



# The Freemasons Charity

## PERFORMANCE REPORT

For the year ended 30 June 2023

## Contents

Entity Information	3
Statement of Service Performance	4
Statement of Financial Performance	6
Statement of Financial Position	7
Statement of Cash Flows	8
Statement of Accounting Policies	9
Notes to the Performance Report	10

<b>Legal Name of Entity:</b>	The Freemasons Charity
<b>Type of Entity and Legal Basis:</b>	The Freemasons Charity is a registered charity under the Charities Act 2005.
<b>Registration Number:</b>	CC 46016

#### **The Freemasons Charity's Purpose / Mission**

The Freemasons Charity was established to;

- afford relief to those in need; to render assistance to the aged and infirm and those who are incapacitated or impaired; to relieve sickness or distress; and to generally ease the discomfort of those in need;
- reward merit and encourage endeavour; to recognize the value of promoting advanced education, learning and knowledge; and generally to promote the study of the liberal arts and sciences;
- promote research development and practical application on such medical and other topics as may be advantageous to mankind;
- assist such other charity or organization dispensing charity or relieving sickness or distress and which is considered worth of support; and
- generally provide such other charitable support and assistance consistent with the broadest concepts of a public charitable purpose in New Zealand.

#### **Entity Structure**

The Freemasons Charity is managed by a management Committee comprising 5 members reporting to the Board of General Purposes. The controlling entity is the Grand Lodge of Antient Free & Accepted Masons of New Zealand whose Trustees are listed below:

- Edwin John Eeles
- Stephen Lester Salmon
- Neville Francis Patrick
- Graham James Wrigley
- Donald Murray Seath

The Board of General Purpose meets on a regular three monthly basis.

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

The Freemasons Charity's primary source of funding is through receipt of interest and dividends on an investment portfolio.

#### **Main Method used to Raise Funds**

Additional sources of funding include: Donations from members or funds bequeathed from Estates

#### **Reliance on Volunteers and Donated Goods and Services**

Freemasons members volunteer for the entity undertaking activities and supporting local activities throughout New Zealand

#### **Physical Address:**

2/22 Tacy Street, Kilbirnie, Wellington 6022

#### **Postal Address:**

PO Box 6439, Wellington 6141

#### **Phone:**

04 385-6622

#### **Email:**

[accounts@freemasonsnz.org](mailto:accounts@freemasonsnz.org)

### Description of Outcomes

As the charitable arm of Freemasons New Zealand, we seek to support those in need throughout the New Zealand community. We encourage our members, usually through their local lodges, to get involved in their local communities with local projects that enhance the community for others.

To deliver on its purpose the charity will focus on four key areas and outcomes that will "make a difference" for individuals and communities in New Zealand. They are:

- The provision of benevolence and almoning by Freemasons and others to help support people in genuine hardship and need.
- National and local projects run by Lodges to support organisations that are addressing needs and enhancing our communities.
- Supporting organisations that deliver education and training and opportunities.
- Supporting Innovative and Quality Medical Research

### Description and Quantification of Outputs

Outcomes	22/23	Amount	21/22	Amount
Child Health (Paediatrics)	4	\$143,335	4	\$112,915
Freemasons Scholarships	28	\$208,000	27	\$196,000
Grants Hospital Packs	1	\$5,370	1	\$3,009
Grants Individuals Assistance	5	\$19,154	7	\$21,562
Grants Critical Needs	53	\$63,488	57	\$66,800
Lodge Projects	86	\$284,499	80	\$418,025
Other Grants	3	\$57,500	0	\$0
Special Projects	10	\$51,000	4	\$142,470
YSAR	0	\$0	3	\$150,000
Malaghan Institute	1	\$200,000	1	\$200,000
Orakei Scholarship	1	\$10,000	1	\$10,000
<b>TOTAL</b>	<b>200</b>	<b>\$1,042,346</b>	<b>184</b>	<b>\$1,320,781</b>

### Description and Quantification of Outcomes

#### 1. Benevolence and Almoning

##### Individual & Critical Needs Grants

TFC assisted 53 individuals by providing funding of \$63,488.00 through Critical Needs grants, and a further \$19,154.00 with 5 Individuals Assistance grants totalling \$82,642.00.

##### Hospital Packs Granted

TFC granted \$5,370 for Hospital Packs for patients staying in hospital.

#### 2. Enhancing Our Communities

##### Lodge & District Projects

TFC supports local Lodge & District community projects by matching funds raised by the Lodge 1:1, a District project may qualify for 2:1 funding from TFC.

Over this period the Lodges supported 86 local and district community projects and raised \$263,804.

*TFC funded \$ 284,498 towards Lodge & District Projects through matched funding.*

The scheme in total funded \$548,302 to charitable and not for profit organisations to support local communities throughout New Zealand.

**Description and Quantification of Outcomes - continued**

**2. Enhancing Our Communities - continued**

***Over the 2022/23 period...***

Northern Division initiated 29 Lodge/District Projects and raised and contributed \$75,411  
*The Freemasons Charity funded \$98,435.*

Central Division initiated 35 Lodge/District Projects and raised and contributed \$73,189.  
*The Freemasons Charity funded \$92,784.*

Southern Division initiated 22 Lodge/District Projects and raised and contributed \$115,204.  
*The Freemasons Charity funded \$94,636.*

Community based projects ranging from providing assistance to local Canterbury West Coast Air Rescue Trust for the purchase of rescue equipment.

National organisations to benefit include Special Olympics New Zealand which held its National Summer Games in Hamilton and Camp Quality for children living with cancer.

***Camp Purple - Crohn's and Colitis NZ***

TFC made a grant of \$20,000 in support of 2023 Camp Purple to support young people living with Crohn's and Colitis attending the camp.

***Special Projects***

Additional projects include an addition \$41,000 allocated to 9 District Projects and a donation of \$10,000 to Key of Life Charitable Trust, "I am Hope" providing mental health counselling for youth.

**3. Education and Personal Development**

***Freemasons Scholarships***

TFC funded a total of \$208,000.00 to provide The Freemasons Charity University and Postgraduate Scholarships to 27 students attending University in New Zealand. These scholarships are yearly.

***Orakei Scholarship***

TFC funds yearly this \$10,000.00 Postgraduate Scholarship awarded to a University of Auckland student of engineering or the natural or formal sciences.

***Powering Potential – The Royal Society of New Zealand***

The Freemasons Charity has for a number of years funded Powering Potential. In 2022/23 TFC granted the programme \$35,000.00. The programme involves 4-day workshops, mentored by scientists for Year 12-13 science students who excel in the subject.

The Freemasons Charity has committed to continue funding this programme with a grant of \$35,000 in 2023/24 and a further \$35,000 in 2024/25.



**Description and Quantification of Outcomes - continued**

**3. Education and Personal Development - continued**

**YSAR TRUST**

The Freemasons Charity entered into a Memorandum of understanding to support YSAR (Youth Search and Rescue) Trust to help support the training of young people and other community members through Search and Rescue and Emergency Management Programmes in the skills required to save lives of lost and injured people. The Funding was for \$100,00 of which \$50,000 paid in 2021/22 and a further \$50,000 accrued. \$25,000 was paid in 2022/23 and the balance of \$25,000 is to be paid in 2023/24

**Apprentice Support Grant Scheme**

An Apprentice Support Grant Scheme was approved in the current financial year and \$30,000.00 was allocated to support the scheme in 2023/24. The scheme is currently being developed.

**Registered Nurse Scholarships - The Masonic Villages Trust**

The Freemasons Charity has committed to supporting The Masonic Villages Trust undertake a trial to train rest home nurses to achieve qualification and agreed to allocate up to \$50,000.00 to support this in 2023/24. A sum of \$30,000 has been accrued in 2022/23 financial statements.

**4. Supporting Innovative and Quality Medical Research**

Medical and scientific research has been supported with long term collaborations with the University of Otago, and the Malaghan Institute.

**Child Health (Paediatrics)**

The Freemasons Charity granted a total of \$143,334.97 to support Child Health and Paediatric research. Through the University of Otago, the charity contributed towards student tuition fees and made donations to research programmes developing innovative studies in Paediatrics. (This total amount includes a Child Health fellowship and summer grant).

**Malaghan Institute Grant – CAR-T-Cell Research Programme**

The Freemasons Charity has been a long-time supporter of this research and agreed in 2020, to fund \$200,000 each year for 3 years. In 2022/23 the final instalment of \$200,000 was paid.

The charity proposes to continue funding \$200,000 each year to support the research for a further 3 years from 2023/24 through to 2025/26.

**Delivery of Major Events**

Scholarships were presented in June 2023 at various locations throughout NZ.

**Signed for and on behalf of the Trustees of The Freemasons Charity  
who approve these Performance reports for issue:**



**RW Bro N Patrick, Chair Trustee**



**VW Bro M Cadman, Grand Treasurer**

**Date: 25th October 2023**

**The Freemasons Charity**  
**Statement of Financial Performance**  
**For the Year Ended 30 June 2023**

	Notes	2023 \$	2022 \$
<b>Revenue</b>			
Revenue from members	1	49,218	38,868
Interest, dividends and other investment revenue	1	1,103,882	983,929
Unrealised Investment gain / (losses)	1	2,754,766	(4,474,986)
Other Revenue	1	372,107	-
<b>Total Revenue</b>		<b>4,279,973</b>	<b>(3,452,189)</b>
<b>Expenses</b>			
Provision of goods or services	2	406,200	245,585
Grants and donations	2	1,042,346	1,320,782
Other expenses	2	295,332	308,945
<b>Total Expenses</b>		<b>1,743,877</b>	<b>1,875,312</b>
<b>Surplus for the year</b>		<b>2,536,095</b>	<b>(5,327,501)</b>

This financial statement should be read in conjunction with the accompanying notes.

**The Freemasons Charity**

**Statement of Financial Position**

**As at 30 June 2023**

	Notes	2023 \$	2022 \$
<b>Assets</b>			
<b>Current Assets</b>			
Bank and Cash	3	390,423	49,219
Fixed Assets	3	3,887	-
Investments	3	232,801	401,685
Loans and Mortgages	3	106,575	241,174
<b>Total Current Assets</b>		<b>733,686</b>	<b>692,078</b>
<b>Non-Current Assets</b>			
Investments	3	37,168,862	34,929,658
<b>Total Non-Current Assets</b>		<b>37,168,862</b>	<b>34,929,658</b>
<b>Total Assets</b>		<b>37,902,548</b>	<b>35,621,736</b>
<b>Current Liabilities</b>			
Creditors and accruals	3	135,423	390,706
<b>Total Current Liabilities</b>		<b>135,423</b>	<b>390,706</b>
<b>Total Liabilities</b>		<b>135,423</b>	<b>390,706</b>
<b>Net Assets</b>		<b>37,767,125</b>	<b>35,231,030</b>
<b>Accumulated Funds</b>			
Accumulated Surplus as at 1 July	4	35,231,030	40,558,531
Surplus for the Year	4	2,536,095	(5,327,501)
<b>Total Accumulated Funds as at 30 June</b>		<b>37,767,125</b>	<b>35,231,030</b>

This financial statement should be read in conjunction with the accompanying notes.





**The Freemasons Charity**  
**Statement of Cash Flows**  
**For the Year Ended 30 June 2023**

<b>Cash Flows from Operating Activities</b>	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>Cash was received from</b>		
Receipts from members	49,218	39,418
Interest, dividends and other investment receipts	2,909	43,153
Other Income	335,970	69,243
	<u>388,097</u>	<u>151,814</u>
<b>Cash was applied to:</b>		
Payments to suppliers	(509,453)	(264,346)
Scholarships or grants paid	(1,156,712)	(1,041,503)
	<u>(1,666,165)</u>	<u>(1,305,849)</u>
<b>Net Cash Flows from Operating Activities</b>	<u><b>(1,278,068)</b></u>	<u><b>(1,154,036)</b></u>
<b>Cash Flows from Investing and Financing Activities</b>		
<b>Cash was applied to:</b>		
Loan Repayments	139,272	2,200,000
Acquisition of Investments	1,480,000	(1,150,000)
<b>Net Cash Flows from Investing and Financing Activities</b>	<u><b>1,619,272</b></u>	<u><b>1,050,000</b></u>
<b>Net Increase / (Decrease) in Cash</b>	<u><b>341,204</b></u>	<u><b>(104,036)</b></u>
<b>Opening Cash</b>	<u><b>49,219</b></u>	<u><b>153,254</b></u>
<b>Closing Cash</b>	<u><b>390,423</b></u>	<u><b>49,218</b></u>
<b>This is represented by:</b>		
Bank & Cash	<u><b>390,423</b></u>	<u><b>49,219</b></u>

This financial statement should be read in conjunction with the accompanying notes.

## **Reporting Entity**

The Freemasons Charity (also known as 'The Fund of Benevolence of the Grand Lodge of Antient Free and Accepted Masons of New Zealand') is a Trust established by the Book of Constitution 2010 and registered on 30 April 2008.

## **Basis of Preparation**

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

## **Revenue**

Revenue is accounted for as follows:

### *Donations from members*

Donations from members are accounted for depending on whether they have been provided with a "use or return" condition attached or not. Where "no use or return" conditions is attached to the donation, revenue is recorded as income when the cash is received. Where donations include a use or return condition, the donation is initially recorded as a liability on receipt. The donation is subsequently recognised within the Statement of Financial Performance as the performance conditions are met

### *Interest and dividend income*

Interest income is recognised on an accruals basis.

Dividend income is recognised when the dividend is declared.

### *Other Revenue*

All other revenue is accounted for on an accruals basis and accounted for in accordance with the substance of the transaction.

## **Grants and Donation expense**

Grants and scholarships paid are recognised in the period to which they relate.

Donations are recognised on a cash basis when paid.

## **Income Tax**

The Trust is a registered charity under the Charities Act 2005, and accordingly is not subject to income tax.

## **Bank Accounts and Cash**

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

## **Goods and Services Tax (GST)**

The Charity is not registered for GST.

### **Tier 2 PBE IPSAS Accounting Standards Applied**

The Trust has elected to adopt PBE IPSAS 29 *Financial Instruments: Recognition and Measurement*. Under the Standard financial assets (bonds, investments and shares) are classified as either fair value through surplus or deficit, loans and receivables, held to maturing or available for sale financial assets.

### **PBE IPSAS 29 Financial Instruments: Recognition and measurement**

Financial assets and financial liabilities are recognised when the Trust becomes a party to the contractual provisions of the financial instrument.

The Trust derecognises a financial asset or, where applicable, a part of a financial asset or part of a group of similar financial assets when the rights to receive cash flows from the asset have expired or are waived, or the Trust has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party; and either:

- the Trust has transferred substantially all the risks and rewards of the asset; or
- the Trust has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

### **Financial Assets**

Under PBE IPSAS 29 Financial Instruments: Recognition and Measurement, financial assets (bonds, investments and shares) are classified as either fair value through surplus or deficit, loans and receivables, held to maturing or available for sale financial assets.

The categorisation determines subsequent measurement and whether any resulting revenue and expense is recognised in surplus or deficit or in the statement of financial performance. The financial assets are classified as either financial assets at fair value through surplus or deficit, or loans and receivables. The financial assets include: cash and cash equivalents and investments.

All financial assets except for those at fair value through surplus or deficit are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is any objective evidence that a financial asset or group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described below.

### **Loans and Receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, they are measured at amortised cost using the effective interest method, less any allowance for impairment.

### **Impairment of Financial assets**

The Trust assesses, at the end of reporting date, whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or group of financial assets is impaired and impairment losses are incurred if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset and the loss event has an impact on the estimated future cash flows of the financial asset.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed by adjusting the allowance account. If the reversal results in the carrying amount exceeding its amortised cost, the amount of the reversal is recognised in surplus or deficit.

### **Financial Liabilities**

The Trust's financial liabilities include trade and other creditors. All financial liabilities are initially recognised at fair value (plus transaction cost for financial liabilities not at fair value through surplus or deficit). Financial liabilities are not interest bearing and are stated at their amortised cost.

### **Changes in Accounting Policies**

There have been no changes in accounting policies during the annual reporting period (2021: Nil).

### **Comparative Figures**

Certain comparative figures have been reclassified for disclosure purposes.

2023                      2022  
\$                              \$

### Note 1: Analysis of Revenue

#### Revenue from members

Donations (from members)	49,218	38,868
<b>Total</b>	<b>49,218</b>	<b>38,868</b>

#### Interest, dividends and other investment revenue

Special Support Loan Interest from individuals	4,673	4,730
Interest from The Freemasons Property Loan	-	15,302
Interest/Dividends from JB Were	1,096,301	960,796
Bank Interest	2,909	3,100
<b>Total</b>	<b>1,103,882</b>	<b>983,929</b>

Unrealised gain/(loss) on investments	2,754,766	(4,474,986)
<b>Total</b>	<b>2,754,766</b>	<b>(4,474,986)</b>

#### Other Revenue

Bequests from Estates	353,781	-
Other Donations	18,326	-
<b>Total</b>	<b>372,107</b>	<b>-</b>

### Note 2: Analysis of Expenses

#### Provision of goods or Services

Administration and General	235,213	138,410
Audit fees	21,821	19,277
Grants and Scholarship Expenses	119,830	59,676
Training and Seminars	1,519	500
Meetings	8,989	2,845
Publicity	14,984	24,878
Prior Year Adjustment	3,843	-
<b>Total</b>	<b>406,200</b>	<b>245,585</b>

#### Grants and donations

Grants Paid	478,511	682,417
Scholarships	208,000	196,000
Child Health Otago University	143,335	112,915
Malaghan Institute	200,000	200,000
Orakei Scholarship	10,000	10,000
Sponsorship	2,500	119,450
<b>Total</b>	<b>1,042,346</b>	<b>1,320,782</b>

#### Other Expenses

Investment Monitoring	231,746	247,573
Imputation Credit not claimed	63,586	61,372
<b>Total</b>	<b>295,332</b>	<b>308,945</b>



## Notes to the Performance Report For the Year Ended 30 June 2023

Page 14

**The Freemasons Charity**  
**Notes to the Performance Report**  
**For the Year Ended 30 June 2023**

**Note 4: Accumulated Funds**

	30-Jun-23				
	The Freemason Charity General Fund	Malaghan	Child Health	Orakei Scholarship Fund	Total
	\$	\$	\$	\$	\$
Opening Balance	32,269,658	714,119	1,921,899	325,355	35,231,031
Surplus/(Deficit)	2,574,576	(122,851)	59,434	24,938	2,536,096
Total	34,844,234	591,268	1,981,333	350,293	37,767,127

	30-Jun-22				
	The Freemason Charity General Fund	Malaghan	Child Health	Orakei Scholarship Fund	Total
	\$	\$	\$	\$	\$
Opening Balance	36,956,641	987,245	2,243,488	371,158	40,558,531
Surplus/(Deficit)	(4,686,983)	(273,126)	(321,589)	(45,803)	(5,327,501)
Total	32,269,658	714,119	1,921,899	325,355	35,231,031



**The Freemasons Charity**  
**Notes to the Performance Report**  
**For the Year Ended 30 June 2023**

Breakdown of Reserves		2023	2022
Name	Nature and Purpose	\$	\$
The Freemasons Charity General Fund	Accumulated surplus to allow the Charity to continue its activities.	34,844,234	32,269,658
Malaghan Institute	Supports the CAR-T Cell Research programme undertaken by the Malaghan Institute to develop a therapy as a standard of care in New Zealand	591,268	714,119
Child Health	Provides fellowships for post graduates in Child Health research	1,981,333	1,921,899
Orakei Education Scholarship Fund	Scholarship(s) are paid from returns of the investment capital.	350,293	325,355
		<b>37,767,128</b>	<b>35,231,031</b>

**Note 5: Commitments and contingencies**

The Freemasons Charity is party to several Memorandum of Understandings which indicate future funding commitments:

	2024	2025	2026	TOTAL
	\$	\$	\$	\$
Future commitment	260,000	235,000	200,000	695,000

There were no other commitments or contingencies as at 30 June 2023 (2022: Nil).



**The Freemasons Charity**  
**Notes to the Performance Report**  
**For the Year Ended 30 June 2023**

**Note 6: Categories of financial assets and liabilities**

The carrying amounts of financial instruments presented in the statement of financial position relate to the following categories of assets and liabilities:

	2023	2022
	\$	\$
<b>Financial assets</b>		
<i>Financial assets at fair value through surplus or deficit</i>		
Fixed Interest Investments - Offshore	6,684,361	7,614,154
Equity Investments	23,795,771	21,156,966
Alternative Investments	215,000	390,000
Trademark	3,887	-
<b>Total</b>	<b>30,699,019</b>	<b>29,161,120</b>
<i>Financial assets at amortised cost</i>		
Fixed Interest Investments - NZ	6,673,190	6,193,232
Cash at JB Were	33,342	(28,424)
Cash at Bank	390,423	49,219
Special Support Loans to individuals	106,575	241,174
<b>Total</b>	<b>7,203,530</b>	<b>6,455,201</b>
<b>Financial liabilities</b>		
<i>At amortised cost</i>		
Trade creditors	25,868	32,009
Accruals	21,448	139,454
Accruals Grants	30,000	-
Special Projects Grants Provisions	-	100,000
YSAR Accruals	25,000	50,000
Special Collection	33,107	69,243
<b>Total</b>	<b>135,423</b>	<b>390,706</b>



**The Freemasons Charity**  
**Notes to the Performance Report**  
**For the Year Ended 30 June 2023**

**Note 7: Related Party Transactions**

		2023	2022	2023	2022
		\$	\$	\$	\$
Description of Related Party Relationship	Description of the Transaction (whether in cash or amount in kind)	Value of Transactions	Value of Transactions	Amount Outstanding	Amount Outstanding
Freemason Property Limited – common control	Mortgage Interest Paid	-	15,302	-	-
	Mortgage loan held	-	-	-	-
Freemasons New Zealand – common control	Administration fee for support services	125,000	125,000	-	-

**Note 8: Subsequent Events**

There have been no events subsequent to balance date that would materially affect the financial statements (2022: \$Nil).





## Independent Auditor's Report

---

**Grant Thornton New Zealand Audit Limited**  
L15, Grant Thornton House  
215 Lambton Quay  
PO Box 10712  
Wellington 6143  
T +64 4 474 8500  
[www.grantthornton.co.nz](http://www.grantthornton.co.nz)

### To the Trustees of the Freemasons Charity

### Report on the Audit of the Performance Report

#### Opinion

We have audited the performance report of the Freemasons Charity (the Charity) which comprise:

- a. the financial statements set out on pages 7 to 18, which comprise the statement of financial position as at 30 June 2023, and the statement of financial performance, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies; and
- b. the statement of service performance on pages 4 to 6.

In our opinion, the accompanying performance report present fairly, in all material respects:

- a. the financial position of the Charity as at 30 June 2023 and its financial performance and cash flows for the year then ended; and
- b. the service performance for the year ended 30 June 2023

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

#### Basis for Opinion

We conducted our audit of the financial statements in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)) and the audit of the service performance information in accordance the International Standard on Assurance Engagements (New Zealand) (ISAE (NZ)) 3000 (Revised) issued by the New Zealand Auditing and Assurance Standards Board (NZASB). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Performance Report* section of our report. We are independent of the Charity in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the NZASB, 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 interest in, the Charity.

#### Responsibilities of the Board of Trustees for the Performance Report

The Board of Trustees are responsible on behalf of the Charity for:

- (a) the preparation and fair presentation of the performance report in accordance with the Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) issued by the NZASB;
- (b) service performance criteria that are suitable in order to prepare service performance information in accordance with Public Benefit Entity Standards and

- (c) such internal control as the Board of Trustees determine is necessary to enable the preparation of the financial statements and statement of service performance that are free from material misstatement, whether due to fraud or error.

In preparing the performance report, the Board of Trustees on behalf of the Charity are responsible for assessing the Charity'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 Board of Trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the Audit of the Performance Report**

Our objectives are to obtain reasonable assurance about whether the 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 our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (NZ) 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 the 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 financial statements and the statement of service performance information, 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 the Charity's 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 Charity'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 of Trustees and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Charity'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 Charity 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 financial statements and the service performance information 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 of Trustees 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.

#### Restriction on use of our report

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

**Grant Thornton New Zealand Audit Limited**

*Grant Thornton*

**Z Zuber**

**Director**

**Wellington, New Zealand**

**25 October 2023**