

**RSM Hayes Audit**

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12 April 2022

Board of Trustees  
Swanson School  
703 Swanson Road  
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Auckland 0612

Dear Trustees

## Audit planning for the 31 December 2021 audit

The year-end financial reporting process for schools is now underway. International Standards on Auditing (New Zealand) and the Auditor-General's auditing standards require that we communicate with you certain matters in relation to the audit of your school. Many of these including the timing and scope of the audit have been confirmed in the proposal and engagement letters issued to you last year.

We are also required to ensure you are aware of the significant risks of material misstatement, whether due to fraud or error relating to the audit.

Our key focus areas include:

- Probity of expenditure of public money;
- Ensuring the accuracy of the provision for cyclical maintenance;
- Completeness of locally raised funds; and
- Ensuring controls in place are adequate, especially where there is a lack of segregation of duties.

Please contact us if there are any matters you consider warrant our particular attention during our audit or if you have any queries in relation to the above. Please also advise us of any instances of known, alleged or suspected fraud.

We have commenced a number of audits and have contacted most of our other school audit clients to confirm dates when we will complete our audit procedures. If we have not yet contacted your school, we will be in touch soon with your principal and/or administration team to book in a time for members of our team to perform the audit. We will arrange appropriate time and resourcing to ensure your audit can be completed by the statutory deadline of 31 May 2021, assuming there are no further delays resulting from Covid-19 lockdowns or restrictions.

Fees for the audit of your financial statements were agreed and approved in 2021 for the 3-year tender period from 2021 to 2023. However, those fees have been determined based on certain assumptions in terms of access to information, assistance, and readiness of both you and your service provider or accountant. The OAG now allows us to charge up to an additional 15% on top of those fees where these assumptions are not met and there have been delays or extra work created for us that is beyond our control. If we do have additional unexpected work created during the audit process, we will raise this with you and signal this to the board and management through our management letter.

## **Covid-19**

The disruption caused by the COVID-19 pandemic creates heightened uncertainties and increased challenges for all organisations. Our preference is to be able to have members of our team visit your school to perform the audit. We can arrange to perform visits safely with minimum of contact with those in your team and our staff have all had at least 2 vaccinations. We are however aware that situation can change quickly and if there is some reason we cannot perform an on-site visit, or if there is an increased risk of transmission of Covid-19, please contact us and we can arrange to perform your audit remotely.

For the audit process this year we will be using our online collaboration tool called Inflow which allows us to make requests and for you to share information with us easily. While not as efficient as an on-site visit, it does allow for an easier exchange of information than through emails or other mediums should our audit need to be completed remotely. Should we need to use Inflow, one of our helpful team members will be in touch and assist in the process of setting this up.

There may also be impacts of the pandemic on disclosures in your financial statements which we will address during the audit process if required. We will also stay in close contact with your team to ensure that we arrange the most practicable logistics for accessing information required for audits if a change in restrictions occurs.

If you have any queries in relation to the booking of your school's audit visit or the audit process, please contact one of the RSM team or email [audit@rsmnz.co.nz](mailto:audit@rsmnz.co.nz).

We look forward to working with you during the audit.

Yours sincerely



**RSM Hayes Audit**  
Auckland