

# Performance Report

The Wilson Home Trust  
For the year ended 30 June 2020

Prepared by Management Accountants 2016 Limited

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## Entity Information

### The Wilson Home Trust For the year ended 30 June 2020

#### Entity Information

The Wilson Home Trust (WHT) was created by Trust Deed on 20 July 1937 with the Auckland Hospital Board to be the Trustee of The Wilson Home Trust. On 1 July 1993, pursuant to the Health Reforms Act 1993, Waitemata Health Ltd became Trustee. Pursuant to the New Zealand Public Health and Disability Services Act 2000, the Trusteeship was transferred to the Waitemata District Health Board ("WDHB") on 1 January 2001. Use of the assets and funds of The Wilson Home Trust are accounted for distinct from the accounts of Waitemata District Health Board. The Trust is classified as a "DHB Subsidiary" Organisation by the Office of the Auditor-General.

The Wilson Home Trust is subject to the provisions of the Charitable Trusts Act 1957. On 26 February 2008 the Trust was registered as a charitable entity under the Charities Act 2005 and is registered as a donee organisation with Inland Revenue.

#### Department of Internal Affairs - Charities Services

Registration Number - CC21396

Date of Registration - 26 February 2008

#### Entity Purpose & Mission

##### Mission

To support and enhance the lives of physically disabled children, young adults and their family/whanau in the Trust deed area.

##### Vision

To be an independent and trusted provider of information, support and services to beneficiaries, to enable them to live more independent and happy lives.

##### Strategic Objectives

1. **Beneficiary Services** - To provide support and services either directly or indirectly to beneficiaries in the Trust deed area, in response to their changing needs.
2. **Regional Support** - To raise awareness of the Trust in the wider Trust deed area and explore opportunities for individual and community/regional support and services, for beneficiaries in these regions.
3. **Sustainability** - To ensure the long term sustainability of the assets and financial position of The Wilson Home Trust.
4. **Future Site Facilities** - To explore and develop facilities and the capacity of the Lake Road site, to maximise opportunities for increasing beneficiary support both now and in the future.

##### Values

- Empathy
- Respect
- Kindness
- Honesty
- Integrity
- Equality

#### Structure

Waitemata District Health Board (WDHB) is the Trustee for The Wilson Home Trust.

The Trust is governed by a Committee of Management appointed by WDHB and CCS Disability Action.

##### The Committee comprises the following individuals:

Adina Halpern - Chair - WDHB nominee

Jacob Vermunt - CCS Disability Action nominee

Jan Wolk - CCS Disability Action nominee

Mark Campbell - WDHB nominee

Robert Whitehead - WDHB nominee

### **Primary Sources of Revenue**

The Trust receives revenue from the following sources:

- Rental Income from the WDHB, the Ministry of Education, Homes of Choice and residential rents
- Wedding and event income
- Donations and grants
- Investment income

### **Chartered Accountant**

Management Accountants 2016 Limited  
Auckland

### **Auditors**

RSM Hayes Audit on behalf of the Auditor General  
Auckland

### **Bankers**

ASB Bank  
Auckland

### **Solicitors**

Schnauer & Co  
Auckland

## Trust Strategic Objectives

The Trust's four strategic objectives are outlined below, along with key outcomes/deliverables on each of these areas for the 2020 financial year.

1. Beneficiary Services
2. Regional Support
3. Sustainability
4. Future Site Facilities

## Trust Outputs

### Beneficiary Services

- Discounted annual rental charged to WDH B and Homes for Choice in acknowledgement of both organisations provision of services to WHT beneficiaries.
- 110 free hydrotherapy sessions were attended by 10 physically disabled children over the ten months (two months of sessions were cancelled due to Covid 19). One child attended sessions at the Auckland Panmure Pools and three are attending sessions in Kerikeri. The other six attended sessions at the Lake Road site.
- Ran school holiday programmes in the July and October 2019 holidays only (April 2020 cancelled due to COVID 19) with 135 attendees attending 20 sessions in Auckland North, South and West. Physically disabled children, young adults and their siblings were able to attend these sessions.
- Mindfulness sessions were offered in Auckland North, South and West but were only able to be run in South Auckland due to Covid 19. Seven parents attended the South Auckland sessions.
- Information and communication was provided via the website, 12 monthly newsletters distributed to 1,000 recipient subscribers, and regular posts on The Wilson Home Trust Facebook page. In addition The Wilson Home Trust staff attended over 100 expos, meetings and workshops across the region.
- Approved 247 grants totalling \$235,463 throughout the Trust deed area. 18 of these were emergency grants issued in April in direct response to offers of support from The Wilson Home Trust staff during Covid 19 level four lockdown.
- Provided one off Christmas grants (total of \$5,970) to 16 special needs schools and units across the region, to contribute to their Christmas celebrations and activities.
- Over 70 physically disabled children attended the Santa grotto and petting zoo at The Wilson Home Trust Lake Road site. Children and families really appreciated the opportunity to meet Santa and receive a present, in a safe, accessible and quiet environment.

### Regional Support

- Trust personnel were able to visit the following regions in the first half of this financial year, but due to the Covid 19 pandemic, all regional travel was cancelled from March 2020
  - Doubtless Bay and Kaitaia - Northland
  - Whakatane, Te Puke, Tauranga and Paeroa - Bay of Plenty
  - Hamilton
  - Gisborne
- Funded six Tairāwhiti beneficiaries and their support personnel to attend the Halberg Disability Games in Auckland in October 2019.
- Contract for part time Northland regional co-ordinator resource renewed for 2020 calendar year.
- Approved just under 50% of annual grant funding allocation to the regions.

### Sustainability

- Continuing relationship with investment service provider EriksensGlobal throughout the financial year.
- Committee of Management annual review of Statement of Investment Policy and Objectives (SIPO) in late 2019.
- Repositioned investment portfolio resulting in withdrawal of all funds in BNZ. BNZ funds reinvested in existing investment companies, with balance invested with new investment company Milford Asset Management, in line with revised 2019 SIPO.
- Sold the Trafalgar Street property which was bequested to the Trust in early 2019 and invested proceeds as per the SIPO guidelines. The property was not accessible for use by beneficiaries.
- Held current and interest bearing accounts with ASB.
- Implemented annual CPI rental adjustments on all relevant leases.
- Relocated Northern Health School into larger space on Lake Road site.
- Reviewed costs of use of shared meeting rooms and introduced pricing scale for non profit organisations use.
- 3930 hours were spent on maintenance of buildings and gardens, which included 1,814 hours from our long serving gardening volunteers.
- Secured Auckland Council heritage and building consents, and contractor company Maxbuild for proposed seismic strengthening of St Leonards Road Chapel. Programme of work commenced in July 2020.
- Commenced seismic assessment and design work for Wilson Centre and the respite villas.

### Future Site Facilities

- Commissioned geotech reporting on north eastern corner of the Lake Road property to provide clarity on land available for future asset development.
- Held several meetings with existing key tenant WDHB to discuss their future needs for buildings and assets on the Lake Road site.
- Commissioned architect to assist with development of design concepts of potential new building and refurbishment of some existing buildings.
- Met with bank to determine potential loan facilities for asset development on site.

# Approval of the Performance Report

## The Wilson Home Trust For the year ended 30 June 2020

The Committee of Management of The Wilson Home Trust (Trust) are pleased to present the performance report for the Trust for the financial year ended 30 June 2020.

### Statement of Responsibility

The Committee is responsible for the maintenance of adequate accounting records and the preparation and integrity of the performance report and related information.

The Committee is also responsible for the systems of internal control. These are designed to provide reasonable but not absolute assurance as to the reliability of the performance report, and to adequately safeguard, verify and maintain accountability for assets, and to prevent and detect material misstatements.

Appropriate systems of internal control have been employed to ensure that all transactions have been executed in accordance with authority and correctly processed and accounted for in the financial records. Nothing has come to the attention of the Committee to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the year under review.

The performance report is prepared on a going concern basis. Nothing has come to the attention of the Committee to indicate that the Trust will not remain a going concern in the foreseeable future.

In the opinion of the Committee:

The Performance Report is drawn up so as to present fairly, in all material respects, the financial results and cash flows of the Trust for the financial year ended 30 June 2020 and its financial position as at that date.

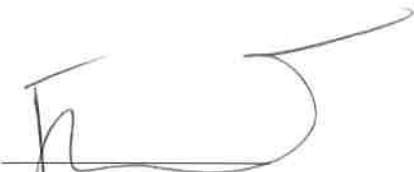
For and on behalf of the Committee:



**Adina Halpern**

Chair

Date 18.11.2020



**Jacob Vermunt**

Committee Member

Date 18/11/20

# Statement of Financial Performance

## The Wilson Home Trust For the year ended 30 June 2020

	NOTES	2020	2019
<b>Revenue</b>			
<b>Revenue from Central or Local Government</b>			
Lease - Government Sourced		864,818	873,189
Reimbursements Received		80,879	-
<b>Total Revenue from Central or Local Government</b>		<b>945,698</b>	<b>873,189</b>
<b>Revenue from Providing Goods or Services</b>			
Lease - Non-Governmental		31,178	31,178
Rental - Residential		47,525	58,990
Rental - Casual		5,673	-
Event Income		16,427	39,380
<b>Total Revenue from Providing Goods or Services</b>		<b>100,804</b>	<b>129,548</b>
<b>Donations, fundraising and similar revenue</b>			
Donations		25,742	9,815
Grant Income	5	5,223	98,000
Bequests		133,488	1,018
Fundraising Income		27,051	19,202
<b>Total Donations, fundraising and similar revenue</b>		<b>191,503</b>	<b>128,035</b>
<b>Total Revenue</b>		<b>1,238,005</b>	<b>1,130,772</b>
<b>Total Operating Income</b>		<b>1,238,005</b>	<b>1,130,772</b>
<b>Operating Expenses</b>			
Administration/General		73,978	83,202
Audit Fees - Current Year		14,173	13,455
Committee Fees		66,000	66,000
Depreciation		114,425	124,911
Employee Related Costs		348,064	300,818
Events Expenses		6,103	23,235
Family/Children Grants Provided		235,463	279,381
Legal expenses		6,720	43,433
Operating Lease		5,624	6,232
Property Maintenance		107,463	115,421
Research and Support		-	14,325
Travel and Accommodation		2,813	3,088
<b>Total Operating Expenses</b>		<b>980,826</b>	<b>1,073,499</b>
<b>Net Operating Surplus/(Deficit)</b>		<b>257,179</b>	<b>57,273</b>

This statement has been audited and should be read in conjunction with the Audit Report and Notes to the Performance Report.



	NOTES	2020	2019
<b>Investment Activity</b>			
Investment Income		274,729	310,928
Gain/(Loss) on Investment - Realised		322,338	1,810,984
Write Down in Value of Investment		(211,544)	(224,763)
Management Fees - Investments		(17,049)	(42,582)
<b>Total Investment Activity</b>		<b>368,474</b>	<b>1,854,566</b>
<b>Non-Operating Activity</b>			
Property Projects Surveys and Consultants		(147,203)	(135,634)
Gain/(loss) on Sale of Assets		(21,701)	-
<b>Total Non-Operating Activity</b>		<b>(168,903)</b>	<b>(135,634)</b>
<b>SURPLUS/(DEFICIT) FOR YEAR</b>		<b>456,749</b>	<b>1,776,205</b>

This statement has been audited and should be read in conjunction with the Audit Report and Notes to the Performance Report.

# Statement of Financial Position

## The Wilson Home Trust As at 30 June 2020

	NOTES	30 JUN 2020	30 JUN 2019
<b>Assets</b>			
<b>Current Assets</b>			
Bank Accounts and Cash		616,102	708,472
Accounts Receivable		2,135	3,950
GST Receivable		-	4,994
<b>Total Current Assets</b>		<b>618,237</b>	<b>717,415</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment	4	3,603,772	4,353,523
Investment Funds	8	11,120,836	9,826,227
<b>Total Non-Current Assets</b>		<b>14,724,608</b>	<b>14,179,750</b>
<b>Total Assets</b>		<b>15,342,845</b>	<b>14,897,165</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
<b>Creditors and Accrued Expenses</b>			
Accounts Payable		49,698	81,585
Accruals		34,750	37,225
Employee Costs Payable		32,286	17,314
GST Payable		11,871	-
Maintenance Costs Payable		19,023	-
Wedding Bonds Refundable		1,400	1,600
<b>Total Creditors and Accrued Expenses</b>		<b>149,027</b>	<b>137,725</b>
<b>Donations and Grants</b>			
Family Grants Payable		37,995	66,468
Unspent Donations		6,100	-
<b>Total Committed Donations and Grants</b>		<b>44,095</b>	<b>66,468</b>
<b>Total Current Liabilities</b>		<b>193,123</b>	<b>204,192</b>
<b>Total Liabilities</b>		<b>193,123</b>	<b>204,192</b>
<b>Net Assets</b>		<b>15,149,722</b>	<b>14,692,973</b>
<b>Equity</b>			
Accumulated Funds	3	15,149,722	14,692,973
<b>Total Equity</b>		<b>15,149,722</b>	<b>14,692,973</b>

This statement has been audited and should be read in conjunction with the Audit Report and Notes to the Performance Report.

# Statement of Cash Flows

## The Wilson Home Trust For the year ended 30 June 2020

	2020	2019
<b>Cash Flows from Operating Activities</b>		
<b>Cash Received from Operating Activities</b>		
Receipts from Rent	949,195	946,402
Reimbursement Receipts	99,902	-
Event Income	15,896	38,592
Donations, Bequests, Grants & Fundraising	197,888	127,750
Net GST	12,950	(7,638)
<b>Total Cash Received from Operating Activities</b>	<b>1,275,832</b>	<b>1,105,105</b>
<b>Cash receipts from other operating activities</b>		
Investment Income - Non Cash	(31,342)	-
Write Down in Value of Investment	31,342	-
<b>Cash Applied to Operating Activities</b>		
Payments to Suppliers and Employees	(787,539)	(699,068)
Family/Children Grants	(235,896)	(222,867)
<b>Total Cash Applied to Operating Activities</b>	<b>(1,023,435)</b>	<b>(921,935)</b>
<b>Total Net Cash Flows from Operating Activities</b>	<b>252,397</b>	<b>183,170</b>
<b>Cash Received from/(Applied to) Investing and Financing Activities</b>		
Investment Income & Fees	344,608	1,632,881
Sale of investments	2,428,237	5,484,457
Purchase of investments	(3,700,284)	(7,511,148)
Sale of Property, Plant & Equipment	646,236	-
Purchase of Property, Plant & Equipment	(32,610)	(6,403)
Family Grants Payable	(30,722)	-
Wedding Bonds Refundable	(232)	1,532
<b>Total Cash Received from/(Applied to) Investing and Financing Activities</b>	<b>(344,767)</b>	<b>(398,681)</b>
<b>Net Increase/(Decrease) in Cash</b>	<b>(92,371)</b>	<b>(215,511)</b>
<b>Cash Balances</b>		
Cash and cash equivalents at beginning of period	708,472	923,983
Cash and cash equivalents at end of period	616,102	708,472
Net change in cash for period	(92,371)	(215,511)

This statement has been audited and should be read in conjunction with the Audit Report and Notes to the Performance Report.

# Notes to the Performance Report

## The Wilson Home Trust For the year ended 30 June 2020

### 1. Basis of Preparation

The entity has elected to apply PBE SFR-A (PS) *Public Benefit Entity Simple Format Reporting - Accrual (Public Sector)* 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 entity will continue to operate in the foreseeable future.

### Goods and Services Tax

All amounts are recorded exclusive of GST, except for Accounts Receivable and Accounts Payable which are stated inclusive of GST.

### Bank Accounts and Cash

Bank accounts and cash in the Statement of Cash Flows comprise cash held and bank balances on call.

### 2. Specific Accounting Policies

The following specific accounting policies, which materially affect the measurement of financial performance and financial position of the entity, have been applied:

#### Foreign Currencies

Transactions in foreign currencies are converted at the New Zealand rate of exchange ruling at the date of the transaction. At balance date foreign monetary assets and liabilities are translated at the closing rate and variations arising from these translations are included in the Statement of Financial Performance.

#### Property, Plant and Equipment

Property, plant and equipment is recorded at cost. It includes properties owned by the Trust that are leased to third parties to provide services that contribute to the Trust achieving its objectives.

#### Depreciation

Buildings have been depreciated at 4% on diminishing value basis.

For all assets other than buildings, depreciation has been calculated at the maximum rates permitted for Income Tax purposes as follows:

- Children and Families Equipment - 13% diminishing value basis
- Plant, Equipment and Furniture - 10-67% diminishing value basis, 7-67% straight line basis
- Other - 40% straight line basis

#### Income Tax

The Trust is registered as a charitable entity and is exempt from income tax on income derived for charitable purposes, under section CW 41 and CW 42 of the Income Tax Act 2007. Hence, there is no provision for income tax in these financial statements.

#### Accounts Receivable

Accounts Receivable are stated at their estimated realisable value. Bad debts are written off in the year they are identified.

## Investments

Investments are sums held on deposit at a registered bank, marketable bonds and shares as managed by external fund managers. Deposit accounts are carried at face value together with interest. Investments in bonds are stated at cost plus accrued interest. Investments in shares are stated at cost. Investments are written down to market value where it appears that the carrying amount is less than cost.

## Revenue Recognition

### Investment Income, Event Income, Donations and Bequests

These revenue items are recorded on a "cash received" basis.

Investment income includes distributions from unit funds that are recorded when distributions are received. The amount of distributions is not known in advance and is therefore not able to be accrued.

### Rental and Interest Received

These revenue items are recorded on an "accrual" basis.

## Expense Recognition

### Family Grants

Family grants are recognised as an expense when the grant has been approved by the Trust and communicated to the grantee. An Unspent Family Grants liability is recorded in the Statement of Financial Position to the extent that the approved grant funds have not yet been spent.

## Changes in Accounting Policies

There have been no changes in accounting policies. Policies have been applied on a consistent basis with those of the previous reporting period.

	2020	2019
<b>3. Accumulated Funds</b>		
Opening Balance	14,692,973	12,916,768
Current Year Earnings	456,749	1,776,205
<b>Total Accumulated Funds</b>	<b>15,149,722</b>	<b>14,692,973</b>

### Reserves

The Trust does not have any specific reserves.

	2020	2019
<b>4. Property, Plant and Equipment</b>		
<b>Land</b>		
Cost	1,165,530	1,585,530
<b>Total Land</b>	<b>1,165,530</b>	<b>1,585,530</b>
<b>Buildings</b>		
Cost	5,474,636	5,734,636
Accumulated depreciation	(3,104,976)	(3,018,991)
<b>Total Buildings</b>	<b>2,369,660</b>	<b>2,715,645</b>
<b>Plant and Equipment</b>		
Cost	160,462	135,627
Accumulated depreciation	(104,067)	(92,068)
<b>Total Plant and Equipment</b>	<b>56,395</b>	<b>43,558</b>
<b>Furniture, Fittings &amp; Other Assets</b>		
Cost	31,371	23,596
Accumulated depreciation	(19,184)	(14,807)
<b>Total Furniture, Fittings &amp; Other Assets</b>	<b>12,187</b>	<b>8,789</b>
<b>Total Property, Plant and Equipment</b>	<b>3,603,772</b>	<b>4,353,523</b>

### Significant Donated Assets

#### Significant Donated Assets Recorded

The Wilson Home Trust was established in 1937 when Mr. & Mrs. W R Wilson gifted their family home, and 13 acres of magnificent coastal gardens at Takapuna, Auckland, for the express benefit of children with disabilities. Additionally, Lord Nuffield, the founder of Morris Motors, contributed £10,000 to the endowment fund.

In the 2013 financial year there was a property bequeathed by will to The Wilson Home Trust. Following resolution of an inheritance claim on the property, the title passed to the trust in May 2018. The property was sold in October 2019 for \$666,000.

#### Significant Donated Assets - Not Recorded

There are no significant donated assets that are not recorded in the Performance Report.

### 5. Grants Received

The Trust received the following grants during the financial year:

	2020	2019
NZ Lottery Grants Board	-	23,000
Foundation North	-	75,000
Good In The Hood	2,223	-
Auckland Council	2,000	-
Rehab Welfare Trust	1,000	-
<b>Total</b>	<b>5,223</b>	<b>98,000</b>

## 6. Commitments and Contingencies

### Lease and Capital Commitments

#### Capital Commitments

There are no capital commitments contracted for at balance date (2019: Nil).

#### Operating Lease Commitments

<b>Plant and Equipment / Motor Vehicles</b>	<b>2020</b>	<b>2019</b>
No later than one year	4,351	4,289
Later than one year and no later than five years	225	1,474
<b>Total</b>	<b>4,576</b>	<b>5,763</b>

### Contingent Liabilities and Assets

No contingent liabilities or assets are known to exist at balance date (2019: Nil).

## 7. Related Party Transactions & Balances

Waitemata District Health Board (WDHB) is the Trustee of the Trust's land, buildings and other assets. Management of the Trust is delegated to a Committee of Management which, in conformity with the Trust Deed, comprises three nominees of the Trustee and two nominees for CCS Disability Action. The committee members were paid committee member fees during the year which amounted to \$66,000 (2019: \$66,000).

WDHB (who is also the Trustee) has a contract with the Ministry of Health to provide care for children with disabilities operating as The Wilson Centre. It carries out this work at The Wilson Home Trust properties and in the community. The WDHB paid rent to The Wilson Home Trust for the space used at The Wilson Home Trust site amounting to \$741,080 (2019: \$741,070). The WDHB also paid \$99,902 in contribution to their share of property maintenance. As at 30 June 2020, The Wilson Home Trust owes \$19,023 to WDHB for wash-up of the property maintenance share (2019: Nil). There are no other WDHB payables or receivables (2019: \$2,647 receivable).

Although not a related party, another tenant of The Wilson Home Trust site is the Ministry of Education which operates the Wilson School for children with disabilities. Rent paid to The Wilson Home Trust for the lease of land amounted to \$123,748 (2019: \$132,119). As at 30 June 2020 nothing was owed by the Ministry of Education (2019: Nil).

In recognition that each of these parties provide services and support for children with disabilities, their rentals are discounted by 25%.

There have been no other material related party transactions during the financial year.

## 8. Investments

Investments managed by BNZ Securities	2020 At Cost	2020 At Market Value	2019 At Cost	2019 At Market Value
Cash/on Call	-	-	53,081	53,081
Fixed Interest Bonds & Deposits	-	-	1,142,437	1,205,115
Equities & Property	-	-	1,220,143	1,406,090
	-	-	<b>2,415,661</b>	<b>2,664,286</b>

Unit Fund Investments	2020 At Written Down Cost	2020 At Market Value	2019 At Cost	2019 At Market Value
Castle Point Funds Management	2,534,324	2,552,688	2,429,207	2,429,207
Mint Asset Management	3,638,940	3,666,113	2,552,981	2,658,872
SALT Funds Management	1,810,649	1,810,649	1,824,120	1,824,120
Continuity Capital Partners	716,349	716,349	604,259	604,259
Milford Asset Management	2,420,574	2,420,574	-	-
	<b>11,120,836</b>	<b>11,166,373</b>	<b>7,410,567</b>	<b>7,516,458</b>

<b>Total Investments</b>	<b>11,120,836</b>	<b>11,166,373</b>	<b>9,826,228</b>	<b>10,180,744</b>
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During the financial year, the investment managed by BNZ of \$2,415,661 was withdrawn which resulted in a realised gain of \$322,338 in the Statement of Financial Performance.

These funds were reinvested in various unit funds as detailed above. The Trust uses Eriksens Global as an overall investment adviser. At balance date, an adjustment of \$211,544 was made to write down the value of these investments in order to state the investments at current market price.



## Independent Auditor's Report

# To the readers of The Wilson Home Trust's Performance Report For the year ended 30 June 2020

The Auditor-General is the auditor of The Wilson Home Trust (the Trust). The Auditor-General has appointed me, Wayne Tukiri, using the staff and resources of RSM Hayes Audit, to carry out the audit of the Trust on his behalf.

### Opinion

We have audited pages 8 to 16 of the performance report that comprise the statement of financial position as at 30 June 2020, the statement of financial performance, and statement of cash flows for the year ended on that date, and notes to the financial statements that include accounting policies and other explanatory information. In the remainder of this report we refer to this information as the financial statements.

In our opinion the financial statements of the Trust:

- present fairly, in all material respects:
  - its financial position as at 30 June 2020; 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 Public Benefit Entity Simple Format Reporting – Accrual (Public Sector).

Our audit of the financial statements was completed on 27 November 2020. 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 committee and our responsibilities relating to the financial statements, 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 committee members for the financial statements

The committee members are responsible on behalf of the Trust for preparing financial statements that are fairly presented and comply with generally accepted accounting practice in New Zealand.

The committee members are responsible for such internal control as they determine is necessary to enable them to prepare financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the committee members are responsible, on behalf of the Trust, for assessing the Trust's ability to continue as a going concern. The committee members are also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to liquidate the Trust or there is no realistic alternative but to do so.

## **Responsibilities of the auditor for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements 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 conducted 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 the financial statements.

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

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. We also:

- Identify and assess the risks of material misstatement of the financial statements, 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.
- 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the committee 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 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.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the committee regarding, amount 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 committee members are responsible for the other information. The other information comprises the entity information and the approval of the performance report on pages 3 to 7 (but does not include the financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report.

Our opinion on the financial statements 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, our responsibility is to read the other information identified above. In doing so, we consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, 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 (Revised): *Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board.

Other than the audit, we have no relationship with, or interests in the Wilson Home Trust.

A handwritten signature in blue ink, appearing to read 'Wayne Tukiri'.

**Wayne Tukiri**  
RSM Hayes Audit  
On behalf of the Auditor-General  
Auckland, New Zealand