

Performance Report

Moriori Imi Settlement Trust
For the year ended 30 June 2021

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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 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 2021, the statement of financial position as at 30 June 2021, 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 2021; and
- the financial position of the Trust as at 30 June 2021, 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. 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.

Our firm provides accounting and taxation services to the Trust. The firm has no other 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 6 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 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. 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
1 October 2021

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

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Directory

Moriore Imi Settlement Trust For the year ended 30 June 2021

Address

Kopinga Marae
Waitangi Wharf - Owenga Road
Chatham Islands

Date of Trust Deed

3 December 2018

Nature of Activities

The Hokotehi Moriore Trust first obtained Crown recognised mandate in November 2003. The mandate was reconfirmed following hui-a-Moriore and a public submissions process in March 2016. The Hokotehi Moriore Trust and Crown entered into an Agreement in Principle in August 2017. The Moriore Imi Settlement Trust has been established by the Moriore 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
Wellington

Bankers

ANZ

Charity Group

CC57749

Entity Information

Moriore Imi Settlement Trust For the year ended 30 June 2021

Legal Name of Entity

Moriore Imi Settlement Trust

Entity Type and Legal Basis

Trust

Entity's Purpose or Mission

Moriore Culture is defined by the concepts of unity, peace and sharing. The nature of the activities undertaken by the Moriore Imi Settlement Trust is the relief of cultural "poverty" or "need" of all Moriore through the preservation, revival, support and promotion of Moriore 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 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 Moriore Imi settlement bill into law.

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 2021

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)

	2021	2020
Description and Quantification of the Entity's Outputs		
Settlement Deed signing costs	-	100,000

Statement of Financial Performance

Moriore Imi Settlement Trust For the year ended 30 June 2021

	NOTES	2021	2020
Revenue			
Interest Received		96,493	780,342
Grant - Ministry of Justice		-	100,000
Total Revenue		96,493	880,342
Expenses			
Settlement Costs		-	100,000
Total Expenses		-	100,000
Surplus/(Deficit) for the Year		96,493	780,342

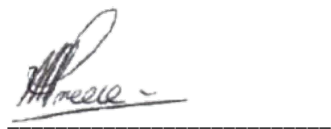
These financial statements have been authorised for issue by the Trust Board on



Chair

1 October 2021

Date



Trustee

1 October 2021

Date

These financial statements are to be read in conjunction with the accompanying Notes and the independent Auditor's Report. These statements have been audited.

Statement of Movements in Equity

Moriari Imi Settlement Trust For the year ended 30 June 2021

	2021	2020
Equity		
Opening Balance	18,780,342	-
Increases		
Net Surplus	96,493	780,342
Settlement Funds received from the Crown	-	3,600,000
Unpaid Capital - Settlement Funds due from The Crown	-	14,400,000
Total Increases	96,493	18,780,342
Total Equity	18,876,835	18,780,342

These financial statements are to be read in conjunction with the accompanying Notes and the independent Auditor's Report. These statements have been audited.

Statement of Financial Position

Moriore Imi Settlement Trust As at 30 June 2021

	NOTES	30 JUN 2021	30 JUN 2020
Assets			
Current Assets			
Bank accounts and cash	1	2,067,301	40
Term Deposits (ANZ)		-	3,639,053
Interest Accrual		756,000	721,994
Advance to Kopi Holdings Limited		1,582,212	-
Advance Interest Receivable		43,543	-
Other Current Assets	2	27,780	19,255
Settlement Funds Receivable		14,400,000	14,400,000
Total Current Assets		18,876,835	18,780,342
Total Assets		18,876,835	18,780,342
Total Assets less Total Liabilities (Net Assets)		18,876,835	18,780,342
Equity			
Trust Settlement		3,600,000	3,600,000
Retained Surplus		876,835	780,342
Unpaid Capital - Settlement Funds due from The Crown		14,400,000	14,400,000
Total Equity		18,876,835	18,780,342

These financial statements are to be read in conjunction with the accompanying Notes and the independent Auditor's Report. These statements have been audited.

Statement of Cash Flows

Moriore Imi Settlement Trust For the year ended 30 June 2021

	2021	2020
Cash Flows from Operating Activities		
Cash was Received from:		
Interest Received	18,944	58,348
Grants Received	-	100,000
Total Cash was Received from:	18,944	158,348
Cash was Applied to:		
Grants to Hokotehi Moriore Trust	-	100,000
Total Cash was Applied to:	-	100,000
Net Cash Flows from Operating Activities	18,944	58,348
Cash Flows from Investing and Financing Activities		
Cash was Received from:		
Settlement Funds received (The Crown)	-	3,600,000
Term Deposits	3,639,053	-
Total Cash was Received from:	3,639,053	3,600,000
Cash was Applied to:		
Loan to Hokotehi Moriore Trust	1,582,212	-
RWT Paid	8,525	19,255
Term Deposits	-	3,639,053
Total Cash was Applied to:	1,590,736	3,658,308
Net Cash Flows from Investing and Financing Activities	2,048,317	(58,308)
Net Increase/ (Decrease) in Cash	2,067,260	40
Cash Balances		
Cash and cash equivalents at beginning of period	40	-
Cash and cash equivalents at end of period	2,067,301	40
Net change in cash for period	2,067,260	40

These financial statements are to be read in conjunction with the accompanying Notes and the independent Auditor's Report. These statements have been audited.

Statement of Accounting Policies

Moriori Imi Settlement Trust For the year ended 30 June 2021

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

Moriore Imi Settlement Trust For the year ended 30 June 2021

	2021	2020
1. Cash and Bank Accounts		
Bank accounts and cash		
ANZ 00	2,067,301	40
Total Bank Accounts	2,067,301	40

	2021	2020
2. Other Current Assets		
RWT Paid	27,780	19,255
Total Other Current Assets	27,780	19,255

3. Crown Settlement

In August 2017 Moriore signed an Agreement in Principle (AIP) with the Crown to settle all Moriore historical claims. The AIP was ratified by an 85% voter of support of members. In August 2019 the Moriore 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. Passage of the settlement has been delayed through Covid and is expected in 2021.

4. Related Parties

Moriore Imi Settlement Trust (MIST) and Hokotehi Moriore Trust (HMT) are related because the entities have trustees in common. During the year MIST paid \$Nil (2020: \$100,000) 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.

5. Covid 19

Moriore 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. Moriore Imi Settlement Trust is also aware of the ongoing implications the pandemic has had during the 2021 financial year, including the limited impact on income patterns and businesses processes of the Trust.

6. Subsequent Events

On 17 August 2021, following the detection of COVID-19 in the community, the New Zealand Government ordered an economy-wide lockdown, during which all non-essential businesses and organisations would not be permitted to operate. The lockdown, which commenced at 11:59pm on 17August, is still in effect at the time of signing these financial statements.