</li> </ul>	<b>Governance</b> <b>Meetings: 5 Invoiced: \$4,000</b> <ul style="list-style-type: none"> <li>Read papers and Chair Board Meetings x5</li> </ul>
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4) Period: July, August, September 2008 (Schedule of services memorandum meeting # 15, 22 October 2008)

<b>Communications</b> <b>Hours: 6 Invoiced: \$1,500</b> <ul style="list-style-type: none"> <li>Te Arawa FoMA hui</li> <li>Uni Akld Business School Hui</li> </ul>	<b>Governance</b> <b>Meetings: 3 Invoiced: \$2,400</b> <ul style="list-style-type: none"> <li>Read papers and Chair Board Meetings x3</li> </ul>
<b>Clusters</b> <b>Hours: 2 Invoiced: \$500</b> <ul style="list-style-type: none"> <li>Development of sheep/beef/dairy cluster</li> </ul>	<b>Strategy</b> <b>Hours: 2 Invoiced: \$500</b> <ul style="list-style-type: none"> <li>Assistance at Tekau plus symposium</li> </ul>

**Appendix Four (continued)**

**Summary of Schedule of Services in relation to the Poutama Trust (continued)**

5) Period: October, November, December 2008 (Schedule of services memorandum meeting # 17, 29 January 2009)

<b>Clusters</b> <b>Hours: 2 Invoiced: \$500</b> <ul style="list-style-type: none"> <li>• Meeting with interested sheep and beef farmers at FOMA conference</li> <li>• Follow up arrangements for sheep and beef cluster hui</li> </ul>	<b>Governance</b> <b>Meetings: 1 Invoiced: \$800</b> <ul style="list-style-type: none"> <li>• Read papers and Chair Board Meetings x1</li> </ul>
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6) Period: January, February, March 2009 (Schedule of services memorandum meeting # 19, 28 April 2009)

<b>Communications</b> <b>Hours: 1 Invoiced: \$250</b> <ul style="list-style-type: none"> <li>• Interview and story for KOHA magazine</li> </ul>	
<b>Clusters</b> <b>Hours: 5 Invoiced: \$1,000</b> <ul style="list-style-type: none"> <li>• Meetings with potential cluster businesses</li> </ul>	<b>Governance</b> <b>Meetings: 2 Invoiced: \$1,600</b> <ul style="list-style-type: none"> <li>• Read papers and Chair Board Meetings x2</li> </ul>

7) Period: April, May, June 2009 (Schedule of services memorandum meeting # 22, 28 July 2009)

<b>Communications</b> <b>Hours: 4 Invoiced: \$1,000</b> <ul style="list-style-type: none"> <li>• Organisation of Mr Zenti visit</li> </ul>	
<b>Clusters</b> <b>Hours: 2 Invoiced: \$500</b> <ul style="list-style-type: none"> <li>• Meetings with potential cluster businesses: Awhina group</li> </ul>	<b>Governance</b> <b>Meetings: 3 Invoiced: \$2,400</b> <ul style="list-style-type: none"> <li>• Read papers and Chair Board Meetings x3</li> </ul>

Period: July, August, September 2009 (Schedule of services, memorandum meeting # 25, 27 October 2009)

<b>Communications</b> <b>Hours: 10 Invoiced: \$2,500</b> <ul style="list-style-type: none"> <li>• Organisation and principal host to Mr Zenti during his visit to NZ</li> </ul>	
<b>Clusters</b> <b>Hours: 6 Invoiced: \$1,500</b> <ul style="list-style-type: none"> <li>• Meetings with potential cluster businesses: Big Picture wine, Big Picture and Ian Taylor</li> </ul>	<b>Governance</b> <b>Meetings: 3 Invoiced: \$2,400</b> <ul style="list-style-type: none"> <li>• Read papers and Chair Board Meetings x3</li> </ul>

**Appendix Five**

**Summary of Schedule of Services in relation to FOMA**

Period: October, November, December 2007 (Schedule of services, memorandum meeting # 5, 25 Feb 2008)

<p><b>Communications</b> <b>Representative Hours: 12 Invoiced: \$3,000</b> Meetings:</p> <ul style="list-style-type: none"><li>• NZTE , PPG management , DPM&amp;C , 20/20 Primary industry conference, Agresearch, FoMA Dairy Cluster</li><li>• Mark Ahn, Lincoln Agribusiness</li><li>• General Sector engagement</li></ul>
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Period: January, February, March 2008 (Schedule of services, memorandum meeting # 7, 15 April 2008)

<p><b>Communications</b> <b>Representative Hours: 20 Invoiced: \$5,000</b></p> <ul style="list-style-type: none"><li>• Stakeholder meetings with: MFAT, Minister of Trade, Minister of Building and Construction, MoMA, Te Ohu Kaimoana &amp; Aotearoa Fisheries Ltd, NZ Maori Tourism Council, Maori Party, Scion, NZ Fast Forward Science-food-farms, FoMa Executive, Workshop with Tom Reardon, Agresearch, Agmardt.</li></ul>
<p><b>Strategy</b> <b>Representative Hours: 4 Invoiced: \$1,000</b></p> <ul style="list-style-type: none"><li>• E 10+ overview paper, 3 year overview milestone plan, Te Puna Strategy, 10+ Offer &amp; Request for statement of Interest, 10+ Generic – Sponsorship paper</li></ul>
<p><b>Governance</b> <b>Meetings: 3 Invoiced: \$2,400</b></p> <ul style="list-style-type: none"><li>• 3 x BAG Board meetings</li></ul>
<p><b>Clusters</b> <b>Representative Hours: 2 Invoiced: \$500</b></p> <ul style="list-style-type: none"><li>• Draft ToR for consultant</li><li>• Feedback on 10+ Offer and Request for Statement of Interest document</li></ul>

**Appendix Five (continued)**

**Summary of Schedule of Services in relation to FOMA (continued)**

Period: April, May, June 2008 (Schedule of services, memorandum meeting # 12, 25 June 2008)

<b>Communications</b> <b>Representative Hours: 10 Invoiced: \$2,500</b> <ul style="list-style-type: none"> <li>Briefings MPs, CEO, TPK, Officials; B English, S Jones, J Fitzsimmons, T Grosser, L Comber, P Lund, D Carter, D Wallerton, T Turia, P Lewin, S Rimene, W Peters.</li> </ul>	
<b>Analysis &amp; Research</b> <b>Representative Hours: 18 Invoiced: \$4,500</b> <ul style="list-style-type: none"> <li>Review of Documents; SCION, MFAT China, MFAT India, FTA, Mark Ahn</li> </ul>	<b>Governance</b> <b>Meetings: 5 Invoiced: \$4,000</b> <ul style="list-style-type: none"> <li>5x Board Meetings</li> </ul>
<b>Clusters</b> <b>Representative Hours: 25 Invoiced: \$6,250</b> <ul style="list-style-type: none"> <li>Cluster meetings: Nutraceutical, Sheep, Beef, Seafood, Dairy, Kiwifruit, Sealords/ AFL</li> </ul>	<b>Strategy</b> <b>Representative Hours: 20 Invoiced: \$5,000</b> <ul style="list-style-type: none"> <li>Tekau plus strategy</li> <li>TVNZ, FTA, Radio NZ, Symposium, Meetings, Sponsors and speakers, FOMA members</li> </ul>

Period: July, August, September 2008 (Schedule of services memorandum meeting # 15, 22 October 2008)

<b>Communications</b> <b>Representative Hours: 15 Invoiced: \$3,750</b> <ul style="list-style-type: none"> <li>Stakeholder meetings with: Sealords, Aotearoa Fisheries, Maori export Council, Ngai Tahu, Parekura Horomia, Phil Goff, Tau Henare, Pete Hodgson, Tim Grosser, Georgina Te Heuheu, Phil Heatley, Tariana Turia, Te Ururoa Flavell, MFAT Officials, NZTE, TPK CEO.</li> </ul>	
<b>Analysis &amp; Research</b> <b>Representative Hours: 0 Invoiced: \$0</b>	<b>Governance</b> <b>Meetings: 3 Invoiced: \$2,400</b> <ul style="list-style-type: none"> <li>Preparation and attendance at board meetings x3</li> </ul>
<b>Clusters</b> <b>Representative Hours: 10 Invoiced: \$2,500</b> <ul style="list-style-type: none"> <li>Cluster meetings with: AFL, Ngai Tahu, Sealords, Nutraceutical, Wairarapa Moana, Mangatu</li> </ul>	<b>Strategy</b> <b>Representative Hours: 10 Invoiced: \$2,500</b> <ul style="list-style-type: none"> <li>Feedback and work on sponsors and symposium; and reviewing documentation</li> </ul>

**Appendix Five (continued)**

**Summary of Schedule of Services in relation to FOMA (continued)**

Period: October, November, December 2008 (Schedule of services, memorandum meeting # 17, 29 January 2009)

<b>Communications</b> <b>Representative Hours: 10 Invoiced: \$2,500</b> <ul style="list-style-type: none"><li>Meetings held with: PGG Wrightson CEO and Senior managers, Nick Smith, Pita Sharples, Georgia Te Heuheu, CEO TEC, NZTE, Tariana Turia, Leith Comer, MAF Officials, Dr Meto Leach, Kiwiwbank CE and Officials, Chris Finlayson</li></ul>	
<b>Clusters</b> <b>Representative Hours: 80 Invoiced: \$20,000</b> <ul style="list-style-type: none"><li>Cluster promotion meetings and road shows held in regions.</li><li>Specific Cluster meetings with: Nutraceutical, Aquaculture, Crayfish, Kiwifruit, Agri Training</li><li>Discussion with Chinese Company Manager around indigenous marketing and branding</li></ul>	<b>Governance</b> <b>Meetings: 2 Invoiced: \$1,600</b> <ul style="list-style-type: none"><li>Read papers and attend board meetings x2</li></ul>

Period: January, February, March 2009 (Schedule of services, memorandum meeting # 19, 28 April 2009)

<b>Governance</b> <b>Meetings: 2 Invoiced: \$1,600</b> <ul style="list-style-type: none"><li>Read papers and attend Board Meetings x2</li></ul>
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Period: April, May, June 2009 (Schedule of services, memorandum meeting # 22, 28 July 2009)

<b>Governance</b> <b>Meetings: 3 Invoiced: \$2,400</b> <ul style="list-style-type: none"><li>Read papers and attend Board Meetings x3</li></ul>
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Period: July, August, September 2009 (Schedule of services, memorandum meeting # 25, 27 October 2009)

<b>Governance</b> <b>Meetings: 3 Invoiced: \$2,400</b> <ul style="list-style-type: none"><li>Read papers and attend Board Meetings x3</li></ul>
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**Appendix Six**

**Summary of Schedule of Services in relation to FOMANA**

We have performed a calculation of representative hours for all outputs with the exception of Governance. This calculation has been performed on the basis of the invoiced total divided by \$250 per hour. We note that governance fees for FOMANA represent meetings and time charged at both \$800 plus GST on a per meeting basis and at \$250 plus GST per hour for other tasks. We do not have information relating to the split of these charges and so have not included a representative hour's calculation for the governance outcome.

Period: October, November, December 2007 (Schedule of services, memorandum meeting # 8, 25 Feb 2008)

Fees have been included for this period in Appendix 4 relating to pre October 2007 costs. These costs were incurred by FOMANA and approved for payment by the Board in October 2007. These costs totalled \$142,581.67 and have been allocated as \$60,000 to Strategy and Operations with the remaining balance to the categories in the analysis below as consistent with the General Ledger and noted as "Pre establishment fees".

<p><b>Communications</b>  <b>Pre establishment fees: \$20,043.67</b>  <b>Representative Hours: 160 Invoiced: \$40,000</b></p> <ul style="list-style-type: none"> <li>• Plan developed</li> <li>• Stakeholder meetings with;</li> <li>• PGG Wrightson, NZTE, Victoria Uni, Ag Research, DPMC, FOMA Dairy Cluster, FORST, Morst, University of Auckland, Lincoln University, Massey University, Maori dairy cluster, Fonterra Manager, TPK, DPM&amp;C, FOMA members AGM,</li> <li>• FOMANA Launch attendees, CRAG Board, Endeavour Capital, Lewin Strategies</li> <li>• Risk management program developed</li> <li>• Symposium outline arranged</li> <li>• Attended 20/20 PI Conference</li> </ul>	<p><b>Analysis &amp; Research</b>  <b>Pre establishment fees: \$45,000</b>  <b>Representative Hours: 120 Invoiced: \$30,000</b></p> <p>Reviewed and Analysed:</p> <ul style="list-style-type: none"> <li>• Paper- Structure and roles of the Peak Group and Working Groups</li> <li>• A model for commercialisation within research institutes - building common language procedures and partners</li> <li>• Maori Global Agribusiness Development- Tekau Plus Assessment Criteria (TPK Sponsored)</li> <li>• Maori Global Agribusiness Development Review paper (TPK Sponsored)</li> <li>• Strategic Foresight: Challenges and Opportunities - Draft report (Aug 2007)</li> <li>• Application of Technologies to Maori Agribusinesses (Aug 2006)</li> <li>• Maori Business Future Export Earnings (FOMA)</li> <li>• Cluster Guide: White Book</li> <li>• Economic Benefit Appraisal Tool NZTE</li> <li>• MoRST NZ Research Agenda Draft Oct 07</li> <li>• MAF Future Focus (2007)</li> </ul> <p>Research and briefing papers:</p> <ul style="list-style-type: none"> <li>• NZTE- CEO</li> <li>• NZTE appointed Tekau plus manager</li> </ul>
<p><b>Governance</b>  <b>Invoiced: \$22,538.00</b></p> <ul style="list-style-type: none"> <li>• Plan drafted and approved of 6 month implementation plan</li> <li>• Operating charter prepared and approved</li> <li>• Fortnightly project management meetings</li> <li>• Additional BAG membership report prepared</li> </ul>	<p><b>Clusters</b>  <b>Pre establishment fees: \$5,000</b>  <b>Representative Hours: 140 Invoiced: \$30,000</b></p> <ul style="list-style-type: none"> <li>• Terms of reference agreed and consultant engaged</li> </ul>

<p><b>Communications</b></p> <p><b>Representative Hours: 100 Invoiced: \$25,000</b></p> <p>Communications plan implemented and stakeholder meetings held with:</p> <ul style="list-style-type: none"> <li>• <b>PGG Wrightson:</b> 3x Including sponsorship for first workshop, PGG research findings and strategy to approach potential speakers.</li> <li>• <b>NZTE:</b> Wayne attended Beachheads Conference 28 Feb; Programme and update on Overview, panel: Liz Gibson meeting 8 Feb, BAG 27 Feb.</li> <li>• <b>Victoria Uni:</b> Meeting with Admin staff to arrange 2nd Workshop.</li> <li>• <b>Ag Research:</b> First workshop meetings.</li> <li>• <b>Agmardt:</b> First Workshop meeting; Steve Mcauley.</li> <li>• <b>Te Puni Kokiri:</b> Communication Meeting.</li> <li>• <b>FRST:</b> Overview of 10+ meeting.</li> <li>• <b>MRST:</b> overview of 10+ meeting.</li> <li>• <b>University of Auckland:</b> 10+ overview.</li> <li>• <b>FOMA Executive:</b> Strategy 10+ overview report.</li> <li>• <b>Capitalising on Research &amp; Dev Action Group:</b> 10+ strategies.</li> <li>• <b>Endeavour Capital. Lewin Strategies:</b> Export strategies meeting.</li> <li>• <b>Ministry of Foreign Affairs. Minister of Trade. Minister of Building and Construction. Minister of Maori Affairs.</b></li> <li>• <b>NZ Maori Tourism Council. Te Ohu Kaimoana and Aotearoa Fisheries Ltd. Maori Export Fund. Crop and Food Research. FoMA Network of Maori Authorities. Fomana website. Kiwibank. Hui Tumata Board. Finster Capital. Maori Party. Wairarapa Moana Incorporation. Kia Kaha Ltd. Scion.</b></li> </ul> <p>FOMANA also canvassed many speakers for the symposium planned in May.</p>	
<p><b>Analysis &amp; Research</b></p> <p><b>Representative Hours: 40 Invoiced: \$10,000</b></p> <p>Read and analysed the following documents:</p> <ul style="list-style-type: none"> <li>• Prof Thomas Reardon "The Supermarket revolution in emerging markets: Implications for the produce industry."</li> <li>• Tom Reardon CV. Rod Oram "The value of Maori Assets" Sunday Star Times.</li> <li>• Rod Oram State of the Nation speech at Te Tii Marae "We're all in this together: The Treaty, the economy and NZ's future in the world."</li> <li>• Rod Oram Opinion "The Value Chain." "Reality Bites."</li> <li>• Sunday Start Times, 2 &amp; 16 March. Bob Edlin Opinion "What is the Maori economy and how do we measure it?"</li> <li>• Corolis Research Report prepared for FAME "Tesco, A case Study in Supermarket excellence."</li> <li>• New Zealand Fast Forward Strategy in Dom Post 11 March "Ideas are capital, distance is nothing."</li> <li>• Taraa Potaka, "Time for Maori to fly in formation."</li> <li>• Peter Hunter Internationally competitive Science in NZ.</li> <li>• Obtained a list of exporters that are registered by NZ Food safety Authority Register.</li> <li>• Research commissioned by PGG Wrightson supports 10+ strategy.</li> <li>• Reviewed Case studies by Vic Uni concerning NZ Businesses that have created value added products through RST, entrepreneurship and issues faced.</li> <li>• Circulate email notice of events of relevance.</li> </ul>	<p><b>Governance</b></p> <p><b>Invoiced: \$25,000</b></p> <ul style="list-style-type: none"> <li>• 6 documents reviewed by FOMANA for consideration and approval by BAG. Documents are consistent with the parent documents (MoU, TPK contract, Project Plan, Operating charter) and will provide a transparent and accountable system for contract administration and financial reporting and payments.</li> <li>• FOMANA prepared information to assist BAG discussion on appropriate level of remuneration to fairly reflect the "Governance" work of individual BAG Members for Tekau plus project and keep within the original budget levels.</li> <li>• Advice on skills and Minimum attributes for additional BAG members.</li> <li>• Discussed membership with Mark Ahn, Victoria University.</li> <li>• Updated register of interests of BAG Members and Management.</li> <li>• Prepared Proposed Forward meeting schedule for BAG</li> <li>• Drafted contract accountability documents and input into Quarterly report for TPK</li> <li>• Prepared board and meeting papers for BAG meetings 18 Feb, 27 Feb, 26 March.</li> </ul>

<p><b>Clusters</b></p> <p><b>Representative Hours: 80 Invoiced: \$20,000</b></p> <ul style="list-style-type: none"> <li>• Develop 8 success factors for business case criteria and due diligence process to incorporate into ToR for consultant</li> <li>• Refine ToR and LoE for consultant</li> <li>• Analyse draft report and provide feedback to Consultant</li> <li>• Review and analyse final report and give to BAG</li> <li>• Adapt criteria and selection process for inclusion into 10+ offer and request for statement of Interest document.</li> <li>• Seek peer review and circulate drafts to BAG.</li> </ul>	<p><b>Strategy</b></p> <p><b>Representative Hours: 160 Invoiced: \$40,000</b></p> <p>Developed:</p> <ul style="list-style-type: none"> <li>• 10+ overview paper</li> <li>• 3 year overview milestone</li> <li>• Te Puna strategy</li> <li>• 10+ offer and request for Statement of interest</li> <li>• 10+ generic – Sponsorship paper</li> </ul>
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Period: April, May, June 2008 (Schedule of services, memorandum meeting # 12, 25 June 2008)

<p><b>Communications</b></p> <p><b>Representative Hours: 100 Invoiced: \$25,000</b></p> <ul style="list-style-type: none"> <li>• Updated communications plan</li> <li>• Lewin Strategies</li> <li>• Meetings and engagement with;</li> <li>• EDNZ – CEO. MED Officials. Wellington Chamber of Commerce. MAF Officials. MFAT Officials. Tourism NZ CEO. Ministerial Officials. NZTE CEO. Ministerial Officials. NZTE CEO. NZTE Officials. WGC Officials. Incubator Officials. News Articles. Crop &amp; Food. Agresearch, IRL, Auckland University, Business NZ. Hui Taumata. Fast Forward Fund. FoRST. MoRST. Maori TV. TV 1- Te Karere.</li> <li>• Briefing Stakeholders</li> <li>• Briefing CRAG Committee</li> <li>• Briefing Ministerial Advisory group.</li> </ul>	
<p><b>Analysis &amp; Research</b></p> <p><b>Representative Hours: 160 Invoiced: \$40,000</b></p> <p><b>Plus expenses of \$2,000</b></p> <ul style="list-style-type: none"> <li>• Te Puna Research &amp; analysis</li> <li>• China FTA Roadshow, Submissions, and Bill analysis</li> <li>• Review study group terms India FTA</li> <li>• Research Korea FTA options</li> <li>• Policy Development: Fundraising, Sponsorship, Associate system, networks</li> <li>• Fast forward fund</li> <li>• FoRST- Analysis &amp; Submission of Stable Funding Policy</li> <li>• MoRST policy R&amp;D</li> <li>• Budget announcement analysis</li> <li>• Meeting MoRST R&amp;D Tax credit</li> <li>• Analysis: R&amp;D tax credit; Logo design; Website development; MAF policy; Hui Taumata workforce strategy.</li> <li>• Monthly report</li> <li>• MAF- Emission trading papers</li> <li>• MED "Backing our strengths</li> <li>• Pastoral Farming China Document NZTE.</li> </ul>	<p><b>Governance</b></p> <p><b>Invoiced: \$15,000</b></p> <ul style="list-style-type: none"> <li>• Meeting and Papers x5</li> </ul>



<p><b>Clusters</b></p> <p><b>Representative Hours: 160 Invoiced: \$40,000</b></p> <ul style="list-style-type: none"> <li>• Tekau Plus document – Cluster 10+10+10</li> <li>• Te Puna Document</li> <li>• Cluster research Report</li> <li>• Printing off documentation</li> <li>• Cluster target group report</li> <li>• Cluster meeting and correspondence with: Kiwi fruit group; Nutraceutical group; Fibre group; Maori creative sector; Forestry; Dairy group; Horticultural group; Educational group.</li> <li>• Confidentiality deed</li> <li>• NZTE documentation</li> </ul>	<p><b>Strategy</b></p> <p><b>Representative Hours: 140 Invoiced: \$35,000</b></p> <ul style="list-style-type: none"> <li>• International Economic Policy workshop:</li> <li>• China FTA, MFAT international policy, FAME, NZTE</li> <li>• Victoria university workshop planning and targeting key attendees</li> <li>• Symposium plan</li> <li>• Symposium project management</li> <li>• Sponsor engagement; Speaker engagement; Venue management; Web registration</li> </ul>
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Period: July, August, September 2008 (Schedule of services, memorandum meeting #15, 22 October 2008)

<p><b>Communications</b></p> <p><b>Representative Hours: 68 Invoiced: \$17,000</b></p> <p>Meetings and engagement with:</p> <ul style="list-style-type: none"> <li>• Export Symposium Officials, Speakers, Sponsors Government Departments, Stakeholders industry, KOHA magazine, MAF Officials, MFAT Officials, Maori Tourism CEO, Hon. Minister Goff and Officials, NZTE CEO, NZTE officials, WCC officials, EDNZ – CEO, MED Officials, Wellington Chamber of Commerce, Tourism NZ CEO, News Articles, Crop &amp; Food, Agresearch, IRL, Auckland University, Victoria University, Business NZ, Hui Taumata, ForST, MorST, Maori TV, TV 1- Te Karere, Radio – Watea, Meetings with clusters</li> <li>• Briefing CRAG Committee</li> <li>• Briefing Ministerial Advisory group</li> </ul> <p>Web and Launch:</p> <ul style="list-style-type: none"> <li>• Website fully established on 7 July at Exhibitions gallery, 40+ people attended. A successful evening and an accord was reached with Victoria University. Links have been made to Teutama, FOMANA and FOMA sites.</li> <li>• Two Regional Hui have occurred in this timeframe. One was in Rotorua and the other in Auckland. Three presentations were provided: Tekau plus strategy &amp; Cluster framework, Mary Boyd Tekau Plus Presentation; and Maori farm investment study in China. Another workshop is planned.</li> </ul>	
<p><b>Analysis &amp; Research</b></p> <p><b>Representative Hours: 80 Invoiced: \$20,000</b></p> <p>Following Documents have been reviewed/ Analysed:</p> <ul style="list-style-type: none"> <li>• Food and Beverage taskforce paper;</li> <li>• TPK contract review;</li> <li>• MFAT – Meeting: Korean FTA, Indian FTA,</li> <li>• MAF – Emissions trading proposal;</li> <li>• Awatoru, Maori Design;</li> <li>• Pastoral farming China document NZTE;</li> <li>• Pastoral farming Turkey;</li> <li>• NZTECH documentation;</li> <li>• Grow Wellington documentation;</li> <li>• Economic Credit crunch reports;</li> <li>• PGG Wrightson and Silver Fern Farms;</li> <li>• Maori Aquaculture settlement valuation;</li> <li>• Mfish Maori aquaculture consultation paper;</li> <li>• Wool Company Launch;</li> <li>• Six monthly report and P4; Quarterly report,</li> </ul> <ul style="list-style-type: none"> <li>• TEC primary industry training paper.</li> </ul>	<p><b>Governance</b></p> <p><b>Invoiced: \$20,000</b></p> <ul style="list-style-type: none"> <li>• Preparation and distribution for Meeting Papers, Minutes, Input into Six monthly report and meetings with TPK.</li> </ul>

<p><b>Clusters</b></p> <p><b>Representative Hours: 140 Invoiced: \$35,000</b></p> <ul style="list-style-type: none"> <li>Cluster commitment documents drafted</li> <li>Cluster meetings with CEO Ngai Tahu Holdings, CEO Sealords, CEO AFL, FoMA Te Arawa, PKW Chair/CE, Nicholson Fisheries, Wakatu- Horoirangi marine group, Cluster research report, Wi Pere, Mangatu, PKW.</li> <li>Cluster correspondence with on beef, sheep and dairy clusters: Tiroa, Te Hape, Aohanga, Wairarapa Moana, Aihau Whanganui, Marino Nutraceutical group, Beverage Waituna Breweries, CNI forestry, Ngati Awa Holdings Corp, Ngati Ruanui, FoMA Dairy group, Horticultural group, Agri Training Cluster.</li> <li>Arranged Hui With: Northland groups, Nelson groups, Ngati Awa Board, Tauranga Moana collective.</li> <li>Kiwifruit, Seafood, Sheep and Dairy Meetings being arranged.</li> <li>Cluster meetings taken place as well as regional Hui</li> </ul>	<p><b>Strategy</b></p> <p><b>Representative Hours: 108 Invoiced: \$27,000</b></p> <ul style="list-style-type: none"> <li>Symposium (11-12 September) – Project Management, Implementation and Follow up.</li> <li>Incubation development programme.</li> <li>Centres of Excellence: Dairy, Sheep, Beef, Marketing, Aquaculture, Horticulture, Change, Fishing, Forestry.</li> <li>Victoria University accelerating.</li> <li>Maori High Value:</li> <li>FAME programme</li> <li>Maori Exporters Council</li> <li>Workshops.</li> </ul>
<p><b>Contract Payments</b></p> <p><b>Representative Hours: 120 Invoiced: \$30,000</b></p> <p>The Tekau Pus Board approved payment of \$30,000 of the approved \$70,000 budget for Symposium expenses at Board Meeting #15. The Maori Business Symposium was held in Wellington in September 2008 with 132 attendees. The Tekau Plus \$30,000 was used to promote workshops and communicate Tekau Plus through media and the KOHA magazine.</p>	

Period: October, November, December 2008 (Schedule of services, memorandum meeting # 17, 29 January 2009)

<p><b>Communications</b></p> <p><b>Representative Hours: 60 Invoiced: \$15,000</b></p> <ul style="list-style-type: none"> <li>Stakeholder Meetings with: Mark Ahn, Tiaki Huria (Ngati awa), Matt Crawford, Alana Hudson (MFAT), Alan Haronga (Mangatu/ Wi Pere), Tem Hall (Taupo Moana Group/ Putake), Manuka Henare (UoA), Te Horipo Karaitiana (Wairarapa Moana &amp; TWOA), Peter Charetton, Jamie &amp; Dion Tuuta (PKW Farms), Greg Harwood (Paihamu), Ali &amp; Kingi Hui (Babu), Jane Kennedy (Horoirangi), FoMa executive Tom Rogers and Steven Tuawhare (IRL), Alan Groves, Hugh King (FAME), Greg Sitters (Venture Capital), KZTE, Adrian Orr – Matt Whineray NZ Super Fund, Tumanako Wereta (Tuaropaki), Tu Wylie (AFL), Adrian Lockhart (Lohu), Simon Burney (Waituna Brewing Co.), Phil O'Reilly (BusNZ), Will Wilson (Nga Puhii), Reece Moores (FRST), Karl Wilcox (Awatoru), Ngatata Love (Wellington Tenths), CRAG, Taari Nicholas, Waka Vercoe, Brian Ward (Smesynthes)</li> <li>Draft article for Tu Mai</li> <li>KOHA Magazine Communication promoting tekau plus and video interviews prepared for:</li> <li>Tohu Wines, Waituna Brewing, Tuaropaki Trust, Tekau Plus chair, Richard Jones, AFL Maori Fisheries, Awatoru, ASL Maori aquaculture.</li> </ul>
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<p><b>Analysis &amp; Research</b></p> <p><b>Representative Hours: 240 Invoiced: \$60,000</b></p> <p>Reports/ documents reviewed/ analysed</p> <ul style="list-style-type: none"> <li>• BERL economic update – December 2008,</li> <li>• Awatoru Programme, Goldman Sachs – Bric and Beyond, NZ institute "NZ on the edge: Swan dive or Belly Flop? A draft strategy for coming out of the crisis stronger."</li> <li>• BERL Quarterly report, KPMG Australia, MFAT business link update,</li> <li>• <b>The National Business review</b> "Maori/ Iwi Sector – The search for exciting companies."</li> <li>• <b>NZ Listener</b> best brightest and boldest power lists of the year's most influential people.</li> <li>• <b>Joint venture quota investment company:</b> 3 year plan summary presentation, "Quota Valuation – The driving factors."</li> <li>• <b>NZ Herald,</b> "Farming systems Uruguay capital raising put on hold." Science and innovation policy statement. "New Zealand winegrowers is celebrating a double-record breaking month for worldwide exports." New CRI- plant and food research institute. MAF briefing for incoming ministers. Tim Groser, Minister of Trade elect addresses NZ China Trade Association.</li> <li>• <b>NZ Insitute Essay,</b> "The end of the golden weather, December 2008- Decade of subdued global growth," 2008. Deloitte/ Unlimited Fast 50 awards list. NZTE monthly market report. Development High growth companies and NZ high case studies</li> </ul>	<p><b>Governance</b></p> <p><b>Invoiced: \$10,000</b></p> <ul style="list-style-type: none"> <li>• Preparation and distribution of 2 x Board Meeting papers and minutes.</li> <li>• Update project operating charter and Register of Interests</li> <li>• Draft 2009 Work programme and variation to contract schedules</li> <li>• Contract management and meetings and email communications with JPK on contract variations and payments.</li> </ul>
<p><b>Clusters</b></p> <p><b>Representative Hours: 320 Invoiced: \$80,000</b></p> <p>Documents developed or updated.</p> <ul style="list-style-type: none"> <li>• Due diligence question form &amp; assessment form,</li> <li>• Indigenous Leverage Beverage Cluster overview document,</li> <li>• International study programme ToR,</li> <li>• Draft letter of Authorisation,</li> <li>• Confidentiality agreement.</li> </ul> <p>Cluster development across following sectors:</p> <ul style="list-style-type: none"> <li>• Nutraceuticals, Honey &amp; Wellness; Wool &amp; Fibre products; Wine and ale products; Beef, Sheep, Kiwifruit, Dairy and offshore investment; Aquaculture and Seafood; Agribusiness training Systems</li> </ul> <p>Cluster meetings with:</p> <ul style="list-style-type: none"> <li>• Ngati Awa, Fibre Businesses, Tauranga Moana collective, Waituna Brewing co., Horticulture business, CEO Tohu Wines, Marino Nutraceutical group, Omega 3, Cosmeceuticals, Primary industry training group.</li> </ul>	<p><b>Strategy</b></p> <p><b>Representative Hours: 10 Invoiced: \$2,500</b></p> <p>Research and preparation of environmental scan paper to:</p> <ul style="list-style-type: none"> <li>• Provide an overview of the current economic setting</li> <li>• Leverage from the current situation and reports such as NZX &amp; NZ institute.</li> <li>• Draft terms of engagement for consultant to undertake due diligence, develop commercial plans and advice on RS&amp;T.</li> <li>• Meeting with NZ investment fund</li> <li>• Meeting with creative HQ, Grow Wellington Business incubator</li> <li>• Methodology developed for cluster participants.</li> </ul>

<p><b>Communications</b>  <b>Representative Hours: 120 Invoiced: \$30,000</b></p> <p>Meetings and engagement with:</p> <ul style="list-style-type: none"> <li>MFAT, NZTE, Mark Ahn, Tiaki Hunia (Ngati awa), Matt Crawford, Alana Hudson (MFAT), Alan Haronga (Mangatu/ Wi Pere), Tem Hall (Taupo Moana Group/ Putake), Manuka Henare (UoA), Te Horipo Karaitiana (Wairarapa Moana &amp; TMOA), Peter Charleton, Jamie &amp; Dion Tuuta (PKW Farms), Greg Harwood (Paihamu), Ali &amp; Kingi Hui (Baloo), Jane Kennedy (Horoirangi), FoMa executive, Tom Roger and Steven Tuawhare (IRL), Alan groves, Hugh King (FAME), Greg Sitters (Venture Capital), NZTE, Adrian Orr – Matt Whineray NZ Super Fund, Tumanako Wereta (Tuaropaki), Tu Wyllie (AFI), Adnan Lockhart (Tohu), Simon Burney (Waituna Brewing Co.), Phil O'Reilly (BusNZ), Will Wilson (Nga Puhi), Reece Moores (FRST), Karl Wilcox (Awatoru), Ngatata Love (Wellington Tenth), CRAG, Taari Nicholas, Waka Vercoe, Brian Ward (Smesynthes)</li> <li>Wayne Mulligan has been attending several meetings and conferences.</li> <li>KOHA magazine released.</li> </ul>	
<p><b>Analysis &amp; Research</b>  <b>Representative Hours: 122 Invoiced: \$30,500</b></p> <ul style="list-style-type: none"> <li>Reports/ documents reviewed/ analysed &amp; circulated</li> <li>BERL economic update;</li> <li>Awatoru programme, Goldman Sachs Bric and Beyond; "Angling for Fortune with Omega-3 fish waste venture."</li> <li>NZTE Market intelligence survey.</li> <li>NZ Institute "The emperor has no clothes: NZ's vulnerability in the face of the global economic crisis." "Heavy Mountain Weather: Funding risks for NZ and proposed solutions."</li> <li>NZTE Market intelligence briefing.</li> <li>Programme and Tekau plus presentation for Waiariki Maori economic Seminar;</li> <li>On the boil, Food trends document.</li> <li>Analysis of ASEAN FTA Documentation.</li> <li>Reports on Emerging Markets in China.</li> <li>Due Diligence conducted by independent reviewer for Tohu, NONO, Waituna and Taa Kawa international.</li> </ul>	<p><b>Governance</b>  <b>Invoiced: \$15,000</b></p> <ul style="list-style-type: none"> <li>Preparation and distribution of Board meeting and minutes</li> <li>Update project operating charter and Register of Interests</li> <li>Draft 18 month Forward work Programme with focus on cluster development an funding allocations</li> <li>Contract management</li> <li>Review and preparation for six monthly report</li> </ul>
<p><b>Clusters</b>  <b>Representative Hours: 220 Invoiced: \$55,000</b></p> <p>Cluster Development:</p> <ul style="list-style-type: none"> <li>Agricultural Cluster, Beverage cluster, Seafood Cluster, Sheep and Beef cluster, Horticulture cluster, Value add R&amp;D Cluster, Fibre cluster, Market Cluster.</li> <li>Negotiations and research into these clusters</li> <li>Cluster design and development meetings.</li> </ul>	<p><b>Strategy</b>  <b>Representative Hours: 24 Invoiced: \$6,000</b></p> <ul style="list-style-type: none"> <li>Cluster focus: Continue to build networks, work on developing clusters and strengthening communications to promote cluster propositions.</li> <li>NZ business delegations</li> <li>Wayne Mulligan attended ASEAN FTA in Thailand to promote Tekau plus</li> <li>Wayne to accompany PM to China</li> </ul>

Period: April, May, June 2009 (Schedule of services, memorandum meeting # 22, 28 July 2009)

<p><b>Communications</b>  <b>Representative Hours: 97.5 Invoiced: \$24,375</b></p> <ul style="list-style-type: none"> <li>Wayne Mulligan part of business delegation with PM Business trip to China</li> <li>Preparation of background information and drafting programme for Mr Gianluigi Zenti and Academia Barilla, to be hosted by Tekau Plus.</li> <li>Wayne Mulligan speaks at an economic development conference in Alberta, Canada</li> <li>Stakeholder meetings with: Primary industry taskforce, Awhina group, Tiroa Te Hape Trust, Toky Foods NZ Ltd, Mareroa C inc, NZTE, Earth 174, Aotearoa and Waituna Breweries, AgResearch, Scion and Biopolymer Network Ltd, NZ China trade association, Uniservices, Aotearoa Fisheries Ltd &amp; Awatoru, Auckland Business School, IBL.</li> </ul>	
<p><b>Analysis &amp; Research</b>  <b>Representative Hours: 134 Invoiced: \$33,500</b></p> <p>Cluster development research:</p> <ul style="list-style-type: none"> <li>Establishing soft network clusters;</li> <li>Working through issues with potential cluster participants;</li> <li>Developing a strategy for a clear strategy forward;</li> <li>Working through a detailed research and study programme;</li> <li>Developing the programme to meet the needs of stakeholders;</li> <li>Working on a business network approach to manage communication between cluster participants;</li> <li>Bigger picture value proposition;</li> <li>Ensuring offshore studies add value.</li> </ul> <p>Documents reviewed/ analysed:</p> <ul style="list-style-type: none"> <li>BERL forecasts, BERL "Gently does it"</li> <li>NZTE documents, NZ institute documents, Economist intelligence unit, Media articles distributed to Tekau plus board.</li> </ul>	<p><b>Governance</b>  <b>Invoiced: \$28,250</b></p> <ul style="list-style-type: none"> <li>Preparation and distribution of Board meeting and minutes</li> <li>Preparation and distribution of confidential cluster documentation to Board to support approval process.</li> <li>Prepare briefing paper for board meeting with Leith Comer.</li> <li>Prepare paper on role of overview panel</li> <li>Prepare documents to support Maori Trustee response to investment manager re: conflict of interest</li> <li>Contract management with TPK</li> <li>Meeting with TPK investment manager</li> <li>Update project operating charter and Register of Interests</li> <li>Provide Background papers to Rino Tirikatene</li> </ul>
<p><b>Clusters</b>  <b>Representative Hours: 213 Invoiced: \$53,130</b></p> <p>6 clusters:</p> <ul style="list-style-type: none"> <li>Beverages</li> <li>Gourmet food and ingredients</li> <li>Horticulture and Fibre</li> <li>Apiary</li> <li>Dairy organic cluster</li> <li>Bio-activities cluster</li> </ul>	<p><b>Strategy</b>  <b>Representative Hours: 19 Invoiced: \$4,750</b></p> <p>Tekau Plus Business plan strategy document developed and presented in draft to board</p> <ul style="list-style-type: none"> <li>Goal and value proposition</li> <li>Clusters and cluster proposition</li> <li>Timelines and resource allocations</li> <li>Summary and contact details</li> </ul> <p>Review added value benefits and prepare Report to board outlining 'Added Value' provided to date to Tekau Plus project and to Cluster participants</p>

<p><b>Communications</b></p> <p><b>Representative Hours: 189.5 Invoiced: \$47,375</b></p> <ul style="list-style-type: none"> <li>Wayne Mulligan speaking at an Economic Development Conference in Alberta.</li> <li>Mr Gianluigi Zenti visit to Wellington; Co-ordinated Tekau Plus meeting and lunch hosted by Leith Comer and Te Puni Kokiri Senior Management., Organise dinner with invited Ministers and other Maori Business leaders. Co-ordinate workshop and lunch with E Tipu committee and members of staff and board of Te Ohu Kaiwana.</li> <li>Go global conference- co-ordinated board meeting.</li> <li>Continuing stakeholder relationship meetings and position Tekau Plus cluster participants to FHC Pathway to China: eight companies going to China for the pathway package and food- Hotel China program.</li> </ul> <p><b>Stakeholder meetings:</b></p> <ul style="list-style-type: none"> <li>Industrial research Ltd, AgResearch, Uniservices &amp; Auckland business school, Seafood/Aquaculture cluster, Intergrated foods, Wi Pere Trust, Mangatu Inc, Tuaropaki, Tamarapa Lloyd, Project Manager of Primary Sector Committee, Awhina group, PKW, Te Wai Maori trust, E Tipu Task Force, Waituhi Kuratau, IRL-CEO, Tohu Wines, Big Picture Wine, FoRST, Minister of Trade, Aotearoa Breweries, NZ China trade association, TPK, Therapeutic foods, Israel ambassador, NZVE, Niwa, Te Awe Wellington Maori Business Network, Grow Wellington, CEO Icehouse.</li> </ul>	
<p><b>Analysis &amp; Research</b></p> <p><b>Representative Hours: 140 Invoiced: \$35,000</b></p> <p><b>Cluster Development Documentation:</b></p> <ul style="list-style-type: none"> <li>Working through issues with potential cluster participants to develop clearer picture of Tekau Plus fit.</li> <li>Detailed research and study programme.</li> <li>Business network approach to multiple cluster communication</li> <li>"Cycle of Innovation" to be presented to the Board.</li> </ul> <p><b>Following Documents reviewed / analysed:</b></p> <ul style="list-style-type: none"> <li>NZTE: New Zealand Organics Sector Profile, Organics Sector overview, Indigenous Branding.</li> <li>BERL Monthly monitor.</li> <li>Dr Malcolm Cone: Presentation to Tekau Plus Board.</li> <li>Watson &amp; Son Buzz word newspaper.</li> <li>Economist Intelligence Unit: China Forecasting &amp; China stimulus package 6 month report card.</li> <li>Documents relating to food and Hotel China Pathway package.</li> <li>NZ Middle East Business Council Newsletter.</li> <li>Various media articles and press releases</li> </ul>	<p><b>Governance</b></p> <p><b>Invoiced: \$23,250</b></p> <ul style="list-style-type: none"> <li>Preparation and distribution of 3x Board meeting and papers and minutes</li> <li>Preparation and distribution of Confidential Cluster documentation to Board to support approval process</li> <li>Contract management with TPK</li> <li>Email communications with Overview Panel</li> <li>Work with Maori Trustee to prepare 6 monthly report, including a section on Added Value as requested by the Board.</li> </ul>
<p><b>Clusters</b></p> <p><b>Representative Hours: 318 Invoiced: \$83,500</b></p> <ul style="list-style-type: none"> <li>Communicated Board decisions to all approved cluster participants and completed confidentiality agreements.</li> <li>Engaged independent reviewers to conduct due diligence reports for:</li> <li>Natures country gold Ltd., Maraeroa C Inc, Toku foods NZ Ltd, Aotearoa Seafoods Ltd, Navigator Tours Ltd, Earth 174 degrees, Taramea Ltd, Biopolymer Network Ltd. Biofarm Products Ltd, Watson and Murray Ltd, Watson &amp; Son Ltd.</li> <li>Due Diligence commissioned:</li> <li>Waituhi Kuratu Trust, Waituhi Kuratu Ltd, Matatoki Farm Cheese Ltd.</li> </ul>	<p><b>Strategy</b></p> <p><b>Representative Hours: 40 Invoiced: \$10,000</b></p> <ul style="list-style-type: none"> <li>Tekau Plus Business plan strategy document updated to reflect additional cluster participants approved for programme. A final and professionally designed public document will be available in the next quarter.</li> <li>Following comments by TPK investment manager on budget bids, reviewed Tekau plus programme to date and is preparing a programme continuation paper for consideration by the board for discussion with TPK.</li> </ul>

**Appendix Seven**

**Schedule of Commitments**

This schedule has been obtained from Andrea Williams and details the allocation by cluster of the forecasted expenses in this category for the project. Andrea has confirmed these are not irrevocable commitments but rather a forecast/budget of expenses to be incurred by Tekau Plus. These amounts have however been agreed in principle by the Tekau Plus Board and minuted accordingly.

Apiary Cluster	\$140,000
Manuka Med	
Northland Manuka Honey	
Beverage and Ales	\$70,000
Mata (Aotearoa Breweries)	
Waituna Brewing Company	
Tohu / Kono	
Indigenous Ale and Ingredient Cluster	
Kiwi Fruit Indigenous Branding Cluster Promotion	\$75,000
Awanui Huka Pak	
Indigenous Ingredient Cluster	\$100,000
Nature Gold	
Toku Foods NZ Ltd	
Aotearoa Seafoods Ltd	
Gourmet Food & Luxury Indigenous Visitor Experiences	\$30,000
Navigator Tours Ltd	
Aotearoa Seafoods Ltd	
Horticulture & Fibre Cluster	\$70,000
Maraeroa C	
Biopolymer Network Ltd	
Dairy Organic Cluster	\$75,000
Biofarm Products	
Bio Actives Cluster	\$100,000
Earth 174 Degrees	
Maraeroa C Inc	
Taramea Ltd	
Te Awanui Huka Pak	
<b>Total</b>	<b>\$660,000.00</b>

## Appendix Eight

### Restrictions

- The statements and opinions expressed in this letter are based on information available as at the date of this letter. The statements and opinions expressed herein have been made in good faith, and on the basis that all Tekau Plus supplied information relied upon is true and accurate in all material respects, and not misleading by reason of omission or otherwise.
- We have not conducted any form of audit in respect of Tekau Plus. Accordingly, we express no opinion on the reliability, accuracy, or completeness of the information provided to us and upon which we have relied.
- We reserve the right, but will be under no obligation, to review or amend this letter, if any additional information, which was in existence on the date of this letter, was not brought to our attention, or subsequently comes to light.
- This letter has been prepared for Te Puni Kokiri for the purpose of assisting its assessment of the outputs and expenditure resulting from the funding that has been provided to Tekau Plus. This letter is not to be used for any other purpose. We specifically disclaim any responsibility to any party other than the addressee and we accept no liability to Te Puni Kokiri should it be used for any purpose other than that stated above. This letter is not to be copied or released to any other party without our prior written consent for each party requesting its release.

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