

**MORIORI IMI SETTLEMENT TRUST**  
**PERFORMANCE REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2020**

# **MORIORI IMI SETTLEMENT TRUST**

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**MORIORI IMI SETTLEMENT TRUST**  
**TRUST DIRECTORY**  
**FOR THE YEAR ENDED 30 JUNE 2020**

<b>Address:</b>	Kopinga Marae Waitangi Wharf - Owenga Road Chatham Islands
<b>Date of Trust Deed:</b>	3 December 2018
<b>Nature of Activities:</b>	The Hokotehi Moriori Trust first obtained Crown recognised mandate in November 2003. The mandate was reconfirmed following hui-a-Moriori and a public submissions process in March 2016. The Hokotehi Moriori Trust and Crown entered into an Agreement in Principle in August 2017. The Moriori Imi Settlement Trust has been established by the Moriori Imi for the purpose of receiving and managing the settlement redress and governance over the Trust assets.
<b>Trustees:</b>	Grace Le Gros Maui Solomon Paul Solomon Sharon Wadsworth Thomas Lanauze
<b>Accountants:</b>	Findex NZ Limited Wellington
<b>Auditors:</b>	Crowe Wellington
<b>Bankers:</b>	ANZ
<b>Charity Group:</b>	CC57749

**MORIORI IMI SETTLEMENT TRUST**  
**ENTITY INFORMATION**  
**FOR THE YEAR ENDED 30 JUNE 2020**

<b>Legal Name:</b>	Moriori Imi Settlement Trust
<b>Type of Entity:</b>	Trust
<b>Purpose/mission:</b>	Moriori Culture is defined by the concepts of unity, peace and sharing. The nature of the activities undertaken by the Moriori Imi Settlement Trust is the relief of cultural "poverty" or "need" of all Moriori through the preservation, revival, support and promotion of Moriori identity, culture, language and heritage.
<b>Structure:</b>	The Trust is governed by a Board of Trustees who are charged with complying with the provisions of the Trust Deed. There are no management personnel.
<b>Main sources of cash and resources:</b>	The Trust is due settlement funds from the government of \$18 million. \$3.6m of this has been received to 30 June 2020, with the remainder due after the government passes the Moriori Imi settlement bill into law.
<b>Methods used to raise funds:</b>	The Trust does not externally fundraise.
<b>Reliance on volunteers and donated goods or services:</b>	The Trustees of the Trust are unpaid and therefore effectively donate their services. The Trust does not rely on any donated goods.

**MORIORI IMI SETTLEMENT TRUST**  
**STATEMENT OF SERVICE PERFORMANCE**  
**FOR THE YEAR ENDED 30 JUNE 2020**

**Description of the Entity's Outcomes:**

The objectives of Moriori Imi Settlement Trust ("MIST") are the relief of cultural "poverty" or "need" of all Moriori through the preservation, revival, support and promotion of Moriori identity, culture language and heritage including:

- To rebuild, reclaim and revive Moriori culture, heritage and identity.
- To promote better understanding and educational awareness among Moriori and the wider general public of Moriori culture, heritage and identity.
- To promote and foster better understanding of the Moriori legacy of peace.

**Description of the Entity's Outputs:**

The following grants to members were approved by the trustees in order to achieve the aims of MIST (note grants are recorded by MIST in accordance with MIST's accounting policy where grants are recorded in the year when these are approved by the Trustees and actual payment could be in the following year)

Recipient	Purpose	Actual This Year
Hokotehi Moriori Trust	Settlement Deed signing costs	100,000
TOTAL		100,000

**MORIORI IMI SETTLEMENT TRUST**  
**STATEMENT OF FINANCIAL PERFORMANCE**  
**FOR THE YEAR ENDED 30 JUNE 2020**

	Note	2020 \$
<b>Revenue</b>		
Interest Received		780,342
Grant - Ministry of Justice		100,000
<b>Total Revenue</b>		<b>880,342</b>
<b>Less Expenses</b>		
Settlement Costs		100,000
<b>Total Expenses</b>		<b>100,000</b>
<b>Net Surplus for the Year</b>		<b>780,342</b>

**MORIORI IMI SETTLEMENT TRUST**  
**STATEMENT OF MOVEMENTS IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2020**

	<b>Note</b>	<b>2020</b>
		<b>\$</b>
Net (Loss)/Surplus for the Year		<b>780,342</b>
Equity at Beginning of the Year		<b>-</b>
Settlement Funds received from The Crown		<b>3,600,000</b>
Unpaid Capital - Settlement Funds due from The Crown		<b>14,400,000</b>
<b>Equity at End of the Year</b>		<b><u>18,780,342</u></b>

**MORIORI IMI SETTLEMENT TRUST**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2020**

	Note	2020 \$
<b>Equity</b>		
Trust Settlement		3,600,000
Retained Surplus		780,342
Unpaid Capital - Settlement Funds due from The Crown		14,400,000
<b>Total Equity</b>		<b>18,780,342</b>
<b>Current Assets</b>		
<b>Current Assets</b>		
Cash and Bank Accounts	2	40
Term Deposits (ANZ)		3,639,053
Interest Accrual		721,994
Settlement Funds Receivable		14,400,000
Other Current Assets	3	19,255
<b>Total Current Assets</b>		<b>18,780,342</b>
<b>Total Assets</b>		<b>18,780,342</b>
<b>Net Assets</b>		<b>18,780,342</b>



Trustee

10 December 2020

Date



Trustee

10 December 2020

Date



**MORIORI IMI SETTLEMENT TRUST**  
**STATEMENT OF CASHFLOW**  
**FOR THE YEAR ENDED 30 JUNE 2020**

	Note	2020 \$
<b>Cashflows from Operating Activities</b>		
Cash was provided from:		
Grants		100,000
Settlement Funds received The Crown		3,600,000
Interest Received		58,348
<b>Total Cash Inflows from Operating Activities</b>		<b>3,758,348</b>
Cash was applied to:		
Grants to Hokotehi Moriori Trust		100,000
<b>Total Cash Outflows from Operating Activities</b>		<b>100,000</b>
<b>Net Cashflows from Operating Activities</b>		<b>3,658,348</b>
<b>Cashflows from Investing Activities</b>		
Cash was provided from:		
Term Deposits		-
<b>Total Cash Inflows from Investing Activities</b>		<b>-</b>
Cash was applied to:		
Term Deposits		3,658,308
<b>Total Cash Outflows from Investing Activities</b>		<b>3,658,308</b>
<b>Net Cashflows from Investing Activities</b>		<b>(3,658,308)</b>
<b>Cashflows from Financing Activities</b>		
Cash was applied to:		
Kopi Holdings Limited Loan		-
<b>Total Cash Outflows from Financing Activities</b>		<b>-</b>
<b>Net Cashflows from Financing Activities</b>		<b>-</b>
Net Movement in Cash		40
Opening Cash Balance		-
<b>Closing Cash Balance</b>		<b>40</b>
<b>Represented by:</b>		
Cash Balances	2	40
<b>Total Cash Balances</b>		<b>40</b>

The notes to the financial statements on Pages 8 to 9 form part of this statement

**MORIORI IMI SETTLEMENT TRUST**  
**NOTES TO AND FORMING PART OF THE PERFORMANCE REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2020**

**Note 1 - Statement of Accounting Policies**

**Reporting Entity**

The Moriori Imi Settlement Trust ("the Trust") was established pursuant to a Deed of Trust dated 3 December 2018.

**Basis for Preparation**

The Trust has elected to apply PBE SFR-A (NFP) Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit) on the basis that it does not have public accountability and has total annual expenses of equal to or less than \$2,000,000. All transactions in the Performance Report are reported using the accrual basis of accounting. The Performance Report is prepared under the assumption that the entity will continue to operate in the foreseeable future.

The performance report is presented in New Zealand dollars and all numbers are stated in whole dollars.

**Specific Accounting Policies**

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

*Revenue Recognition*

Interest is recognised on an accrual basis.

*Grants*

Grants made by the Trust are recognised when approved by the Trustees.

*GST*

This performance report has been prepared inclusive of GST as the Trust is not registered for GST.

*Taxation*

The Trust is wholly exempt from New Zealand income tax having fully complied with all statutory conditions for exemptions.

*Cash and bank accounts*

Bank accounts and cash in the Statement of Cashflows comprise cash balances and bank balances (including short-term deposits) with original maturities of 90 days or less.

*Term Deposits*

Current term deposits are those with original maturities between 91 days and 12 months. Non-current term deposits are those with maturity dates greater than 12 months.

*Changes in Accounting Policies*

This is the first year of trade and therefore there are no changes to policy.

*Comparatives*

This is the first year of trading for the Trust therefore there is no comparative information

**MORIORI IMI SETTLEMENT TRUST**  
**NOTES TO AND FORMING PART OF THE PERFORMANCE REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2020**

**Note 2 - Cash and Bank Accounts**

	2020 \$
<b>Bank Accounts</b>	
ANZ 00	40
<b>Total Bank Accounts</b>	<u>40</u>

**Note 3 - Other Current Assets**

RWT Paid	19,255
<b>Total Other Current Assets</b>	<u>19,255</u>

**Note 4 - Events After Balance Date**

On the 14th of September the Trustees agreed to advance \$1.58m to Hokotehi Moriori Trust. The loan will incur interest @ 3.5% p.a. and be repayable on demand.

**Note 5 - Covid 19**

Moriori Imi Settlement Trust is aware that COVID-19 was declared a global health emergency on 31 January 2020 by the World Health Organisation, the subsequent announcements by the NZ Government introducing lockdown levels closing all non-essential businesses and the impact of those lockdowns upon our suppliers, customers, and staff. As a consequence it is possible that Covid-19 will impact the Trust's future forecasted financial performance. At this point in time it is not possible to quantify the financial impact of this pandemic on the Trust and its future operations.

**Note 6 - Crown Settlement**

In August 2017 Moriori signed an Agreement in Principle (AIP) with the Crown to settle all Moriori historical claims. The AIP was ratified by an 85% voter support of members. In August 2019 the Moriori Imi Settlement Trust (MIST) initialled a Deed of Settlement (DOS) with the Crown as the next step in the process towards achieving a final settlement. A Deed of Settlement was signed with the Crown at Kopinga Marae in February 2020. Passage of the settlement has been delayed through Covid and is expected in 2021.

**Note 7 - Related Parties**

Moriori Imi Settlement Trust (MIST) and Hokotehi Moriori Trust (HMT) are related because the entities have trustees in common. During the 2020 year MIST paid \$100,000 to HMT for settlement related costs.

## INDEPENDENT AUDITOR'S REPORT

### To the Beneficial Owners of Moriori Imi Settlement Trust

#### Opinion

We have audited the performance report of Moriori Imi Settlement Trust (the Trust) on pages 2 to 9, which comprises the entity information, the statement of service performance, the statement of financial performance and statement of cash flows for the year ended 30 June 2020, the statement of financial position as at 30 June 2020, and the statement of accounting policies and other explanatory information.

In our opinion:

- a) the reported outcomes and outputs, and quantification of the outputs to the extent practicable, in the statement of service performance are suitable; and
- b) the performance report on pages 2 to 9 presents fairly, in all material respects:
  - the entity information for the year ended 30 June 2020;
  - the service performance for the year ended 30 June 2020; and
  - the financial position of the Trust as at 30 June 2020, and its financial performance, and cash flows for the year then ended

in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit).

#### Basis for Opinion

We conducted our audit of the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)), and of the entity information and statement of service performance in accordance with the International Standard on Assurance Engagements (New Zealand) ISAE (NZ) 3000. Our responsibilities under these standards are further described in the *Auditor's Responsibilities for the Audit of the Performance Report* section of our report.

We are independent of the Trust in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards)* (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

An affiliated entity provides advisory and taxation services to the Trust. Other than in these capacities, and in our capacity as auditor, we have no other relationship with, or interests in, the Trust.

#### Emphasis of Matter

Without modifying our opinion, we draw attention to the disclosure about the impact of COVID-19 on the Trust as set out in note 5 to the financial statements.

#### Information Other Than the Performance Report and Auditor's Report

The Trustees are responsible for the other information. Our opinion on the performance report does not cover the other information included in the annual report and we do not and will not express any form of

assurance conclusion on the other information. At the time of our audit, there was no other information available to us.

In connection with our audit of the performance report, if other information is included in the annual report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the performance report or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of our auditors' report, we concluded that there is a material misstatement of this other information, we are required to report that fact.

### **Responsibilities of the Trustees for the Performance Report**

The Trustees are responsible on behalf of the entity for:

- (a) Identifying outcomes and outputs, and quantifying the outputs to the extent practicable, that are relevant, reliable, comparable and understandable, to report in the statement of service performance;
- (b) The preparation and fair presentation of the performance report, which comprises:
  - the entity information;
  - the statement of service performance; and
  - the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report

in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) issued in New Zealand by the New Zealand Accounting Standards Board; and

- (c) For such internal control as the Trustees determine is necessary to enable the preparation of the performance report that is free from material misstatement, whether due to fraud or error.

In preparing the performance report, the Trustees are responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

### **Auditor's Responsibilities for the Audit of the Performance Report**

Our objectives are to obtain reasonable assurance about whether the performance report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) and ISAE (NZ) 3000 will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of this performance report.

As part of an audit in accordance with ISAs (NZ) and ISAE (NZ) 3000, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the performance report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion, including performing procedures to obtain evidence about and evaluating whether the reported outcomes and outputs and quantification of the outputs to the extent practicable, are relevant, reliable, comparable and

understandable. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the Trustees and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the performance report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the performance report, including the disclosures, and whether the performance report represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### **Restriction on Use**

This report is made solely to the Beneficial Owners and the Trust, as a body. Our audit has been undertaken so that we might state those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Beneficial Owners and the Trust as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in blue ink that reads "Crowe".

**Crowe New Zealand Audit Partnership**  
CHARTERED ACCOUNTANTS

10 December 2020

*The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is the Crowe Australasia external audit division. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.*

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