

**The New Zealand General Service Board of Alcoholics Anonymous Incorporated**  
**Performance Report**  
**For the year ended**  
**31 December 2017**

**Contents**

	Page
<b>Non-Financial Information:</b>	
Entity Information	2
Statement of Service Performance	4
<b>Financial Information:</b>	
Statement of Financial Performance	5
Statement of Financial Position	6
Statement of Cash Flows	7
Statement of Accounting Policies	8
Notes to the Performance Report	9
<b>Audit report:</b>	17

# The New Zealand General Service Board of Alcoholics Anonymous Incorporated

## Entity information

"Who are we?", "Why do we exist?"

For the year ended  
31 December 2017

**Legal Name of Entity:**

The New Zealand General Service Board of Alcoholics Anonymous Incorporated

**Type of Entity and Legal Basis (if any):**

Incorporated Society and Registered Charity

**Registration Number:**

Incorporated Societies No. 490308  
Charities Commission Registered No. CC42132

**Entity's Purpose or Mission:**

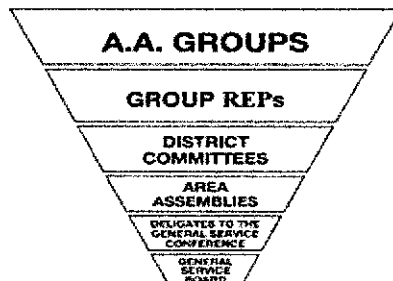
To assist alcoholics recover by offering the 12 Steps of AA, literature, meetings and sponsorship.

**Entity Structure:**

The General Service Board of Alcoholics Anonymous New Zealand is an incorporated body composed of alcoholics and non-alcoholics. Alcoholics Anonymous operates as an upside down organisation as the grass roots members are at the top of the structure chart and the Members (Board) are at the bottom.

There are approximately 480 AA meetings throughout New Zealand. Each of these meetings has the right to nominate a Group Service Representative to represent that meeting's hopes and aspirations at an Area Assembly. There are 3 Area Assemblies in New Zealand that nominate and vote in 3 Delegates to serve on the General Service Conference of Alcoholics Anonymous. The General Service Conference is comprised of the 9 Delegates, a Chair and Secretary and the members of the New Zealand General Service Board. Voting rights are held by the 9 Delegates, the 2 Class A Board Trustees and The Board Chair.

The General Service Conference has the power of veto over appointments to the General Service Board of AA Inc.. There is a balance on the Board between Class B Members, who are elected primarily to bring AA service experience to the Board, and those selected primarily for business or other professional backgrounds. Each of the three New Zealand regions may provide nominations for alcoholic and non-alcoholic members through their respective areas, the Board may select nominees themselves or Conference may provide nominees according to the method prescribed from time to time in the AA Service Manual. The General Service Board is the chief service arm of the Conference, and is essentially custodial in its character. Excepting for decisions upon matters of policy, finance, or AA Tradition, liable to seriously affect AA as a whole, the General Service Board has entire freedom of action in the routine conduct of the policy and business affairs of the AA service corporations and may name suitable committees and elect Directors to its subsidiary corporate service entities in pursuance of this purpose.



# The New Zealand General Service Board of Alcoholics Anonymous Incorporated

## Entity Information

"Who are we?", "Why do we exist?"

For the year ended  
31 December 2017

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

The entity's activities are primarily funded by voluntary donations from individuals who identify themselves as members of Alcoholics Anonymous. Another important, but smaller, source of the entity's cash comes from the selling of AA literature imported from AA World Services in the U.S. under license.

### Main Methods Used by the Entity to Raise Funds:

AA is self supporting, funded by its members only. AA does not accept donations from outside sources and engages in no public fundraising.

### Entity's Reliance on Volunteers and Donated Goods or Services:

Apart from two part time paid roles in the National Office, the organisation relies on gifts of volunteer time and expertise to complete work in many essential roles such as national governance (board, conference and committees), administration and accounting. Donations, which are only accepted from AA members, are the largest component of the entity's total income.

### Contact details

Physical Address:	Suite 11, Level 3, Anvil House, 138 Wakefield St, Wellington, 6011
Postal Address:	PO Box 6458, Wellington, 6141
Phone/Fax:	04 471 4250
Email/Website:	nzgsb@aa.org.nz aa.org.nz aamembers.org.nz aaconvention.org.nz

**The New Zealand General Service Board of Alcoholics Anonymous Incorporated**  
**Statement of Service Performance**  
**"What did we do?", When did we do it?"**  
**For the year ended**  
**31 December 2017**

**Description of the Entity's Outcomes:**

The organisation provides guidance and support to recovering alcoholics and those still suffering from an alcohol dependence by offering counselling and guidance on the 12 Steps of AA, AA literature, meetings and sponsorship. It also undertakes research and acts as an umbrella and resource body.

Description and Quantification (to the extent practicable) of the Entity's Outputs:	Actual	Actual
	31-Dec-17	31-Dec-16
AA ran a National Public Awareness Week to raise the profile of AA	1 week	1 week
AA ran a stand at the National Cutting Edge addictions conference, to raise the profile of AA.	1 stand (conference in Wellington)	1 stand (conference in Rotorua)
Delivered AA literature to prisons throughout the country, both directly into the prisons and via Care NZ	3 Books on CD 2 paperback books 5 pamphlets	32 books on CDs
AA ran a 2.5 day National Convention in Christchurch	1 Convention	1 Convention
Produced and delivered a national magazine (Mainstay) that is a forum for AA members throughout New Zealand (and overseas) to share their experience in print, to communicate events, to keep the fellowship in New Zealand informed.	6 issues of approx 320 copies	6 issues of approx 340 copies
Sold AA Literature (top 5 listed below)	Number Sold	Number Sold
AA at a Glance Pamphlet	2893	2423
Newcomers Pack	1776	1819
Just For Today Wallet cards	990	1380
Big Book	1284	1238
Information on AA	586	382

**Additional Output Measures:**

There are currently 486 AA meetings (prior year: 471) throughout New Zealand. Whilst all groups are autonomous and the opening and closing of groups is outside the control of the Board, we consider that the number of active groups is one measure of the reach of the fellowship and of the extent to which AA's message is being carried.

**Additional Information:**

**The New Zealand General Service Board of Alcoholics Anonymous Incorporated**  
**Statement of Financial Performance**

**For the year ended**  
**31 December 2017**

	Note	Year to 31-Dec-17 \$	Year to 31-Dec-16 \$
<b>Revenue</b>			
Outside donations, fundraising and other similar revenue		-	-
Revenue from members	1	135,712	118,822
Revenue from providing goods and services	1	92,221	89,362
Interest and other investment revenue	1	2,857	3,098
<b>Total Revenue</b>		<b>230,790</b>	<b>211,282</b>
<b>Expenses</b>			
Expenses relating to public fundraising		-	-
Volunteer and employee related costs	2	57,607	53,188
Costs related to providing goods and services	2	163,641	155,761
Grants and donations made	2	2,771	4,329
<b>Total Expenses</b>		<b>224,019</b>	<b>213,278</b>
<b>Surplus/(Deficit) for the period</b>		<b>6,771</b>	<b>(1,996)</b>

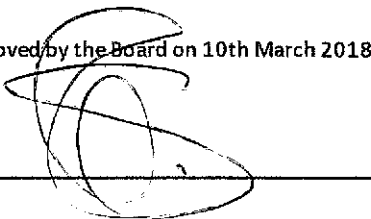
**The New Zealand General Service Board of Alcoholics Anonymous Incorporated**  
**Statement of Financial Position**

As at  
**31 December 2017**

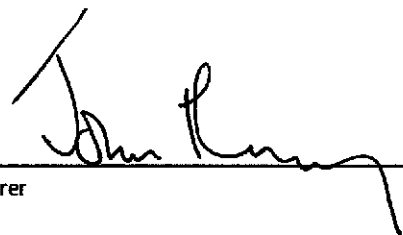
	Note	31-Dec-17 \$	31-Dec-16 \$
<b>Assets</b>			
<b>Current Assets</b>			
Bank accounts and cash	5	86,230	86,251
Debtors and prepayments	5	17,902	12,699
Inventory	5	34,638	28,311
<b>Total Current Assets</b>		<b>138,770</b>	<b>127,261</b>
<b>Non-Current Assets</b>			
Property, plant and equipment	6	1,413	1,661
Investments	5	60,000	60,000
<b>Total Non-Current Assets</b>		<b>61,413</b>	<b>61,661</b>
<b>Total Assets</b>		<b>200,183</b>	<b>188,922</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Creditors and accrued expenses	5	10,848	6,775
Employee costs payable	5	4,931	4,514
<b>Total Current Liabilities</b>		<b>15,779</b>	<b>11,289</b>
<b>Non-Current Liabilities</b>			
Loans		-	-
Other non-current liabilities		-	-
<b>Total Non-Current Liabilities</b>		<b>-</b>	<b>-</b>
<b>Total Liabilities</b>		<b>15,779</b>	<b>11,289</b>
<b>Total Assets less Total Liabilities (Net Assets)</b>		<b>184,404</b>	<b>177,633</b>
<b>Accumulated Funds</b>			
Prudent reserve	7	60,000	60,000
Accumulated surpluses or (deficits)	7	119,072	97,744
Other Reserves	7	5,332	19,889
<b>Total Accumulated Funds</b>		<b>184,404</b>	<b>177,633</b>

Approved by the Board on 10th March 2018 and signed on its behalf by

Chair



Treasurer




**The New Zealand General Service Board of Alcoholics Anonymous Incorporated**  
**Statement of Cash Flows**

For the year ended  
**31 December 2017**

	Year to 31-Dec-17 \$	Year to 31-Dec-16 \$
<b>Cash Flows from Operating Activities</b>		
<b>Cash was received from:</b>		
Donations, fundraising and other similar receipts	-	-
Other receipts from members	134,405	127,408
Receipts from providing goods and services	90,972	95,728
Interest and other investment receipts	2,352	3,117
<b>Net GST cash flow</b>	<b>(1,012)</b>	<b>889</b>
<b>Cash was applied to:</b>		
Payments to suppliers and employees	223,324	205,063
Donations or grants paid	2,771	4,329
<b>Net Cash Flows from Operating Activities</b>	<b>622</b>	<b>17,750</b>
<b>Cash was applied to:</b>		
Payments to acquire property, plant and equipment	643	-
Payments to purchase investments	-	-
<b>Net Cash Flows from Investing and Financing Activities</b>	<b>(643)</b>	<b>-</b>
<b>Net Increase / (Decrease) in Cash</b>	<b>(21)</b>	<b>17,750</b>
<b>Opening Cash</b>	<b>86,251</b>	<b>68,501</b>
<b>Closing Cash</b>	<b>86,230</b>	<b>86,251</b>
<b>This is represented by:</b>		
Bank Accounts and Cash	86,230	86,251

## The New Zealand General Service Board of Alcoholics Anonymous Incorporated

### Statement of Accounting Policies

"How did we do our accounting?"

For the year ended

31 December 2017

#### **Basis of Preparation**

The New Zealand General Service Board of Alcoholics Anonymous Incorporated 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 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**

The New Zealand General Service Board of Alcoholics Anonymous Incorporated 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.

#### **Changes in Accounting Policies**

There have been no changes in accounting policies during the financial year (31 Dec 2016 - none)



**The New Zealand General Service Board of Alcoholics Anonymous Incorporated**  
**Notes to the Performance Report**  
**For the year ended**  
**31 December 2017**

**Note 1 : Analysis of Revenue**

Revenue Item	Analysis	31-Dec-17	31-Dec-16
Revenue from members		\$	\$
	7th Tradition receipts from Northern Area groups	26,457	28,290
	7th Tradition receipts from Central Area groups	18,213	18,493
	7th Tradition receipts from Southern Area groups	46,486	43,767
	Gratitude Fund receipts	17,200	6,146
	Gratitude Week receipts	5,999	4,642
	National Convention surplus	8,506	5,418
	Donations relating to Mainstay	250	465
	Equalisation income from Northern Area Assembly	3,800	3,802
	Equalisation income from Central Area Assembly	3,900	3,900
	Equalisation income from Southern Area Assembly	3,900	3,900
	<b>Total</b>	<b>135,712</b>	<b>118,822</b>

Revenue Item	Analysis	31-Dec-17	31-Dec-16
Revenue from providing goods and services		\$	\$
	Sales of literature	84,347	83,121
	Contributions to cover freight	496	548
	Mainstay Subscriptions	7,378	5,693
	<b>Total</b>	<b>92,221</b>	<b>89,362</b>

Revenue Item	Analysis	31-Dec-17	31-Dec-16
Interest and other investment income		\$	\$
	Interest Received	2,857	3,098
	<b>Total</b>	<b>2,857</b>	<b>3,098</b>

**The New Zealand General Service Board of Alcoholics Anonymous Incorporated**

**Notes to the Performance Report**

For the year ended  
31 December 2017

**Note 2 : Analysis of Expenses**

Expense Item		31-Dec-17	31-Dec-16
		\$	\$
Volunteer and employee related costs	Administration wages and salaries	27,936	25,783
	Employer KiwiSaver Contributions	1,606	1,431
	ACC Levy	128	190
	Mainstay wages	2,794	2,578
	Literature wages	16,762	15,470
	Website wages	8,381	7,735
	<b>Total</b>	<b>57,607</b>	<b>53,188</b>

The wages and salaries items above are GSO offices salary costs as apportioned or attributable to the different activities of GSO.

Expense Item		31-Dec-17	31-Dec-16
		\$	\$
Costs related to providing goods and services	Administration costs	13,021	13,167
	Premises and rental costs	28,088	26,709
	Membership services	4,933	5,642
	Conference and Board meetings	26,560	18,820
	Public Information	8,839	11,537
	World Service costs	4,665	9,547
	Cost of literature sold	43,446	45,420
	Initiatives fund expenditure (excl. WS donations)	34,089	24,919
	<b>Total</b>	<b>163,641</b>	<b>155,761</b>

Expense item		31-Dec-17	31-Dec-16
		\$	\$
Grants and donations made	World Service Annual Donation	1,497	2,553
	World Service Literature Fund Donation	774	1,276
	AOSM Donation/Delegate Fee Paid	500	500
	<b>Total</b>	<b>2,771</b>	<b>4,329</b>

**The New Zealand General Service Board of Alcoholics Anonymous Incorporated**

**Notes to the Performance Report**

For the year ended  
31 December 2017

**Note 3 : Further analysis of costs relating to providing goods and services**

Expense Item	Analysis	31-Dec-17	31-Dec-16
		\$	\$
Administration costs	Audit Fees	1,500	1,050
	Bank Fees	379	1,423
	Carpark Rental	2,677	2,273
	Computer Expenses	120	97
	Depreciation	304	738
	Loss on disposal of assets	587	-
	General Expenses	489	59
	Insurance	2,886	2,755
	Office Equipment	204	383
	Printing Postage Stationery	471	1,158
	Professional Services	1,590	2,320
	Telephones and Tolls	1,815	910
	<b>Total administration costs</b>	<b>13,021</b>	<b>13,167</b>
	Premises and rental costs	Archives Operating Expenses	2,345
Other Premises Expenses		3,811	2,710
Rent		19,732	20,599
Archive rental		2,200	2,200
<b>Total premises and rental costs</b>		<b>28,088</b>	<b>26,709</b>
Membership services	Mainstay Postage	1,147	2,370
	Mainstay Printing	3,771	3,271
	Literature for GSO	15	-
<b>Total membership services</b>	<b>4,933</b>	<b>5,642</b>	
Conference and Board meetings	April Conference	10,250	8,171
	October Conference	9,453	9,200
	Other Conference Expenses	4,646	495
	Board Meeting Expenses	2,211	953
	<b>Total conference and Board meetings</b>	<b>26,560</b>	<b>18,820</b>
Public Information	Standing Committee Funding	51	69
	0800 Phone Number	5,863	7,074
	Website costs	2,926	4,395
<b>Total public information</b>	<b>8,839</b>	<b>11,537</b>	
World Service costs	World Service Meeting costs	(3,031)	9,547
	Asia Oceania Service Meeting costs	7,696	-
	<b>Total world service costs</b>	<b>4,665</b>	<b>9,547</b>
Cost of literature sold	Cost of Literature Sold	38,119	40,637
	Freight Paid	3,756	4,935
	Stock Take Adjustments	1,571	(166)
	Packaging Materials	-	14
	<b>Total cost of literature sold</b>	<b>43,446</b>	<b>45,420</b>
Initiatives fund expenditure (excluding World Service donations)	Public Information Week	24,895	12,764
	Public Information Week printing	1,875	3,013
	New Public Information Initiatives	4,986	220
	Cutting Edge	2,240	2,509
	Police Initiative Phase 2	-	339
	Prison Booklet	-	4,196
	Prison Literature	93	1,878
	<b>Total Initiatives fund expenditure (excl donations)</b>	<b>34,089</b>	<b>24,919</b>
<b>Total costs related to providing goods and services</b>		<b>163,641</b>	<b>155,761</b>

**The New Zealand General Service Board of Alcoholics Anonymous Incorporated**  
**Notes to the Performance Report**  
For the year ended  
**31 December 2017**

**Note 4 : Surplus on the sale of literature**

		31-Dec-17	31-Dec-16
		\$	\$
Surplus on the sale of literature	Sales of Literature	84,347	83,121
	Contributions to cover freight	496	548
	Cost of Literature Sold	(38,119)	(40,637)
	Freight Paid	(3,756)	(4,935)
	Stock Take Adjustments	(1,571)	166
	Literature wages	(16,762)	(15,470)
	Packaging Materials	-	(14)
	<b>Net surplus for the year</b>	<b>24,635</b>	<b>22,779</b>

The accounting standard that has been used in the preparation of these financial statements does not permit the netting off of income and expense amounts in the Statement of Financial Performance. This note has been prepared in order to show the net result from literature-related income and costs.

**The New Zealand General Service Board of Alcoholics Anonymous Incorporated**  
**Notes to the Performance Report**  
**For the year ended**  
**31 December 2017**

**Note 5: Analysis of Assets and Liabilities**

Asset Item	Analysis	31-Dec-17	31-Dec-16
		\$	\$
Bank accounts and cash	Bank	46,250	46,251
	Term deposits	40,000	40,000
	<b>Total</b>	<b>86,250</b>	<b>86,251</b>

Asset Item	Analysis	31-Dec-17	31-Dec-16
		\$	\$
Debtors and prepayments	Literature debtors	6,032	5,383
	Mainstay debtors	2,186	1,391
	GST refund receivable	3,250	2,238
	Prepayments and accrued income	4,391	2,359
	Convention advances	2,043	1,328
	<b>Total</b>	<b>17,902</b>	<b>12,699</b>

Asset Item	Analysis	31-Dec-17	31-Dec-16
		\$	\$
Inventory	Literature stock	34,638	28,311
	<b>Total</b>	<b>34,638</b>	<b>28,311</b>

Asset Item	Analysis	31-Dec-17	31-Dec-16
		\$	\$
Investments	Prudent Reserve term investments	60,000	60,000
	<b>Total</b>	<b>60,000</b>	<b>60,000</b>

Liability Item	Analysis	31-Dec-17	31-Dec-16
		\$	\$
Creditors and accrued expenses	Accounts payable and other creditors	8,088	3,415
	Deferred income	2,760	3,360
	Accruals	-	-
	<b>Total</b>	<b>10,848</b>	<b>6,775</b>

Liability Item	Analysis	31-Dec-17	31-Dec-16
		\$	\$
Employee costs payable	P.A.Y.E. payable	1,134	1,063
	Holiday pay accrual	3,797	3,451
	<b>Total</b>	<b>4,931</b>	<b>4,514</b>

**The New Zealand General Service Board of Alcoholics Anonymous Incorporated**

**Notes to the Performance Report**

For the year ended  
31 December 2017

**Note 6: Property, Plant and Equipment**

**31 December 2017**

Asset Class	Opening Carrying Amount	Purchases	Sales/Disposals	Current Year Depreciation and Impairment	Closing Carrying Amount
Office equipment	1,661	643	587	304	1,413
<b>Total</b>	<b>1,661</b>	<b>643</b>	<b>587</b>	<b>304</b>	<b>1,413</b>

No assets were recorded at valuation at 31 December 2017.

**31 December 2016**

Asset Class	Opening Carrying Amount	Purchases	Sales/Disposals	Current Year Depreciation and Impairment	Closing Carrying Amount
Office equipment	2,399	-	-	738	1,661
<b>Total</b>	<b>2,399</b>	<b>-</b>	<b>-</b>	<b>738</b>	<b>1,661</b>

No assets were recorded at valuation at 31 December 2016.

**Significant Donated Assets Recorded - Source and Date of Valuation**

None

**Significant Donated Assets - Not Recorded**

None

**The New Zealand General Service Board of Alcoholics Anonymous Incorporated**  
**Notes to the Performance Report**  
For the year ended  
**31 December 2017**

**Note 7: Accumulated Funds**

**31 December 2017**

Description	Prudent reserve	Accumulated Surpluses or Deficits	Other Reserves	Total
Opening Balance	60,000	97,744	19,889	177,633
Transfer to Prudent reserve	-	-	-	-
Transfer from Prudent reserve	-	-	-	-
Surplus/(Deficit)		6,771		6,771
Transfer to Reserves		(22,303)	22,303	
Transfer from Reserves		36,860	(36,860)	
Closing Balance	60,000	119,072	5,332	184,404

The surplus for the year before Initiatives costs was \$43,631

**31 December 2016**

Description	Prudent reserve	Accumulated Surpluses or Deficits	Other Reserves	Total
Opening Balance	60,000	95,154	24,475	179,629
Transfer to Prudent reserve	-	-	-	-
Transfer from Prudent reserve	-	-	-	-
Surplus/(Deficit)		(1,996)		(1,996)
Transfer to Reserves		(24,662)	24,662	
Transfer from Reserves		29,248	(29,248)	
Closing Balance	60,000	97,744	19,889	177,633

The surplus for the year before Initiatives costs was \$27,252

**Breakdown of Other Reserves**

Name	Nature and Purpose	Actual 31-Dec-17	Actual 31-Dec-16
		\$	\$
Initiatives Fund	This reserve provides Delegates and other members of the Fellowship certainty over the funding for specific, listed initiatives	5,332	19,889
	<b>Total</b>	5,332	19,889

**The New Zealand General Service Board of Alcoholics Anonymous Incorporated**

**Notes to the Performance Report**

For the year ended  
31 December 2017

**Notes 8-12**

**Note 8: Commitments**

The office lease is a 4 year term from 10th November 2017 with one right of renewal for a further 4 year term. The annual rent is \$20,760. There are no other commitments as at the balance sheet date (31 Dec 2016 - nil).

**Note 9: Contingent Liabilities and Guarantees**

There are no contingent liabilities or guarantees as at the balance sheet date (31 Dec 2016 - nil)

**Note 10: Related Party Transactions**

		31-Dec-17	31-Dec-16	31-Dec-17	31-Dec-16
		\$	\$	\$	\$
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
Board Trustee	Legal services provided. No fee was charged for this work.	900	6,384	-	-
Board Trustee	Public Relations services provided. No fee was charged for this work.	-	18,000	-	-
Board Trustee	Office assistance provided on payroll	1,986	406	-	-

**Note 11: 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. (31 Dec 2016 - none)

**Note 12: Correction of Errors**

None



# **Adele's Business Support Limited**

## **INDEPENDENT AUDITOR'S REPORT**

### **New Zealand General Service Board of Alcoholics Anonymous Incorporated**

#### **Opinion**

I have audited the financial statements of the New Zealand General Service Board of Alcoholics Anonymous Incorporated which comprise the statement of financial position as at 31 December 2017, statement of financial performance statement of cash flows and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements of the Board are prepared, in all material respects, in accordance with Public Benefit Entity Simple Format Reporting Accrual (Not for Profit).

#### **Basis for Opinion**

I conducted my audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Board 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 I have fulfilled my other responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other than in my capacity as auditor I have no relationship with, or interests in, New Zealand General Service Board of Alcoholics Anonymous Incorporated

#### **Other Information**

#### **Responsibilities of Those Charged with Governance for the Financial Statements**

The Board is responsible on behalf of the organisation for the preparation of the financial statements in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not for Profit), and for such internal control as those charged with governance determine is necessary to enable the preparation of financial statements that is free from material misstatement, whether due to fraud or error.

In preparing the financial statements, those charged with governance are responsible on behalf of the Board for assessing the Board'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 those charged with governance either intend to liquidate the Board or to cease operations, or have no realistic alternative but to do so.

# Adele's Business Support Limited

## Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with ISAs (NZ), I exercise professional judgement and maintain professional scepticism throughout the audit. I also;

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my 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 Board'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 those charged with governance and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Board's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Board to cease to continue as a going concern.

I communicate with those charged with governance 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 my audit.



Adele's Business Support Limited  
105 Witako Street  
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