

Toi Moana Trust

Annual Report
For the year ended 30 June 2021



Quayside Securities Limited as Trustee for Toi Moana Trust

Director's Declaration

For the year ended 30 June 2021

The Toi Moana Trust is part of the Quayside Group for governance purposes. The Toi Moana Trust Statement of Intent was prepared in accordance with the Local Government Act 2002 and covers prudent financial management and risk management. The Trust achieved most of its objectives as set out in the Statement of Intent for the year ended 30 June 2021. Refer to note 5 for further information.

The performance of Quayside Securities Limited as Trustee for Toi Moana Trust in undertaking its monitoring and advisory functions will be assessed with respect to:

- The quality of financial and other analysis.
- The robustness and accuracy of the information relied upon in providing advice.
- The clarity, timeliness and materiality of advice.
- Compliance with the shareholder's expectation that there should be "no surprises" arising from the company.
- Compliance with the shareholder's expectation for optimal commercial performance from the company.

Achievements

During the year the Bay of Plenty Regional Council (Council) has been fully informed by the directors as to the performance of Quayside Securities Limited as Trustee for Toi Moana Trust. The performance has met the shareholder's expectations as defined in the Quayside Group's Statement of Intent.

The directors of Quayside Securities Limited, as Trustee for the Toi Moana Trust, are pleased to present the financial statements for the year ended 30 June 2021.

For and on behalf of the Board of Directors:



Director



Director

Quayside Securities Limited as Trustee for Toi Moana Trust

For the year ending 30 June 2021

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Independent Auditor's Report

To the readers of Quayside Securities Limited as Trustee for Toi Moana Trust's financial statements and performance information for the year ended 30 June 2021

The Auditor-General is the auditor of Toi Moana Trust (the trust). The Auditor-General has appointed me, Leon Pieterse, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements and performance information of the trust on his behalf.

Opinion

We have audited:

- the financial statements of the trust on pages 5 to 15 and 19 to 23, that comprise the statement of financial position as at 30 June 2021, the income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information; and
- the performance information of the trust on pages 16 to 18.

In our opinion:

- the financial statements of the trust on pages 5 to 15 and 19 to 23:
 - present fairly, in all material respects:
 - its financial position as at 30 June 2021; and
 - its financial performance and cash flows for the year then ended; and
 - comply with generally accepted accounting practice in New Zealand in accordance with New Zealand equivalents to International Financial Reporting Standards Reduced Disclosure Regime; and
- the performance information of the trust on pages 16 to 18 presents fairly, in all material respects, the trust's actual performance compared against the performance targets and other measures by which performance was judged in relation to the trust's objectives for the year ended 30 June 2021.

Our audit was completed on 31 August 2021. This is the date at which our opinion is expressed.

The basis for our opinion is explained below, and we outline the responsibilities of the Board of Directors and our responsibilities relating to the financial statements and the performance information, we comment on other information, and we explain our independence.

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors for the financial statements and the performance information

The Board of Directors is responsible on behalf of the trust for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand. The Board of Directors is also responsible for preparing the performance information for the trust.

The Board of Directors is responsible for such internal control as it determines is necessary to enable it to prepare financial statements and performance information that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the performance information, the Board of Directors is responsible on behalf of the trust for assessing the trust's ability to continue as a going concern. The Board of Directors is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the Board of Directors intends to liquidate the trust or to cease operations or has no realistic alternative but to do so.

The Board of Directors' responsibilities arise from the Local Government Act 2002.

Responsibilities of the auditor for the audit of the financial statements and the performance information

Our objectives are to obtain reasonable assurance about whether the financial statements and the performance information, as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers, taken on the basis of these financial statements and the performance information.

For the budget information reported in the financial statements and the performance information, our procedures were limited to checking that the information agreed to the trust's statement of intent.

We did not evaluate the security and controls over the electronic publication of the financial statements and the performance information.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements and the performance information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the trust's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- We evaluate the appropriateness of the reported performance information within the trust's framework for reporting its performance.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Directors and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the trust's ability to continue as a going concern. If we conclude that a material uncertainty exists we are required to draw attention in our auditor's report to the related disclosures in the financial statements and the performance information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the trust to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements and the performance information, including the disclosures, and whether the financial statements and the performance information represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other Information

The Board of Directors is responsible for the other information. The other information comprises the information included on pages 24 to 27, but does not include the financial statements and the performance information, and our auditor's report thereon.

Our opinion on the financial statements and the performance information does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements and the performance information, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements and the performance information or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the trust in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: International Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board.

Other than the audits of the trust and Quayside group entities, we have no relationship with, or interests in, the trust.

Leon Pieterse
Audit New Zealand
On behalf of the Auditor-General
Tauranga, New Zealand

Quayside Securities Limited as Trustee for Toi Moana Trust
Income Statement
For the year ended 30 June 2021

	Note	2021 \$000	2020 \$000
Income			
Dividend income	6 (a)	1,468	1,196
Other income	6 (b)	9,728	3,573
Operating income		11,196	4,769
Expenses			
Trading and other expenses	7 (a)	(223)	(270)
Other losses	7 (b)	(3,976)	(7,379)
Operating expenses		(4,199)	(7,649)
Operating profit/(loss) before finance costs and taxation		6,997	(2,880)
Finance income	8	6	128
Profit/(loss) before income tax		7,003	(2,752)
Income tax expense	9	-	-
Net profit/(loss) after tax		7,003	(2,752)

Quayside Securities Limited as Trustee for Toi Moana Trust
Statement of Comprehensive Income
For the year ended 30 June 2021

	2021 \$000	2020 \$000
Net profit/(loss) after tax	7,003	(2,752)
Other comprehensive income	-	-
Total comprehensive income for the period	7,003	(2,752)

Quayside Securities Limited as Trustee for Toi Moana Trust
Statement of Changes in Equity
For the year ended 30 June 2021

	Units issued \$000	Distributions \$000	Retained earnings \$000	Total equity \$000
Balance at 1 July 2019	-	-	-	-
Net profit/(loss) after tax	-	-	(2,752)	(2,752)
Total comprehensive income	-	-	(2,752)	(2,752)
Changes in issued capital	45,000	-	-	45,000
Balance at 30 June 2020	45,000	-	(2,752)	42,248
Balance at 1 July 2020	45,000	-	(2,752)	42,248
Net profit/(loss) after tax	-	-	7,003	7,003
Total comprehensive income	-	-	7,003	7,003
Changes in issued capital	-	-	-	-
Distributions to unit holders	-	(2,250)	-	(2,250)
Balance at 30 June 2021	45,000	(2,250)	4,251	47,001

Quayside Securities Limited as Trustee for Toi Moana Trust
Statement of Financial Position
As at 30 June 2021

	Note	2021 \$000	2020 \$000
Assets			
Current assets			
Cash and cash equivalents		1,815	1,191
Trade and other receivables	10	29	82
Total current assets		1,844	1,273
Non-current assets			
Other financial assets	12	45,244	41,057
Total assets		47,088	42,330
Liabilities			
Current liabilities			
Trade and other payables	13	87	82
Net assets		47,001	42,248
Equity			
Paid up units		45,000	45,000
Distributions		(2,250)	-
Retained earnings		4,251	(2,752)
Total equity		47,001	42,248

These financial statements have been authorised for issue by the Board of Directors on 31 August 2021.



Director



Director

Quayside Securities Limited as Trustee for Toi Moana Trust
Statement of Cash Flows
For the year ended 30 June 2021

	2021	2020
	\$000	\$000
Cash flows from operating activities		
Dividends received	1,439	1,196
Interest received	6	128
Payments to suppliers	(218)	(188)
Net cash flow from operating activities	1,227	1,136
Cash flows from investing activities		
Proceeds from sale of investments	7,083	2,459
Purchase of investments	(5,433)	(47,431)
Net cash flow from investing activities	1,650	(44,972)
Cash flows from financing activities		
Proceeds from the issue of units	-	45,000
Distributions	(2,250)	-
Net cash flow from financing activities	(2,250)	45,000
Effects of exchange rate changes on cash and cash equivalents	(3)	27
Net increase in cash and cash equivalents	624	1,191
Cash and cash equivalents at the beginning of the year	1,191	-
Cash and cash equivalents at the end of the year	1,815	1,191

Quayside Securities Limited as Trustee for Toi Moana Trust
Notes to the Financial Statements (continued)
For the year ended 30 June 2021

2 Basis of preparation

Statement of compliance

These financial statements have been prepared in accordance with the requirements of the Local Government Act 2002, which includes the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP).

The financial statements comply with New Zealand Equivalents to International Financial Reporting Standards – Reduced Disclosure Regime (“NZ IFRS RDR”) and other applicable Financial Reporting Standards as appropriate to for-profit entities. The Trust is a reporting entity for the purposes of the Financial Reporting Act 2013 and these financial statements comply with that Act.

NZ IFRS – Reduced disclosure regime

The Trust applies External Reporting Board Standard A1 ‘Accounting Standards Framework (For-profit Entities Update)’ (‘XRB A1’). For the purposes of complying with NZ GAAP, the Trust is eligible to apply Tier 2 For-profit Accounting Standards (NZ IFRS RDR) on the basis that it is not a large for-profit public sector entity.

The financial statements were approved by the Board of Directors on 31 August 2021.

Basis of measurement

The financial statements have been prepared on the historical cost basis except that the following assets and liabilities are stated at their fair value: other financial assets mandatorily measured at fair value through the income statement. The methods used to measure fair values are discussed further in note 4.

Functional and presentation currency

These financial statements are prepared in New Zealand dollars (\$), which is the Trust’s functional currency. Where presented, all financial information has been rounded to the nearest thousand.

Changes in accounting policies

There have been no changes in accounting policies. The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

Use of estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have a significant effect on the amount recognised in the financial statements relates to the valuation of financial instruments (refer note 4(b)).

3 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

a) Foreign currency

Transactions in foreign currencies are translated into the functional currency at the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies, are recognised in the income statement.

3 Significant accounting policies (continued)

b) Financial instruments

(i) Non-derivative financial assets

The Trust initially recognises non-derivative financial assets on the date that they originated. Financial assets mandatorily measured at fair value through profit or loss, are recognised initially on the trade date at which the Trust becomes a party to the contractual provisions of the instrument.

The Trust classifies non-derivative financial assets into the following categories:

Financial assets mandatorily measured at fair value through profit or loss

A financial asset is classified at fair value through profit or loss if it is not measured at amortised cost or designated at fair value through comprehensive income upon initial recognition. Attributable transaction costs are recognised in profit or loss as incurred. Financial assets mandatorily measured at fair value through profit or loss are measured at fair value and changes therein, which takes in to account any dividend income, are recognised in profit or loss.

Financial assets mandatorily measured at fair value through profit or loss include: equity securities

Financial assets at amortised cost

Financial assets at amortised cost are those financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial assets are measured at amortised cost using the effective interest method, less any impairment losses. Financial assets at amortised cost include: cash and cash equivalents; trade and other receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with an original maturity of three months or less. Bank overdrafts, when applicable, are shown within borrowings in current liabilities in the Statement of Financial Position.

(ii) Non-derivative financial liabilities

The Trust initially recognises debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities (including liabilities designated at fair value through profit or loss) are recognised initially on the trade date, which is the date that the Trust becomes a party to the contractual provisions of the instrument. The Trust derecognises a financial liability when its contractual obligations are discharged, cancelled or expire.

The Trust classifies non-derivative financial liabilities into the financial liabilities measured at amortised cost category. Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

Financial liabilities measured at amortised cost comprise: trade and other payables.

c) Dividend income

Dividend income is recognised on the date that the right to receive payment is established, being the ex-dividend date.

d) Finance income and expense

Finance income comprises interest income on funds invested. Interest income is recognised as it accrues, using the effective interest method. Finance expenses comprise interest expense on borrowings. All borrowing costs are recognised in profit or loss using the effective interest method.

3 Significant accounting policies (continued)

e) Income tax expense

The Trust qualifies and has elected to be a Portfolio Investment Entity (PIE) for the purpose of taxation in New Zealand. Under the PIE regime, income is effectively taxed in the hands of the unit holders of the Trust, and therefore the Trust does not have any tax expense.

Investors in the Trust are obliged to provide the Trust with their Prescribed Investor Rate (PIR) of 0%, 10.5%, 17.5% or 28%.

Under the PIE legislation, the income of the Trust is attributed to the unit holders of the Trust in accordance with their proportional interest in the Trust. In the case of the Toi Moana Trust, all investors have a PIR of 0%.

f) Units issued

Units issued are classified as equity.

Where the Trust issues new or cancels existing units, the value of units issued or cancelled is calculated on the value of net assets of the Trust divided by the units on issue.

g) Goods and Services Tax (GST)

The Trust is not registered for GST. All amounts stated are inclusive of GST.

4 Determination of fair values

A number of the Trust's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities.

Fair values have been determined for measurement and/or disclosure purposes based on the following methods:

a) Trade receivables and payables

The nominal value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short term nature.

b) Non-derivative financial assets





The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date.

Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

Quayside Securities Limited as Trustee for Toi Moana Trust
Notes to the Financial Statements (continued)
For the year ended 30 June 2021

5 Toi Moana Trust Statement of Service Performance



The Trust is a Council Controlled Trading Organisation and is required to prepare a Statement of Intent (SOI). Recorded below are the targets of the Trust's Statement of Intent.

Performance measure	Performance target	2021 result	
Generate commercial returns across the Investment Portfolio.	Annual net cash flow return of 5%	The fund has an annual target of 5% net cash flow. The fund has to date returned a 3.2% cash return (2020: 2.4%). A distribution of 5% was paid for the year ending 30 June 2021. The fund did not distribute in the prior year.	
Capital preservation	Long term capital preservation over an initial period of seven years	The net asset value of the fund has increased from \$42.3m as at 30 June 2020 to \$47m as at 30 June 2021.	
Investments must be in accordance with its Principles of Responsible Investment.	Investments must be screened from an ethical perspective and meet the following criteria. We must avoid investing in companies whose principal business activity is: •The manufacture and sale of armaments •The manufacture and sale of tobacco •The promotion of gambling. Investment selection and management of investments must be in accordance with the principles for responsible investment set out in the Toi Moana Trust SIPO. Council reporting of SIPO compliance dashboard at each meeting. Annual audits of investment adherence to SIPO, including responsible investment principles	The fund invests in New Zealand and Australia. All investments passed the ethical tests and there was no direct investment into sectors to be avoided. In 2020 all investments were screened by both the Investment Manager and their external advisors. All investments were in accordance with the Toi Moana Trust SIPO. Four quarterly reports were produced for Council (2020: three). The Council report did not expressly note that SIPO compliance was achieved. This has been added to future reports (2020: not applicable). A review of holdings was done as at 30 June 2021 against the New Zealand Super Fund Responsible Investment Exclusion List (February 2021), no breaches were identified. This is a new measure and comparative information is not available.	
Investments must be in accordance with its Principles of Socially Responsible Investment.	As an Organisation with a focus on environmental factors investments should be screened for their impact on the environmental, social and governance considerations, including climate change and sustainability. A summary to be included in all investment papers presented to Council. Annual report to the Council on Toi Moana Trust compliance with responsible investment principles, including ESG industry standards and best practice.	In creation of the Toi Moana Trust with Council a new SIPO was established. This SIPO outlines the responsible investment and ESG criteria of the fund. All investments of the fund adhere to this standard, There were no new investment papers presented to the Council for investment under this Statement of Intent during the year. The fourth quarter report includes the results of the review of compliance with responsible investment principles. This is a new measure for 2021.	

5 Toi Moana Trust Statement of Service Performance (continued)

(b) Governance

This activity relates to the policies and procedures the *Quayside Group* will adopt to satisfy governance requirements and expectations and ensures that open dialogue exists between the *Quayside Group* and Council, so that Council are kept informed of all significant matters relating to the *Quayside Group* at the earliest opportunity.

Performance measure	Performance target	2021 result
Keep Council informed on a no surprises basis, providing quality and timely information.	Quarterly reporting on investment fund performance. Timely advice and support as required.	Quarterly reports provided to Council as agreed (in 2020 reports were provided in October 2019, January and April 2020) Toi Moana performance included as part of Treasury meetings held with Council staff. 
Meet shareholders distribution expectations as outlined in SOI or as otherwise agreed.	Distributions paid to agreed values.	Distributions of \$2.25m were paid to Council as per the SOI (2020: no distributions paid). 

Target met: Yes

The Toi Moana Trust primarily met its performance objectives for the 2021 year.

Key



Met



Substantially met



Not met



Not applicable

Quayside Securities Limited as Trustee for Toi Moana Trust
Notes to the Financial Statements (continued)
For the year ended 30 June 2021

6 Operating income

	2021 \$000	2020 \$000
a) Dividend income		
Foreign dividends	182	117
New Zealand dividends	1,286	1,079
Total dividend income	1,468	1,196
b) Other income		
Realised foreign exchange gains	6	25
Realised gain on capital investment	829	185
Unrealised foreign exchange gains	-	2
Unrealised gain on capital investments	8,893	3,361
Total other income	9,728	3,573

7 Expenses

	2021 \$000	2020 \$000
a) Trading and other expenses		
Audit NZ – fees for financial statements	14	10
Investment fees	92	143
Other expenses	117	117
Total trading and other expenses	223	270
b) Other losses		
Realised foreign exchange losses	2	5
Realised loss on capital investment	34	-
Unrealised foreign exchange losses on cash	7	-
Unrealised loss on capital investments	3,933	7,374
Total other losses	3,976	7,379

8 Finance income

	2021 \$000	2020 \$000
Finance income		
Interest income on bank deposits	6	128

Quayside Securities Limited as Trustee for Toi Moana Trust
Notes to the Financial Statements (continued)
For the year ended 30 June 2021

9 Income tax

The trust is a PIE for income tax purposes.

	2021 \$000	2020 \$000
Taxable income		
Net loss before income tax	7,003	(2,752)
Amounts which are non-deductible / (non- taxable):		
Loss / (gain) on investments	(5,752)	3,835
Non-assessable income	(58)	(60)
Non-deductible expenditure	-	94
Imputation credits and other tax credits received	388	318
Foreign dividend regime	(23)	(77)
Taxable income attributed to unit holders	1,558	1,358
Tax credits		
Imputation credits	383	283
Australian withholding tax	5	8
Foreign tax paid	-	27
Tax credits applied to unit holders	388	318

As the Trust is a PIE, its taxable income and tax credits have been attributed to unit holders.

10 Trade and other receivables (current)

	2021 \$000	2020 \$000
Other receivables		
Prepayments	-	82
Dividends receivable	29	-

Current trade and other receivables are non interest-bearing and receipt is normally on 30 day terms, therefore the carrying value of debtors and other receivables approximate their fair value.

Quayside Securities Limited as Trustee for Toi Moana Trust
Notes to the Financial Statements (continued)
For the year ended 30 June 2021

11 Capital and reserves

a) Units issued

	2021 No.	2021 \$000	2020 No.	2020 \$000
Units held				
Bay of Plenty Regional Council				
Balance as at 1 July	45,000,000	45,000	-	-
Balance as at 30 June	45,000,000	45,000	45,000,000	45,000
Quayside Holdings Limited				
Balance as at 1 July	1	-	-	-
Balance as at 30 June	1	-	1	-
Total				
Balance as at 1 July	45,000,001	45,000	-	-
Balance as at 30 June	45,000,001	45,000	45,000,001	45,000

The Trust was established on 1 July 2020 with the issue of 45,000,001 units at \$1 each. Units in the Trust were valued at 30 June 2021 at \$1.0446 per unit. (2020: \$0.9389). Unit price is calculated on the value of net assets of the Trust divided by the total number of units on issue.

(b) Distributions

Distributions totalling \$2.25 million were made to unit holders during the year (2020: nil).

12 Other financial assets

Other financial assets comprise the trust's diversified equity portfolio that is traded in active markets. These assets are valued at fair value based on quoted market prices at reporting date and are mandatorily valued at fair value through profit and loss. The movement in the balance of these assets represents share sales and purchases during the year and unrealised/realised gains and losses on the investments.

	2021 \$000	2020 \$000
NZ equities	39,221	35,952
AUD equities	6,023	5,105
	45,244	41,057

13 Trade and other payables

	2021 \$000	2020 \$000
Accruals	31	26
Related party payables	56	56
	87	82

Trade and other payables are non interest-bearing and are normally settled on 30 day terms, therefore the carrying value of trade and other payables approximates their fair value.

Quayside Securities Limited as Trustee for Toi Moana Trust
Notes to the Financial Statements (continued)
For the year ended 30 June 2021

14 Related party transactions

Parent and ultimate controlling entity

The Parent entity of Quayside Securities Limited as Trustee for the Toi Moana Trust is Quayside Holdings Limited, which is 100% owned by the Bay of Plenty Regional Council – refer Note 1.

Transactions with key management personnel

The administration and management of the Trust is undertaken by Quayside Securities Limited as Trustee for Toi Moana Trust, therefore there is no management personnel compensation in relation to the Trust.

Other related entities

Other related parties include subsidiaries and equity accounted investees in the Group – refer Note 1. During the year, the Trust entered into transactions with companies in which Directors hold directorships. These directorships have not resulted in significant influence over the operations, policies or key decisions of these companies.

Related party transaction values and outstanding balances are as follows:

	2021 \$000	2020 \$000
Quayside Holdings Limited		
Consideration for units issued by Toi Moana Trust	-	-
Fund management fee owing by Toi Moana Trust	56	56
Bay of Plenty Regional Council		
Consideration for units issued by Toi Moana Trust	-	45,000
Distributions made by Toi Moana Trust	2,250	-
Quayside Securities Limited		
Trustee fees paid by Toi Moana Trust	61	61

Quayside Holdings Limited holds one unit in Toi Moana Trust, acquired in July 2019 for \$1.00. The value of this unit at 30 June 2021 is \$1.0446 per unit. (2020: \$0.9389). Additionally Quayside Holdings Limited is the appointed Fund Manager for Toi Moana Trust, for which it charges an annual fund management fee.

No related party debts have been written off or forgiven during the year.

15 Capital commitments and contingencies

The Trust has no capital commitments or contingencies at 30 June 2021 (2020: nil).

Quayside Securities Limited as Trustee for Toi Moana Trust
Notes to the Financial Statements (continued)
For the year ended 30 June 2021

16 Financial instruments

Categories of financial instruments

	2021 \$000	2020 \$000
Financial assets at amortised cost		
Cash and cash equivalents	1,815	1,191
Financial assets at fair value through profit and loss		
Other financial assets	45,243	41,057
Financial liabilities at amortised cost		
Trade and other payables - current	87	82

17 Subsequent events

The Directors are aware of circumstances that have arisen after balance date with regards to the Coronavirus (Covid-19) pandemic. Subsequent to the end of the financial year the Delta variant was discovered in New Zealand and the Government has taken action to reduce the spread of the virus in the form of lockdowns and an increased vaccination rollout.

At the date of signing the financial statements the Directors are unable to determine what future potential financial effects the New Zealand outbreak of Covid-19 could have on financial performance either directly or indirectly. Directors believe that any potential negative effects would likely be limited unless there is a sustained economic downturn. In that event, the effect on the key elements in the financial statements would be:

- *Dividend income* – Any sustained economic downturn nationally may affect the dividend income that Toi Moana Trust may receive.
- *Equity portfolio value* - Any sustained economic downturn nationally and globally may affect share prices, thus affecting the carrying value of the equity portfolio.

The current alert level escalation has had no material impact on the performance of the Trust and the Directors acknowledge their responsibility to continuously monitor the situation and evaluate the impact including whether the Trust remains a going concern.

There were no subsequent events post balance date in 2020.

Quayside Securities Limited as Trustee for Toi Moana Trust

Statutory Information

For the year ended 30 June 2021

Interests register

The Trust is required to maintain an Interests Register in which the particulars of certain transactions and matters involving the directors must be recorded. The interests register for Quayside Securities Limited is available for inspection at the registered office. The directors of the Company have made general disclosures of interest in accordance with S140(2) of the Companies Act. Current interests and those which ceased during the year, are tabulated below. New disclosures advised since 1 July 2020 are italicised.

Director	Entity	Position
R McLeod	<i>Archipelago Capital Management Limited – ceased, advised May 2021</i>	<i>Director</i>
	<i>Ngāti Porou Holding Company Limited - appointed 1 Jan 2021)</i>	<i>Director / Chair</i>
	Port of Tauranga Limited	Director
	QHL Perpetual Preference Shares	Shareholder
	Quayside Holdings Limited	Director / Chair
	Quayside Properties Limited	Director / Chair
	Quayside Securities Limited	Director / Chair
	Sanford Limited	Chair
	Sanford LTI Limited	Director
S Crosby	Bay of Plenty Regional Council	Councillor
	Equip GP Limited	Director
	Quayside Holdings Limited	Director
	Quayside Properties Limited	Director
	Quayside Securities Limited	Director
	Templogger NZ Limited	Director / Shareholder
B Hewlett	Bluelab Corporation Limited	Director
	Bluelab Holdings Limited	Director
	Comvita Limited	Chair / Director
	Oriens Capital	Shareholder
	<i>Priority One – ceased, advised July 2021</i>	<i>Chair</i>
	Quayside Holdings Limited	Director
	Quayside Properties Limited	Director
	Quayside Securities Limited	Director
K Horne	Hamilton City Council	ARC Chair
	New Zealand Lotteries Commission	Commissioner / ARC Chair
	Quayside Holdings Limited	Director
	Quayside Securities Limited	Director
	Quayside Properties Limited	Director
	ScreenSouth Limited	Director / Chair
	Spey Downs Limited	Shareholder
	Television New Zealand Limited	Director
	<i>Timaru District Council – ceased, advised July 2021</i>	<i>ARC Member</i>
	University of Canterbury	Council Member / ARC Chair

Quayside Securities Limited as Trustee for Toi Moana Trust
Statutory Information (continued)
For the year ended 30 June 2021

Director	Entity	Position
F McTavish	Bay of Plenty Regional Council	Officer
	BOPLASS Limited	Director
	McTavish – Huriwai Investments Limited	Director / Shareholder
	Priority One WBOP Inc	Executive Board Member
	Quayside Holdings Limited	Director
	Quayside Properties Limited	Director
	Quayside Securities Limited	Director
W Parker	Farmlands Cooperative Society Limited	Director
	Focus Genetics	Director
	Landcorp Estates Limited	Director / Chair
	Landcorp Holdings Limited	Director / Chair
	Landcorp Pastoral Limited	Director / Chair
	PAMU, Landcorp Farming Limited	Director / Chair
	<i>Predator Free 2050 Limited – ceased, advised October 2020</i>	<i>Director</i>
	Quayside Holdings Limited	Director
	Quayside Properties Limited	Director
	Quayside Securities Limited	Director
	Warrens Insights Limited	Director / Shareholder
T White (appointed 10 March 2021)	<i>Bay of Plenty Regional Council</i>	<i>Councillor</i>
	<i>Indigenuity Limited</i>	<i>Director</i>
	<i>Kahukiwi Management Limited</i>	<i>Director</i>
	<i>Noa New Zealand Limited</i>	<i>Director / Shareholder</i>
	<i>NZ Baywide Credit Union</i>	<i>Director</i>
	<i>Quayside Holdings Limited</i>	<i>Director</i>
	<i>Quayside Properties Limited</i>	<i>Director</i>
	<i>Quayside Securities Limited</i>	<i>Director</i>
	<i>Te Taru White Consultancy Limited</i>	<i>Director / Shareholder</i>
	<i>Toitu Te Waonui Operations Limited</i>	<i>Director / Shareholder</i>
P Thompson (Retired as a Director 1 April 2021)	<i>Bay of Plenty regional Council</i>	<i>Councillor</i>
	<i>Bay of Plenty Regional Council, Regional Direction and Delivery Committee</i>	<i>Chair</i>
	<i>Eastern Bay of Plenty Economic Development Trust (Toi EDA)</i>	<i>Trustee</i>
	<i>Quayside Holdings Limited (Retired 1 April 2021)</i>	<i>Director</i>
	<i>Quayside Properties Limited (Retired 1 April 2021)</i>	<i>Director</i>
	<i>Quayside Securities Limited (Retired 1 April 2021)</i>	<i>Director</i>
	<i>Woman Walking Limited</i>	<i>Director / Shareholder</i>

The entities listed above against each director may transact with Quayside Securities Limited as Trustee for Toi Moana Trust. Refer to Note 14 of the financial statements.

Quayside Securities Limited as Trustee for Toi Moana Trust
Statutory Information (continued)
For the year ended 30 June 2021

Information used by directors

During the financial year there were no notices from directors of Quayside Securities Limited as Trustee for Toi Moana Trust requesting to use information received in their capacity as a director which would not otherwise have been available to them.

Indemnification and insurance of directors and officers

The *Quayside Group* has arranged policies of Directors' and Officers' Liability Insurance and separate Directors' and Officers' defence costs insurance.

Donations

No donations were made by Quayside Securities Limited as Trustee for Toi Moana Trust during the year ended 30 June 2021 (2020: nil).

Directors

The following directors of Quayside Securities Limited as Trustee for Toi Moana Trust held office as at 30 June 2021:

R McLeod (Chair)

S Crosby

B Hewlett

K Horne

F McTavish*

W Parker

T White (*appointed 11 March 2021*)

Directors were remunerated by Quayside Securities Limited except for F McTavish who was remunerated by the Bay of Plenty Regional Council.

Loans

There were no loans by Quayside Securities Limited as Trustee for Toi Moana Trust, to directors.

Employees

The Trust does not have any employees. All administration is carried out by Quayside Holdings Limited under a management agreement with Quayside Securities Limited.

Auditor's remuneration

The following amounts are payable to the auditor of the company for the year:

Audit New Zealand Audit Fees \$13,729 (GST inclusive)

Quayside Securities Limited as Trustee for Toi Moana Trust Directory

Registered office

Level 2, 41 The Strand
Tauranga 3110
Ph: (07) 579 5925

Postal address

PO Box 13564
Tauranga 3141

Auditors

Audit New Zealand
On behalf of the Auditor-General
745 Cameron Road
PO Box 621
Tauranga 3110
New Zealand

Solicitor

Cooney Lees Morgan
PO Box 143
Tauranga 3110

