

Performance Report

Whakatohea Pre-Settlement Claims Trust

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Approval of Performance Report

Whakatohea Pre-Settlement Claims Trust For the 6 months ended 30 June 2017

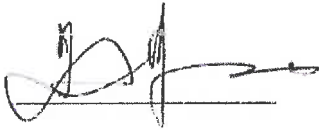
The Trustees are pleased to present the approved performance report including the historical financial statements of Whakatohea Pre-Settlement Claims Trust for 6 months ended 30 June 2017.

APPROVED



Chairman

Date 23/04/18



Trustee

Date 23/04/18

Independent Auditor's Report

To the beneficiaries of Whakatōhea Pre-Settlement Claims Trust

Report on the performance report

Opinion

In our opinion, the accompanying performance report of Whakatōhea Pre-Settlement Claims Trust (the Trust) on pages 6 to 14:

- i. Present fairly in all material respects the Trust's financial position as at 30 June 2017 and its financial performance and cash flows for the 6 month period ended on that date;
- ii. Comply with PBE Simple Format Reporting Standard - Accrual (Not For Profit); and
- iii. The reported outcomes and outputs, and quantification of the outputs to the extent practicable, in the statement of service performance are suitable.

We have audited the accompanying performance report which comprise:

- The statement of financial position as at 30 June 2017;
- The statements of financial performance and cash flows for the 6 month period then ended;
- Notes, including a summary of significant accounting policies and other explanatory information; and
- The statement of service performance and entity information on pages 6 to 7.



Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) ('ISAs (NZ)'), and the audit of the entity information and the statement of service performance in accordance with the International Standard on Assurance Engagements (New Zealand) (ISAE (NZ)) 3000 (Revised) *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* ('ISAE (NZ) 3000'). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of the Trust in accordance with Professional and Ethical Standard 1 (Revised) Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board and the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Our responsibilities under ISAs (NZ) and (ISAE (NZ) 3000) are further described in the auditor's responsibilities for the audit of the performance report section of our report.

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



Use of this independent auditor's report

This independent auditor's report is made solely to the beneficiaries as a body. Our audit work has been undertaken so that we might state to the beneficiaries those matters we are required to state to them in the independent 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 beneficiaries as a body for our audit work, this independent auditor's report, or any of the opinions we have formed.



Responsibilities of the Trustees for the performance report

The Trustees, on behalf of the Trust, are responsible for:

- The preparation and fair presentation of the performance report in accordance with generally accepted accounting practice in New Zealand (being PBE Simple Format Reporting Standard - Accrual (Not For Profit));
- Implementing necessary internal control to enable the preparation of a performance report that is fairly presented and free from material misstatement, whether due to fraud or error;
- Identifying outcomes and outputs that are relevant, reliable, comparable and understandable, and quantifying the outputs to the extent applicable, to report in the statement of service performance; and
- Assessing the ability to continue as a going concern. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate or to cease operations, or have no realistic alternative but to do so.



Auditor's responsibilities for the audit of the performance report

Our objective is:

- To obtain reasonable assurance about whether the performance report as a whole is free from material misstatement, whether due to fraud or error;
- Perform procedures to obtain and evaluate evidence in regards to whether the reported outcomes and outputs and quantification of the outputs to the extent practicable, are relevant, reliable, comparable and understandable; and
- To issue an independent 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. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this performance report.

A further description of our responsibilities for the audit of this performance report is located at the External Reporting Board (XRB) website at:

<http://www.xrb.govt.nz/standards-for-assurance-practitioners/auditors-responsibilities/audit-report-8/>

This description forms part of our independent auditor's report.



Tauranga

23 April 2018

Entity Information

Whakatohea Pre-Settlement Claims Trust For the 6 months ended 30 June 2017

'Who are we?', 'Why do we exist?'

Legal Name of Entity

Whakatohea Pre-Settlement Claims Trust

Entity Type and Legal Basis

Common Trust - Pre-settlement Entity

Entity's Purpose or Mission

The primary purpose of the Trust is to negotiate the settlement of the Historic Claims for Whakatohea.

Entity Structure

Governed by a Board of Trustees made up of 15 members.

The composition of the Board is as follows:

- 1 representative from each Hapu (6)
- 1 representative from each Marae (8)
- 1 representative from the Whakatohea Maori Trust Board (1)

At balance date 2 marae were yet to appoint their representative to the Board.

Main Sources of Entity's Cash and Resources

Cash is derive solely from the Office of Treaty Settlements.

Main Methods Used by Entity to Raise Funds

The Trust does not actively fund raise.

Entity's Reliance on Volunteers and Donated Goods or Services

The Trust does not rely on any volunteers or donated goods & services.

Physical Address

122 St Johns Street
OPOTIKI 3122

Postal Address

PO Box 207
Opotiki 3162



Statement of Service Performance

Whakatohea Pre-Settlement Claims Trust For the 6 months ended 30 June 2017

'What did we do?', 'When did we do it?'

Description of Entity's Outcomes

- To develop and implement a process for the Trust to obtain a mandate from Whakatohea members to negotiate with the Crown for the settlement of the Historical Claims.
- To develop a Deed of Mandate to submit to the Crown in order for the Trust to obtain a mandate to negotiate the settlement of the Historical Claim.
- To prepare for and enter into negotiations with the Crown for the settlement of the Historical Claims.
- To communicate widely with Whakatohea Uri, whanau, Hapu and marae.
- To successfully negotiate a Deed of Settlement with the Crown.
- To present an initialed Deed of Settlement to the Adult Members of Whakatohea for ratification.
- To develop and initiate a Post Settlement Governance Entity (PSGE) structure.

Description and Quantification of the Entity's Outputs

- 19 Trustee Whakatohea Pre-Settlement Claims Trust Hui were held;
- 16 Hui were held with the Crown including OTS;
- A total of 22 Hui a Iwi and Hui a Rohe were held during the 6 month period.

Additional Information

At present the Trust is working out the details of the settlement, which is the longest part of the settlement process. The discussions between our negotiator and the Crown are confidential and can take 12 to 18 months, or longer.



Statement of Financial Performance

Whakatohea Pre-Settlement Claims Trust For the 6 months ended 30 June 2017

'How was it funded?' and 'What did it cost?'

	NOTES	JAN-JUN 2017
Revenue		
Revenue from providing goods or services	1	342,000
Other revenue	1	17,024
Total Revenue		359,024
Expenses		
Volunteer and employee related costs	2	149,252
Costs related to providing goods or service	2	180,254
Other expenses	2	81,886
Total Expenses		411,392
Surplus/(Deficit) for the Year		(52,367)



These financial statements should be read in conjunction with the notes to the Performance Report.

Statement of Financial Position

Whakatohea Pre-Settlement Claims Trust As at 30 June 2017

'What the entity owns?' and 'What the entity owes?'

	NOTES	30 JUN 2017
Assets		
Current Assets		
Bank accounts and cash		4,485
GST		16,025
Total Current Assets		20,509
Total Assets		20,509
Liabilities		
Current Liabilities		
PAYE Payable		9,207
Creditors and accrued expenses		63,670
Total Current Liabilities		72,877
Total Liabilities		72,877
Total Assets less Total Liabilities (Net Assets)		(52,367)
Accumulated Funds		
Accumulated surpluses or (deficits)	3	(52,367)
Total Accumulated Funds		(52,367)



These financial statements should be read in conjunction with the notes to the Performance Report.

Statement of Cash Flows

Whakatohea Pre-Settlement Claims Trust For the 6 months ended 30 June 2017

'How the entity has received and used cash'

	JAN-JUN 2017
Cash Flows from Operating Activities	
Cash receipts from operations	359,024
Payments to suppliers	(354,540)
Total Cash Flows from Operating Activities	4,485
Net Increase/(Decrease) in Cash	4,485
Bank Accounts and Cash	
Opening cash	-
Closing cash	(4,485)
Net change in cash for period	(4,485)



These financial statements should be read in conjunction with the notes to the Performance Report

Statement of Accounting Policies

Whakatohea Pre-Settlement Claims Trust For the 6 months ended 30 June 2017

'How did we do our accounting?'

Basis of Preparation

The entity 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.

Goods and Services Tax (GST)

The Trust was registered for GST 16/05/2017. Transactions are reported exclusive of GST from date of registration except for Ministry of Justice Claimant Funding which is not subject to GST. All balance sheet items are reported exclusive of GST for the exception Accounts Payables and Receivables.

Income Tax

Whakatohea Pre-Settlement Claims 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.

Changes in Accounting Policies

This is the first Performance Report for the Whakatohea Pre-settlement Claims Trust, therefore, there are no comparative figures.

Accounting policies have been consistently applied throughout the entire period.

Going Concern

The Trustees are of the opinion the the Trust is a going concern based on the continued negotiation work and available claimant funding at balance date. The trust is in a negative net equity position at balanced date but only due to the nature and timing of the claimant funding process.



Notes to the Performance Report

Whakatohea Pre-Settlement Claims Trust For the 6 months ended 30 June 2017

JAN-JUN 2017

1. Analysis of Revenue

Revenue from providing goods or services

Ministry of Justice	342,000.00
Total Revenue from providing goods or services	342,000.00

Other revenue

Other Revenue	17,024.30
Total Other revenue	17,024.30

JAN-JUN 2017

2. Analysis of Expenses

Volunteer and employee related costs

Project Manager	33,579.30
Negotiation Expenses	114,439.54
Trustee Meeting Expenses	3,607.65
Trustee Meeting Fees	31,100.00
Total Volunteer and employee related costs	182,726.49

Costs related to providing goods or services

Accountancy	9,900.00
Administration & Secretarial Support Services	34,007.85
Advertising/Advertorials	1,927.32
AIP Signing Expenses	3,791.82
Bank Fees	97.24
Election Expenses	10,731.87
Hui A Iwi Expenses	10,295.80
Hui A Rohe	18,601.59
Legal expenses	43,212.89
Office Expenses	233.45
Photocopying Charges	6,157.47
Printing & Stationery	1,006.51
Rent/Office Space/Room Usage	2,969.74
Social Media Management	2,000.18
Specialist Advisory Services	1,741.19
Trustee Travel/Accommodation Expenses	104.35
Total Costs related to providing goods or services	146,779.27

Other expenses

Whakatohea Maori Trust Board - Historical Treaty Expenses (note 5)	81,886.00
Total Other expenses	81,886.00



JAN-JUN 2017

3. Accumulated Funds

<u>Accumulated Funds</u>	
Accumulated surpluses or (deficits)	(52,367.46)
Total Accumulated Funds	(52,367.46)
Total Accumulated Funds	(52,367.46)

4. Contingent Liabilities and Guarantees

There are no contingent liabilities or guarantees as at 30 June 2017.

JAN-JUN 2017

5. Related Parties

<u>Revenue</u>	
Tu Ake Collective	
Other Revenue	17,024.30
Total Tu Ake Collective	17,024.30
Total Revenue	17,024.30
<u>Expenses</u>	
Whakatohea Maori Trust Board	
WMTB - Historical Treaty Expenses	81,886.00
Total Whakatohea Maori Trust Board	81,886.00
Trustee Fees (refer next page)	31,100.00
Total Expenses	112,986.00

Tu Ake Collective - This entity was the pre-successor entity of Whakatohea Pre-Settlement Claims Trust. A group of representative from each of the hapu who worked towards achieving mandate and taking the vote to the people. Once mandate was achieved, the Whakatohea Pre-Settlement Claims Trust was established. The \$17,024 revenue relates to the residual balance of cash that was left from the pre-successor entity. This cash was income from OTS as part of the pre-mandate claimant funding.

Whakatohea Maori Trust Board - This entity is the current legal entity which manages the financial interests of the Whakatohea Iwi. The Trust Board holds one seat on the Whakatohea Pre-Settlement Claims Trust. This \$81,886 payment was a reimbursement for expenses which the Trust Board has carried since 2011. The Trustees resolved that it was appropriate for the Trust to reimburse the Trust Board for these cost.



Trustee Fees - The composition of trustee fees paid for the period are as follows:

TRUSTEE	NUMBER OF MEETINGS	TOTAL REMUNERATION
Robert Edwards	31	\$3,100
Merealra Hata	31	\$3,100
Kate Hudson	30	\$3,000
Muriwai Kahaki	29	\$2,900
Erin Moore	30	\$3,000
David Ngatal	23	\$2,300
Mana Pirihī	24	\$2,400
Frank Porter	24	\$2,400
Bruce Pukuepuke	27	\$2,700
Graeme Rlesterer	31	\$3,100
Tahu Tala	31	\$3,100
TOTAL		\$31,100

6. Events After the Balance Date

There were no events that have occurred after the balance date that would have a material impact on the Performance Report.

