DEVELOPING TINO RANGATIRATANGA

OUR VISION
OUR WHANAU
OUR FUTURE

DEVELOPING TINO RANGATIRATANGA

OUR VISION
OUR WHANAU
OUR FUTURE

HE KOROWAI TRUST ANNUAL REPORT 2021

Employee entitlements		-	96,703	**96,703**
Loans and borrowings	9	-	819,648	**819,648**
Total Financial Liabilities		**-**	**1,180,064**	**1,180,064**

2020	**Note**	**Loans and receivables**	**Financial liabilities at amortised cost**	**Total**
Financial Assets				
Cash and cash equivalents	4	999,593	-	**999,593**
Trade and other receivables	5	92,057	-	**92,057**
Investments		**1,091,650**	**-**	**1,091,650**
Total Financial Assets				
Financial Liabilities				
Trade and other payables	7	-	169,086	**169,086**
Employee entitlements		-	77,170	**77,170**
Loans and borrowings	9	-	893,349	**893,349**
Total Financial Liabilities		**-**	**1,139,605**	**1,139,605**

15. Events Subsequent to Reporting Date

New Zealand moved into Alert Level 4 on the 17th August 2021 due to an outbreak of Covid-19.
Although the Group had been impacted by COVID-19, the directors have concluded that the Group will be able to continue operating for at least 12 months from the date of signing these financial statements. That conclusion has been reached because:
- The Company can further reduce expenditure if it becomes necessary to do so
- The Company has substantial cash reserves
- The Company has access to substantial borrowing facilities that have not yet been utilised.

There have been no other significant events after reporting date which require disclosure in these financial statements (2020: Nil).

16. Comparatives

There have been a number of prior period comparatives which have been reclassified to make disclosure consistent with the current year

17. Contingent Assets and Contingent Liabilities

The Trustees are not aware of any other contingent liabilities as at 30 June 2021 (2020: Nil).

18. Transitional Arrangements

He Korowai Trust has transitioned to TIER 2 PBE RDR. Upon transition to PBE Standards RDR the Group has applied a number of the transitional provisions afforded. The transition to TIER 2 PBE RDR has not resulted in restatement of any prior year balances. The transition to TIER 2 PBE RDR has resulted in a presentation differences only. The main difference being reporting of income between exchange and non-exchange revenue, and classification of expenses.

BENNETT & ASSOCIA
AUDIT

HE KOROWAI TRUST DIRECTORY

Nature of Business:	Accommodation & Housing Specialists
Business Address & Registered Offices	He Korowai Trust He Korowai House 125 Commerce Street, KAITAIA
Registration Number:	AK 1168953
Charities Commission No:	CC 2009
IRD Number:	80 641 338
Trustees:	Waitai Petera - *Chair* Godfrey Rudolph - *Deputy Chair / Trustee* Trudy Brown - *Trustee / Treasurer* Rev Beverley Moana Hall - *Trustee / Secretary* Valley Taylor - *Trustee / Kaumatua Komiti* June Taylor - *Kaumatua*
Chief Executive Officer:	Ricky Houghton
General Manager:	Toddy Shepherd (Ms)
Accountants	BDO – Kerikeri
Auditors	Bennett & Associates Whangarei
Bankers:	BNZ, Auckland Kiwibank, Whangarei Westpac Kaitaia
Solicitors:	Jennifer Connell & Associates Auckland

He Korowai Trust Strategic Plan 2022 - 2025

Aims & Objectives

1. All trust housing services /strategies align to MAIHI Ka Ora– the National Māori Housing Strategy & Aotearoa Homelessness Action Plan, Healthy Homes Standards
2. Improve the quality and experience of the service user and wider community
3. Enable & better inform future strategies which respond to the long-term needs of our community
4. He Korowai Trust Housing continuum fully functional, freestanding & sustainable

Staff Development

1. Staff are fully supported to reach their full potential
2. Confident staff who are better able to achieve the Trust mission
3. Clear understanding of roles and responsibilities
4. Staff share trust mission & Values

Quality Management

1. Funder reporting is Fully refreshed & functional QM systems
2. Bi-Annual Accreditation reviews
3. Improved service delivery & quality experience for service users
4. Develop and maintain case plans, documentation, records, reports
5. and credible data collection
6. Work collaboratively and professionally with other agencies

Governance

1. The constitution continues to meet the social, cultural, economic, social & spiritual needs/realities of trust beneficiaries
2. Improve Trustee/Management participation through being better informed
3. Trustee Institute of Directors training completed

Special Projects

1. 24 Rental homes completed
2. Sweet-As Training academy operating
3. Community law office operating
4. Economic business hub operating (Whare Ora)
5. Renewable energy projects completed

Provide ordinary services in an extraordinary way

CONTENTS

PAGE

CHAIRMAN'S REPORT

E nga reo, e nga mana, e nga tini karanga maha
Tena koutou, tena koutou, tena koutou katoa
Ki nga tini aitua kua wehea atu ki te po, moe mai ra katoa
I roto I nga ringaringa atawhai o to tatou Ariki
E mihi tenei kia tatou katoa kua tatu mai nei ki te whakanui i tenei te ra o to tatou
Hui A Tau mo He Korowai Trust
He honore tenei ki te tu atu ki mua ia koutou mo matou nga
Tarahiti me nga Apiha o tenei Roopu
No reira, nau mai, piki mai tatou ki tenei huihuinga

It is both a privilege and honour to report & account for the work my board and staff have undertaken over the past year. Once again, the report covers an 18th month period given the disruption that COVID-19 has had on the community and country as a whole.

I would like to start my report with an acknowledgement to all the people we serve across the spectrum who come to us with different needs for different reasons. You are the reason why we are here and we are extremely privileged to be in a position of serving you. In some way, it is your needs that have driven and planted a seed for what we need to do next so thank you for choosing us to support you during your time of need. Nga mihi kia koutou katoa.

I also can't begin without acknowledging the fact that it is He Korowai Trust's 21st birthday this year. As we think about the humble beginnings it reminds us of what remains important. Our focus as a board, despite the changes at a governance level, we have never lost sight of our whanau in the community who need us the most. Our purpose has not changed and for that, we remain proud. Let me take the opportunity to thank those past Trustees & staff for their contributions to what He Korowai is today.

As you know, in the last annual report, I mentioned the functional review which was aimed at identifying what was required to improve the way in which we deliver services. With this in mind, the Trust was supported by Te Puni Kokiri to engage a support mechanism that lifted the level of quality across the organisation. I am pleased to say that the Board have prioritised and place emphasis on ensuring we as a governing body have the knowledge and skills to lead the organisation forward. We are currently being supported to ensure that we are able to lead this organisation forward into what is going to be an exciting future for the Trust.

In this report, you will see that the pathway plan – 365 day plan, which was developed as part of the functional review, has been, in part, completed. It is important to note that it is a learning for us all and we are not afraid of saying that we are not quite there yet but we are definitely committed towards getting to the finish line together. I definitely look forward to reporting on our full achievements next year.

Given the ongoing uncertainty of COVID-19, I am specifically proud to report that the Board approved the development of a 16 bed isolation facility for our community and while we don't yet know how this will work, it is important that we understand our geography because if the far north is cut off from natural disaster at Mangamuka and Kaeo where it floods each winter, we are completely isolated from even the closest town of Kerikeri. For this reason, the erection of these units is He Korowai Trust's response to supporting the non-spread of this nasty virus amongst our whanau. The governments decision to close MIQ units prompted us to think strategically about what this actually means in the Far North. What we know is that, the numbers are

growing and whanau are worried about what they should be doing if someone in their household catches the virus. That became enough for us to do our little part. Despite this, we are determined not to let the COVID-19 virus control us or our community but rather, to be proactive in approach to control the spread and protect whakapapa.

I hope you enjoy reading this report and I encourage you all to support He Korowai Trust in its attempt to support our community in a strategic way given the current world wide epidemic.

Finally, I pay a special thanks to my resilient board & our Chief Executive Ricky for all that he does to support our community and lead the team of He Korowai Trust. Without his guidance to the Board, we would be guessing. To the staff and your whanau, I want to say thank you. Thank you for staying on this journey as I know sometimes your own whanau suffer as a result of your commitment. The Board are extremely grateful for all that you do

Nga mihi aroha kia koutou katoa

Waitai Petera
Board Chairperson

LEADERSHIP REPORT

Kia Ora

Last year, we said that we would "Report directly to you regarding the actions we undertook to address the findings contained in the "Foundation North" Functional Review also known as "He Korowai Trust in 365 days" in a post covid context".

Like the rest of the world, we have had some setbacks and responsibly advise at the outset that we still have some way to go however, in spite of this we proudly announce that we have made excellent progress against all eight areas of action which fell out of the functional review and as a consequence, we are now well underway to fully complete the balance of these action areas within the next 12 months. Like this year, we will come back to you in next year's report to fully update you.

Action 1: We said we would *"Improve and lift the tenant experience and service delivery quality for those that live with us by making homelessness referrals, assessments, intakes and experience more flexible and easier, for people to access their right to safe, secure, affordable & sustainable housing assistance, so that they are better able to move into housing independence. This action is linked to our commitment to implement ways which better inform and report to our funders and better account for funds obtained by them".*

We have commissioned a highly skilled consultant Mr Murray Upton to work with management to develop, train and implement with staff a best practice quality framework and best practice Manuel. Further to this, A long-time friend of the trust Mr Dain Guttenbeil has also been brought on to work specifically alongside the board. Finally, trustee training has commenced via the Institute of Directors.

Action 2: We said we would protect our community by *"Delivering an innovative unique community covid19 housing response".*

We have invested over $940k, and purpose built 16 X Self-Contained Transitional Housing (self-isolation) units during this reporting period.

Action 3: We said we would improve housing outcomes for the growing homeless elderly population now living with us. This was so that they would never end up back on the streets, in cars, couches or some other form of Emergency Housing.

We invested a further $840,000k in Kaumatua housing and built 6 – 30sqm one-bedroom self-contained kaumatua flats

Action 4: We said we would donate a further 6.5 acres of land to house very low-income Māori whanau.

We have now completed this and commenced our next stage earth works for a further 24 homes. This $2.1m project (funded by Kanoa) has commenced and will be completed and handed over to the trust on or before October 2022

Action 5: We said we would cross-sector cross pollinate all existing trust housing projects and opportunities in an attempt to better *"Increase our focus on partnering with local Māori providers and business to ensure youth at risk of long-term employment are employed and taught building and construction skills whilst addressing the chronic Māori housing needs"*

We have doubled our apprentices to 6 (Māori) and Qualified carpentry workforce. We have partnered with Local Business Far North Roading a consortium of local Iwi who have a workforce of 85% Māori

Action 6: We said we would *"Invest more cash than we have ever committed for social housing and share the innovative and successful examples of sustainable Māori housing".*

We are pleased to advise that we have already relocated 50% or (12) of the 24 homes They are now completed and ready to relocate. This would not have occurred had the trust not invested a further $1.25m in this project to date

Action 7: We said we would *"Support the Transitional housing to identify and support those at risk of homelessness before they reach crisis point.*

We have achieved this by extending our lockdown pilot afternoon shift and increasing the staffing levels so that residents now have at least three gender, ethnic & age-related skilled staff available to work with them from 0900hrs up until 2200hrs daily. This way of working has proven to suit the workers, and those on courses during the day. As usual our 24/7 Kaitiaki service is available.

Action 8: We said we would *"Further improve outcomes for women returning from prison" This action is linked to our commitment to implement ways which respond to the basic human rights-based accommodation pathways for women."*

We have invested a further $460k to further develop our specialised women's unit which meets and addresses the aims and objectives of the Department of Corrections "Hokai Rangi strategy"

SPECIAL ACKNOWLEDGEMENTS

In closing we want to pay a special mention to the trust funders, sponsors, staff, supporters, and contractors. Clearly none of the above would have occurred without your amazing trust in what we are trying to achieve.

- Department of Corrections
- Diamond Roofing
- Foundation North
- Ministry of Housing and Urban Development
- Ministry of Social Development
- NZ Police – Whiria Te Muka
- Te Puni Kokiri

You all knew that the trust was facing enormous challenges during this reporting period in order to achieve our mission of "Developing Tino Rangatiratanga", In spite of these challenges you came and offered help when no-one else would. It is now our opportunity to say thank you in a way that is not possible any other way.

Similarly, we finally thank those staff who carried on when it got hard and at times, compromised their own whanau arrangements to ensure that the service remained uninterrupted. Thank you so much for your ongoing commitment.

RM Houghton

Ricky Houghton
CHIEF EXECUTIVE

Toddy Shepherd (Ms)
GENERAL MANAGER

PROJECT WHARE ORA

Whare Ora simply means homes that are healthy, happy & well

A. In 2014 the trust purchased 50 acres of general farmland on the outskirts of the Kaitaia CBD for low-cost Māori housing purposes. The land was transferred from European land to Māori in 2015 and from rural production land to medium density housing the same year.

B. In 2015 Whare Ora Stage One was completed on time and within budget. It consists of all the infrastructure for 18 relocated and refurbished 3 x Bedroom homes and an early child language school (Puna Reo) for 28 children, including community garden.

C. In 2019 Whare Ora Stage 2 was completed on time and within budget and includes a further 10 relocated and refurbished 3 x Bedroom homes, 5 x Self contained Tiny Homes including a Māori Trade Training building and construction academy and carpentry workshop

D. In March 2020 During lockdown the trust applied with almost 1700 others under governments newly created Covid19 fast track legislation 2020, to develop a further 24 homes on Whare Ora. This application was submitted and supported by Te Puni Kokiri.

E. In July 2020: the trust applied to the provincial growth fund, now known as the Kanoa fund for $1.8m to cover the infrastructure costs for a further 24 homes. In September 2020 the $1.8m funding for the project was publicly approved by the Hon Shane Jones.

F. In October 2020: the trust applied to the Ministry of Housing & Urban Development & Te Puni Kokiri for $3.1m to relocate and refurbish a further 24 homes for very low-income Māori families. As reported earlier in this report the trust has invested $1.25m to kick this part of the project off whilst waiting on a reply from the MUD & TPK. In November 2021 the trust was informally advised by HUD, Kainga Ora and TPK officials that the application met the fund criteria and that a recommendation to approve the project funds would be put forward to the fund committee by officials.

G. In October 2021: we met with the Kainga Ora special projects manager Mr Mark regarding the supply of the 24 homes to complete the next stage. Mark fully understood what the trust was trying to do he was so supportive. The outcome of this meeting was that Kainga Ora will supply 24 homes and fund the transportation costs for the first 4 homes.

WHARE ORA STAGE 3

In December 2021: Whare Ora Stage 3 was launched via the signing of the $2.1m infrastructure contract between the trust and Far North Roading. The works plan is as follows;

Project Deliverables	Completion date
P&G, H&S, establishment costs, Complete silt & erosion & control. Stormwater drainage	March 2022
Install Wastewater drainage, Water supply & Power	April 2022
Topsoil Strip, Cut to waste mark house sites, Architect & engineering designs for first 7 homes completed and building consents lodged	May 2022
Cut to fill, GAP65 to base, Service trenching, Supply & install, reinforcing mesh, Retaining wall, First 7 homes relocated onto sub-floors and completed	June 2022
Concrete to driveway (Roadway) engineering designs for second lot of 7 homes completed and building consents lodged, Homes relocated onto sub floors and completed	July 2022
Concrete to household foot paths, Speed Tables, Line Marking) engineering designs for third lot of 7 homes completed and building consents lodged Homes relocated onto sub floors and completed	August
Spread topsoil, Permanent seed, complete all fencing around catchment ponds and streams, landscaping and install play equipment Project handover. Architect & engineering designs for final 3 homes completed and building consents lodged – Project Infrastructure handover	November 2022
24 x 3-bedroom homes ready for occupation by very--low income Māori whanau. Whare Ora Stage 3 complete	June 2023

16x TRANSITIONAL HOUSING
SELF-CONTAINED ISOLATION UNITS

The decision to build 16 x safe and decent Transitional housing, self-contained isolation units to meet the needs of our community was easy, in less than 15 minutes trustees committed $940k.   The facility due to open in March 2022 is a safe place for people who cannot self-isolate at home. It is not a hospital, but we have teamed up with our relations from Te Hauora O Te Hiku O Te Ika who will provide healthcare workers who will refer and check on you while you are there. You'll also have access to a GP service.

Who the Transitional housing self-contained isolation facility is for,

A. Singles and couples only on benefits (Separate Rooms)

B. Must live in the Far North,

C. have tested positive for COVID-19 and been evicted because you do not wish to be vaccinated,

D. have tested positive for COVID-19 and cannot stay at your current address until you have returned a negative test,

E. have tested positive for COVID-19 and about to be discharged from hospital, MIQ or prison,

F. have tested positive for COVID-19 and cannot self-isolate at home, because you have no power, water, or sanitation,

G. are waiting on a test or test results, have mild symptoms that place you at risk of eviction from landlord, or whanau

H. don't have symptoms, but have been told to self-isolate by a medical practitioner

You must be well enough to care for yourself and not need any other specialist personal care or help. You cannot leave site and return without written approval

How you get admitted to the self-isolation facility
You need a referral from either Te Hauora O Te Hiku O Te Ika or MSD

What to expect during your stay
Once your referral is accepted by the admissions team, we contact you to come into the self-isolation facility. You must bring in you health assessment which will confirm your status and tell us how long you will stay with us and advise everyone around your discharge plan.

You will need to stay in your room but you will have access to a TV, Wi-Fi. Social distancing is possible outside your unit on the deck, and you may have access to a communal dining area. You must arrange for meals and clothing to be dropped off only as visitors are not allowed at any time.

Costs $10 per day, $40 per week for 21 cooked meals, delivered to your room (Compulsory), $14 per week to change bed linen & Towels, $100 to fully sanitize room on departure.

6x ONE BEDROOM KAUMATUA UNITS

Over the past 5 years on average 20% of our residents have consistently been (and still are) Kaumatua. The Kaumatua housing the trust currently provides is transitional or temporary and must be reviewed every 90 days. It is expected that after 90 days the trust will find accommodation for our Kaumatua, but what if there isn't any? Or what if because of their age-related conditions there is no specialist facility available to love or care for them?

The majority of Kaumatua who live with us are victims of stroke, severe diabetes, dementia, heart failure, serious personality changes and elder abuse. They tell us that they are scared because of their health condition and would like to live close to the hospital, that their physical strength and mental stability has deteriorated, they need certainty of tenure, love care and comfort to lead a healthy quality end stage of life without worries and anxiety.

The Trust agreed and has invested $840k during this reporting period to build 6 X One Bedroom Kaumatua units. The Kaumatua units,

- Are the trust response to cater for the needs of Far North Kaumatua
- Are 30square meters and have been specifically engineered to meet the unique living needs of Kaumatua
- Have been carefully designed to face each other connected to a central atrium walkway with communal seating and gardens, linked to private carports.
- Easy walking distance to the on-site Puna Reo (Early childhood centre), Birthing Maternity unit and soon to be opened Kokiri work skills centre.

Left: Kaumatua units
Right: Isolation units

A SNAPSHOT OF HOW WE HAVE DONE OVERALL

WE HAVE COMPLETED

843

Financial sessions and plans for individuals and whanau to ensure they have become more financially literate

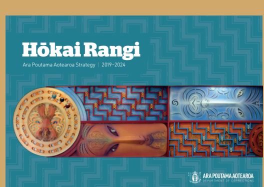
16

New Isolation units tagged for the COVID-19 environment

730

Care packages per annum for whanau and tamariki

WE HAVE SUPPORTED



The development and implementation of the Hokai Rangi Strategy which supports woman to return home from incarceration in a planned and safe way

VACANCY

The government to ensure there are 15,695 care nights available of which 712 are allocated to whanau with tamariki

730

Care nights for people seeking bail while awaiting trial or sentencing

WE HAVE PROVIDED SERVICES TO

403
Individuals and couples of which 11% were tamariki under the age of 18

45%
Wahine

53%
Tane

0.8%
Transgender

83%
Māori

10%
NZ European

3%
Pacific Island

4%
Other

INTERNALLY, WE HAVE ACHIEVED THE FOLLOWING FOR OUR 365 DAY PLAN

78%
of Health & Safety Objectives with 23% still in progress

82%
of Organisational Objectives achieved with 18% near completed

73%
of individual objectives achieved with 27% nearing completion

A FEW WORDS FROM OUR PEOPLE

BAIL SUPPORT SERVICE

Colin came to He Korowai Trust on the 3rd of May 2021. Although disappointed with his younger self, Colin needed closure and the ability to move on with his life alongside his family. Colin was supported to stay connected to his whanau, develop a health & wellbeing plan, financial plan and a possible employment plan that was manageable. Colin acknowledged that he had to work through issues he had in relation to his offending but was prepared to do whatever it took to enable him to move on safely. He Korowai Trust remained a strong support for Colin up until he was sentenced on the the 14th of July 2021. Shandy Allen, who was his key worker from He Korowai Trust is now Colins natural support person while he is completing his sentence in the community. He is a papa to her tamariki and a valued member of her whanau.

"When I needed someone the most, He Korowai was there and still are without judgement, just love and support. And for that i will be forever grateful".

Colin

SUSTAINING TENANCIES

Beatrice was living with her granddaughter Jamie however, the landlord was not comfortable with having an additional person in the house as it seemed it was overcrowded. Beatrice was assessed as someone needing support to sustain "a" tenancy to enable her to live independently while also continuing to have a meaningful relationship with her mokopuna. Beatrice lived with He Korowai while we made application for a council flat with some urgency. She left He Korowai and moved into a council flat where she remains today. She is happy that she is able to live independently.

"Everyone cared for and looked after me at He Korowai".

Beatrice

From Left: Beatrice, her grand moko and mokupuna Jamie who Beatrice was living with.

PUNA MIDWIVES

Retrospective to the Puna Reo concept and implementation, it became increasingly difficult to get whanau to support the concept of the Puna Reo. Although we haven't given up on this idea we were clear that the purpose for this building had to be related to tamariki/pepi & education. Most recently, we had the opportunity to engage with two wonderful midwives who don't just simply give pre-natal and post-natal care, they support Mum, whanau and baby on their journey to welcoming a baby into the whanau.

The Puna is now occupied by Shelley & Sharlene who have turned it into a warm, welcoming place to be for whanau & tamariki. They also support the education for Mums, Dads & tamariki to understand the process of birthing and how to support their new addition giving the best start in life.

"Since beginning here in November last year, we have welcomed hapu mama into this beautiful space but actually this space itself welcomes mama and whanau. When someone walks in for the first time, they always comment how beautiful it is. We feel blessed to be working out of here to provide a Midwifery service for our community and we know this space belongs to our whanau. Through the ever changing nature of this pandemic and variants we have seen so much change in our society. Many people have experienced division between themselves and others and whanau. We have all felt a loss of human touch and connection from not only the lockdowns but how we go about our day to day lives. One thing we know as midwives is birth will stand through the test of time. Despite what is going on in the world, pepi will continue to come into Te Ao. How blessed we are to hold a safe space for a mama to both birth and pick her pepi up, place them skin to skin and to meet and kiss their face for the first time. When we witness these moments, we are reminded of what is true and important in life. It is people."

A FEW WORDS
FROM OUR PEOPLE

HOME OWNERSHIP – WHARE ORA

Home ownership is not a thing of the past for He Korowai Trust but rather a thing of the future. We envisage running Te Ara Mauwhare – Pathways to home ownership in the coming year with the hope of educating our whanau about good spending and saving habits. At this time, we are looking at new ways of creating pathways for home ownership over the next 12 months. This will give whanau a solid foundation to work from when making well informed choices for their entire whanau.

HOUSING FIRST

Whitney's story begins when her, her husband & tamariki were living in Auckland up to 2018.

During 2019, they relocated to a whanau shack in Ahipara. When circumstances changed between her and her husband, the whanau who owned the shack wanted Whitney and her tamariki to leave.

Whitney and her tamariki became homeless so Whitney reached out to the Kaitaia Women's refuge. The women's refuge connected with He Korowai Trust at which time we were able to place her in Transitional Housing at whare ora on a temporary basis. Whitney proved herself over and over and eventually gained a private rental from the trust which she still lives in today.

Her ultimate dream is to provide something permanent for her tamariki. Whitney works to support her whanau while also supporting others on the Papakainga. Whitney has grown in mind and soul and will continue to have the support of the Trust despite her circumstance. She is what we would consider a dream tenant.

Whitney and some of her tamariki at Whare Ora

"I was at the bottom of the barrel. I am grateful that He Korowai helped me and my children".

Whitney

BFC & HOUSING : HE KOROWAI HOUSE

He Korowai Trust have changed the way in which we deliver our BFC and Housing Programme at He Korowai House where we have 36 beds available. All our tenants must agree to complete the housing & financial programme delivered by staff over a 4-6 week period. This excludes their weekly appointments designed to give updates on progress with housing diaries and financial plans. The aim of the programme is to increase knowledge and skills around acquiring housing and maintaining a healthy financial plan into the future.

BUILDING FINANCIAL CAPABILITY

George originally came to He Korowai Trust as a Transitional Housing client who was quickly spiralling downward as a result of poor life choices but is now living independently in the community in his own flat where he makes sound and well informed decisions. He still accesses our service for BFC support which in the main, has been his biggest success. Through his determination and weekly appointments George managed to contribute hugely to his daughters unveiling with the support of Anahera (Key Worker) & William/Jackson (Kaitiaki). Once his daughters unveiling had been completed, George continued to save as he saw the benefits in doing so. Even today, George maintains his savings plan and is more able to make key financial decisions for himself and his future. He Korowai Trust are extremely proud of George who visits us regularly to both get his exercise & attend his appointments for BFC.

WAHINE REINTEGRATION PROGRAMME – HOKAI RANGI

Deidre returned home from incarceration during August 2021. She is originally from Dargaville where her whanau reside and continue to support her from afar. She is determined and adamant to make a positive difference in the lives of her mokopuna & community. While she will eventually return back to Dargaville, she knows she can only do this with the right tools. She recently got accepted to study through NorthTec and will continue to study until she is satisfied she has enough tools to make a difference in the lives of her whanau. She has been a blessing in disguise for the Hokai Rangi programme and is knowns as "camp mother" who looks after our site and takes responsibility for inducting anyone new coming in. She is looking forward to eventually returning to her whanau with tools to make a real difference.

"Te Aroha Te Mana Te Tika Te Korero for He Tangata He Tangata He Tangata".

Deidre

BENNETT & ASSOCIATES
CHARTERED ACCOUNTANTS

BDO

Independent Auditors Report

He Korowai Trust
For the year ended 30 June 2021

Statement of Service Performance

He Korowai Trust
For the year ended 30 June 2021

Our Vision

Developing Tino Rangatiratanga, or assisting people to achieve their maximum potential.

Our Purpose

Our work advocates for social and economic fairness for all people. We achieve this by using Te Tiriti O Waitangi, including human rights principals to advance, endorse, promote and provide any service or scheme that trustees believe will improve the social, cultural, economic, educational, vocational and spiritual needs of all people, across all primary life domains Housing, Health, Justice, Training and Employment.

Type & Funder	Funder	Actual This Year	Actual Last Year	Contractual Expectations	Contractual Achievement	Evidence Source
Transitional Housing	HUD (Ministry of Housing & Urban Development)	2 Homes	2 Homes	To provide two 3-bdrm homes for transitional housing purposes (specifically for whanau with tamariki)	Both transitional housing homes have been available for tenanting throughout the 2020/2021 year.	Reports to MSD (Monthly/Quarterly) Excess Database notes where information on clients are stored and audited by Funders
Transitional Housing	HUD (Ministry of Housing & Urban Development)	36 Rooms	36 Rooms	To Provide emergency accommodation rooms with en-suites to (singles/couples)	All rooms have been available for tenanting throughout the 2020/2021 year	Reports to MSD (Monthly/Quarterly) Excess Database notes where information on clients are stored and audited by Funders
Transitional Housing	HUD (Ministry of Housing & Urban Development)	100%	100%	Deliver support services to all clients residing in transitional housing agreements, including Tiny Homes.	All Clients were allocated a KW and had scheduled weekly appointments to review housing.	Reports to MSD (Monthly/Quarterly) Excess Database notes where information on clients are stored and audited by Funders.

BENNETT & ASSOCIATES AUDIT

Type & Funder	Funder	Actual This Year	Actual Last Year	Contractual Expectations	Contractual Achievement	Evidence Source
Sustaining Tenancies	HUD (Ministry of Housing & Urban Development)	25%	50%	50% of the allocated number of sustaining tenancies clients for the current year have been accepted into the sustaining tenancies programme within nine months of the commencement date.	25% of the allocated number have been accepted into the programme.	ST report to Funder Note: HKT have only recently been given the opportunity to include additional numbers as a result of fully understanding the nature of the contract. This occurred post June 2021.
Sustaining Tenancies	HUD (Ministry of Housing & Urban Development)	100%	0%	100% of accepted clients have successfully completed and exited contract having sustained their tenancy.	100% of accepted clients have achieved sustained tenancy.	ST report to funder.
Housing First (HF)	HUD (Ministry of Housing & Urban Development)	22	18	A minimum of 11 HF clients have been accepted into the Housing First programme and housed in permanent housing. Of these 85% have remained in permanent housing.	18 HF Clients were accepted into the programme, with 14 still currently residing in permanent accommodation arrangements.	HF report to funder 2Excess client database.
Building Financial Capabilities	MSD (Ministry of Social Development)	843	477	Deliver one-to-one financial mentoring and Money Mates peer led group support for clients who are experiencing financial hardship, with the aim of enabling them to become more financially capable, gain control over their financial lives and make long term change. Complete 668 sessions per annum. Provide Mentoring support for each client.	Achieved 843 sessions in total as at 30/06/2021.	Client Voices & reporting to MSD.

BENNETT & ASSOCIATES AUDIT

Type & Funder	Funder	Actual This Year	Actual Last Year	Contractual Expectations	Contractual Achievement	Evidence Source
Bail Support	DOC (Department of Corrections)	100%	100%	To provide 24-hour bail support accommodation for eligible clients	Both beds were made available 24/7 throughout the year. All Bail support client successfully achieved longer term housing arrangements with HKT support having prevented a custodial sentence	BS client exce notes Corrections feedback fron contract manager

BENNETT & ASSOCIATES AUDIT

Statement of Comprehensive Revenue and Expense

He Korowai Trust
For the year ended 30 June 2021

	NOTES	2021	2020
Revenue			
Revenue		348,845	223,278
Other revenue - exchange transactions			
Revenue		5,000	816,198
Rents		448,895	394,684
Total Other revenue - exchange transactions		**453,895**	**1,210,883**
Revenue from non-exchange transactions	1	1,957,452	1,960,380
Other revenue	1	-	19,695
Total revenue		**2,760,193**	**3,414,235**
Expenses			
Cost of goods sold		154,819	100,473
Employee remuneration		1,116,242	1,055,918
Depreciation and amortisation	6	131,355	115,493
Other expenses	2	769,090	950,645
Total expenses		**2,171,506**	**2,222,530**
Surplus/(deficit) before net financing costs		**588,687**	**1,191,706**
Net Finance Revenue			
Finance revenue	3	205	293
Finance costs - financial liabilities at amortised cost	3	(45,102)	(48,075)
Net finance revenue		**(44,898)**	**(47,782)**
Surplus/(deficit) for the year from continuing operations attributable to beneficiaries		**543,789**	**1,143,924**
Total comprehensive revenue and expense for the year attributable to beneficiaries		**543,789**	**1,143,924**

BENNETT & ASSOCIATES AUDIT

Statement of Changes in Net Assets/Equity

He Korowai Trust

For the year ended 30 June 2021

	2021	2020
Equity		
Accumulated revenue and expense		
Opening balance 1 July	4,850,786	3,706,861
Comprehensive revenue and expense	543,789	1,143,924
Closing balance 30 June	**5,394,575**	**4,850,785**
Property, plant and equipment revaluation reserve		
Opening balance 1 July	980,137	980,137
Other comprehensive revenue and expense	-	-
Total Property, plant and equipment revaluation reserve	**980,137**	**980,137**
Total Equity	**6,374,712**	**5,830,922**

BENNETT & ASSOCIATES AUDIT

Statement of Financial Position

He Korowai Trust
As at 30 June 2021

	NOTES	30 JUN 2021	30 JUN 2020
Assets			
Current Assets			
Cash and cash equivalents	4	1,064,485	999,593
Receivables from exchange transactions	5	61,798	92,057
Prepayments		31,905	33,826
Inventory		-	24,517
Other Current Assets		-	120,000
Total current assets		**1,158,189**	**1,269,993**
Non-Current Assets			
Property, Plant and Equipment	6	6,397,834	5,885,956
Development in progress		-	100,000
Total non-current assets		**6,397,834**	**5,985,956**
Total Assets		**7,556,023**	**7,255,949**
Liabilities			
Current Liabilities			
Employee entitlements		96,703	77,170
Revenue in advance	8	-	259,934
Loans and borrowings	9	50,501	33,287
Finance leases	10	14,240	40,266
Trade and other creditors	7	263,713	169,086
Goods and Services Tax		1,248	11,250
Total current liabilities		**426,405**	**590,993**
Non-Current Liabilities			
Finance leases		-	14,237
Loans and borrowings	9	754,907	819,796
Total non-current liabilities		**754,907**	**834,034**
Total Liabilities		**1,181,312**	**1,425,026**
Net Assets		**6,374,712**	**5,830,922**
Equity			
Accumulated revenue and expense		5,394,575	4,850,785
Property, plant and equipment revaluation reserve		980,137	980,137
Total equity		**6,374,712**	**5,830,922**

Authorised and signed on behalf of the Trustees

Chairperson Date 22/02/2022

Trustee Date 22/02/2022

BENNETT & ASSOCIATES AUDIT

Statement of Cash Flows

He Korowai Trust
For the year ended 30 June 2021
Cash Basis

	NOTES	2021	2020
Statement of Cash Flows			
Cash Flows from Operating Activities			
Cash was received from			
Donations and koha		16,900	894,798
Receipts from providing goods or services		2,508,852	1,881,809
Interest income		205	293
Goods and services tax received		7,108	21,661
Total Cash was received from		**2,533,065**	**2,798,561**
Cash was applied to			
Payments to suppliers and employees		(1,925,576)	(1,267,063)
Interest paid		(31,425)	(51,566)
Donations or grants paid		-	(3,300)
Total Cash was applied to		**(1,957,001)**	**(1,321,929)**
Total Cash Flows from Operating Activities		**576,064**	**1,476,632**
Cash Flows from Investing Activities			
Cash was received from			
Receipts from the sale of property, plant and equipment		120,000	19,693
Total Cash was received from		**120,000**	**19,693**
Cash was applied to			
Payments to acquire property, plant and equipment		(543,233)	(751,629)
Total Cash was applied to		**(543,233)**	**(751,629)**
Total Cash Flows from Investing Activities		**(423,233)**	**(731,936)**
Cash Flows from Financing Activities			
Cash was received from			
Loans and borrowings		-	8,183
Total Cash was received from		**-**	**8,183**
Cash was applied to			
Loans and borrowings		(87,939)	-
Total Cash was applied to		**(87,939)**	**-**
Total Cash Flows from Financing Activities		**(87,939)**	**8,183**
Net Increase/(Decrease) in Cash		64,892	752,879
Opening Cash Balance			
Bank accounts and cash		999,593	246,714
Total Opening Cash Balance		**999,593**	**246,714**
Closing Cash Balance		1,064,485	999,593
Bank Accounts and Cash		1,064,485	999,593

BENNETT & ASSOCIATES AUDIT

Notes to and forming part of the Financial Statements

He Korowai Trust
For the year ended 30 June 2021

	2021	2020
1. Analysis of Revenue		
Sale of goods		
Sale of Goods	348,845	223,278
Total Sale of goods	**348,845**	**223,278**
Revenue from exchange transactions		
Non-Government Grants	5,000	816,198
Rent and Lease income	448,895	394,684
Total Revenue from exchange transactions	**453,895**	**1,210,883**
Other Revenue		
Capital Gain on Disposal of Assets	-	19,695
Total Other Revenue	**-**	**19,695**
Revenue from non-exchange transactions		
Government Grants	1,940,552	1,944,080
Donations and Koha	16,900	11,100
Other revenue	-	5,200
Total Revenue from non-exchange transactions	**1,957,452**	**1,960,380**

	2021	2020
2. Analysis of Expenses		
Other expenses		
Accommodation and travel	7,400	4,889
Accounting and audit fees	17,798	17,068
Contractors	125,882	255,662
Electricity	43,837	58,273
Insurance	40,890	33,605
Koha and donations	4,138	3,300
Motor vehicle expenses	24,554	36,566
Rates	109,863	70,524
Repairs and maintenance	132,322	172,149
Rent and lease expenses	20,763	30,077
Sweet As Academy operating costs	-	60,447
Trustees fees	13,117	13,730
Other expenses	204,007	194,355
Livestock loss	24,517	-
Total Other expenses	**769,090**	**950,645**

BENNETT & ASSOCIATES AUDIT

	2021	2020
3. Net Finance Costs		
Finance income		
Interest Received	205	293
Total finance income	**205**	**293**
Finance Costs		
Interest - HP	3,255	4,093
Mortgage Interest	28,731	-
Finance Charges	13,116	43,982
Total Finance Costs	**45,102**	**48,075**
Total interest: financial assets not measured at fair value through surplus or deficit	**(44,898)**	**(47,782)**

	2021	2020
4. Cash and Cash Equivalents		
Bank balances		
Manaaki On 25 Cafe	225,191	116,876
BNZ 02-0214-0184431-00	414,231	348,942
WBC 03-0339-0453893-00	424,274	532,921
WBC 03-0339-0453893-02 Kai Co-op	37	37
WBC 03-0339-0498231-01 Whare Ora Stage 3	732	804
Kiwibank 38-9018-0371994-00	20	12
Total Bank balances	**1,064,485**	**999,593**
Total Cash and Cash Equivalents	**1,064,485**	**999,593**

The carrying value of the cash and cash equivalents is their fair value. Short term deposits are a cash or cash equivalent. The term deposits are invested on 30 day terms with an interest rate of 0.15%.

	2021	2020
5. Receivables - Exchange Transactions		
Accounts Receivable	37,142	52,612
Employee Advances	21,506	39,445
Loan to E Houghton	3,150	-
Total Receivables - Exchange Transactions	**61,798**	**92,057**

The carrying value of trade receivables approximate their fair value, due to the short term nature of the instruments.

Health of receivable

As at 30 June 2021 and 30 June 2020, all overdue receivables have been assessed for impairment. The Trust holds no collateral as security or other credit enhancements over receivables that are either past due or impaired.

The impairment allowance has been assessed based on expected losses for the Trusts pool of debtors, including an analysis of the Trusts losses in previous periods, and review of specific debtors. The Trust has determined that there has been no impairment.

BENNETT & ASSOCIATES AUDIT

	2021	2020

6. Property, Plant and Equipment

Land

Cost/valuation		
Opening carrying value	707,739	707,739
Additions	-	-
Disposals	-	-
Revaluation	-	-
Balance at 30 June	**707,739**	**707,739**

Accumulated depreciation		
Opening carrying value	(21,739)	(21,739)
Depreciation/Impairment expense	-	-
Disposals	-	-
Elimination on revaluation	-	-
Balance at 30 June	**(21,739)**	**(21,739)**
Total Land	**686,000**	**686,000**

Buildings

Cost/valuation		
Opening carrying value	5,186,598	4,697,093
Additions	599,534	489,505
Disposals	-	-
Revaluation	-	-
Balance at 30 June	**5,786,132**	**5,186,598**

Accumulated depreciation		
Opening carrying value	(235,240)	(150,106)
Depreciation/Impairment expense	(90,806)	(85,134)
Disposals	-	-
Elimination on revaluation	-	-
Balance at 30 June	**(326,046)**	**(235,240)**
Total Buildings	**5,460,086**	**4,951,358**

Motor Vehicles

Cost/valuation		
Opening carrying value	215,817	108,440
Additions	-	107,377
Disposals	-	-
Balance at 30 June	**215,817**	**215,817**

Accumulated depreciation		
Opening carrying value	(115,321)	(92,690)
Depreciation/Impairment expense	(22,631)	(22,631)

BENNETT & ASSOCIATES AUDIT

	2021	2020
Disposals	-	-
Balance at 30 June	**(137,952)**	**(115,321)**
Total Motor Vehicles	**77,865**	**100,496**
Plant and Equipment		
Cost/valuation		
Opening carrying value	185,320	99,924
Additions	28,311	85,396
Disposals	-	-
Total Cost/valuation	**213,631**	**185,320**
Accumulated depreciation		
Opening carrying value	(70,651)	(64,954)
Depreciation/Impairment expense	(13,637)	(5,697)
Disposals	-	-
Balance at 30 June	**(84,288)**	**(70,651)**
Total Plant and Equipment	**129,343**	**114,669**
Furniture and Appliances		
Cost/valuation		
Opening carrying value	36,449	-
Additions	15,388	36,449
Disposals	-	-
Balance at 30 June	**51,837**	**36,449**
Accumulated depreciation		
Opening carrying value	(3,016)	-
Depreciation/Impairment expense	(4,281)	(3,016)
Disposals	-	-
Balance at 30 June	**(7,297)**	**(3,016)**
Total Furniture and Appliances	**44,540**	**33,433**
Total Property, Plant and Equipment	**6,397,834**	**5,885,956**

7. Trade and Other Payables

	2021	2020
Accounts Payable	260,213	169,086
Sundry Creditors	3,500	-
Total Trade and Other Payables	**263,713**	**169,086**

8. Revenue in advance

	2021	2020
Income Received in Advance	-	248,873
Deferred income	-	11,061
Total Revenue in advance	**-**	**259,934**

BENNETT & ASSOCIATES AUDIT

Deferred revenue relates to revenue received in advance for services not yet performed.

9. Loans

At reporting date, the Kiwibank loans were unsecured, and the ASB loans were secured over

	Currency	Effective Interest Rate	Year of maturity	2021 Current	2021 Non-Current	2020 Current	2020 Non-current
Kiwibank 01	NZ	4.49%	2036	3,863	59,513		
Kiwibank 02	NZ	4.49%	2036	3,863	59,512		
Kiwibank 03	NZ	4.49%	2036	3,863	59,512		
Kiwibank 04	NZ	4.49%	2036	3,863	59,512		
Kiwibank 05	NZ	4.49%	2036	3,863	59,512		
Kiwibank 06	NZ	4.49%	2036	3,863	59,437		
Kiwibank 07	NZ	4.49%	2036	3,863	59,512		
Kiwibank 08	NZ	4.49%	2036	3,863	59,512		
Kiwibank 09	NZ	4.49%	2036	3,863	59,512		
ASB 92	NZ	5.69%	2034	12,567	169,975		
ASB	NZ	4.45%	2034	3,173	49,402		

At reporting date, the Kiwibank loans were unsecured.

The ASB loans relate to a loan by R Houghton (CEO of He Korowai Trust). R Houghton advanced to the Trust an amount of $50,000 in June 2012, a further amount of $100,000 in March 2013 followed by an additional $70,000 during 2014, and a further amount of $121,000 in 2017. There is no security from the Trust for these advances. The Trust makes fortnightly payments of $1,089 (2020: $1,098) directly to R Houghton's bank in repayment of these loans, which includes interest and principal. The loans from R Houghton, are repayable on demand, and at 30 June 2021, the interest applicable to these loans was 5.69% and 4.45% pa (2020: 5.69% and 5.80%)

BENNETT & ASSOCIATES AUDIT

	2021	2020
10. Finance Leases		
Heartland bank - Holden Commodores	14,240	54,503
Total Finance Leases	**14,240**	**54,503**

	2021	2020
Minimum finance lease payments		
Lease payments due not later than one year	14,240	40,263
Lease payments due later than one year but not later than five years	-	14,240
Total Minimum finance lease payments	**14,240**	**54,503**

The future non-cancellable minimum lease payments of finance leases as lessee at reporting date are detailed above.

11. Related Party Disclosures

R Houghton (CEO of He Korowai Trust) advanced to the Trust an amount of $50,000 in June 2012, a further amount of $100,000 in March 2013 followed by an additional $70,000 during 2014, and a further amount of $121,000 in 2017. There is no security from the Trust for these advances. The Trust makes fortnightly payments of $1,089 (2020: $1,098) directly to R Houghton's bank in repayment of these loans, which includes interest and principal. The loans from R Houghton, are repayable on demand, and at 30 June 2021, the interest applicable to these loans was 5.69% and 4.45% pa (2020: 5.69% and 5.80%).

	2021	2020
12. Remuneration Key Personnel		
Senior executive officers	182,633	169,913
Members of governing body	12,000	11,600
Total Remuneration Key Personnel	**194,633**	**181,513**

The number of senior executive officers included in the above is 1 full time equivalent staff (2020: 1). The number of members of the governing board is 6 (2020:8).

	2021	2020
Trustees		
Trustee fees		
Murray Lay	-	500
Margaret Stratton	-	300
Trudy Brown	1,000	800
Beverly Hall	1,000	800
June Taylor	1,000	800
Val Taylor	1,000	800
Waitai Ratima Petera	7,000	6,800
Godfrey Rudolph	1,000	800
Total Trustee fees	**12,000**	**11,600**

BENNETT & ASSOCIATES AUDIT

	2021	2020
Reimbursements		
Reimbursements	1,117	2,130
Total Reimbursements	**1,117**	**2,130**
Total Trustees	**13,117**	**13,730**

13. Operating Lease Receivables and Commitments

	2021	2020
Operating Lease receivables		
Within one year	51,582	68,946
Between two to five years	123,948	173,528
Later than five years	-	-
Total Operating Lease receivables	**175,530**	**242,474**

A right of renewal exists on the lease to the Bottle O for a further 3 years on the 23 December 2023. An assignment of lease was signed the 4th August 2020. The original lease commencement date was 23 December 2008, with five three year renewals, followed by one, six year renewal with final right of renewal 23 December 2026.

Te Puni Kokiri lease was not renewed in the 2021 year.

	2021	2020
Operating Lease Commitments payable		
Within one year	3,480	4,178
Between two to five years	-	3,480
Later than five years	-	-
Total Operating Lease Commitments payable	**3,480**	**7,658**

14. Financial Instruments

The following table lists the Company's financial assets and liabilities by category of financial instrument. Details of the criteria for recognition and methods used to account for the different categories of financial assets and liabilities are detailed in the accounting policies in Note 1. The table below lists the Company's financial assets and liabilities by category of financial instruments.

2021	Note	Loans and receivables	Financial liabilities at amortised cost	Total
Financial Assets				
Cash and cash equivalents	4	1,064,485	-	**1,064,485**
Trade and other receivables	5	61,798	-	**61,798**
Total Financial Assets		**1,126,283**	**-**	**1,126,283**
Financial Liabilities				
Trade and other payables	7	-	263,713	**263,713**

BENNETT & ASSOCIA AUDIT