

# Performance Report

Moriori Imi Settlement Trust  
For the year ended 30 June 2023

Prepared by BDO Christchurch Ltd

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## 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 to 15, 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 2023, the statement of financial position as at 30 June 2023, 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 7 to 15 presents fairly, in all material respects:
  - the entity information for the year ended 30 June 2023;
  - the service performance for the year ended 30 June 2023; and
  - the financial position of the Trust as at 30 June 2023, 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 (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.

## **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) 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), 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", as a body. Our audit has been undertaken so that we might state to the "Beneficial Owners" 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 Trust and the "Beneficial Owners" as a body, for our audit work, for this report, or for the opinions we have formed.



**Crowe New Zealand Audit Partnership**

CHARTERED ACCOUNTANTS

9 November 2023

# Directory

## Moriori Imi Settlement Trust For the year ended 30 June 2023

### 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 Crown and Moriori negotiators 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 2023

### Legal Name of Entity

Moriori Imi Settlement Trust

### Entity Type and Legal Basis

Charitable 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 (plus \$791,014 of interest) was received on 16 February 2022. The trust has invested funds and receives interest on these.

### 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 paid. Therefore the Trust does not rely on any volunteers or donated goods.



# Statement of Service Performance

## Moriori Imi Settlement Trust

For the year ended 30 June 2023

### 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

There were no grants made to members in the 2023 financial year (2022: Nil).





# Statement of Financial Performance

## Moriori Imi Settlement Trust For the year ended 30 June 2023

	NOTES	2023	2022
<b>Revenue</b>			
Interest Received		653,882	190,957
Revenue from Providing Goods or Services		30,000	-
<b>Total Revenue</b>		<b>683,882</b>	<b>190,957</b>
<b>Expenses</b>			
Other Overhead and Administrative Expenses		57,185	65
Subscriptions, Fees and Licences		51	51
Trustees' Fees		100,500	-
<b>Total Expenses</b>		<b>157,737</b>	<b>116</b>
<b>Surplus/(Deficit) for the Year</b>		<b>526,145</b>	<b>190,840</b>

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



09/11/2023

Maui Solomon

Date



09/11/2023

Grace Le Gros

Date



09/11/2023

Paul Solomon

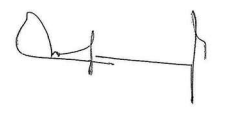
Date



09/11/2023

Sharon Wadsworth

Date



09/11/2023

Thomas Lanauze

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 2023

	2023	2022
<b>Equity</b>		
Opening Balance	19,067,676	18,876,835
<b>Increases</b>		
Net Surplus	526,145	190,840
Settlement Funds received from the Crown	-	14,400,000
Unpaid Capital - Settlement Funds due from The Crown	-	(14,400,000)
<b>Total Increases</b>	<b>526,145</b>	<b>190,840</b>
<b>Total Equity</b>	<b>19,593,821</b>	<b>19,067,676</b>



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 2023

	NOTES	30 JUN 2023	30 JUN 2022
<b>Assets</b>			
<b>Current Assets</b>			
Bank Accounts and Cash	1	155,919	2,528,846
Term Deposits (ANZ)	2	17,694,178	14,850,000
Interest Accrual		164,022	92,579
Advance to Kopi Holdings Limited	3	1,582,212	1,582,212
Advance Interest Receivable		13,844	13,844
GST Receivable		2,515	-
Other Current Assets	4	-	195
<b>Total Current Assets</b>		<b>19,612,690</b>	<b>19,067,676</b>
<b>Total Assets</b>		<b>19,612,690</b>	<b>19,067,676</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Creditors and Accrued Expenses	5	18,869	-
<b>Total Current Liabilities</b>		<b>18,869</b>	<b>-</b>
<b>Total Liabilities</b>		<b>18,869</b>	<b>-</b>
<b>Total Assets less Total Liabilities (Net Assets)</b>		<b>19,593,821</b>	<b>19,067,676</b>
<b>Equity</b>			
Trust Settlement		18,000,000	18,000,000
Retained Surplus		1,593,820	1,067,675
<b>Total Equity</b>		<b>19,593,821</b>	<b>19,067,676</b>



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 2023

	2023	2022
<b>Cash Flow from Operating Activities</b>		
<b>Cash was received from:</b>		
Cash receipts from customers	30,000	-
Refunds on RWT	195	31,309
<b>Total Cash was received from:</b>	<b>30,195</b>	<b>31,309</b>
<b>Cash was applied to:</b>		
Trustees' Fees	(86,331)	-
Operating and Administrative Expenses	(55,001)	(66)
Subscription, Fees, and Licenses	(51)	(51)
<b>Total Cash was applied to:</b>	<b>(141,383)</b>	<b>(117)</b>
<b>Net Cash Flows from Operating Activities</b>	<b>(111,188)</b>	<b>31,192</b>
	2023	2022
<b>Cash Flow from Investing Activities</b>		
<b>Cash was received from:</b>		
Interest Received	582,438	880,432
<b>Total Cash was received from:</b>	<b>582,438</b>	<b>880,432</b>
<b>Cash was Applied to:</b>		
RWT Paid	-	79
Term Deposits	(2,844,178)	(14,850,000)
<b>Total Cash was Applied to:</b>	<b>(2,844,178)</b>	<b>(14,849,921)</b>
<b>Net Cash Flows from Investing Activities</b>	<b>(2,261,740)</b>	<b>(13,969,489)</b>
	2023	2022
<b>Cash Flow from Financing Activities</b>		
<b>Cash was received from:</b>		
Settlement Funds Received (The Crown)	-	14,400,000
<b>Total Cash was received from:</b>	<b>-</b>	<b>14,400,000</b>
<b>Net Cash Flows from Financing Activities</b>	<b>-</b>	<b>14,400,000</b>
	2023	2022
<b>Cash Balances</b>		
Cash and Cash Equivalents at Beginning of Period	2,528,847	2,067,301
Cash and Cash Equivalents at End of Period	155,919	2,528,846
<b>Net Change in Cash for Period</b>	<b>(2,372,927)</b>	<b>461,545</b>



# Statement of Accounting Policies

## Moriori Imi Settlement Trust For the year ended 30 June 2023

### 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 registered for GST. Therefore all amounts are stated exclusive of GST, except receivables and payables.

#### 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 2023

	2023	2022
<b>1. Cash and Bank Accounts</b>		
<b>Bank accounts and cash</b>		
ANZ 00	155,927	2,528,846
ANZ 01	(9)	-
<b>Total Bank Accounts</b>	<b>155,919</b>	<b>2,528,846</b>

	2023	2022
<b>2. Term Deposit</b>		
Term Deposit - 1000	-	4,950,000
Term Deposit - 1001	-	4,950,000
Term Deposit - 1002	17,694,178	4,950,000
<b>Total Term Deposit</b>	<b>17,694,178</b>	<b>14,850,000</b>

Term deposits 1000, 1001, and 1002 matured throughout the 2023 financial year. As at 30 June 2023, the only remaining term deposit (1003) was held with a principal amount invested of \$17,694,87.08 at an interest rate of 5.05% per annum (p.a.) over 91 days. Interest accrued as at 30 June 2023 was \$164,022.61 (67 days at 5.05% p.a.). Term deposit 1003 is set to mature on 24 July 2023.

	2023	2022
<b>3. Related Parties</b>		
Kopi Holdings Limited Advance	1,582,212	1,582,212
<b>Total Related Parties</b>	<b>1,582,212</b>	<b>1,582,212</b>

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 incurs interest @ 3.5% p.a. and is repayable on demand.

The outstanding balance is \$1.58m as at 30 June 2023 (30 June 2022: \$1.58m). MIST earned \$55,377 interest income from the advance during the financial year ended 30 June 2023 (30 June 2022: \$55,377), and has an interest receivable balance of \$13,844 at 30 June 2023 (30 June 2022: \$13,844).

MIST advised HMT in October 2023 that the interest rate on the \$1.58m loan was increasing to 8% as from 1 November 2023.

	2023	2022
<b>4. Other Current Assets</b>		
RWT Paid	-	195
<b>Total Other Current Assets</b>	<b>-</b>	<b>195</b>

	2023	2022
<b>5. Creditors and Accrued Expenses</b>		
Audit Fees Payable	4,700	-
PAYE Payable	2,924	-
Trustees Fees Payable	7,576	-

	2023	2022
Other Expenses Payable	3,669	-
<b>Total Creditors and Accrued Expenses</b>	<b>18,869</b>	<b>-</b>

## 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 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.

