

EXPLANATORY GUIDE Au9.1

Supplementary illustrative examples

Issued December 2016

The NZAuASB has issued new and revised auditor reporting standards that will be effective for audits of financial statements for periods ending on or after 15 December 2016 with early adoption permitted. The revised auditor reporting requirements have not been reflected in EG Au9.

This publication provides supplementary examples to EGAu9, reflecting the application of the revised auditor reporting requirements in an illustrative engagement letter, representation letter and an assurance report.

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SUPPLEMENTARY ILLUSTRATIVE EXAMPLES

Issued by the New Zealand Auditing and Assurance Standards Board

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Illustrative Engagement Letter

Example 1: Illustrative Engagement Letter for the Audit of a Performance Report¹

The following is an example of an audit engagement letter for an audit of the performance report prepared in accordance with *Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit)* issued by the New Zealand Accounting Standards Board. This letter is not authoritative but is intended only to be a guide that may be used in conjunction with the considerations outlined in the ISAs (NZ) and ISAE (NZ) 3000 (Revised). It will need to be varied according to individual requirements and circumstances. The additional paragraphs added in respect of the entity information and the statement of service performance have been highlighted to clearly indicate how the engagement letter for the performance report differs from the engagement letter of an audit of financial statements performed in accordance with the ISAs (NZ). The revised auditor reporting requirements that are mandatory for audits of financial statements ending on or after 15 December 2016 have been reflected in this illustration.

To the Chairperson²:

[The objective and scope of the audit]

You have requested that we audit the performance report of [Charity], which comprises the statement of financial position as at December 31, 20X1, and the entity information, a statement of service performance, a statement of financial performance, a statement of cash flows for the year then ended, and a statement of accounting policies and notes to the performance report. We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter.

Our audit will be conducted with the objective of our expressing an opinion on the performance report.

The objectives of our audit 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 of the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report conducted 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 International Standard on Assurance Engagements (New Zealand) (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

¹ The auditor is required to apply the ISAs (NZ) and ISAE (NZ) 3000 (Revised) where the auditor is engaged to audit the performance report, including the entity information and statement of service performance.

² The addressees and references in the letter would be those appropriate in the circumstances of the engagement. It is important to refer to the appropriate persons – refer to ISA (NZ) 210.

or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of **the performance report**.

[The responsibilities of the auditor]

We will conduct 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 ISAs (NZ), and the audit of the entity information and the statement of service performance in accordance with ISAE (NZ) 3000 (Revised)**. Those standards require that we comply with ethical requirements. As part of an audit in accordance with ISAs (NZ) **and ISAE (NZ) 3000 (Revised)**, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the **performance report**, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. However, we will communicate to you in writing concerning any significant deficiencies in internal control relevant to the audit of the **performance report** that we have identified during the audit.
- 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 [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 **performance report** represents the underlying transactions and events in a manner that achieves fair presentation.
- **Perform procedures to obtain evidence about and evaluate whether the reported outcomes and outputs, and quantification of the outputs to the extent practicable, are relevant, reliable, comparable and understandable.**

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, there is an unavoidable risk that some material misstatements may not be detected, even though the audit is properly planned and performed in accordance with ISAs (NZ) **and ISAE (NZ) 3000 (Revised)**.

[The responsibilities of those charged with governance and identification of the applicable financial reporting framework]

Our audit will be conducted on the basis that [those charged with governance] acknowledge and understand that they have responsibility:

- (a) 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;
- (b) For the preparation and fair presentation of the performance report on behalf of the entity comprising:
 - the entity information
 - the statement of service performance; and
 - the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance reportin accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) issued by the New Zealand Accounting Standards Board;
- (c) For such internal control as [they] determine is necessary to enable the preparation of the performance report that is free from material misstatement, whether due to fraud or error; and
- (d) To provide us with:
 - (i) Access to all information of which [management and those charged with governance] are aware that is relevant to the preparation of the performance report such as records, documentation and other matters;
 - (ii) Additional information that we may request from [management or those charged with governance] for the purpose of the audit; and
 - (iii) Unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence.

As part of our audit process, we will request from [those charged with governance], written confirmation concerning representations made to us in connection with the audit.

We look forward to full cooperation from your staff during our audit.

[Other relevant information]

[Insert other information, such as fee arrangements, billings and other specific terms, as appropriate.]

[Reporting]

[Insert appropriate reference to the expected form and content of the auditor's report including, if applicable, the reporting on other information in accordance with ISA (NZ) 720 (Revised)].

The form and content of our report may need to be amended in the light of our audit findings.

Please sign and return the attached copy of this letter to indicate your acknowledgement of, and agreement with, the arrangements for our audit of the performance report including our respective responsibilities.

[Governing body]

Acknowledged and agreed on behalf of the [Governing body] by

(signed)

.....

Name and Title

Date

Illustrative Representation Letter

The following illustrative representation letter includes written representations that are required by ISAs (NZ) and ISAE (NZ) 3000 (Revised). It is assumed in this illustration that the applicable financial reporting framework is Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit), the requirement of ISA (NZ) 570 to obtain a written representation is not relevant, and that there are no exceptions to the requested written representations. If there were exceptions, the representations would need to be modified to reflect the exceptions. This letter is not authoritative but is intended only to be a guide that may be used in conjunction with the considerations outlined in the ISAs (NZ) and ISAE (NZ) 3000 (Revised). It will need to be varied according to individual requirements and circumstances. The additional paragraphs added in respect of the entity information and statement of service performance have been highlighted to clearly indicate how the representation letter for the performance report differs from the representation letter of an audit of financial statements performed in accordance with the ISAs (NZ). The revised auditor reporting requirements that are mandatory for audits of financial statements ending on or after 15 December 2016 have been reflected in this illustration.

(Entity Letterhead)

(To Auditor)

(Date)

This representation letter is provided in connection with your audit of the performance report of ABC [Charity] for the year ended [DD MM 20XX]³ for the purpose of expressing an opinion as to whether:

- a) the reported outcomes and outputs, and quantification of the outputs to the extent practicable, in the statement of service performance are suitable;
- b) the performance report of ABC [Charity] complies with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) issued by the New Zealand Accounting Standards Board and gives a true and fair view of:
 - the entity information for the year then ended;
 - the service performance for the year then ended; and
 - the financial position as at [DD MM 20XX] and its financial performance and cash flows for the year then ended.

We confirm that, *(to the best of our knowledge and belief, having made such enquiries as we considered necessary for the purpose of appropriately informing ourselves)*:

Performance Report

- We have identified outcomes and outputs, including quantifying the outputs to the extent practicable, that are relevant, reliable, comparable and understandable, for the evaluation of the service performance of the entity.
- We have fulfilled our responsibilities on behalf of the [Charity], as set out in the terms of the audit engagement dated [insert date], for the preparation of the performance report of

³ Where the auditor reports on more than one period, the auditor adjusts the date so that the letter pertains to all periods covered by the auditor's report.

ABC [Charity] in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) and that gives a fair presentation of:

- the entity information for the year then ended;
 - the service performance for the year then ended; and
 - the financial position as at [DD MM 20XX] and its financial performance and cash flows for the year then ended.
- Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable. (ISA (NZ) 540)
 - Related party relationships and transactions have been appropriately accounted for and disclosed in the **performance report** in accordance with the requirements of the applicable financial reporting framework. (ISA (NZ) 550)
 - All events subsequent to the date of the **performance report** which require adjustment or disclosure have been adjusted or disclosed. (ISA (NZ) 560)
 - The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the **performance report** as a whole. A list of the uncorrected misstatements is attached to the representation letter. (ISA (NZ) 450)
 - [Any other matters that the auditor may consider appropriate (see paragraph A10 of ISA (NZ) 580).]

Information Provided

- We have provided you with:
 - Access to all information of which we are aware that is relevant to the preparation of the **performance report** such as records, documentation and other matters;
 - Additional information that you have requested from us for the purpose of the audit; and
 - Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
- All transactions have been recorded in the accounting records and are reflected in the **performance report**.
- We have disclosed to you the results of our assessment of the risk that the **performance report** may be materially misstated as a result of fraud. (ISA (NZ) 240)
- We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the entity and involves:
 - Management;
 - Employees who have significant roles in internal control; or
 - Others where the fraud could have a material effect on the **performance report**. (ISA (NZ) 240)
- We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the entity's **performance report** communicated by employees, former employees, analysts, regulators or others. (ISA (NZ) 240)
- We have disclosed to you all known instances of non-compliance or suspected non-

compliance with laws and regulations whose effects should be considered when preparing a performance report. (ISA (NZ) 250)

- We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware. (ISA (NZ) 550)
- We will provide the final version of the documents determined to comprise the annual report to the auditor when available, and prior to its issuance by the entity. (ISA (NZ) 720 (Revised))
- [Any other matters that the auditor may consider necessary (see paragraph A11 of ISA (NZ) 580).]

[Governing Body Representative]

[Governing Body Representative]

Illustrative Assurance Report on the Performance Report

Illustration 1: Illustrative Auditor’s Report on the Performance Report of a Public Benefit Entity that is not a FMC Reporting Entity Considered to have a Higher Level of Public Accountability Prepared in Accordance with a Fair Presentation Framework (for example, Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit))

For purposes of this illustrative auditor’s report, the following circumstances are assumed:

- Audit of a complete performance report by a public benefit entity that is not a FMC reporting entity considered to have a higher level of public accountability using a fair presentation framework. The audit is not a group audit (i.e., ISA (NZ) 600 does not apply).
- The performance report is prepared by management of the entity in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) (a general purpose framework).
- The terms of the audit engagement reflect the description of the responsibilities of those charged with governance for the performance report in ISA (NZ) 210.
- The auditor has concluded an unmodified (i.e., “clean”) opinion is appropriate based on the audit evidence obtained.
- Professional and Ethical Standard 1 (Revised) *Code of Ethics for Assurance Practitioners* comprises all of the relevant ethical requirements that apply to the audit.
- Based on the audit evidence obtained, the auditor has concluded that a material uncertainty does not exist related to events or conditions that may cast significant doubt on the entity’s ability to continue as a going concern in accordance with ISA (NZ) 570 (Revised).
- The auditor is not required, and has otherwise not decided, to communicate key audit matters in accordance with ISA (NZ) 701.
- The auditor has obtained all of the other information prior to the date of the auditor’s report and has not identified a material misstatement of the other information.
- The auditor has no other reporting responsibilities required under local law.

The highlighted sections below illustrate where an auditor’s report would be amended for the audit of a performance report including entity information and the statement of service performance. The revised auditor reporting requirements that are mandatory for audits of financial statements ending on or after 15 December 2016 have been reflected in this illustration. Reference should be made to ISA (NZ) 700 (Revised) or other relevant ISAs (NZ) to ensure that the requirements of the ISAs (NZ) have been met.

INDEPENDENT AUDITOR’S REPORT

To [Appropriate Addressee]

Report on the Performance Report

Opinion

We have audited the performance report of ABC [entity], which comprises the entity information, the statement of service performance, the statement of financial performance and statement of cash flows for the year ended [DD MM 20XX], the statement of financial position as at [DD MM 20XX], and the statement of accounting policies and other explanatory information.

In our opinion:

- a) the reported outcomes and outputs, and quantification of the outputs to the extent practicable, in the statement of service performance are suitable;
- b) the accompanying performance report presents fairly, in all material respects, (*or gives a true and fair view of*):
 - the entity information for the year then ended;
 - the service performance for the year then ended; and
 - the financial position of ABC [entity] as at [DD MM 20XX], and (*of*) its financial performance, and cash flows for the year then ended

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

Basis for Opinion

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

Other than in our capacity as auditor we have no relationship with, or interests in, the [ABC entity].

Other Information [or another title if appropriate such as “Information other than the performance report and auditor’s report thereon”]

[Reporting in accordance with the reporting requirements in ISA (NZ) 720 (Revised) – see Illustration 1 in Appendix 2 of ISA (NZ) 720 (Revised).]

Responsibilities of [the Trustees]⁴ for the Performance Report

[The Trustees] are responsible for:

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

⁴ Use the term that is appropriate in the context of the engagement.

- (b) the preparation and fair presentation of the performance report on behalf of the entity which comprises:
- the entity information;
 - the statement of service performance; and
 - 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 Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) issued by the New Zealand Accounting Standards Board, and
- (c) such internal control as [the Trustees] determine is necessary to enable the preparation of the 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 [ABC entity] for assessing the [entity'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 [ABC entity] 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 is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) and ISAE (NZ) 3000 (Revised) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this performance report.

Paragraph 41(b) of ISA (NZ) 700 (Revised) explains that the material below can be located in an Appendix to the auditor's report. The option to refer to the XRB website is currently not available where the auditor's responsibilities include the statement of service performance and entity information.

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

- Identify and assess the risks of material misstatement of the performance report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the use of the going concern basis of accounting by [the 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 [entity's] ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the performance report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the [entity] to cease to continue as a going concern.

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

We communicate with [the 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.

[Signature in the name of the audit firm, the personal name of the auditor, or both, as appropriate]

[Auditor's address]

[Date]

Illustrative Modified Conclusions

Example 1: Qualified opinion on the statement of service performance – the assurance practitioner is unable to obtain sufficient appropriate evidence.

Example 2: Qualified opinion on the statement of service performance – disagreement - ABC’s performance information is not fairly stated in all material respects. The auditor disagrees with the selected outputs reported

The following examples of extracts from modified auditor reports are for guidance only and are not intended to be exhaustive or applicable to all situations. They are based on the example report in Appendix 3. The revised auditor reporting requirements that are mandatory for audits of financial statements ending on or after 15 December 2016 have been reflected in these illustrations.

Example 1: Qualified opinion on the statement of service performance – the assurance practitioner is unable to obtain sufficient appropriate evidence about reported outputs

...

Opinions

We have audited the performance report of ABC [entity], which comprises the entity information, the statement of service performance, the statement of financial performance and statement of cash flows for the year ended [DD MM 20XX], the statement of financial position as at [DD MM 20XX], and the statement of accounting policies and other explanatory information.

Opinion on the entity information and the financial information

In our opinion, the accompanying performance report presents fairly, in all material respects, (or gives a true and fair view of) the entity information and financial position of ABC [entity] as at [DD MM 20XX], and its financial performance, and cash flows for the year then ended in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) issued by the New Zealand Accounting Standards Board.

Qualified Opinion on the statement of service performance

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

- a) the reported outcomes and outputs, and quantification of the outputs to the extent practicable, in the statement of service performance are suitable;
- b) the performance report presents fairly, in all material respects, (or gives a true and fair view of) the service performance of ABC [entity] for the year ended [DD MM 20XX] in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit).

Basis for Qualified Opinion

As stated in note ... on page ..., controls over the recording of the relevant outputs identified to be reported in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) was limited during the period. Reporting of this type information is a new

requirement and the entity's controls have not been in operation throughout the period. Because of these limitations, we have been unable to obtain sufficient appropriate audit evidence to support the reported [outputs] for the year. Consequently, we are unable to determine whether any adjustments are necessary.

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 (New Zealand) (ISAs (NZ)) and the audit of the entity information and statement of service performance in accordance with the International Standard on Assurance Engagements (New Zealand) ISAE (NZ) 3000 (Revised). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Performance Report* section of our report. We are independent of [ABC entity] in accordance with Professional and Ethical Standard 1 (Revised) *Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Other than in our capacity as auditor we have no relationship with, or interests in, [ABC entity].

...

Example 2: Qualified opinion on the statement of service performance – disagreement - ABC's Performance information is not fairly stated in all material respects

Opinions

We have audited the performance report of ABC [entity], which comprises the entity information, the statement of service performance, the statement of financial performance and statement of cash flows for the year ended [DD MM 20XX], the statement of financial position as at [DD MM 20XX], and the statement of accounting policies and other explanatory information.

Opinion on the entity information and financial information

In our opinion, the performance report presents fairly, in all material respects, (*or gives a true and fair view of*) the entity information and financial position of ABC [entity] as at [DD MM 20XX], and its financial performance, and cash flows for the year then ended in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) issued by the New Zealand Accounting Standards Board.

Qualified Opinion on the statement of service performance

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

- a) the reported outcomes and outputs, and quantification of the outputs to the extent practicable, in the statement of service performance are suitable;
- b) the performance report presents fairly, in all material respects, (*or gives a true and fair view of*) the service performance of ABC [entity] for the year ended [DD MM 20XX] in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit).

Basis for Qualified Opinion

As reported in the statement of service performance on page ..., the entity has identified the following outputs [*list outputs reported on*] to report its service performance. The statement of service performance does not report on the following outputs: [*list the relevant outputs identified*]. These outputs are considered relevant in order to fairly present the service performance of ABC.

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 (New Zealand) (ISAs (NZ)) and the audit of the entity information and statement of service performance in accordance with the International Standard on Assurance Engagements (New Zealand) ISAE (NZ) 3000 (Revised). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Performance Report* section of our report. We are independent of [ABC entity] in accordance with Professional and Ethical Standard 1 (Revised) *Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Other than in our capacity as auditor we have no relationship with, or interests in, [ABC entity].