

Performance Report

Moriori Imi Settlement Trust
For the year ended 30 June 2024

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 2024, the statement of financial position as at 30 June 2024, 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 2024;
 - the service performance for the year ended 30 June 2024; and
 - the financial position of the Trust as at 30 June 2024, 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.

Information Other Than the Financial Statements and Auditor's Report

The Trustees are responsible for the other information. The other information comprises the information included in the Directory and Annual Report on pages 6 and 7.

Our opinion on the performance report does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

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. We have nothing to report in this regard.

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 Owner's and the Trust, as a body. Our audit has been undertaken so that we might state to the Beneficial Owner's 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 Owner's 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

18 December 2024

Directory

Moriori Imi Settlement Trust For the year ended 30 June 2024

Address

Kopinga Marae
Waitangi Wharf - Owenga Road
Chatham Islands

Date of Trust Deed

3 December 2018

Nature of Activities

The Moriori Imi Settlement Trust received a mandate from Moriori, following nationwide hui-a-Imi and a postal vote in 2018 to complete the negotiations (commenced in 2024) of the settlement of their historic Te Tiriti o Waitangi claims. MIST was also mandated by members of Hokotehi Moriori Trust in 2018 to receive and manage the settlement assets comprising land, buildings, commercial redress and implementation of the Deed of Settlement, on behalf of all Moriori. The Crown and Moriori negotiators entered into an Agreement in Principle in August 2017, a final Deed of Settlement was signed at Kopinga Marae 2020 and the Moriori Claims Settlement Act was passed into law in 2021.

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
Kiwibank

Charity Group

CC57749

Entity Information

Moriori Imi Settlement Trust For the year ended 30 June 2024

Legal Name of Entity

Moriori Imi Settlement Trust

Entity Type and Legal Basis

Charitable Trust

Entity's Purpose or Mission

Under clause 2.4 of the Trust Deed of MIST, the purpose for which the Trust is established is to receive, manage, hold and administer the Trust's Assets on behalf of and for the benefit of the present and future Members of Moriori in accordance with this Deed.

Entity Structure

The Trust is governed by a Board of Trustees who are charged with complying with the provisions of the Trust Deed. Management personnel include a Board Secretary and Operations Manager.

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 2024

Description and Quantification of the Entity and its Outcomes

Under Clause 2.4 of the MIST Trust Deed

- (a) promote the educational, spiritual, economic, social and cultural advancement or well-being of Moriori and its Members;
- (b) provide for the on-going maintenance and establishment of places of cultural or spiritual significance to Moriori and its Members;
- (c) promote the health and well-being generally, including of the aged or those suffering from mental or physical sickness or disability of Moriori and its Members;
- (d) encourage and support youth development initiatives and projects for the benefit of Members of Moriori; and
- (e) undertake commercial activities to support the object and purpose of the Trust.

We do this by:

- Protecting and growing the entity's asset base so that it can provide the entity's outcomes into the future.
- Participating in activities to support cultural and environmental protection.

Description and Quantification of the Entity's Outputs

Ongoing negotiations with the Crown regarding settlements and filing proceedings in the High Court to ensure Moriori rights are not eroded. One case lodged at High Court. Provided financial assistance for 17 Moriori to attend High Court hearing in November 2023.

Engagement with the Rangihau community regarding the establishment of Rangihau Land Trust (RLT).

Development of Memorandum of Understanding with Hokotehi Moriori Trust.

Development of all administrative systems and membership registration process.

Engagement with Land Information New Zealand regarding deferred selection properties.

Engagement with Hokotehi Moriori Trust regarding Hāpūpū (JM Barker Reserve).

Engagement with Ministry for the Environment regarding RMA Fast Track Bill and Reform Bill.

Regular engagement with Department of Conservation (DOC) for various projects, including:

- Developing an operational agreement between DOC and MIST;
- Fence line project on Rangihau;
- Glory Cottage maintenance/upgrades;
- Dune restoration at Taniwha Rock;
- Renovations to the White House on Tikitiki Hill;
- Uplift of Rautini (rongomoana/whale); and
- Various Wāhi tchāp' management plans.

Provided financial assistance for 24 Moriori to attend the Hokotehi Moriori Trust AGM on-island. (2023: Nil)

Review of banking and insurance providers to ensure optimum results and relationships.

Renovating house at Ōwenga, and engaging with Council for resource consent, with the intention to lease. Expenditure for the year ended 30 June 2024 was \$103,865 (2023: \$3,849).



Statement of Financial Performance

Moriori Imi Settlement Trust For the year ended 30 June 2024

	NOTES	2024	2023
Revenue			
Interest Received		1,039,413	653,882
Grant - Ministry of Justice		866	-
Revenue from Providing Goods or Services		16,446	30,000
Total Revenue		1,056,725	683,882
Expenses			
Other Overhead and Administrative Expenses	5	337,737	57,185
Subscriptions, Fees and Licences		3,102	51
Trustees' Fees		127,780	100,500
Total Expenses		468,619	157,737
Surplus for the Year		588,105	526,145

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


_____ 18/12/2024

Maui Solomon Date


_____ 18/12/2024

Grace Le Gros Date


_____ 18/12/2024

Paul Solomon Date


_____ 18/12/2024

Sharon Wadsworth Date


_____ 18/12/2024

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 2024

	2024	2023
Equity		
Opening Balance	19,593,821	19,067,676
Increases		
Net Surplus	588,105	526,145
Total Increases	588,105	526,145
Total Equity	20,181,926	19,593,821

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

Statement of Financial Position

Moriori Imi Settlement Trust As at 30 June 2024

	NOTES	30 JUN 2024	30 JUN 2023
Assets			
Current Assets			
Bank Accounts and Cash	1	652,028	155,919
Term Deposits	2	17,800,000	17,694,178
Interest Accrual		115,676	164,022
Advance to Kopi Holdings Limited	3	1,582,212	1,582,212
Advance Interest Receivable		31,644	13,844
GST Receivable		6,907	2,515
Prepayments		17,357	-
Total Current Assets		20,205,823	19,612,690
Total Assets		20,205,823	19,612,690
Liabilities			
Current Liabilities			
Creditors and Accrued Expenses	4	23,897	18,869
Total Current Liabilities		23,897	18,869
Total Liabilities		23,897	18,869
Total Assets less Total Liabilities (Net Assets)		20,181,926	19,593,821
Equity			
Trust Settlement		18,000,000	18,000,000
Retained Surplus		2,181,926	1,593,820
Total Equity		20,181,926	19,593,821

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 2024

	2024	2023
Cash Flow from Operating Activities		
Cash was received from:		
Cash receipts from customers	16,446	30,000
Refunds on RWT	-	195
Total Cash was received from:	16,446	30,195
Cash was applied to:		
Trustees' Fees	(127,780)	(86,331)
Operating and Administrative Expenses	(353,592)	(55,001)
Subscription, Fees, and Licenses	(3,102)	(51)
Total Cash was applied to:	(484,474)	(141,383)
Net Cash Flows from Operating Activities	(468,028)	(111,188)
	2024	2023
Cash Flow from Investing Activities		
Cash was received from:		
Interest Received	1,069,959	582,438
Total Cash was received from:	1,069,959	582,438
Cash was Applied to:		
Term Deposits	(105,822)	(2,844,178)
Total Cash was Applied to:	(105,822)	(2,844,178)
Net Cash Flows from Investing Activities	964,137	(2,261,740)
	2024	2023
Cash Flow from Financing Activities		
Cash was received from:		
Settlement Funds Received (The Crown)	-	-
Total Cash was received from:	-	-
Net Cash Flows from Financing Activities	-	-
	2024	2023
Cash Balances		
Cash and Cash Equivalents at Beginning of Period	155,919	2,528,847
Cash and Cash Equivalents at End of Period	652,028	155,919
Net Change in Cash for Period	496,109	(2,372,927)



Statement of Accounting Policies

Moriori Imi Settlement Trust For the year ended 30 June 2024

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 \$5,000,000. 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 2024

	2024	2023
1. Cash and Bank Accounts		
Bank accounts and cash		
ANZ 00	10,620	155,927
ANZ 01	-	(9)
Business Edge 00	72,924	-
Debit Card - 01	27,863	-
Online Call A/C - 02	522,054	-
RLT Online Call - 06	18,568	-
Total Bank Accounts	652,028	155,919

	2024	2023
2. Term Deposit		
Term Deposit - 1002	-	17,694,178
Term Deposit - 1003	9,000,000	-
Term Deposit - 1004	6,000,000	-
Term Deposit - 1005	2,800,000	-
Total Term Deposit	17,800,000	17,694,178

Term deposit 1002 matured throughout the 2024 financial year. As at 30 June 2024, term deposit 1003 was held with a principal amount invested of \$9,000,000 at an interest rate of 6.45% per annum (p.a.) over 38 days, term deposit 1004 was held with a principal amount invested of \$6,000,000 at an interest rate of 6.22% p.a. over 38 days, and term deposit 1005 was held with a principal amount invested of \$2,800,000 at an interest rate of 5.73% p.a. over 38 days. Interest accrued as at 30 June 2024 was \$115,675.74. Term deposit 1003 is due to mature on the 24th May 2025, 1004 on the 20th November 2024, and 1005 on the 22nd August 2024.

	2024	2023
3. Related Parties		
Kopi Holdings Limited Advance	1,582,212	1,582,212
Total Related Parties	1,582,212	1,582,212

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 2024 (30 June 2023: \$1.58m). MIST earned \$85,043.87 interest income from the advance during the financial year ended 30 June 2024 (30 June 2023: \$55,377), and has an interest receivable balance of \$31,644 at 30 June 2024 (30 June 2023: \$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.



	2024	2023
4. Creditors and Accrued Expenses		
Audit Fees Payable	5,000	4,700
PAYE Payable	2,924	2,924
Trustees Fees Payable	7,576	7,576
Other Expenses Payable	8,397	3,669
Total Creditors and Accrued Expenses	23,897	18,869

	2024	2023
5. Other Overhead and Administrative Expenses		
Governance Support Costs	59,069	7,763
Legal Expenses	67,409	30,726
Repairs & Maintenance	103,865	3,849
Travel, Accommodation & Meals	93,460	10,057
Other Overhead Expenditure	13,934	4,791
Total Other Overhead and Administrative Expenses	337,737	57,185

Travel, Accommodation & Meals for the year ended 30 June 2024 were provided to the following:

	2024	2023
Travel, Accommodation & Meals		
Imi Members & Other	54,721	-
Staff & Trustees	38,739	10,057
Total Travel, Accommodation & Meals	93,460	10,057

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.

