

Performance Report

Moriori Imi Settlement Trust
For the year ended 30 June 2022

Contents

3	Audit Report
6	Directory
7	Entity Information
8	Statement of Service Performance
9	Statement of Financial Performance
10	Statement of Movements in Equity
11	Statement of Financial Position
12	Statement of Cash Flows
13	Statement of Accounting Policies
14	Notes to the Performance Report

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 7 and 9 to 14, which comprises the entity information, the statement of financial performance, statement of movements in equity and statement of cash flows for the year ended 30 June 2022, the statement of financial position as at 30 June 2022, and the statement of accounting policies and other explanatory information.

In our opinion:

the performance report on pages 7 and 9 to 14 presents fairly, in all material respects:

- the entity information for the year ended 30 June 2022; and
- the financial position of the Trust as at 30 June 2022, and its financial performance, movements in equity 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 in accordance with the International Standard on Assurance Engagements (New Zealand) ISAE (NZ) 3000 (Revised). 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.

Other than in our capacity as auditor we have no relationship with, or interests in, the Trust.

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 Statement of Service Performance on page 8 and we do not express any form of audit opinion or assurance conclusion thereon. At the time of our audit, there was no other information available to us.

In connection with our audit of the performance 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, we conclude that there is a material misstatement of this other information, we are required to report that fact.

Trustees' Responsibilities for the Performance Report

The Trustees are responsible on behalf of the Trust 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 (Revised) 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. 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.



Crowe New Zealand Audit Partnership
CHARTERED ACCOUNTANTS
30 September 2022

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.

Findex (Aust) Pty Ltd, trading as Crowe Australasia is a member of Crowe Global, a Swiss verein. Each member firm of Crowe Global is a separate and independent legal entity. Findex (Aust) Pty Ltd and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global. Crowe Global does not render any professional services and does not have an ownership or partnership interest in Findex (Aust) Pty Ltd.

Services are provided by Crowe New Zealand Audit Partnership an affiliate of Findex (Aust) Pty Ltd.

© 2022 Findex (Aust) Pty Ltd

Directory

Moriori Imi Settlement Trust For the year ended 30 June 2022

Address

Kopinga Marae
Waitangi Wharf - Owenga Road
Chatham Islands

Date of Trust Deed

3 December 2018

Nature of Activities

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.

Trustees

Grace Le Gros
Maui Solomon
Paul Solomon
Sharon Wadsworth
Thomas Lanauze

Accountants

BDO Christchurch Limited
Chartered Accountants
287-293 Durham Street North
Christchurch 8013

Auditors

Crowe New Zealand Audit Partnership
Wellington

Bankers

ANZ

Charity Group

CC57749

Entity Information

Moriori Imi Settlement Trust For the year ended 30 June 2022

Legal Name of Entity

Moriori Imi Settlement Trust

Entity Type and Legal Basis

Trust

Entity's Purpose or Mission

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.

Entity Structure

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.

Main Sources of Entity's Cash and Resources

The Trust received \$18 million in settlement funds from the Government. \$3.6 million was received on 30 June 2020, and the balance of \$14.4 million was received on 16 February 2022.

Main Methods Used by Entity to Raise Funds

The Trust does not externally fundraise.

Entity's Reliance on Volunteers and Donated Goods or Services

The Trustees of the Trust are unpaid and therefore effectively donate their services. The Trust does not rely on any donated goods.



Statement of Service Performance

Moriori Imi Settlement Trust For the year ended 30 June 2022

Description of 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 education 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 and Quantification 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)

	2022	2021
Description and Quantification of the Entity's Outputs		
Settlement Deed signing costs	-	-

Statement of Financial Performance

Moriōri Imi Settlement Trust For the year ended 30 June 2022

	NOTES	2022	2021
Revenue			
Interest Received		190,957	96,493
Total Revenue		190,957	96,493
Expenses			
Bank Fees		65	-
Subscriptions, Fees and Licences		51	-
Total Expenses		116	-
Surplus/(Deficit) for the Year		190,840	96,493

These financial statements have been authorised for issue by the Trust Board on



Chair

29 Sep 2022

Date



Trustee

29 Sep 2022

Date

This financial statement should be read in conjunction with the notes to the financial report.



Statement of Movements in Equity

Moriori Imi Settlement Trust

For the year ended 30 June 2022

	2022	2021
Equity		
Opening Balance	18,876,835	18,780,342
Increases		
Net Surplus	190,840	96,493
Settlement Funds received from the Crown	14,400,000	-
Unpaid Capital - Settlement Funds due from The Crown	(14,400,000)	-
Total Increases	190,840	96,493
Total Equity	19,067,676	18,876,835

This financial statement should be read in conjunction with the notes to the financial report.



Statement of Financial Position

Moriōri Imi Settlement Trust

As at 30 June 2022

	NOTES	30 JUN 2022	30 JUN 2021
Assets			
Current Assets			
Bank accounts and cash	1	2,528,846	2,067,301
Term Deposits (ANZ)		14,850,000	-
Interest Accrual		92,579	756,000
Advance to Kopi Holdings Limited		1,582,212	1,582,212
Advance Interest Receivable		13,844	43,543
Other Current Assets	2	195	27,780
Settlement Funds Receivable		-	14,400,000
Total Current Assets		19,067,676	18,876,835
Total Assets		19,067,676	18,876,835
Total Assets less Total Liabilities (Net Assets)		19,067,676	18,876,835
Equity			
Trust Settlement		18,000,000	3,600,000
Retained Surplus		1,067,675	876,835
Unpaid Capital - Settlement Funds due from The Crown		-	14,400,000
Total Equity		19,067,676	18,876,835

This financial statement should be read in conjunction with the notes to the financial report.



Statement of Cash Flows

Mori Mori Imi Settlement Trust

For the year ended 30 June 2022

	2022	2021
Cash Flows from Operating Activities		
Cash was Received from:		
Interest Received	880,432	18,944
Refund on RWT Paid	31,309	-
Total Cash was Received from:	911,741	18,944
Cash was Applied to:		
Bank Fees	65	-
Subscriptions, Fees and Licences	51	-
Total Cash was Applied to:	116	-
Net Cash Flows from Operating Activities	911,624	18,944
Cash Flows from Investing Activities		
Cash was Received from:		
Term Deposits	-	3,639,053
Total Cash was Received from:	-	3,639,053
Cash was Applied to:		
Loan to Hokotehi Mori Mori Trust	-	1,582,212
RWT Paid	79	8,525
Term Deposits	14,850,000	-
Total Cash was Applied to:	14,850,079	1,590,736
Net Cash Flows from Investing Activities	(14,850,079)	2,048,317
Cash Flows from Financing Activities		
Cash was Received from:		
Settlement Funds received (The Crown)	14,400,000	-
Total Cash Flows from Financing Activities	14,400,000	-
Net Increase/ (Decrease) in Cash	461,545	2,067,260
Cash Balances		
Cash and cash equivalents at beginning of period	2,067,301	40
Cash and cash equivalents at end of period	2,528,846	2,067,301
Net change in cash for period	461,545	2,067,260

This financial statement should be read in conjunction with the notes to the financial report.



Statement of Accounting Policies

Moriori Imi Settlement Trust For the year ended 30 June 2022

Reporting Entity

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

Basis of Preparation

Moriori Imi Settlement 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 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.

Specific Accounting Policies

The following specific accounting policies which materially affect the measurement of the Statement of Financial Performance and Statement of 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.

Goods and Services Tax

The entity is not registered for GST. Therefore all amounts are stated inclusive of GST (if any).

Income Tax

Moriori Imi Settlement Trust is wholly exempt from New Zealand income tax having fully complied with all statutory conditions for these exemptions.

Bank Accounts and Cash

Bank accounts and cash in the Statement of Cash Flows 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

There have been no changes in accounting policies. Policies have been applied on a consistent basis with those of the previous reporting period.



Notes to the Performance Report

Moriori Imi Settlement Trust For the year ended 30 June 2022

	2022	2021
1. Cash and Bank Accounts		
Bank accounts and cash		
ANZ 00	2,528,846	2,067,301
Total Bank Accounts	2,528,846	2,067,301

	2022	2021
2. Other Current Assets		
RWT Paid	195	27,780
Total Other Current Assets	195	27,780

3. 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 of support of members. In August 2019 the Moriori Imi Settlement Trust (MIST) initialed 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. The \$18 million settlement was partially paid with \$3.6 million received on 30 June 2020 and the balance of \$14.4 million was received on 16 February 2022.

As part of the Deed of Settlement, the following sites have been vested to Moriori as cultural redress:

- Owenga Property, Chatham Islands (Subject to a marginal strip being laid off, to be managed by Moriori)
- Te Awanui, Chatham Islands (Unencumbered)
- Waihere Block, Pitt Island (Subject to Local Purpose (Ecological Restoration and Community Purposes) Reserve)
- Glory Block, Pitt Island (Subject to Local Purpose (Ecological Restoration and Community Purposes) Reserve)
- Glory Housing Property, Pitt Island (Subject to a restrictive covenant for low-impact housing)
- Waipaua Coastal Property, Pitt Island (Subject to Scenic Reserve status)
- Waipaua Property, Pitt Island (Unencumbered)
- Rangiauria Property, Pitt Island (Subject to Scenic Reserve status)

The Deed of Settlement recognises that these properties have cultural or historical significance for the Moriori people. Due to the nature of vesting they have not been recorded in the Statement of Financial Position as it is difficult to attribute a value to their significance, nor was any value detailed in the Deed.

4. Related Parties

MIST and Hokotehi Moriori Trust (HMT) are related because the entities have trustees in common. During the year MIST paid \$Nil (2021: \$Nil) to HMT for settlement related costs.

MIST and Kopi Holdings Limited (KHL) are related because HMT is the sole shareholder of KHL. On the 14th of September 2020 the Trustees of MIST agreed to advance \$1.58m to KHL. The loan will incur interest @ 3.5% p.a. and repayable on demand.

The outstanding balance is \$1.58m as at 30 June 2022 (30 June 2021: \$1.58m). MIST earned \$55,377 interest income from the advance during the financial year ended 30 June 2022 (30 June 2021: \$43,543), and have an interest receivable balance of \$13,844 at 30 June 2022 (30 June 2021: \$43,543).

