

Performance Report

Whakatohea Pre-Settlement Claims Trust
For the year ended 30 June 2018

Contents

3	Approval of Performance Report
4	Audit Report
6	Entity Information
7	Statement of Service Performance
9	Statement of Financial Performance
10	Statement of Financial Position
11	Statement of Cash Flows
12	Statement of Accounting Policies
13	Notes to the Performance Report

Approval of Performance Report

Whakatohea Pre-Settlement Claims Trust For the year ended 30 June 2018

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 2018.

APPROVED



Chairman

Date 18/03/19



Trustee

Date 18/03/19

Audit Report

Whakatohea Pre-Settlement Claims Trust
For the year ended 30 June 2018

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 2018

'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 were 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 2018

'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 form 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

- 30 Trustee Whakatohea Pre-Settlement Claims Trust Hui were held (2017: 19);
- 14 Hui were held with the Crown including OTS and the signing of AIP on the 19th August 2017;
- A total of 28 Hui a Iwi, Hui a Hapu and Hui a Rohe including the 2017 AGM, were held during year;
- 54 Hui consisting of Te Roopu Awhina, Mihi Marino, Hitori hui and Research Hui.

During the year the Whakatohea Pre-Settlement Claims Trust were engaged within Waitangi Tribunal hearings. The outcome of these hearings was for the people of Whakatohea to vote on their support for the current mandate entity and process. The results of the vote on the Whakatohea Settlement Process held in October 2018 are as follow:

Question 1

Do you support the Whakatohea Pre-Settlement Claims trust continuing to negotiate to reach a settlement with the Crown of the historical Treaty claims of Whakatohea?

Option	Vote Received
Ae/Yes	1,534
Kao/No	1,192
INFORMAL	0
INFORMAL NO VOTE (BLANK)	150

Question 2a

Do you wish to see the current Treaty negotiations stopped in order that a mandate process be re-run from the start?

Option	Vote Received
Ae/Yes	337
Kao/No	1,428
INFORMAL	0
INFORMAL NO VOTE (BLANK)	1,111

Question 2b

Do you wish to see the current Treaty negotiations stopped in order that the Waitangi Tribunal can carry out an inquiry into the historical grievances of Whakatohea?

Option	Votes Received
Ae/Yes	1,382
Kao/No	521
INFORMAL	0
INFORMAL NO VOTE (BLANK)	973

The voter return percentage was 32.54%, being 2,876 votes received from 8,839 eligible voters, of which 46.49% voted on the internet and 53.51% voted by post or at an information hui.

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 year ended 30 June 2018

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

	NOTES	2018	2017
Revenue			
Ministry of Justice Funding		797,121	342,000
Koha		11,500	-
Other revenue		-	17,024
Total Revenue		808,621	359,024
Expenses			
Volunteer and employee related costs	1	359,454	182,831
Costs related to providing goods or services	1	419,064	146,675
Other expenses	1	75	81,886
Total Expenses		778,593	411,392
Surplus/(Deficit) for the Year		30,028	(52,367)

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 2018

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

	NOTES	30 JUN 2018	30 JUN 2017
Assets			
Current Assets			
Bank accounts and cash		105,329	4,485
GST		6,821	16,025
Total Current Assets		112,149	20,509
Total Assets		112,149	20,509
Liabilities			
Current Liabilities			
Accounts Payables		134,489	63,670
PAYE Payable		-	9,207
Total Current Liabilities		134,489	72,877
Total Liabilities		134,489	72,877
Total Assets less Total Liabilities (Net Assets)		(22,340)	(52,367)
Accumulated Funds			
Accumulated surpluses or (deficits)	2	(22,340)	(52,367)
Total Accumulated Funds		(22,340)	(52,367)

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 2018

'How the entity has received and used cash'

	2018	2017
Cash Flows from Operating Activities		
Cash receipts from operations	797,121	359,024
Payments to suppliers	(696,277)	(354,540)
Total Cash Flows from Operating Activities	100,844	4,485
Net Increase/(Decrease) in Cash	100,844	4,485
Bank Accounts and Cash		
Opening cash	4,485	-
Closing cash	105,329	4,485
Net change in cash for period	100,844	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 year ended 30 June 2018

'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. In addition, the Trust is reliant on funding from the Office of Treaty Settlements (“OTS”) with the current funding due to cease in April 2019.

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.

Goods and Services Tax (GST)

Transactions are reported exclusive of GST except for Ministry of Justice 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 through out the entire year.

Notes to the Performance Report

Whakatohea Pre-Settlement Claims Trust For the year ended 30 June 2018

	2018	2017
1. Analysis of Expenses		
Volunteer and employee related costs		
Project Manager	64,052	33,579
Negotiation Expenses	267,053	114,440
Trustee Meeting Expenses	1,765	3,608
Trustee Meeting Fees	26,280	31,100
Trustee Travel	303	104
Total Volunteer and employee related costs	359,454	182,831
Costs related to providing goods or services		
Accountancy	14,924	9,900
Administration & Secretarial Support Services	68,863	34,008
Advertising/Advertorials	-	1,927
AIP Signing Expenses	44,112	3,792
Annual General Meeting (AGM) Costs	2,519	-
Audit and External Reporting	4,700	-
Bank Fees	177	97
Communication Consultancy	42,329	-
Election Expenses	-	10,732
Hui A Iwi Expenses	6,453	10,296
Hui A Rohe	27,919	18,602
Legal Fees	116,021	43,213
Mihi Marino	63,249	-
Office Expenses	12	233
Panui/Newsletters	15,219	-
Photocopying Charges	5,194	6,157
Printing & Stationery	1,030	1,007
Rent/Office Space/Room Usage	5,400	2,970
Research Group Expenses - Komiti Hotiri	478	-
Social Media Management	464	2,000
Specialist Advisory Services	-	1,741
Total Costs related to providing goods or services	419,064	146,675
Other expenses		
Whakatohea Maori Trust Board - Historical Treaty Expenses (note 5)	-	81,886
Interest Expense	75	-
Total Other expenses	75	81,886

	2018	2017
2. Accumulated Funds		
Accumulated Funds		
Opening Balance	(52,367)	-
Accumulated surpluses or (deficits)	30,028	(52,367)
Total Accumulated Funds	(22,340)	(52,367)
Total Accumulated Funds	(22,340)	(52,367)

3. Contingent Liabilities and Guarantees

There are no contingent liabilities or guarantees as at 30 June 2018.

	2018	2017
4. Related Parties		
Revenue		
Tu Ake Collective		
Other Revenue	-	17,024
Total Tu Ake Collective	-	17,024
Total Revenue	-	17,024
Expenses		
Whakatohea Maori Trust Board		
Photocopying Charges	5,194	6,157
Administration & Secretarial Support Services	68,863	34,008
Accountancy	14,924	9,900
Rent/Office Space/Room Usage	5,400	2,970
WMTB - Historical Treaty Expenses	-	81,886
Total Whakatohea Maori Trust Board	94,381	134,921
Trustee Fees (refer next page)	26,280	31,100
Trustee Meeting Expenses	1,765	3,608
Other Expenses	36,109	-
Total Expenses	158,535	169,629

Tu Ake Collective - This entity was the predecessor 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.

2017: The \$17,024 revenue relates to the residual balance of cash that was left from the predecessor 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 (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.

2017: The \$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 costs.

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

TRUSTEE	2018		2017	
	No# of Meetings	\$	No# of Meetings	\$
Robert Edwards	23	\$2,520	31	\$3,100
Mereaira Hata	17	\$1,960	31	\$3,100
Kate Hudson	16	\$1,820	30	\$3,000
Muriwai Kahaki	18	\$2,100	29	\$2,900
Erin Moore	21	\$2,420	30	\$3,000
David Ngatai	18	\$2,100	23	\$2,300
Mana Pirihi	18	\$2,100	24	\$2,400
Te Wheke Porter	14	\$1,600	24	\$2,400
Bruce Pukepuke	17	\$1,960	27	\$2,700
Graeme Riesterer	20	\$2,380	31	\$3,100
Tahu Taia	21	\$2,420	31	\$3,100
Anau Apanui	27	\$2,900	-	-
TOTAL		\$26,280		\$31,100

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.