

Performance Report

The Wilson Home Trust
For the year ended 30 June 2021

Prepared by Management Accountants 2016 Limited

Contents

3	Entity Information
7	Approval of the Performance Report
8	Statement of Financial Performance
10	Statement of Financial Position
11	Statement of Cash Flows
12	Notes to the Performance Report
17	Auditor's Report

Entity Information

The Wilson Home Trust For the year ended 30 June 2021

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

Property Lawyers

Anderson Creagh Lai
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 2021 financial year.

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

Trust Outputs

Beneficiary services

- Discounted annual rental charged to Homes for Choice in acknowledgement of the organisation's provision of services to WHT beneficiaries.
- Hydrotherapy is offered in Auckland on the North Shore and in Panmure. A total of 164 free sessions were offered to 13 children - 99 at the North Shore site and 65 at the Panmure Lagoon Pool. To ensure equitable access to hydrotherapy across the entire region, a hydrotherapy grant has been introduced this year.
- Relaxation with clay sessions were offered in South Auckland and on the North Shore. Nine parents / caregivers attended the sessions.
- Two morning tea sessions have been provided to Rehab families staying onsite.
- 287 grants were approved totalling \$327,815 throughout the Trust Deed area.
- Thanks to an army of volunteer knitters, 178 knitted beanies, scarves and blankets were distributed to families across the region, a great way to connect with hard to reach families.
- 19 Welcome Packs were provided to families that are staying in the Wilson Centre.
- Over 80 children attended the three day Christmas Grotto and petting zoo. Children and families really appreciated the opportunity to meet Santa and receive a present, in a safe, accessible and quiet environment.
- School holiday programme – Due to COVID restrictions a reduced programme was offered in October. A school holiday programme was not offered in the first half of 2021, online and shared resources with other organisations are being explored.
- 88 x \$50 Countdown or Warehouse vouchers were distributed to families that are known to be struggling or referred to the WHT by network contacts.
- Two equipment demonstration days were offered to families and 15 families attended.
- Information and communication was provided via the website, 12 monthly newsletters distributed to over 1,000 recipient subscribers, and regular posts on The Wilson Home Trust Facebook page were made. Advertisements have been published in a number of special schools across the regions and other organisations newsletters.
- Stakeholder networking - The Wilson Home Trust staff attended over 80 expos, meetings and workshops across the region.
- The impact of the COVID pandemic has seen our beneficiaries resistant to taking their families out and exposing them to any extra risks.

Regional Support

In order to raise the WHT profile, extend networks and promote the grants scheme cross the region, the WHT team visited:

- All regions of Auckland
- Bay of Plenty – Tauranga
- Hamilton
- Rotorua
- Taupo
- Northland – a part time Northland Regional Coordinator is contracted through Parent to Parent and worked 245 hours raising the awareness of the WHT to the upper Northland region.

Grant funding – 52% (\$165,070) of the \$327,815 was allocated to the regions outside of Auckland.

Sustainability

- The relationship with investment provider EriksensGlobal continues, providing investment advice, regular reporting and monitoring of the current financial situation.
- Committee of Management completed the annual review of the Statement of Investment Policy and Objectives.
- Held current and interest bearing accounts with the ASB.
- Implemented annual CPI rental adjustments on all relevant leases.
- Wilson School ten year ground lease rental review process is underway.
- A total of 3,470 hours were spent on maintenance of the buildings and the gardens. This included a group of 10 gardening volunteers that provide regular help across the site.
- The seismic strengthening of the chapel was completed. The Code of Compliance is yet to be received.
- Homestead Seismic strengthening work – resource consent has been obtained and building consent is being sought with the plan to commence work in December 2021, subject to the current COVID restrictions in place.
- Villa Re-engineering work – plans are being developed in consultation with key personnel at WDHB. This work is planned to commence in March 2022, subject to the current COVID restrictions in place.
- A Redevelopment and Lease Variation Agreement covering the work on both projects has been agreed. This has created a new Deed of Lease that will ensure a minimum of 10 years commitment to the site by WDHB and it's successor. This will only commence on completion of the villa upgrade project.

Future Site Facilities

- The Homestead building will be seismically strengthened to the required 67% NBS rating, timing for this will be subject to any COVID restrictions that may be imposed.
- The Villas will be re-engineered to ensure that the facilities meet the future requirements of WDHB, timing for this will be subject to any COVID restrictions that may be imposed.
- A plan to develop the other buildings on site that are not fit for purpose will start to be developed.

Approval of the Performance Report

The Wilson Home Trust For the year ended 30 June 2021

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 2021.

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 2021 and its financial position as at that date.

For and on behalf of the Committee:



Adina Halpern

Chair

Date ... 22 / 11 / 21 ...



Jacob Vermunt

Committee Member

Date ... 22 / 11 / 21 ...

Statement of Financial Performance

The Wilson Home Trust For the year ended 30 June 2021

	NOTES	2021	2020
Revenue			
Revenue from Central or Local Government			
Lease - Government Sourced		881,356	864,818
Reimbursements Received		91,275	80,879
Total Revenue from Central or Local Government		972,631	945,698
Revenue from Providing Goods or Services			
Lease - Non-Governmental		32,877	31,178
Rental - Residential		41,275	47,525
Rental - Casual		815	5,673
Event Income		15,258	16,427
Total Revenue from Providing Goods or Services		90,225	100,804
Donations, fundraising and similar revenue			
Donations		8,141	25,742
Grant Income	5	1,500	5,223
Bequests		-	133,488
Fundraising Income		435	27,051
Total Donations, fundraising and similar revenue		10,075	191,503
Total Revenue		1,072,932	1,238,005
Total Operating Income		1,072,932	1,238,005
Operating Expenses			
Administration/General		90,995	73,978
Audit Fees - Current Year		14,801	14,173
Committee Fees		66,000	66,000
Depreciation		112,811	114,425
Employee Related Costs		289,210	348,064
Events Expenses		18,573	6,103
Family/Children Grants Provided		327,815	235,463
Legal expenses		9,025	6,720
Operating Lease		5,384	5,624
Property Maintenance		102,822	107,463
Travel and Accommodation		3,057	2,813
Total Operating Expenses		1,040,494	980,826
Net Operating Surplus/(Deficit)		32,438	257,179

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

	NOTES	2021	2020
Investment Activity			
Investment Income		524,971	274,729
Gain/(Loss) on Investment - Realised		17,224	322,338
Write Down in Value of Investment		-	(211,544)
Management Fees - Investments		(10,000)	(17,049)
Total Investment Activity Surplus		532,195	368,474
Non-Operating Activity			
Property Projects Surveys and Consultants		(79,459)	(147,203)
Gain/(loss) on Sale of Assets		-	(21,701)
Total Non-Operating Activity Deficit		(79,459)	(168,903)
SURPLUS/(DEFICIT) FOR YEAR		485,174	456,749

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 2021

	NOTES	30 JUN 2021	30 JUN 2020
Assets			
Current Assets			
Bank Accounts and Cash		395,063	616,102
Accounts Receivable		2,070	1,618
Prepayments		500	517
Total Current Assets		397,633	618,237
Non-Current Assets			
Property, Plant and Equipment	4	3,844,806	3,603,772
Investment Funds	7	11,601,141	11,120,836
Total Non-Current Assets		15,445,947	14,724,608
Total Assets		15,843,580	15,342,845
Liabilities			
Current Liabilities			
Creditors and Accrued Expenses			
Accounts Payable		85,579	49,698
Accruals		34,000	34,750
Employee Costs Payable		20,331	32,286
GST Payable		1,049	11,871
Maintenance Costs Payable		8,627	19,023
Wedding Income in Advance		12,861	-
Wedding Bonds Refundable		2,200	1,400
Total Creditors and Accrued Expenses		164,647	149,027
Donations and Grants			
Family Grants Payable		46,232	37,995
Unspent Donations		-	6,100
Total Committed Donations and Grants		46,232	44,095
Total Current Liabilities		210,879	193,123
Total Liabilities		210,879	193,123
Net Assets		15,632,701	15,149,722
Equity			
Accumulated Funds	3	15,632,701	15,149,722
Total Equity		15,632,701	15,149,722

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 2021

	2021	2020
Cash Flows from Operating Activities		
Cash Received from Operating Activities		
Receipts from Rent	956,323	949,195
Reimbursement Receipts	78,685	99,902
Event Income	27,765	15,896
Donations, Bequests, Grants & Fundraising	3,975	197,888
Net GST	(6,857)	12,950
Total Cash Received from Operating Activities	1,059,891	1,275,832
Cash Applied to Operating Activities		
Payments to Suppliers and Employees	(693,474)	(787,539)
Family/Children Grants	(332,170)	(266,618)
Total Cash Applied to Operating Activities	(1,025,645)	(1,054,157)
Total Net Cash Flows from Operating Activities	34,247	221,675
Cash Received from/(Applied to) Investing and Financing Activities		
Investment Income & Fees	211,891	344,608
Sale of investments	900,000	2,428,237
Purchase of investments	(1,060,000)	(3,700,284)
Sale of Property, Plant & Equipment	43	646,236
Purchase of Property, Plant & Equipment	(6,598)	(32,610)
Work In Progress - Buildings	(301,377)	-
Wedding Bonds Refundable	756	(232)
Total Cash Received from/(Applied to) Investing and Financing Activities	(255,285)	(314,046)
Net Increase/(Decrease) in Cash	(221,038)	(92,371)
Cash Balances		
Cash and cash equivalents at beginning of period	616,102	708,472
Cash and cash equivalents at end of period	395,063	616,102
Net change in cash for period	(221,038)	(92,371)

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 2021

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. A family grants payable 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.

	2021	2020
3. Accumulated Funds		
Trust Accumulated Funds		
Opening Balance	15,149,722	14,692,973
Current Year Earnings	485,174	456,749
Retained Earnings - adjustments	(2,194)	-
Total Trust Accumulated Funds	15,632,701	15,149,722
Total Accumulated Funds	15,632,701	15,149,722

Reserves

The Trust does not have any specific reserves.

	2021	2020
4. Property, Plant and Equipment		
Land		
Cost	1,165,530	1,165,530
Total Land	1,165,530	1,165,530
Buildings		
Cost	5,474,636	5,474,636
Accumulated depreciation	(3,199,189)	(3,104,976)
Total Buildings	2,275,447	2,369,660
Plant and Equipment		
Cost	164,579	160,462
Accumulated depreciation	(117,917)	(104,067)
Total Plant and Equipment	46,661	56,395
Furniture, Fittings & Other Assets		
Cost	33,808	31,371
Accumulated depreciation	(23,932)	(19,184)
Total Furniture, Fittings & Other Assets	9,876	12,187
Other Fixed Assets		
Work in Progress - Buildings	347,291	-
Total Other Fixed Assets	347,291	-
Total Property, Plant and Equipment	3,844,806	3,603,772

Work in Progress - Buildings

The Wilson Home Trust is currently completing seismic strengthening on the Chapel, Homestead and Villas. It is expected these capital works will be completed in the following financial year. A new asset will be recognised for the building improvements once Code of Compliance Certificate is issued on each project.

Significant Donated AssetsSignificant 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:

	2021	2020
Good In The Hood	-	2,223
Auckland Council	1,500	2,000
Rehab Welfare Trust	-	1,000
Total	1,500	5,223

6. Commitments and Contingencies

Lease and Capital Commitments

Capital Commitments

There are no capital commitments contracted for at balance date (2020: Nil).

Operating Lease Commitments

Plant and Equipment / Motor Vehicles	2021	2020
No later than one year	225	4,351
Later than one year and no later than five years		225
Total	225	4,576

Contingent Liabilities and Assets

No contingent liabilities or assets are known to exist at balance date (2020: Nil).

7. Investments

Unit Fund Investments	2021 At Cost	2021 At Market Value	2020 At Cost	2020 At Market Value
Castle Point Funds Management	3,101,847	3,367,452	2,534,324	2,552,688
Mint Asset Management	4,190,597	4,514,698	3,638,940	3,666,113
SALT Funds Management	927,873	1,246,781	1,810,649	1,810,649
Continuity Capital Partners	876,349	1,005,972	716,349	716,349
Milford Asset Management	2,504,473	3,042,926	2,420,574	2,420,574
Total Investments	11,601,141	13,177,829	11,120,836	11,166,373

The Trust uses EriksensGlobal as an overall investment adviser. (2020: 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 EriksensGlobal 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.)

8. 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 (2020: \$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 \$755,891 (2020: \$741,080). The WDHB also paid \$97,708 in contribution to their share of property maintenance. As at 30 June 2021, The Wilson Home Trust owes \$8,627 to WDHB for wash-up of the property maintenance share (2020: \$19,023 payable). There are no other WDHB payables or receivables (2020: Nil).

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 \$125,465 (2020: \$123,748). As at 30 June 2021 nothing was owed by the Ministry of Education (2020: Nil).

Robert Whitehead, a Committee of Management member, was engaged by the Wilson Home Trust to provide project management services related to the redevelopment of the Villas. During the financial year to June 2021 he received payments totalling \$14,625 (2020: \$3,263).

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

9. Events Subsequent to Balance Date

On 17 August 2021, the New Zealand Government commenced Covid-19 lockdown restrictions for New Zealand, and in particular for Auckland, which are still in place at this time. While these, and any further extended lockdowns, do negatively affect operations and some revenue streams, after consideration of the future funding secured and the organisation's financial position at the date of authorising these financial statements the trustees are satisfied that the organisation will be able to meet its financial obligations for the foreseeable future.

In April 2021, the government announced major health sector reforms which include the replacement of all district health boards, including Waitemata District Health Board (the Trustee), with a single national organisation, Health New Zealand. This is to take effect from 1 July 2022. Details of the transfer of trusteeship of The Wilson Home are not yet confirmed but the trustees have no current reason to believe the Trust's operation will be materially affected.

Hence the preparation of the financial statements using the going concern assumption remains appropriate.

Independent Auditor's Report

To the readers of The Wilson Home Trust's Performance Report For the year ended 30 June 2021

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 financial statements 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 2021, 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 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 2021; and
- its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Public Sector).

Our audit of the financial statements was completed on 25 November 2021. 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, amongst 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 : *International 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