



Hamilton Multicultural Services Trust

PERFORMANCE REPORT

For the year ended 30 June 2021



Contents

	Page
Non-Financial Information:	
Entity Information	1 - 2
Statement of Service Performance	3
Financial Information:	
Statement of Financial Performance	4
Statement of Financial Position	5
Statement of Cash Flows	6
Statement of Accounting Policies	7 - 8
Notes to the Performance Report	9 - 15
Independent Auditors Report	16 -17



Entity Information

Legal Name of Entity	Hamilton Multicultural Services Trust
Other Name of Entity	HMS Trust
Type of Entity and Legal Basis	Incorporated Society and Charitable Trust
Registration Number	CC32525
Certificate of Incorporation	935859

Entity's Purpose or Mission

Paving the way for successful settlement.

Goals:

- To connect support and advocate for the refugee and migrant communities.
- To maintain and establish stakeholder relationships.
- To foster participation of newcomers in the community.
- To enable refugees and migrants to be engaged members of the community.
- To strengthen the organisation, grow existing projects while developing new ones.

Entity's Structure

Governance Structure: Hamilton Multicultural Services Trust is a registered charitable trust. The Board of Trustees shall comprise of not fewer than six and no more than twelve members. Currently the Board constitutes 10 members, including two executive officer positions: chairperson and treasurer. Trustees lead sub committees as determined by the strategic plan and meet monthly. Finance meetings are also held monthly.

Operational Structure: The Trust operations are managed by three managers, 33 permanent staff, 3 casual staff, approximately 100 casual interpreters, and 24 InfoNOW assistants. The roles within the organization consist of an Operations manager, Language Services manager, Transport Programmes manager, financial controller, finance assistant, 3 employment consultants, community connector, centre coordinator, affordable energy coordinator, marketing coordinator, 2 information service staff, driving school coordinator, 2 Open Road coordinators, InfoNOW coordinator, 10 support staff in the interpreting service, 4 driving practice programme instructors, newcomers network coordinator, cycle program coordinator, driving instructor, and driving change coordinator. Volunteers help with driving mentoring, events and centre activities.

Main Sources of the Entity's Cash and Resources

HMS Trust receives its income from a mix of government contracts and grants from its generous donors, and also from its sustainable revenue streams such as venue hire from Settlement Centre, and income from interpreting services and driving school.

Main Methods Used by the Entity to Raise Funds

The Trust does not actively engage in significant fund raising activities with the exception of an annual NZ Ethnic Football Festival. Participating football teams pay entry fees and winners receive cash prizes in different categories. The tournament is a multicultural celebration of the beautiful game, featuring teams from many different ethnicities around the world.

Entity's Reliance on Volunteers and Donated Goods and Services

Volunteers support the NZ Ethnic Football Festival, the Centre with maintenance and the information desk, as mentors for Flourish - Ethnic Women Leadership programme, and also as mentors with the Open Road programme. The Trust does not rely on donations for service delivery.



Contact Details

Physical Address	C/- Settlement Centre Waikato, 46G Boundary Road, Claudelands, Hamilton
Postal Address	PO Box 4340, Hamilton 3247, New Zealand
Email	finance@hmstrust.org.nz
Website	www.hmstrust.org.nz
Phone	07 8532192

Statement of Service Performance

Description of Entity's Outcomes

Newcomers, in particular refugees and migrants will have a successful settlement experience and be able to participate fully in all aspects of society.

	June 2021	June 2020
Description and Quantification of Outputs		
Settlement Centre Waikato (community groups, agencies, NGOs that used the centre as venue)	56	54
Driving Programmes - Number of successful participants	204	122
Driving Programmes - Services delivered	4213	1828
Bike Training - Number of participants	56	17
Computers in Homes - Programme graduates	23	14
Immigration Clinic Service of the Trust - Suspended due to Covid-19 and border restrictions	-	110
Migrant Employment Solutions - Number of clients received employment support	137	77
Migrant Employment Solutions - Number of clients secured employment (contracted outcome - 55 per year)	77	65
Interpreting (Number of Jobs)	8721	6806
Translations (Number of Jobs)	347	370
InfoNOW (Number of enquiries)	3394	3368
Sector agency meetings (Waikato Refugees Forum, Migrant Youth Work and Training Services, English Language Partners, Red Cross Hamilton and SHAMA)	10	10
Flourish - Ethnic Leadership Programme participants	18	18
Post Covid Support for Communities - Food Vouchers	258	110
- Care Packs	75	-
- Blankets	140	61
- Heaters	26	25



Statement of Financial Performance

	Note	June 2021 \$	June 2020 \$
Revenue			
Donations, fundraising and other similar revenue	1	456,322	287,809
Revenue from providing goods or services	1	2,805,721	1,562,569
Interest, dividends and other investment revenue	1	11,661	15,499
Other Revenue	1	81,929	607,368
Total Revenue		3,355,633	2,473,245
Expenses			
Expenses related to public fundraising	2	17,056	11,765
Volunteer and employee related cost	2	1,977,650	1,514,705
Costs related to providing goods or services	2	1,168,366	869,063
Grants and Donations made	2	1,787	2,647
Other Expenses	2	86,103	66,783
Total Expenses		3,250,962	2,464,963
Surplus for the year		104,671	8,282



Statement of Financial Position

As at 30 June 2021

	Note	30-Jun-21 \$	30-Jun-20 \$
Assets			
Current Assets			
Bank accounts and cash	3	1,671,177	1,446,737
Debtors and prepayments	3	288,148	135,758
Total Current Assets		1,959,325	1,582,495
Non-Current Assets			
Property, plant and equipment	4	215,373	152,294
Work in Progress	3	71,821	-
Total Non-Current Assets		287,194	152,294
Total Assets		2,246,519	1,734,789
Liabilities			
Current Liabilities			
Creditors and accrued expenses	3	313,981	156,146
Employee costs payable	3	85,947	74,259
Grant Funds Not Yet Spent	3	455,887	280,204
Contract Funds Not Yet Spent	3	74,544	1,102,731
Other current Liabilities	3	28,472	59,109
Total Current Liabilities		958,831	1,672,449
Non-Current Liabilities			
Long-Term Finance Lease	3	65,871	25,925
Total Liabilities		1,024,702	1,698,374
Total Assets less total Liabilities (Net Assets)		1,221,817	36,415
Equity			
General Reserves	5	133,638	36,415
Specified Reserves	5	1,088,179	-
Total Accumulated Funds		1,221,817	36,415

Mary

Chairperson

B Corfield

Treasurer

Dated: *27th September 2021*



Statement of Cash Flows

	Note	30-Jun-21 \$	30-Jun-20 \$
Cash Flows from Operating Activities:			
Cash was received from:			
Donations, fundraising and other similar receipts		635,812	428,171
Receipts from providing goods or services		2,699,770	2,329,083
Interest, dividends and other investment receipts		11,661	15,499
Other Revenue		81,929	601,953
Net GST		(15,141)	(3,862)
Cash was applied to:			
Payments to suppliers and employees		(2,986,452)	(2,392,680)
Donations or grants paid		(1,787)	(2,647)
Net Cash Flows from operating activities		425,792	975,517
Cash flows from Investing and Financing activities			
Cash was received from:			
Receipts from the sale of property, plant and equipment		-	5,415
Cash was applied to:			
Payments to acquire property, plant and equipment		(142,710)	(13,385)
Principal repayment of finance lease		(58,642)	(45,489)
Net Cash Flows from Investing and Financing activities		(201,352)	(53,459)
Net Increase/ (Decrease) in Cash		224,440	922,058
Opening Cash	3	1,446,737	524,679
Closing Cash	3	1,671,177	1,446,737
This is represented by:			
Bank Accounts and Cash	3	1,671,177	1,446,737

Statement of Accounting Policies

Basis of Preparation

Hamilton Multicultural Services 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 in the reporting period 30 June 2019. This entity with 2 consecutive years at greater than \$2,000,000 is expected to report in the year ended 30 June 2022 as under the Tier 2 Not-For-Profit PBE IPSAS framework. 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 (GST)

All amounts are recorded exclusive of GST, except for Debtors and Creditors which are stated inclusive of GST.

Income Tax

Hamilton Multicultural Services Trust is wholly exempt from New Zealand income tax having fully complied with all statutory conditions for these exemptions.

Bank Accounts and Cash

Bank Accounts and Cash in the Statement of Cash Flows comprise cash balances and bank balances.

Revenue

Grants and contracts are recognised as they are received and the associated expenses are incurred. As at balance date any unspent grant monies have been carried forward to next year and reflected under liabilities in the Statement of Financial Position.

Operating Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items are classified as operating leases. Payments made under these leases are charged as expenses in the periods in which they are incurred.

Finance Leases

Assets purchased or used pursuant to finance leases are included as fixed assets in the Statement of Financial Position and depreciated at maximum rates allowed by the Income Tax Act 2007. Finance leases, which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the property, are capitalised at the present value of the minimum lease payments. A corresponding liability is also disclosed with lease payments being apportioned between the liability and interest payments.

Plant and Equipment

Plant and Equipment is stated at cost and depreciated. Donated items of plant and equipment are stated at fair value and depreciated. Where an asset is disposed off, the gain or loss recognised in the statement of financial performance is calculated as the difference between the sale price and the book value of the asset.



Statement of Accounting Policies (continued)

Depreciation

Depreciation is charged at the following rates:

Building and Improvements 10-40% Straight Line
Centre refurbishment 20% Straight Line
Furniture & Fixtures 9.5%-60% Diminishing Value
Computer and Peripherals 15%-50% Diminishing Value
Computer Software 20% Diminishing Value
Website 50% Diminishing Value
Motor Vehicle 30%-31.2% Diminishing Value

Debtors

Accounts receivable are stated at estimated realisable value after providing against debts where collection is doubtful. Bad debts are written off during the period in which they are identified.

Creditors

Trade and other payables are measured at amortised cost, using the effective interest method. Trade payables of short term nature are not discounted.

Changes in Accounting Policies

There have been no changes in accounting policies during the 12 month period ended 30th June 2021. (2020 - Same)

Note 1 Analysis of Revenue

	June 2021	June 2020
Revenue	\$	\$
Donations, fundraising and other similar revenue		
Donations	2,467	3,526
Ethnic Football Festival	10,400	8,765
Grants brought forward from previous year	280,204	140,379
Grants Received	619,138	415,343
Unused Grants Transfer	(455,887)	(280,204)
Total Donations, fundraising and other similar revenue	456,322	287,809
Revenue from providing goods or services		
Income from Centre		
Agency Contributions	4,913	4,721
Agency Venue Hire	21,580	17,182
Centre Venue Hire	22,532	24,649
Rent Received	17,600	17,600
Total Income from Centre	66,625	64,152
Income from Driving School		
Car Hire	2,754	614
Driving Lesson Fee	51,651	16,704
Mock Test Fee	1,963	2,772
Practice Session Fee	42,742	12,338
Total Income from Driving School	99,110	32,428
Income from grants and contracts		
Contracts brought forward from previous year	22,000	15,000
Contracts Received	1,590,473	1,372,948
Unused Contracts Transfer	(74,544)	(22,000)
Total Income from grants and contracts	1,537,929	1,365,948
Income from Interpreting Fees and Translation		
Cancellation Fee	46,532	40,660
Interpreting Course Fees	3,522	261
Interpreting Fees	772,055	601,801
Mileage Income	33,411	23,291
Telephone Confirmation	40,769	28,864
Telephone Service	83,678	35,127
Translations	90,031	48,118
Travel Time	32,059	20,141
Total Income from Interpreting Fees and Translations	1,102,057	798,263
Tagged funds carried forward to next year		
Funding brought forward from previous year	1,080,731	(382,508)
Prior Period Adjustment - To Specified Reserves - Building (Note 9)	(980,731)	-
Prior Period Adjustment - To Specified Reserves - Sundry Projects (Note 9)	(100,000)	-
Tagged Funds - End of Year Balance	-	(1,080,731)
Prior Year transfer of Revenue to Tagged Funds	-	(698,223)
Total Revenue from providing goods or services	2,805,721	1,562,569
Interest, dividends and other investment revenue		
Interest Received	11,661	15,499
Total Interest Received	11,661	15,499
Other Revenue		
Other Services	37,576	9,040
Registration Fee	16,304	-
Photocopying Income	973	1,441
Insurance Claims	-	3,348
Sundry Income	9,266	5,732
Covid19 Wage Subsidy	-	574,562
Van Driver Fees	17,810	13,245
Total Other Revenue	81,929	607,368
Total Revenue	3,355,633	2,473,245

Note 2 Analysis of Expenses

	June 2021	June 2020
Expenses	\$	\$
Expenses related to public fundraising		
Event Costs	17,056	11,765
Total Expenses related to public fundraising	17,056	11,765
Volunteer and employee related cost		
ACC Levies	6,232	5,651
Interpreter wages	436,953	339,782
InfoNOW wages	54,392	56,756
Kiwisaver Employer Costs	44,638	29,465
Salaries & Wages	1,363,777	1,041,673
Staff Professional Development	22,121	9,673
Training	12,213	1,320
Translator Wages	30,275	21,155
Volunteer Recognition	7,049	9,230
Total Volunteer and employee related cost	1,977,650	1,514,705
Costs related to providing goods or services		
Advertising fees	24,746	27,784
Administration fees	1,799	1,541
Bank Charges	569	456
Centre Supplies	2,825	1,501
Cleaning Costs	25,690	16,002
Consultancy Fees	25,395	16,661
Covid Expense	8,262	5,462
Gifts and acknowledgements	4,730	4,535
Hospitality	24,963	14,250
Insurance	33,655	21,997
IT Expenses	53,364	26,112
Office Supplies	6,705	4,337
Outsourcing	47,226	27,427
Project Expenses	205,189	138,921
Rent	27,428	9,225
Repairs & Maintenance	16,721	10,796
Resources & Materials	19,477	11,830
Subcontractor Fees	521,449	448,887
Telecommunications	37,589	26,656
Travel Costs	58,232	36,797
Utilities	22,352	17,886
Total Costs related to providing goods or services	1,168,366	869,063
Grants and Donations made		
Donations Paid	1,787	2,647
Total Grants and Donations made	1,787	2,647
Other Expenses		
Audit Fees	5,000	3,900
Bad Debts W/O	397	452
Depreciation Expense	71,399	50,270
Legal Costs	996	6,251
Loss on Disposal	555	-
Memberships and Subscriptions	7,756	5,910
Total Other Expenses	86,103	66,783
Total Expenses	3,250,962	2,464,963

Note 3 Analysis of Assets and Liabilities

	30-Jun-21	30-Jun-20
	\$	\$
Current Assets		
Bank accounts and cash		
Business Saver	1,307	-
Decypher Current Account	238,267	141,497
Decypher EPC	636	723
Direct Debits	4,355	5,327
Driving project Cheque Account	80	80
HMS EPC	1,722	3,665
HMS Trust Current Account	78,467	49,802
Open Road Expenses	367	249
PayPal Clearing Account	-	58
Petty Cash - HMS	80	80
Savings Plus	234,246	333,920
Short - Term Deposit	1,111,490	910,391
Undeposited Funds	160	945
Total Bank accounts and cash	1,671,177	1,446,737
Debtors and prepayments		
Accounts Receivable	262,255	103,325
Interest Receivable	653	1,725
Recoverables	349	109
Pre-Payments	24,891	30,599
Total Debtors and prepayments	288,148	135,758
Total Current Assets	1,959,325	1,582,495
Non-Current Assets		
Property, plant and equipment		
Building & Improvements	18,192	18,192
B & I Accumulated Depreciation	(16,321)	(13,848)
Furniture & Equipment	85,911	75,960
F & E Accumulated Depreciation	(49,565)	(39,078)
ITC Equipment & Peripherals	125,466	97,976
ITC Accumulated Depreciation	(90,293)	(72,540)
Motor Vehicle	228,068	172,821
MV Accumulated Depreciation	(88,474)	(88,614)
Software/ Website	6,695	3,600
Software Amortization	(4,306)	(2,175)
Total Property, Plant and Equipment	215,373	152,294
Work in Progress	71,821	-
Total Non Current Assets	287,194	152,294
Total Assets	2,246,519	1,734,789
Current Liabilities		
Creditors and accrued expenses		
Accounts Payable	295,808	119,668
IRD Deductions	4,005	7,940
Accruals for Expenses	6,003	5,232
GST	8,165	23,306
Total Creditors and accrued expenses	313,981	156,146
Employee costs payable		
Accruals for Salaries & Wages	85,947	74,259
Total Employee costs payable	85,947	74,259
Unused donations and grants		
Grants In Advance	455,887	280,204
Total Unused donations and grants	455,887	280,204
Unused contracts and tagged funds		
Contracts In Advance	74,544	22,000
Funding in Advance	-	1,080,731
Total unused contracts and tagged funds	74,544	1,102,731
Other current Liabilities		
Bond Received	3,017	2,847
Customer Credit	1,868	1,354
Driving Lesson Fee in Advance	1,952	52
EFF Entry Fee in Advance	1,065	-
Short Term Finance Lease	18,673	53,118
VTNZ Fee in Advance	1,897	1,738
Total Other current Liabilities	28,472	59,109
Total Current Liabilities	958,831	1,672,449



Note 3 Analysis of Assets and Liabilities

	30-Jun-21	30-Jun-20
	\$	\$
Non-Current Liabilities		
Long-term Finance Lease		
Honda Jazz MUA762 - Hamilton	12,689	16,679
Holden Spark MGA308 - Palmerston North	6,074	9,246
Honda Jazz MWY539 - Hamilton	14,028	-
Toyota Yaris NKU154 - Hamilton	16,540	-
Toyota Yaris NKU155 - Hamilton	16,540	-
Total Long-term Finance Lease	65,871	25,925
Total Liabilities	1,024,702	1,698,374

Note 4 Property, Plant and Equipment

As at 30 June 2021

Asset Class	Opening Carrying Amount	Purchases	Disposals	Depreciation	Closing Carrying Amount
Building and Improvement	4,344	-	-	2,473	1,871
Computer & Peripherals	25,436	30,670	555	20,378	35,173
Furniture & Equipment	36,882	11,521	-	12,057	36,346
Motor Vehicle	84,207	101,870	12,124	34,359	139,594
Software/Website	1,425	3,096	-	2,132	2,389
Total	152,294	147,157	12,679	71,399	215,373

As at 30 June 2020

Asset Class	Opening Carrying Amount	Purchases	Disposals	Depreciation	Closing Carrying Amount
Building and Improvement	8,948	-	-	4,604	4,344
Computer & Peripherals	26,830	9,806	-	11,200	25,436
Furniture & Equipment	40,213	4,382	334	7,379	36,882
Motor Vehicle	74,287	43,145	7,563	25,662	84,207
Software/Website	2,850	-	-	1,425	1,425
Total	153,128	57,333	7,897	50,270	152,294

Note 5 Accumulated Funds

	30-Jun-21	30-Jun-20
	\$	\$
General Reserves		
Opening Balance	36,415	28,133
Current year Surplus	104,671	8,282
Transfer from Building Reserve (Building Work in Progress)	71,821	-
Transfer of funds to Sundry Projects	(60,000)	-
Transfer of funds to Building Reserve	(19,269)	-
Closing Balance	133,638	36,415
Building Reserve (Settlement Centre)		
Opening Balance	-	-
Prior Period Adjustment - transfer of tagged funds (Note 9)	980,731	-
Transfer from General Reserves	19,269	-
Building Reserve sub total	1,000,000	-
Transfer to General Reserves (Building Work in Progress)	(71,821)	-
Closing Balance	928,179	-
Sundry Projects		
Opening Balance	-	-
Prior Period Adjustment - transfer of tagged funds (Note 9)	100,000	-
Transfer from General Reserves	60,000	-
Closing Balance	160,000	-
Total Specified Reserves	1,088,179	-
Total Reserves	1,221,817	36,415

Purpose of Reserves

Settlement Centre Building Reserve
Funds have been set aside and designated for Settlement Centre building expansion.

Sundry Projects

Funds have been set aside for specific future projects identified as key projects and programmes.

Note 6 Commitments and Contingencies

	30-Jun-21	30-Jun-20
	\$	\$
Commitments		
Commitments to Lease or Rent Assets		
Less than 12 months		
Office Equipment	12,718	6,633
Office lease	17,016	8,610
	<u>29,734</u>	<u>15,243</u>
More than 12 months		
Office Equipment	31,534	17,374
Office Lease	71,033	-
	<u>102,567</u>	<u>17,374</u>
Total Commitments to lease or rent	132,301	32,617

There are no contingent liabilities or guarantees as at balance date. (2020: Nil)

Note 7 Related Party Disclosures

Description of Related Party Relationship	Description of Transaction	Jun-21	Jun-20	Jun-21	Jun-20
		Value of Transaction	Value of Transaction	Amount Outstanding	Amount Outstanding
Transport Programmes Manager's husband is one of the directors of the company the Trust contracts for IT services.	IT services contract for Trust	\$ 81,727	\$ 33,617	\$ 10,551	\$ 1,980

Note 8 Event After Balance Date

The spread of the Covid-19 virus has affected the operations of the Trust. At the time of the audit full affect of the Covid-19 Virus is unknown. The governance of the Trust believe at the time of the audit that the trust has sufficient resources to survive the likely impact of the Covid-19 Virus assuming New Zealand continues its positive course of minimising the affect of the virus.

Note 9 Prior Period Adjustments

Funds previously tagged for Building and Sundry Projects were treated as a currently liability and recorded as "Funding in Advance".

A review of this accounting method has resulted in a change of treatment. Since there is no actual liability these funds are treated as "Specified Reserves".

The change has been adjusted in the current accounts as a reduction to "Funding in Advance" and an increase in "Specified Reserves". The amounts involved are as follows:

Funds allocated to Building Reserve	980,731
Funds allocated to Sundry Projects Reserves	100,000
	<u>1,080,731</u>



Note 10 Ability to Continue Operating

With ongoing support from Trust's funders and successful roll over of government contracts for the next 12 months, the governance of the HMS Trust believes that the Trust has sufficient resources to continue it's operations for the foreseeable future.

Independent Auditor's Report

Hamilton Multicultural Services Trust

For the year ending 30 June 2021

To the Board of Hamilton Multicultural Services Trust

Opinion

I have audited the performance report. The performance report provides information about the past financial performance of Hamilton Multicultural Services Trust and its financial position as at 30 June 2021.

In my opinion, the accompanying performance report

- complies with Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit) in New Zealand.
- gives a true and fair view of the financial position of Hamilton Multicultural Services Trust as at 30 June 2021 and its financial performance for the year ended on that date.

The performance report in the above opinion includes:

- the statement of financial position as at 30 June 2021.
- the entity statement, the service performance, statement of financial performance, statement of cash flows, statement of accounting policies and notes to the performance report for the year ending 30 June 2021.

Additionally, In my opinion

- the reported outcomes and outputs, and quantification of the outputs to the extent practicable, in the statement of service performance are suitable.

Basis of Opinion

I conducted my audit in accordance with International Standards on Auditing (New Zealand). My responsibilities under those standards are further described in the Auditor's Responsibility section of this audit report.

Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the performance report is free from material mis-statement.

Other than my capacity as auditor I have no relationship with, and am independent of Hamilton Multicultural Services Trust

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Responsibilities of the Board

The Board is responsible for the preparation of the performance report that give a true and fair view of the matters to which they relate and in accordance with Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit) in New Zealand and for such internal control as it determines is necessary to enable the preparation of the performance report that is free from material misstatement, whether due to fraud or error.

In preparing the performance report the Board is responsible on behalf of Hamilton Multicultural Services Trust for assessing the ability of Hamilton Multicultural Services Trust to operate as a going concern, disclosing as applicable, matters relating to going concern and using the going concern basis of accounting.

Auditor's Responsibility

My objective is to obtain reasonable assurance about whether the performance report as a whole is free from material misstatement whether due to fraud or error, and to issue an auditor's report that includes my opinion.

Reasonable assurance is a high level of assurance, but not a guarantee that an audit conducted in accordance with International Standard on Auditing (New Zealand) 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 decision of users taken on the basis of the performance report.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the performance report. The procedures selected depend on the auditor's judgement, including the assessment of risks of material mis-statement of the performance report, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the performance report that give a true and fair view of the matters to which they relate 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 entity's internal control.

The audit includes performing procedures to obtain evidence about evaluating whether the reported outcomes and outputs and quantification of the outputs to the extent practicable, are relevant, reliable, comparable and understandable.

An audit includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, as well as evaluating the overall presentation, structure and content of the performance report, including the disclosures, and whether the performance report represent the underlying transactions and events in a manner that achieves fair presentation.

I conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, determine whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern.

I communicate with management and the governing body regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during the audit.



Mark Campbell FCA, B Com
Campbell and Campbell Accounting Consultants
Hamilton

27 September 2021