

Toi Moana Trust

Annual Report 2022



Quayside Securities Limited as Trustee for Toi Moana Trust

Director's Declaration

For the year ended June 2022

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 2022. 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 2022.

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 2022

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Independent Auditor's Report

To the readers of Toi Moana Trust's financial statements and performance information for the year ended 30 June 2022

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 13 and 16 to 20, that comprise the statement of financial position as at 30 June 2022, the 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 14 to 15.

In our opinion:

- the financial statements of the trust on pages 5 to 13 and 16 to 20:
 - present fairly, in all material respects:
 - its financial position as at 30 June 2022; 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 14 to 15 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 2022.

Our audit was completed on 31 August 2022. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, 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.

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 in the Directors Declaration and pages 21 to 24, 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 audit and the audit of the 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 2022

	Note	2022 \$000	2021 \$000
Income			
Dividend income	6 (a)	1,547	1,468
Other income	6 (b)	4,194	9,728
Operating income		5,741	11,196
Expenses			
Trading and other expenses	7 (a)	(234)	(223)
Other losses	7 (b)	(4,944)	(3,976)
Operating expenses		(5,178)	(4,199)
Operating profit/(loss) before finance costs and taxation		563	6,997
Finance income	8	31	6
Profit/(loss) before income tax		594	7,003
Income tax expense	9	-	-
Net profit/(loss) after tax		594	7,003

Quayside Securities Limited as Trustee for Toi Moana Trust
Statement of Comprehensive Income
For the year ended 30 June 2022

	2022 \$000	2021 \$000
Net profit/(loss) after tax	594	7,003
Other comprehensive income	-	-
Total comprehensive income for the period	594	7,003

Quayside Securities Limited as Trustee for Toi Moana Trust
Statement of Changes in Equity
For the year ended 30 June 2022

	Units issued \$000	Retained earnings \$000	Total equity \$000
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	2,001	47,001
Balance at 1 July 2021	45,000	2,001	47,001
Net profit/(loss) after tax	-	594	594
Total comprehensive income	-	594	594
Changes in issued capital	-	-	-
Distributions to unit holders	-	(4,500)	(4,500)
Balance at 30 June 2022	45,000	(1,905)	43,095

Quayside Securities Limited as Trustee for Toi Moana Trust
Statement of Financial Position
As at 30 June 2022

	Note	2022 \$000	2021 \$000
Assets			
Current assets			
Cash and cash equivalents		292	1,815
Trade and other receivables	10	37	29
Total current assets		329	1,844
Non-current assets			
Other financial assets	12	42,849	45,244
Total assets		43,178	47,088
Liabilities			
Current liabilities			
Trade and other payables	13	83	87
Net assets		43,095	47,001
Equity			
Paid up units		45,000	45,000
Retained earnings		(1,905)	4,251
Total equity		43,095	47,001

These financial statements have been authorised for issue by the Board of Directors on 31st August 2022



 Director



 Director

Quayside Securities Limited as Trustee for Toi Moana Trust
Statement of Cash Flows
For the year ended 30 June 2022

	2022 \$000	2021 \$000
Cash flows from operating activities		
Dividends received	1,539	1,439
Interest received	18	6
Payments to suppliers	(238)	(218)
Net cash flow from operating activities	1,319	1,227
Cash flows from investing activities		
Proceeds from sale of investments	13,164	7,083
Purchase of investments	(11,483)	(5,433)
Net cash flow from investing activities	1,681	1,650
Cash flows from financing activities		
Proceeds from the issue of units	-	-
Distributions	(4,500)	(2,250)
Net cash flow from financing activities	(4,500)	(2,250)
Effects of exchange rate changes on cash and cash equivalents	(23)	(3)
Net increase in cash and cash equivalents	(1,523)	624
Cash and cash equivalents at the beginning of the year	1,815	1,191
Cash and cash equivalents at the end of the year	292	1,815

Quayside Securities Limited as Trustee for Toi Moana Trust

Notes to the Financial Statements

For the year ended 30 June 2022

1 Reporting entity

Toi Moana Trust (the "Trust") was established under a Trust Deed (Quayside Investment Trusts) on 1st July 2019.

Quayside Securities Limited is the Trustee for Toi Moana Trust. These financial statements are for Toi Moana Trust. The Parent and ultimate controlling entity is the Bay of Plenty Regional Council. The Trust is a council-controlled trading organisation as defined under Section 6 of the Local Government Act 2002, by virtue of the Council's right to appoint the Board of Quayside Holdings Limited.

The Trust is a Portfolio Investment Entity (PIE) for the purpose of income taxation in New Zealand.

The Trust has investments in listed shares. The Trust is classified as a for-profit entity.

For the purposes of these financial statements, the Quayside Group comprises Quayside Holdings Limited and its subsidiaries. Toi Moana Trust while not a subsidiary of Quayside Holdings Limited, is considered to be within the Quayside Group for governance purposes, by virtue of the fact that Quayside Securities Limited is the appointed Trustee.

Group Ownership						
Parent				Type of Business	Ownership	Shareholder/s
Quayside Holdings Ltd (QHL)				Holding Company	100%	Bay of Plenty Regional Council
Subsidiaries						
				Aquaculture	100%	QHL
				Trust	100%	QHL
				Trust	100%	QHL
				Regional Benefit Investment	100%	QHL
		Tauranga Commercial Developments Ltd (TCD)		Commercial Property JV	50% 50%	QHL Commercial Fund Investors Limited
		Lakes Commercial Developments Ltd (LCD)		Commercial Property JV	50% 50%	QHL TPB Holdings Limited
Real Asset Subsidiaries						
				Real Asset Investment	100%	QHL
				Forestry	100%	QHL
				Real Asset Investment	100%	QHL
				Real Asset Investment	100%	QHL
				Real Asset Investment	100%	QHL
				Real Asset Investment	100%	QHL
Joint Ventures						
				Horticulture (Kiwhitu)	50% 50%	QHL Te Tumu o Paeroa (Maori Trustee)
Subsidiary						
Quayside Unit Trust (QUT) *	Port of Tauranga Ltd		Parent company			54.14% Quayside Unit Trust
		Port of Tauranga Trustee Company Limited	Holding Company			
		Quality Marshalling Limited	Port operations			100% Port of Tauranga
		Timaru Container Terminal Limited	Port operations			100% Port of Tauranga
		Northport Limited	Port - Associate Company			50% Port of Tauranga, 50% Marsden Maritime Holdings
		Prime Port Timaru Limited	Port - Associate Company			50% Port of Tauranga, 50% Timaru District Holdings
		Port Connect Limited	Port operations - Associate Company			50% Port of Tauranga, 50% Ports of Auckland
		Coda Group Limited	Port operations - Associate Company			50% Port of Tauranga, 50% Kotahi
		Ruakura Inland Port LP	Port JV - Associate Company			50% Port of Tauranga, 50% Tainui Group Holdings
Other						
Toi Moana Trust *			Managed by QHL	Trust		Bay of Plenty Regional Council

* QSL is trustee of TMT, QUT and QIT

Quayside Securities Limited as Trustee for Toi Moana Trust
Notes to the Financial Statements (continued)
For the year ended 30 June 2022

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 31st August 2022.

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 and 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.

Quayside Securities Limited as Trustee for Toi Moana Trust
Notes to the Financial Statements (continued)
For the year ended 30 June 2022

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 2022

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.

(a) Investment Portfolio



Performance measure	Performance target	2022 result
Generate commercial returns across the Investment Portfolio.	Annual cash distribution target of 5%. Special distribution of any return achieved but not paid in previous years.	A distribution of 5% was paid for the year ending 30 June 2022. Because the fund did not distribute in 2020, an additional 5% special distribution was paid in the year end 30 June 2022. <i>(2021: N/A, different target regarding net cash flow, not distributions).</i>
Capital preservation	Long term capital preservation over an initial period of seven years.	The net asset value of the fund has decreased from \$47m as at 30 June 2021 to \$43m as at 30 June 2022, reflecting the fluctuating markets and distributions paid out. The investment period of seven years runs to 2028. <i>(2021: Target met -\$47m)</i>
Promote and support approaches to responsible investment that align capital with achieving a healthy, sustainable society, environment, and economy.	Maintain a written set of principles for responsible investment which is reviewed no less than biennially. Benchmark, through biennial review, the Group responsible investment principles against international standards and comparative national entities (for example NZ Super Fund). Do not invest in companies whose principal business activity is - <ul style="list-style-type: none"> • The manufacture and sale of armaments • The manufacture and sale of tobacco • The promotion of gambling. Carry out an annual audit of all existing investments to – <ul style="list-style-type: none"> • ensure continued adherence to the Group principles of responsible investment; and • monitor ESG risks and opportunities. Screen new investments for compliance with the Group principles of responsible investment.	The Trust maintains a Statement of Investment Policy and Objectives (SIPO) which outlines the responsible investment and ESG principles of the fund. All investments of the fund adhere to this standard. The last benchmark biennial review was completed in 2021. There are no investments in prohibited categories. The fourth quarter report will include the results of the review of compliance with responsible investment principles. In making new investments, the Trust and its external advisors consider the principles set out in the SIPO.

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 Trust,

at the earliest opportunity.

Performance measure	Performance target	2022 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. Matters of urgency are reported to Council at the earliest opportunity.	Quarterly reports provided to Council as agreed following September, December, March, June. 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 forecast values where actual financial performance meets/exceeds distribution forecast targets.	Distributions paid to forecast values, including special distribution.	

Targets met: 4/5

The Toi Moana Trust primarily met its performance objectives for the 2022 year, noting global volatility and market fluctuations have had an impact on the net asset value of the funds. Despite this, the Trust has met its distribution and special distribution targets.

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 2022

6 Operating income

	2022 \$000	2021 \$000
a) Dividend income		
Foreign dividends	313	182
New Zealand dividends	1,234	1,286
Total dividend income	1,547	1,468
b) Other income		
Realised foreign exchange gains	17	6
Realised gain on capital investment	1,459	829
Unrealised foreign exchange gains	4	-
Unrealised gain on capital investments	2,714	8,893
Total other income	4,194	9,728

7 Expenses

	2022 \$000	2021 \$000
a) Trading and other expenses		
Audit NZ – fees for financial statements	14	14
Investment fees	106	92
Other expenses	114	117
Total trading and other expenses	234	223
b) Other losses		
Realised foreign exchange losses	43	2
Realised loss on capital investment	789	34
Unrealised foreign exchange losses on cash	-	7
Unrealised loss on capital investments	4,112	3,933
Total other losses	4,944	3,976

8 Finance income

	2022 \$000	2021 \$000
Finance income		
Interest income on bank deposits and fixed interest investments	31	6

Quayside Securities Limited as Trustee for Toi Moana Trust
Notes to the Financial Statements (continued)
For the year ended 30 June 2022

9 Income tax

The trust is a PIE for income tax purposes.

	2022 \$000	2021 \$000
Taxable income		
Net profit/(loss) before income tax	594	7,003
Amounts which are non-deductible / (non- taxable):		
Loss / (gain) on investments	730	(5,752)
Non-assessable income	(41)	(58)
Non-deductible expenditure	-	-
Imputation credits and other tax credits received	380	388
Foreign dividend regime	(113)	(23)
Taxable income attributed to unit holders	1,546	1,558
Tax credits		
Imputation credits	(376)	383
Australian withholding tax	(4)	5
Foreign tax paid	(18)	-
Tax credits applied to unit holders	(398)	388

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

10 Trade and other receivables (current)

	2022 \$000	2021 \$000
Other receivables		
Dividends receivable	37	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 2022

11 Capital and reserves

a) Units issued

	2022 No.	2021 No.	2022 \$000	2021 \$000
Units held				
Bay of Plenty Regional Council				
Balance as at 1 July	45,000,000	45,000,000	47,001	42,248
Balance as at 30 June	45,000,000	45,000,000	43,095	47,001
Quayside Holdings Limited				
Balance as at 1 July	1	1	-	-
Balance as at 30 June	1	1	-	-
Total				
Balance as at 1 July	45,000,001	45,000,001	47,001	42,248
Balance as at 30 June	45,000,001	45,000,001	43,095	47,001

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 2022 at \$0.9576 per unit (2021: \$1.0446). 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 \$4.5 million at \$0.10 per unit were made to unit holders during the year (2021: \$2.25 million).

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.

	2022 \$000	2021 \$000
NZ equities and fixed income	31,251	39,221
AUD equities	7,112	6,023
International equities	4,486	-
Total other financial assets	42,849	45,244

Quayside Securities Limited as Trustee for Toi Moana Trust
Notes to the Financial Statements (continued)
For the year ended 30 June 2022

13 Trade and other payables

	2022 \$000	2021 \$000
Accruals	30	31
Related party payables	53	56
Total trade and other payables	83	87

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.

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:

	2022 \$000	2021 \$000
Quayside Holdings Limited		
Fund management fee owing by Toi Moana Trust	53	56
Bay of Plenty Regional Council		
Distributions made by Toi Moana Trust	4,500	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 2022 is \$0.9576 per unit. (2021: \$1.0446). 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 2022 (2021: nil).

Quayside Securities Limited as Trustee for Toi Moana Trust
Notes to the Financial Statements (continued)
For the year ended 30 June 2022

16 Financial instruments

Categories of financial instruments

	2022 \$000	2021 \$000
Financial assets at amortised cost		
Cash and cash equivalents	292	1,815
Financial assets at fair value through profit and loss		
Other financial assets	42,849	45,243
Financial liabilities at amortised cost		
Trade and other payables - current	83	87

17 Subsequent events

An amount of \$25m was added to the portfolio by the current unitholder (Bay of Plenty Regional Council) in July 2022.

Quayside Securities Limited as Trustee for Toi Moana Trust

Statutory Information

For the year ended 30 June 2022

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 2021 are italicised.

Director	Entity	Position
R McLeod	<i>China Construction Bank (New Zealand) Limited - Appointed 30 Dec 2021</i>	<i>Director</i>
	Ngāti Porou Holding Company Limited	Director Chair
	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	<i>BlueLAB Corporation Limited – Removed August 2021</i>	<i>Director</i>
	<i>BlueLAB Holdings Limited – Removed August 2021</i>	<i>Director</i>
	Comvita Limited	Chair Director
	Oriens Capital	Shareholder
	Quayside Holdings Limited	Director
	Quayside Securities Limited	Director
K Horne	Hamilton City Council	ARC Chair
	New Zealand Lotteries Commission	Commissioner ARC Chair
	Quayside Holdings Limited	Director ARC Chair
	Quayside Properties Limited	Director
	Quayside Securities Limited	Director
	ScreenSouth Limited	Director Chair
	Spey Downs Limited	Shareholder
	Television New Zealand Limited	Director <i>ARC Chair</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 2022

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	<i>FarmIQ Systems Limited – Appointed July 2021</i>	<i>Director / Chair</i>
	Farmlands Cooperative Society Limited	Director
	Focus Genetics Management Limited	Director
	Landcorp Estates Limited	Director / Chair
	Landcorp Holdings Limited	Director / Chair
	Landcorp Pastoral Limited	Director / Chair
	PAMU, Landcorp Farming Limited	Director / Chair
	Quayside Holdings Limited	Director
	Quayside Properties Limited	Director
	Quayside Securities Limited	Director
Warrens Insights Limited	Director / Shareholder	
T White	Bay of Plenty Regional Council	Councillor
	Indigenuity Limited	Shareholder
	Kahukiwi Management Limited	Director
	Noa New Zealand Limited	Director / Shareholder
	NZ Baywide Credit Union	Director
	Quayside Holdings Limited	Director
	Quayside Properties Limited	Director
	Quayside Securities Limited	Director
	Te Taru White Consultancy Limited	Director / Shareholder
	<i>Toitu Te Waonui Limited – ceased February 2022</i>	<i>Director / Shareholder</i>
<i>Whenua Fruits Limited – March 2021</i>	<i>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 2022

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 2022 (2021: nil).

Directors

The following directors of Quayside Securities Limited as Trustee for Toi Moana Trust held office as at 30 June 2022:

R McLeod (Chair)

S Crosby

B Hewlett

K Horne

F McTavish

W Parker

T White

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 \$14,085 (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