

20 October 2025

Jonathan Gibbard
Northland Regional Council
As recipient for the Kaipara Moana Remediation Joint Committee
Private Bag 9021
Whangarei 0148

AGREED-UPON PROCEDURES REPORT ON THE KAIPARA MOANA REMEDIATION PROGRAMME

To Jonathan Gibbard

The Auditor-General is the auditor of Northland Regional Council (the '**Council**'). The Auditor-General has appointed me, Bennie Greyling, using the staff and resources of Deloitte Limited, to perform the procedures agreed with you, and outlined below, on his behalf.

Purpose of this agreed-upon procedures report and restriction on use and distribution

In accordance with our engagement letter dated 9 May 2025, we have performed the procedures agreed with you in connection with the expenditure incurred by Northland Regional Council in its capacity as agent or recipient for the Joint Committee for the Kaipara Moana Remediation Project (the '**Project**' or the '**subject matter**').

The agreed-upon procedures engagement is intended solely for the purpose of assisting the Council as agent for the Joint Committee to report certain financial information in the Annual Report to the Ministry for the Environment (the '**Ministry**' or '**MfE**') who has provided funding to the Joint Committee as outlined in the Kaipara Moana Remediation Deed of Funding dated 8 February 2021 (the '**funding deed**'). The financial information reported is set out in clause 4.2(c) of the funding deed and covers the period from 1 July 2024 to 30 June 2025 (the '**Period**').

Our report is intended solely for your exclusive use and solely for the purpose set out above. We understand that a copy of our report has been requested by MfE solely for the purpose of assessing your compliance with the funding deed. We agree that a copy of our report may be provided to MfE for their information in connection with this purpose but, we do not accept any duty, liability or responsibility to MfE in relation to our report.

It is for you and MfE, to assess both the procedures and our factual findings to determine whether they provide, in combination with any other information you have obtained, a reasonable basis for any conclusions which you wish to draw on the subject matter.

Our report is not to be used for any other purpose, recited or referred to in any document, copied or made available (in whole or in part) to any other person without our prior written consent. We accept or assume no duty, responsibility or liability to any party, other than you, in connection with our report or this engagement, including without limitation, liability for negligence in relation to the factual findings expressed or implied in our report.

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Our report on factual findings was completed on 20 October 2025 and our findings are expressed as at that date.

Responsibilities of Council as agent for the Joint Committee

The Council, as agent for the Joint Committee, have acknowledged that the agreed-upon procedures are appropriate for the purpose of the engagement.

The Council, as agent for the Joint Committee, are responsible for the subject matter on which the agreed-upon procedures are performed.

Auditor's responsibilities

We have conducted the agreed-upon procedures engagement in accordance with the International Standard on Related Services (New Zealand) 4400 *Agreed-Upon Procedures Engagements* ('ISRS (NZ) 4400'). An agreed-upon procedures engagement is limited to only performing the procedures that have been agreed with you and reporting the findings, which are the factual results of the agreed-upon procedures performed. We make no representation regarding the appropriateness of the agreed-upon procedures.

This agreed-upon procedures engagement is not an assurance engagement. Accordingly, we do not express an opinion or an assurance conclusion.

Had we performed additional procedures, other matters might have come to our attention that would have been reported.

Independence and quality management

When carrying out the engagement, we complied with:

- The Auditor-General's independence and other ethical requirements of Professional and Ethical Standard 1 issued by the New Zealand Auditing and Assurance Standards Board;
- The Auditor-General's quality management requirements, which incorporate the quality management requirements of Professional and Ethical Standard 3 issued by the New Zealand Auditing and Assurance Standards Board.

In addition to this engagement, we performed the audit of the annual financial statements and performance information of the Council, and assurance engagements pursuant to clauses 6.2 and 10.2(g) of the Debenture Trust Deed, and maintenance of the register of security stock. We have also provided a fraud and corruption risk assessment and fraud and corruption risk focussed detection analytics. These services have not impaired our independence as auditor of the Council. Other than these engagements we have no relationship with or interests in the Regional Council or its subsidiaries and controlled entities.

Procedures and findings

The procedures were performed solely to assist you in meeting your purpose outlined above. The procedures performed and the factual findings obtained are in Appendix 1.

Yours faithfully



Bennie Greyling
Deloitte Limited
On behalf of the Auditor-General
Auckland, New Zealand
20 October 2025

APPENDIX 1: Factual Findings

To perform the agreed upon procedures below we obtained the Annual Report for Northland Regional Council for the year ended 30 June 2025 (**'Annual Report'**) that will be submitted by the Council to the Ministry pursuant to clause 4.1 and 4.2 of the funding deed. We also obtained relevant general ledger records for the Project from the Council.

As per the funding deed, Northland Regional Council and Auckland Council are Member Parties (**'Member Parties'**).

General procedures	Findings
1. Agree the total amount recorded as expenditure in the Annual Report to the relevant general ledger records for the Project obtained from the Council. Report any differences identified.	Total expenditure reported in the Annual Report is \$11,706,959 Total expenditure reported in the Project general ledger is \$11,706,959 No differences identified
2. Agree the total amount recorded as Member Party contributions in the Annual Report to the relevant general ledger records for the Project obtained from the Council. Report any differences identified. For the Member Party contributions in the Annual Report, also report its composition (if relevant).	Total Member Party contributions in the Annual Report is \$2,481,605 which includes both cash and in-kind contributions. Total Member Party contributions reported in the Project general ledger is \$2,481,605. No differences identified
3. Agree the total amount recorded as grant funding invoiced and received from the Ministry, and the amount of grant funding not spent as presented in the Annual Report to the relevant general ledger records for the Project obtained from the Council. Report any differences identified.	Total grant funding invoiced and received from the Ministry reported in the Annual Report is \$14,152,289 with \$7,030,732 of the grant funding remaining unspent as at 30 June 2025. Total grant funding invoiced and received from the Ministry reported in the Project general ledger is \$14,152,289; with \$7,030,732 of the grant funding remaining unspent as at 30 June 2025. No differences identified
4. Agree the total amount recorded as funding contributions from other sources as presented in the Annual Report to the relevant general ledger records for the Project obtained from the Council. Report any differences identified.	Total funding contribution from other sources reported in the Annual Report is \$3,945,290. Total funding contributions from other sources in the Project general ledger is \$3,945,290. No differences identified.
5. Agree the following amounts as presented in the Annual Report to the relevant general ledger records for the Project obtained from the Council: (i) grant monies received from the Ministry, as per the reconciliations/confirmations received from the Ministry; (ii) expenses paid with the grant monies during the Period as per the Annual report; and (iii) any interest received, as per the Annual report, by the Council on the grant. Report any differences identified or confirm with management if any items are not applicable.	We have agreed the following amounts from the Annual Report to the Project general ledger: (i) grant monies received from the Ministry of \$12,310,796 as per the confirmation received from the Ministry. (ii) expenses paid with the grant monies of \$5,853,479 during the Period as per the Annual Report. (iii) Management confirmed that the Council did not receive interest on the grant during the Period. No differences identified.

Grant Funding	Findings
6. Agreed each of the grant funding receipts for the Period, as recorded in the relevant general ledger records for the Project obtained from the Council to: (i) bank statements; and (ii) invoices provided to the Ministry. Report any differences identified.	We obtained the Project general ledger record of the grant funding receipt for the Period. There are four grant funding receipts transactions recorded in the Project general ledger for the Period, and we have traced each of the grant funding receipts to the bank statements and to the invoices provided to the Ministry. No differences identified.
Member Party Contributions	Findings
7. Agree each of the Member Party contributions for the Period from 1 July 2024 to 30 June 2025, as identified to us by Council management in the relevant general ledger records for the Project obtained from the Council to invoices or equivalent supporting documentation provided by the relevant Member Parties. For purposes of performing this procedure: • Confirm with management that Member Party contributions compromise of cash and in-kind contributions. • Report the Member Party contributions identified by Council management and its composition where relevant as well as the equivalent supporting information provided. Report any differences to equivalent supporting documentation inspected. • Where relevant, for costs paid directly by the Council, obtain a transaction listing for this balance from the Council and select 5 samples randomly to trace through to the invoices. • When tracing Member Party contributions to supporting information, exclude any in-kind contributions that is tested in Procedures 9 and 10.	Per discussion with management, Member Party contributions compromise of cash and in-kind contributions. Furthermore, cash contributions are made up of: (i) cash paid directly to the Kaipara Moana Remediation Programme (bank account transfers) (ii) invoices and payroll costs paid directly by the Council and Auckland Council (relating to work fully attributable to the Kaipara Moana Remediation Programme). We obtained the Project general ledger of the relevant Member Party cash contributions for the Period. Total Member Party contributions from Auckland Council are \$1,240,802. This is made up of: (i) Cash receipts of \$1,235,315 - we have agreed it to the invoices provided and to equivalent supporting documentation (in the form of bank statements). (ii) Costs paid directly by Auckland Council of \$5,487 – we have agreed it to equivalent supporting documentation (in the form of confirmation) provided by Auckland Council (iii) Cash payments of NIL. Total Member Party contributions from the Council are \$1,240,802. This is made up of: (i) Cash receipts of \$NIL (ii) Costs paid directly by the Council of \$1,409,937 – we have obtained a transaction listing for this balance and have selected 5 samples randomly and traced these through to the invoices. (iii) Cash payments of \$181,865 – we have agreed it to equivalent supporting documentation (in the form of the Memorandum of Understanding between all parties) provided by the Council. No differences identified.

Funding Contributions from other sources	Findings
8. Using a random number generator, select a sample of 13 funding contributions from other sources from the relevant general ledger records for the Project obtained from the Council. For each of the samples selected, agree the contribution to: (i) bank statements if received in cash, and (ii) invoices or equivalent supporting documentation. Report any differences identified or confirm with management if any items are not applicable. For purposes of this procedure, funding contributions from other sources comprise of interest earned on unspent funds and landowner in-kind contributions.	Council management confirmed that the Council did not receive interest earned on unspent funds during the Period. Per the general ledger records for the Project, the total landowner in-kind contributions amount to \$3,945,290. For the landowner in-kind contributions, using a random number generator, we selected a sample of 13 samples. For each of the sample selected, we agreed to bank statements and invoices or equivalent supporting documentation. No differences identified.
Project Expenditure - in-kind contributions	Findings
9. Using a random number generator, select a sample of 36 project expenditure - in-kind contributions from the relevant general ledger records for the Project obtained from the Council. Agree each of the samples selected to the corresponding invoices or other supporting documentation where appropriate. Report any differences identified. 10. For each sample selected in Procedure 9, obtain an explanation from Council management as to whether this expenditure is appropriate under the requirements of the funding deed. Report only instances where Council management indicates that expenditure is not appropriate under the funding deed and include details of the nature of expenditure as described in the related invoice.	Per the general ledger records for the Project, the total project expenditure - in-kind contributions amount to \$4,618,164. For the project expenditure - in-kind contributions, using a random number generator, we selected a sample of 36 samples. For each of the sample selected, we agreed to the corresponding invoices or other supporting documentation where appropriate (i.e. timesheets). No differences identified. For each sample selected in Procedure 9, we obtained an explanation from Taka Skipwith (Financial Accountant) and Stephanie Versteeg (Strategic Business Manager) as to whether this expenditure is appropriate under the requirements of the funding deed. No differences identified.