

Performance Report
Mobility Assistance Dogs Trust
2016/17

MOBILITY ASSISTANCE DOGS TRUST
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

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MOBILITY ASSISTANCE DOGS TRUST

CHAIRPERSON OF THE BOARD OF TRUSTEES REPORT

The past twelve months has seen Mobility Assistance Dogs Trust continue to grow and strengthen its relationships with our supporters. We thank them all - individuals, trusts and corporates for their ongoing commitment and contribution in so many ways to the Trust.

Our partnership with the Department of Corrections has seen the ongoing success of the Puppies in Prison programme. I would particularly like to acknowledge the ongoing commitment of these long term partners. Many of our dogs now working in the community have been raised and trained in the prison programme.

As the demand for our dogs grows and in response to our own and international research, we have expanded the type of dogs we place. In particular we increasingly recognise the psycho-social benefit of our dogs. For example, we are now placing Therapy Dogs to assist anxiety in a dental clinic. As a result we are developing a strong national presence with over 60 dogs working around New Zealand.

As we strive for continuous improvement we have been reviewing what the working partnerships require over the years post placement. This is a particular area we will focus on over the coming year. Our continued research into understanding the impact the dogs are having on the lives of individuals will further assist the Trust to proactively refine our training and placement processes.

I would like to thank the board for their absolute dedication and support to the Trust. We are very fortunate to have a board with such diversity and competency of skills.

In summary both the Financial and Operational aspects of the trust have been solid in 2017 and leaves the Trust well positioned.

Suzanne Crowther
Chair

MOBILITY ASSISTANCE DOGS TRUST GENERAL MANAGERS REPORT

This year we achieved our goal of prioritising more working teams in the community. Increasingly, we also recognise the psycho-social benefits that Mobility Dogs may bring to both adults and children. I am therefore delighted to advise we have eight new working teams in the community, with 30 dogs in training at any one time.

As always, it is the collaborative effort of volunteers, puppy raisers, sponsors, funders and the generosity of the philanthropic community of New Zealand who ensure the success of our work. In particular, I would like to thank Animates New Zealand for their ongoing National Campaigns, and to Mars New Zealand for their long-term support in meeting the nutritional needs of our dogs.

A particular focus this year has been both instigating and completing research projects to help us better understand the selection, training and placement of our dogs. Applying this research will form the basis of future policy.

Diversification has been an important area of our expansion. In another first for the Trust we have accepted a dog onto our programme which was raised and trained by its owner. We recognised the psycho-social benefit of the dog to assist with our goals of community participation, alleviating feelings of loneliness and gaining a sense of security.

On an operational level, we have streamlined our policy and process to further understand how we can meet the needs of our clients. This is particularly relevant as we diversify placing dogs with a wider variety of disabilities.

Our partnership with the Department of Corrections remains strong through our Puppies-in-Prison programme. The success of our work in Wiri and Spring Hill prisons has led to further discussions with a third prison. At any one time, we have up to 25 dogs being raised and trained by prisoners. As an extension of our work in the prisons we also support a distance learning course where the prisoners are offered the opportunity to gain a qualification in canine behavior.

To close, I would like to sincerely thank and acknowledge all staff, the Board of Trustees and all of you in the Mobility Dogs community for your dedication, expertise and support during the past year. Your contributions make a huge difference to New Zealanders who live with disability.

Jody Wilson
General Manager

MOBILITY ASSISTANCE DOGS TRUST

ENTITY INFORMATION FOR THE YEAR ENDED 31 MARCH 2017

Legal name

Mobility Assistance Dogs Trust (the Trust).

Type of entity and legal basis

The Trust is a registered charity in New Zealand.

Registration number

CC24410

The Trust's mission

To enhance the lives of people living with physical disabilities, increasing independence, confidence, self-esteem and participation in New Zealand communities.

Structure of the Trust's operations, including governance arrangements

The Trust comprises a Board of 7 Trustees who oversee the governance of the Trust, a General Manager who is responsible for the day-to-day operations of the Trust and reporting to the Trustees, and two full-time and two part-time staff who support the General Manager in delivering against the Trust's objectives.

Main sources of the Trust's cash and resources

The Trust's activities are primarily funded through donations and grants received from individual, corporate, trust and community funders. From time-to-time the Trust also undertakes fundraising activities.

The Trust's reliance on volunteers and donated goods or services

In partnership with the Department of Corrections, the Trust relies on the time of prisoner handlers who work with the Trust's staff to raise and train dogs as part of the Puppies-in-Prison programme. The Trust also receives food for all dogs in the Puppies-in-Prison programme from its corporate sponsor Mars New Zealand.

At times the Trust may also rely on gifts of volunteer time from its sponsors and the community to raise and socialise dogs as part of their training.

Contact details

| | |
|-------------------|--|
| Physical address: | Unit C, 13-15 Collard Place, Henderson |
| Postal address: | PO Box 28245, Remuera, Auckland 1050 |
| Phone: | +64 (9) 520 4510 |
| Website: | www.mobilitydogs.co.nz |

MOBILITY ASSISTANCE DOGS TRUST

STATEMENT OF SERVICE PERFORMANCE FOR THE YEAR ENDED 31 MARCH 2017

Trust's outcomes

As the Trust has grown, the need was recognised for more robust means to measure the outcomes of our service. The Trust was keen to evaluate how well it met its mission statement and in 2014 formed a partnership with AUT University to design a research project to begin the process of assessing if service dogs enhance the lives of their clients.

The aim of this study was to identify and implement a standardised outcome measure into practice at the Trust. Based on the Consolidated Framework for Implementation (CFIR), a three-phase approach was developed to identify, assess and implement outcome measures based on domains of functioning used in the World Health Organizations (WHO) International Classification of Functioning, Disability and Health (ICF). A comprehensive search of service dog literature and systematic reviews identified 21 participation outcome measures of which seven met the inclusion criteria of the research project. These were ranked against an ICF model of participation that conceptualised key components of the Mobility Dogs mission statement and incorporated an assessment of tasks and activities commonly performed by service dogs. The three measures with the highest ranking were presented to a steering group to critically evaluate their suitability against the Trust's needs, with the Impact on Participation and Autonomy Questionnaire (IPA) being selected for implementation into practice at the Trust. The IPA is offered only to new clients of the Trust at the time of placement and then re-presented after a partnership has been in operation for one year.

As at 31 March 2017, 15 IPA Questionnaires (4 follow-up) had been completed by recipients, with all yielding positive improvements in areas including self-confidence, independence and community participation. Whilst still in the early stages, these initial results of the IPA indicate that the Trust is meeting its goals with regard to our mission statement. The IPA is also proving an invaluable tool with which to understand where our successes lie, and whether there are areas of our service which require attention and improvement.

Trust's outputs

| | Actual 2017 | Actual 2016 |
|-------------------------|----------------|----------------|
| Mobility Dog Placements | 8 | 8 |

Note. Placements are recognised following successful completion of partnership training.

Additional information

University of Auckland Psychology Department – Canine Cognition Lab

The Trust recently aligned with the University of Auckland with their newly established Canine Cognition Lab. Expected outcomes of this collaboration is a better understanding of canine behaviour and how it may impact on the way we select, raise and train our dogs. To date four Mobility Dogs are participating in the research.

Masters Thesis - University of Waikato Education Department

Animal Assisted Therapy: *An explorative case study of elder residents' experiences with a therapeutic canine within a long-term residential setting.*

This thesis was awarded mid 2016 from the Department of Education, Waikato University. We have gained a better understanding of how Mobility Dogs work in a therapeutic environment through this research project using one of our dogs. As an extension of this we are presently training a dog to work specifically in Youth Drug and Alcohol rehabilitation.

Canine Science Conference – Italy

The General Manager attended this conference in support of the presentation of a PhD Thesis: *'How Feasible is it to compare effects of companion dogs and service dogs on quality of life in people with movement disorders.'* This research involved seven of our Mobility Dogs partnerships. We have recognised the outcomes of this research and are applying the results to our work.

MOBILITY ASSISTANCE DOGS TRUST

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31 MARCH 2017

| | Notes | Actual 2017 | Actual 2016 |
|--|-------|----------------|----------------|
| Revenue | | | |
| Donations, fundraising and other similar revenue | 1 | 522,450 | 504,352 |
| Revenue from providing goods or services | 2 | 13,913 | 16,291 |
| Interest, dividends and other investment revenue | | 1,835 | 7,271 |
| Other revenue | | - | 49 |
| <i>Total revenue</i> | | <i>538,198</i> | <i>527,963</i> |
| Expenses | | | |
| Expenses related to public fundraising | | - | 267 |
| Volunteer and employee related costs | 3 | 307,040 | 242,477 |
| Costs related to providing goods or services | 4 | 126,306 | 90,227 |
| Other expenses | 5 | 100,993 | 80,528 |
| <i>Total expenses</i> | | <i>534,339</i> | <i>413,499</i> |
| Surplus for the year | | 3,859 | 114,464 |

MOBILITY ASSISTANCE DOGS TRUST
STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2017

| | Notes | Actual 2017 | Actual 2016 |
|---|-------|----------------|----------------|
| Assets | | | |
| Current assets | | | |
| Bank accounts and cash | 6 | 556,700 | 512,010 |
| Debtors and prepayments | 7 | 81,575 | 1,678 |
| <i>Total current assets</i> | | <i>638,275</i> | <i>513,688</i> |
| Non-current assets | | | |
| Property, plant and equipment | 8 | 32,677 | 9,735 |
| <i>Total non-current assets</i> | | <i>32,677</i> | <i>9,735</i> |
| Total assets | | 670,952 | 523,423 |
| Liabilities | | | |
| Current liabilities | | | |
| Creditors and accrued expenses | 9 | 12,463 | 26,600 |
| Employee costs payable | 10 | 18,935 | 18,568 |
| Unused donations and grants with conditions | 11 | 157,440 | - |
| <i>Total current liabilities</i> | | <i>188,838</i> | <i>45,168</i> |
| Total liabilities | | 188,838 | 45,168 |
| Total assets less total liabilities (net assets) | | 482,114 | 478,255 |
| Accumulated Funds | | | |
| Capital contributed | 12 | 10 | 10 |
| Accumulated surpluses or (deficits) | 12 | 482,104 | 478,245 |
| Total accumulated funds | | 482,114 | 478,255 |

MOBILITY ASSISTANCE DOGS TRUST

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2017

| | Notes | Actual 2017 | Actual 2016 |
|---|-------|-----------------|----------------|
| Cash flows from operating activities | | | |
| Cash was received from: | | | |
| Donations, fundraising and other similar receipts | | 604,970 | 478,352 |
| Receipts from providing goods or services | | 29,043 | 20,254 |
| Interest, dividends and other investment receipts | | 1,835 | 7,271 |
| Net GST | | (16,405) | 7,359 |
| Cash was applied to: | | | |
| Payments to suppliers and employees | | (541,076) | (386,167) |
| Donations or grants paid | | - | - |
| <i>Net cash flows from operating activities</i> | | <i>78,368</i> | <i>127,069</i> |
| Cash flows from investing and financing activities | | | |
| Cash was received from: | | | |
| Receipts from the sale of property, plant and equipment | | - | - |
| Cash was applied to: | | | |
| Payments to acquire property, plant and equipment | | (33,678) | (943) |
| <i>Net cash flows from investing and financing activities</i> | | <i>(33,678)</i> | <i>(943)</i> |
| Net increase in cash | | 44,690 | 126,126 |
| Opening cash | | 512,000 | 385,874 |
| Closing cash | | 556,690 | 512,000 |
| This is represented by: | | | |
| Bank accounts | 6 | 556,690 | 512,000 |

MOBILITY ASSISTANCE DOGS TRUST

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31 MARCH 2017

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. All transactions in the Financial Statements are reported using the accrual basis of accounting. The Financial Statements are 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

The 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 (including short-term deposits) with original maturities of 90 days or less.

SIGNIFICANT ACCOUNTING POLICIES

Revenue

Donations, grants, sponsorship and fundraising

Revenue from donations, grants, sponsorship and fundraising are recognised when the funds are received.

Placement fees

Revenue associated with the provision of trained dogs is recognised when an approved applicant's dog is ready for placement.

Interest revenue

Interest revenue is recorded as it is earned during the year.

Employee related costs

Wages, salaries and annual leave are recorded as an expense as staff provide services and become entitled to wages, salaries and leave entitlements.

Performance payments are recorded when the employee is notified that the payment has been granted.

Superannuation contributions are recorded as an expense as staff provide services.

Debtors

Debtors are initially recorded at the amount owed. When it is likely the amount owed (or some portion) will not be collected, a provision for impairment is recognised and the loss is recorded as a bad debt expense.

Property, plant and equipment

Property, plant and equipment is recorded at cost, less accumulated depreciation and impairment losses.

For an asset to be sold, the asset is impaired if the market price for an equivalent asset falls below its carrying amount.

For an asset to be used by the Trust, the asset is impaired if the value to the Trust in using the asset falls below the carrying amount of the asset.

Depreciation is provided on both a straight-line and diminishing value basis, with the associated deprecations rates of the major classes of assets and useful lives (where applicable) estimated as follows:

| | |
|--------------------|--|
| Computer Equipment | Straight-line, 2.5 years (40%) |
| Plant & Equipment | Straight-line, 3 to 6 years (21% to 30%) |
| Motor Vehicles | Diminishing value at 20 to 30% |

Creditors and accrued expenses

Creditors and accrued expenses are measured at the amount owed.

Employee costs payable

A liability for employee costs payable is recognised when an employee has earned the entitlement. These include salaries and wages accrued up to balance date and annual leave earned but not yet taken at balance date.

Tier 2 PBE Accounting Standards applied

The Trust has not applied any Tier 2 Accounting Standards in preparing its financial statements.

CHANGES IN ACCOUNTING POLICIES AND TRANSITION TO THE NEW PBE SFR-A (NFP) STANDARD

There have been no changes in accounting policies during the financial year (2016: nil).



MOBILITY ASSISTANCE DOGS TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

| 1 | Donations, fundraising and other similar revenue | 2017 | 2016 |
|---|---|----------------|----------------|
| Donations | | 286,336 | 275,045 |
| Grants | | 224,114 | 217,307 |
| Sponsorships | | 12,000 | 12,000 |
| Bequests | | - | - |
| Fundraising | | - | - |
| Total donations, fundraising and other similar revenue | | 522,450 | 504,352 |

The following are a list of all donations, grants and sponsorships received in the year to 31 March 2017:

| Donations | Notes | \$ |
|---------------------------------|--------------|----------------|
| Animates NZ | | 175,917 |
| S C Johnson and Son Pty Ltd NZ | | 16,000 |
| Bodmin Charitable Trust Board | | 15,000 |
| Olive Stoddard Charitable Trust | | 12,000 |
| Keliher Charitable Trust | | 10,000 |
| Donations < \$10,000 | | 57,419 |
| Total donations | | 286,336 |

| Grants | Notes | \$ |
|-------------------------------------|--------------|----------------|
| Foundation North | | 50,000 |
| Joyce Fisher Charitable Trust | | 50,000 |
| Lottery Grants Board | | 45,000 |
| The Trusts Community Foundation | | 35,416 |
| Infinity Foundation | | 20,133 |
| Milestone Foundation | | 20,000 |
| Four Winds Foundation | | 15,833 |
| The Southern Trust | | 15,800 |
| Lion Foundation | | 15,000 |
| Public Trust | | 14,165 |
| First Sovereign Trust | | 10,954 |
| Constellation Communities Trust Ltd | | 10,000 |
| Grants < \$10,000 | | 79,253 |
| Unused grants with conditions | 11 | (157,440) |
| Total donations | | 224,114 |

| Sponsorships | Notes | \$ |
|---------------------|--------------|-----------|
| Chillisoft | | 12,000 |

| 2 | Revenue from providing goods and services | 2017 | 2016 |
|--|--|---------------|---------------|
| Placement fees | | 12,609 | 15,204 |
| Equipment sales | | - | - |
| Adoption revenue | | 1,304 | 1,087 |
| Total revenue from providing goods and services | | 13,913 | 16,291 |

3 Volunteer and employee related expenses

| | 2017 | 2016 |
|--|----------------|----------------|
| Salaries | 294,135 | 235,051 |
| Contractors | 9,800 | 7,000 |
| Staff expenses | 2,229 | - |
| Recruitment | 876 | 426 |
| Total volunteer and employee related expenses | 307,040 | 242,477 |

4 Costs related to providing goods and services

| | 2017 | 2016 |
|--|----------------|---------------|
| Dog acquisition costs | 18,015 | 23,698 |
| Dog equipment and toys | 32,984 | 9,270 |
| Dog food | 440 | - |
| Dog identification and registration | 35 | 677 |
| Dog jackets | 3,193 | 1,483 |
| Dog miscellaneous expenses | 5,258 | 4,408 |
| Dog transport costs | 1,300 | 1,331 |
| Dog veterinary costs | 36,530 | 29,841 |
| Dog placement expenses | 28,551 | 19,518 |
| Total costs related to providing goods and services | 126,306 | 90,227 |

5 Other expenses

| | 2017 | 2016 |
|--------------------------------------|----------------|---------------|
| Administration expenses | 13,040 | 14,951 |
| ACC levies | 1,145 | 1,659 |
| Marketing and promotional activities | 9,190 | 9,117 |
| Professional fees | 12,000 | 4,935 |
| Office rent | 17,661 | 4,480 |
| Insurance | 5,643 | 5,696 |
| Memberships and subscriptions | 3,475 | 4,052 |
| Courses and conferences | - | 1,086 |
| Travel | 1,902 | - |
| Leasing costs | 16,296 | 16,722 |
| Motor vehicle expenses | 13,342 | 13,479 |
| Depreciation | 5,069 | 4,350 |
| Interest expense | 41 | - |
| Loss of disposal of fixed assets | 2,189 | - |
| Total other expenses | 100,993 | 80,528 |

6 Bank accounts and cash

| | 2017 | 2016 |
|-------------------------------------|----------------|----------------|
| Cash on hand | 10 | 10 |
| General purposes account | 123,860 | 180,649 |
| Call account | 432,830 | 331,351 |
| Total bank accounts and cash | 556,700 | 512,010 |



7 Debtors and prepayments

| | 2017 | 2016 |
|--------------------------------------|---------------|--------------|
| Gross debtors | 81,575 | 1,678 |
| Provision for impairment | - | - |
| Net debtors | 81,575 | 1,678 |
| Prepayments | - | - |
| Total debtors and prepayments | 81,575 | 1,678 |

8 Property, plant and equipment

| | Computer equipment | Plant and equipment | Motor vehicles | Total |
|---|--------------------|---------------------|----------------|---------------|
| Carrying amount at 1 April 2015 | 1,123 | 1,189 | 10,830 | 13,142 |
| Additions | 943 | - | - | 943 |
| Disposals (net of accumulated depreciation) | - | - | - | - |
| Depreciation expense | 625 | 477 | 3,249 | 4,350 |
| Carrying amount at 31 March 2016 | 1,441 | 712 | 7,581 | 9,735 |
| Carrying amount at 1 April 2016 | 1,441 | 712 | 7,581 | 9,735 |
| Additions | 2,895 | - | 30,783 | 33,678 |
| Disposals (net of accumulated depreciation) | - | - | 5,685 | 5,685 |
| Depreciation expense | 1,682 | 447 | 2,921 | 5,051 |
| Carrying amount at 31 March 2017 | 2,654 | 265 | 29,758 | 32,677 |

9 Creditors and accrued expenses

| | 2017 | 2016 |
|---|---------------|---------------|
| Creditors | 7,863 | 23,600 |
| Accrued expenses | 4,600 | 3,000 |
| Total creditors and accrued expenses | 12,463 | 26,600 |

10 Employee costs payable

| | 2017 | 2016 |
|-------------------------------------|---------------|---------------|
| Annual leave | 18,935 | 18,568 |
| Total employee costs payable | 18,935 | 18,568 |

11 Unused donations and grants with conditions

| | \$ |
|--|----------------|
| Joyce Fisher Charitable Trust | 46,681 |
| Lottery Grants Board | 30,324 |
| The Trusts Community Foundation | 27,500 |
| Milestone Foundation | 10,000 |
| Lion Foundation | 13,245 |
| Public Trust | 2,601 |
| Grants < \$10,000 | 27,089 |
| Total unused donations and grants with conditions | 157,440 |

12 Accumulated funds

| | 2017 | 2016 |
|--|----------------|----------------|
| Capital contributed | | |
| Balance at 1 April | 10 | 10 |
| Capital contributed | - | - |
| <i>Balance at 31 March</i> | <i>10</i> | <i>10</i> |
| Accumulated surpluses or (deficits) | | |
| Balance at 1 April | 478,245 | 363,781 |
| Surplus / (deficit) for the year | 3,859 | 114,464 |
| <i>Balance at 31 March</i> | <i>482,104</i> | <i>478,245</i> |
| Total accumulated funds | 482,114 | 478,255 |

13 Commitments

| | | 2017 | 2016 |
|-------------------------------------|---|---------------|---------------|
| Commitment type | Explanation and timing | | |
| Commitments to lease or rent assets | This represents the lease of two motor vehicles covering a three year period, with expiry dates in June and November 2018 for each vehicle respectively. The current monthly rental payments are \$1,358. | 16,296 | 16,722 |
| | This represents the lease of a rental property covering a 2 year period, ending 7 November 2018. The current monthly rental payments are \$2,927. | 13,781 | - |
| Total commitments | | 30,077 | 16,722 |

14 Related-party transactions

The Trust is a beneficiary of the Foundation for Mobility Assistance Dogs Trust. During the period the Trust received funds and paid for expenses in relation to capital works for new premises being developed by the Foundation. A summary of the transactions and associated payable/receivable balances is show below.

| | 2017 | 2017 | 2016 | 2016 |
|-------------------------------------|-------------------|--------------------|-------------------|--------------------|
| | Transaction value | Amount outstanding | Transaction value | Amount outstanding |
| Related-party expenses / receivable | - | - | 68,109 | - |
| Related-party income / payables | - | - | 85,000 | - |

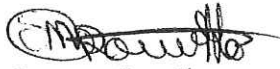
15 Events afer balance date

There were no events that have occurred after the balance date that would have a material impact on these financial statements (2016: nil).



MOBILITY ASSISTANCE DOGS TRUST
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

For and on behalf of the Trustees



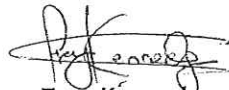
Suzanne Crowther
18 September 2017



Gregory Shanahan
18 September 2017



Suzie Mudge
18 September 2017



Troy Kennedy
18 September 2017



Kathy Peake
18 September 2017



Karen Elliott
18 September 2017



Emma Clarke
18 September 2017



Independent Auditor's Report

To the trustees of Mobility Assistance Dogs Trust

Report on the performance report

Opinion

In our opinion, the accompanying performance report of Mobility Assistance Dogs Trust (the trust) on pages 5 to 16:

- i. present fairly in all material respects the trust's financial position as at 31 March 2017 and its financial performance and cash flows for the year ended on that date; and
- ii. comply with New Zealand Equivalents to International Financial Reporting Standards for Public Benefit Entities; and
- iii. the reported outcomes and outputs, and quantification of the outputs to the extent practicable, in the statement of service performance are suitable.

We have audited the accompanying performance report which comprise:

- the statement of financial position as at 31 March 2017;
- the statements of financial performance, changes in equity and cash flows for the year then ended; and
- notes, including a summary of significant accounting policies and other explanatory information; and
- the statement of service performance and entity information on pages 5 to 16.



Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) ('ISAs (NZ)'), and the audit of the entity information and the statement of service performance in accordance with the International Standard on Assurance Engagements (New Zealand) (ISAE (NZ)) 3000 (Revised) *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* ('(ISAE (NZ) 3000)'). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of the trust 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 the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Our responsibilities under ISAs (NZ) and (ISAE (NZ) 3000) are further described in the auditor's responsibilities for the audit of the performance report section of our report.

Our firm has not provided other services to the trust. Subject to certain restrictions, partners and employees of our firm may also deal with the trust on normal terms within the ordinary course of trading activities of the business of the trust. These matters have not impaired our independence as auditor of the trust. The firm has no other relationship with, or interest in, the trust.



Other information

The Trustees, on behalf of the trust, are responsible for the other information included in the entity's Performance Report. Our opinion on the performance report does not cover any other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the performance report our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the performance report or our knowledge obtained in the audit or otherwise appears materially misstated. If, based on the work we have performed, 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.



Use of this independent auditor's report

This report is made solely to the trustees as a body. Our audit work has been undertaken so that we might state to the trustees those matters we are required to state to them in the independent 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 trustees as a body for our audit work, this report, or any of the opinions we have formed.



Responsibilities of the Trustees for the performance report

The Trustees, on behalf of the trust, are responsible for:

- the preparation and fair presentation of the performance report in accordance with generally accepted accounting practice in New Zealand (being New Zealand Equivalents to International Financial Reporting Standards for Public Benefit Entities);
- implementing necessary internal control to enable the preparation of a performance report that is fairly presented and free from material misstatement, whether due to fraud or error;
- identifying outcomes and outputs that are relevant, reliable, comparable and understandable, and quantifying the outputs to the extent applicable, to report in the statement of service performance; and
- assessing the ability to continue as a going concern. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate or to cease operations, or have no realistic alternative but to do so.



Auditor's responsibilities for the audit of the performance report

Our 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;
- perform procedures to obtain and evaluate evidence in regards to whether the reported outcomes and outputs and quantification of the outputs to the extent practicable, are relevant, reliable, comparable and understandable; and
- to issue an independent 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. They 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 performance report.

A further description of our responsibilities for the audit of this performance report is located at the External Reporting Board (XRB) website at:

https://www.xrb.govt.nz/Site/Auditing_Assurance_Standards/Current_Standards/Page8.aspx.

This description forms part of our independent auditor's report.

KPMG

KPMG
Auckland

22 September 2017