

# Performance Report

Whakatohea Pre-Settlement Claims Trust  
For the year ended 30 June 2019

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# Approval of Performance Report

Whakatohea Pre-Settlement Claims Trust

For the year ended 30 June 2019

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 2019.

APPROVED *Donald Graeme Reekover*

*DS Reekover*  
\_\_\_\_\_

Chairman

Date *17/12/2019*

*[Signature]*  
\_\_\_\_\_

Trustee

Date *17.12.19*

# **Audit Report**

Whakatohea Pre-Settlement Claims Trust

For the year ended 30 June 2019

Insert page 1 of Audit Report

Insert page 2 of Audit Report

# Entity Information

Whakatohea Pre-Settlement Claims Trust  
For the year ended 30 June 2019

**'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**

Some reliance is placed on koha such as donated goods & services.

## **Physical Address**

122 St Johns Street

## **Postal Address**

PO Box 207  
Opotiki 3162

# Statement of Service Performance

Whakatohea Pre-Settlement Claims Trust

For the year ended 30 June 2019

**'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 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 WPSCT was absorbed in working towards the iwi-wide vote to be held over the month of October through to November 2018. Final results of the vote showed 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, 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 WPSCT is supporting this process. This approach would allow;

- Claimants to take forward our claims within the context of the Waitangi Tribunal
- 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.

Other hui held during the year:

- 25 Trustee Whakatohea Pre-Settlement Claims Trust Hui were Held (2018: 30);
- 13 Hui consisting of Te Roopu Awhina, Mihi Marino, Hitori Hui and Research Hui (2018: 54);
- 10 Taumata Kaumatua Hui;
- A total of 10 Hui a Iwi, Hui a Hapu and Hui a Rohe including the 2018 AGM, were held during the year;

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

# Statement of Financial Performance

Whakatohea Pre-Settlement Claims Trust

For the year ended 30 June 2019

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

<b>Account</b>	<b>Notes</b>	<b>2019</b>	<b>2018</b>
<b>Revenue</b>			
Ministry of Justice Funding		549,735	797,121
Koha		145,900	11,500
Other revenue		200	-
<b>Total Revenue</b>		<b>695,835</b>	<b>808,621</b>
<b>Expenses</b>			
Volunteer and employee related costs	1	342,266	359,454
Operating Expenses	1	336,585	419,064
Other expenses	1	815	75
<b>Total Expenses</b>		<b>679,667</b>	<b>778,593</b>
<b>Surplus/(Deficit) for the Year</b>		<b>16,168</b>	<b>30,028</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 2019

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

<b>Account</b>	<b>Notes</b>	<b>2019</b>	<b>2018</b>
<b>Assets</b>			
<b>Current Assets</b>			
Bank accounts and cash		16,179	105,329
GST		4,705	6,821
<b>Total Current Assets</b>		<b>20,884</b>	<b>112,150</b>
<b>Total Assets</b>		<b>20,884</b>	<b>112,150</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Accounts Payables		32,521	134,489
Employee costs payable		436	-
<b>Total Current Liabilities</b>		<b>32,957</b>	<b>134,489</b>
<b>Total Liabilities</b>		<b>32,957</b>	<b>134,489</b>
<b>Total Assets less Total Liabilities (Net Assets)</b>		<b>(12,073)</b>	<b>(22,339)</b>
<b>Accumulated Funds</b>			
Accumulated surpluses or (deficits)	2	(12,073)	(22,340)
<b>Total Accumulated Funds</b>		<b>(12,073)</b>	<b>(22,340)</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 2019

'How the entity has received and used cash'

<b>Account</b>	<b>2019</b>	<b>2018</b>
<b>Cash Flows from Operating Activities</b>		
Receipts from MoJ Funding	549,735	797,121
Other revenue	200	-
Payments to suppliers	(639,085)	(696,277)
<b>Total Cash Flows from Operating Activities</b>	<b>(89,150)</b>	<b>100,844</b>
<b>Net Increase/(Decrease) in Cash</b>		
	<b>(89,150)</b>	<b>100,844</b>
<b>Bank Accounts and Cash</b>		
Opening cash	105,329	4,485
Closing cash	16,179	105,329
<b>Net change in cash for period</b>	<b>(89,150)</b>	<b>100,844</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 2019

### **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. In addition, the Trust is reliant on funding from the Office of Treaty Settlements (“OTS”). 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 is currently in negotiations with the OTS to secure new funding. The Trust’s purpose and function of Mandate is to achieve a 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.

### **Ministry of Justice Funding**

Ministry of Justice Funding relates to Ministry of Justice income and is recognised as income when funds have been received.

### **Goods and Services Tax (GST)**

Revenue and expenses recognised in 2018 are recognised exclusive of GST except for Ministry of Justice Claimant Funding which is not subject to GST. In 2019, revenue and expenses are recognised inclusive of GST. Refer Change in Accounting Policies below and Note 6. All statement of financial position items for 2019 and 2018 are reported inclusive of GST.

### **Koha / Service in Kind**

Koha or Services in kind are measured at their fair value as at the date of acquisition, ascertained by reference to the expected cost that would be otherwise incurred by the Trust.

### **Volunteer and Employee Related Costs**

Transactions relating to Volunteer and Employee Related Costs are recognized at cost and fair value and include the value of services which have been supplied to the Trust pro-bono or in-kind.

### **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**

As noted in Note 6, the Trust has been incorrectly claiming and returning GST. In the 2019 financial year revenue and expenses have been recognised in the financial statements inclusive of GST. The 2018 comparative revenues and expenses have been recognised exclusive of GST. Other than the treatment of GST, there have been no other 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 2019

Account	Note	2019	2018
<b>1. Analysis of Expenses</b>			
<b>Volunteer and employee related costs</b>			
Project Manager - Arihia Tuoro		81,850	64,052
Negotiation Expenses		234,216	267,053
Trustee Meeting Expenses		-	1,765
Trustee Meeting Fees		26,200	26,280
Trustee Travel		-	303
<b>Total Volunteer and employee related costs</b>		<b>342,266</b>	<b>359,453</b>
<b>Operating expenses</b>			
Accountancy - WMTB, Xero (Accounting Package)	4	9,720	14,924
Administration & Secreterial Support Services	4	57,964	68,863
AIP Signing Expenses		-	44,112
Annual General Meeting (AGM) Costs		20,332	2,519
Audit and External Reporting		5,457	4,700
Bank Fees		257	177
Communication Consultancy - Campbell Squared		75,549	42,329
Trustee Election Expenses		58,854	-
Hui A Iwi Expenses		2,593	6,453
Hui A Rohe		11,835	27,919
Legal Fees		68,567	116,021
Mihi Marino		-	63,249
Office Expenses		-	12
Iwi Panui/Newsletters/Mail Outs		-	15,219
Photocopying Charges	4	18,407	5,194
Printing & Stationery		235	1,030
Rent/Office Space/Room Usage	4	6,210	5,400
Research Group Expenses - Komiti Hotiri		574	478
Domain Name - J V Systems		34	464
<b>Total Costs related to operating expenses</b>		<b>336,586</b>	<b>419,063</b>
<b>Other expenses</b>			
I.R.D - Interest & Penalty		800	-
Interest Expense		15	75
<b>Total Other expenses</b>		<b>815</b>	<b>75</b>
<b>2. Accumulated Funds</b>			
<b>Accumulated Funds</b>			
Opening Balance		(22,339)	(52,367)
Prior Period Adjustment - Effect of GST error	6	(5,902)	-
<b>Adjusted Opening Balance</b>		<b>(28,241)</b>	<b>-</b>
Accumulated surpluses or (deficits)		16,168	30,028
<b>Total Accumulated Funds</b>		<b>(12,073)</b>	<b>(22,339)</b>
<b>Total Accumulated Funds</b>		<b>(12,073)</b>	<b>(22,339)</b>
<b>3. Contingent Liabilities and Guarantees</b>			
There are no contingent liabilities or guarantees as at 30 June 2019 (2018: Nil)			

# Notes to the Performance Report

## Whakatohea Pre-Settlement Claims Trust

For the year ended 30 June 2019

Account	2019	2018
<b>4. Related Parties</b>		
<b>Expenses</b>		
Opape Marae Committee	1,739	-
Terere Marae Committee	2,500	-
<b>Whakatohea Maori Trust Board</b>		
Photocopying Charges	18,407	5,194
Administration & Secretarial Support Services	57,964	68,863
Accountancy - WMTB, Xero (Accounting Package)	9,720	14,924
Rent/Office Space/Room Usage	6,210	5,400
<b>Total Whakatohea Maori Trust Board</b>	<b>92,300</b>	<b>94,381</b>
Trustee Fees	26,200	26,280
Trustee Meeting Expenses	-	1,765
Other Expenses	-	36,109
<b>Total Related Party Expenses</b>	<b>122,739</b>	<b>158,535</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	2019		2018	
	No# of Meetings	\$	No# of Meetings	\$
Robert Edwards	18	2,160	23	2,520
Mereaira Hata	12	1,440	17	1,960
Kate Hudson	11	1,320	16	1,820
Muriwai Kahaki	18	2,160	18	2,100
Erin Moore	15	1,800	21	2,420
David Ngatai	15	1,800	18	2,100
Mana Pirihi	18	2,160	18	2,100
Te Wheke Porter	-	-	14	1,600
Bruce Pukepuke	14	1,680	17	1,960
Graeme Riesterer	18	2,160	20	2,380
Tahu Taia	18	2,160	21	2,420
Anau Apanui	16	1,960	27	2,900
Linda Grave	17	2,040	-	-
Audrey Renata	13	1,560	-	-
Jason Kurei	15	1,800	-	-
<b>TOTAL</b>		<b>26,200</b>		<b>26,280</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.

# Notes to the Performance Report

## Whakatohea Pre-Settlement Claims Trust

For the year ended 30 June 2019

### **6. Prior Period Adjustment**

The Trust was incorrectly claiming and returning GST, as no taxable goods or services were being provided. All GST which had been previously claimed and returned since the inception of the Trust was reversed out with a net adjustment of (\$5,902) identified. This adjustment has been recognised as a prior period error with an adjustment made directly in Accumulated Surpluses as per note 2. The other account impacted by this adjustment is GST in the statement of financial position. Opening balances of respective accounts were adjusted to correct the prior period error.