

# Performance Report

Whakatohea Pre-Settlement Claims Trust  
For the year ended 30 June 2020

Prepared by Cookson Forbes & Associates Ltd

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# Approval of Performance Report

## Whakatohea Pre-Settlement Claims Trust For the year ended 30 June 2020


The Trustees are pleased to present the approved performance report including the historical financial statements of Whakatohea Pre-Settlement Claims Trust for year ended 30 June 2020.

APPROVED



Chairman

Date 19/10/2020



Trustee

Date 19.10.2020



# Independent Auditor's Report

To the beneficiaries of Whakatōhea Pre-Settlement Claims Trust

## Report on the audit of the performance report

### Opinion

In our opinion, the accompanying performance report of Whakatōhea Pre-Settlement Claims Trust (the 'Trust') on pages 6 to 17:

- i. Presents fairly in all material respects the Trust's financial position as at 30 June 2020 and its financial performance and cash flows for the year ended on that date;
- ii. Complies 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.

We have audited the accompanying performance report which comprises:

- The statement of financial position as at 30 June 2020;
- The statements of financial performance and cash flows for the year 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 10.



### 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.



KPMG  
Tauranga

19 October 2020

# Entity Information

## Whakatohea Pre-Settlement Claims Trust For the year ended 30 June 2020

'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 1 marae was yet to appoint their representative to the Board.

### Main Sources of Entity's Cash and Resources

Cash is derived 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

Minimal reliance is placed on koha such as 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 year ended 30 June 2020

'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

The Tribunal Inquiry of November 2017 resulted in a finding for an iwi wide vote. The WPSCT supported the finding which would determine whether there is support for the WPSCT to continue to negotiate to reach settlement. From July to November 2018 the WPSCT was absorbed in working towards the iwi-wide vote to be held over the month of October. On 12 November 2018, the final results of vote were released showing a majority support for WPSCT to continue to negotiate a settlement. The vote illustrated that an independent inquiry by the Waitangi Tribunal was important for a significant number of Whakatohea.

Since the vote, the WPSCT has advocated for the Crown to make an exception for Whakatohea and ensure that any settlement should not close the door on a Waitangi Tribunal Inquiry taking place.

On the 22nd February 2019 WPSCT received a response from Minister Little that he has agreed to explore what this option could look like and the WPSCT is supporting this process. This approach would allow:

- Claimants to take forward our claims within the context of the Waitangi Tribunal; and
- WPSCT to take forward our settlement in the context of the Crown negotiation.

Since then, WPSCT has been working with and alongside the Crown in support of the exploration of a process that would allow for WPSCT to continue on with settlement as well as claimants taking forward our claims within the context of the Waitangi Tribunal.

The following hui were held during the year:

July 2019

- Drawing up process for Hapu Elections
- Engaging Chief Returning Officer Election Services
- Submitting quotes / budgets for process
- Compiling Panui to go to Whakatohea to update on talks with crown on parallel process and Elections for Trustees
- 06 July Focus group (incl Te Roopu Ahina) feedback on explanatory statement
- 24 July Teleconference with Te Arawhiti
- 29 July WPSCT meeting for Trustee to discuss elections progress with crown

#### August 2019

- 11 August Te Roopuy Awhina Update
- 14 August Letter to Hapu / Marae conteacts include panui to Tribal Database
- 22 August Nominations opened for Hapu Trustees
- 29 August Te Roopu Awhina Update on Nominations for WPSCT Trustees

#### September 2019

- 10 September Opotiki District Council to Te Arawhiti
- 25 September Meet with Te Arawhiti in Wellington
- 30 September Minister letter confirms recommencement of negotiations in a parallel process.
- 19 September Nominations Closed for Hapu Trustees
- 25 September Voting packs posted to Ngati Rua & Ngati Patu Hap Registers
- 30 September Voting Opens
- 30 September Letter to hapu & Marae contacts, includes Minister's letter

#### October 2019

- 19 October Kutarere Marae Upokorehe Hapu hui
- 29 October Hui a Rohe Whakatane
- 30 October Hui a Rohe Rotorua
- 31 October Hui a Rohe Mount Maunganui
- 01 October WPSCT Special Hui with Te Arawhiti / Glenn Webber
- 11 October Written response to Minister announcement
- 14 October WPSCT Hui

#### November 2019

- 01 November Hui a Rohe Hamilton
- 02 November Hui a Rohe Auckland
- 03 November Hui a Rohe Wellington
- 13 November Negotiations Te Arawhiti
- 11 November WPSCT meeting
- 25 November WPSCT meeting

#### December 2019

- 04 December Hasting Hui a Rohe
- 06 December Gisborne Hui a Rohe
- 02 December WPSCT Meet to talk Strategic Communications
- 02 December Meet Adrianna Edwards with Maui Hudson & Arihia Tuoro "what does post settlement look like"
- 03 December Meet Joe Kahika with Maui Hudson & Arihia Tuoro "what does post settlement look like"
- 09 December WPSCT Meeting
- 03 December Zoom Meeting Sharon Callaghan, Chris Carrington, Maui Hudson, Arihia Tuoro and Linda Grave
- 03 December Zoom Meeting Miranda Horan, Dave Ngatai, Maui Hudson and Arihia Tuoro
- 13 December Meeting with Komiti Whiriwhiri Hitori
- 17 December Phone conference Sharon Callaghan, Linda Grave and Chris Carrington

#### January 2020

- 26 Jan Upolorehe Hapu Hui
- 13 Jan WPCT Meeting
- 20 Jan WPCT Meeting
- 31 Jan Adriana Edwards, Nepia Tipene, Christina Davis, Anne Stevens, Glennys Reeves and Lawyer Tony Sinclair met Maui Hudson, Robert Edwards and Arihia Tuoro
- 01 Jan Meeting with Sharon Callaghan working party member for PSGE – discussing the process for the working party and key areas that the working party need to consider. Goal is to have a presentation/workshop in the next hui a rohe round
- 31 Jan Ngai Tai – WPCT meeting.



February 2020

- 11 Feb Hui a Rohe Whakatane
- 12 Feb Hui a Rohe Rotorua
- 13 Feb Hui a Rohe Mount Maunganui
- 14 Feb Hui a Rohe Hamilton
- 15 Feb Hui a Rohe Auckland
- 16 Feb Hui a Rohe Wellington
- 24 Feb Hui a Rohe Hastings
- 25 Feb Hui a Rohe Gisborne
- 29 Feb Hui a Iwi / AGM
- 03 Feb WPCT meeting
- 06 Feb WPCT stall at Mataatua Kapa Haka Regionals
- 09 Feb Ngati Ngahere Hapu Workshop
- 17 Feb WPCT meeting
- 20 Feb Taumata Kaumatua provided feedback on hui a rohe rounds
- 28 Feb WPCT stall main street of Opotiki distributed Panui, information advert for AGM nextday
- 29 Feb WPCT AGM /Hui a Iwi
- 10 Feb Investment Valuations group meeting
- 26 Feb Komiti Whiriwhiri Hitori Hui - Place Name changes
- 27 Feb Government Relationship Working Party

March 2020

- 07 March Hui with Ngati Patu Hapu / Waiaua Marae
- 08 March Hui with Claimants
- 14 March Hui with Ngai Tama/Opape Marae
- 16 March PSGE Workshop
- 22 March Hui with Ngati Ira / Waioweka Marae
- 02 March WPCT Meeting
- 16 March WPCT Meeting
- 30 March WPCT Meeting
- 10 March Komiti Whiriwhiri Hitori – Statements of Association Project Manager Attended hui KWH taken through sites of significance on google earth
- 23 March PSGE workingGroup Zoom meeting – on Report analysing hui a rohe workshop feed back and developing Survey Questions

April 2020

- 20 April WPCT Zoom meeting
- 06 April PSGE working group Zoom Meeting review of workshop feedback to develop up online survey
- 09 April PSGE working group Zoom Meeting follow on from 6th to develop survey questions
- 29 April PSGE working group Zoom meeting on Trust Deed format
- 30 April Valuation & Investment Working Group Zoom workshop
- 30 April PSGE Sent revised Survey questions

May 2020

- 04 May WPCT Hui includes Withdrawal Mechanism Resolution Draft PSGE Survey and Draft DOC RA
- 07 May WPCT meet with Whare PR Comms
- 18 May WPCT Hui
- 12 May PSGE working party Zoom on Trust Deed
- 13 May Valuation & Investment working party Zoom
- 14 May Valuation working party discussion on valuers

*Handwritten signatures in blue ink, including 'DSM' and 'AG'.*

June 2020

- 06 June WPCT Wananga on details of settlement and what and how trustees will present to whanau and hapu
- 15 June WPCT Hui – reviewed and updated draft RA & ratification strategy template presented. Received full report on PSGE survey
- 26 June WPCT Negotiators Project Manager & Whare PR
- 29 June WPCT Hui –PSGE recommendations received from working party
- 16 June Ratification working Party inaugural meet
- 17 June PSGE working Party meet to discuss recommendations to WPCT
- 18 June Trust Deed working party – draft for comments
- 22 June Ratification working party meet with Whare PR
- 24 June PSGE working party Zoom on PSGE survey and vs 2 recommendations to WPCT
- 25 June PSGE working party vs 3 recommendations based on feedback of 24th June.
- 29 June Trust Deed format reviewed with working group
- 29 June Tuhoe Hui

# Statement of Financial Performance

## Whakatohea Pre-Settlement Claims Trust

For the year ended 30 June 2020

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

	NOTES	2020	2019
<b>Revenue</b>			
Office of Treaty Settlements		544,631	549,735
Koha		20,000	145,900
Other revenue		-	200
<b>Total Revenue</b>		<b>564,631</b>	<b>695,835</b>
<b>Expenses</b>			
Volunteer and employee related costs	1	280,232	342,266
Costs related to providing goods or services	1	328,935	336,585
Other expenses	1	-	815
<b>Total Expenses</b>		<b>609,166</b>	<b>679,667</b>
<b>(Deficit)/Surplus for the Year</b>		<b>(44,536)</b>	<b>16,168</b>

These financial statements should be read in conjunction with the notes to the Performance Report and accompanying Auditor's Report.

# Statement of Financial Position

## Whakatohea Pre-Settlement Claims Trust As at 30 June 2020

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

	NOTES	30 JUN 2020	30 JUN 2019
<b>Assets</b>			
<b>Current Assets</b>			
Bank accounts and cash		19,929	16,179
GST		-	4,705
<b>Total Current Assets</b>		<b>19,929</b>	<b>20,884</b>
<b>Total Assets</b>		<b>19,929</b>	<b>20,884</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Accounts payables		75,706	32,521
Employee costs payable		832	436
<b>Total Current Liabilities</b>		<b>76,537</b>	<b>32,957</b>
<b>Total Liabilities</b>		<b>76,537</b>	<b>32,957</b>
<b>Total Assets less Total Liabilities (Net Liabilities)</b>		<b>(56,608)</b>	<b>(12,073)</b>
<b>Accumulated Funds</b>			
Accumulated (deficits)	2	(56,608)	(12,073)
<b>Total Accumulated Funds</b>		<b>(56,608)</b>	<b>(12,073)</b>

These financial statements should be read in conjunction with the notes to the Performance Report and accompanying Auditor's Report

# Statement of Cash Flows

## Whakatohea Pre-Settlement Claims Trust

For the year ended 30 June 2020

'How the entity has received and used cash'

	2020	2019
<b>Cash Flows from Operating Activities</b>		
Receipts from Office of Treaty Settlements	616,631	695,835
Payments to suppliers	(612,881)	(784,985)
<b>Total Cash Flows from Operating Activities</b>	<b>3,750</b>	<b>(89,150)</b>
<b>Net Increase/(Decrease) in Cash</b>	<b>3,750</b>	<b>(89,150)</b>
<b>Bank Accounts and Cash</b>		
Opening cash	16,179	105,329
Closing cash	19,929	16,179
<b>Net change in cash for period</b>	<b>3,750</b>	<b>(89,150)</b>

These financial statements should be read in conjunction with the notes to the Performance Report and accompanying Auditor's Report.



# Statement of Accounting Policies

## Whakatohea Pre-Settlement Claims Trust

For the year ended 30 June 2020

'How did we do our accounting?'

### Basis of Preparation

The entity has elected to apply Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) (PBE SFR-A (NFP)) 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 entity is a pre-settlement trust and as such is not intended to operate beyond settlement. The going concern assumption has been applied in the preparation of the Performance Report on the basis that the Trustees do not expect that settlement will be reached and the Trust wound up within 12 months of the date of this Performance Report.

At balance date the trust had a negative equity position. The Trust is reliant on funding from the Office of Treaty Settlements (OTS) and funding negotiated and secured on a periodical basis. These events and conditions indicate that a material uncertainty exists that may cast significant doubt on the trust's ability to continue as a going concern.

The Trust's purpose and function of mandate is to achieve settlement for Whakatohea. Based on this, the Trustees believe funding will be secured and the trust will continue to operate into the foreseeable future. In the absence of Crown funding the Trust will continue in operational existence through alternative resourcing and funding sources. If the Trust was not able to continue in operational existence, the change in preparation would have no material effect on the Performance Report, as assets are already stated at their current market values and no additional liabilities would be expected to arise.

### Goods and Services Tax (GST)

Transactions are reported exclusive of GST except for Office of Treaty Settlements Claimant Funding which is not subject to GST. All statement of financial position 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

There have been no changes in accounting policies. All accounting policies have been applied consistently throughout the entire year.

# Notes to the Performance Report

## Whakatohea Pre-Settlement Claims Trust

For the year ended 30 June 2020

	2020	2019
<b>1. Analysis of Expenses</b>		
<b>Volunteer and employee related costs</b>		
Project Manager - Arihia Tuoro	55,200	81,850
Negotiation Expenses	201,512	234,216
Trustee Meeting Fees	23,520	26,200
<b>Total Volunteer and employee related costs</b>	<b>280,232</b>	<b>342,266</b>
<b>Costs related to providing goods or services</b>		
Whare PR/Village Limited	106,495	-
Domain Name - C2DEV Limited	641	-
Hui a Iwi	8,174	2,593
Hui a Rohe	49,399	11,835
Mataatua Regional Kapa Haka 2020	150	-
Accounting Fees	1,724	-
Audit Fees	7,259	5,457
Legal Expenses	-	68,567
Administration	58,586	67,683
Advertising/Advertorials	674	-
Annual General Meeting (AGM) Costs	6,703	20,332
Bank Fees	75	257
Communication Consultancy - Campbell Squared	26,990	75,549
Trustee Election Expenses	18,994	58,854
Office Expenses	290	-
Iwi Panui/Newsletters/Mail Outs/Surveys	16,227	(1)
Photocopying Charges	20,926	18,407
Stationery	-	235
Rent/Office Space/Room Usage	5,592	6,210
Research Group Expenses - Komiti Hotiri	-	574
Domain Name - J V Systems	35	34
<b>Total Costs related to providing goods or services</b>	<b>328,935</b>	<b>336,585</b>
<b>Other expenses</b>		
I.R.D - Interest & Penalty	-	800
Interest Expense	-	15
<b>Total Other expenses</b>	<b>-</b>	<b>815</b>

	2020	2019
<b>2. Accumulated Funds</b>		
<b>Retained Earnings</b>		
Opening Balance	(12,073)	(22,339)
Prior Period Adjustment	-	(5,902)
<b>Adjusted Opening Balance</b>	<b>(12,073)</b>	<b>(28,241)</b>
Current year earnings	(44,536)	16,168
<b>Total Accumulated Funds</b>	<b>(56,609)</b>	<b>(12,073)</b>

### 3. Contingent Liabilities and Guarantees

There are no contingent liabilities or guarantees as at 30 June 2020.

	2020	2019
<b>4. Related Parties</b>		
<b>Expenses</b>		
<b>Whakatohea Maori Trust Board</b>		
Photocopying Charges	20,926	18,407
Administration & Secretarial Support Services	57,882	57,964
Accountancy - WMTB, Xero (Accounting Package)	704	9,720
Rent/Office Space/Room Usage	5,592	6,210
<b>Total Whakatohea Maori Trust Board</b>	<b>85,104</b>	<b>92,300</b>
Trustee Fees (refer below)	23,520	26,200
Other Expenses	-	36,109
<b>Total Expenses</b>	<b>108,624</b>	<b>154,609</b>

**Whakatohea Maori Trust Board** - This entity is the current legal entity which manages the financial interests of the Whakatohea Iwi. The Trust Board (WMTB) holds one seat on the Whakatohea Pre-Settlement Claims Trust.

The WMTB is contracted to provide accountancy, secretarial and administration services. The WPSCT also leases office space from the WMTB.



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

TRUSTEE	2020	2020	2019	2019
	No# of Meetings	\$	No# of Meetings	\$
Robert Edwards	18	2,160	18	2,160
Mereaira Hata	3	360	12	1,440
Kate Hudson	10	1,200	11	1,320
Muriwai Kahaki	15	1,800	18	2,160
Erin Moore	18	2,160	15	1,800
Parehuia Mafi	12	1,440	-	-
David Ngatai	15	1,800	15	1,800
Mana Pirihi	10	1,200	18	2,160
Bruce Pukepuke	6	720	14	1,680
Graeme Riesterer	18	2,160	18	2,160
Tahu Taia	16	1,920	18	2,160
Linda Grave	18	2,160	17	1,960
Anau Apanui	12	1,440	16	2,040
Audrey Renata	12	1,440	13	1,560
Jason Kurei	13	1,560	15	1,800
<b>TOTAL</b>		<b>23,520</b>		<b>26,200</b>

## 5. 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.

## 6. Contributions in Kind

During the year there were a number of groups and individuals who provided services at no cost to the trust. The Trustees would like to thank and acknowledge the following groups and individuals for their services and efforts they provided in kind:

- Negotiators
- Project Manager
- Komiti Whiriwhiri Hitori
- Taumata Kaumatua
- Te Roopu Awhina Working Groups
- WMTB

