

TE OHU
KAIMOANA



TE OHU KAI MOANA TRUSTEE LIMITED | ANNUAL PLAN 2006

1 October 2006 to 30 September 2007



**Tiakina te moana
Kia manaakitia ai te tangata**



Contents

Chief Executive’s Introduction	04
Strategic Focus Areas for 2006/07	05
Strategic Focus Area 1: Allocate and Transfer Assets to Iwi	08
Strategic Focus Area 2: Protect the Value and Sustainability of the Fisheries Settlement Assets	10
Strategic Focus Area 3: Manage Changes to Ensure the Te Ohu Kai Moana Group and Iwi Meet Future Challenges	15
Strategic Focus Area 4: Provide Optimal Governance of the Te Ohu Kai Moana Group	20
Planned Financial Statements	23
Planned Statement of Service Performance.....	24
Director Fees.....	27
Te Kawai Taumata Budget.....	28
Organisational Structure	29
Te Ohu Kai Moana Group & Takutai Trust Structure	30
Te Ohu Kai Moana Trustee Ltd – Governance Relationship Structure.....	31
Te Ohu Kaimoana Staff Structure	32
Board of Directors.....	33
Board Committees	34



Chief Executive Introduction



This annual plan provides the key activities for 2006/07 and is centered on four strategic focus areas. The allocation and transfer of fisheries settlement assets and protection of the value and sustainability of the settlement assets are two strategic focus areas.

We are aware that nothing is static. Managing and responding to change is perhaps the one constant in organisational life. Our third strategic focus area is concerned with the sound planning and management, including those changes that are the responsibility of Te Ohu Kai Moana (Te Ohu Kaimoana) Trustee and Trust.

Te Ohu Kaimoana has had significant results to date and as a result we must bring forward our discussions with iwi about their requirements for the future.

The challenge for Te Ohu Kaimoana and iwi is to be vigilant. As iwi increase their participation in the fisheries, fishing and fisheries-related activities, there must be no gaps or barriers created that place the fisheries settlement assets at risk.

We have dedicated the fourth strategic focus area to the governing body. This area is specifically focused on relationships and the governance and accountability responsibilities of the Te Ohu Kaimoana Board. The objective is the optimal governance of the Te Ohu Kai Moana Group¹.


As an organisation we are aware that we must consistently demonstrate the highest level of competence, skill and professionalism to maintain good working relationships with iwi and stakeholders as we work together to build upon the resource base created by the fisheries settlement assets.

Protect, develop, and grow the fisheries settlement assets to sustain the health and wealth of our iwi, hapu and whanau for the long-term is our goal. Our programme and activities for the coming year are tailored to this goal.

Naku noa, na

Peter Douglas, Chief Executive

¹ Te Ohu Kai Moana and every subsidiary, trust, or other entity over which it has effective control, including Aotearoa Fisheries Ltd and its sub companies, because in relation to that subsidiary, trust, or other entity, Te Ohu Kaimoana trustee controls, directly or indirectly, 50% or more of the votes; or appoints 50% or more of the directors, trustees, or office holders, as the case may be.



Strategic Focus Areas for 2006/07

Strategic Focus Areas for 2006/07

The operational objectives for 2006/07 centre on four strategic focus areas:

1. Allocate and transfer assets to MIO.
2. Protect the value and sustainability of the fisheries settlement assets.
3. Manage changes to ensure the Te Ohu Kai Moana Group (Te Ohu Group) and iwi meet future challenges.
4. Provide optimal governance of the Te Ohu Group.

Strategic focus area 1 captures the activities associated with the allocation and transfer of assets. Historically this area has been the key priority for Te Ohu Kaimoana and it will continue to be the immediate priority for the organisation this financial year.

Strategic focus area 2 is focused on those activities that centre on the long-term protection of the sustainability and the value of the fisheries settlement assets. This focus area is the organisation's key priority area this financial year. As the priority of strategic focus area 1 lessens with the transfer of assets, resources will be redirected to this strategic focus area. Ideally our staffing resources allocated to strategic focus areas 1 and 2 will work closely together to ensure our short, medium and long-term objectives are always aligned.

Strategic focus area 3 is focused on the management of changes that Te Ohu Kaimoana expects during the next 5 years. Managing and responding to change is perhaps the one constant in organisational life. It is essential that Te Ohu Kaimoana successfully delivers these changes. It is equally important to us that iwi understand these changes, and where appropriate are participants.

The changes expected within the Te Ohu Group over the next few years will not be as extensive as the change from the Commission to Te Ohu Kaimoana. In comparison the expected changes are small but do have resource and revenue implications for the Te Ohu Group. Examples of expected changes include the changing role of Te Ohu Kaimoana as assets are transferred, the capitalisation of trusts, the possible relocation of entities, the appointment of directors to the different entities, and the changes to governance and management relationships as entities evolve. Good planning and management of these changes are important for the board.

The activities involve project planning, process management, and ensuring the successful completion of the implementation phase. Governance functions and the provision of corporate services to the wider organisation are included in this strategic focus area. Irrespective of the changes to Te Ohu Kaimoana or to the Te Ohu Group, Te Ohu Kaimoana will retain its governance and corporate responsibilities.

Strategic focus area 4 is focused on the governing body, the Te Ohu Kaimoana Board. Optimal governance of the Te Ohu Group and the fisheries settlement assets is the priority of the Te Ohu Kaimoana Board.

The allocation and transfer of the fisheries settlement assets has been the priority of the Te Ohu Kaimoana Board, and will remain a top priority for the board. Maintaining good working relationships is paramount to the board. The directors are keen to assist Te Ohu Kaimoana progress discussion with iwi about the future role and activities they wish to pursue so that the board can be confident that the strategic direction for Te Ohu Kaimoana and the Te Ohu Group, is aligned to that of iwi, individually and collectively.

As the fishing and fisheries-related operational activities of strategic focus areas 1 and 2 are undertaken, strategic focus areas 3 will manage the strategic planning and directional changes, leaving the board to perform its governance function, unimpeded and confident with the level of support it is receiving from the trust.

Strategic Focus Area 1: Allocate and Transfer Assets to Iwi

Under this strategic focus area Te Ohu Kaimoana is responsible for the certification of iwi organisations. Certification requires Te Ohu Kaimoana to have established assessment tools and transparent processes and the flexibility to work with iwi at their request and pace, to ensure progress is achieved.

The allocation and transfer of assets to iwi requires Te Ohu Kaimoana to have established support systems and processes to enable the allocation and transfer of fisheries settlement assets to occur in an orderly and timely manner.

A significant part of the expenditure incurred in this strategic focus area relates to the governance and industry levies imposed on quota owners.

Strategic Objective	Operational Objectives	Performance Measures
1.1 Assist individual iwi to meet the requirements to become a MIO.	Continue to assist Recognised Iwi Organisations (RIOs) to achieve board recognition as MIOs.	At least 50 MIOs recognised by 1 October 2007. Iwi not yet mandated have an agreed path to become recognised as an MIO by the board of Te Ohu Kaimoana.
1.2 Allocate and transfer existing fisheries settlement assets to individual MIO.		Population assets for all 50 recognised MIO are transferred. At least 40% of coastline agreement assets transferred by 30 September 2007.
1.3 Systems kept current to allow allocation and transfer of fisheries settlement assets to individual MIO.	Use procedures in the Maori Fisheries Act to appropriately classify quota entering into the Quota Management System (QMS) during the year and on 1 October 2007. Analyse all catch data in harbours and the special Chatham's zone for that additional quota entering into the QMS to ensure it is able to be included in any allocation.	Processes to classify new fisheries quota operating routinely and effectively, as required. Processes to register new settlement quota operating routinely and effectively, as required. Processes to allocate and transfer quotas for new species under existing fisheries legislation operating smoothly.

Strategic Objective	Operational Objectives	Performance Measures
<p>1.4 Monitor and appropriately enforce restrictions on sales and exchanges settlement quota as required by the Maori Fisheries Act.</p>	<p>Implement the policy and procedures for swaps and exchanges of settlement quota shares and other quota in accordance with section 54 and 176 of the Maori Fisheries Act.</p>	<p>Monitoring and reporting mechanisms in place to cover swaps and disposal of settlement quota.</p> <p>Quota swaps policy operational.</p> <p>Settlement quota disposal processes developed.</p> <p>Settlement quota trading feasible.</p>
<p>1.5 Annual Catch Entitlement (ACE) transferred to RIOs and MIOs.</p>	<p>Continue to undertake ACE rounds for ACE arising from settlement quota shares that have not been transferred to iwi.</p> <p>Ensure processes are communicated to iwi in a timely manner.</p>	<p>ACE rounds for settlement quota still held by Te Ohu Kaimoana undertaken with clear processes that ensure RIOs/MIOs receive ACE in a timely manner.</p> <p>ACE rounds undertaken with clear processes that ensure iwi receive ACE in a timely manner.</p>
<p>1.6 Where necessary participate in disputes as required under the Maori Fisheries Act.</p>	<p>Explore ways of efficiently resolving all disputes.</p>	<p>All disputes are efficiently resolved.</p>
<p>Budgeted Direct Costs: \$3,335,000</p>		

Strategic Focus Area 2:

Protect the Value and Sustainability of the Fisheries Settlement Assets

Under this strategic focus area Te Ohu Kaimoana has a duty to protect and enhance the interests of iwi, individually and collectively, in the development of fisheries, fishing and fisheries-related activities.

Te Ohu Kaimoana considers it is vital to continue to have input into the development of government policy and fisheries management decisions to ensure that:

- sustainability of fisheries and the marine environment is assured and consistent with kaitiakitanga
- the rights secured by Maori under the Fisheries Settlement are retained
- the value of Maori fisheries assets is protected.

The government has yet to complete proposals for an Oceans Policy and we envisage the process will be ongoing. Other initiatives likely to require further involvement include initiatives by government to protect aquatic biodiversity, such as the Marine Protected Areas policy including policy on marine reserves, and standards for managing the effects of fishing. Te Ohu Kaimoana believes we should communicate well with the rest of the commercial sector, alongside recreational and non-commercial customary interests to find ways of working together at a national and QMA level. Further development of “proof of concept” fisheries plans could take place in this context.

Implementation of aquaculture management areas by regional councils will require the Ministry of Fisheries to assess the effects of proposals on fishing. Te Ohu Kaimoana will provide input into such assessments.

Iwi have interests that are affected by fisheries policy established at a regional level, such as the Pacific region. International examples include highly migratory species that can be fished in New Zealand waters. Te Ohu Kaimoana holds quota in some highly migratory species on behalf of iwi. Te Ohu Kaimoana will continue to monitor and where necessary respond to international fisheries policy/management initiatives that have the potential to affect iwi interests.

Te Ohu Kaimoana will continue to participate in government processes for fisheries management, including stock assessment and research working groups, and sustainability consultation processes. The Ministry of Fisheries (MFish) manages annual consultation processes that assess the sustainability of selected stocks. Te Ohu Kaimoana participates in stock assessment and research working groups, such as the shellfish and pelagic working groups and recreational fishing research working group, and comments on the apportionment of research costs between industry and the Crown. We also have input into other work being carried out on the effects of fishing on the aquatic environment – specifically seabirds, sharks and dolphins. Te Ohu Kaimoana will also make submissions on the Ministry’s annual Statement of Intent and cost recovery proposals.

Commercial Stakeholder Organisations (CSOs) represent the collective interests of quota owners. Te Ohu Kaimoana has participated in CSOs that manage species of significance to iwi, such as paua, rocklobster, hoki and orange roughy. We are also involved with other quota holders to establish new collective companies for other species such as surfclams, crabs and eels. We believe it is important that this work continues through ongoing participation by iwi and/or Te Ohu Kaimoana. Te Ohu Kaimoana will continue in this role while consulting on principles and processes for our future activities in this area.

The Fisheries Settlement consists of commercial and non-commercial elements. In practical terms, these elements have not been working together effectively to ensure that the two parts of the settlement complement each other, rather than cause conflict. Te Ohu Kaimoana will work with iwi to develop pilot initiatives such as iwi fisheries plans that take into account the interests of hapu as well as all iwi within quota management areas.

Te Ohu Kaimoana has also worked to ensure that iwi are able to exercise traditional use and management practices associated with whales. We will continue to provide advice on this matter where appropriate.

Strategic Objective	Operational Objectives	Performance Measures
<p>2.1 Advise iwi on responses to central and local government reforms, and advocate a collective response to government.</p>	<p>Oceans Policy</p> <p>Initiatives to protect:</p> <p>Aquatic biodiversity: (including Marine Reserves, the Marine Protected Areas Policy and standards for managing the environmental effects of fishing).</p> <p>Aquaculture: implementation of the aquaculture reforms as they affect Maori fisheries.</p> <ul style="list-style-type: none"> - Shared Fisheries Policy. - Ongoing development of “proof of concept” fisheries plans. - International fisheries 	<p>The generic performance measures that apply across this focus area 4 include:</p> <ul style="list-style-type: none"> - quality of advice - timeliness of advice - cost of advice. <p>Client satisfaction with the process, relationship and output.</p> <p>Policy changes with substantive effect on the use of entitlements from the Fisheries Settlement is identified to iwi with proposals to mitigate effect.</p>

Strategic Objective	Operational Objectives	Performance Measures
<p>2.1 Advise iwi on responses to central and local government reforms, and advocate a collective response to government.</p>	<p>Oceans Policy</p> <p>Initiatives to protect:</p> <p>Aquatic biodiversity: (including Marine Reserves, the Marine Protected Areas Policy and standards for managing the environmental effects of fishing).</p> <p>Aquaculture: implementation of the aquaculture reforms as they affect Maori fisheries.</p> <ul style="list-style-type: none"> – Shared Fisheries Policy. – Ongoing development of “proof of concept” fisheries plans. – International fisheries. 	<p>Advice provided by Te Ohu Kaimoana is consistent with the organisation’s position.</p> <p>Advice developed by Te Ohu Kaimoana is supported by iwi and lodged with relevant agencies in a timely fashion.</p> <p>Iwi are informed of or involved in the development of Te Ohu Kaimoana advice in appropriate ways, including through:</p> <ul style="list-style-type: none"> – receiving draft submissions for comment – hui on major issues – participation in working groups of iwi members with expertise in particular issues. – informal updates and discussion with iwi as part of related work projects.

Strategic Objective	Operational Objectives	Performance Measures
<p>2.2 Advising on any issues that materially affect iwi interest arising from government marine management and advocate a collective response to government.</p>	<p>MFish stock assessment working groups, research planning groups, sustainability rounds and other management proposals, cost recovery and Statement of Intent.</p> <p>MFish led fisheries planning initiatives.</p> <p>Research: Te Ohu Kaimoana will work with research providers to assist them to identify research that supports the sustainable utilisation of fisheries resources by iwi and Maori. Continue ongoing participation in the governance of long term objective based research (NIWA).</p>	<p>Nature and extent of required services for the 1 October and 1 April fishing years successfully explored.</p> <p>Active membership of the research co-ordinating committee to determine what research is needed to be undertaken.</p> <p>Fisheries management activities are demonstrably effective, as supported by iwi.</p> <p>Iwi satisfied with the progress on all issues in which Te Ohu Kaimoana has been involved.</p>
<p>2.3 Represent iwi interests in key CSO.</p>	<p>Participating in industry (i.e. SeaFIC and CSO initiatives, such as paua industry management plan.</p> <p>Develop criteria and processes for future involvement by Te Ohu Kaimoana in fisheries management processes.</p>	<p>Fisheries management activities are demonstrably effective and supported by iwi.</p> <p>Clear criteria and processes for Te Ohu Kaimoana's ongoing involvement with CSOs, have been established.</p>
<p>2.4 Assist iwi to give expression to their customary rights.</p>	<p>Facilitate the implementation of the customary fisheries regulations, in part through involvement in the development of collaborative fisheries management plans.</p> <p>Work with the Department of Conservation to progress protocols relating to traditional use and management practices associated with whales.</p>	<p>Substantial progress towards developing an appropriate and practical framework that has wide iwi acceptance.</p>

Strategic Objective	Operational Objectives	Performance Measures
<p>2.5 Work with iwi to assess whether any proposed Aquaculture Management Area (AMA) will affect the use of settlement quota.</p>	<p>Oppose any applications that have undue adverse effects on the use of that settlement quota.</p> <p>Input into the Mfish assessment of the AMA proposals – specifically the effects of the proposals of the settlement assets.</p>	<p>Iwi satisfied with the progress on all issues in which Te Ohu Kaimoana has been involved.</p> <p>Oppose any applications that have undue adverse effects on the use of that settlement quota.</p>
<p>Budgeted Direct Costs: \$658,000</p>		

Strategic Focus Area 3:

Manage Changes to Ensure the Te Ohu Group and Iwi Meet Future Challenges

Strategic area 3 is focused on sound planning and management of any change Te Ohu Kaimoana is responsible for. This includes the development of tools and the management of the processes associated with the preparation, planning, and implementation of the strategic direction set by the board. The corporate and governance functions sit within this strategic focus area.

Entities within the Te Ohu Group will evolve and while the changes are not major they do have a significant impact on the resources (funding, capacity, capability and possibly location) of the Te Ohu Group. It is essential that every change is well planned, executed smoothly and that all parties with an interest, are involved or at least informed, at the appropriate time, and in the most appropriate manner. Key is to ensure that whatever changes occur, iwi and Maori are not disadvantaged.

The expected changes in the near future include: the capitalisation of Wai Maori and Te Whakatupu, incremental changes to Te Ohu Kaimoana's work programme and resources as iwi assets are transferred and individual iwi decide what role they will have in the future. As individual iwi determine their future role Te Ohu Kaimoana will be required to assess the situation to ensure that any emerging gaps and issues are identified and addressed. Healthy relationships based on trust and open communication remains essential as all parties move from the current situation towards the medium to long-term outcome.

Te Kawai Taumata operates independently of Te Ohu Kaimoana. However the process to establish the foundation for Te Kawai Taumata is the responsibility of Te Ohu Kaimoana. The budget and the level of support provided to Te Kawai Taumata is to be discussed and agreed by the Chair of Te Ohu Kaimoana and the Chair of Te Kawai Taumata. It is likely that the agreements for 2006/07 will be finalised before this plan is distributed.

Good relationships are key to the completion of successful change. It is our intention to be inclusive without becoming a burden to iwi. We want to ensure that as we all move forward we do so flawlessly and without straining our relationships with iwi.

Strategic Objective	Operational Objectives	Performance Measures
3.1 Capability Development	<p>Continuation of the current capability development work.</p> <p>Development of an information resource base that covers the various areas that require capability development.</p> <p>Use the information resource base to contribute to the capability discussions with iwi.</p> <p>Discussions with MIOs, AHCs and IAOs to identify their capability expectations of Te Ohu Kaimoana - to assist in the growth and increasing the value of their assets.</p>	<p>Individual iwi aware of the range of activities required of owners of fishing assets.</p> <p>Iwi and Maori organisations satisfied with the provision of capability information from Te Ohu Kaimoana.</p> <p>Effective and cooperative working relationships between Te Ohu Kaimoana and MIOs, AHCs and IAOs.</p>

Strategic Objective	Operational Objectives	Performance Measures
<p>3.2 Te Ohu Kaimoana meets the changing environment to best serve the needs of iwi.</p>	<p>The medium to long term scope of Te Ohu Kaimoana’s overview role in fisheries issues and activities is agreed internally.</p> <p>Medium to long term priorities, issues and activities of Te Ohu Kaimoana are classified by category and priority.</p> <p>Te Ohu Kaimoana has an agreed strategy to communicate with iwi, including the distribution of relevant information, in a coherent and timely manner that does not unduly burden iwi.</p>	<p>Te Ohu Kaimoana’s current and medium-term roles and responsibilities agreed in principle.</p> <p>Category and priority list of activities is completed by June 2007.</p> <p>Completion of a communication strategy to keep iwi and stakeholders informed in a timely manner.</p> <p>Iwi and Te Ohu Kaimoana working in collaboration to protect and enhance the settlement assets.</p>
<p>3.3 Te Ohu Kaimoana functions and activities correctly understood and practically applied within a culture of communication and collaboration with iwi.</p>	<p>Development of a communications strategy to keep iwi updated about the functions and strategic intent of Te Ohu Kaimoana.</p> <p>Any resource changes to the internal capability of Te Ohu Kaimoana are managed to ensure Te Ohu Kaimoana fulfils its responsibility, including that of a good employer.</p> <p>Level of resource and budget are identified for all functions and activities.</p>	<p>Te Ohu Kaimoana’s medium to term role is clear and supported by iwi.</p> <p>Te Ohu Kaimoana is adequately resourced to enable it to meet its responsibilities.</p> <p>Institutional knowledge maintained.</p> <p>Long-term funding planned in consultation with iwi.</p>

Strategic Objective	Operational Objectives	Performance Measures
<p>3.4 Delivering on the strategic direction set by the board, including the management of effective working relationships.</p>	<p>Annual planning and accountability chart completed and distributed to entities of, or closely associated to, the Te Ohu Group.</p> <p>The initial transfer of information about the range of activities delivered by Te Ohu Kaimoana to at least 70% of MIO and RIO.</p> <p>Routine communication mechanisms developed and implemented competently.</p>	<p>The strategic planning process is inclusive of and understood across the Te Ohu Group.</p> <p>Te Ohu Kaimoana strategic plan informs key stakeholders of the organisation's medium-term role.</p> <p>The initial transfer of information to MIO about the range of activities delivered by Te Ohu Kaimoana is completed.</p> <p>Relationship frameworks and correct tools in place to ensure iwi relationships operate effectively.</p> <p>Entities of the Te Ohu Group have effective relations with MIO and representative Maori groups, to enable agreements to be reached that assist with current and future interests.</p>
<p>3.5 Facilitate the process required for the audits and reviews.</p>	<p>Prepare the timetable and project specifications for the initial audits of the entities.</p> <p><i>No work required for the reviews this financial year.</i></p>	<p>Initial audits timetabled.</p> <p>Project management plan for the first audit of entities completed for review by the board.</p> <p>Results of the first audit of entities distributed to iwi.</p>
<p>3.6 Te Kawai Taumata</p>	<p>Establish Te Kawai Taumata and develop support mechanisms.</p> <p>Facilitate initial discussion between the Chair of Te Ohu Kaimoana and the Chair of Te Kawai Taumata – to agree the level of support and funding to Te Kawai Taumata.</p>	<p>Te Kawai Taumata operating independently.</p> <p>The members of Te Kawai Taumata are satisfied with the level of support provided by Te Ohu Kaimoana.</p>

Strategic Objective	Operational Objectives	Performance Measures
<p>3.7 Te Putea Whakatupu (Te Whakatupu) Trustee and Trust</p>	<p>All TOKM Charitable Trust programmes completed and transferred to Te Whakatupu Trust.</p> <p>Assist the Capability Manager and trust co-ordinator to develop and analyse the options for the trust, including the implications for Te Ohu Kaimoana resource, should the trust capitalise at any point between 2006 and 2010.</p> <p>Clear criteria exist for investments in capability development programmes.</p> <p>Develop policies for Te Ohu Kaimoana governance and oversight of Te Whakatupu.</p>	<p>Te Whakatupu Board are fully informed and providing leadership to the work undertaken.</p> <p>Te Whakatupu is in a position to receive \$20m by 1 October 2010.</p> <p>Te Whakatupu investment programmes are demonstrably effective.</p> <p>Policies for Te Ohu Kaimoana's governance and management completed.</p>
<p>3.8 Te Wai Maori (Wai Maori) Trustee & Trust</p>	<p>Assist the Capability Manager and the trust co-ordinator to develop and analyse the options for the trust, including the implications for Te Ohu Kaimoana resource, should the trust capitalise at any point between 2006 and 2010.</p> <p>Wai Maori – pathway to capitalisation established and initial discussions held with Te Ohu Kaimoana.</p> <p>Develop policies for Te Ohu Kaimoana governance and oversight of Wai Maori.</p>	<p>Wai Maori Board is fully informed and providing leadership to the work undertaken.</p> <p>Policies for Te Ohu Kaimoana's governance and management completed.</p>

Strategic Objective	Operational Objectives	Performance Measures
3.9 Management Accountability	<p>Preparation and publication of the annual plan and annual report.</p> <p>Review of the strategic plan.</p>	<p>Plans and reports completed on time and within budget for approval by the board.</p> <p>Iwi have an adequate timeframe (four weeks minimum) to read and comment on the draft annual plan for 2007/08.</p> <p>The updated version of the strategic plan (undertaken in 2005/06) is distributed to iwi by end of calendar year 2006.</p> <p>Review of the strategic plan outputs completed by end of August 2007.</p>
Budgeted Direct Costs: \$3,660,000		

Strategic Focus Area 4:

Provide Optimal Governance of the Te Ohu Kai Moana Group

This strategic area is centred on activities of the Te Ohu Kaimoana Board and is primarily concerned with the governance responsibilities and accountability of the Te Ohu Group. This includes the development of effective working relationships, accountability to iwi and Maori, optimal management of assets and investments, and ensuring adequate resource levels are approved by the board to enable Te Ohu Kaimoana to carry out its functions and responsibilities this financial year.

Strategic Objective	Operational Objectives	Performance Measures
4.1 Ensure Te Ohu Kaimoana's oversight of AFL is robust without impeding AFL's ability to operate a commercially viable business.	<p>The Chair of Te Ohu Kaimoana and the Chair of AFL review the liaison protocols for Te Ohu Kaimoana and AFL.</p> <p>The Chief Executive's of Te Ohu Kaimoana and AFL continue to meet regularly to discuss the strategic operations of AFL, as part of the implementation of the wider settlement.</p>	<p>Scope of AFL activities understood and agreed.</p> <p>Prior to the expiry of AFL directors' term of office, review the performance of the AFL Board.</p> <p>Target for shareholder value set and benchmarked.</p> <p>Evaluation methodology for AFL income shares established for use by iwi.</p> <p>Independent reporting by Te Ohu Kaimoana to iwi on AFL's performance.</p> <p>Fisheries management activities for AFL assets effectively operated.</p> <p>Defined and appropriate processes for shareholder consultation and oversight, operating effectively and adding value.</p> <p>Reporting by AFL demonstrates it has met its statutory and constitutional obligations to collaborate with iwi to mutual commercial advantage.</p>
4.2 Directly hold and manage other assets of Te Ohu Kaimoana including those not yet allocated to individual iwi on their behalf.	Set targets for shareholder value set.	Targets for shareholder value set and benchmarked.

Strategic Objective	Operational Objectives	Performance Measures
4.3 Governance of Wai Maori effectively delivers on its statutory role.	Monthly reports provided to the Board (as part of the Te Ohu Kaimoana Trust monthly report). Agreed relationship protocols.	Governance, management and accountability boundaries agreed by Te Ohu Kaimoana Board and the Wai Maori Board. Wai Maori has an agreed long-term vision and delivery programme.
4.4 Governance of Te Whakatupu effectively delivers on its statutory role.	Monthly reports provided to the board (as part of the Te Ohu Kaimoana monthly report). Agreed relationship protocols.	Governance, management and accountability boundaries agreed by Te Ohu Kaimoana Board and the Te Whakatupu Board Te Whakatupu has an agreed long-term vision and delivery programme.
4.5 Effective working relationships between Te Kawai Taumata and Te Ohu Kaimoana.	Te Kawai Taumata and the Te Ohu Kaimoana Board have agreed communication processes.	Te Kawai Taumata and the Te Ohu Kaimoana Board have agreed communication protocols in place. Processes, support and communication applied to effectively deliver their respective roles.
4.6 Demonstrate accountability to iwi and Maori.	Planning and reporting processes operating smoothly. Implementation of the accountability framework.	All planning, recording and reporting processes operating effectively, efficiently and in accordance with the Maori Fisheries Act.

Strategic Objective	Operational Objectives	Performance Measures
<p>4.7 Delivering on strategic direction - including the management of roles, boundaries and relationships within the Te Ohu Group.</p>	<p>Two strategic planning sessions undertaken this financial year. Assess the Te Ohu Group performance against respective strategic and business plans.</p>	<p>The Te Ohu Group progress against the strategic and annual plans is on track.</p>
<p>4.8 Te Ohu Kaimoana is adequately resourced to carry out its responsibilities.</p>	<p>Longer term capacity requirements determined and documented for board review.</p>	<p>Te Ohu Kaimoana internal capability and funding is reasonably resourced to meet its statutory requirements.</p>
<p>Budgeted Direct Costs: \$1,128,000</p>		



Planned
Financial Statements
2006 – 2007

Planned Statement of Service Performance

	<i>Planned Direct Costs 2007</i>	<i>Planned Direct Costs 2006</i>	<i>Unaudited Actual Direct Costs 2006</i>
	<i>\$000</i>	<i>\$000</i>	<i>\$000</i>
<i>Allocation & Transfer</i>			
Transfer Existing Assets	715	189	77
System Readiness/System Current	95	55	10
Iwi Quota Trading	58	80	35
ACE Rounds	1,669	3,306	3,294
MIO Approvals	628	809	565
Coastline Agreements	50	85	4
Asset Management - Te Ohu Kaimoana	5	10	9
Disputes Processes	115	145	42
<i>Total Allocation & Transfer</i>	<u>3,335</u>	<u>4,679</u>	<u>4,036</u>
<i>Protect Asset Value</i>			
Policy Reforms	463	138	115
Fisheries Management & Representation	87	112	114
Customary Rights	108	70	11
<i>Total Protect Asset Value</i>	<u>658</u>	<u>320</u>	<u>240</u>
<i>Manage Changes</i>			
Capability Development	187	410	20
Trust Establishment	-	20	5
External Reporting & Accountability	455	345	346
Te Kawai Taumata	171	175	4
Internal Capability	2,847	5,683	4,785
<i>Total Manage Changes</i>	<u>3,660</u>	<u>6,633</u>	<u>5,160</u>

Planned Statement of Service Performance

	<i>Planned Direct Costs 2007</i>	<i>Planned Direct Costs 2006</i>	<i>Unaudited Direct Costs 2006</i>
	\$000	\$000	\$000
<i>Governance</i>			
Governance	1,128	-	-
Total Governance	1,128	-	-
Total Operating Costs	8,781	11,632	9,436
<i>Revenue</i>			
ACE Round Revenue	4,821	7,312	7,709
Interest Received - Investments	6,733	6,314	7,179
Interest Received - Taxation Refunds	-	761	1,226
Overheads Recovered - Takutai Trust	497	548	377
Overheads Recovered - Te Wai Maori Trust	64	37	31
Overheads Recovered - Te Putea Whakatupu	95	59	49
Overheads Recovered - AFL	133	139	139
Total Revenue	12,342	15,171	16,710
Surplus/(Deficit)	3,561	3,539	7,274
Capital Expenditure	-	250	293

In 2006 Human Resources and Facilities costs are charged directly to Internal Capability.

In 2007 Human Resources and Facilities costs have been allocated across the four strategic focus areas to give a better indication of the actual operating costs of each area.

Planned Statement of Financial Performance

	2007 Plan	2006 Plan	2006 Unaudited Actual
<i>Revenue</i>	\$000	\$000	\$000
ACE Income	4,821	7,312	7,710
Interest Income	6,733	6,314	7,179
Overhead Recovery	789	784	595
Total Income	12,342	14,410	15,484
<i>Operating Expenditure</i>			
Facilities & Rental	584	697	600
Human Resources	3,217	3,486	2,891
Travel & Accommodation	419	371	374
Professional Services	842	1,450	623
Iwi Assistance	430	325	178
Directors	315	315	337
Te Kawai Taumata Members	53	0	0
Information & Publications	113	168	85
Representation Services	76	210	61
Quota Related Fees & Levies	1,699	3,416	3,355
Reporting & Accountability	610	669	450
Administration	244	334	287
Depreciation	180	191	195
Total Operating Expenditure	8,781	11,632	9,436
<i>Surplus/(Deficit)</i>	3,561	2,777	6,048
Add: Abnormal Items			
Tax refunds relating to TOWFC	0	761	1,226
Surplus/(Deficit)	3,561	3,539	7,274

Director Fees

Te Ohu Kai Moana Trustee Ltd

Chair	\$80,675
Deputy Chair	\$50,000
Non-executive Director	\$40,000

Te Putea Whakatupu Trustee Ltd

Chair	\$15,000
Director	\$8,000

Te Wai Maori Trustee Ltd

Chair	\$15,000
Director	\$8,000

Te Kawai Taumata Budget

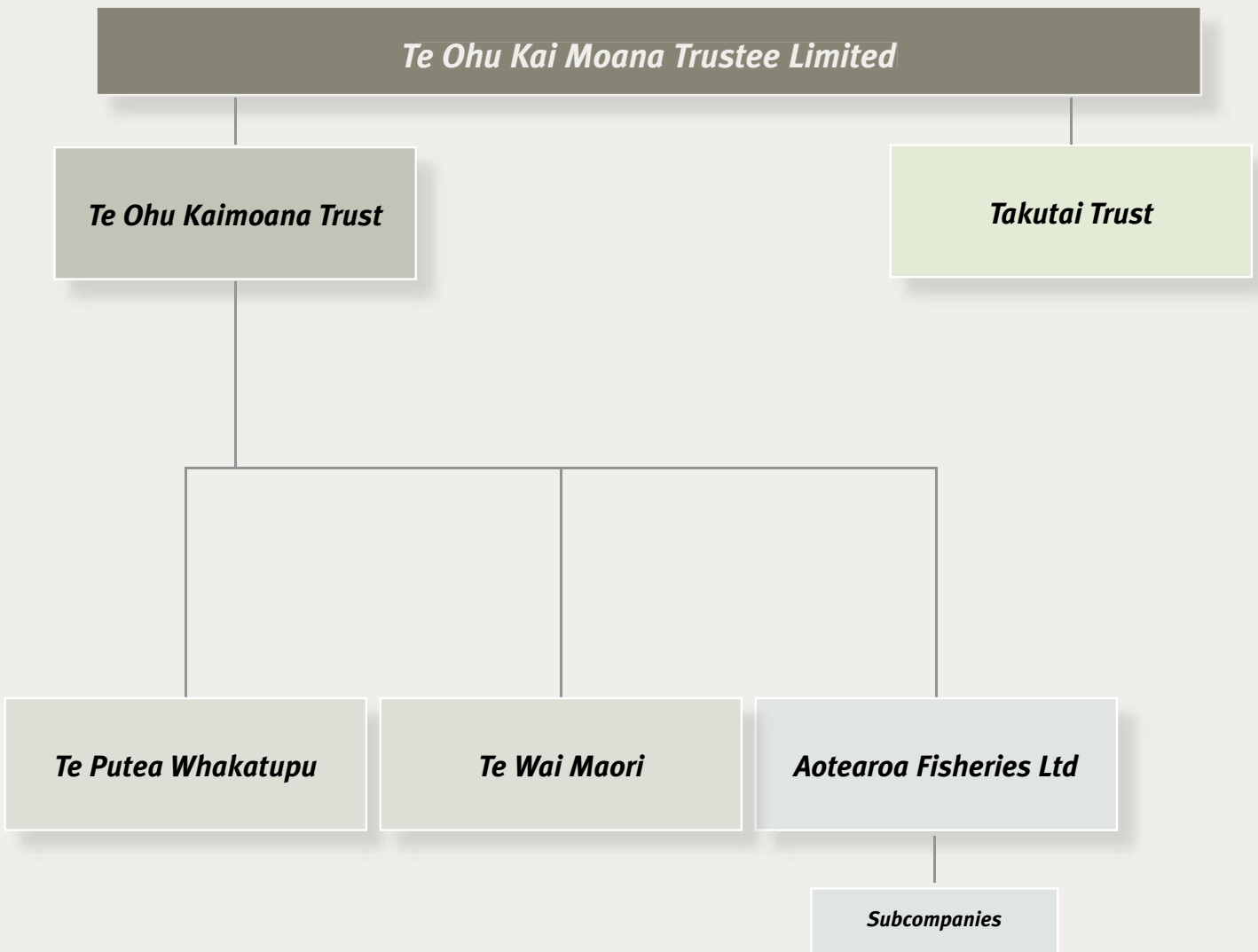
*The budget for 1 October 2006 – 30 September 2007
is \$171,350.00*

The Chair of Te Ohu Kaimoana, the Chair of Te Kawai Taumata and the Chief Executive of Te Ohu Kaimoana are currently holding discussions to determine the provision of administration services, the budget for the expenses of Te Kawai Taumata and the remuneration for members of Te Kawai Taumata.

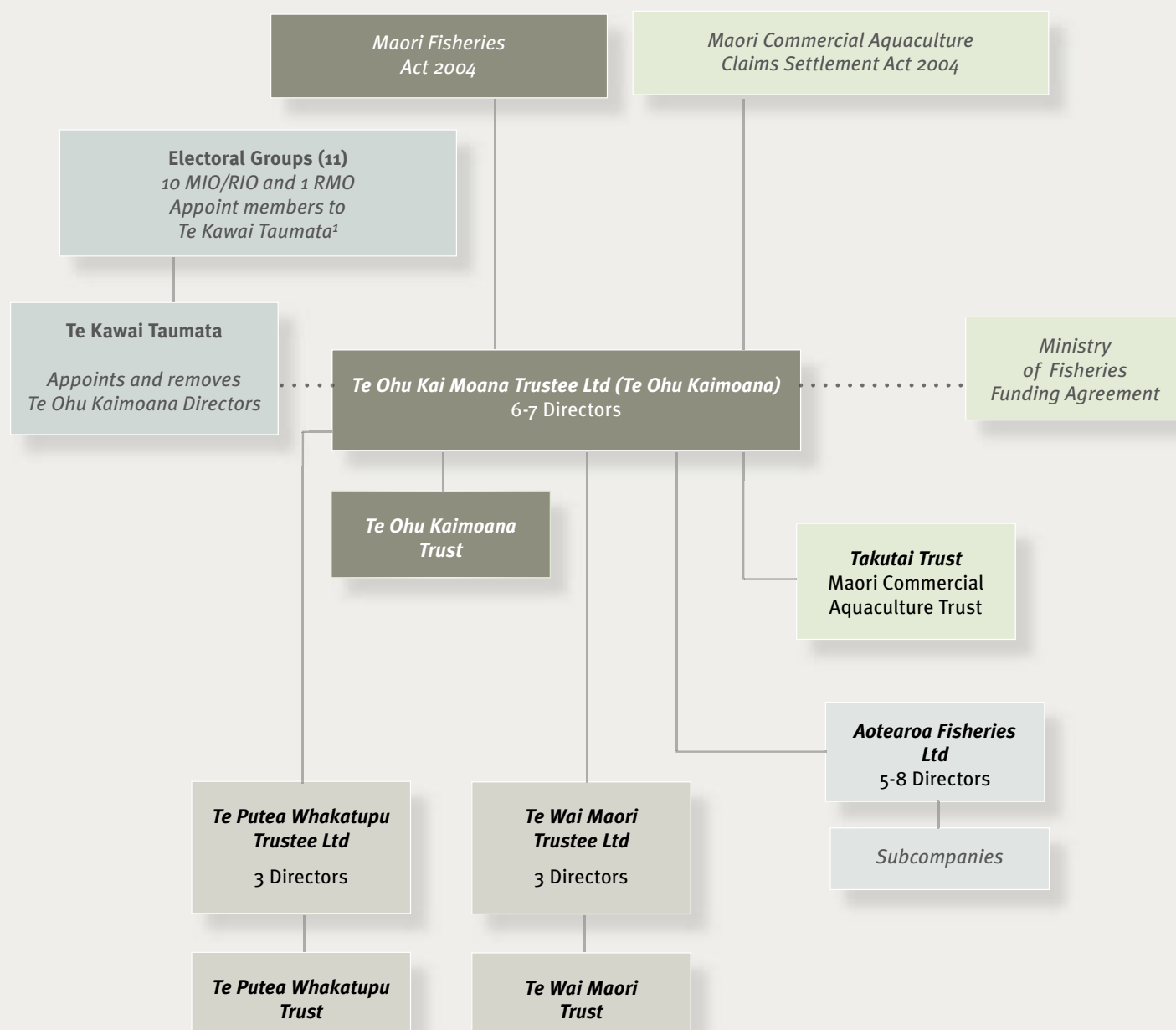


Organisational Structure

Te Ohu Group and the Takutai Trust Structure

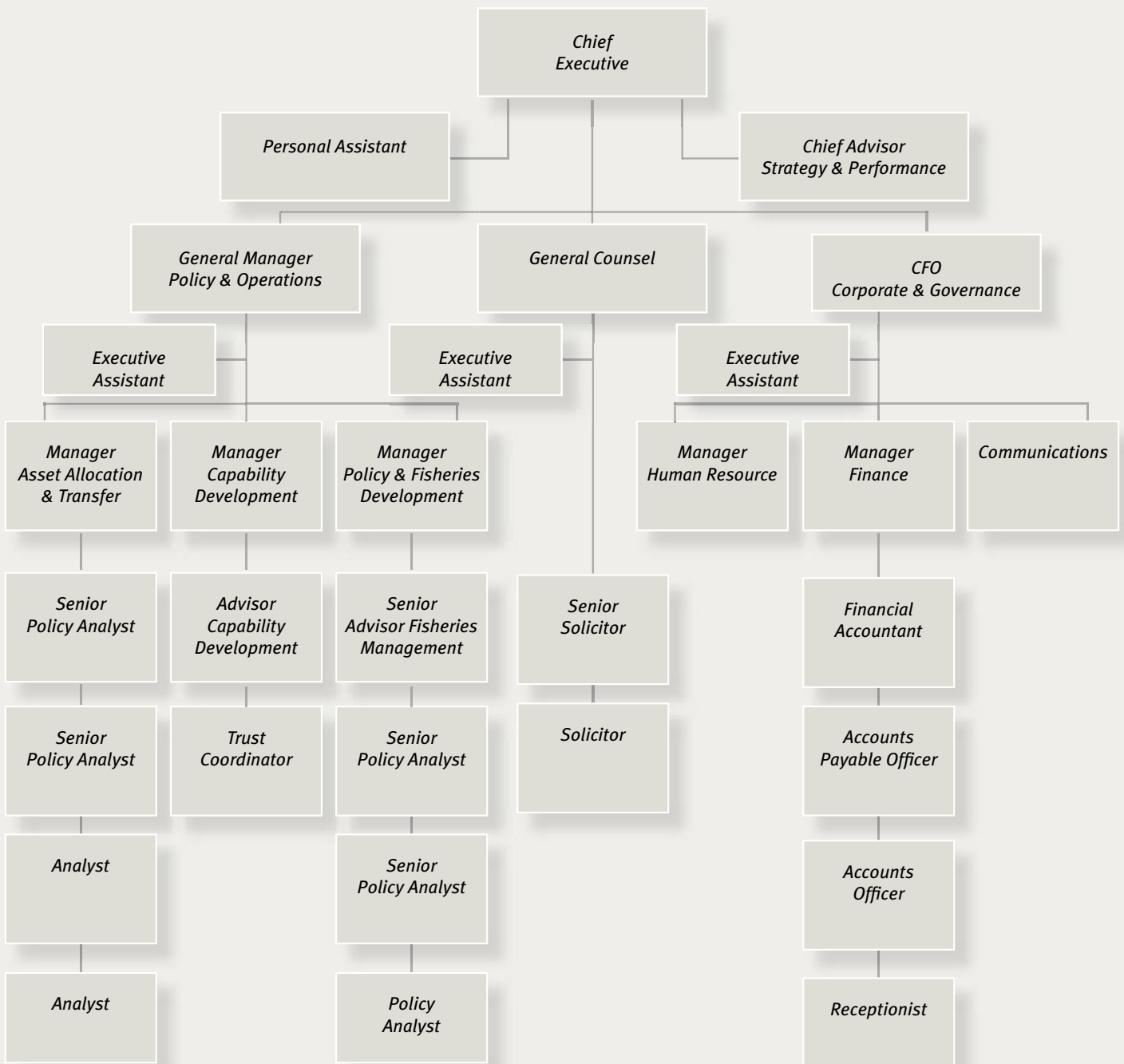


Te Ohu Kai Moana Group – Governance Relationship Structure



(1) MIO = Mandated Iwi Organisation | RIO = Recognised Iwi Organisation | RMO = Representative Maori Organisation

Te Ohu Kaimoana Staff Structure



Executive Management

Peter Douglas	Chief Executive
Peter Whittington	Chief Financial Officer
Craig Lawson	General Manager - Policy and Operations
Tamarapa Lloyd	General Counsel

Board of Directors



Shane Jones (Chair)
Ngai Takoto, Te Aupouri



Rangimarie Parata Takurua
Ngai Tahu, Ngati Kahungunu



Archie Tairaoa (Deputy Chair)
Ngati Haua, Ngati Kurawhatia,
Te Ati Haunui-a-Paparangi,
Ngati Tuwharetoa,
Ngati Apa, Ngati Maru



Dame Georgina Kirby
Ngati Kahungunu



Koro Wetere
Tainui



Rob McLeod
Ngati Porou

Alternate Director



Fred Cookson
Te Arawa-Ngati Uenukukopako,
Ngati Kahungunu

Board Committees

Audit Committee



Rob McLeod



Rangimarie Parata Takurua



Fred Cookson

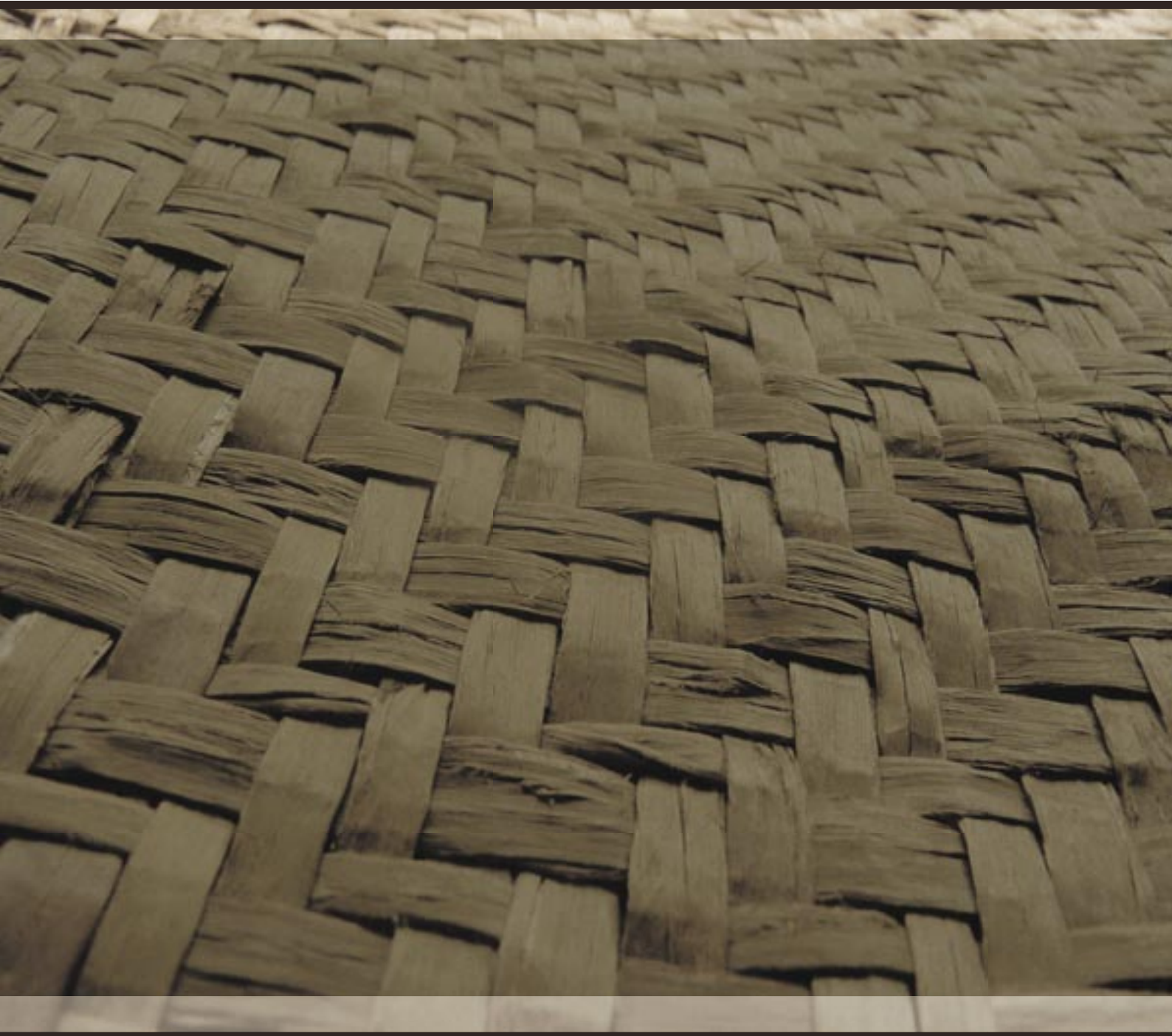
Remuneration Committee



Shane Jones



Archie Taiaroa



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