

**BOPLASS Ltd**

**"COUNCILS PARTNERING FOR VALUE AND SERVICE"**

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# **ANNUAL REPORT**

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**For the year ended  
30 June 2015**



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**PART ONE – OUR YEAR**

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## ***BOPLASS Chair's Report***

In 2014/15, BOPLASS focused on fostering collaborative relationships between local authorities in the Bay of Plenty in order to deliver services as efficiently as possible, as well as ensuring appointed vendors remained competitive to return best value to shareholders. Our main focus is on long-term value rather than short term gains, which we believe will deliver the best outcome for our councils.

I am pleased to report that substantial progress was made on meeting these priorities. BOPLASS is now at the stage where many of the initial contracts are maturing. This provided the opportunity to re-tender and negotiate these contracts to ensure we continue to deliver the best value possible to the councils. This year, we managed tenders for several of the larger contracts and negotiated supplier terms and conditions that achieved substantial cost savings and improved service delivery.

BOPLASS partnered with councils from other regions in some of our larger tenders and this inter-region collaboration has further proven how councils can join forces to save money and improve procurement efficiencies.

Some of our achievements for 2014/15:

- BOPLASS tendered for insurance brokerage and risk management services and included a number of other local authorities that requested to participate in the same process. The partnership demonstrates how councils across the country can work together where there is a common drive to achieve economies of scale. The aggregation of these councils from throughout New Zealand created a greater group of 25 councils and was effective in leveraging better pricing and conditions from respondents, achieving more than \$3 million in annual savings across the group. Year one savings for BOPLASS councils of over \$1.4M were achieved when compared with the prior year. In this case, we've achieved substantial savings in our insurance programs that simply would not have been achieved had all 25 councils acted on their own.
- BOPLASS also used a similar group approach when negotiating infrastructure insurance through the London underwriters market and achieved incremental premium savings of over \$112,000.
- Following a collaborative tender, OfficeMax was reappointed as office supplies provider to the BOPLASS councils. The new service includes a tailored core range to ensure BOPLASS councils benefit from the specific products and pricing to match their requirements and to maximise savings.
- A highly contested tender was managed by BOPLASS for aerial photography and the councils have again benefited from discounted pricing and collaboration in the delivery of mapping data.



## ***BOPLASS Chair's Report continued***

BOPLASS also completed the high-speed fibre Inter Council Network (ICN) by installing a monitoring and management tool, making the network resilient, reliable and fit for purpose. The ICN is now a valuable tool allowing councils to connect with each other in order to deliver services and develop new initiatives for shared services.

The Collaboration Portal was established and roll-out of the service to councils is now underway. The portal will provide improved visibility of opportunities for local government collaboration and an easily accessible platform for sharing council information across a wide audience.

This year, BOPLASS established a sub-committee of council delegates to manage the monitoring and support of operational aspects of BOPLASS projects. This committee has proven to be effective and is currently leading a project to increase councils' range and delivery of online customer services. We intend to provide a standard online user experience across all BOPLASS councils' communities.

There has been one change of director this past year and we welcomed Miriam Taris, Western Bay of Plenty District Council Chief Executive Officer, to the BOPLASS Board. We were also very pleased to welcome Craig O'Connell to the board as an independent BOPLASS director. As an independent director Craig brings additional skills and a fresh perspective. Craig is an experienced director and also has local government collaboration experience.

We would like to thank the various individuals within the councils who continue to assist and support BOPLASS with project expertise and resource. The company remains reliant on this support. BOPLASS has performed well over the last year and the procurement initiatives in particular have delivered significant value to the constituent councils.

Russell George  
Chair



<b>Nature of Business</b>	Shared Service Provider
<b>Registered Office</b>	91 Willow Street, Tauranga 3110
<b>Incorporation Number</b>	2074873
<b>Incorporation Date</b>	14 January 2008
<b>IRD Number</b>	98-965-361
<b>Directors</b>	Russell George Mary-Anne Macleod Miriam Taris Geoffrey Williams Rob Williams Aileen Lawrie Martin Grenfell Judy Campbell Garry Poole Craig O'Connell
<b>Shareholders</b>	Bay of Plenty Regional Council Western Bay of Plenty District Council Rotorua District Council Taupo District Council Kawerau District Council Opotiki District Council Whakatane District Council Gisborne District Council Tauranga City Council
<b>Auditor</b>	Audit New Zealand
<b>Bankers</b>	ANZ Bank
<b>Solicitors</b>	Cooney Lees and Morgan

## Statement of Intent and Performance

The company has complied with section 64 of the Local Government Act 2002 (LGA) and has had the Statement of Intent for 2015/16 and associated budget formally adopted by the directors at the meeting held on 29 May 2015.

### Performance Targets

To ensure the company continues to operate effectively in both governance and management terms over the next three years the targets are to:

Target	How	Measure
Investigate new joint procurement initiatives for goods and services for BOPLASS councils.	Procure from sources offering best value, service, continuity of supply and/or continued opportunities for integration. (Current identified projects are listed in Appendix A).	A minimum of four new procurement initiatives investigated. Initiatives provide financial savings and/or improved service levels to the participating councils.
Provide support to BOPLASS councils that are managing or investigating shared services projects.	BOPLASS to provide 0.25 FTE resource and expertise to assist councils in shared services developments and projects.	Quarterly satisfaction reviews with participating councils. Resource assignment measured from project job tracking.
Further develop and extend the Collaboration Portal for access to, and sharing of, project information and opportunities from other councils and the greater local government community to increase breadth of BOPLASS collaboration. *	Provide access to the Collaboration Portal for councils outside of BOPLASS and utilise technologies to provide secure access. Proactively market the benefits to councils.	All NZ councils are made aware of the Collaboration Portal and its benefits. Portal is operational outside of the BOPLASS group with a minimum of five additional councils having utilised the portal.
Ensure appointed vendors remain competitive and continued best value is returned to shareholders.	Manage and/or renegotiate existing contracts.	Contracts due for renewal are tested for competitiveness in the marketplace. New suppliers are awarded contracts through a competitive procurement process involving two or more vendors.
Review governance performance and structure to ensure it supports BOPLASS' strategic direction. *	Perform review of governance.	Positive feedback received from shareholding councils at least annually.
Communicate with each shareholding council at appropriate levels.	Meeting with each Executive Leadership Team.	At least one meeting per year.
Ensure current funding model is appropriate.	Review BOPLASS expenditure and income and review council contributions and other sources of funding.	Performance against budgets reviewed quarterly. Company remains financially viable.

\* New targets 2015/16

## Statement of Intent and Performance continued

The following is a report of performance against targets set in the Statement of Intent for 2014/15.

Target	Result	Narration
<p>Investigate new joint procurement initiatives for goods and services for BOPLASS councils.</p> <p>A minimum of four new procurement initiatives investigated. Initiatives provide financial savings and/or improved service levels to the participating councils.</p>	Achieved	<p>Joint procurement initiatives undertaken for:</p> <ul style="list-style-type: none"> <li>• Print Media Copyright Agency – group agreement providing consistent licensing level to all councils and discounted pricing.</li> <li>• Travel Services Management – discounted travel services and improved reporting and management of council travel expenses.</li> <li>• Air Travel – Air NZ Direct Connect Portal available to all BOPLASS councils, providing preferential booking services and discounted national and international airfares.</li> <li>• Radio Telephony Strategy – collaboration in development of regional-wide RT strategy, providing improved coordination of civil defence and emergency services, reduction in duplication of services, sharing of infrastructure and cost savings.</li> <li>• Aerial Photography – managed tender for new collaborative flying programme, providing savings in capture and production of imagery.</li> <li>• Archiving Services – opportunities for collaborative archiving service and shared facility undertaken.</li> <li>• Joint procurement of High-Volume Print and Mail Services initiated, e.g. rates, water, dog notices.</li> <li>• On-line Services – investigation of collaborative development of online delivery of council services to communities.</li> </ul>
<p>Provide support to BOPLASS councils that are managing or investigating shared services projects.</p> <p>0.25 FTE assigned to directly developing councils' shared service opportunities. *</p>	Achieved	<p>Support provided to councils in development of the following services:</p> <ul style="list-style-type: none"> <li>• After-hours telephone services – BOPLASS council appointed, providing consistent regional service and direct input of service requests.</li> <li>• Inter Council Network (ICN) Management – monitoring and management of ICN established, including design and architecture, monitoring services and support services – ensuring reliability of network for councils and delivery of services.</li> <li>• Council submissions on Government's Ultra-Fast Broadband (UFB), Rural Broadband Initiative (RBI) and mobile blackspot supported by BOPLASS – assisting councils to promote priority areas and a regional approach to supporting better broadband in communities.</li> <li>• GIS services – collaboration in development of council and regional GIS services.</li> <li>• Regionally based Data Centre – supporting councils and local economic development agencies investigation into a local data centre.</li> </ul> <p>35% of IT Manager's time directly committed to supporting council projects – measured by job- tracking timesheets.</p>



<p>Develop a Collaboration Portal for access to, and sharing of, project information from BOPLASS councils and the greater local government community.</p> <p>Shared portal providing upload and download capabilities to all participating BOPLASS councils is operational within 12 months. *</p>	Not achieved	<ul style="list-style-type: none"> <li>• Collaboration portal established, content populated and portal live and operational.</li> <li>• Training initiated with pilot BOPLASS councils.</li> <li>• Unacceptable performance from external hosting services created poor user experience. Delayed resolution from provider produced delay in completing final rollout to all BOPLASS councils.</li> <li>• Exception Report provided to councils outlining cause of delay, steps taken to resolve issues, and learnings.</li> <li>• Hosting has now been moved from the environment causing the performance issues and has been established and tested in Office365 Sydney.</li> <li>• Portal is now operational and being rolled out to BOPLASS councils.</li> </ul>
<p>Manage and/or renegotiate existing contracts.</p> <p>Contracts due for renewal are tested for competitiveness in the marketplace. New suppliers are awarded contracts through a competitive procurement process involving two or more vendors.</p>	Achieved	<p>Contracts negotiated and/or renewed for:</p> <ul style="list-style-type: none"> <li>• Media Monitoring Services</li> <li>• Office Supplies</li> <li>• Video Conferencing Services</li> <li>• GIS software – FME, Optimizer, Essentials, ERDAS, X-Tools, ESRI, NZAA</li> <li>• Postal services</li> <li>• Insurance broker services</li> <li>• Infrastructure Insurance.</li> </ul>
<p>Perform self-assessment reviews of governance.</p> <p>Affirmative feedback received from shareholding councils at least annually.</p>	Achieved	<ul style="list-style-type: none"> <li>• Strategic reviews completed by the board.</li> <li>• Board structure altered to include independent director with incremental skills.</li> <li>• Independent director recruited and appointed.</li> <li>• Changes made to operations governance structure.</li> </ul> <p>Statement of Intent, including governance changes, accepted by all shareholding councils.</p>
<p>Communicate with each shareholding council at appropriate levels.</p> <p>At least one meeting per year.</p>	Achieved	<p>Executive-level meetings held with councils.</p>
<p>Ensure current funding model is appropriate. *</p> <p>Performance against budgets reviewed quarterly. Company remains financially viable.</p>	Achieved	<p>Council contributions levied, contributions received from activities producing savings, vendor rebates collected. Monthly and quarterly performance reviewed.</p>

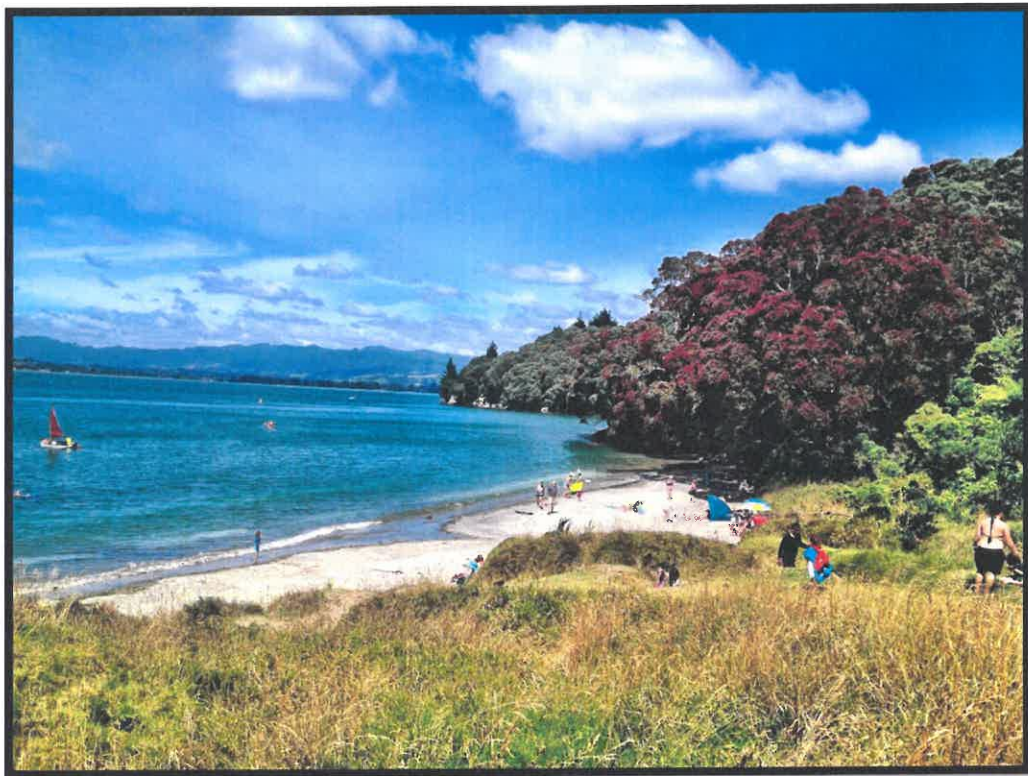
\* New targets 2014/15

## Statement of Intent and Performance continued

The following is a report of performance against targets set in the Statement of Intent for 2013/14 and is provided for comparative purposes.

Target	Result	Narration
Successfully implement two of the Identified Shared Service projects (Listed in Appendix A of 2013-14 SOI) within a 12 month period.	Not achieved	Inter-council network security standards and protocols developed and established. Development of shared IT hosting infrastructure completed within external datacentre. Following a strategic review in late 2013, the BOPLASS Board advised in the 2014 Half Yearly Report that BOPLASS strategy had been reset and the shared services target for 2013/14 would not be applicable or achieved.
Investigate a minimum of four Joint Procurement or Shared Services initiatives per year for goods and services from sources offering best value, service, continuity of supply and/or continued opportunities for integration (Current identified projects are listed in Appendix A).	Achieved	Infrastructure insurance options investigated and new contracts established for participating councils. Joint Media Monitoring contract implemented and shared portal developed. Radio telephony procurement and regional strategy initiated. Travel and accommodation services procurement initiated. Document back scanning services investigated and establishment of a BOPLASS service evaluated. High volume print and mail services procurement initiated. Additional GIS software joint procurement opportunities investigated. Antivirus alternatives investigated. Agenda Management software provider appointed. Database monitoring procurement investigated. Aerial drones procurement and capabilities under investigation. Shared licence management server developed to support joint procurement of current and future software licences.
Manage and/or renegotiate existing contracts ensuring appointed vendors remain competitive and continued best value is returned to shareholders.	Achieved	Telecommunications contract tendered with further discounts negotiated. Postal services contract renegotiated. ESRI contract renegotiated and renewed. Further N3 contract discounts negotiated. New aerial photography contract investigated. Fuel contract reviewed and alternative proposed to councils. Improved pricing and standardisation through an enterprise Objective document management contract investigated. Video conference services renewal options investigated.
Perform self-assessment reviews of governance.	Achieved	Strategic reviews and facilitated workshops completed by the board.
Communicate with each shareholding council at appropriate levels with at least one meeting with each Leadership Team per year.	Achieved	Meetings held with councils.
Ensure sufficient income is available from activities to sustain a viable company.	Achieved	Council contributions levied, activity groups levied, contributions received from activities producing savings. Non-voting shares issued to improve equity ratios.

## PART TWO – ACCOUNTABILITY STATEMENTS



### Building Blocks



BOPLASS Ltd has been built on a number of principles and activities and these are the building blocks of our success.

You will find examples scattered through the document.



## Statement of Responsibility

The following pages 15-36 outline the financial statements and notes for year ended 30 June 2015 for BOPLASS Limited.

The directors believe that proper accounting records have been kept that enable, with reasonable accuracy, the determination of the financial position of the company and facilitate compliance of the financial statements with the Financial Reporting Act 1993.

The directors consider that they have taken adequate steps to safeguard the assets of the company, and to prevent and detect fraud and other irregularities. Internal control procedures are also considered to be sufficient to provide reasonable assurance as to the integrity and reliability of the financial statements.

The directors are pleased to present the financial statements of BOPLASS Ltd for the twelve months ended 30 June 2015.

For and on behalf of the Board of Directors:

Signed:  Russell George – Chair

Date: 11/09/15

Signed:  Garry Poole – Director

Date: 11/9/15



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## Financial Statements – Statement of Financial Position

STATEMENT OF FINANCIAL POSITION - AS AT 30 JUNE 2015			
BOP LASS LTD	Notes	BOP LASS Ltd	
		2014/15 Actual	2013/14 Actual
<b>ASSETS - CURRENT</b>			
Bank accounts and cash	9	976,927	866,477
Debtors and Other Receivables	10	97,389	316,122
Prepayments	11	30,661	6,568
<b>Total Current Assets</b>		<b>1,104,977</b>	<b>1,189,166</b>
<b>ASSETS - NON-CURRENT</b>			
Intangible Assets	12	0	25
Plant and Equipment	13	0	326
<b>Total Non-Current Assets</b>		<b>0</b>	<b>351</b>
<b>TOTAL ASSETS</b>		<b>1,104,977</b>	<b>1,189,517</b>
<b>LIABILITIES - CURRENT</b>			
Creditors and Accrued Expenses	14	257,045	81,209
Employee Costs Payable	15	17,872	15,471
Income in Advance	16	771,132	798,643
Borrowings	17	0	237,550
<b>Total Current Liabilities</b>		<b>1,046,049</b>	<b>1,132,873</b>
<b>TOTAL LIABILITIES</b>		<b>1,046,049</b>	<b>1,132,873</b>
<b>TOTAL ASSETS less TOTAL LIABILITIES</b>		<b>58,927</b>	<b>56,644</b>
<b>EQUITY</b>			
Accumulated Deficits	18	(40,075)	(42,358)
Share Capital	18	99,002	99,002
<b>TOTAL EQUITY</b>		<b>58,927</b>	<b>56,644</b>

The notes and Statement of Accounting Policies form part of these financial statements.

For and on behalf of the Board of Directors:

Signed:  Russell George – Chair

Date: 11/09/15

Signed:  Garry Poole – Director

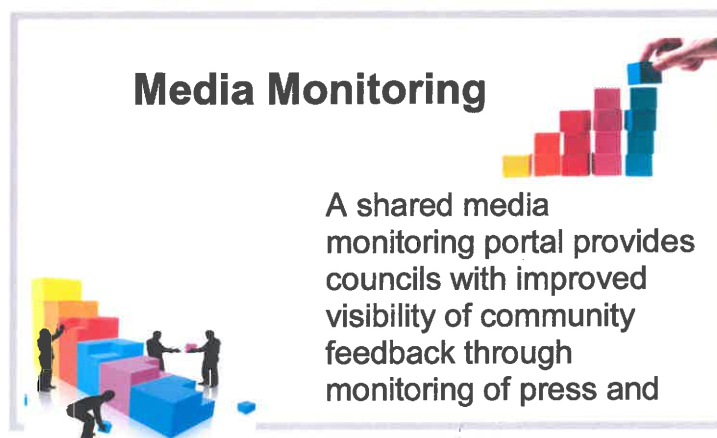
Date: 11/9/15



## Financial Statements – Statement of Financial Performance

STATEMENT OF FINANCIAL PERFORMANCE - FOR THE YEAR ENDED 30 JUNE 2015				
BOP LASS LTD	Notes	BOP LASS Ltd		
		2014/15 Actual	2014/15 Budget	2013/14 Actual
<b>REVENUE</b>				
Council Contribution	2	273,511	273,510	273,511
Project Revenue	2	1,386,664	807,700	1,210,399
Interest Revenue	3	30,671	25,000	19,701
<b>Total Revenue</b>		<b>1,690,846</b>	<b>1,106,210</b>	<b>1,503,611</b>
<b>EXPENSES</b>				
Depreciation and Amortisation	4	217	650	318
Employee Related Costs	5	329,442	321,000	306,962
Directors Costs	6	4,759	0	0
Finance Cost	7	7,755	10,000	31,962
Other Expenses	8	1,346,392	774,560	1,162,292
<b>Total Expenses</b>		<b>1,688,564</b>	<b>1,106,210</b>	<b>1,501,534</b>
<b>Surplus/(Deficit) before tax</b>		<b>2,282</b>	<b>0</b>	<b>2,093</b>
Income Tax Expense/(Benefit)		0	0	0
<b>Surplus/(Deficit) after Tax</b>		<b>2,282</b>	<b>0</b>	<b>2,093</b>

The notes and Statement of Accounting Policies form part of these financial statements.  
 Explanations of major variances against budget are provided in note 23.



# Financial Statements – Statement of Cashflows

STATEMENT OF CASHFLOWS - FOR THE YEAR ENDED 30 JUNE 2015			
BOP LASS LTD	Notes	BOP LASS Ltd	
		2014/15 Actual	2013/14 Actual
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>			
Council Contribution		273,511	273,511
Project Revenue		1,604,905	1,292,824
Interest Revenue		30,671	19,701
Tax Paid - RWT (net)		0	4,751
Goods and Services Tax (net)		0	30,034
<b>Total Cash Provided</b>		<b>1,909,087</b>	<b>1,620,820</b>
Employee Related Costs		(327,041)	(301,121)
Payments to Suppliers		(1,157,920)	(1,261,333)
Interest Paid		(7,755)	(31,962)
Tax Paid - RWT (net)		(9,978)	0
Goods and Services Tax (net)		(58,393)	0
<b>Total Cash Applied</b>		<b>(1,561,086)</b>	<b>(1,594,417)</b>
<b>NET CASHFLOWS FROM OPERATING ACTIVITIES</b>		<b>348,000</b>	<b>26,403</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>			
Acquisition of Investments		0	0
Purchase of Plant and Equipment		0	0
Purchase of Intangibles		0	0
<b>Total Investing Cash Applied</b>		<b>0</b>	<b>0</b>
<b>NET CASHFLOWS FROM INVESTING ACTIVITIES</b>		<b>0</b>	<b>0</b>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from Loans		475,260	725,400
Proceeds from Capital Contributions		0	90,002
Repayment of Loans		(712,810)	(813,215)
<b>NET CASHFLOWS FROM FINANCING ACTIVITIES</b>		<b>(237,550)</b>	<b>2,187</b>
<b>NET INCREASE/(DECREASE) IN CASH</b>		<b>110,450</b>	<b>28,590</b>
<b>CASH AT BEGINNING OF THE YEAR</b>		<b>866,477</b>	<b>837,887</b>
<b>CASH AT END OF THE YEAR</b>	9	<b>976,927</b>	<b>866,477</b>

The GST component of operating activities reflects the net GST paid and received to and from the Inland Revenue Department. The GST component has been prepared on a net basis, as the gross amounts do not provide meaningful information for financial purposes.

The notes and Statement of Accounting Policies form part of these financial statements.

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**LEGAL NAME**

BOP LASS Limited stands for Bay of Plenty Local Authority Shared Services.

**TYPE OF ENTITY AND LEGAL BASIS**

BOPLASS Ltd is incorporated in New Zealand under the Companies Act 1993.

**COMPANY'S PURPOSE**

BOPLASS Ltd is based in Tauranga and is a joint venture between nine councils formed to provide shared services.

**STRUCTURE OF COMPANY'S OPERATIONS INCLUDING GOVERNANCE ARRANGEMENTS**

The company is owned and controlled by the nine councils and comprises a board of 10 directors who oversee the governance of the company. A Chief Executive is responsible for the day-to-day operations of the company and reports to the board, with two other staff supporting the Chief Executive in delivering against the company's objectives. The board is made up of nine Chief Executives from participating councils and one Independent director. Refer Statutory Disclosure note page 35 for list of councils.

**MAIN SOURCE OF THE COMPANY'S CASH AND RESOURCES**

Annual operating contribution received from each of the nine councils and project commissions are the main source of funding .

**OUTPUTS**

As per the Statement of Intent and Performance.

## ***Statement of Accounting Policies***

### **Statement of Accounting Policies for the Year Ended 30 June 2015**

#### **ACCOUNTING POLICIES APPLIED:**

##### ***BASIS OF PREPARATION***

The board has elected to apply PBE SFR-A (PS) *Public Benefit Entity Simple Format Reporting – Accrual (Public Sector)* on the basis that the company does not have public accountability (as defined) and has total annual expenses less than \$2 million.

All transactions in the financial statements are reported using the accrual basis of accounting. The financial statements are presented in New Zealand dollars (\$) and all values are rounded to the nearest dollar. The functional currency of BOPLASS Ltd is New Zealand dollars.

The financial statements are prepared on the assumption that the company will continue to operate in the foreseeable future.

##### ***GOODS AND SERVICES TAX***

The company is registered for GST. All amounts in the financial Statements are recorded exclusive of GST, except for debtors and creditors which are stated inclusive of GST.

##### ***REVENUE RECOGNITION***

Revenue is measured at the fair value of the consideration received or receivable.

Contributions received from the nine shareholder councils are BOPLASS Limited's primary source of funding for the 12 months ended 30 June 2015.

Council contributions are recognised as revenue when they become receivable unless there is an obligation to return the funds if conditions of the contributions are not met. No such obligation is attached to the council contributions received for the twelve months ended 30 June 2015.

Project revenue is recognised when the sale of goods or services is sold to the customer.

Interest revenue is recorded as it is earned during the year.

##### ***EMPLOYEE RELATED COSTS***

Wages, salaries, and annual leave are recorded as an expense as staff provide services and become entitled to wages, salaries and leave entitlements.



Performance payments are recorded when the employee is notified that the payment has been granted.

Superannuation contributions are recorded as an expense as staff provide services.

### ***ADMINISTRATION, OVERHEADS AND PROJECT EXPENDITURE COSTS***

These are expensed when the related service has been received.

### ***LEASE EXPENSES***

Lease payments are recognised as an expense on a straight-line basis over the lease term.

### ***BANK ACCOUNTS AND CASH***

Bank accounts and cash comprise cash on hand, cheque or savings accounts, and deposits held at call with banks.

Bank overdrafts are presented as a current liability in the statement of financial position.

### ***DEBTORS AND OTHER RECEIVABLES***

Debtors are initially recorded at the amount owed. When it is likely the amount owed (or some portion) will not be collected, a provision for impairment is recognised and the loss is recorded as a bad debt expense.

### ***PLANT AND EQUIPMENT***

Plant and equipment is recorded at cost, less accumulated depreciation and impairment losses.

For an asset to be sold, the asset is impaired if the market price for an equivalent asset falls below its carrying amount. For an asset to be used by the company, the asset is impaired if the value to the company in using the asset falls below the carrying amount of the asset.

Depreciation is provided on a diminishing value basis over the estimated useful life, at the same rate as is allowed by the Income Tax Act 1994.

The useful lives for associated depreciation rates of other assets have been estimated using the diminishing value basis as follows:

Office equipment	5 years	40%
Computer equipment	4 years	50%



## **INTANGIBLE ASSETS**

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Costs associated with maintaining computer software are recognised as an expense when incurred.

The carrying value of an intangible asset with a finite life is amortised on a diminishing value basis over its estimated useful life, at the same rate as is allowed by the Income Tax Act 1994. This charge is recognised as an expense.

The useful lives for associated amortisation rates of major classes of intangible assets have been estimated using the diminishing basis as follows:

Computer Software	4 years	60%
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## **CREDITORS AND ACCRUED EXPENSES**

Creditors and accrued expenses are measured at the amount owed.

## **EMPLOYEE COSTS PAYABLE**

A liability for employee costs payable is recognised when an employee has earned the entitlement.

These include salaries and wages accrued up to balance date and annual leave earned but not yet taken at balance date. A liability and expense for long service leave and retirement gratuities is recognised when the entitlement becomes available to the employee.

## **INTEREST BEARING LOANS AND BORROWINGS**

Loans & Borrowings are recognised at the amount borrowed from the lender.

Interest costs and interest accrued are recognised as an expense when incurred.

## **INCOME TAX**

Tax expense is calculated using the taxes payable method. As a result, no allowance is made for deferred tax. Tax expense includes the current tax liability and adjustments to prior year tax liabilities.

## **BUDGET FIGURES**

The budget figures are derived from the Statement of Intent as approved by the Board at the beginning of the financial year. The budget figures have been prepared in accordance with Tier 3 standards, using accounting policies that are consistent with those adopted by the board in preparing these financial statements.



## **COMMITMENT AND CONTINGENT LIABILITIES**

Commitments and contingencies are disclosed exclusive of GST.

## **EQUITY**

Equity is measured by the value of total assets less total liabilities.

## **TIER 2 PBE ACCOUNTING STANDARDS APPLIED**

BOPLASS Ltd has partially applied Tier 2 Accounting Standards in preparing its Financial Statements to:

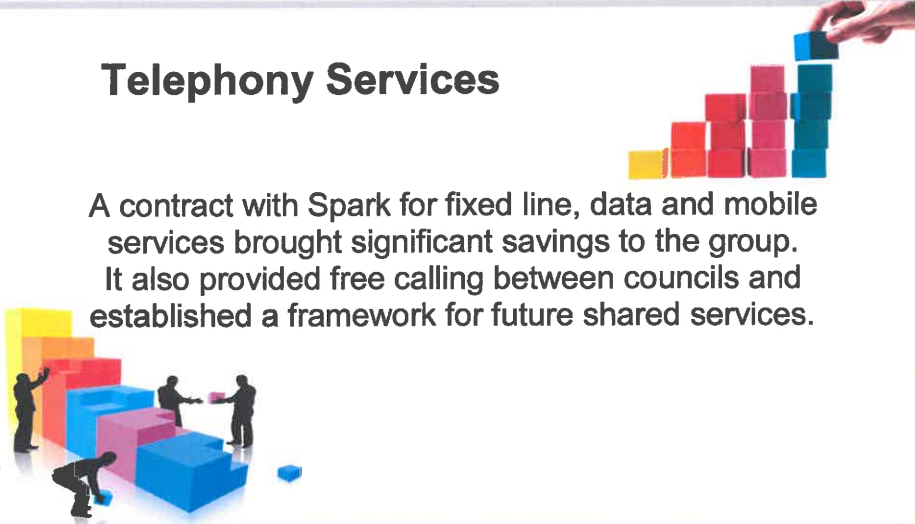
- Property, plant and equipment to show intangible assets separate from property, plant & equipment.
- Debtors and prepayments reported separately.

## **CHANGES IN ACCOUNTING POLICIES AND TRANSITION TO THE NEW PBE SFR-A (PS) STANDARD**

This is the first set of financial statements prepared using the new PBE SFR-A (PS) standard and comparative information for the year ended 30 June 2014 has been restated to comply with the new standard. The significant adjustments arising on transition to the new standard are provided in Note 25.

### Telephony Services

A contract with Spark for fixed line, data and mobile services brought significant savings to the group. It also provided free calling between councils and established a framework for future shared services.



## Notes to Financial Statements

### Note 2: Council Contribution / Project Revenue

	Notes	BOP LASS Ltd		
		2014/15 Actual	2014/15 Budget	2013/14 Actual
<b>Core Revenue</b>				
Council Contribution	*	273,511	273,510	273,511
Other Interest	**	0	0	16
		<b>273,511</b>	<b>273,510</b>	<b>273,527</b>
<b>Project Revenue</b>				
Activity Group Fees	*	0	60,000	63,000
Aerial Photography Revenue	**	225,440	100,000	146,477
Canon Video Conferencing Revenue	***	12,362	11,700	21,394
Lease Revenue - ICN		241,445	145,000	279,579
Recoveries	****	860,136	481,000	685,385
Sales of Service	*****	47,282	10,000	14,564
		<b>1,386,664</b>	<b>807,700</b>	<b>1,210,399</b>
<b>TOTAL CORE &amp; PROJECT REVENUE</b>		<b>1,660,175</b>	<b>1,081,210</b>	<b>1,483,926</b>

\* Annually councils make a contribution towards the operating costs for BOPLASS Ltd.

\*\* Interest received from Inland Revenue.

\*Restructure of Activity Groups negated requirement for group levies.

\*\* Aerial Photography Revenue is offset by Aerial Photography expenditure paid by BOPLASS Ltd on behalf of the councils. Refer to note 8.

\*\*\* Video Conferencing Revenue is offset by Video Conferencing expenditure.

\*\*\*\* Recovery Revenue is offset by recovery expenditure refer to note 8. This is the recovery of BOPLASS project or procurement costs incurred on behalf of the participating councils.

\*\*\*\*\* Sales of Service revenue various rebates on projects and secondment payment from Bay of Plenty Regional Council.

### Note 3: Interest Revenue

	Notes	BOP LASS Ltd		
		2014/15 Actual	2014/15 Budget	2013/14 Actual
<b>Core Revenue</b>				
Interest Revenue - Current account	*	2,864	5,000	3,409
<b>Project Revenue</b>				
Interest Revenue - Aerial Trust account	*	27,807	20,000	16,292
<b>TOTAL INTEREST REVENUE</b>		<b>30,671</b>	<b>25,000</b>	<b>19,701</b>

\* Bank interest on BOPLASS Ltd current account and Aerial Photography Trust account.



## Note 4: Depreciation and Amortisation Expense

	Notes	BOP LASS Ltd		
		2014/15 Actual	2014/15 Budget	2013/14 Actual
<b>Core Expenditure</b>				
Intangibles	*	24	250	36
Plant and Equipment	**	193	400	282
<b>TOTAL DEPRECIATION AND AMORTISATION EXPENSE</b>		<b>217</b>	<b>650</b>	<b>318</b>

\* Intangibles refer to note 12.

\*\* Plant and Equipment refer to note 13.

## Note 5: Employee Related Costs

	Notes	BOP LASS Ltd		
		2014/15 Actual	2014/15 Budget	2013/14 Actual
<b>Core Expenditure</b>				
Salary and Wages		292,767	290,000	274,139
Superannuation	*	8,604	0	4,266
Direct Personnel Overheads	**	28,071	31,000	28,557
<b>TOTAL EMPLOYEE RELATED COSTS</b>		<b>329,442</b>	<b>321,000</b>	<b>306,962</b>

\* Superannuation includes employer contributions to Kiwisaver.

\*\* Direct Personnel Overheads include ACC, fringe benefit tax, staff training costs and other staff support costs.

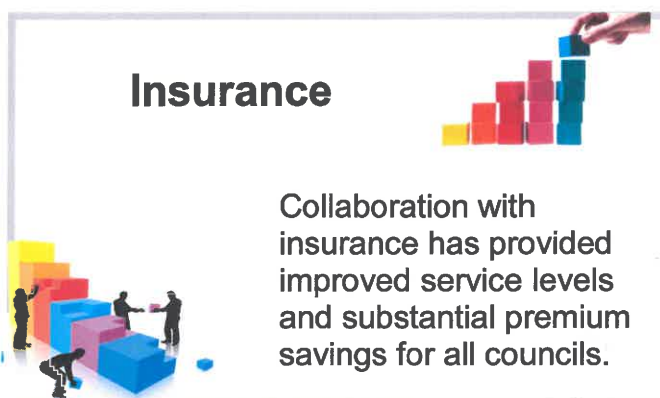
## Note 6: Directors Costs

	Notes	BOP LASS Ltd		
		2014/15 Actual	2014/15 Budget	2013/14 Actual
<b>Core Expenditure</b>				
Directors Fees	*	3,333	0	0
Directors Costs	**	1,425	0	0
<b>TOTAL DIRECTORS COSTS</b>		<b>4,759</b>	<b>0</b>	<b>0</b>

\* Craig O'Connell, the only Independent paid director, commenced February 2015. The other nine directors are the Chief Executives of participating councils and do not receive any remuneration from BOPLASS.

\*\* Director's travel costs.

### Insurance



Collaboration with insurance has provided improved service levels and substantial premium savings for all councils.

## Note 7: Finance Cost

	Notes	BOP LASS Ltd		
		2014/15 Actual	2014/15 Budget	2013/14 Actual
<b>Core Expenditure</b>				
Interest on Borrowings	*	7,755	10,000	31,962
<b>TOTAL FINANCE COST</b>		<b>7,755</b>	<b>10,000</b>	<b>31,962</b>

\* Interest on Tauranga City Council loan refer to note 17.

## Note 8: Other Expenses

	Notes	BOP LASS Ltd		
		2014/15 Actual	2014/15 Budget	2013/14 Actual
<b>Core Expenditure</b>				
Audit Fees	*	15,669	15,000	15,504
Administration Expenses	**	40,906	28,600	34,762
Consultancy	***	4,442	60,000	75,860
Insurance		6,704	8,000	6,434
Penalty write off		0	0	1,799
Loss on Disposal of Asset		134	0	0
		<b>67,855</b>	<b>111,600</b>	<b>134,359</b>
<b>Project Expenditure</b>				
Aerial Photography	*	225,440	100,000	146,477
Aerial Photography Copyright		0	0	0
Canon Video Conferencing	**	11,943	10,960	16,466
Lease Expenses - ICN	**	173,590	140,000	142,548
Other Operating Expenditure - ICN	***	11,779	12,000	149,750
Recoveries	****	855,785	400,000	572,692
Service Costs		0	0	0
		<b>1,278,537</b>	<b>662,960</b>	<b>1,027,933</b>
<b>TOTAL OTHER EXPENSES</b>		<b>1,346,392</b>	<b>774,560</b>	<b>1,162,292</b>

### Core

\* Audit Fees for 2014/15 are \$15,669 includes accrual \$10,659.

\*\* Administration expenses include such things as accommodation & travel, administration, bank fees, catering, conferences, postage & stationery and subscription costs.

\*\*\* Consultancy includes legal & tax advice for 2014/15.

### Project

\* BOPLASS Ltd has a contract for aerial photography on behalf of the councils. This expenditure is offset from the revenue received from the councils. BOPLASS Ltd is acting on behalf of the councils.

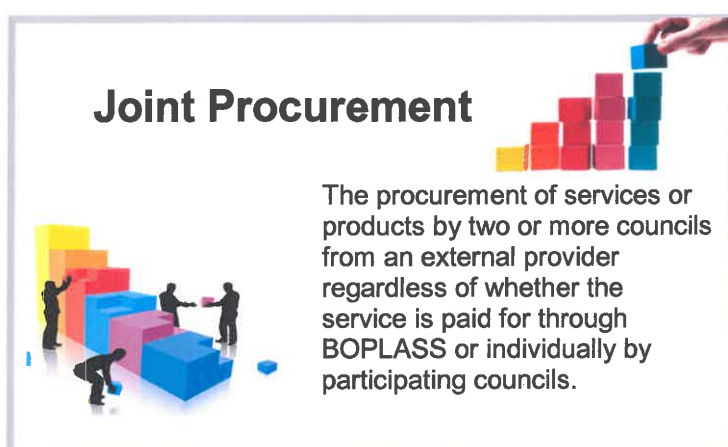
\*\* This expenditure is offset from the revenue received from the councils. BOPLASS Ltd is acting on behalf of the councils.

\*\*\* Other Operating Expenditure ICN - other expenses related to Council Regional Network Platform (ICN) additional to the lease expense.

\*\*\*\* Recoveries - This expenditure is offset from the revenue received from the councils for project work.

## Note 9: Bank Accounts and Cash

	Notes	BOP LASS Ltd	
		2014/15 Actual	2013/14 Actual
Cash at Bank - Current account		103,075	83,966
Cash at Bank - Aerial Trust account		873,852	782,511
<b>TOTAL BANK ACCOUNTS AND CASHM</b>		<b>976,927</b>	<b>866,477</b>



## Note 10: Debtors and Other Receivables

	Notes	BOP LASS Ltd	
		2014/15 Actual	2013/14 Actual
Accrued Equity Injection	*	0	49,092
Accrued Income		12,274	8,501
Debtors - Other		56,098	256,529
Goods and Services Tax		17,040	0
Withholding Tax		11,978	1,999
<b>TOTAL DEBTORS AND OTHER RECEIVABLES</b>		<b>97,389</b>	<b>316,122</b>

Debtors are non-interest bearing and receipt is normally 30-day terms. Therefore, the carrying amount of debtors approximates their fair value.

## Note 11: Prepayments

	Notes	BOP LASS Ltd	
		2014/15 Actual	2013/14 Actual
Under 1 Year		30,661	6,568
<b>TOTAL PREPAYMENTS</b>		<b>30,661</b>	<b>6,568</b>

## Note 12: Intangible Assets

	Notes	BOP LASS Ltd	
		2014/15 Actual	2013/14 Actual
<b>Computer Software Cost</b>			
Cost at beginning of Year		3,622	3,622
Current Year Additions		0	0
Current Year Disposals		0	0
<b>Cost Balance at Year End</b>		<b>3,622</b>	<b>3,622</b>
<b>Accumulated Amortisation and Impairment</b>			
Cost at beginning of Year		3,597	3,561
Amortisation Expense		25	36
Impairment Losses		0	0
<b>Accumulated Amortisation and Impairment Balance at Year End</b>		<b>3,622</b>	<b>3,597</b>
<b>Carrying Amounts</b>			
Cost at beginning of Year		25	61
<b>Carrying Amount at Year End</b>		<b>0</b>	<b>25</b>

Computer software was purchased from independent external suppliers. This has been amortised over its life (4 years).

No impairment losses have been recognised for intangible assets.

### All of Government (AoG) Procurement



BOPLASS takes into account and supports opportunities available through All of Government purchasing arrangements.



## Note 13: Plant and Equipment

	Notes	BOP LASS Ltd	
		2014/15 Actual	2013/14 Actual
<b>Office and Computer Equipment Cost</b>			
Cost at beginning of Year		2,489	2,489
Current Year Additions		0	0
Current Year Disposals		0	0
<b>Cost Balance at Year End</b>		<b>2,489</b>	<b>2,489</b>
<b>Accumulated Depreciation and Impairment</b>			
Cost at beginning of Year		2,163	1,881
Depreciation Expense		193	282
Impairment Losses		0	0
Loss on Disposal of Asset	*	134	
<b>Accumulated Depreciation and Impairment Balance at Year End</b>		<b>2,489</b>	<b>2,163</b>
<b>Carrying Amounts</b>			
Cost at beginning of Year		326	608
<b>Carrying Amount at Year End</b>		<b>(0)</b>	<b>326</b>

Office equipment has been depreciated over its life (5 years).

Computer equipment has been depreciated over its life (4 years).

\* Write off of video conferencing camera

## Note 14: Creditors and Accrued Expenses

	Notes	BOP LASS Ltd	
		2014/15 Actual	2013/14 Actual
Accrued Expenses	*	25,148	39,865
Creditors		217,871	(9)
Goods and Services Tax Payable		0	41,353
Retentions		14,026	0
<b>TOTAL CREDITORS AND ACCRUED EXPENSES</b>		<b>257,045</b>	<b>81,209</b>

Creditors are non-interest bearing and are normally settled on 30-day terms. Therefore the carrying value of creditors and other payables approximates their fair value.

\* Accrued Expenses relates to Audit Fees of \$10,659 and other miscellaneous costs of \$14,489 that have been accrued for the 2014/15 financial year.



## Note 15: Employee Costs Payable

	Notes	BOP LASS Ltd	
		2014/15 Actual	2013/14 Actual
Accrued Salaries and Wages		6,762	9,470
Annual Leave		11,110	6,001
<b>TOTAL EMPLOYEE COSTS PAYABLE</b>		<b>17,872</b>	<b>15,471</b>

## Note 16: Income in Advance

	Notes	BOP LASS Ltd	
		2014/15 Actual	2013/14 Actual
Income in Advance	*	771,132	798,643
<b>TOTAL INCOME IN ADVANCE</b>		<b>771,132</b>	<b>798,643</b>

\* Income in advance that relates to 2014/15 financial year. \$617,548 is for aerial photography. The rest relates to Bay of Plenty Regional Council contributions towards various projects such as \$25,000 for the rates project; \$76,101 to the Geospatial Web project; \$15,000 for the Infra-Red Imagery; \$31,050 towards Portal Testing & Proof of concept costs and \$6,433 towards annual maintenance licenses.

## Note 17: Borrowings

	Notes	BOP LASS Ltd	
		2014/15 Actual	2013/14 Actual
Maturing in Under 1 Year		0	237,550
<b>TOTAL BORROWINGS</b>		<b>0</b>	<b>237,550</b>

BOPLASS Ltd has a reciprocal borrowing arrangement with Tauranga City Council which allows for the borrowing of funds and placement of excess funds. The current loan balance as at 30 June 2015 is \$0.00. Interest is accrued during each interest period.

This loan facility is still available to BOPLASS Ltd.

Interest is calculated at current market rates. The loan from Tauranga City Council was unsecured.

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## Note 18: Equity

	Notes	BOP LASS Ltd	
		2014/15 Actual	2013/14 Actual
<b>Capital Contribution</b>			
Balance at beginning of Year		99,002	9,000
Fully Paid up Shares		0	90,002
<b>Balance at Year End</b>		<b>99,002</b>	<b>99,002</b>
<b>Accumulated Surpluses/(Deficit)</b>			
Balance at beginning of Year		(42,358)	(44,451)
Surplus/(Deficit) after Taxation		2,282	2,093
<b>Balance at Year End</b>		<b>(40,075)</b>	<b>(42,358)</b>

**Capital Contribution** - As at 30 June 2015, share capital comprised of thirty one Ordinary Shares and twenty two Non-Voting Shares.

The holders of the ordinary shares are entitled to receive dividends as declared from time to time, are entitled to one vote per share at meetings of the company, and rank equally with regard to the company's residual assets.

**Dividends** - No dividends have been paid or are proposed by the company.

## Note 19: Events Occurring After Balance Date

No events have occurred since balance date for BOPLASS Ltd.



## Note 20: Statement of Commitments

This statement represents extraordinary or exceptionally large commitments for that type of expenditure within the normal course of business, which have been contractually entered into. As at balance date, BOPLASS Ltd has no large commitments of this nature.

	Notes	BOP LASS Ltd	
		2014/15	2013/14
		Actual	Actual
Capital Commitments		0	0
<b>TOTAL CAPITAL COMMITMENTS</b>		<b>0</b>	<b>0</b>

BOPLASS Ltd has a contractual agreement with Aerial Surveys to provide aerial photos for the councils. This is treated as an operational expense in the BOPLASS Ltd accounts.

### Operating Leases as Lessee

BOPLASS Ltd has leased an ultrafast broadband network to enable the establishment of a Inter Council Network. An advance payment of \$250,000 was paid by BOPLASS Ltd in 2010 for the first three years of a lease contract. The lease has a term of ten years with the right of withdrawal after three years. BOPLASS Ltd does not have an option to purchase the leased broadband network at the expiry of the lease period.

The Canon lease finished in March 2014 with a new agreement due to commence in the new financial year 2015/16. All income and expenditure for 2014/15 year has been through a service and maintenance agreement.

OPERATING LEASES AS LESSEE	Notes	BOP LASS Ltd	
		2014/15 Actual	2013/14 Actual
Not later than one year		15,910	0
Later than one year and not later than five years		63,640	0
Later than five years		0	0
<b>TOTAL OPERATING LEASES AS LESSEE</b>		<b>79,550</b>	<b>0</b>

The lease expense of \$173,590 for the Inter Council Network is recognised in the Statement of Financial Performance reference note 8.

Participating councils are invoiced by BOPLASS Ltd on a monthly basis over the period of the lease to recover the costs for the lease of the Inter Council Network. The monthly pricing is reviewable not less than annually and adjustments are to be made for market trends and for the number of councils participating. The lease invoicing started in the 2010 financial year.

RECOVERY OF OPERATING LEASES PAYMENTS FROM PARTICIPATING COUNCILS	Notes	BOP LASS Ltd	
		2014/15 Actual	2013/14 Actual
Not later than one year		15,910	0
Later than one year and not later than five years		63,640	0
Later than five years		0	0
<b>TOTAL OPERATING LEASES AS LESSOR</b>		<b>79,550</b>	<b>0</b>

## Note 21: Related Party Transactions

Related-party disclosures have not been made for transactions with related parties that are within a normal supplier or client / recipient relationship on terms and conditions no more or less favourable than those that it is reasonable to expect the company would have adopted in dealing with the party at arm's length in the same circumstances.

### Related party required to be disclosed

Tauranga City Council provided accounting services to BOPLASS Ltd during the financial year to 30 June 2015 free of charge. An estimated value of the accounting services provided for the year is \$10,000.

## Note 22: Statement of Performance Against Statement of Intent

The Equity Ratio is a good indicator of the level of leverage used by a company. The Equity Ratio measures the proportion of the total assets that are financed by stockholders and not creditors.

The calculation of equity ratio is: 17.75

## Note 23: Explanations of Major Variances Against Budget

BOP LASS Ltd	
STATEMENT OF FINANCIAL PERFORMANCE	VARIANCE AGAINST BUDGET
Project Revenue	Lease Revenue ICN also included recovery of project expenses related to the reassignment of the recovery of lease costs.
Employee Related Costs	Acting CEO appointed permanently to position October 2014 and remuneration changed accordingly. Part-time administrator hours increased.
Directors Fees	Independent director appointed in February 2015.
Recoveries and Projects - Recoveries	Additional projects undertaken by BOPLASS during the year, resulting in new project costs and recoveries.
Activity Group Fees	Restructure of Activity Groups negated requirement for group levies.
Sales of Service	BOPLASS IT Manager contracted to BOP Regional Council for council-related IT work. Variance represents costs recovered.
Aerial Photography Income and Expenditure	Extent of flying increased by councils.
ICN Lease Income and Expenditure	Also includes network management and monitoring services completed this year.
Consultants	External consultants were not engaged. Required resource or expertise provided by councils.

## Note 24: BOPLASS Contractual Offsetting Revenue & Expenditure Transactions

	BOP LASS Ltd 2014/15			Explanation to Variance
	Revenue	Expenditure	Net Operating Surplus/ (Deficit)	
<b>Core</b>				
Council Contribution	273,511	0	273,511	BOPLASS Ltd's funding from councils to fund administrative costs not related to projects.
Other Interest	0	0	0	Interest received from Inland revenue.
Interest Revenue	2,864	0	2,864	Bank interest received on the BOPLASS Ltd current account.
Salary and Wages	0	292,767	(292,767)	Refer to note 5.
Superannuation	0	8,604	(8,604)	Refer to note 5.
Direct Personnel Overheads	0	28,071	(28,071)	Refer to note 5.
Depreciation & Amortisation	0	217	(217)	Refer to note 4.
Interest on Borrowings	0	7,755	(7,755)	Interest paid to TCC for general loan.
Administration Expenses	0	40,906	(40,906)	Refer to note 8.
Audit Fees	0	15,669	(15,669)	Refer to note 8.
Consultancy	0	4,442	(4,442)	Refer to note 8.
Insurance	0	6,704	(6,704)	Refer to note 8.
Loss on Disposal of Asset	0	134	(134)	Refer to note 8.
Directors Fees & Costs	0	4,759	(4,759)	Refer to note 6.
<b>Total</b>	<b>276,374</b>	<b>410,026</b>	<b>(133,652)</b>	
<b>Projects</b>				
Activity Group Fees	0	0	0	BOPLASS Ltd's funding for the activity project groups so no direct expenditure.
Aerial Photography	225,440	225,440	0	
Interest Revenue related to Aerial Photography	27,807	0	27,807	Bank interest received on the BOPLASS Ltd Aerial Photography Trust account.
Canon Video Conferencing	12,362	11,943	418	Councils pay BOPLASS Ltd an amount charged by Canon plus an administrative fee for BOPLASS Ltd maintaining the contract on behalf of the councils. A new lease with Canon will commence in 2016 year.
Lease - ICN	241,445	185,369	56,077	Participating councils are invoiced by BOPLASS Ltd on a monthly basis over the period of the lease to recover the cost for the lease of the Council Regional Network Platform. ICN lease revenue includes recovery of other operating expenditure - ICN, interest on borrowings - ICN loan and BOPLASS Ltd administration fees.
ESRI Enterprise Licence (Recoveries)	374,508	370,801	3,708	BOPLASS charges an administration fee for management of the software purchase and recoveries.
Other Recoveries	485,628	484,985	642	Includes recovery and administration fees for ad-hoc projects.
Service Sales and Costs	47,282	0	47,282	Service sales and costs are for other items that are not part of a contract such rebates and one off project professional fees and will not offset each other.
<b>Total</b>	<b>1,414,472</b>	<b>1,278,538</b>	<b>135,934</b>	
<b>Overall Total</b>	<b>1,690,846</b>	<b>1,688,564</b>	<b>2,282</b>	



	BOP LASS Ltd 2013/14		
	Revenue	Expenditure	Net Operating Surplus/(Deficit)
<b>Core</b>			
Council Contribution	273,511	0	273,511
Interest Revenue	3,425	0	3,425
Salary and Wages	0	274,139	(274,139)
Superannuation	0	4,266	(4,266)
Direct Personnel Overheads	0	28,557	(28,557)
Depreciation & Amortisation	0	318	(318)
Interest on Borrowings	0	31,962	(31,962)
Administration Expenses	0	34,762	(34,762)
Audit Fees	0	15,504	(15,504)
Consultancy	0	75,860	(75,860)
Other Operating Expenditure	0	6,434	(6,434)
Penalty write off	0	1,799	(1,799)
<b>Total</b>	<b>276,936</b>	<b>473,602</b>	<b>(196,666)</b>
<b>Projects</b>			
Activity Group Fees	63,000	0	63,000
Aerial Photography	146,477	146,477	0
Interest Revenue related to Aerial Photography	16,292	0	16,292
Lease - Canon Video Conferencing	21,394	16,466	4,929
Lease - ICN	279,579	142,548	137,031
Other Operating Expenditure - ICN	0	149,750	(149,750)
Recoveries	685,385	572,692	112,693
Service Sales and Costs	14,564	0	14,564
<b>Total</b>	<b>1,226,691</b>	<b>1,027,932</b>	<b>198,759</b>
<b>Overall Total</b>	<b>1,503,627</b>	<b>1,501,534</b>	<b>2,093</b>

## Note 25: Significant Adjustments Arising on Transition to the New PBE SFR-A Standard

The main adjustments to the 30 June 2014 comparative statement of financial performance and statement of financial position arising on the transition to the new PBE SFR-A standard are explained below:

### Statement of Financial Performance

Revenue in the Statement of Financial Performance has been reallocated into Council Contributions; Project Revenue and Interest Revenue from the 2013/14 statement line items of Other Revenue and Finance Income.

### Statement of Cashflows

Revenue in Statement of Cashflows has been reallocated into Council Contribution & Project Revenue from the 2013/14 statement line item Receipts from Revenue.

## *Statutory Disclosures*

as per section 211 (1) of the Companies Act (1993)

### **NATURE OF BUSINESS**

There has been no change in the nature of the business of the company during the year.

### **DIRECTORS APPOINTED**

Under the Shareholder Agreement directors are appointed by the constituent councils.

Directors and their dates of appointment are as follows:

Kawerau District Council	Russell George (Chair)	14 January 2008
Bay of Plenty Regional Council	Mary-Anne Macleod	23 June 2011
Western Bay of Plenty District Council	Miriam Taris	1 July 2014
Rotorua District Council	Geoff Williams	1 July 2013
Whakatane District Council	Martin Grenfell	26 September 2011
Tauranga City Council	Garry Poole	26 April 2013
Taupo District Council	Rob Williams	14 January 2008
Gisborne District Council	Judy Campbell	26 April 2012
Opotiki District Council	Aileen Lawrie	10 August 2010
Independent director	Craig O'Connell	26 February 2015

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## **INTEREST REGISTER**

There have been no disclosures of self-interest during the period.

## **DIRECTORS REMUNERATION**

In February 2015 the board appointed an independent director. The independent director receives remuneration and is reimbursed for related expenses. No remuneration had been paid to other directors.

## **DONATIONS**

There were no donations made by the company during the period.

## **AUDIT FEES**

The actual audit fees for the financial year are \$15,669. The amount of \$10,659 has been accrued for audit fees for BOPLASS Ltd and this is what is shown in the Statement of Financial Performance.



A large, stylized handwritten signature in blue ink, consisting of a large loop and a trailing flourish.

