



Te Akitai

Te Ākitai Waiohua Settlement Trust Annual Report 2020

includes Annual Reports for:

**Te Ākitai Waiohua Investment Trust; and
Te Ākitai Waiohua Community Development
Trust**



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Te Ākitai Oho Moata
Te Ākitai awake at early dawn



Introduction

Te Ākitai Waiohua Settlement Trust was formally set up in 2017 to receive the redress of Te Ākitai Waiohua provided by the Crown in the settlement of historical Treaty of Waitangi claims.

The function of Te Ākitai Waiohua Settlement Trust ('the Trust') is to hold, administer and manage the settlement assets of the Trust for the benefit and on behalf of the people of Te Ākitai Waiohua.

The vision of the Trust follows the whakatauki 'Te Ākitai Oho Moata' or 'Te Ākitai awake at early dawn' meaning that the Trust exists to prepare Te Ākitai Waiohua for the future.

The mission of the Trust is to achieve success and prosperity in economic, social, environmental and cultural development, while remaining true to the core values and principles of Te Ākitai Waiohua.

The settlement assets offered as redress by the Crown are to be held, administered and managed by the Trust to prepare Te Ākitai Waiohua for the future. This is achieved when the people of Te Ākitai Waiohua benefit, succeed and prosper from economic, social, environmental and cultural development that adheres to traditional Te Ākitai Waiohua values and principles.

Trust Operations

As at time of writing, Te Ākitai Waiohua has not signed a final Deed of Settlement with the Crown. Te Ākitai Waiohua does not have a settlement with the Crown yet and the Trust cannot fulfil its function without settlement assets to hold, administer or manage.

The Trust was formed before Te Ākitai Waiohua agreed to a final Deed of Settlement to take advantage of the Wirihihana housing development offer at 901 Great South Road and Kerrs Road, Manukau. This residential development opportunity is still being agreed through a formal process with the Crown.

The Trust has no substantive cash, assets or resources for operations. There are sufficient funds in the BNZ account to keep it open and cover all bank fees for the Trust and its Subsidiaries. It was anticipated that a Deed of Settlement might have been agreed with the Crown in the 2019-2020 financial period to cover operations of the Trust, but this could not be achieved.



Over the next financial period, the activities of the Trust will continue in the following areas:

- **Development Opportunity** - Progressing the Wirihana housing development opportunity on 901 Great South Road and Kerrs Road, Manukau; and
- **Establishing Governance** – Continuing to create internal policies and procedures, build a robust planning and reporting regime and develop communication channels to strengthen stakeholder relationships – this includes responding to a global pandemic; and
- **Support Identification** – Applying for local and central government funding in māori commercial and housing initiatives to secure administrative, financial and specialist support and advice; and
- **Information Gathering** - Identifying, collecting and compiling information about the Trust’s objectives and activities, what needs to happen to accomplish them and how achievement will be measured.

Trust Governance and Finances

The trustees of the Trust (‘the Board’) commit to continuing the activities of the Trust with limited resource. Despite these restrictions, the global pandemic and lockdown of the country due to COVID-19 highlighted the need for the Trust to develop a cohesive response plan for the future.

The Board has consistently agreed there should be no Trustee remuneration or provision made for an auditor or accountant unless the Trust had sufficient funds to engage such services. The financial transactions on record for the 2020 financial year involve bank account fees and transferring funds from the Trust to the Investment Trust to maintain the operation of this subsidiary. A total of \$7,548 was transferred from the Settlement Trust over to the Investment Trust BNZ bank account to cover bank fees and other legal and financial advice costs.

The Trust successfully applied for and was granted Capacity Contract funding from Auckland Council in June 2019. The funding grant of \$100,000 is to be specifically utilized to increase the capacity of Te Ākitai Waiohua to participate in and administer planning or relationship development activities by engaging with Auckland Council more effectively. In practice, this grant is used mainly to administer the Capacity Contract and meet funding criteria. However, the remainder can be put towards related administrative activities to ensure the Trust’s accounting and financial statements can be delivered.

This means the Trust and its subsidiaries through the support of Auckland Council are now in a position to engage accountants and auditors as required by the terms of the trust deed. The Trust has not been formally audited since it was set up in 2017,



although there have been very few financial transactions to assess other than bank fees and transfers between bank accounts. For this reason, no provision has been made for an auditor or Trustee remuneration in the 2020 financial year although an auditor can now be appointed for the 2021 financial year.

Trust Directory

Position	Name
Initial Trustees	Karen Wilson, Chair Gale Lee, Deputy Chair Nigel Denny Jr, Secretary David Wilson Takaanini Shirley Waipouri
Banker	BNZ

Te Ākitai Waiohua Settlement Trust Subsidiary Entities

Te Ākitai Waiohua Investment Trust and Te Ākitai Waiohua Community Development Trust (the Subsidiaries) both follow a charitable version of the Trust's goals by implementing some of the key objectives and undertaking selected activities of the Trust.

The vision of the Trust follows the whakatauki 'Te Ākitai Oho Moata' or 'Te Ākitai awake at early dawn' meaning that it exists to prepare Te Ākitai Waiohua for the future. This equally applies to the Subsidiaries.

Te Ākitai Waiohua Investment Trust

Te Ākitai Waiohua Investment Trust (Investment Trust) concentrates on economic development and investment. The mission of the Investment Trust is to achieve success and prosperity in economic development for the benefit of Te Ākitai Waiohua and wider society, while remaining true to the core values and principles of Te Ākitai Waiohua.

Te Ākitai Waiohua Community Development Trust

Te Ākitai Waiohua Community Development Trust (Development Trust) focuses on social wellbeing, while also incorporating aspects of iwi involvement, cultural education and community support that are charitable in nature. The mission of the Development



Trust is to achieve success and prosperity in social development for the benefit of Te Ākitai Waiohua and wider society, while remaining true to the core values and principles of Te Ākitai Waiohua.

Together the Subsidiaries share the economic and social responsibilities of the Trust, along with its resource and operational limitations. The role of the Trust is to monitor the Subsidiaries and ensure they meet the objectives of the economic development and social wellbeing pou. The Subsidiaries are responsible for and must report to the Trust on the pou they are required to prioritise.

Operations, Governance and Finances of the Subsidiaries

The Subsidiaries will continue to develop internal governance structures as well as identify, collect and compile information about internal objectives and activities, what needs to happen to accomplish them and how achievement will be measured in a similar fashion to the Trust.

The Community Development Trust has not engaged in any financial transactions. As a result, no provision has or can be made for Trustee remuneration, an accountant or an auditor for this subsidiary.

Although the 2020 financial year ended with a global pandemic and lockdown of the country due to COVID-19, the Investment Trust continued to progress the WiriHana housing opportunity at 901 Great South Road and Kerrs Road, Manukau. The Investment Trust also applied for more government funding to obtain professional advice on property investment and housing development. In the 2020 financial year the only costs incurred by the Investment Trust were fees for DLA Piper legal advice, Deloitte financial advice and maintenance of the BNZ bank account.

The Investment Trust began construction of 61 homes in Stage 1 of the Kōtuitui Place housing development at 20 Barrowcliffe Place, Wiri. The Investment Trust is a partner in this project, which sits separately from the Te Ākitai Waiohua Treaty settlement. In Kōtuitui Place the homes have yet to be built, so the project is mainly incurring costs for design, consenting, site works and house construction.

The Investment Trust also started becoming more involved in housing development with Kāinga Ora – Homes and Communities, a new Crown agency formed in October 2019. Kāinga Ora merged Housing New Zealand, HLC (Homes Land Community) and the KiwiBuild unit together and is in charge of developing government land for housing and running state houses as the government landlord. This is relevant to Te Ākitai Waiohua because of Kāinga Ora's plans to redevelop large sections of land in Māngere for housing purposes.

It was anticipated that a Deed of Settlement might have been agreed with the Crown in the 2020 financial year to assist with Investment Trust operations, but this could not be achieved. However, the Investment Trust successfully applied under Te Pūnaha



Hiringa Māori Innovation Fund and received Commercial Advisors Scheme funding from the Ministry of Housing and Urban Development in June 2019.

Funding of \$21,562 could be employed to obtain commercial advisory services and increase the skills, knowledge and networks of Te Ākitai Waiohua to realise the economic potential of its assets. In practice, this funding was used to obtain financial advice from Deloitte to assess Stage 1 of the Wirihana housing development using an electronic spreadsheet-based model. The model provided a useful overview of the development opportunity as a joint venture relationship and allowed the underlying data to be changed to evaluate financial feasibility and strategic risk in different scenarios.

A total of \$7,548 was transferred from the Settlement Trust over to the Investment Trust BNZ bank account to cover bank fees and costs incurred over the 2020 financial year. The Commercial Advisors Scheme funding is for a specific purpose related to receiving financial advice on the Wirihana housing development opportunity and cannot be utilised to operate the Investment Trust.

No provision has or can be made for Trustee remuneration, an accountant or an auditor.

Directory of the Subsidiaries

Position	Name
Initial Trustees	Karen Wilson, Chair Nora Mere Denny, Secretary Nigel Denny Jr, Treasurer
Banker	BNZ