



Rongomaiwahine Iwi Trust  
P O Box 9  
Mahia  
4198

## Group Performance Report

Rongomaiwahine Iwi Trust Group  
For the year ended 30 June 2023

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## **Rongomaiwahine Iwi Trust Group**

### **Group Information**

**For the year ended 30 June 2023**

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#### **Group Entities**

Rongomaiwahine Iwi Trust

Private Trust Established by Deed of Trust Dated 27 January 2019

Created as the Beneficial Entity of the Rongomaiwahine Kahui of Tātau Tātau o Te Wairoa

Rongomaiwahine Iwi Charitable Trust

Incorporated under the Charitable Trust Act 1957 and registered under the Charities Act 2005

Created to further the development of Rongomaiwahine descendants

Te Hauora o te Wheke-A-Nuku

Wholly owned and operated subsidiary of the Rongomaiwahine Iwi Charitable Trust

Created to deliver whānau ora needs of Rongomaiwahine descendants, the entity no longer actively operates.

#### **Entities Structure**

##### **Trustees:**

Paul Ratapu (Chair)

Cyril Ormond

Darren Te Rangi

Warren Hamlin

Elizabeth Palmer

Fiona Wairau

Hinepua Morrison

Huia Dyjak

Jody Rarere

Kaya Cooper

Loui Whaanga-Spark (resigned 9 June 2023)

Pania Tyson-Nathan

#### **Main Sources of Entity's Cash and Resources**

Service Delivery Funding, Distribution of Treaty Settlement Funds and Rental Income

#### **Physical Address**

c/- Tuahuru Marae

644 Mahia East Coast Road

Mahia 4166

#### **Postal Address**

PO Box 9

Mahia 4166

#### **Auditor**

Crombie Associates

Lower Hutt

# Statement of Service Performance

Rongomaiwahine Iwi Trust Group  
For the year ending June 2023

<b>Output Class: Service Delivery Performance Reporting</b>	<b>30 June 2023 Actual</b>	<b>30 June 2023 Measure</b>	<b>30 June 2022 Actual</b>
Te Mana o Te Wai – Ministry for the Environment	On-going	Develop a draft Taiao Freshwater Plan	On-going
Mahi mō te Taiao: – Department of Conservation	On-going	Possum, Rat and Mustelid control of 1700 ha	On-going
Community Connection Services – Ministry for Social Development	104	Number of people and whānau who receive the service	150
Cyclone Gabrielle Civil Defence - National Emergency Management Agency	Achieved	Provide community support care packs	n/a
Community Coordinator – Hawkes Bay DHB	55	Total number of whānau registered to the service	50
Te Reo me ōna tikanga development and delivery – Te Mātāwai	Achieved	Language classes, wānanga, events and an on-line resource	On-going
Climate Change - The University Of Auckland	Achieved	Report on the Rongomaiwahine histories and whakapapa surrounding coastal hazards and change	n/a
Freedom Camping Ambassadors – Wairoa District Council	Achieved	Deliver the Manaaki Tangata programme during the peak season of 2023–2024	n/a
He Poutama Rangatahi – Wairoa Young Achievers Trust	Achieved	Engage 15 rangatahi in Māhia who are not in employment, education, or training (NEET) between 16 – 24 years of age	Achieved
Hui-a-Iwi	4	4 hui each year	4
Kaumatua meetings	7	12	7

## Linkage between financial and non-financial information

Rongomaiwahine Iwi Trust Group has a single output class and the following revenue and expenses incurred are the totals as disclosed in the financial statements.

	<b>FY 2023</b>	<b>FY 2022</b>
Revenue	\$1,931,835	\$1,254,723
Expenditure	\$1,788,627	\$1,023,267

**Rongomaiwahine Iwi Trust Group**  
**Approval of Group Performance Report**  
**For the year ended 30 June 2023**

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The Trustees are pleased to present the approved Group Performance Report including the consolidated financial statements of the Rongomaiwahine Iwi Trust Group for the year ended 30 June 2023.

Approved for and on behalf of the Trustees.

Paul Ratapu  
Chairperson



Date 28 November 2023

Pania Tyson-Nathan  
Trustee



Date 28 November 2023

**Rongomaiwahine Iwi Trust Group**  
**Statement of Group Financial Performance**  
**For the year ended 30 June 2023**

	Notes	2023 \$	2022 \$
<b>Revenue</b>			
Treaty Settlement Distributions		195,215	176,167
Revenue from providing goods or services	2	1,729,874	1,078,340
Interest, dividends and other investment revenue		6,746	217
<b>Total Revenue</b>		<u>1,931,835</u>	<u>1,254,723</u>
<b>Expenses</b>			
Volunteer and employee related payments	3	865,059	613,837
Costs related to providing goods or service	3	683,765	282,235
Koha/Grants and donations made		31,636	850
Other expenses	3	208,167	126,344
<b>Total Expenses</b>		<u>1,788,627</u>	<u>1,023,267</u>
<b>Surplus (deficit) for period</b>		143,208	231,457
<b>Income tax expense</b>	6	0	0
<b>Net Surplus (deficit) for period</b>	8	<u>143,208</u>	<u>231,457</u>
<b>Other equity income/(loss)</b>			
Revaluation of investments	7	(778,862)	(32,915)
Total other equity income/(loss)		<u>(778,862)</u>	<u>(32,915)</u>
Total income/(loss) attributable to the Group		<u>(635,654)</u>	<u>198,542</u>

*This statement should be read in conjunction with the notes to the performance report*

**Rongomaiwahine Iwi Trust Group**  
**Statement of Group Financial Position**  
**For the year ended 30 June 2023**

	Notes	2023 \$	2022 \$
<b>Current Assets</b>			
Bank accounts and cash	4	552,285	439,422
Accounts Receivable		660,080	219,234
Withholding Tax Paid		33	33
<b>Total Current Assets</b>		<u>1,212,398</u>	<u>658,689</u>
<b>Non-Current Assets</b>			
Intangible Asset - Rongomaiwahine design		2,120	2,000
Property, Plant and Equipment	5	929,397	809,061
Investments	7	17,430,337	18,209,199
<b>Total Non-Current Assets</b>		<u>18,361,854</u>	<u>19,020,260</u>
<b>Total Assets</b>		19,574,253	19,678,948
<b>Current Liabilities</b>			
Creditors and Accrued Expenses	4	140,390	38,970
Employee costs payable		44,535	30,034
GST		72,621	56,459
Income in advance		935,875	537,000
<b>Total Current Liabilities</b>		<u>1,193,421</u>	<u>662,463</u>
<b>Total Net Assets</b>		<u>18,380,832</u>	<u>19,016,486</u>
<b>Represented by:</b>			
<b>Accumulated Funds</b>			
Treaty Settlement Reserve	8	17,430,337	18,209,199
Accumulated surpluses (deficits)	8	950,495	807,287
<b>Total Accumulated Funds</b>		<u>18,380,832</u>	<u>19,016,486</u>

*This statement should be read in conjunction with the notes to the performance report*

**Rongomaiwahine Iwi Trust Group**  
**Statement of Group Cash Flows**  
**For the year ended 30 June 2023**

	<b>2023</b>	<b>2022</b>
	\$	\$
<b>Cash Flows from Operating Activities</b>		
Receipts from providing goods or services	1,759,310	1,261,120
Interest, dividends and other investment receipts	6,746	217
GST	(31,049)	5,531
Payments to suppliers and employees	(1,665,267)	(917,148)
Donations	(31,636)	(850)
<b>Total Cash Flows from Operating Activities</b>	<u>38,105</u>	<u>348,870</u>
<b>Cash Flows from Investing and Financial Activities</b>		
Treaty settlement funds	195,215	176,167
Payments to purchase property, plant and equipment	(120,337)	(170,865)
Payments to purchase Rongomaiwahine design symbol	(120)	0
<b>Net Cash Flows from Investing and Financial Activities</b>	<u>74,758</u>	<u>5,301</u>
<b>Net Increase (Decrease) in Cash</b>	112,863	354,171
Cash and cash equivalents at beginning of period	439,422	85,251
Cash and cash equivalents at end of period	<u>552,285</u>	<u>439,422</u>
This is represented by		
<b>Bank accounts and cash</b>	<u>552,285</u>	<u>439,422</u>

*This statement should be read in conjunction with the notes to the performance report*



**Rongomaiwahine Iwi Trust Group**  
**Notes to the Group Financial Statements**  
**For the year ended 30 June 2023**

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**1 Accounting Policies**

**Reporting Entity**

The consolidated financial statements comprise the financial results of the Rongomaiwahine Iwi Trust and the Rongomaiwahine Iwi Charitable Trust - (collectively referred to as 'the Group').

**Basis of Preparation**

The Group 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 equal to or less than \$2,000,000.

**Basis of Consolidation**

The Group has applied PBE IPSAS 35 Consolidated Standards to consolidate the financial statements of the parent and its associated entity - Rongomaiwahine Iwi Charitable Trust, over which the parent has the power to govern the financial and operating policies so as to obtain benefits from their activities (defined as "group subsidiaries").

Controlled entities are those entities over which the parent has the power to govern the financial and operating activities so as to obtain benefits from their activities.

The financial statements of the subsidiary are included in the consolidated financial statements from the date that control commences until the date that control ceases.

**Goods and Services Tax (GST)**

The entity is registered for GST. All amounts are stated exclusive of goods and services tax (GST) except for accounts payable and accounts receivable which are stated inclusive of GST.

**Income Tax**

Rongomaiwahine Iwi Charitable Trust & Subsidiaries are wholly exempt from New Zealand income tax having fully complied with all statutory conditions for these exemptions.

Rongomaiwahine Iwi Trust is subject to taxation. Current tax is calculated using tax rates and tax laws that have been enacted or substantively enacted by reporting date.

**Revenue Recognition**

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Trust and revenue can be reliably measured. Revenue is measured at the fair value of the consideration received. The following specific recognition criteria must be met before revenue is recognised.

(i) Revenue is recognised in the period the goods and services are provided. (ii) Interest revenue is recognised as it accrues, using the effective interest rate. (iii) Grant revenue is recognised when the conditions attached to the grant has been complied with. Where there are unfulfilled conditions attaching to the grant, the amount relating to the unfulfilled condition is recognised as a liability and released to income as the conditions are fulfilled (iv) Treaty Settlement distributions are recognised as revenue upon receipt.

**Bank Accounts and Cash**

Bank accounts and cash in the Consolidated Statement of Cash Flows comprise cash balances and bank balances (including short term deposits) with original maturities of 90 days or less.

**Property, Plant & Equipment**

These consist of land & buildings, leasehold improvements, motor vehicles and computer, office and plant equipment. All fixed assets are initially recorded at cost with depreciation being provided on a diminishing value or straight-line basis over the estimated economic lives of assets as follows;

Land 0%, Buildings - 2%, Computer Equipment 20% -67%, Motor vehicles 13%-30%, Office Equipment 16%-50%, Plant & Equipment 10%-50%.

## Notes to the Group Financial Statements

### For the year ended 30 June 2023

#### Investment

The Group's investment in Tātau Tātau o Te Wairoa Trust Group ('associate'), is accounted for using the equity method. An associate is an entity in which the Group has influence but is not a controlled entity.

Under the equity method, the investment in the associate is initially recognised at cost and adjusted thereafter for the post-acquisition change in the Group's share of the surplus or deficit of the investee. The surplus or deficit of the Group includes the Group's share of the surplus or deficit of the associate. Distributions received reduce the carrying amount of the investment.

The statement of financial performance reflects the Group's share of the results of the operations of the associate.

Changes resulting from Other Comprehensive Revenue and Expenses of the associate or items recognised directly in the associate's net assets are recognised in statement of financial performance of the Group, as applicable. Unrealised gains and losses on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associate. Where unrealised losses are eliminated, the underlying asset is also tested for impairment losses from a group perspective. The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount in the statement of financial performance.

#### 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.

## 2. Analysis of Revenue

	<b>2023</b>	<b>2022</b>
	\$	\$
<b>Revenue from providing goods or services</b>		
Property Rental Income & Reimbursements	62,418	68,195
Central Government Grants Received	1,255,940	660,146
Local Government Income Received	191,751	80,084
Local Charitable Trust Income	153,386	233,430
Other Revenue	66,379	13,314
Wage Subsidies Received	0	23,172
Total Revenue from providing goods or services	<u>1,729,874</u>	<u>1,078,340</u>

## 3. Analysis of Expenses

	<b>2023</b>	<b>2022</b>
	\$	\$
<b>Volunteer and employee related payments</b>		
Salaries and wages	848,631	602,309
Kiwi Saver costs	16,428	11,528
	<u>865,059</u>	<u>613,837</u>

**Notes to the Group Financial Statements**  
**For the year ended 30 June 2023**

**3. Analysis of Expenses continued**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>Costs related to providing goods or services</b>		
Assets <\$1,000	18,847	5167
ACC Levies	1,322	863
Accountancy Fees	7,995	8,640
Audit fees	5,000	9,283
Bank Fees	136	86
Cleaning	174	51
Computer Expenses	1,982	1,488
Covid Resources	6,117	0
Database System	0	1,035
Depreciation	101,878	57,908
Professional fees	250,266	52,056
Freight & Courier	145	1,053
Insurance	41,260	31,157
Interest	0	418
Light, Power, Heating	4,932	2,466
Motor Vehicle Expenses (Incl. Fuel & Maintenance)	61,028	25,073
Office Expenses	5,709	6,259
Pest Eradication Equipment	66,453	0
Policy & Procedure Management	998	710
Printing & Stationery	4,867	4,042
Protective Clothing & Safety	8,237	7,370
Rent & Related Property Expenditure	20,406	21,119
Repairs and Maintenance	7,413	20,144
Subscriptions & Software	14,711	11,504
Telephone & Internet	11,017	7,714
Training & Staff Expenses	3,779	1,841
Travel - National	4,548	4,790
Uniforms	4,697	0
Water monitor	16,159	0
	<u>683,765</u>	<u>282,235</u>
	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>Other expenses</b>		
Distributions to Te Hauora o te Wheke-A-Nuku	-	121
Election Costs	12,046	-
Investment Analysis Expenses	45,410	2,603
Legal fees	35,785	63,048
Meeting / Hui Costs	110,903	25,012
Penalties IRD	4,022	3,432
Projects	0	32,128
	<u>208,167</u>	<u>126,344</u>

**Notes to the Group Financial Statements**  
**For the year ended 30 June 2023**

**4. Analysis assets and liabilities**

**Analysis of Assets**

	<b>2023</b>	<b>2022</b>
	\$	\$
<b>Bank accounts and cash</b>		
Rongomaiwahine Iwi Trust (BNZ)	82,155	56,200
Rongomaiwahine Iwi Charitable Trust (WPT)	469,935	383,043
Te Hauora o te Wheke-A-Nuku (WPT)	16	-
Cash held	179	179
<b>Total Bank accounts and cash</b>	<u>552,285</u>	<u>439,422</u>

**Analysis of Liabilities**

	<b>2023</b>	<b>2022</b>
	\$	\$
<b>Creditors and accrued expenses</b>		
Trade Accounts Payable	128,390	31,970
Accrued Expenses	11,894	7,000
<b>Total Creditors and accrued expenses</b>	<u>140,284</u>	<u>38,970</u>

**5. Property, Plant & Equipment**

	<b>2023</b>	<b>2022</b>
	\$	\$
<b>Land &amp; Buildings</b>		
Cost	\$ 623,620	\$ 595,178
Accumulated Depreciation	\$ 31,715	\$ 16,940
<b>Total Land &amp; Buildings</b>	<u>\$ 591,905</u>	<u>\$ 578,238</u>
<b>Leasehold Improvements</b>		
Cost	\$ 6,104	\$ 6,104
Accumulated Depreciation	\$ 5,258	\$ 4,037
<b>Total Leasehold Improvements</b>	<u>\$ 847</u>	<u>\$ 2,067</u>
<b>Motor Vehicles</b>		
Cost	\$ 293,272	\$ 205,375
Accumulated Depreciation	\$ 82,532	\$ 31,975
<b>Total Motor Vehicles</b>	<u>\$ 210,740</u>	<u>\$ 173,400</u>
<b>Computer Equipment</b>		
Cost	\$ 112,885	\$ 53,857
Accumulated Depreciation	\$ 50,052	\$ 24,019
<b>Total Computer Equipment</b>	<u>\$ 62,833</u>	<u>\$ 29,838</u>
<b>Office Equipment</b>		
Cost	\$ 25,309	\$ 21,975
Accumulated Depreciation	\$ 15,773	\$ 13,420
<b>Total Office Equipment</b>	<u>\$ 9,536</u>	<u>\$ 8,555</u>
<b>Plant &amp; Equipment</b>		
Cost	\$ 64,711	\$ 21,196
Accumulated Depreciation	\$ 11,175	\$ 4,233
<b>Total Plant &amp; Equipment</b>	<u>\$ 53,536</u>	<u>\$ 16,963</u>
<b>Total Fixed Assets</b>	<u><b>\$ 929,397</b></u>	<u><b>\$ 809,061</b></u>

**Notes to the Group Financial Statements**  
**For the year ended 30 June 2023**

**6. Taxation**

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Operating (Deficit) Surplus Before Tax	143,314	231,457
Adjustments for Permanent Differences		
Non deductible expenses	2,723	-
	146,037	231,457
Less exemptions Treaty settlement proceeds	(195,215)	(176,167)
Adjusted Net Surplus Before Tax	<u>(49,178)</u>	<u>55,290</u>
Losses carried forward	(81,056)	(136,346)
Prior year adjustment	-	-
Taxable surplus (Losses carried forward)	<u>(130,234)</u>	<u>(81,056)</u>
Taxable Income	-	-
Tax Expense @ 33c	<u>-</u>	<u>-</u>
<b>Tax payable (refundable)</b>	<b>\$</b>	<b>\$</b>
Opening balance	33	33
Tax expense	-	-
RWT paid	33	33
Net tax paid (received)	<u>(33)</u>	<u>(33)</u>
Closing balance	<u>33</u>	<u>33</u>

The Rongomaiwahine Iwi Group has \$130,234 (2022: \$81,056) of New Zealand domiciled entity tax losses to offset against future taxable income and these are subject to IRD approval.

**7. Investments**

Rongomaiwahine Iwi Trust is a beneficial member of the Tātau Tātau o Te Wairoa Trust Group whose purpose is to receive, hold, manage, administer and distribute assets on behalf of all the members of the iwi and Hapu of Te Wairoa in accordance with a trust deed dated 26 November 2016.

Rongomaiwahine Iwi Trust held 14,285,714 (2022: 14,285,714) units in Tātau Tātau o Te Wairoa Trust at a value of \$17,430,337 for the year ended 30 June 2023, a reduction in value of \$778,862; and (2021: \$18,209,199, a reduction on value of \$32,915).

These units were allocated to Rongomaiwahine Iwi Trust as part of the Treaty Settlement process that occurred during 2019 when the initial settlement amount of \$14,285,714 was invested.

**Notes to the Group Financial Statements**  
**For the year ended 30 June 2023**

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**8. Accumulated Funds**

	<b>2023</b>	<b>2022</b>
	\$	\$
<b>Treaty Settlement Reserve</b>		
Opening balance	18,209,199	18,242,114
Other equity income	(778,862)	(32,915)
Closing balance	<u>17,430,337</u>	<u>18,209,199</u>
<b>Accumulated Surpluses (Deficits)</b>		
Opening Balance Surplus (Deficit)	807,277	575,820
Settled Sum	10	10
Accumulated surpluses/(deficits)	143,208	231,457
Total Accumulated Surpluses/(Deficits)	<u>950,495</u>	<u>807,287</u>
<b>Total Accumulated Funds</b>	<u>18,380,832</u>	<u>19,016,486</u>

**9. Commitments**

There are no commitments as at 30 June 2023 (Last year - nil).

**10. Contingent Liabilities and Guarantees**

At 30 June 2023, RIT had two claims made against it by former employees. One claim has been resolved subsequent to balance date. The RIT Board is unable to assess whether or not any settlement of the 2022 claim is required. (2022: one claim)

**11. Goods or Services Provided to the Entity in Kind**

There were no Goods or Services provided to the Trust 'in kind' in the year to 30 June 2023 (Last year – nil)

**12. Related Parties**

There were no transactions involving related parties in the financial year to 30 June 2023 (Last year –nil).

**13. Events After the Balance Date**

There were no events that have occurred after the balance date that would have a material impact on the Performance Report (Last year – nil).

**14. Ability to Continue Operating – Going Concern**

The Trustees believe that it is appropriate to prepare the financial statements on a going concern basis as they have considered forecast information relating to the operating profitability and cash flow requirements for the Group for the coming year and are satisfied that there will be sufficient cash flow generated from operating activities to meet the cash flow requirements of the Group.

## **INDEPENDENT AUDITOR'S REPORT**

### **To Rongomaiwahine Iwi Trust**

### **Report on the Consolidated Performance Report**

#### **Opinion**

We have audited the consolidated performance report of Rongomaiwahine Iwi Trust and its subsidiary (together, the "Group") which comprises the consolidated entity information, the consolidated statement of service performance, the consolidated statement of financial performance and consolidated statement of cash flows for the year ended 30 June 2023, the consolidated statement of financial position as at 30 June 2023, and the consolidated statement of accounting policies and other explanatory information.

In our opinion:

- (a) the reported outcomes and outputs, and quantification of the outputs to the extent practicable, in the consolidated statement of service performance are suitable;
- (b) the accompanying consolidated performance report presents fairly, in all material respects:
  - the consolidated entity information for the year then ended;
  - the consolidated service performance for the year then ended; and
  - the consolidated financial position of the Group as at 30 June 2023, and of its consolidated financial performance and consolidated cash flows for the year then ended

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

#### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)), and the International Standard on Assurance Engagements (New Zealand) ISAE (NZ) 3000 (Revised). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Performance Report section of our report. We are independent of the Group in accordance with Professional and Ethical Standard 1 (Revised) Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, the Rongomaiwahine Iwi Trust and its subsidiary.

#### **Responsibilities of the Trustees for the Consolidated Performance Report**

The Trustees are responsible for:

- (a) Identifying outcomes and outputs, and quantifying the outputs to the extent practicable, that are relevant, reliable, comparable and understandable, to report in the consolidated statement of service performance;

- (b) the preparation and fair presentation of the consolidated performance report on behalf of the Group which comprises:
- the consolidated entity information;
  - the consolidated statement of service performance; and
  - the consolidated statement of financial performance, consolidated statement of financial position, consolidated statement of cash flows, consolidated statement of accounting policies and consolidated notes to the performance report
- in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) issued by the New Zealand Accounting Standards Board, and
- (c) such internal control as the Trustees determine is necessary to enable the preparation of the consolidated performance report that is free from material misstatement, whether due to fraud or error.

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

### **Auditor's Responsibilities for the Audit of the Consolidated Performance Report**

Our objectives are to obtain reasonable assurance about whether the consolidated performance report is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) and ISAE (NZ) 3000 (Revised) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this consolidated performance report.

As part of an audit in accordance with ISAs (NZ) and ISAE (NZ) 3000 (Revised), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the performance report, 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 entity'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 Board and, based on the audit evidence obtained, 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. 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 performance report 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 entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the performance report, including the disclosures, and whether the performance report represents the underlying transactions and events in a manner that achieves fair presentation.
- Perform procedures to obtain evidence about and evaluate whether the reported outcomes and outputs, and quantification of the outputs to the extent practicable, are relevant, reliable, comparable and understandable.

We communicate with the Board regarding, among 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.

*Crombie & Associates,*

Chartered Accountants  
Lower Hutt

28 November 2023