

Special Purpose Financial Report

Learning Links Childcare Borman Road Limited
operating as Learning Links Childcare Borman Road
Ministry of Education Service Number: 45495

Prepared for the Ministry of Education
for the year ended 31 March 2022

Special Purpose Financial Report

Income and Expenditure Statement

Learning Links Childcare Borman Road Limited
operating as Learning Links Childcare Borman Road
for the year ended 31 March 2022

Income:

Ministry of Education Funding :

Bulk Funding - ECE Funding Subsidy and 20 Hours ECE	<u>\$1,070,964</u>
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Total Income (from the Ministry of Education)	\$1,070,964
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Expenditure :

Premises Rent	\$227,658
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Wages and Salaries	\$742,814
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Other Expenses:

Agency Staff	\$137,107
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Total Expenditure	\$1,107,579
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Net Deficit	-\$36,615
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Director

2 May 2023

Date

Joanna Purdie

Name of Director

The accompanying Notes and Statement of Accounting Policies forms part of this Special Purpose Financial Report.

Notes and Statement of Accounting Policies

Learning Links Childcare Borman Road Limited
operating as Learning Links Childcare Borman Road
for the year ended 31 March 2022

1. Reporting Entity

Learning Links Childcare Borman Road Ltd is a company registered under the Companies Act 1993. This Special Purpose Financial Report has been prepared specifically, solely and exclusively in recognition of the reporting requirements of the Ministry of Education.

2. Statement of General Accounting Policies

The Special Purposes Financial Report has been prepared on the basis of historical cost.

3. Statement of Particular Accounting Policies

a) Recognition of Income

Ministry of Education funding for Early Childhood Education(ECE) has been recorded as income on an accruals basis.

b) Goods and Services Tax (GST)

All amounts in the Special Purpose Financial Report excludes GST.

c) Operating Expenses

Expenditures included in the Special Purpose Financial Report are recorded on an accruals basis.

4. Statement of Changes in Accounting Policies

There have been no significant changes in accounting policies. All policies have been applied on the basis consistent with those used in previous years.

5. Audit

The Special Purpose Financial Report has been audited, refer to the attached Audit Report.

6. Related Party Transactions

Business premises used by Learning Links Childcare Borman Road Ltd are owned by a related party.



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Learning Links Childcare Borman Road

Service Number: 45495

Independent Auditors Report to Shareholders of Learning Links Childcare Borman Road Limited
on the Special Purpose Financial Report

Opinion

We have audited the Special Purpose Financial Report of Learning Links Childcare Borman Road Limited (the Company), which comprise of an Income and Expenditure Statement for the year ended 31 March 2022, and notes to the Special Purpose Financial Report, including a summary of significant accounting policies.

In our opinion, the accompanying Special Purpose Financial Report of the Company for the year ended 31 March 2022 is prepared, in all material respects, in accordance with the Statement of Accounting Policies attached to the Special Purpose Financial Report.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Special Purpose Financial Report section of our report. We are independent of the Company 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 Company.

Emphasis of Matter – Basis of Accounting and Restriction on Distribution and Use

We draw attention to Note 2 to the Special Purpose Financial Report, which describes the basis of accounting. The Special Purpose Financial Report is prepared to assist the Company in complying with the financial reporting requirements of the Ministry of Education applicable to early childhood education centres. As a result, the Special Purpose Financial Report may not be suitable for another purpose. Our report is intended solely for the Company and the Ministry of Education and should not be distributed to or used by parties other than the Company or Ministry of Education. Our opinion is not modified in respect of this matter.

Directors' Responsibilities for the Financial Statements

The directors are responsible for the preparation of the Special Purpose Financial Report in accordance with the accounting policies and for such internal control as the directors determine is necessary to enable the preparation of the Special Purpose Financial Report that is free from material misstatement, whether due to fraud or error.

In preparing the Special Purpose Financial Report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intends to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Special Purpose Financial Report

Our objectives are to obtain reasonable assurance about whether the Special Purpose Financial 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 (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 the ISAs (NZ), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Special Purpose Financial 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 Company'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 directors and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company'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 Special Purpose Financial 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 Company to cease to continue as a going concern.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings.

ECE Auditing Limited

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5th May 2023