

# **The Outward Bound Trust of New Zealand**

**Financial Report for the year ended 30 June 2024**

# The Outward Bound Trust of New Zealand

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## **The Outward Bound Trust of New Zealand**

### **Directory of Information**

#### **Directors**

Tim Watts                      *Chairperson*  
Cheewei Kwan                *Deputy Chairperson*  
Steve Hall                     *Deputy Chairperson*

Grant Faber

Roz Mexted

Amy Murphy

Jo Robinson

Iaeen Cranwell

Mark Synnott (*appointed 25th June 2024*)

#### **Registered Office**

20 Beaumont Street  
Auckland, Auckland CBD  
1010

#### **Charity Registration Number**

CC34682

**Bankers**    Westpac Banking Corporation

**Auditors**   Grant Thornton New Zealand  
Audit Limited, Auckland

#### **Nature of Business**

To create a better New Zealand through improvement of the individual character by providing lifelong learning experiences, particularly to youth, which add value to the individual's life and instill values important to New Zealand's culture such as honesty, reliability, individual responsibility, pride in performance, respect for others, fairness and compassion. To provide education and character, physical, mental and spiritual training for all people in New Zealand of all races and creeds with a particular emphasis on youth

## The Outward Bound Trust of New Zealand

| <b>Statement of Comprehensive Revenue and Expense</b>       |             |                  |                  |
|---|-------------|------------------|------------------|
| <b>For the year ended 30 June 2024</b>                      |             |                  |                  |
| <b>In New Zealand Dollars</b>                               |             |                  |                  |
|   | <b>Note</b> | <b>2024</b>      | <b>2023</b>      |
| <b>Revenue from Non-Exchange Transactions</b>               |             |                  |                  |
| Subsidised Course Fees - Attendee                           |             | 300,975          | 279,150          |
| Subsidised Course fees - Funder                             |             | 3,764,073        | 3,326,954        |
| Other Course Revenue  |             | 32,330           | 11,159           |
| Donations and Memberships                                   |             | 1,335,245        | 936,952          |
|   |             | <b>5,432,623</b> | <b>4,554,215</b> |
| <b>Revenue from Exchange Transactions</b>                   |             |                  |                  |
| Course fees   |             | 3,037,215        | 3,191,368        |
| Merchandise sales   |             | 125,622          | 129,603          |
| Interest  |             | 12,245           | 5,124            |
| Gain on disposal of assets                                  |             | -                | 31,739           |
| Other income  |             | 263,005          | 272,039          |
|   |             | <b>3,438,087</b> | <b>3,629,874</b> |
| <b>Total Revenue</b>  |             | <b>8,870,710</b> | <b>8,184,090</b> |
| <b>Operating expenditure</b>                                |             |                  |                  |
| Staff and administration costs                              |             | 7,370,532        | 6,920,291        |
| Student costs   |             | 903,163          | 818,808          |
| Merchandise costs   |             | 85,772           | 90,166           |
| Premises rental   |             | 167,713          | 112,357          |
| Depreciation  | 7           | 384,593          | 427,511          |
| Amortisation  |             | 7,324            | 6,969            |
| <b>Total Expenditure</b>                                    |             | <b>8,919,096</b> | <b>8,376,101</b> |
| <b>Deficit for the year</b>                                 |             | <b>(48,386)</b>  | <b>(192,011)</b> |
| Other comprehensive revenue and expense                     |             | -                | -                |
| <b>Total comprehensive revenue and expense for the year</b> |             | <b>(48,386)</b>  | <b>(192,011)</b> |

These financial statements were approved by the Board of Directors on 15<sup>th</sup> October 2024  
**For and on behalf of the Trust:**



Tim Watts  
 Chair  
 15 October 2024



Grant Faber  
 Trustee  
 15 October 2024



## The Outward Bound Trust of New Zealand

| <b>Statement of Financial Position</b>           |             |                   |                   |
|--|-------------|-------------------|-------------------|
| <b>As at 30 June 2024</b>                        |             |                   |                   |
| <b>In New Zealand Dollars</b>                    |             |                   |                   |
|  | <b>Note</b> | <b>2024</b>       | <b>2023</b>       |
| <b>Current Assets</b>                            |             |                   |                   |
| Cash and cash equivalents                        | 5           | 163,803           | 678,896           |
| Receivables from exchange transactions           | 6           | 1,621,242         | 1,790,100         |
| Receivables from non-exchange transactions       | 6           | 491,966           | 340,656           |
| Prepayments                                      |             | 61,563            | 67,347            |
| Inventories                                      |             | 95,159            | 94,478            |
| <b>Total current assets</b>                      |             | <b>2,433,734</b>  | <b>2,971,477</b>  |
| <b>Non-current Assets</b>                        |             |                   |                   |
| Property plant and equipment                     | 7           | 8,069,488         | 7,631,911         |
| Intangible assets                                |             | 3,527             | 10,851            |
| Investments                                      |             | -                 | 9,787             |
| <b>Total non-current assets</b>                  |             | <b>8,073,015</b>  | <b>7,652,549</b>  |
| <b>Total Assets</b>                              |             | <b>10,506,749</b> | <b>10,624,025</b> |
| <b>Current Liabilities</b>                       |             |                   |                   |
| Trade creditors and other payables               | 8           | 1,386,802         | 762,592           |
| Employee entitlements                            |             | 221,953           | 387,981           |
| Revenue in Advance for exchange transactions     | 9           | 1,578,944         | 1,906,265         |
| Revenue in Advance for non-exchange transactions | 9           | 835,284           | 1,035,036         |
| Loans and borrowings                             | 10          | 200,000           | 200,000           |
| <b>Total current liabilities</b>                 |             | <b>4,222,983</b>  | <b>4,291,874</b>  |
| <b>Total Liabilities</b>                         |             | <b>4,222,983</b>  | <b>4,291,874</b>  |
| <b>Total Net Assets</b>                          |             | <b>6,283,766</b>  | <b>6,332,151</b>  |
| <b>Equity</b>                                    |             |                   |                   |
| Accumulated funds                                |             | 248,562           | 741,367           |
| Equity reserves                                  | 11          | 6,035,203         | 5,590,785         |
| <b>Total Equity</b>                              |             | <b>6,283,766</b>  | <b>6,332,151</b>  |



## The Outward Bound Trust of New Zealand

| <b>Statement of Changes in Net Assets</b>          |             |                          |                        |                          |                      |                                    |                     |
|--|-------------|--------------------------|------------------------|--------------------------|----------------------|------------------------------------|---------------------|
| <b>For the year ended 30 June 2024</b>             |             |                          |                        |                          |                      |                                    |                     |
| <b>In New Zealand Dollars</b>                      |             |                          |                        |                          |                      |                                    |                     |
|  |             | <b>Equity Reserves</b>   |                        |                          |                      |                                    |                     |
|  | <b>Note</b> | <b>Accumulated funds</b> | <b>Endowment Funds</b> | <b>Sponsorship Funds</b> | <b>Special Funds</b> | <b>Capital Replacement Reserve</b> | <b>Total Equity</b> |
| Balance 30 June 2022                               |             | 1,271,807                | 33,030                 | 2,552,462                | 2,564,199            | 102,664                            | 6,524,162           |
| <b>Total comprehensive revenue and expense</b>     |             |                          |                        |                          |                      |                                    |                     |
| Deficit for the year                               |             | (192,011)                | -                      | -                        | -                    | -                                  | (192,011)           |
| Other comprehensive revenue & expense              |             | -                        | -                      | -                        | -                    | -                                  | -                   |
| Total comprehensive revenue & expense for the year |             | (192,011)                | -                      | -                        | -                    | -                                  | (192,011)           |
| Transfers between equity reserves                  | 11          | (338,429)                | -                      | 207,429                  | -                    | 131,000                            | -                   |
| <b>Balance 30 June 2023</b>                        |             | <b>741,367</b>           | <b>33,030</b>          | <b>2,759,891</b>         | <b>2,564,199</b>     | <b>233,664</b>                     | <b>6,332,151</b>    |
| <b>Total comprehensive revenue and expense</b>     |             |                          |                        |                          |                      |                                    |                     |
| Deficit for the year                               |             | (48,386)                 | -                      | -                        | -                    | -                                  | (48,386)            |
| Other comprehensive revenue & expense              |             | -                        | -                      | -                        | -                    | -                                  | -                   |
| Total comprehensive revenue & expense for the year |             | (48,386)                 | -                      | -                        | -                    | -                                  | (48,386)            |
| Transfers between equity reserves                  | 11          | (444,418)                | -                      | 678,082                  | -                    | (233,664)                          | -                   |
| <b>Balance 30 June 2024</b>                        |             | <b>248,563</b>           | <b>33,030</b>          | <b>3,437,973</b>         | <b>2,564,199</b>     | <b>-</b>                           | <b>6,283,766</b>    |



## The Outward Bound Trust of New Zealand

| <b>Statement of Cash Flows</b>                      |             |                    |                    |
|---|-------------|--------------------|--------------------|
| <b>For the year ended 30 June 2024</b>              |             |                    |                    |
| <b>In New Zealand Dollars</b>                       |             |                    |                    |
|   | <b>Note</b> | <b>2024</b>        | <b>2023</b>        |
| <b>Cash flows from Operating activities</b>         |             |                    |                    |
| <b>Receipts</b>                                     |             |                    |                    |
| Receipts from Subsidised Course Fees                |             | 4,055,759          | 3,921,451          |
| Receipts from Donations and Membership              |             | 613,304            | 490,351            |
| Receipts from Other Course Revenue                  |             | 7,330              | 11,160             |
| Receipts from Course Fees                           |             | 2,921,564          | 2,730,326          |
| Receipts from Merchandise Sales                     |             | 125,622            | 129,603            |
| Interest Received                                   |             | 12,245             | 5,124              |
| Receipts from Other Income                          |             | 984,947            | 674,703            |
|   |             | <b>8,720,770</b>   | <b>7,962,718</b>   |
| <b>Payments</b>                                     |             |                    |                    |
| Payments to suppliers and employees                 |             | (8,410,938)        | (7,828,807)        |
|   |             | <b>(8,410,938)</b> | <b>(7,828,807)</b> |
| Net cash flows from operating activities            |             | <b>309,832</b>     | <b>133,911</b>     |
| <b>Cash flows from investing activities</b>         |             |                    |                    |
| Property, plant and equipment additions             |             | (819,708)          | (226,840)          |
| Proceeds from sale of property, plant and equipment |             | (5,217)            | 31,739             |
| Net cash flows used in investing activities         |             | <b>(824,925)</b>   | <b>(195,101)</b>   |
| <b>Net decrease in cash and cash equivalents</b>    |             | <b>(515,093)</b>   | <b>(61,190)</b>    |
| Cash and cash equivalents at beginning of year      |             | 678,896            | 740,086            |
| Cash and cash equivalents at end of year            | 5           | 163,803            | 678,896            |



**The Outward Bound Trust of New Zealand**  
**Notes to the financial statements**  
*In New Zealand Dollars*

**1 Reporting entity**

These financial statements comprise the separate financial statements of the Outward Bound Trust of New Zealand (the “Trust”) for the year ended 30 June 2024.

The Trust was incorporated under the Charitable Trust Act 1957, is registered under the Charities Act 2019, and is domiciled in New Zealand.

The principal activity of the Trust is to provide experiential education courses.

**2 Basis of preparation**

**(a) Statement of compliance**

The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand (NZ GAAP). They comply with Public Benefit Entity International Public Sector Accounting Standards (“PBE IPSAS”) and other applicable financial reporting standards as appropriate that have been authorised for use by the External Reporting Board for Not-For-Profit entities. For the purposes of complying with NZ GAAP, the Trust is a public benefit not-for-profit entity and is eligible to apply Tier 2 Not-For-Profit PBE IPSAS on the basis that it does not have public accountability and it is not defined as large.

The Board of Trustees has elected to report in accordance with Tier 2 Not-For-Profit PBE Accounting Standards and in doing so has taken advantage of all applicable Reduced Disclosure Regime (“RDR”) disclosure concessions.

**(b) Basis of measurement**

The financial statements have been prepared on a historical costs basis, except for financial assets and liabilities that have been measured at fair value. The accrual basis of accounting has been used unless otherwise stated and the financial statements have been prepared on a going concern basis. While current assets exceed current liabilities by \$1,789,249, the Trustees have concluded that the Trust remains a going concern on the basis it has been provided with a letter of support from the Outward Bound Trust of New Zealand Foundation which confirms that the Foundation will not seek repayment of the \$200,000 loan for a period of at least 12 months beyond signing of these financial statements. In addition, the Foundation has confirmed that it will provide working capital support to the Trust in the event it is required.

**(c) Presentation currency**

The financial statements are presented in New Zealand dollars (\$), which is the Trust’s functional currency. The financial statements are rounded to the nearest dollar.

**(d) Use of estimates and judgements**

The preparation of financial statements in conformity with PBE IPSAS RDR requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenue and expenses. Where material, information on significant assumptions is provided in the relevant accounting policy or will be provided in the relevant note.

Although during a financial year estimates to revenue are made, specifically where a course overlaps 2 months (and matching principles are adopted), as at the 30th June 2024 all courses were complete and there were no accounting estimates being made at year end (2023: nil).



## The Outward Bound Trust of New Zealand

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Subsequent actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. The residual values and depreciation rates used for property, plant and equipment are based on judgements and estimates of appropriate values and rates and the expected useful life of an asset, based on experience of similar assets owned and expended by “the Trust”.

### 3 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

#### (a) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

#### (b) Trade debtors and other receivables

Trade debtors and other receivables are measured at amortised cost using the effective interest method less any impairment losses.

An allowance for impairment is established where there is objective evidence that the Trust will not be able to collect all amounts due according to the original terms of the receivable.

Receivables with a short duration are not discounted.

#### (c) Property, plant and equipment

Property, plant and equipment are measured at cost, less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

##### Additions

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential will flow to the Trust and the cost of the item can be measured reliably.

In most instances, an item of property, plant and equipment is recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition.

Assets are only capitalised and depreciated from the time they start their useful life. Until an asset is commissioned and comes into service, it would therefore remain as “work in progress”.

##### Disposals

Gains and losses on disposal are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are included in the Statement Comprehensive of Revenue and Expense.



## The Outward Bound Trust of New Zealand

### Depreciation

Depreciation is charged on a straight-line basis on all property, plant and equipment, other than land, over the estimated useful life of the asset. Depreciation is charged to the surplus or deficit in the Statement of Comprehensive Revenue and Expense.

The following depreciation rates have been applied at each class of property, plant and equipment:

|   |             |
|---|-------------|
| ○ Land                                    | nil         |
| ○ Boats                                   | 3-10 years  |
| ○ Buildings                               | 10-40 years |
| ○ Plant and equipment                     | 3-20 years  |
| ○ Office furniture and Computer equipment | 3-10 years  |
| ○ Training equipment                      | 3-5 years   |
| ○ Canoes                                  | 3 years     |
| ○ Motor vehicles                          | 5 years     |
| ○ Rockface                                | 10 years    |

The residual value of property, plant and equipment is reassessed annually.

### (d) Intangible assets

Intangible assets acquired by the Trust, which have finite useful lives, are measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is recognised in the Statement of Comprehensive Revenue and Expense on a straight-line basis over the estimated useful life of the intangible asset, from the date that they are available for use. The estimated useful lives for the current and comparative periods are as follows:

- Computer software, Obtains and Web Development 3 years

Acquired computer software licenses are capitalised on the basis of the cost incurred to acquire and bring to use the specific software.

### (e) Investments

All investments are initially recognised at cost, being the fair value of the consideration given.

All investments disclosed in these financial statements have been classified as "fair value through surplus or deficit".

After initial recognition, investments, which are classed as "fair value through surplus or deficit", are recognised at fair value less any impairment. Any movement in the fair value or impairment is recognised in the Statement of Comprehensive Revenue and Expense.

### (f) Impairment

The carrying amounts of Trust assets are reviewed at each balance date to determine whether there is any indication of impairment. If any such indication exists, the assets recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses directly reduce the carrying amount of assets and are recognised in the Statement of Comprehensive Revenue and Expense.

The estimated recoverable amount of an asset is the greater of its fair value less costs to sell and value in use. Value in use is determined by estimating future cash flows from the use and

## The Outward Bound Trust of New Zealand

ultimate disposal of the asset and discounting to its present value using a pre-tax discount rate that reflects current market rates and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indicators exist, the Trust estimates the asset's recoverable amount, to measure the reversal of any previous period impairment charges. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Reversals of impairment are recognised in the Statement of Comprehensive Revenue and Expense.

### (g) Trade creditors and other payables

Trade creditors and other payables are measured at amortised cost using the effective interest method.

### (h) Employee entitlements

#### Short term benefits

Employee benefits that the Trust expects to be settled within 12 months of balance date are measured at nominal value based on accrued entitlements at current rate of pays.

These include salaries and wages accrued up to balance date, and annual leave earned, but not yet taken at balance date.

The Trust recognises a liability and expense for bonuses where they are contractually obliged or where there is a past practice that has created a constructive obligation.

### (i) Financial instruments

Financial instruments are comprised of trade debtors and other receivables, cash and cash equivalents, investments, trade creditors and other payables and borrowings. The Trust held no derivative financial instruments (i.e. hedging instruments) in the years reported.

The Trust has no off-balance sheet financial instruments.

### Recognition and de-recognition of financial assets and liabilities

Financial assets and financial liabilities are recognised when the Trust becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred.

A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Financial assets and financial liabilities are measured initially at fair value plus transaction costs, except for those carried at fair value through surplus or deficit, which are measured at fair value.

## The Outward Bound Trust of New Zealand

### Subsequent measurement of financial assets

The subsequent measurement of financial assets depends on their classification. The classification depends on the purpose for which financial assets were acquired. Management determines the classification of financial assets at initial recognition and re-evaluates this designation at each reporting date.

The Trust currently holds financial assets in two classifications:

(i) *Loans and receivables*

Financial assets that are non-derivative with fixed or determinable payments that are not quoted in an active market. After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment. Discounting is omitted where the effect of discounting is immaterial.

(ii) *Financial assets at fair value through surplus or deficit*

Financial assets at fair value through surplus or deficit include investments, which were designated upon initial recognition at fair value through surplus or deficit. Financial assets at fair value through surplus or deficit are carried in the Statement of Financial Position at fair value with changes in fair value recognised in the Statement of Comprehensive Revenue and Expense.

(iii) *Impairment*

All financial assets are subject to review for impairment at least once each reporting date. Accounts receivable are reviewed for impairment when accounts are past due or when other objective evidence is received that a specific counterparty will default.

Impairment of trade receivables are presented in the Statement of Comprehensive Revenue and Expense, within expenses.

### Subsequent measurement of financial liabilities

All financial liabilities held by the Trust are designated as “loans and advances”, being non-derivative financial liabilities with fixed or determinable payments that are not quoted in an active market. After initial recognition these are measured at amortised cost using the effective interest method.

## (k) Revenue

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Trust and the revenue can be reliably measured. Revenue is measured at the fair value of consideration received.

The following specific recognition criteria must be met before revenue is recognised.

### Revenue from non-exchange transactions

#### Donations and grants

Donations and grants are recognised in the Statement of Comprehensive Revenue and Expense when received unless a use or return condition exists. Where donations and grants have such a condition, they are held as revenue in advance until such time as the condition is satisfied at which at which point the balance is recognised within the Statement of Comprehensive Revenue and Expense.

## The Outward Bound Trust of New Zealand

Donated assets are recorded at their fair value at the date of donation. Like many other charitable organisations, the Trust often receives the benefit of people's time and service carried out free of charge. This type of donation cannot be readily quantified, and hence is not recorded in the financial statements.

### **Subsidised course fees**

Subsidised course fees are recognised as income when the course commences. When the course has been provided to the student the donation for course fees is recognised. Any fees invoiced at year-end for courses, which students intend to attend at a future date is recognised as revenue in advance for non-exchange transactions.

### **Revenue from exchange transactions**

#### **Course fees**

Course fees are recognised as income when the course commences. Any fees invoiced at year-end for courses, which students intend to attend at a future date is recognised as revenue in advance for exchange transactions.

#### **Sale of goods**

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer and can be measured reliably. Risks and rewards are considered passed to the buyer at the time of delivery of the goods to the customer.

#### **Interest**

Revenue is recognised as it accrues, using the effective interest method.

#### **(l) Borrowing costs**

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds and are expensed in the period they occur.

Interest expenses comprise interest expenses charged on borrowings and the unwinding of discounts used to measure the fair value of borrowed funds.

#### **(m) Operating lease payments**

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Payments made under operating leases are recognised in the Statement of Comprehensive Revenue and Expense on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

#### **(n) Income tax**

Due to its charitable status, the Trust is exempt from liability to income tax.

#### **(o) GST**

All amounts are shown exclusive of Goods and Services Tax (GST), except for receivables and payables that are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the Statement of Financial Position.



## The Outward Bound Trust of New Zealand

### (p) Nature and purpose of reserves

The Trust creates and maintains reserves in terms of specific requirements. These are explained in detail in notes 11a to d.

## 4 Other expenses

Expenditure disclosed in the Statement of Comprehensive Revenue and Expense includes:

|  | 2024      | 2023      |
|--|-----------|-----------|
| <b>General overheads</b>                     |           |           |
| Audit fees for financial statement audit     | 33,925    | 27,760    |
| <b>Employee remuneration</b>                 |           |           |
| Wages and salaries                           | 5,068,551 | 4,746,457 |
| Increase/(decrease) in employee entitlements | (166,028) | 59,964    |
| <b>Finance costs include:</b>                |           |           |
| Bank charges                                 | 11,733    | 9,766     |

## 5 Cash and cash equivalents

| 4 Cash and cash equivalents | 2024           | 2023           |
|-----------------------------|----------------|----------------|
| Cash at bank and in hand    | 20,538         | 80,623         |
| Call deposits               | 143,265        | 598,273        |
| <b>Total</b>                | <b>163,803</b> | <b>678,896</b> |

The carrying amount of cash and cash equivalents and call deposits approximates their fair value. Cash at bank and call deposits earn interest at floating rates based on daily deposit balances.

## 6 Receivables

|  | 2024             | 2023             |
|--|------------------|------------------|
| Receivables from exchange transactions     | 1,621,242        | 1,790,100        |
| Receivables from non-exchange transactions | 491,966          | 340,656          |
| <b>Total</b>                               | <b>2,113,208</b> | <b>2,130,755</b> |

Trade debtors and other receivables are non-interest bearing and receipt is normally on 30-day terms. Therefore, the carrying value of receivables approximates their fair value.

Each year overdue receivable balances are assessed for impairment and appropriate allowances applied. All trade receivables are subject to credit risk exposure. There is no concentration of credit risk with respect to receivables outside the entity, as the entity has a large number of customers.

There is no allowance for impairment as no receivables are overdue or considered uncollectable.



**The Outward Bound Trust of New Zealand**  
**Notes to the financial statements**  
*In New Zealand Dollars*

**7 Property plant and equipment**

| <b>Movement 2024</b>               | Cost<br>1-Jul-23  | Additions      | Disposals        | Cost<br>30-Jun-24 | Accumulated<br>depreciation<br>1-Jul-23 | Depreciation written<br>back | Current year<br>depreciation | Accumulated<br>depreciation<br>30-Jun-24 | Carrying amount<br>30-Jun-24 |
|------------------------------------|-------------------|----------------|------------------|-------------------|---|------------------------------|------------------------------|--|------------------------------|
| Land                               | 2,694,970         | -              | -                | 2,694,970         | -                                       | -                            | -                            | -  | <b>2,694,970</b>             |
| Buildings *                        | 7,933,532         | 220,166        | -                | 8,153,698         | 3,877,424                               | -                            | 173,023                      | 4,050,447                                | <b>4,103,252</b>             |
| Boats                              | 1,960,968         | 43,981         | (68,720)         | 1,936,229         | 1,361,338                               | (68,708)                     | 87,705                       | 1,380,334                                | <b>555,895</b>               |
| Motor vehicles *                   | 765,651           | 140,159        | -                | 905,810           | 664,093                                 | -                            | 25,930                       | 690,023                                  | <b>215,787</b>               |
| Plant and equipment                | 617,443           | 33,321         | (200,797)        | 449,967           | 542,443                                 | (200,281)                    | 34,857                       | 377,019                                  | <b>72,948</b>                |
| Furniture and computer equipment * | 162,667           | 12,926         | (1,363)          | 174,230           | 120,472                                 | (567)                        | 20,898                       | 140,803                                  | <b>33,427</b>                |
| Training equipment                 | 457,699           | 372,942        | (78,591)         | 752,051           | 395,251                                 | (78,591)                     | 42,181                       | 358,842                                  | <b>393,209</b>               |
| <b>Total</b>                       | <b>14,592,930</b> | <b>823,495</b> | <b>(349,470)</b> | <b>15,066,955</b> | <b>6,961,021</b>                        | <b>(348,147)</b>             | <b>384,593</b>               | <b>6,997,467</b>                         | <b>8,069,488</b>             |
|                                    |                   |                |                  |                   |   |                              |                              |  |                              |
| <b>Movement 2023</b>               | Cost<br>1-Jul-22  | Additions      | Disposals        | Cost<br>30-Jun-23 | Accumulated<br>depreciation<br>1-Jul-22 | Depreciation written<br>back | Current year<br>depreciation | Accumulated<br>depreciation<br>30-Jun-23 | Carrying amount<br>30-Jun-23 |
| Land                               | 2,694,970         | -              | -                | 2,694,970         | -                                       | -                            | -                            | -  | <b>2,694,970</b>             |
| Buildings                          | 7,906,814         | 26,718         | -                | 7,933,532         | 3,701,506                               | -                            | 175,918                      | 3,877,424                                | <b>4,056,109</b>             |
| Boats                              | 1,962,598         | 132,708        | (134,338)        | 1,960,968         | 1,362,571                               | (115,409)                    | 114,176                      | 1,361,338                                | <b>599,631</b>               |
| Motor vehicles                     | 853,737           | -              | (88,086)         | 765,651           | 724,946                                 | (88,086)                     | 27,233                       | 664,093                                  | <b>101,558</b>               |
| Plant and equipment                | 614,509           | 27,674         | (24,740)         | 617,443           | 532,938                                 | (24,740)                     | 34,246                       | 542,443                                  | <b>75,000</b>                |
| Furniture and computer equipment   | 145,665           | 22,600         | (5,598)          | 162,667           | 106,578                                 | (5,598)                      | 19,492                       | 120,472                                  | <b>42,195</b>                |
| Training equipment                 | 463,461           | 35,842         | (41,604)         | 457,699           | 380,409                                 | (41,604)                     | 56,446                       | 395,251                                  | <b>62,448</b>                |
| <b>Total</b>                       | <b>14,641,755</b> | <b>245,542</b> | <b>(294,365)</b> | <b>14,592,930</b> | <b>6,808,947</b>                        | <b>(275,437)</b>             | <b>427,511</b>               | <b>6,961,021</b>                         | <b>7,631,911</b>             |

FY24 Capital work in progress contains a Mercedes Sprinter (in the workshop being retro fitted with seating), a drinking water supply project in Anakiwa, a new high ropes course being installed in Anakiwa and cost incurred in the search for a new site in the Coromandel. They are recognised at cost and are not depreciated. The cost of these assets is held in the relevant asset class. When the asset is in location and condition complete for its intended use, it is fully capitalised and depreciated over it's useful life (2024 : \$579,735 & 2023 : \$52,143).



## The Outward Bound Trust of New Zealand

### 8 Trade creditors and other payables

|                                   | 2024             | 2023           |
|-----------------------------------|------------------|----------------|
| Trade creditors                   | 406,207          | 130,744        |
| Intercompany Account - Foundation | 352,675          | -              |
| Accrued expenses                  | 426,395          | 382,102        |
| GST and PAYE payable              | 201,525          | 249,746        |
| <b>Total</b>                      | <b>1,386,802</b> | <b>762,592</b> |

Trade creditors and other payables are non-interest bearing and are normally settled on 30- day terms; therefore the carrying value of trade creditors and other payables approximates their fair value.

### 9 Revenue in advance

|  | 2024             | 2023             |
|--|------------------|------------------|
| Revenue in Advance for exchange transactions     | 1,578,944        | 1,906,265        |
| Revenue in Advance for non-exchange transactions | 835,284          | 1,035,036        |
| <b>Total</b>                                     | <b>2,414,228</b> | <b>2,941,301</b> |

### 10 Loans and borrowings

|   | 2024           | 2023           |
|---|----------------|----------------|
| Loan balance with Outward Bound Trust of New Zealand Foundation | 200,000        | 200,000        |
| <b>Total</b>  | <b>200,000</b> | <b>200,000</b> |
| Less balance payable within 12 months (current borrowings)      | 200,000        | 200,000        |
| <b>Non-current borrowings</b>                                   | <b>-</b>       | <b>-</b>       |

On 30 April 2015 the Trust received a \$200,000 advance from the Outward Bound Trust of New Zealand Foundation, to support its operational costs. The loan is repayable on demand, with a stated interest rate of 5%. However, it is the intention of the Trustees of the Outward Bound Trust of New Zealand Foundation not to charge interest or demand repayment for at least a 24-month period from the date of the loan. The Foundation waives the interest annually, and the terms of the loan are reviewed on a twelve-monthly basis

### 11 Equity reserves

All income and expenditure is recognised in the Statement of Comprehensive Revenue and Expense and the surplus for the year taken to accumulated funds. Transfers between accumulated funds and equity reserves are disclosed in the Statement of Changes in Net Assets.



## The Outward Bound Trust of New Zealand

| 2024 - transfers between equity reserves | Opening          | Transfer from/ (to)<br>retained earnings | Closing          |
|--|------------------|--|------------------|
| Endowment funds                          | 33,030           | -  | 33,030           |
| Sponsorship funds                        | 2,759,891        | 678,082                                  | 3,437,973        |
| Special funds                            | 2,564,199        | -  | 2,564,199        |
| Capital Replacement Reserve              | 233,664          | (233,664)                                | 0                |
| <b>Total</b>                             | <b>5,590,784</b> | <b>444,418</b>                           | <b>6,035,202</b> |
|  |                  |  |                  |
|  |                  |  |                  |
|  |                  |  |                  |
| 2023- transfers between equity reserves  | Opening          | Transfer from/ (to)<br>retained earnings | Closing          |
| Endowment funds                          | 33,030           | -  | 33,030           |
| Sponsorship funds                        | 2,552,462        | 207,429                                  | 2,759,891        |
| Special funds                            | 2,564,199        | -  | 2,564,199        |
| Capital Replacement Reserve              | 102,664          | 131,000                                  | 233,664          |
| <b>Total</b>                             | <b>5,252,355</b> | <b>338,429</b>                           | <b>5,590,784</b> |

### (a) Endowment funds

Endowment funds are bequests whereby the principal donation is preserved and only income earned being expended on student scholarships.

### (b) Sponsorship funds

Sponsorship funds includes surplus unexpended donations received targeted towards student scholarships.

### (c) Special funds

Special funds includes surplus funds targeted for operation funding other than non-operational expenditure and student scholarships.

### (d) Capital replacement reserve

Capital replacement reserve includes donations received for specific capital project across the organisation. As at 30<sup>th</sup> June 2024, there are no funds held in this respect (2023: \$233,664).

## 12 Related party transactions

Related parties arise when an entity or person(s) has the ability to significantly influence the financial and operating policies of the Trust.

### (a) Parent and ultimate controlling party

The Outward Bound Trust of New Zealand is the ultimate controlling party and is not a subsidiary of any other entity, nor controlled by any other party.

### (b) Related parties

The Trust is related to the Outward Bound Trust of New Zealand Foundation (the "Foundation").

The Board of the Trust resolved to set up the Foundation as a separate organisation, to be run in parallel to the Outward Bound Trust, and dedicated to providing funds for long term sustainability of the Outward Bound Trust. The Foundation came into effect 1 July 2001.



## The Outward Bound Trust of New Zealand

One of the Nine trustees of the Trust are also members of the governing body of the Foundation. Separate consolidated financial statements have been prepared.

### (c) Related party transactions

No provision has been required, nor any expense recognised for impairment for any loans or other receivable balance to related parties (2023: \$Nil).

There were 3 major transactions from the Foundation to the benefit of the Trust in 2024. These were an operating grant of \$721,941 (2023: \$400,000), a contribution to capital expenditure of \$176,400 (2023: \$140,000) and a contribution toward the search for a new Trust operating site of \$44,852 (2023: \$33,785).

|  | 2024           | 2023           |
|--|----------------|----------------|
| Loan balance owed to Outward Bound Trust of New Zealand Foundation | 200,000        | 200,000        |
| <b>Carrying value in balance sheet</b>                             | <b>200,000</b> | <b>200,000</b> |

All transactions between the Foundation and Trust are reflected in the Foundation Current Account and is disclosed in note 8 and below.

### Foundation current account

|   | 2024             | 2023      |
|---|------------------|-----------|
| Opening balance                                   | -                | -         |
| Financial assistance received                     | 891,699          | 556,379   |
| Foundation expenditure paid directly by the Trust | 395,363          | 288,372   |
| Cash received from the Foundation                 | (1,639,738)      | (844,750) |
| <b>Closing balance</b>                            | <b>(352,675)</b> | <b>-</b>  |

### (d) Key management personnel

The Trust has a related party relationship with members of the Trust Board, executive officers and other key management personnel.

| <i>Key management personnel compensation</i>                                     | 2024    | 2023    |
|--|---------|---------|
| Salaries and other short-term employee benefits (2024: 1 person, 2023: 1 person) | 230,000 | 230,000 |

Total remuneration paid to key management personnel is made up of short-term employee benefits and no other post-employment benefits, termination benefits or long-term benefit arrangements have been expensed in the years reported.

In the year reported, \$1,293 was incurred on travel expenses for a close family member of the Key management personnel noted above. This is within the amount approved by the Board (2023: nil)



## The Outward Bound Trust of New Zealand

### (e) Other related party transactions

*Grant Faber – Outward Bound Trust Director*

The Trust received donations of \$nil for the 2024 financial year to assist with operational costs (2023: \$25,196).

*Andrew Smith – Outward Bound Trust Director(resigned)*

The Trust received donations of \$nil for the 2024 financial year to assist with operational costs (2023: \$20,000) and nil to assist with capital expenditure (2023: \$nil).

*Roz Mexted – Outward Bound Trust Director*

The Trust received donations of \$nil for the 2023 financial year (2023: \$1,749).

There were no other related party transactions in the 2024 and 2023 financial reporting years.

## 13 Financial instruments

### Categories of financial assets and liabilities

The carrying amounts of financial instruments presented in the statement of financial position relate to the following categories of assets and liabilities:

|  | 2024             | 2023             |
|--|------------------|------------------|
| <b>Financial Assets</b>  |                  |                  |
| <i>Financial assets at fair value through surplus or deficit</i> |                  |                  |
| Investments  | 0                | 9,787            |
| <i>Loans and receivables</i>                                     |                  |                  |
| Cash and cash equivalents  | 163,803          | 678,896          |
| Receivables from exchange transactions                           | 1,621,242        | 1,790,100        |
| Receivables from non-exchange transactions                       | 491,966          | 340,656          |
| <b>Total</b>   | <b>2,277,011</b> | <b>2,819,438</b> |

|  | 2024             | 2023             |
|--|------------------|------------------|
| <b>Financial Liabilities</b>                     |                  |                  |
| <i>At amortised cost</i>                         |                  |                  |
| Trade creditors and accrued expenses             | 1,386,802        | 762,592          |
| Employee entitlements                            | 221,953          | 387,981          |
| Revenue in Advance for exchange transactions     | 1,578,944        | 1,906,265        |
| Revenue in Advance for non-exchange transactions | 835,284          | 1,035,036        |
| Loans and borrowings                             | 200,000          | 200,000          |
| <b>Total</b>                                     | <b>4,222,983</b> | <b>4,291,874</b> |



## The Outward Bound Trust of New Zealand

### 14 Operating leases

| <i>Non-cancellable operating leases are payable as follows:</i> | <b>2024</b>    | <b>2023</b>    |
|---|----------------|----------------|
| Less than one year  | 93,193         | 169,234        |
| Between one and five years                                      | 312,146        | 410,154        |
| More than five years  | 220,844        | 244,290        |
| <b>Closing balance</b>  | <b>626,184</b> | <b>823,678</b> |

Operating leases are held in relation a printer in the Auckland Office, a property lease at Ruakaka Bay and the 2 premises leased at 3 Queens Wharf, Wellington and 20 Beaumont Street, Auckland.

### 15 Capital commitments

As at Balance Sheet date, the Trust has no capital commitments (2023: \$140,066).

### 16 Contingent assets and liabilities

The Trust has no contingent assets or liabilities as at balance date (2023: \$Nil).

### 17 Subsequent events

There were no significant events after balance date requiring reporting or adjustment in these financial statements.



# Outward Bound Trust of New Zealand

## Statement of Service Performance



1 July 2023 - 30 June 2024

### About Outward Bound New Zealand

Outward Bound New Zealand is an international, non-profit outdoor education organisation with approximately 40 schools around the globe. In Aotearoa New Zealand over 70,000 New Zealanders have participated in an Outward Bound programme since its establishment in 1962.

Outward Bound NZ's vision is: ***Kia whanake ngā tangata. Kia whanake ngā whānau. Kia whanake te ao. Better People. Better Communities. Better World.***

This vision is underpinned by three key values:

**Wana/Passion:** We are passionate about developing people and inspired to serve the needs of Aotearoa.

**Haepapa/Responsibility:** We act with respect, courage and integrity. Together we give our personal best.

**Aroha/Compassion:** We are all interconnected. We nurture a safe and supportive environment.

### Why we exist:

Outward Bound programmes aim to foster the personal growth, leadership, and social skills of participants by using challenging expeditions in the outdoors. Our mission is *to empower people to make life-changing journeys of self-discovery through shared adventures in te ao tūroa, the natural world.*

### How we deliver our mission:

Outward Bound New Zealand offers multi-day experiential learning programmes that foster personal growth by providing opportunities for participants to step out of their comfort zones. Our experiences are designed to cater to the participants' te whare tapa whā – physical, mental, social, and spiritual well-being.

Throughout their time at Outward Bound, students will complete a range of outdoor activities which may include overnight expeditions in the bush, sailing out at sea, white-water kayaking, rock climbing and high ropes. Kaiako (instructors) teach all the skills required to ensure the safety of students throughout their course. Kaiako give students context of each activity beforehand through a process called frontloading. This helps ensure the students are prepared, engaged and understand the expectations of the experience.

During their course, participants are given the time, space, and tools to internalise their experiences individually and discuss them as a group. This process of reflection helps students understand their personal strengths and encourages learning to be transferred to 'real' life.

## Accessibility

At Outward Bound we constantly strive to reach as many New Zealanders as possible by making our courses relevant and accessible for individuals of diverse ages, ethnicities and from every corner of the motu (country).

**1 July 2023 – 30 June 2024**

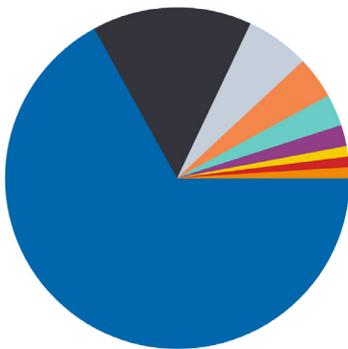
Targeted students: 1828 Actual students: 1720

**1 July 2022 – 30 June 2023**

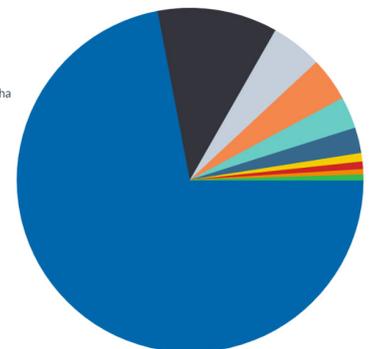
Targeted students: 1824 Actual students: 1718

### ETHNICITY OF STUDENTS

- NZ European/Pakehā
- Māori
- Pasifika
- Other European
- Asian
- Other
- Prefer not to say
- Middle Eastern
- African



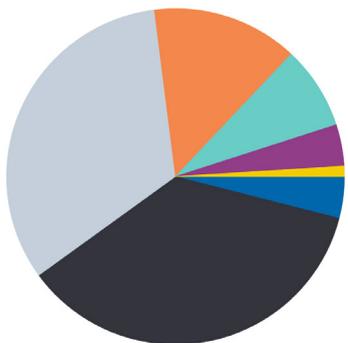
- NZ European/Pakeha
- Māori
- Pasifika
- Other European
- Asian
- Other
- Prefer not to say
- Middle Eastern
- Latin American
- African



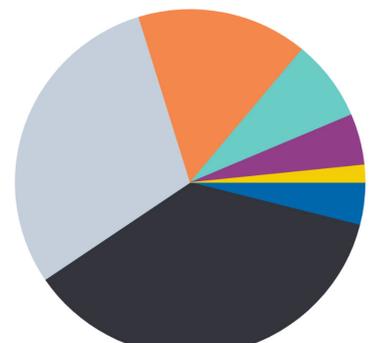
In 2023/24, we saw a 35% increase in the number of Māori students and a 29% increase in the number of Pasifika students attending Outward Bound compared to 2022/23.

### AGE OF STUDENTS

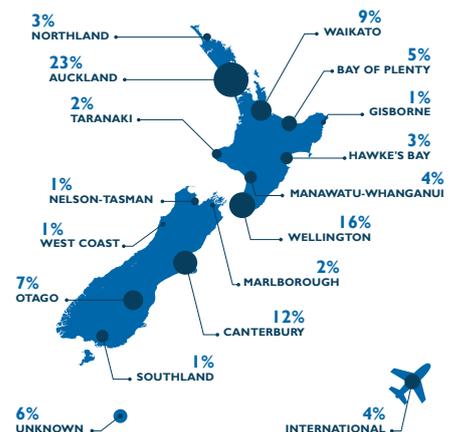
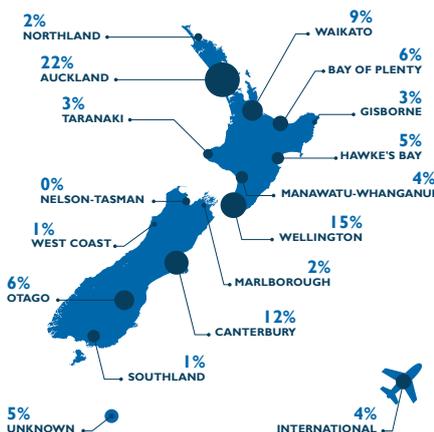
- 13-15
- 16-17
- 18-26
- 27-40
- 41-50
- 51-60
- 61-80



- 13-15
- 16-17
- 18-26
- 27-40
- 41-50
- 51-60
- 61-80



### STUDENTS BY REGION

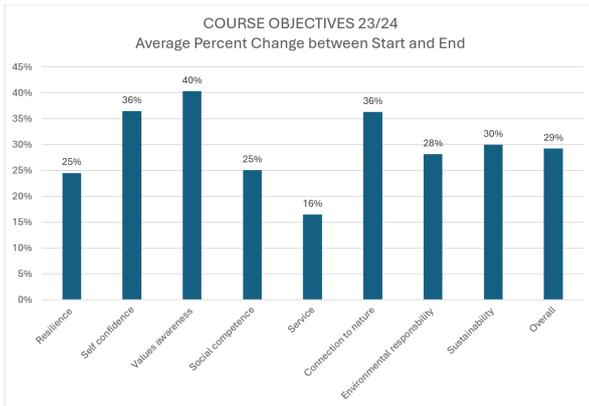




## Course Objectives

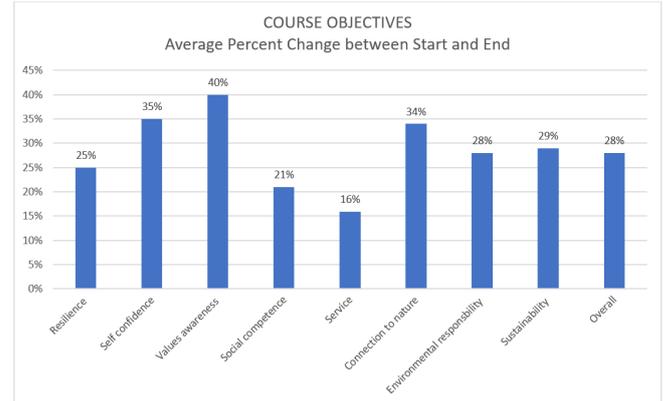
### Average percentage change between start and end

1 July 2023 – 30 June 2024



Reference: Outward Bound NZ Personal Effectiveness Questionnaire (1 July 2023 – 30 June 2024). Course start and end comparison. N= 1224 (Professional, Leaps & Bounds, Custom, Horizons courses not included).

1 July 2022 – 30 June 2023

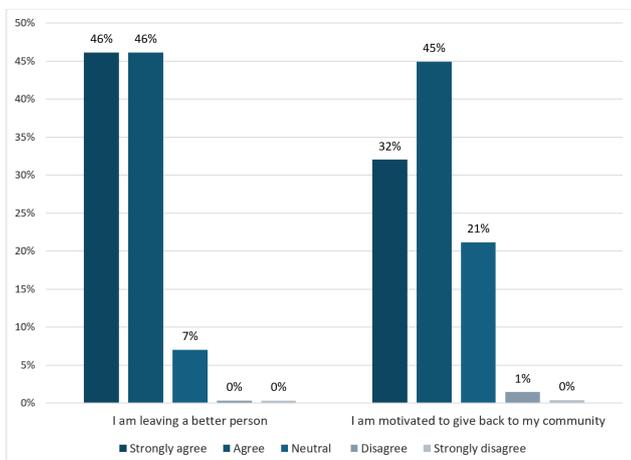


Reference: Outward Bound NZ Personal Effectiveness Questionnaire (1 July 2022 – 30 June 2023). Course start and end comparison. N= 1210 (Professional, Leaps & Bounds, Custom, Horizons courses not included).

## Vision Statements

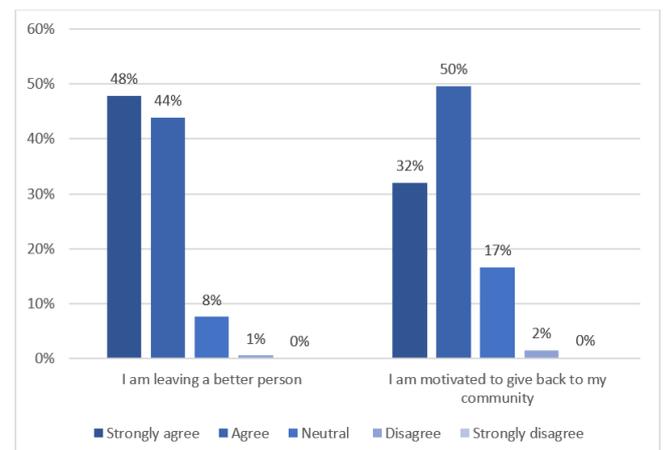
### Better person & motivated to give back

1 July 2023 – 30 June 2024



Reference: Outward Bound NZ Personal Effectiveness Questionnaire (1 July 2023 – 30 June 2024). Course start and end comparison. N= 1224 (Professional, Leaps & Bounds, Custom, Horizons courses not included).

1 July 2022 – 30 June 2023



Reference: Outward Bound NZ Personal Effectiveness Questionnaire (1 July 2022 – 30 June 2023). Course start and end comparison. N= 1210 (Professional, Leaps & Bounds, Custom, Horizons courses not included).

## Our Course Outcomes

### Outward Bound NZ's Personal Effectiveness Questionnaire (PEQ) + Post Course Evaluation Survey

Each student, at the end of their Outward Bound course, completes an electronic evaluation survey that is aligned to our course objectives. We ask how well the mental, emotional, and physical challenge was pitched and how motivated the student now is to give back to their community.

Part of this survey includes the PEQ which compares the 'shift' a student has felt from the course start to the course end. The questionnaire has 23 statements and students score themselves between 1 and 8. The scores are compared, and the developmental change is measured in terms of an "effect size". This can be summarised as follows:

|                    |           |                                |
|--------------------|-----------|--------------------------------|
| An effect size of: | 0         | Indicates no change            |
|                    | 0-0.2     | Indicates minor change         |
|                    | 0.2-0.4   | Indicates a change             |
|                    | 0.4-0.6   | Indicates a major change       |
|                    | Above 0.6 | Indicates a significant change |

We also gather feedback on numerous operational areas including the enrolment process, safety, food, equipment, safety and transport which is shared widely in order for us to improve and implement change quickly. The feedback and insights gathered are shared with kaiako and support staff immediately following course end.

The data included in this Statement of Service report has been gathered from all students on core courses (Classic, Masters, Discovery, Activate, Whakatipu, MBS, Schools). Survey questions for our Professional, Leaps and Bounds, Horizons (disability) and Custom courses are tailored slightly differently and are not represented in this report.

Our commitment to this evaluative process and the continual refinement of our offerings ultimately aligns with our mission: by helping people understand their full potential, we can help make our communities and the world a better place.



# Outward Bound Trust of New Zealand Statement of Service Performance

1 July 2023 - 30 June 2024



## Values Awareness

40% ↑

Average percent change  
between course start and end.

1.45

PEQ effect size

*"Best thing I have ever done!!! Amazing reset in life to realign myself with nature, find my values and motivation and question what I can do to improve my community and help others."*

Student testimonial



## Environmental Responsibility

28% ↑

Average percent change  
between course start and end.

1.00

PEQ effect size

*"I will be more conscious of the environment, and think about how my actions might affect others or the environment."*

Student testimonial



## Self-Confidence

36% ↑

Average percent change  
between course start and end.

1.54

PEQ effect size

*"I've realised that every person plays an important part in a group, not just the loud and extroverted people. For this reason, I am more OK with being a quiet team player who speaks up when required, can be relied on, and steps up to leadership roles when required."*

Student testimonial



## Resilience

25% ↑

Average percent change  
between course start and end.

1.02

PEQ effect size

*"I would recommend this course highly. It tests your mental strength, makes you access your values, allows you to disconnect and to connect with people from all walks of life."*

Student testimonial



## Overall

29% ↑

Average percent change  
between course start and end.

1.13

PEQ effect size

*"It is a very unique experience. One that can't truly be explained until experienced. It will make you assess your values, your life, your goals and ambitions. It will make you see the value in every person. You will understand yourself more. You will experience fear, adrenaline, laughter, pain, and growth."*

Student testimonial



Reference: Personal Effectiveness Questionnaire (2023/2024).  
Course start and end comparison. N= 1224. Students attending  
between 1 July 2023 and 30 June 2024.

## Our long-term impact - Research New Zealand longitudinal study

Outward Bound New Zealand, in partnership with Research New Zealand, conducts a 6–9-month longitudinal study to evaluate the long-term effectiveness of our outdoor education programmes. We gather insights from students, their significant others, and when applicable their teachers to assess perceived attitudinal and behavioural changes tied to our core course objectives. In doing so, we attain insights that allow us to learn and improve on our courses and strengthen our credibility as a global leader in experiential and outdoor education.

At the time of reporting, our November 2023 – June 2024 data was still being processed by Research NZ and is not reflected in this Statement of Service Performance.

## Disclosure of Judgements

We have made several judgements on what to include in our Statement of Service Performance. This statement summarises these judgements.

Our statement of service performance reports our non-financial performance against our mission and vision. Our statement uses both indicators that measure our outcomes (the services provided) and the narratives that illustrate the impact of our programmes on our students. These outcomes are what enable us to achieve our mission and vision.

We have chosen not to report on our Professional, Leaps and Bounds, Adapted (disability) and Custom courses as the data for these Outward Bound courses are tailored differently on outcomes. We are however in the process of developing a measurement framework that will be comparative for these different course areas. We expect to be able to include these courses in our outcomes reporting, in future years.

The statement was approved by the Outward Bound Board of Trustees.

The logo for Outward Bound, featuring the words "OUTWARD BOUND" in a bold, black, sans-serif font.

— EST. ANAKIWA NZ 1962 —



# Independent Auditor's Report

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www.grantthornton.co.nz

## To the Trustees of Outward Bound Trust of New Zealand

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of Outward Bound Trust of New Zealand (the "Trust") which comprise:

- a. the financial statements set out on pages 2 to 18, which comprise the statement of financial position as at 30 June 2024, and the statement of comprehensive revenue and expenses, statement of changes in equity, and cash flow statement for the year then ended, and notes to the financial statements, including summary of significant accounting policies; and
- b. the statement of service performance on pages 19 to 24.

In our opinion, the accompanying financial report present fairly, in all material respects:

- a. the financial position of the Trust as at 30 June 2024 and its comprehensive revenue and expenses and cash flows for the year then ended; and
- b. the service performance for the year ended 30 June 2024 in accordance with the Trust's service performance criteria

in accordance with Public Benefit Entity Standards issued by the New Zealand Accounting Standards Board.

#### Basis for Opinion

We conducted our audit of the financial statements in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)) and the audit of the service performance information in accordance with International Standard on Assurance Engagements (New Zealand) (ISAE (NZ)) 3000 (Revised) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Trust in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* 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 Trust.

### **Responsibilities of Those Charged with Governance for the Financial Report**

Those charged with governance are responsible on behalf of the Trust for:

- (a) the preparation and fair presentation of the trust information, financial statements and statement of service performance in accordance with Public Benefit Entity Standards issued by the New Zealand Accounting Standards Board;
- (b) service performance criteria that are suitable in order to prepare service performance information in accordance with Public Benefit Entity Standards; and
- (c) such internal control as those charged with governance determine is necessary to enable the preparation of the financial statements and statement of service performance that are free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Trustees on behalf of the Trust are responsible 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 those charged with governance 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 Financial Report**

Our objectives are to obtain reasonable assurance about whether the trust information, and the financial report as a whole are 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 the financial report.

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 financial statements and the service performance information, 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 the trust's 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 trust'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 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 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 financial statements 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's to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements and the service performance information, including the disclosures, and whether the financial statements and the service performance information 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 those charged with governance 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 of our report**

This report is made solely to the Trust's trustees, as a body. Our audit work has been undertaken so that we might state to the Trust's trustees, as a body, those matters which we are required to state to them in our audit 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 Trust and its trustees, as a body, for our audit work, for this report or for the opinion we have formed.

**Grant Thornton New Zealand Audit Limited****Auckland, New Zealand****24 October 2024**