WAITUTU INCORPORATION

MINUTES OF THE ANNUAL GENERAL MEETING

23 September 2023 at 1.30 pm
Held at the Garden Hotel, 110 Marshland Road, Shirley, Christchurch.

1 **Welcome**: Janice (Jan) Cushing – Chairperson, opened and welcomed everyone to the meeting.

2 **Present**:
- 5 Committee members and 1 secretary (names listed below under "Pepeha").
- 60 Attendees
- 22 via zoom

3 **Health and Safety**: Dene Cole

4 **Opening Karakia**: Dene Cole

5 **Pepeha**: Committee members and secretary:
Jan Cushing (Chairperson), Linda Te Nahu (Secretary), Sue McKenna, Miles Dunnett and Dene Cole gave their Pepeha.
Daniel Gale did not sit with the Committee.

6 **Formal Welcome**: Jan formally welcomed everyone to the 2023 AGM and gave remembrance to those not able to be with us as well as those affected by the floods around the motu. Jan explained the meeting was being recorded and welcomed those who were able to join the meeting via zoom – this being the first Annual General Meeting with a zoom connection for shareholders to observe.

TPK Fund: Jan pointed out that the Incorporation had been successful in gaining a $98,000 Whenua Grant which will provide formal Governance training for the Committee and advice on the roles and responsibilities of running an Incorporation.

7 **Apologies:** Wayne Kiriona, Karen Reed, Ivy Johnston – Ivy McGaughey Whanau Trust, Lisa Cushing, Harley Cushing, Carolin Perkins**,** Grenville Hampstead, Maureen McArthur.

8 **Confirmation and Matters Arising from the Previous Minutes – 2022**

Motion: (Jan Cushing) "I move that the Minutes be taken as read and approved as a true and correct record."

Seconder: Brett Weir CARRIED

Matters Arising

Diane Holloway asked from the floor if it had been noted in the minutes that the meeting had not finished, and that General Business had not been held. The Chair – Jan Cushing, acknowledged that it was not written into the minutes. Jan Cushing noted it as a correction to the Minutes.

Further Corrections: Jan Cushing referred the meeting to Page 2 of the previous minutes on Proxies. This was an incorrectly recorded correction to the 2021 Minutes: "The Minutes recorded that Jan told the meeting that two people who had been appointed as Proxies were not shareholders, inferring that they are not able to be appointed as a Proxy." Jan Cushing requested that the phrase "inferring that they are not able to be appointed as a proxy" be removed as that was narrative added by the secretary (L Gale) when the minutes were written up. Jan Cushing made no such inference.

Motion: (Jan Cushing) I move that the phrase "inferring that they are not able to be appointed as a proxy" be removed from the minutes.

Seconder: Rodney Green CARRIED

Rodney Green raised a question in relation to the elections for the Committee on Page 4. He wondered if it had been truncated as he questioned if more nominations had been received. Leonie Gale clarified the question by pointing out that nominations had been received by two other nominees and that Miles Dunnett spoke on behalf of Dene Cole and Jan Cushing spoke on behalf of Brian Simon. Leonie Gale was the third nominee.

9 **Apologies from the floor**: Peter Woods, Johnathan Woods, David Gale, Jennifer Gale.

10 **Share Valuer**

Jan Cushing pointed out that a share valuer is appointed each year regardless of whether they are required to carry out any work.

Motion: (Jan Cushing) "I move that Bay Audit and Accounting Ltd be appointed as the Share Valuer."

Seconder: Daniel Gale CARRIED

Discussion to the Motion: Jack Radford raised a point in relation to a question that was put to the Committee of Management at last year's Annual General Meeting, - if any of the Committee of Management had purchased shares? – it was confirmed at that meeting, that one member had. The speaker then asked if a share valuer had been used as the basis for determining the value of those purchased shares and if the transferer had been informed of the value of the shares before selling.

Jan Cushing responded by outlining the process that had been administered by the previous Secretary (L Gale) whereby a "List of people wanting to buy shares" was held at the registered office. The list was not known to the Committee at that time. The Committee declared the process be disestablished immediately. The Chairperson requested the secretary provide the list to the Committee. Several weeks following this request the secretary stated that the list had subsequently been shredded and could not be provided as there was only one paper copy and the secretary could not recall any of the names on the list.

Jack Radford made a request for the matter of shares having been previously purchased by a Committee of Management member, be investigated further and that the outcome be reported back at the next AGM.

Rodney Green made a request that there be certainty with having the shares valued and have a commitment from the Committee that this will be carried out. Jan Cushing stated that the shares will be valued.

11 **Chairperson's Report:** Jan Cushing read this report.

Motion: Jan Cushing moved that the Chairperson's report be taken as read.
Seconder: Richard Manning CARRIED

12 **Financial Statements**

The Financial statements were approved by the Committee of Management and copies had been distributed to members.

Motion: Jan Cushing moved that the Financial Statements be taken as read and received.

Seconder: Daniel Gale CARRIED

Discussion to the motion: Richard Manning asked if independent advice had been taken as the recent performance of the managed funds were less than 1%. He felt that it was prudent to ensure the funds were balanced between the investments in order to ensure a growing putea. Jan Cushing pointed out that input from shareholders was always welcome and soon Deloitte Māori Services would be able to also offer financial advice.

Jack Radford asked for clarification around the investment portfolios where a significant amount of the funds have been in short term investments – often low interest. Jack Radford asked the previous Finance Committee how and why such decisions were made. Daniel Gale answered the question by stating that the decisions from the Finance committee at that time, were based on a 50/50 ratio to ensure a balance of investments occurred.

Audits - Judy Bolton asked for clarification surrounding Audits and made a request for an audit be carried out on a regular basis. Jan Cushing responded by pointing out that an annual Audit is not required for a Māori Incorporation – however; Jan did point out the need for an independent audit in order to have clarity around the previous management of the accounts.

Further discussion was carried out by various shareholders present continuing to ask for an audit to ensure transparency, accountability and that trust and confidence in the Committee of Management be restored. Jan Cushing reminded the meeting, that the Committee would be seeking advice and help from Deloitte relating to the need to have a robust accounting system with an appropriate style of Audit for the Incorporation.

Items in the Accounts – Martin Smith requested further explanation relating to some of the items in the accounts – in particular the amount of leave paid that had not been previously noted in the accounts. Jan Cushing responded by clarifying Martin's questions in particular the issues relating to the leave amount. Jan pointed out that the leave had not be taken nor had the amount been shown as a liability in the accounts.

Dardanalle McLean-Smith – requested an explanation as to how the Governance operated within a Māori Incorporation and then asked for further explanation relating to the leave and why it was paid out. Jan Cushing gave a detailed account of Maori Incorporation Governance and the regulations that govern. Jan continued to explain that the amount for legal fees was high due to the request for Lawyers opinions relating to issues discussed at Committee meetings as well as HR matters.

Further discussion was held relating to unexplained expenses shown on the accounts.

Leonie Gale asked "What is the item of staff expenses when we have only got two staff and that's covered by wages." Jan Cushing explained the current situation. Leonie Gale clarified that

she was asking about staff expenses shown in the accounts that were incurred prior to 31 March 2023. Leonie Gale continued with questions; it was pointed out that as she was the secretary at the time these accounts were recorded and prepared, she would be the person who could answer these questions. Jan Cushing asked Leonie Gale if she would like to tell the meeting what these expenses were. No explanation was given.

Discussion continued around finance matters. Jan Cushing explained that she, as the Chairperson, was still not able to speak to Craigs Investments or Forsyth Barr about the Incorporations share portfolios that are jointly worth some 13.5 million dollars because the account documentation must be signed by Leonie Gale and Daniel Gale. Leonie Gale has signed one form but will not sign the other; Daniel Gale will not sign either. Jan Cushing presented the two documents at the meeting and invited Daniel Gale and Leonie to come forward to sign them; they both declined. Jan Cushing has the matter sitting with the Maori Land Court to progress the matter.

Motion: - (Judy Bolton) "That the Incorporation has last years accounts audited as soon as possible".

Seconded: Rodney Green CARRIED

13 **Payment of Dividend**

Motion: - Jan Cushing moved that the Dividend be paid at $90.00 gross per share.

Seconded: Judy Bolton CARRIED

Discussion: - Rodney Green pointed out that the Incorporation investments had unrealised losses of $700,000 during the last financial year and that the Dividend will be paid when the Incorporation had a loss and not a profit. A contributing factor to this unrealised loss was the $514,770 loss attached to the "Revaluation of Portfolio Investments" as shown on page 5 of the 2022-23 financial accounts. As shares devalue in this manner; their valuation can also increase in the future as markets return to higher levels. Jan Cushing clarified the matter by reporting that there were enough funds available to pay a Dividend following advice from the accountant. It is an unrealised loss

Dardanalle McLean-Smith – felt it was inappropriate to have discussion relating to Dividends when so many of the shareholders are still unfound. Jan outlined the process currently in place to locate the unfound shareholders such as the share register now being on the website and other ways are being considered.

Diane Holloway spoke about having been to the Māori Land Court where they advised Diane to look at Māori Land online to see if any of the Unfound Shareholders have succeeded to other lands – that way addresses from the Māori Land Court will be obtained.

14 **Presentation by Department of Conservation**

A presentation was given by Colin Bishop and Lydia McLean. The focus of the presentation was on giving an update on the history and background about what makes the place so special as well as the work DoC carries out and where they are heading over the next few years. The DoC representatives pointed out that "things are going well – but need to be continued with ongoing monitoring." Informative data and graphs were presented showing levels of predator tracking; pre control levels; post control levels; the methodology of the bait drops carried out by a

number of helicopters using GPS systems to monitor the coverage; with 65,000 hectares being covered in 2020. The next control programme will be carried out early in 2024.

Dardanalle McLean-Smith thanked DOC for their very informative presentation and the mahi they are currently carrying out on our whenua. Clarification was requested around the engagement with DOC in relation to the covenant agreement. Colin Bishop gave a clear explanation regarding the power of the covenant agreement with the crown and how it enables continued funding and mahi to happen on Waitutu whenua in regards to predator control.

Dardanalle McLean-Smith made a request for inter-generational enhancement and protection programmes of the forest to happen in the future. This request related to rangitahi in particular.

Sue McKenna spoke briefly about her vision to develop such programmes in order for rangitahi to connect with their whenua and learn about the history of SILNA lands.

Bait drop Question in relation to the monitoring of the water supply once this had been carried out. Assurance was given by DOC that the water supply is regularly monitored, and samples taken and checked.

Jan Cushing thanked Lydia and Colin for their presentation which was extremely well received and generated much discussion.

15 **Voting**

Special Resolution: Jan read out the special resolution moved by Leonie Gale.

Jack Radford challenged the wording of the resolution and called for it to be withdrawn. Further discussion was held surrounding the resolution with various comments from the floor about the need to vote on the resolution.

The proposed resolution lapsed due to no seconder and lack of support.

Ordinary Resolution: Jan read out the ordinary resolution moved by Diane Holloway.

Seconder: Richard Manning CARRIED

Ordinary Resolution: Diane spoke briefly in support of her resolution that only Committee members with portfolios that do the mahi should receive the remuneration of $5000 per annum. Further support was given from Dardanalle and Richard Manning who spoke about the remuneration amount being a good starting point.

Diane Holloway amended her resolution to read the following:

"That the Committee members be paid remuneration for their work on our behalf. I suggest $5000 per year each and a further amount for each formal meeting to be $200 per meeting, taxable to be reviewed annually."

16 **Elections for the Committee**

Six of the seven committee nominees gave a brief profile speech.

- Miles Dunnett
- Terry Nicholas – Terry's profile was presented by Jan Cushing due to Terry being in Japan on business.
- Brett Weir
- Rodney Green
- Tim Dyer

- Kurt Scoringe – Kurt's profile was presented by Dardanalle McLean-Smith (cousin) due to Kurt being overseas.
- Daniel Gale had left the meeting and did not present his profile.

17 **Appointment of a Scrutineer**

Jan Cushing moved that "Chris Evans be appointed as Scrutineer for the counting of votes for the election of the Committee members".

Seconder: Judy Bolton CARRIED

18 **Voting**

Jan Cushing outlined the procedure for filling out the voting forms. The forms were completed by shareholders and proxy holders and collected for counting.
Votes were counted by the secretary with the Chairperson and Scrutineer present to assist.

19 **Waitutu Lodge Manager Report**

Alan McLeod delivered his Lodge Report to the meeting which covered his role and passion for Waitutu. This report was well received by the attendees as was his outstanding poem "Poupou Waitutu".

20 **Maori Land Court Report**

Jan Cushing read out the following report to the meeting: The Application to investigate the Incorporation.

"Richard Manning, Trustee of Stuart Manning Whanau Trust and Diane Holloway, Trustee of the George and Lylla Skerrett Whanau Trust have applied to the Māori Land Court for an investigation of the Waitutu Incorporation under Section 280 of the Te Ture Whenua Māori Act 1993. The Application is made against the Incorporation and the Waitutu Holding Company Ltd. The Application initially did not have the required threshold of correctly documented shareholder support for the Application. The documentation has since been corrected and the further Application filed with the Court. As part of the Application the Applicants seek the suspension of the now former Chair and Secretary – Daniel Gale and Leonie Gale from the Waitutu Incorporation and the Waitutu Holding Company and be replaced with a custodian trustee pending a thorough investigation and enforcement of payment against the Company for the Longwood forest cutting rights including interest. We note that Leonie Gale has resigned as a committee member from the Incorporation while Daniel Gale remains a Committee Member being up for re-election today. Both are still Directors of the Waitutu Holding Company.

Legal Representation

The committee has engaged Hamilton based legal firm McCaw Lewis to provide legal representation for these proceedings. The former Lawyers, Greenwood Roche, were unable to continue to act as they also represent the Holding Company – this gave rise to a potential conflict of interest.

Since engaging McCaw Lewis the Committee has taken legal advice on these matters and continue to receive advice in relation to the proceedings.

Jan Cushing read the following statement. As the matter is ongoing we are not in a position to share further details at this stage.

Update on Application

On 28 March 2023, McCaw Lewis filed a notice of change of representation with the Court to advise the Court of the new legal representation. Our Lawyers have sought regular updates from the court since then about the progress of the application. They have also sought updates from the Applicants' Lawyers and are awaiting a response from them about the current status about the Application given that Daniel Gale and Leonie Gale are no longer Chairperson and Secretary of the Incorporation. On 13 September 2023, McCaw Lewis received an update from the case manager for the Application confirming that we will be copied into all future correspondence for the matter.

At this stage, we remain in the court's hands as to the timing and progress of the Application. If the Application continues the Incorporation will need to file an updated statement of position and evidence and the Hearing will likely need to be held.

Discussion:

Diane Holloway asked if the Incorporation had withdrawn their opposition. Jan Cushing replied by stating that she had been advised by McCaw Lewis to not make any further comments at this stage as we are awaiting direction from the Maori Land Court Judge.

21 **General Business**

Brent Fraser made a request that there be an audit of the proxy votes from today. A motion was then put forward as follows:

Motion: - (Brent Fraser) "That the Proxy Votes of the election of the Committee of Management nominees for the 2023 Waitutu Incorporation AGM be audited."

Seconder: Judy Bolton CARRIED

Diane Holloway spoke about her desire to have the registered office in the South Island rather than up north.

Discussion:

Jack Radford outlined the need for the Committee to embed new systems and procedures before making other such changes.

Further discussion surrounded the retrieval of files from the previous registered office.

Future Meetings

A request was made to look at having all the AGM meetings being held in the same centre in New Zealand. Discussion continued around the value of having the zoom facility whereby all shareholders, wherever they live throughout the world, are able to join the AGM.

Placing a Moratorium on the trading of any Shares

A suggestion was made by Richard Manning that there be a moratorium of the trading of any shares until such time as the Committee has developed a policy and bought it back to the owners to then vote on. Richard then elaborated further on the possibility of shares being retired back to the Incorporation, then removed as it may increase the value for the remaining shareholders.

Closing Karakia by Sue McKenna

The Meeting closed at 5.30 pm

Results of the Committee of Management Election

	Votes For
○ Miles Dunnett	40
○ Terry Nicholas	30
○ Kurt Scoringe	25
○ Tim Dyer	24
○ Rodney Green	22
○ Daniel Gale	21
○ Brett Weir	12

The successful candidates duly elected to the Committee of Management:
Miles Dunnett
Terry Nicholas
Kurt Scoringe
Tim Dyer

Minutes signed by: _____ Date: 3 December 2023
Chairperson: *JL Cushing*

_____ Date: 3 December 2023
~~Secretary OR~~ Committee Member: *SM McKenna*