

The Lloyd Morgan Lions Clubs Charitable Trust

Entity Information

For the year ended

30 June 2018

Legal Name of Entity: The Lloyd Morgan Lions Clubs Charitable Trust

Other Name of Entity (if any): N/A

Type of Entity and Legal Basis (if any): Registered charity

Registration Number: CC23624

Purpose:

To use and apply the income of the Trust Fund for the promotion and encouragement of such charitable purposes in New Zealand including the relief of poverty, the advancement of education, or any other matter beneficial to the community as the Trust Board may from time to time think fit. The objectives of the Trust are achieved by the making of grants and loans to Lions Clubs from the income of the Trust Fund to enable them to complete projects that benefit the community.

Structure:

Governance:

The Trust is governed by a Board consisting of the chairman of the NZ Multiple District Council, the International Director, 7 elected district trustees (one from each of the seven Lions Clubs New Zealand Districts) and Advisory Trustees appointed by the Lions Clubs NZ Multiple District Council of Governors (up to a maximum of 5 such trustees). In addition the Board is assisted by the following officers of the Trust appointed by the Board namely Treasurer, Administration Officer, Legal Counsel and Pin Co-ordinator. The chairman of the Board is appointed by the Multiple District Council.

As at 30 June 2018 the following were the Board members:

Multiple District Council Chairman Graeme Wilson

Past International Director Eric Carter

Chairman PID Lucie Armstrong

District Trustees: 202D PCC Joyce Raven, 202E Barry Scott, 202F PDG Sandra Carmichael, 202J John Doggett, 202K Peter Burch, 202L PDG Peter Knox, 202M Simon Williams

Advisory Trustees: Ray Hancox, Mike McBride, PDG Roger Robinson, PDG Robert Miller

Officers of the Board: Treasurer PDG Keith Kenderdine, Administration Officer PCC Brian Watt, Legal Counsel Murray Pringle and Pin Coordinator PDG Brian Ground.

Committees of the Board are:

Administration: PCC Brian Watt (Chairman), Murray Pringle, PDG Sandra Carmichael, Barry Scott, PDG Alice McDonald, PID Lucie Armstrong

Finance and Investment: PDG Roger Robinson (Chairman), Ray Hancox, PDG Keith Kenderdine, PID Lucie Armstrong

Grants and Loans: Mike McBride (Chairman), PCC Joyce Raven, Peter Burch, PID Lucie Armstrong

Promotions: PDG Robert Miller (Chairman), Peter Knox, PID Lucie Armstrong

The Lloyd Morgan Lions Clubs Charitable Trust

Entity Information

For the year ended
30 June 2018

Patron

PCC David Gault was appointed Patron in February 2016.

Sources of Cash and Resources:

The main sources of funds are:

Capital Fund

Contributions from Clubs - a voluntary contribution from each club usually based on the number of members each club may have.

Contributions for awards - clubs make donations to the Trust in the name of a member whose involvement within the club or their community deserves to be recognised. Donations can also be made to recognise non-Lion individuals or organisations that have assisted the clubs in carrying out their community projects.

Funds received from the above sources are added to the capital of the Trust.

Income Fund

Income generated from investments held by the Trust goes into the Income Fund, and it is this money that is available to the Trustees to disburse to Clubs (either by grant or loan) according to set guidelines.

Main Methods Used to Raise Funds:

Funds are provided to the Trust in the manner described above under "Sources of Cash and Resources".

Reliance on Volunteers and Donated Goods or Services:

All Board members are volunteers and donate their time without recompense. The position of Treasurer provides for a fee to be charged for the provision of accounting services. Officers of the Trust, other than the Treasurer, donate their services to the Trust.

Contact details:

| | |
|------------------|--|
| Postal Address: | P.O. Box 1335 Palmerston North |
| Phone/Fax: | Chairman: 07 854 9339 Administration Officer: 06 357 5239 |
| Email addresses: | Chairman: lucieandsam@xtra.co.nz Administration Officer: b.watt@hotmail.com |
| Website: | www.lionsclubs.org.nz/clubs/lloyd-morgan |

The Lloyd Morgan Lions Clubs Charitable Trust

Statement of Service Performance

For the year ended

30 June 2018

Outcomes:

The Trust continued to provide funds to Lions Clubs throughout New Zealand that enabled the clubs to complete projects that assist the communities in which they serve, such grants and loans being supported by ongoing contributions by the clubs to the Capital Fund of the Trust which has enabled investment income to be earned which is then available for grants and loans.

Outputs:

| | 2018 | | 2017 | |
|----------------------------------|---------------|----------------|---------------|----------------|
| | No. of Grants | Amount | No. of Grants | Amount |
| Grants made: | | | | |
| For Community Facilities | 15 | 106,950 | 23 | 151,487 |
| For Educational Purposes | 3 | 24,000 | 1 | 10,000 |
| For Medical Facilities/Equipment | 3 | 10,983 | 10 | 65,032 |
| For Safety Equipment | | | 2 | 8,000 |
| | <u>21</u> | <u>141,933</u> | <u>36</u> | <u>234,519</u> |
| Grants made from Special Trusts | 2 | 34,000 | 2 | 31,574 |
| | <u>23</u> | <u>175,933</u> | <u>38</u> | <u>266,093</u> |
| Loans made | | | | |
| For Community facilities | 1 | 10,000 | - | - |
| For Educational Purposes | - | - | - | - |
| For Medical Facilities/Equipment | - | - | - | - |
| For Safety Equipment | - | - | - | - |
| | <u>-</u> | <u>10,000</u> | <u>-</u> | <u>-</u> |

| | 2018 | | 2017 | |
|-----------------------------------|---------------------------|--------------------|---------------------------|--------------------|
| | No. of Clubs Contributing | Amount Contributed | No. of Clubs Contributing | Amount Contributed |
| Donations and Recognitions | | | | |
| 202D | 39 | 19,068 | 33 | 14,890 |
| 202E | 43 | 18,260 | 45 | 20,920 |
| 202F | 44 | 15,903 | 44 | 17,290 |
| 202J | 35 | 20,810 | 32 | 16,750 |
| 202K | 54 | 50,970 | 60 | 22,215 |
| 202L | 46 | 27,135 | 53 | 32,366 |
| 202M | 43 | 26,455 | 44 | 21,368 |
| Other | 1 | 1,500 | 2 | 600 |
| | <u>305</u> | <u>180,101</u> | <u>313</u> | <u>146,399</u> |

The Lloyd Morgan Lions Clubs Charitable Trust
Statement of Financial Performance

For the year ended
30 June 2018

| | Note | 2018 \$ | 2017 \$ |
|--|------|----------------|----------------|
| Revenue | | | |
| Donations | 1 | 83,612 | 77,296 |
| Recognitions | 1 | 97,280 | 70,687 |
| Administration | 1 | 3,113 | 3,382 |
| Interest and dividends | 1 | 247,365 | 260,946 |
| Other revenue | 1 | 173,224 | 126,522 |
| Total Revenue | | 604,594 | 538,833 |
| Expenses | | | |
| Costs related to providing goods or services | 2 | 60,978 | 52,903 |
| Total Expenses | | 60,978 | 52,903 |
| Net surplus/(Deficit) before grants | | 543,616 | 485,930 |
| Grants made | 2 | 175,933 | 266,093 |
| Surplus for the Year | | 367,683 | 219,837 |

The above financial statement should be read in conjunction with the accompanying notes on page 9- 13

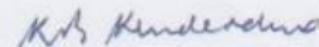
The Lloyd Morgan Lions Clubs Charitable Trust

Statement of Financial Position

As at
30 June 2018

| | Note | 2018 \$ | 2017 \$ |
|---|------|------------------|------------------|
| Assets | | | |
| Current Assets | | | |
| Bank accounts and cash | 3 | 4,692 | 100 |
| Debtors and prepayments | 3 | 37,639 | 39,642 |
| Bank call deposits | 3 | 288,584 | 237,286 |
| Investments | 3 | 1,433,000 | 2,459,188 |
| Loans to clubs | 3 | 17,500 | 15,000 |
| Total Current Assets | | 1,781,415 | 2,751,216 |
| Non-Current Assets | | | |
| Investments | 3 | 4,992,368 | 3,652,956 |
| Total Non-Current Assets | | 4,992,368 | 3,652,956 |
| Total Assets | | 6,773,783 | 6,404,172 |
| Liabilities | | | |
| Current Liabilities | | | |
| Creditors and accrued expenses | 3 | 14,578 | 12,650 |
| Total Current Liabilities | | 14,578 | 12,650 |
| Total Liabilities | | 14,578 | 12,650 |
| Total Assets less Total Liabilities (Net Assets) | | 6,759,205 | 6,391,522 |
| Accumulated Funds | | | |
| Capital Fund | 4 | 5,712,337 | 5,370,160 |
| Income Fund | 4 | 145,406 | 133,113 |
| Special Trusts | 4 | 901,462 | 888,249 |
| Total Accumulated Funds | | 6,759,205 | 6,391,522 |

Signed:  Chairman

Signed:  Treasurer

Date: 2 October 2018

The above financial statement should be read in conjunction with the accompanying notes on page 9- 13

The Lloyd Morgan Lions Clubs Charitable Trust

Statement of Cash Flows

For the year ended
30 June 2018

| | 2018 | 2017 |
|---|------------------|------------------|
| | \$ | \$ |
| Cash Flows from Operating Activities | | |
| Cash was received from: | | |
| Donations | 83,612 | 77,296 |
| Recognitions | 102,396 | 256,813 |
| Interest, dividends and other investment receipts | 247,366 | 221,304 |
| Cash was applied to: | | |
| Donations or grants paid (net of refunds) | 175,933 | 266,093 |
| Net Cash Flows from Operating Activities | 257,441 | 289,320 |
| Cash flows from Investing and Financing Activities | | |
| Cash was received from: | | |
| Loan Repayments | 7,500 | 14,700 |
| Reduction in Payments to suppliers | | |
| Cash was applied to: | | |
| Payments to purchase investments | 191,298 | 248,790 |
| Loans to clubs | 10,000 | |
| Payments to suppliers | 59,051 | 55,230 |
| Net Cash Flows from Investing and Financing Activities | (252,849) | (289,320) |
| Net Increase / (Decrease) in Cash | 4,592 | - |
| Opening Cash | 100 | 100 |
| Closing Cash | 4,692 | 100 |
| This is represented by: | | |
| Bank Accounts and Cash | 4,692 | 100 |

The above financial statement should be read in conjunction with the accompanying notes on page 9- 13

The Lloyd Morgan Lions Clubs Charitable Trust

Statement of Accounting Policies

For the year ended

30 June 2018

Basis of Preparation

The Lloyd Morgan Lions Clubs Charitable 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 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 Lloyd Morgan Lions Clubs Charitable Trust is wholly exempt from New Zealand income tax having fully complied with all statutory conditions for these exemptions.

Accounts Receivable

These are valued at expected realisable value.

Investments

The investments are shown at market value, with the exception of fixed interest investments. All fixed interest held to maturity and are shown at cost with market fixed interest investments purchased at a premium or discount to face value recorded at cost with their value being adjusted proportionately at each balance date until they reach face value in the Trust's accounts at maturity.

Investment Gains and Losses

The Trustees resolved that, with effect from 1st July 1994, all unrealised gains or losses resulting from the revaluation of the Trust's Share and Unit Trust investment assets would be charged to the Capital Fund instead of to the Income Fund. This change, in the opinion of the Trustees, better reflects the capital nature of asset revaluation movements.

Donations

Donations held by the Trust's Legal Counsel's firm on behalf of the Trust at year end are now treated as income in the receipt. Other donations are only recognised on receipt.

Interest

The Trust recognises interest income on an accrual basis.

Special Trust Funds

A facility is made available to Lions Clubs, Lions related trusts and appeal committees to care for their charitable trusts. The Trust holds the monies in trust and invests on their behalf. Interest is allocated to the various funds. Where control of the funds resides with LMLCCT, they are referred to as Special Trust Funds and appear as assets of

The Lloyd Morgan Lions Clubs Charitable Trust

Statement of Accounting Policies

For the year ended

30 June 2018

Assets Managed on Behalf of Others

Where control remains with the original club the funds are classified as Assets Managed on Behalf of Others and no longer appear in the Statement of Financial Position.

Changes in Accounting Policies

There have been no changes in the accounting policies in the current year.

The Lloyd Morgan Lions Clubs Charitable Trust

Notes to the Performance Report

For the year ended
30 June 2018

Note 1 : Analysis of Revenue

| Revenue Item | Analysis | 2018 \$ | 2017 \$ |
|--|--|----------------|----------------|
| Donations and other similar revenue | Donations from Clubs | 82,821 | 75,713 |
| | Pin Trading | 52 | 191 |
| | Lions Mints | 581 | 1,296 |
| | Other | 158 | 96 |
| | Total | | 83,612 |
| | | 2018 | 2017 |
| | | \$ | \$ |
| Recognitions received from Lions Clubs | Life | 31,700 | 27,600 |
| | Honoured | 28,800 | 26,600 |
| | Honour Roll | 11,780 | 10,736 |
| | Friend | 3,900 | 4,551 |
| | Benefactor | 21,100 | 1,200 |
| | Total | | 97,280 |
| | | 2018 | 2017 |
| | | \$ | \$ |
| Revenue from providing goods or services | Administration | 3,113 | 3,382 |
| | Total | 3,113 | 3,382 |
| | | 2018 | 2017 |
| | | \$ | \$ |
| Interest, dividends and other investment revenue | Interest - Income Fund | 184,555 | 198,306 |
| | Interest - Special Trusts | 36,944 | 37,686 |
| | Dividends - Income Fund | 24,537 | 23,768 |
| | Dividends - Special Trusts | 1,329 | 1,185 |
| | Total | | 247,365 |
| | | 2018 | 2017 |
| | | \$ | \$ |
| Other revenue | Realised & Unrealised Investment Gains/(Losses) Income Fund | 161,285 | 117,232 |
| | Realised & Unrealised Investment Gains/(Losses) Special Trusts | 11,939 | 9,290 |
| | Total | 173,224 | 126,522 |

The Lloyd Morgan Lions Clubs Charitable Trust

Notes to the Performance Report

For the year ended
30 June 2018

Note 2 : Analysis of Expenses

| Expense Item | Analysis | 2018 | 2017 |
|--|---|---------------|---------------|
| | | \$ | \$ |
| Costs related to providing goods or services | Direct costs relating to service delivery | 14,413 | 9,433 |
| | Administration and overhead costs: | | |
| | - Income Fund | 32,065 | 29,326 |
| | - Special Trusts | 3,000 | 3,144 |
| | Audit fee | 11,500 | 11,000 |
| | Total | 60,978 | 52,903 |

| Expense Item | Analysis | 2018 | 2017 |
|---------------------------|---------------------------------------|----------------|----------------|
| | | \$ | \$ |
| Grants and donations made | Grants - Income Fund (net of refunds) | 141,933 | 234,519 |
| | Grants - Special Trusts | 34,000 | 31,574 |
| | Total | 175,933 | 266,093 |

The Lloyd Morgan Lions Clubs Charitable Trust

Notes to the Performance Report

For the year ended
30 June 2018

Note 3 : Analysis of Assets and Liabilities

| Asset Item | Analysis | 2018 | 2017 |
|--------------------------------|----------------------------|------------------|------------------|
| | | \$ | \$ |
| Bank accounts and cash | Cheque account balance | 4,692 | 100 |
| | Total | 4,692 | 100 |
| | | | |
| Asset Item | Analysis | 2018 | 2017 |
| | | \$ | \$ |
| Debtors and prepayments | GST Receivable | 1,103 | 2,274 |
| | Interest accruals | 32,857 | 35,625 |
| | Accounts Receivable | 3,679 | 1,743 |
| | Total | 37,639 | 39,642 |
| | | | |
| Asset Item | Analysis | 2018 | 2017 |
| | | \$ | \$ |
| Other current assets | Short term deposits | 288,584 | 237,286 |
| | Loans to clubs | 17,500 | 15,000 |
| | Total | 306,084 | 252,286 |
| | | | |
| Asset Item | Analysis | 2018 | 2017 |
| | | \$ | \$ |
| Investments | Stocks and shares | 1,406,180 | 1,232,956 |
| | Fixed Interest investments | 5,019,188 | 4,879,188 |
| | Total | 6,425,368 | 6,112,144 |
| | | | |
| Liability Item | Analysis | 2018 | 2017 |
| | | \$ | \$ |
| Creditors and accrued expenses | Accrued expenses | 14,578 | 12,650 |
| | Total | 14,578 | 12,650 |

The Lloyd Morgan Lions Clubs Charitable Trust

Notes to the Performance Report

For the year ended
30 June 2018

Note 4 : Accumulated Funds

| | 2018 | | | |
|---|------------------|----------------|----------------|------------------|
| Description | Capital Fund | Income Fund | Special Trusts | Total |
| Opening Balance | 5,370,160 | 133,113 | 888,249 | 6,391,522 |
| Donations | 85,112 | | | 85,112 |
| Recognitions | 95,780 | | | 95,780 |
| Realised & Unrealised Investment Gains/(Losses) | 161,285 | | 11,939 | 173,224 |
| Investment Income | | 212,205 | 38,273 | 250,478 |
| Grants (Net of grants returned) | | (141,933) | (34,000) | (175,933) |
| Expenses | | (57,979) | (2,999) | (60,978) |
| Closing Balance | 5,712,337 | 145,406 | 901,462 | 6,759,205 |

| | 2017 | | | |
|---|------------------|----------------|----------------|------------------|
| Description | Capital Fund | Income Fund | Special Trusts | Total |
| Opening Balance | 5,104,945 | 191,934 | 874,806 | 6,171,685 |
| Donations | 77,296 | | | 77,296 |
| Recognitions | 70,687 | | | 70,687 |
| Realised & Unrealised Investment Gains/(Losses) | 117,232 | | 9,290 | 126,522 |
| Investment Income | | 225,457 | 38,871 | 264,328 |
| Grants (Net of grants returned) | | (234,519) | (31,574) | (266,093) |
| Expenses | | (49,759) | (3,144) | (52,903) |
| Closing Balance | 5,370,160 | 133,113 | 888,249 | 6,391,522 |

Note 5 : Commitments and Contingencies

Commitments

A grant has been approved but not paid out at balance date as the amount of the loan has yet to be determined. (Last Year - nil)

Contingent Liabilities and Guarantees

There are no contingent liabilities or guarantees at balance date (Last Year - nil)

The Lloyd Morgan Lions Clubs Charitable Trust

Notes to the Performance Report

For the year ended

30 June 2018

Note 6 : Assets held on behalf of Others

Assets Held on Behalf of Others

| Description of the Assets Held | Name of Entity of Whose Behalf Assets are Held as at 30 June 2018 |
|--------------------------------|--|
| Bank Call Deposits | |
| Fixed Interest Investment | LCI District 202K Charitable Trust - Youth Fund |
| | Room At the Inn Fund |
| | Christchurch City Breakfast Club |
| | LCI District 202M Charitable Trust |
| | Christchurch Avonhead Lions Club |
| | Lions Club of Orewa Charitable Trust Project Hope Appeal |
| | Taieri Lions Maungatua Hall Fund |
| | Lions Club of Rimutaka Charitable Trust |
| | The Lions Eye Research Charitable Trust |
| | Lions Club of Hinds & Districts Charitable Trust |
| | Lions Club of Silverstream Charitable Trust |
| | Colleen Harvey Youth Charitable Trust |

Note 7 : Related Party Transactions

Related Party Disclosures:

2018

Related party transactions were Nil.

2017

Related party transactions were grants of \$21,800.

Note 8 : Events After Balance Date

Events After the Balance Date:

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

Independent Auditor's Report

To the Trustees of Lloyd Morgan Lions Club Charitable Trust

Qualified Opinion

We have audited the performance report of Lloyd Morgan Lions Club Charitable Trust (the 'Trust'), which comprises the statement of financial position as at 30 June 2018, and the Trust information, statement of service performance, statement of financial performance, and statement of cash flows for the year then ended, and the notes to the performance report.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report:

- The reported outcomes and outputs, and quantification of the outputs to the extent practicable in the statement of service performance are suitable;
- The performance report on pages 3 to 13, presents fairly, in all material respects, the financial position of the Trust as at 30 June 2018, its financial performance and cash flows, the Trust information and the service performance for the year then ended in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-for-Profit) issued by the New Zealand Accounting Standards Board ('PBE SFR – A (NFP)').

Basis for qualified opinion

In common with other organisations of a similar nature, control over revenues from donations prior to being banked is limited. It was not practicable to extend our examination of donations beyond the accounting for amounts received as shown by the accounting records of the Trust, or to determine the effect of the limited control.

We conducted our audit of the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report in accordance with International Standards on Auditing ('ISAs') and International Standards on Auditing (New Zealand) ('ISAs (NZ)'), and the audit of the Trust information and statement of service performance in accordance with the International Standard on Assurance Engagements (New Zealand) ISAE (NZ) 3000 (Revised) ('ISAE (NZ) 3000 (Revised)'). 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 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*, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Other than in our capacity as auditor, we have no relationship with or interests in the Trust, except that partners and employees of our firm deal with the Trust on normal terms within the ordinary course of trading activities of the business of the Trust.

Other information

The Trustees are responsible on behalf of the Trust for the other information. The other information comprises the information in the Annual Report that accompanies the performance report and the audit report.

Our opinion on the performance report does not cover the other information and we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information obtained prior to the date of our audit report, and consider whether it is materially inconsistent with the performance report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If so, we are required to report that fact. We have nothing to report in this regard.

Trustees's responsibilities for the performance report

The Trustees are responsible on behalf of the Trust for:

- Identifying outcomes and outputs, and quantifying the outputs to the extent practicable, that are relevant, reliable, comparable and understandable, to report in the statement of service performance;
- the preparation and fair presentation of the performance report on behalf of the Trust in accordance with PBE SFR – A (NFP), and
- for such internal control as the Trustees determine is necessary to enable the preparation of a performance report that is free from material misstatement, whether due to fraud or error.

In preparing the performance report, the Trustees are responsible on behalf of the Trust for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Trust 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, ISAs (NZ) and ISAE (NZ) 3000 (Revised) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this performance report.

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

- Identify and assess the risks of material misstatement of the performance report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- 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.
- 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 Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the 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 Trust'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 Trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the performance report, including the disclosures, and whether the performance report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the 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

This report is made solely to the Trustees, as a body. Our audit has been undertaken so that we might state to the Trustees those matters 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 Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Deloitte Limited

Wellington, New Zealand
2 October 2018

This audit report relates to the performance report of Lloyd Morgan Lion's Club Charitable Trust (the 'Trust') for the year ended 30 June 2018 included on the Trust's website. The Trustees are responsible for the maintenance and integrity of the Trust's website. We have not been engaged to report on the integrity of the Trust's website. We accept no responsibility for any changes that may have occurred to the performance report since it was initially presented on the website. The audit report refers only to the performance report named above. It does not provide an opinion on any other information which may have been hyperlinked to/from the performance report. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the audited performance report and related audit report dated 2 October 2018 to confirm the information included in the audited performance report presented on this website.