



C/- Palmerston North City Council
Private Bag 11034
PALMERSTON NORTH

28 August 2019

Chris Webby
Director
Audit New Zealand
PO Box 149
Palmerston North 4440

Dear Chris

Representation letter for the year ended 30 June 2019

This representation letter is provided in connection with your audit, carried out on behalf of the Auditor-General, of the financial statements of the Palmerston North Performing Arts Trust (the Trust) for the year ended 30 June 2019 for the purpose of expressing an independent opinion about whether:

The financial statements:

- present fairly, in all material respects:
 - the financial position as at 30 June 2019; and
 - the financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with the Public Benefit Entity Simple Format Reporting Standard – Accrual (Public Sector).

We understand that your audit was carried out in accordance with the Auditing Standards issued by the Auditor-General, which incorporate the International Standards on Auditing (New Zealand).

General representations

To the best of our knowledge and belief:

- the resources and activities under our control have been operating effectively and efficiently;
- we have complied with our statutory obligations including laws, regulations, and contractual requirements;
- we have carried out our decisions and actions with due regard to minimising waste;
- we have met Parliament’s and the public’s expectations of appropriate standards of behaviour in the public sector (that is, we have carried out our decisions and actions with due regard to probity); and
- any decisions or actions have been taken with due regard to financial prudence.

We also acknowledge that we have responsibility for designing, implementing, and maintaining internal control (to the extent that is reasonably practical given the size of the Trust) to prevent and detect fraud.

Representations on the financial statements

We confirm that all transactions have been recorded in the accounting records and are reflected in the financial statements, and that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

- we have fulfilled our responsibilities for preparing and presenting the financial statements as required by the Trust Deed and, in particular, that:

The financial statements:

- present fairly, in all material respects:
 - the financial position as at 30 June 2019; and
 - the financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with the Public Benefit Entity Simple Format Reporting Standard – Accrual (Public Sector).
- we believe the significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable;
- we have appropriately accounted for and disclosed the related party relationships and transactions in the financial statements;
- we have adjusted or disclosed all events subsequent to the date of the financial statements that require adjustment or disclosure;

- we believe the effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole; and
- we have disclosed all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements.

Representations about the provision of information

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:

- we have provided you with:
 - all information, such as records and documentation, and other matters that are relevant to preparing and presenting the financial statements; and
 - unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
- we have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud;
- 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 financial statements.
- we have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, analysts, regulators, or others;
- 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 financial statements;
- we have provided you with all the other documents ("other information") which will accompany the financial statements which are consistent with one another, and the other information does not contain any material misstatements; and
- we have disclosed the identity of the related parties, all of their relationships, and all of their transactions of which we are aware.

Going concern basis of accounting

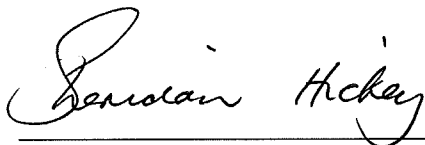
We confirm that, to the best of our knowledge and belief, the Trust has adequate resources to continue operations at its current level for the foreseeable future. For this reason, the Board continues to adopt the going concern basis of accounting in preparing the financial statements for the year ended 30 June 2019. We have reached this conclusion after making enquiries and having regard to circumstances that we consider likely to affect the Trust during the period of one year from [date of signing financial statements], and to circumstances that we know will occur after that date which could affect the validity of the going concern basis of accounting.

We consider that the financial statements adequately disclose the circumstances, and any uncertainties, surrounding the adoption of the going concern basis of accounting by the Trust.

Throughout the year, the Trust has complied with the requirements of its banking arrangements, debenture trust deeds, or negative pledge agreements, including those relating to its net tangible assets ratios.

The representations in this letter are made at your request, and to supplement information obtained by you from the records of the Trust and to confirm information given to you orally.

Yours faithfully

A handwritten signature in black ink, reading "Sheridan Hickey". The signature is written in a cursive style with a large initial 'S' and a distinct 'H'. Below the signature is a horizontal line.

Sheridan Hickey - Chairperson