

Rudolf Steiner School Trust (Otago)

Performance Report

For the Year Ended 31 December 2022

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Rudolf Steiner School Trust (Otago)

Trustees Report

For the Year Ended 31 December 2022

The Rudolf Steiner School Trust (Otago) is a charitable trust that owns the land and buildings from which the Dunedin Rudolf Steiner School and Kindergarten operate. The Trust is the governing body of the kindergarten. It has entered into an Integration Agreement with the Ministry of Education which lays out how the Trust has responsibility for maintaining the special character of the school and providing teaching and learning spaces.

The Trust would like to thank all those who have supported the School and Kindergarten over the past year: in gifts of time, energy and money.

Entity Information

For the Year Ended 31 December 2022

Registered Charity postal and physical address:	1 Fern Road Maia, Dunedin 9022 Tel 03 471 2163 Email - office@dunedinsteiner.nz www.dunedinsteiner.nz
Type of Entity:	Registered Charitable Trust and Registered Charity
Charity number:	CC31566
Purpose of Entity:	To provide Steiner Education in Otago through the provision of land and buildings for the Dunedin Rudolf Steiner School, and oversight of the special character of the School and its associated Kindergarten.
Entity Structure:	The Trust has Trustees who meet regularly to maintain oversight of the special character of the Dunedin Rudolf Steiner School and Kindergarten, and to maintain and develop the associated buildings. It employs one member of staff for the Trust and 10 members of staff in the kindergarten and playgroup. Current Trustees are Cassino Doyle, Kussi Hurtado, Lenka Blass and Jenny Wigley.
Main Sources of the entity's cash and resources:	The Trust receives donations, both general and earmarked for particular campaigns. It also receives funding from the Ministry of Education for the maintenance of the buildings that are occupied by the Dunedin Rudolf Steiner School and for the provision of childcare in the kindergarten. It also raises funds through activities such as the annual fair.
Main methods used by the Entity to Raise Funds:	Requests to interested parties, through the annual fair and other activities.
Entity's Reliance on Volunteers and Donated Goods or Services:	Many parents of children at the school, and others, volunteer their time through participating in working bees to improve the school and kindergarten grounds, in fundraising activities, in being members of the Trust and in various other ways.

Rudolf Steiner School Trust (Otago)

Statement of Service Performance

For the Year Ended 31 December 2022

Entity's outcomes:

Provision of facilities for Steiner education in Otago.

Description and Quantification (to the extent practicable) of the Entity's Outputs:

Enabled the Dunedin Rudolf Steiner School to deliver Steiner Education.

Provided land and buildings for the Dunedin Rudolf Steiner School and Kindergarten.

Provided funds for the Primary School to employ teaching staff to teach the Steiner curriculum across classes 1 - 7.

Maintained and extended teaching and ancillary spaces for the School and Kindergarten.

Provided a governance role for the kindergarten

These outputs are achieved through:

The provision of land and buildings, facilities and open spaces for the Dunedin Rudolf Steiner School, kindergarten and playgroup.

The Trust also makes a donation to the Dunedin Rudolf Steiner School each year.

Description of outputs

Results

The provision of land and buildings, facilities and open spaces for the Dunedin Rudolf Steiner School, kindergarten and playgroup	During the 2022 financial year the Trust completed work on the lower classroom extension, providing 2 new classrooms, a woodwork workshop and renovated ancillary spaces. The final cost of this work was \$793,509 (2021: \$464,132).
	The Trust also extended the main building to create a new playgroup and staffroom space, visitor and staff toilets and a kindergarten office. The cost was \$403,788 (2021: \$372,927).
The provision of funds for the School to be able to deliver a Steiner curriculum	The Trust made a donation on \$100,000 in 2022 (2021 \$125,804) to the School so that it could be adequately staffed to deliver Steiner Education at age appropriate levels.

Rudolf Steiner School Trust (Otago)
Statement of Responsibility

For the Year Ended 31 December 2022

The Trustees accept responsibility for the preparation of the annual financial statements and the judgements used in these financial statements. Management accepts responsibility for establishing and maintaining a system of internal controls designed to provide reasonable assurances as to the reliability of the Trust's financial reporting. It is the opinion of the Trust and management that the annual financial statements for the year fairly reflect the financial position as at 31 December 2022 and its financial performance and cash flows for the year ended 31 December 2022.

.....
Trustee

Date

Rudolf Steiner School Trust (Otago)
Statements of Financial Performance
For the year ended 31 December 2022

	Notes	2022 Group \$	2022 Trust \$	2021 Group \$	2021 Trust \$
Revenue					
Revenue from providing goods or services	1	432,831	77,257	430,933	69,780
Donations, fundraising and other similar revenue	2	221,144	153,450	255,529	186,422
Gain on Sale of land	3	-	-	712,797	712,797
Interest		1,356	273	317	215
		<u>655,331</u>	<u>230,980</u>	<u>1,399,576</u>	<u>969,214</u>
Expenses					
Costs related to providing goods or services	4	83,565	50,710	62,710	37,344
Volunteer and employee related costs	5	371,875	12,506	352,127	12,715
Grants and donations made	6	100,000	100,000	125,804	125,804
Interest on Westpac loan		7,046	7,046	12,900	12,900
Depreciation	11	33,306	33,306	24,482	24,482
		<u>595,792</u>	<u>203,568</u>	<u>578,023</u>	<u>213,245</u>
Net Surplus for the year		<u><u>59,539</u></u>	<u><u>27,412</u></u>	<u><u>821,553</u></u>	<u><u>755,969</u></u>

Rudolf Steiner School Trust (Otago)
Statements of Movements in Equity

For the year ended 31 December 2022

	2022 Group \$	2022 Trust \$	2021 Group \$	2021 Trust \$
Equity at the start of the year	1,610,879	1,499,898	789,326	743,929
Net surplus for the year	59,539	27,412	821,553	755,969
Total recognised income and expenses	59,539	27,412	821,553	755,969
Equity at the end of the year	1,670,418	1,527,310	1,610,879	1,499,898

Rudolf Steiner School Trust (Otago)
Statements of Financial Position
As at 31 December 2022

	Notes	2022 Group \$	2022 Trust \$	2021 Group \$	2021 Trust \$
Current Assets					
Cash and cash equivalents	7	326,428	108,484	812,801	656,994
Debtors	8	11,578	18,461	5,993	-
Wages paid in advance		6,580	-	-	-
Prepayments		2,529	2,529	2,229	2,229
		<u>347,115</u>	<u>129,474</u>	<u>821,022</u>	<u>659,223</u>
Non Current Assets					
Property, plant and equipment	11	1,641,975	1,641,975	1,329,009	1,329,009
		<u>1,989,090</u>	<u>1,771,449</u>	<u>2,150,032</u>	<u>1,988,232</u>
Total Assets					
Current Liabilities					
Ministry of Education - Funding in Advance		47,861	-	51,030	-
Accounts Payable	9	104,670	99,779	215,197	243,923
Loan - Westpac - current portion	10	7,778	7,778	8,300	8,300
GST Payable		22,181	400	112,741	91,393
Covid-19 wages Subsidy repayable		53,407	53,407	53,407	53,407
Employee cost payable		-	-	7,167	-
		<u>235,897</u>	<u>161,364</u>	<u>447,842</u>	<u>397,023</u>
Non Current Liabilities					
Loan - Westpac - non-current portion	10	82,775	82,775	91,311	91,311
		<u>318,672</u>	<u>244,139</u>	<u>539,153</u>	<u>488,334</u>
Total Liabilities					
Net Assets					
		<u>1,670,418</u>	<u>1,527,310</u>	<u>1,610,879</u>	<u>1,499,898</u>
Represented by:					
Equity		<u>1,670,418</u>	<u>1,527,310</u>	<u>1,610,879</u>	<u>1,499,898</u>

Rudolf Steiner School Trust (Otago)

Statements of Cash Flows

For the year ended 31 December 2022

	2022 Group \$	2022 Trust \$	2021 Group \$	2021 Trust \$
Cash flows from Operating Activities				
Cash was received from:				
Donations, fundraising and other similar receipts	197,844	130,150	245,715	176,608
Receipts from providing goods or services	469,164	77,257	428,306	69,780
Interest received	1,356	273	317	215
Net GST received - operating activities	-	-	29,900	8,551
	<u>668,364</u>	<u>207,680</u>	<u>704,238</u>	<u>255,154</u>
Cash was applied to:				
Payments to suppliers and employees	(466,234)	(67,529)	(399,958)	(39,814)
Donations or grants paid	(100,000)	(100,000)	(125,804)	(125,804)
GST paid	(90,837)	(90,995)	-	-
Interest paid on Westpac loan	(7,046)	(7,046)	(12,900)	(12,900)
	<u>(664,117)</u>	<u>(265,570)</u>	<u>(538,662)</u>	<u>(178,518)</u>
Net Cash Flows from / (to) Operating Activities	4,247	(57,890)	165,576	76,636
Cash flows from Investing and Financing Activities				
Proceeds from sale of land	-	-	971,349	971,349
Net GST received on sale of land	-	-	138,202	138,202
Loans from Westpac Bank	-	-	205,100	205,100
	<u>-</u>	<u>-</u>	<u>1,314,651</u>	<u>1,314,651</u>
Cash was applied to:				
Payments for property, plant and equipment	(474,091)	(474,091)	(341,785)	(341,785)
Repayments of loans	(9,058)	(9,058)	(213,387)	(213,387)
Cost relating to land sold	(7,471)	(7,471)	(228,985)	(228,985)
Net cash flows (to) Investing and Financing Activities	(490,620)	(490,620)	(784,157)	(784,157)
Net Cash Flows from / (to) Investing Activities	(490,620)	(490,620)	530,494	530,494
Net (Decrease)/Increase in Cash	(486,373)	(548,510)	696,070	607,130
Opening Cash	812,801	656,994	116,731	49,864
Closing Cash	326,428	108,484	812,801	656,994
This is represented by:				
Bank accounts and cash	326,428	108,484	812,801	656,994

Rudolf Steiner School Trust (Otago)

Statement of Accounting Policies

For the Year ended 31 December 2022

1. Reporting Entity

These are the financial statements of the Rudolf Steiner School Trust (Otago) which is a Charitable Trust. This is the Proprietor of the Dunedin Rudolf Steiner School. It owns the property that is used by Dunedin Rudolf Steiner School and the Kindergarten in Maia, Dunedin, New Zealand. The Trust controls the separate Dunedin Rudolf Steiner Kindergarten and Group figures are shown for the consolidated Trust and Kindergarten.

2. Basis of Preparation

The Trust has elected to apply PBE SFR-A(NFP) Public benefit Entity Simple Format Reporting - Accrual (Not-For-Profit) on the basis that it does not have public accountability and has total annual expenses of equal to or less than \$2,000,000. All transactions in the Performance Report are reported using the accrual basis of accounting. The Performance Report is prepared under the assumption that the Trust will continue to operate in the foreseeable future.

3. Accounting Policies

The following accounting policies have been applied in the preparation of these financial statements.

Group

The Group figures are the consolidation of the Trust and Kindergarten as a controlled entity. All transactions between the Trust and Kindergarten are eliminated on consolidation.

Cash and Bank Accounts

Bank accounts include cash on hand, bank balances, and short term deposits held at call with banks.

Goods and Services Tax

The Trust and Kindergarten are registered for GST. These accounts have been prepared exclusive of GST except for accounts payable and debtors which are inclusive of GST.

Accounts Payable

Liabilities are recognised when the goods and services to which they relate are received. Liabilities are carried at the amount of cash which is required to settle those liabilities.

Revenue Recognition

Revenue from donations and other similar revenue is recognised when received. Ministry of Education funding is recorded as income in the period it relates to. Interest is recorded in the period it is earned.

Property, Plant and Equipment

Property, Plant and Equipment is recorded at cost less depreciation and any impairment losses. Land is not depreciated. Buildings are depreciated on a straight line basis over 33 years and furniture and equipment is depreciated over 4 to 12 years, based on the estimated useful lives of the assets.

Borrowings

Borrowings are recorded at the amount borrowed and repayable.

Income Tax

As the Trust is a registered charity and complies with Income Tax legislation, it is exempt from Income Tax.

4. Changes in accounting Policies

There have been no changes in accounting policies which have had any material effect on these financial statements.

Rudolf Steiner School Trust (Otago)

Notes to the Performance Report

For the year ended 31 December 2022

	2022 Group \$	2022 Trust \$	2021 Group \$	2021 Trust \$
Note 1 Revenue from providing goods or services				
Ministry of Education Grants	432,831	54,757	430,933	47,280
Rental income from the Dunedin Rudolf Steiner Kindergarten	-	22,500	-	22,500
	<u>432,831</u>	<u>77,257</u>	<u>430,933</u>	<u>69,780</u>
Note 2 Donations, fundraising and other similar revenue				
Donations - general	201,923	136,725	196,911	129,720
Contributions from Dunedin Rudolf Steiner School	-	-	1,676	-
Fundraising for new classroom	13,467	13,467	41,866	41,866
Other income	5,754	3,258	5,344	5,105
Fair	-	-	9,732	9,731
	<u>221,144</u>	<u>153,450</u>	<u>255,529</u>	<u>186,422</u>
Note 3 Sale of land				
Sale of land proceeds	-	-	971,349	971,349
Less Subdivision costs and other related sale costs	-	-	(226,172)	(226,172)
Less cost price of land sold	-	-	(32,380)	(32,380)
	<u>-</u>	<u>-</u>	<u>712,797</u>	<u>712,797</u>
Note 4 Costs related to providing goods or services				
Administration & overhead costs	6,439	2,649	2,037	1,391
Craft Group costs	2,464	2,464	2,378	2,378
Audit	3,550	1,900	3,250	1,750
Kindergarten and Playgroup class materials	10,256	-	4,109	-
Legal and other professional costs	2,376	2,376	6,302	6,475
Maintenance of property occupied by the School and Kindergarten	32,022	29,717	17,394	17,394
Subdivision costs	3,150	3,150	-	-
Kindergarten telephone & power - shared costs with School	7,835	-	8,358	-
Other Kindergarten costs - cleaning, repairs etc.	7,019	-	10,926	-
Insurance of property occupied by the School and Kindergarten	8,454	8,454	7,956	7,956
	<u>83,565</u>	<u>50,710</u>	<u>62,710</u>	<u>37,344</u>
Note 5 Volunteer and employee related costs				
Kindergarten Staff	351,306	-	303,189	-
Fundraising wages	38	38	-	-
Trust administration	12,468	12,468	41,530	12,715
Playgroup wages	8,063	-	7,408	-
	<u>371,875</u>	<u>12,506</u>	<u>352,127</u>	<u>12,715</u>
The salary of the administration staff member is shared among the Dunedin Rudolf Steiner School, the Kindergarten and the Trust. The amount above represents 25% of the cost with the School taking 50% of the cost and the Kindergarten 25% of the cost.				
Note 6 Grants and donations made				
Donation to the Dunedin Rudolf Steiner School	<u>100,000</u>	<u>100,000</u>	<u>125,804</u>	<u>125,804</u>
The Trust supports the School providing funds for teachers salaries to enable the School to fulfil its special character providing Steiner Education.				
Education.				
Note 7 Cash and Cash Equivalents				
Trust Cheque account balances - Westpac	53,070	53,070	66,557	66,557
Trust Savings account balances - Westpac	55,414	55,414	590,437	590,437
Kindergarten account balances - Westpac	217,222	-	151,499	-
Playgroup account balance - Westpac	522	-	4,108	-
Cash on hand	200	-	200	-
	<u>326,428</u>	<u>108,484</u>	<u>812,801</u>	<u>656,994</u>
Note 8 Debtors				
Owing by Ministry of Education - Funding washups	11,528	-	5,993	-
Owing from Kindergarten	-	18,411	-	-
Trust - sundry debtor	50	50	-	-
	<u>11,578</u>	<u>18,461</u>	<u>5,993</u>	<u>-</u>
Note 9 Accounts Payable				
Owing to Rudolf Steiner School	90,058	86,767	54,710	44,646
Owing to Kindergarten	-	-	-	40,290
Trust - Operating Creditors	8,961	8,961	23,785	23,695
Kindergarten Creditors	1,600	-	1,410	-
Trust Accruals	4,051	4,051	-	-
Trust - Owing for classroom extension development	-	-	135,292	135,292
	<u>104,670</u>	<u>99,779</u>	<u>215,197</u>	<u>243,923</u>

Rudolf Steiner School Trust (Otago)
Notes to the Performance Report - continued
For the year ended 31 December 2022

Note 10 Loan - Westpac

The loan from Westpac Bank was taken out several years ago to assist funding the purchase and development of the property at 1 Fern Road, Maia, Dunedin. The loan is secured by first mortgage over the property. Interest is 6.75% per annum and the loan is repayable over 20 years from 30 April 2015 (\$1,220 total interest and principal repayments a month). In addition the Trust has a Revolving Loan facility of up to \$100,000 at 6.9% per annum.

	2022 Group \$	2022 Trust \$	2021 Group \$	2021 Trust \$
Current portion - term loan	7,778	7,778	8,300	8,300
Non-current portion - term loan	82,775	82,775	91,311	91,311
Non-current portion - revolving fund	-	-	-	-
	<u>90,553</u>	<u>90,553</u>	<u>99,611</u>	<u>99,611</u>

Note 11 Property Plant and Equipment - Trust and Group

	Cost	Accumulated depreciation	Net book value
2022	\$	\$	\$
Land and buildings - main school	329,399	97,168	232,231
Yurt	26,427	26,427	-
Octagonal classroom	117,483	34,960	82,523
Carpet in Octagonal classroom	4,400	4,400	-
Forest classroom	73,630	14,375	59,255
New classroom block	21,068	-	21,068
Koru kindergarten	19,997	2,480	17,517
Playgroup and staffroom extension	403,788	30,860	372,928
Stairway	6,996	6,996	-
Heatpump	4,172	4,172	-
Office Building	89,710	12,233	77,477
Lower classroom extension	793,510	15,870	777,640
Office building fixtures and fittings	1,784	448	1,336
	<u>1,892,364</u>	<u>250,389</u>	<u>1,641,975</u>

	Cost	Accumulated depreciation	Net book value
2021	\$	\$	\$
Land and buildings - main school	329,399	94,794	234,605
Yurt	26,427	26,427	-
Octagonal classroom	117,483	32,610	84,873
Carpet in Octagonal classroom	4,400	4,400	-
Forest classroom	73,630	12,902	60,728
New classroom block	21,068	-	21,068
Koru kindergarten	19,997	2,080	17,917
Playgroup and staffroom extension	386,895	22,785	364,110
Stairway	6,996	6,996	-
Heatpump	4,172	4,172	-
Office Building	89,710	9,515	80,195
Lower classroom extension	464,132	-	464,132
Office building fixtures and fittings	1,784	402	1,382
	<u>1,546,093</u>	<u>217,083</u>	<u>1,329,009</u>

	2022 \$	2021 \$
Net book value reconciliation		
Net book value at start of year	1,329,009	926,440
Add: Asset acquisition at cost	346,270	459,430
Less Disposal	-	(32,379)
Less Depreciation charge for the year	(33,306)	(24,482)
Net book value at year end	<u>1,641,973</u>	<u>1,329,009</u>

	2022	2021
Depreciation		
Furniture and fittings	46	224
Land and buildings	<u>33,260</u>	<u>24,258</u>
	<u>33,306</u>	<u>24,482</u>

The most recent rateable valuation of the Maia property owned by the Trust is \$1,890,000.

Rudolf Steiner School Trust (Otago)
Notes to the Performance Report - continued
For the year ended 31 December 2022

Note 12 Commitments

There are no capital commitments at the end of 2022 (2021 - \$214,385). There were no operating commitments at 31 December 2022 (2021 - nil).

Note 13 Contingencies

There were no contingent assets or contingent liabilities at 31 December 2022 (2021: nil).

Note 14 Related Party Transactions

The Trust supports the provision of Steiner Education in Otago and provides accommodation for the Dunedin Rudolf Steiner School and Kindergarten at 1 Fern Road Maia. The Trust supports the School's special character through the provision of extra teaching staff to ensure the Steiner curriculum is delivered in line with the special character. The amount of the donation in 2022 was \$100,000 (2021:\$125,804). The School funds the Trust for 50% of the salary of the Executive Officer, an employee of the Trust.

Due to a disparity between the school starting age for children receiving a Steiner Education and that of the State, and following a Memorandum of Understanding between the Ministry of Education and Steiner Education Aotearoa New Zealand, there were 2 children (2021 - 2)- on the school roll who were educated in Kindergarten. The School transferred the equivalent amount of grant funding relating to these children, to the kindergarten. The amount transferred was \$1,676 (2021- \$1,676).

Because the School and the Kindergarten share premises there are shared costs. The costs are incurred by the School and the contribution by the Kindergarten is calculated as a percentage of the total area occupied, The Kindergarten contribution to shared costs in 2022 was \$6,138 (2021 : \$8,284).

The Administrator employed by the School performs some administrative work for the Kindergarten and \$20,358 has been charged to the Kindergarten (2021: \$18,185).

The Trust has charged the School \$24,804 (2021: \$23,873) for the Executive Officer during the year.

As a result of the above related party transactions, the amount owing by the Trust to the School at 31 December 2022 was \$86,768 (2021: \$44,646). The School was owed \$3,290 by the Kindergarten (2021: \$10,064).

The Trust received \$22,500 from the kindergarten for use of land and buildings and charged the kindergarten \$12,402 for the Executive Officer. The kindergarten owed the Trust \$18,411 at 31 December 2022 (2021: \$nil). The Trust owed the kindergarten \$nil at 31 December 2022. (In the prior year \$40,290 was owed from the Trust to the kindergarten).

Separate audited annual financial statements of the Kindergarten are prepared.

Note 15 Events after the balance date

There were no events that have occurred after the balance date that would have a material impact on the Performance Report.

Independent Auditor's Report

to the Trustees of Rudolf Steiner School Trust (Otago)

Qualified Opinion

We have audited the performance report of Rudolf Steiner School Trust (Otago) (the "Trust"), including its subsidiary, Dunedin Rudolf Steiner Kindergarten (the Kindergarten), collectively referred to as the "Group" which comprises the entity information and statements of financial position as at 31 December 2022 and the statement of service performance, the statements of financial performance, movements in equity and statements of cash flows for the year then ended, and the statement of accounting policies and other explanatory information.

Except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying performance report presents fairly, in all material respects:

- (a) the entity information for the year ended 31 December 2022;
- (b) the Group and Trust's financial position as at 31 December 2022 and their financial performance and cash flows for the year ended on that date
- (c) the service performance for the year ended 31 December 2022 consistent with the Group's service performance criteria

in accordance with the accounting standard, Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) issued by the New Zealand Accounting Standards Board.

Basis for Qualified Opinion

In common with other organisations of a similar nature, control over the revenues from donations, fundraising and similar income prior to being banked is limited. It was not practicable to extend our examination of such income beyond the accounting for amounts received as shown by the accounting records of the Group and Trust, or to determine the effect of the limited control.

We conducted our audit of the financial statements in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)) and the audit of the service performance information in accordance with the ISAs and New Zealand Auditing Standard (NZ AS) 1 *The Audit of Service Performance Information* (NZ). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Performance Report* section of our report. We are independent of the Group in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards)* (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Other than in our capacity as auditors we have no relationship with, or interests in, the Trust.

Trustees' Responsibilities for the Performance Report

The Trustees are responsible, on behalf of the Group for:

- (a) the preparation and fair presentation of the entity information, financial statements and service performance information in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit);
- (b) service performance criteria that are suitable in order to prepare service performance information in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit); and
- (c) such internal control as the Trustees determine is necessary to enable the preparation of the financial statements and service performance report information that are free from material misstatement, whether due to fraud or error.

In preparing the performance report the Trustees are responsible for assessing the Trust's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Performance Report

Our objectives are to obtain reasonable assurance about whether the entity information, financial statements as a whole and the service performance information 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 conducted in accordance with ISAs (NZ) and NZAS 1 will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material, if individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this performance report.

A further description of our responsibilities for the audit of the performance report is located on the External Reporting Board website: <https://www.xrb.govt.nz/standards-for-assurance-practitioners/auditors-responsibilities/>.

This report is made solely to the Trustees as a body. Our audit work has been undertaken so that we might state to the Trustees those matters which we are required to state in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trust and the Trustees, as a body, for our audit work, for this report or for the opinions we have formed.

Audit Professionals Limited

Chartered Accountants

7 August 2023

Dunedin