

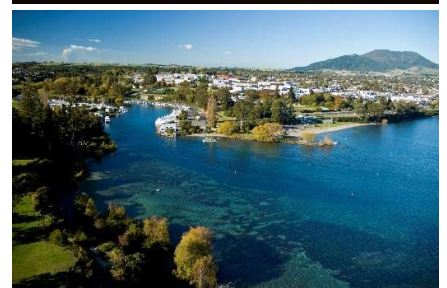


**BOPLASS Ltd**

"COUNCILS PARTNERING FOR VALUE AND SERVICE"

# ANNUAL REPORT 2023-2024

For the year ended  
30 June 2024



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PART ONE – OUR YEAR



On behalf of our Directors, I am pleased to present the BOPLASS 2024 Annual Report to our Shareholders.

BOPLASS has completed an important project to assist with the reduction of retail crime and youth offending across the Bay of Plenty region. Working in conjunction with NZ Police this project was managed by BOPLASS to improve CCTV coverage and, in particular CCTV monitoring, to help reduce retail crime and create safer communities. The project attracted \$1M of co-funding from the Ministry of Social Development (MSD), allowing councils to further expand and improve their CCTV cameras and monitoring services. The improved technology, infrastructure, and connectivity will further assist with stopping or reducing crime, helping with identifying perpetrators, and ultimately making our communities safer. This has proven to be an excellent example of local and central government partnering to achieve valuable outcomes.

One of the larger projects currently being undertaken by BOPLASS is the development of a Waste Operator Licensing and Data System (WOLDS) as a shared service for all BOPLASS and Waikato councils. This has now generated strong interest from around the country, with a number of other councils and council groups requesting to participate in this service once it is established. Last year BOPLASS completed the successful appointment of an information management services provider. This was undertaken as a competitive joint procurement process. Aggregating the requirements across a large group of councils resulted in receiving very competitive pricing and this will provide a standard system across all councils, ensuring best practice and helping to reduce council resources required for the management of waste operators.

BOPLASS delivered three aerial imagery contracts across the region in 2023. Like most BOPLASS tenders, these are undertaken as collective tenders to leverage off the size of the greater group to deliver maximum benefits to the member councils. However, while the significant financial savings may be obvious, tendering as a collective also provides other benefits to the participating councils which are not always as apparent. For example, the BOPLASS aerial imagery collective tenders also provide sustainability benefits (less aircraft/less flying), produce a single aerial imagery database, provide centralised management of the tender and contract, support centralised quality control across the region, and facilitate sharing of the data with key NZ organisations delivering services to NZ communities, e.g., Land Information NZ. In many cases these additional benefits provided through BOPLASS are not measured, but they still represent savings and benefits to the member councils.

Securing full insurance cover for NZ councils was difficult in 2023/24 and remains challenging due to an unprecedented level of claims for both national and international natural disasters and catastrophes. Underwriters continue to be selective in the business they write, and they are reliant on up to date and accurate information from their clients to better understand their risks and their exposure. BOPLASS has consciously focused on proactively informing underwriters on how the BOPLASS councils actively manage their risks and their assets. The quality of this information has been reflected in the competitive pricing received, but more importantly, BOPLASS' direct engagement into the markets has meant that placements were able to be secured for all BOPLASS councils' insurance. We expect the insurance markets to remain challenging for local government. The board have promoted a strategic approach to insurance and BOPLASS is reviewing and investigating alternative risk transfer options.

We welcomed two directors to the governance table in 2023/24. Firstly, the Board welcomed Morgan Godfery from Kawerau District Council, replacing our long-serving director, Russell George. Morgan has a depth of experience in public policy, journalism and communications having worked across central government, trade union and education sectors.

More recently, the Board welcomed Andrew Moraes from Rotorua Lakes Council, replacing Geoff Williams as BOPLASS director. Andrew is a chartered engineer and a graduate of the INSEAD Global Executive MBA programme. His professional career includes extensive international experience in business, commercial development, and organisational leadership.

On behalf of the Board, I wish to acknowledge Directors Russell George and Geoff Williams' contribution to the company. We thank them for their assistance and particularly wish to note Russell George's support during his long tenure as BOPLASS director and his significant contribution as one of the company's founding directors.

During 2023/24 BOPLASS has continued to deliver significant value to the shareholding councils for a modest investment. We would like to thank the various individuals within all the councils who have supported and assisted with the achievements of the company.



Craig O'Connell  
**Chair**



<b>Nature of Business:</b>	Shared Service Provider
<b>Registered Office:</b>	Regional House, 1 Elizabeth Street, Tauranga 3110
<b>Telephone:</b>	+64 7 577 7342
<b>Email:</b>	<a href="mailto:contact@boplass.govt.nz">contact@boplass.govt.nz</a>
<b>Website:</b>	<a href="https://www.boplass.govt.nz">https://www.boplass.govt.nz</a>
<b>Incorporation Number:</b>	2074873
<b>Incorporation Date:</b>	14 January 2008
<b>IRD Number:</b>	98-965-361
<b>Directors:</b>	Craig O'Connell Fiona McTavish Julie Gardyne Andrew Moraes Martin Grenfell John Holyoake Nedine Thatcher-Swann Morgan Godfery Stephanie O'Sullivan Stace Lewer
<b>Shareholders:</b>	Bay of Plenty Regional Council Gisborne District Council Kawerau District Council Ōpōtiki District Council Rotorua Lakes Council Taupō District Council Tauranga City Council Western Bay of Plenty District Council Whakatāne District Council
<b>Auditor:</b>	BDO Tauranga
<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 2024-2027 and associated budget formally adopted by the directors by resolution on 21 June 2024.

### Performance Targets 2024-2027

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

<b>Targets 2024-2027</b>	<b>How</b>	<b>Measure</b>
Ensure supplier agreements are proactively managed to maximise benefits for BOPLASS councils.	Manage and/or renegotiate existing contracts.	Contracts are reviewed annually to test for market competitiveness. New suppliers are awarded contracts through a competitive procurement process involving two or more vendors where applicable.
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.	A minimum of four new procurement initiatives investigated. Initiatives provide financial savings of greater than 5% and/or improved service levels to the participating councils.
Identify opportunities to collaborate with other LASS in Procurement or Shared Service projects where alliance provides benefits to all parties.	BOPLASS to regularly engage with other LASS to identify and explore opportunities for further inter-regional collaboration.	Quarterly reporting on engagement and a minimum of one new collaborative initiative undertaken annually.
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.	Increase usage of the Collaboration Portal by providing support and training material for new and existing users. Proactively market the benefits to councils.	Number of active users to increase by 5% per year.
Communicate with each shareholding council at appropriate levels.	Actively engage in obtaining political support for identified projects.	Information provided to elected members, and feedback sought, on BOPLASS projects, benefits to local communities, and value added to each council.
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.

## Statement of Intent and Performance continued

The following is a report of performance against targets set in the Statement of Intent for 2023/26.

Target <u>2023/24</u>	Result	Narration
<p>Ensure supplier agreements are proactively managed to maximise benefits for BOPLASS councils.</p> <p>Manage and/or renegotiate existing contracts.</p> <p>Contracts are reviewed annually to test for market competitiveness.</p> <p>New suppliers are awarded contracts through a competitive procurement process involving two or more vendors where applicable.</p>	Achieved	<p>Contracts negotiated and/or renewed for:</p> <p><u>VertiGIS Studio</u> – Contracts for Geocortex Essentials and Analytics were renewed as the newly rebranded product VertiGIS Studio. BOPLASS councils continue to benefit from the renewed collective contract through reduced pricing and collective training.</p> <p><u>Aerial Imagery</u> – Two BOPLASS tenders were awarded to Aerial Surveys Ltd for rural orthophotography covering Taupō, Rotorua and Western Bay of Plenty regions, and urban imagery for the Gisborne region.</p> <p>The Tauranga City interim flying programme was awarded to Woolpert NZ Ltd, including specific requirements for the capture of high growth areas.</p> <p><u>Inter-Council Network (ICN)</u> – Following the expiry of the initial 24-month agreement for ICN services with Kordia, BOPLASS renegotiated the agreement for a further 12 months, achieving a reduction in cost of approximately 19% for these services. The Kordia service covers the primary connectivity to the ICN for councils. Councils are currently investigating using the ICN for CCTV services between councils as part of the BOPLASS CCTV project.</p> <p><u>Zoom Video Conferencing Services (VC)</u> – BOPLASS has managed a Zoom video conference service for councils for several years. This was renegotiated and renewed by BOPLASS this year on behalf of the councils. While Microsoft Teams appears to be becoming the primary VC platform for most councils' internal communications, many use Zoom for their councillors and governance teams.</p> <p><u>Health &amp; Safety Management Software</u> – BOPLASS renegotiated the collective contract with Damstra (ex-Vault) as H&amp;S management software provider for the BOPLASS and Waikato councils.</p> <p><u>GIS software and services</u> –</p> <ul style="list-style-type: none"> <li>• NZ Archaeological Association</li> <li>• FME Software</li> <li>• ESRI Enterprise Licensing Agreement</li> </ul> <p><i>Contracts renegotiated and renewed – no alternative suppliers.</i></p>



Target <u>2023/24</u>	Result	Narration
		<p><u>My Everyday Wellbeing</u> – BOPLASS renewed the agreement for the staff online wellbeing platform. Discounted pricing is provided to BOPLASS as a single entity, allowing all participating councils to benefit from the associated savings. Increased participation from MW LASS, Co-Lab and BOPLASS councils has resulted in further financial savings for the collective.</p> <p><u>Media Copyright Agency (MCA)</u> – a collective contract providing savings for all BOPLASS councils has been renewed with MCA (originally PMCA) for councils' print and media copyright services. <i>Sole NZ provider of print and media copyright services.</i></p> <p><u>Cyber Insurance</u> – BOPLASS was able to facilitate the renewal of councils' cyber insurance policies on favourable terms with Berkshire Hathaway by working closely with councils to ensure all underwriter requirements were met and demonstrated through the collective approach. <i>Cyber cover is an annual agreement that requires going to market every year.</i></p> <p><u>n3</u> – Collective purchasing group membership negotiated by BOPLASS. Councils achieve significant savings on membership costs and trade pricing through the group scheme. Agreement renewed for another year at same discounted rates. <i>Sole NZ provider.</i></p> <p><u>Standards NZ</u> – BOPLASS has renewed the agreement with Standards NZ for discounted access to the full Standards catalogue at significantly reduced pricing for all BOPLASS councils. <i>No alternative provider in NZ.</i></p> <p><u>NAMS+ Subscription</u> – BOPLASS renewed the collective NAMS+ agreement with discounted rates for BOPLASS councils. <i>No alternative provider in NZ.</i></p> <p><u>IPWEA Membership</u> - The Institute of Public Works Engineering Australasia (IPWEA) agreement was renewed in 2023 to provide a single BOPLASS portal to allow all constituent councils to access the full IPWEA online catalogue at heavily reduced pricing. The standards are used by all councils for a variety of engineering purposes. The collective agreement provides for unrestricted access for all councils at a significantly lower cost than under individual arrangements. <i>No alternative provider in NZ.</i></p>

Target <u>2023/24</u>	Result	Narration
		<p><u>GIS Training</u> – BOPLASS coordinated specialised GIS training across the BOPLASS councils. Substantial savings were achieved through the collective training while also helping to bring all councils up to similar skill levels.</p>
<p>Investigate new Joint Procurement initiatives for goods and services for BOPLASS councils.</p> <p>Procure from sources offering best value, service, continuity of supply and/or continued opportunities for integration.</p> <p>A minimum of four new procurement initiatives investigated. Initiatives provide financial savings of greater than 5% and/or improved service levels to the participating councils.</p>	<p>Achieved</p>	<p>The new procurement initiatives which have been investigated during the year are as follows:</p> <p><u>Internal Audits</u> – BOPLASS completed a review of councils’ internal audit services requirements with the intention of undertaking a collective procurement process on behalf of BOPLASS councils. Through the procurement process, BOPLASS identified that the Ministry of Business Innovation and Employment (MBIE) has an All of Government (AoG) panel contract available to Local Authorities that covers most councils’ requirements. BOPLASS recommended that councils give consideration to the AoG Consultancy Services contract for the provision of internal audit services. Given the variations of councils’ internal audit requirements, the diversity of the AoG panel and the ease of take up of the contract was suitable for most councils’ requirements.</p> <p><u>Schedule of Values (SOVs) – Data Enhancement</u> – BOPLASS has been investigating options for improving councils’ SOVs. Accurate schedules are demanded by insurance underwriters and directly reflect on the premiums councils will be charged. They are also essential in avoiding potential exposure to shortfalls or losses at the time of an insurance claim. Working with our brokers, we have engaged Harmonic Analytics to develop a methodology to produce accurate SOVs. This project is being underwritten by Aon as a pilot for two councils. The project will save BOPLASS councils significant time, reduce costs, improve data quality, and reduce the likelihood of assets being missed off schedules.</p> <p><u>Above Ground Earthquake Loss Modelling</u> – The existing BOPLASS Material Damage placement does not have an overarching loss limit, making it less attractive to underwriters. BOPLASS engaged Aon to undertake a high-level loss modelling exercise to determine and set appropriate loss limits for the region and for BOPLASS councils.</p> <p><u>Business Continuity Planning</u> – BOPLASS councils are working together to further improve business interruption processes from a technology perspective. The catalyst for this work was the learnings from</p>

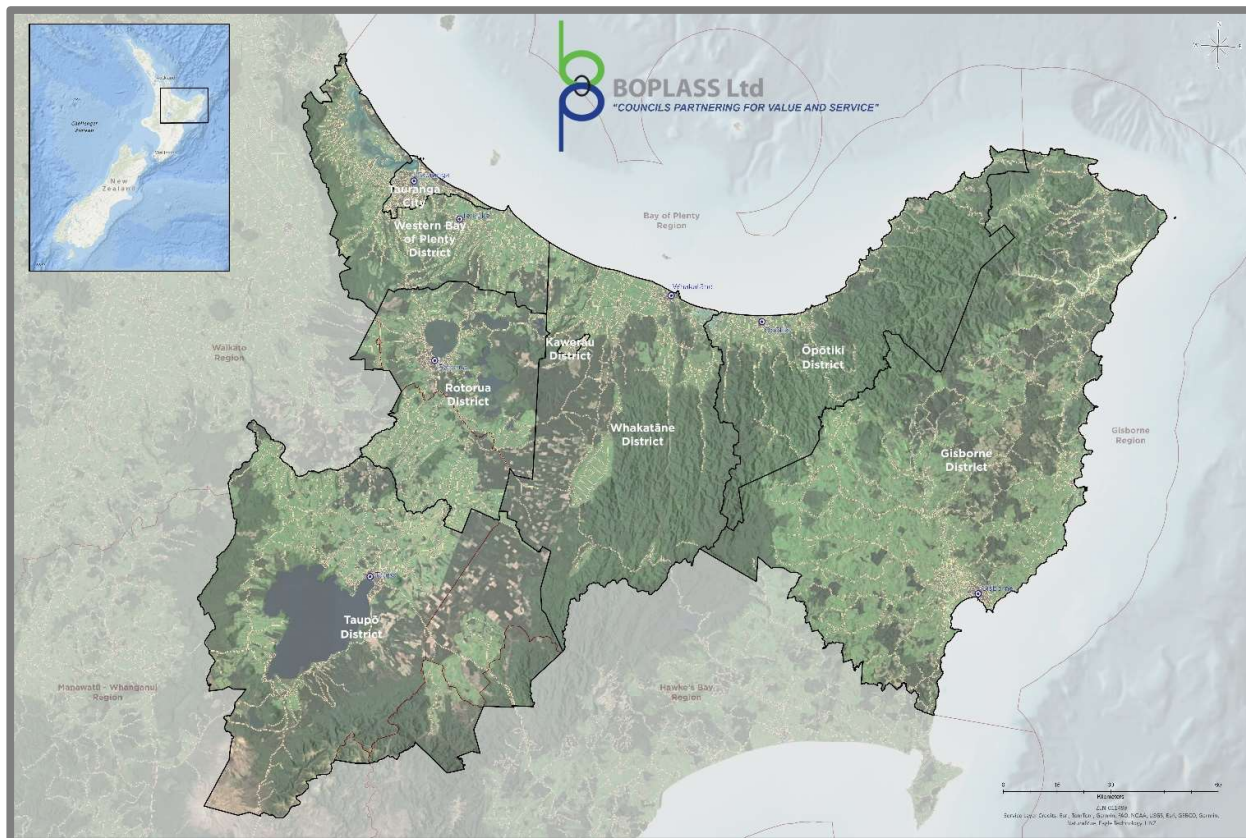
Target <u>2023/24</u>	Result	Narration
		<p>Cyclone Gabrielle, with this invaluable information shared within the IT Managers Group to assist all councils. <i>Project still underway.</i></p> <p><u>Protected Disclosures</u> – With many councils reviewing their Protected Disclosures policies and processes, BOPLASS is coordinating a workgroup to share information and help develop best practice. <i>Project still underway.</i></p> <p><u>GIS Technical Advisory Group (GIS TAG)</u> – GIS team leaders recognised the benefit in GIS technical staff establishing a forum to develop opportunities and share learnings at a practitioner level. In addition to sharing expertise and learnings, the technical group have investigated the development of further system commonality across councils. While common platforms support improved sharing opportunities and joint procurement of software, they also help enable councils to provide GIS support to each other in civil defence events.</p> <p><u>CCTV monitoring</u> – BOPLASS secured \$1M co-funding from the Ministry of Social Development (MSD) to undertake crime prevention initiatives and programmes within the Bay of Plenty. BOPLASS councils identified the installation of CCTV cameras and monitoring services as a key initiative to help reduce retail crime and create safer communities. This project has been completed in conjunction with NZ Police, with improved CCTV cameras and monitoring achieved for all Bay of Plenty councils.</p> <p><u>Waste Operator and Licensing Data System – Information Management System</u> – BOPLASS facilitated an extensive tender for an Information Management System (IMS), with Water Outlook appointed as the provider for the delivery of the IMS. Water Outlook provide existing water services to many BOPLASS and Waikato councils and their proposal allows for an extension of the existing software into waste services requirements.</p> <p>The single shared service provides standardisation across all regions, improved waste data, and savings through a centralised service.</p> <p>The project covers all BOPLASS and Co-Lab councils. However, strong interest has been expressed from councils outside the LASS councils with further growth expected with the established service.</p>

Target <u>2023/24</u>	Result	Narration
		<p><u>Waste Operator and Licensing Data System (WOLDS) – Administration Service</u> – BOPLASS is investigating options for the delivery of the Administration Service. The Administration Service will streamline and centralise waste operators, and significantly reduce much of the workload for councils, while ensuring councils still retain control over the service. <i>Project is currently underway.</i></p> <p><u>Infrastructure Insurance</u> – Placements for BOPLASS councils’ infrastructure insurance are only provided on a 12-month term and all placements need to be procured annually. This involves identifying and negotiating with alternative markets every year and often undertaking placements through new or different insurers. Negotiations for councils’ infrastructure insurance were undertaken in late 2023 through direct engagement with the international markets and Lloyds syndicates. The size of the collective BOPLASS account allows us to undertake this direct engagement. Given the continued global increase in natural disaster events, underwriters remain very risk adverse and demanding in the level of data and information they require. Through providing up to date and accurate information, and being able to leverage off our established relationships, very good outcomes were achieved for all BOPLASS councils, in both insurance rates and the level of cover achieved. Insurers continue to demonstrate support for the BOPLASS programme; however, councils are encouraged to continue reviewing alternative risk transfer options.</p> <p><u>Media Monitoring Services</u> – BOPLASS facilitated a secondary procurement process for media monitoring services and social listening services. Fuseworks were awarded the contract and appointed as Preferred Supplier to BOPLASS councils. The collective contract provides significant savings and a range of new services for all participants. Social listening services require specific tools for identifying and analysing online conversations to help better understand sentiments within council communities.</p>
Identify opportunities to collaborate with other LASS in Procurement or Shared Service projects where alliance provides benefits to all parties.	Achieved	<p>BOPLASS continues to work closely with MW LASS and Co-Lab with the LASS leads engaging regularly and formally meeting on a quarterly basis.</p> <p>Shared services projects being undertaken by other LASS have been offered to BOPLASS councils, with the board making a decision to utilise these opportunities</p>

Target <u>2023/24</u>	Result	Narration
<p>BOPLASS to regularly engage with other LASS to identify and explore opportunities for further inter-regional collaboration.</p> <p>Quarterly reporting on engagement and a minimum of one new collaborative initiative undertaken annually.</p>		<p>to avoid any duplication of services where we can work with other LASS.</p> <p>Some of the shared service projects offered to BOPLASS councils include:</p> <ul style="list-style-type: none"> <li>• Debt Management</li> <li>• Archives</li> <li>• Building Consent services</li> <li>• Health and Safety training</li> </ul> <p>BOPLASS is leading or managing, on behalf of other LASS:</p> <ul style="list-style-type: none"> <li>• Waste Operator and Licensing Data System</li> <li>• H&amp;S management system</li> <li>• Staff wellbeing portal</li> <li>• Regional contractor database</li> <li>• Rates collections</li> <li>• Inter-council secondments</li> <li>• Insurance Markets Joint Communications</li> <li>• Occupational Health Services</li> </ul> <p><u>Managing Conflict &amp; Aggression</u> – Addressing aggressive behaviour continues to be a challenge for councils and for the BOPLASS Health &amp; Safety Advisory Group. Working in collaboration with Waikato councils and other Council-Controlled Organisations (CCOs) has allowed the group to share resources between regions ensuring best practice is shared and developed to the benefit of all parties.</p> <p><u>Motor vehicle monitoring</u> – MW LASS identified four vehicle monitoring providers used across their LASS and extended an invitation for BOPLASS and Waikato councils to participate in presentations from these organisations.</p> <p><u>LGOIMA requests</u> – BOPLASS councils have collaborated to draft appropriate responses to LGOIMA requests to reduce duplication of effort and ensure best practice is established and shared. This project is to be extended across the other two LASS and possibly more widely within local government.</p> <p><u>Health &amp; Safety training</u> – BOPLASS and Co-Lab have established aligned contracts with H&amp;S trainers. To provide improved market leverage and ensure the best value is delivered to all councils, it was agreed to tender for service as a collective covering all BOPLASS and Co-Lab councils.</p> <p><u>Insurance Forum</u> – BOPLASS hosted and coordinated an insurance forum to cover key insurance topics in local government. The forum was well attended by councils from throughout the upper and central North Island.</p>

Target <u>2023/24</u>	Result	Narration
		<p><u>Engagement with other LG collaborative groups</u> – BOPLASS continues to offer support to other local government collaborative groups looking to leverage benefits from working collectively.</p>
<p>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.</p> <p>Increase usage of the Collaboration Portal by providing support and training material for new and existing users.</p> <p>Proactively market the benefits to councils.</p> <p>Number of active users to increase by 5% per year.</p>	<p>Achieved</p>	<p>Collaborative projects continue to be added to the MahiTahi LG Collaboration Portal, along with several specific Teams or Channels established for confidential projects being run outside of the main Portal.</p> <p>Continued promotion of the MahiTahi LG Collaboration Portal has seen a 5% increase in registered users with numbers increasing from 485 to 507.</p> <p>On-boarding and training material has been developed for creating a smooth transition for any new members.</p> <p>The Te Uru Kahika hub (regional and unitary councils) has continued to grow and is hosted within the same environment as the MahiTahi Collaboration Portal.</p> <p>There are now over 2,800 users within the wider portal.</p>
<p>Communicate with each shareholding council at appropriate levels.</p> <p>Meeting with members of Executive Leadership Team.</p> <p>At least one meeting per year.</p>	<p>Achieved</p>	<p>BOPLASS continues to regularly engage with our constituent councils, senior management, and shareholders to ensure opportunities continue to be developed to the benefit of all stakeholders.</p> <p>In addition, BOPLASS chairs and coordinates meetings and activities for specific council advisory groups that manage or lead new collaborative initiatives. These groups generally comprise of managers from each council.</p>
<p>Ensure current funding model is appropriate.</p> <p>Review BOPLASS expenditure and income and review council contributions and other sources of funding.</p> <p>Performance against budgets reviewed quarterly. Company remains financially viable.</p>	<p>Achieved</p>	<p>The sources of BOPLASS funding and the viability of the funding model are regularly reviewed with financial reporting provided to the BOPLASS Board.</p> <p>Council contributions were levied with annual council contributions now CPI adjusted.</p> <p>Contributions were received from activities producing savings.</p> <p>An annual contribution from Co-Lab, MW LASS, Regional Software Holdings (RSHL) and BOPLASS councils is received for membership of the MahiTahi Local Government Collaboration Portal.</p> <p>Monthly and quarterly performance reviewed.</p> <p>Financial statements and budget variances reported and reviewed at Board meetings.</p> <p>Financial position year end 30 June 2024: (\$1,323) deficit.</p>





## 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 in text boxes scattered through the document.*



## Statement of Intent and Performance continued

The following is a report of performance against targets set in the Statement of Intent for 2022/23 and is provided for comparative purposes.

Target <u>2022/23</u>	Result	Narration
<p>Ensure supplier agreements are proactively managed to maximise benefits for BOPLASS councils.</p> <p>Manage and/or renegotiate existing contracts.</p> <p>Contracts are reviewed annually to test for market competitiveness.</p> <p>New suppliers are awarded contracts through a competitive procurement process involving two or more vendors where applicable.</p>	Achieved	<p>Contracts negotiated and/or renewed for:</p> <p><u>Cyber Insurance</u> – BOPLASS was able to again maintain councils’ cyber insurance policies with Berkshire Hathaway by working closely with councils to ensure all underwriter requirements were met and demonstrated. Through the collective approach, BOPLASS was able to secure the renewal on favourable terms and with an increased policy limit across the collective group. <i>Cyber cover is an annual agreement that requires going to market every year.</i></p> <p><u>GIS software and services</u> – Geocortex Essentials Geocortex Analytics NZ Archaeological Association <i>Contracts renegotiated and renewed – no alternative suppliers.</i></p> <p><u>FME software</u> – significant price increase negated by negotiating two-year extension of current agreement under the same terms and pricing. <i>Sole NZ provider</i></p> <p><u>X-Tools</u> - With the agreement of councils’ GIS managers, a decision was made to discontinue the XTools maintenance licence as it was purchased from Russia. This supported the NZ Government’s position on trade sanctions and the absence of this software did not have an undue impact on council operations.</p> <p><u>LiDAR Capture</u> – the capture of LiDAR data was completed this year across the BOP region ahead of schedule. The early provision of this updated data helps councils with catchment mapping, understanding and preparing for natural hazards, and better planning for climate change.</p> <p><u>My Everyday Wellbeing</u> – BOPLASS renewed the annual subscription for the staff online wellbeing platform with the supplier continuing to provide pricing for all participating councils as a single entity. Increased participation from MW LASS, Co-Lab and BOPLASS councils resulted in further financial savings for the collective.</p>

Target <u>2022/23</u>	Result	Narration
		<p><u>Print Media Copyright Agency (PMCA)</u> – a collective contract providing savings for all BOPLASS councils has been renewed with PMCA for councils’ print and media copyright services. <i>Sole NZ provider of print and media copyright services.</i></p> <p><u>ESRI Enterprise Licensing Agreement</u> – Core GIS software used in all BOPLASS councils. BOPLASS Enterprise Agreement renegotiated and renewed for a further 3-year term with no increases. Retained the same structure, with all councils continuing to participate under a collective MOU. <i>No alternative provider in NZ.</i></p> <p><u>n3 (previously known as GSB)</u> – Collective purchasing group membership negotiated by BOPLASS. Councils achieving significant savings on membership costs and trade pricing through the group scheme. Agreement renewed for another year at same rates. <i>Sole NZ provider.</i></p> <p><u>Media Monitoring Services</u> – BOPLASS continues to manage a collective media monitoring service with Isentia that provides automatic monitoring and reporting of broadcast, print and social media based upon council requirements. The single BOPLASS portal provides substantial savings to councils while also providing a significant reduction in internal resource requirements. This service has proven to be invaluable for councils during the pandemic and weather events. <i>Service to be put to tender in 2023-24.</i></p> <p><u>Inter-Council Network (ICN)</u> – Review, redesign and renegotiation of suppliers and services – the ICN is a shared service high-capacity fibre network connecting the majority of BOPLASS councils. A review of ICN contracts was undertaken in 2021 to deliver further cost reductions. Since then, further reviews have been conducted with some service costs reduced. This was balanced out by additional services as requested from councils.</p> <p><u>Zoom Video Conferencing Services</u> – Zoom video conference services continue to provide BOPLASS councils with a centralised account management and shared infrastructure. The collective contract was renewed through BOPLASS. <i>VC infrastructure upgrades underway.</i></p> <p><u>Standards NZ</u> – BOPLASS has renewed the agreement with Standards NZ for discounted access to the full</p>

Target <u>2022/23</u>	Result	Narration
		<p>Standards catalogue at significantly reduced pricing for all BOPLASS councils. <i>No alternative provider in NZ.</i></p> <p><u>Antenno</u> – this LG community engagement tool is used by the majority of BOPLASS councils. Uptake in the Waikato and MW LASS regions has recently increased. By working in conjunction with the other two LASS a discounted fee was negotiated for any further LASS councils wishing to take up the service.</p> <p><u>Health &amp; Safety Management Software</u> – BOPLASS has negotiated with the collective H&amp;SMS provider on behalf of BOPLASS and Waikato councils for an improvement to reporting systems and an alternative fee structure.</p> <p><u>IPWEA Membership</u> - The Institute of Public Works Engineering Australasia (IPWEA) agreement was renewed in 2022 to provide a single BOPLASS portal to allow all constituent councils to access the full IPWEA online catalogue at heavily reduced pricing. The standards are used by all councils for a variety of engineering purposes. The collective agreement provides for unrestricted access for all councils at a significantly lower cost than under individual arrangements. <i>No alternative provider in NZ.</i></p> <p><u>Aerial Imagery</u> – BOPLASS coordinates a regional imagery programme across the region. Two new tenders were run for orthophotography services this year with contracts awarded to AAM NZ for the eastern BOP region and a TCC interim flying programme, including specific requirements for the capture of high growth areas.</p> <p>As part of the BOPLASS regional imagery programme, two tenders were run for orthophotography services this year. Both contracts were awarded to AAM NZ for the BOP region and TCC interim flying programme. The flying and imagery included specific requirements for the capture of 8-Pulse LiDAR and additional tiles for Maketu and Putuaki.</p> <p><u>GIS Training</u> – BOPLASS coordinated specialised GIS ArcPro training across the BOPLASS councils. Substantial savings were achieved through the collective training while also helping to bring all councils up to similar skill levels.</p>
Investigate new Joint Procurement initiatives for goods and services for BOPLASS councils.	Achieved	The new procurement initiatives which have been investigated during the year are as follows:

Target <u>2022/23</u>	Result	Narration
<p>Procure from sources offering best value, service, continuity of supply and/or continued opportunities for integration.</p> <p>A minimum of four new procurement initiatives investigated. Initiatives provide financial savings of greater than 5% and/or improved service levels to the participating councils.</p>		<p><u>MFDs (Photocopiers/Printers)</u> – Joint procurement for a multi-function device provider resulted in Canon NZ being appointed as preferred provider to the BOPLASS councils. The outcome through the group approach included very competitive pricing, with further savings achieved through bundled services and shared software solutions across the councils. The procurement process maintained a strong focus on achieving broader outcomes, with Canon demonstrating support for local businesses and communities, working with Māori/Pasifika communities through Ākina and Amotai, and practicing sustainable and environmental processes.</p> <p><u>Oblique Aerial Imagery</u> – BOPLASS investigated collaborative opportunities for the capture of Oblique Aerial Imagery for the BOPLASS councils. The imagery provides a more effective visual experience than traditional vertical imagery and is particularly useful for discerning features in the landscape. Delivered through a tailored online viewer and using a subscription-based model through BOPLASS negates the need for councils to store and manage the data. <i>One council has trialled the solution and negotiations with the provider are underway for group pricing.</i></p> <p><u>Infrastructure Insurance</u> – the international placements for BOPLASS councils’ infrastructure insurance are only provided on a 12-month term and all placements need to be procured annually. This involves identifying and negotiating with alternative markets every year and often undertaking placements through new or different insurers. Negotiations for councils’ infrastructure insurance were undertaken in late 2022 through direct engagement with the London markets and Lloyds syndicates. The size of the collective BOPLASS account allows us to undertake this direct engagement. Despite the restricted capacity and the underwriters become more risk adverse, very good outcomes were achieved for all councils, in both insurance rates and the level of cover achieved. Insurance markets remain cautious about the risk they are prepared to write but have demonstrated confidence in the BOPLASS programme due to the quality of information provided and our historical relationship.</p> <p><u>NAMS+</u> Subscription – BOPLASS negotiated discounted rates for NAMS+ subscription used by council asset managers.</p>

Target <u>2022/23</u>	Result	Narration
		<p><u>Social Listening Services</u> – Although BOPLASS manages a media monitoring contract on behalf of the councils, the growth in social media (and decline in traditional media) requires specific tools for identifying and analysing online conversations about councils’ brand, to help better understand our communities and their feedback through these channels. <i>A collective procurement process has been initiated.</i></p> <p><u>Crime Prevention Co-funding</u> – BOPLASS successfully secured co-funding from the Ministry of Social Development (MSD) to undertake crime prevention initiatives and programmes within the Bay of Plenty. BOPLASS councils identified the key areas as installation of CCTV equipment and monitoring services; and Crime Prevention through Environmental Design (CPTED) projects. <i>\$1M co-funding has been received and the below projects initiated.</i></p> <p><u>CCTV Monitoring</u> – BOPLASS has worked with councils to identify opportunities for improved CCTV coverage and to collaborate with CCTV monitoring. Joint procurement of systems and technologies are being undertaken as well as shared project management resource. <i>Project is still underway.</i></p> <p><u>Crime Prevention through Environmental Design (CPTED)</u> – To support further crime reduction initiatives, BOPLASS is working with councils on the effective use of the environmental design to reduce criminal opportunity, with designs also fostering positive social interaction within community spaces. <i>Project is still underway.</i></p> <p><u>24/7 Emergency Communications</u> – The BOPLASS IT Managers group have reviewed the harsh lessons learned about telecommunication interruptions in the aftermath of Cyclone Gabrielle. They have undertaken a project to identify improved technologies for councils’ usage that are not reliant on traditional methods of delivery. Starlink has been identified as a reliable solution during severe weather events and investigations are underway to determine the opportunities for councils to share membership and/or hardware or leverage improved pricing through collective procurement. <i>Project is still underway.</i></p> <p><u>New service for ICN</u> – Following a redesign of some aspects of the Inter-Council Network (ICN) new links</p>



Target <u>2022/23</u>	Result	Narration
		<p>were required. BOPLASS engaged with suitable vendors and Spark were appointed to provision this service. Discounted rates were achieved on behalf of the councils. Procurement was undertaken for the addition of a service in Whakatāne for a new council site and reinstatement of a service to provide backup/redundant services for councils between Whakatāne and Tauranga.</p> <p><u>Electronic Signing</u> – BOPLASS has led a project undertaking investigation into a shared agreement for DocuSign for councils. <i>Project is still underway.</i></p> <p><u>Waste Operator and Licensing Data System (WOLDS)</u> – The second phase of this project has been initiated with procurement underway for a WOLDS service provider including the provision of an Information Management System. This BOPLASS led project covers all BOPLASS and Co-Lab councils, with a number of other councils expressing interest in participating once the service is established. A single shared service provides the opportunity for standardisation across all regions, improved waste data, and savings through a centralised service. <i>Project is still underway.</i></p>
<p>Identify opportunities to collaborate with other LASS in Procurement or Shared Service projects where alliance provides benefits to all parties.</p> <p>BOPLASS to regularly engage with other LASS to identify and explore opportunities for further inter-regional collaboration.</p> <p>Quarterly reporting on engagement and a minimum of one new collaborative initiative undertaken annually.</p>	<p>Achieved</p>	<p>BOPLASS continues to work closely with MW LASS and Co-Lab with the LASS leads engaging regularly and formally meeting on a quarterly basis.</p> <p>Shared services projects being undertaken by other LASS have been offered to BOPLASS councils, with the board making a decision utilise these opportunities to avoid any duplication of services where we can work with other LASS.</p> <p>Some of the shared service projects offered to BOPLASS councils include:</p> <ul style="list-style-type: none"> <li>• Debt Management Central</li> <li>• Archives Central</li> <li>• Building Consent services</li> </ul> <p>BOPLASS is leading or managing, on behalf of other LASS:</p> <ul style="list-style-type: none"> <li>• Waste Operator and Licensing Data System</li> <li>• Postal services</li> <li>• Courier services</li> <li>• H&amp;S management system</li> <li>• Staff wellbeing portal</li> <li>• Regional contractor database</li> <li>• Occupational Health Services</li> </ul>

Target <u>2022/23</u>	Result	Narration
		<p><u>Broader Outcomes in Procurement</u> – The BOPLASS Procurement Group have identified the need to develop a framework around broader outcomes in procurement. To assist this process, BOPLASS are also working closely with Co-Lab and MW LASS for extended understanding, sharing of best practice, and to explore the opportunity for establishing a standard framework across the three regions.</p> <p>In conjunction with this shared work, MWLASS are leading a specific project on social procurement and sharing the outputs with the other two LASS.</p> <p><u>Managing Conflict &amp; Aggressive Behaviour</u> – The BOPLASS Health &amp; Safety Advisory Group identified an increase in aggressive behaviour across all BOPLASS councils. Working in collaboration with Waikato councils allowed the group to share resources between regions ensuring best practice was shared and to reduce the duplication of effort to the benefit of all parties.</p> <p><u>Health &amp; Safety training</u> – BOPLASS and Co-Lab have established aligned contracts with H&amp;S trainers. To provide improved market leverage and ensure the best value is delivered to all councils, it was agreed to tender for service as a collective covering all BOPLASS and Co-Lab councils. This project is being led by Co-Lab on behalf of both LASS.</p> <p><u>SHE Prequalification</u> – Co-Lab have funded full access to the SHE prequalification database and extended this access to cover BOPLASS councils opting into the scheme.</p> <p><u>Insurance Markets Joint Communications</u> – To ensure an aligned approach to insurance renewals, and leverage maximum benefits from an aggregated approach, LASS leads collaborated to develop joint underwriter communications that emphasised the geographical spread of assets and the diversity of risk across the greater region. The communications also highlighted risk management and resiliency work undertaken by LASS councils that had proved to perform well through recent events. Continued collective messaging and leveraging of our underwriter relationships remains critical to reinstalling confidence within the markets we engage with.</p> <p><u>Insurance Forum</u> – BOPLASS hosted and coordinated an insurance forum to cover key insurance topics in local government. The forum was well attended by</p>

Target <u>2022/23</u>	Result	Narration
		<p>councils from throughout the upper and central North Island.</p> <p><u>Engagement with other LG collaborative groups:</u> Taranaki councils have formed an informal corporate services group to collaborate and share information across the district. BOPLASS and Co-Lab presented to the group on how our formal arrangements work and the benefits achieved, both within the LASSes and inter-regionally. An offer has been made to include Taranaki councils in any BOPLASS contracts that will be beneficial to all parties.</p> <p>A similar presentation and offer was provided to the Canterbury Mayoral Forum (10 TAs and the regional council), with the group expressing strong interest in utilising the MahiTahi Portal and widening their collaboration</p>
<p>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.</p> <p>Increase usage of the Collaboration Portal by providing support and training material for new and existing users.</p> <p>Proactively market the benefits to councils.</p> <p>Number of listed projects to increase by 5% per year.</p> <p>Number of active users to increase by 5% per year.</p>	<p>Achieved</p>	<p>Projects continue to be added to the MahiTahi LG Collaboration Portal, increasing 5% from 88 to 93 this year. Over time, usage of the dedicated project area has declined, with project activity increasing but now being mainly run from within specific Teams or Channels within the Portal. Given this change in usage, and the difficulty of monitoring individual Channels, this target has been removed for future years.</p> <p>Continued promotion of the MahiTahi LG Collaboration Portal has seen a 13% increase in registered users with numbers increasing from 429 to 485.</p> <p>On-boarding and training material has been helpful in creating a smooth transition for any new members.</p> <p>The Regional Software Holdings Limited migration has resulted in exponential growth, with the Te Uru Kahika hub (regional and unitary councils) now hosted within the same environment as the MahiTahi Collaboration Portal. Both the MahiTahi LG Collaboration Portal and Te Uru Kahika sit side-by-side, with regional council users able to interact on both platforms.</p> <p>A Teams environment was developed for Entity B of the Affordable Water Reform in order to provide a secure workspace and assist the group with communications and collaboration. The development of this Team was conducted in conjunction with the Entity B stakeholders and a third-party Teams developer.</p>
<p>Communicate with each shareholding council at appropriate levels.</p>	<p>Achieved</p>	<p>BOPLASS continues to regularly engage with our constituent councils, senior management, and shareholders to ensure opportunities continue to be developed to the benefit of all stakeholders.</p>

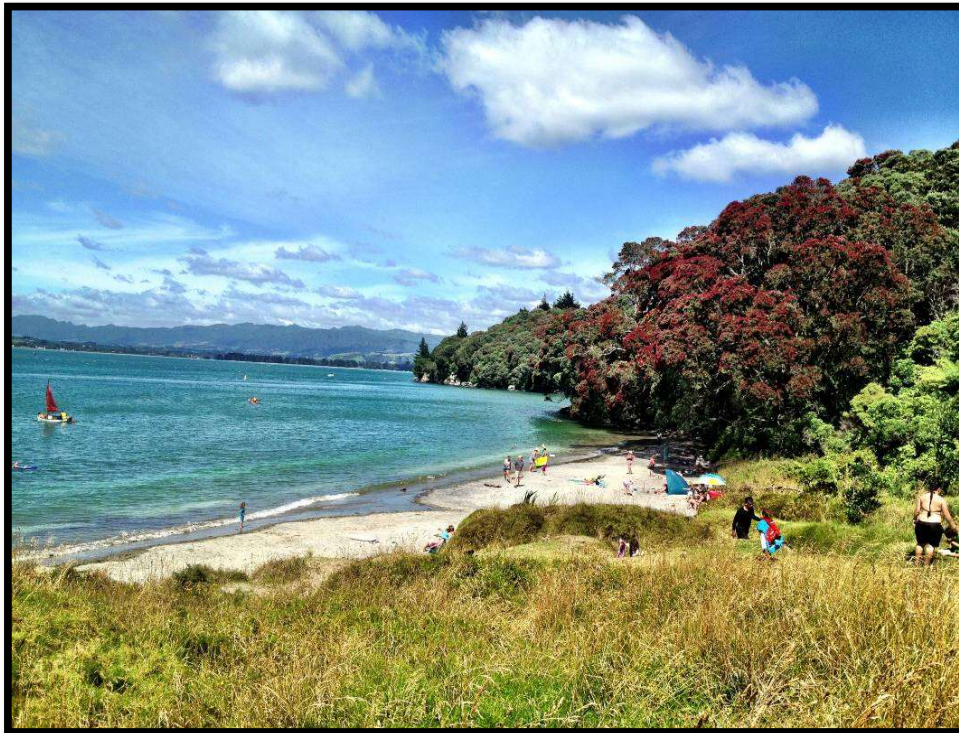
Target <u>2022/23</u>	Result	Narration
<p>Meeting with each Executive Leadership Team.</p> <p>At least one meeting per year.</p>		<p>Engagement with individual ELT members was regularly undertaken but formal meetings with all executive teams was unable to be completed with all councils this year.</p>
<p>Ensure current funding model is appropriate.</p> <p>Review BOPLASS expenditure and income and review council contributions and other sources of funding.</p> <p>Performance against budgets reviewed quarterly. Company remains financially viable.</p>	<p>Achieved</p>	<p>The sources of BOPLASS funding and the viability of the funding model are regularly reviewed with financial reporting provided to the BOPLASS Board.</p> <p>Council contributions were levied with annual council contributions now CPI adjusted.</p> <p>Contributions were received from activities producing savings.</p> <p>Vendor rebates collected.</p> <p>An annual contribution from Co-Lab, MW LASS, Regional Software Holdings (RSHL) and BOPLASS councils is received for membership of the MahiTahi Local Government Collaboration Portal.</p> <p>Monthly and quarterly performance reviewed.</p> <p>Financial statements and budget variances reported and reviewed at Board meetings.</p> <p>Financial position year end 30 June 2023: \$6,244 surplus.</p>

### **MahiTahi Local Government Collaboration Portal**



A portal for registration of council projects, collaboration opportunities and identification of potential project partners. Also includes collaboration areas for staff to engage with their peers within other councils.

**PART TWO – ACCOUNTABILITY STATEMENTS**



## Statement of Responsibility


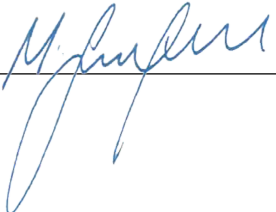
The following pages 27-50 outline the financial statements and notes for year ended 30 June 2024 for BOPLASS Limited.

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 2024.

For and on behalf of the Board of Directors:

Signed:		Craig O'Connell – Chair	Date:	26 September 2024
Signed:		Marty Grenfell – Director	Date:	26 September 2024





Tel: +64 07 571 6280  
Fax: +64 07 571 6281  
www.bdo.nz

BDO TAURANGA  
Level 1 The Hub, 525 Cameron Road,  
Tauranga 3110  
PO Box 15660, Tauranga 3144  
New Zealand

## INDEPENDENT AUDITOR'S REPORT

### TO THE SHAREHOLDERS OF BOP LASS LIMITED'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

The Auditor-General is the auditor of BOP LASS Limited (the company). The Auditor-General has appointed me, Donna Taylor, using the staff and resources of BDO Tauranga, to carry out the audit of the financial statements of the company on his behalf.

#### Opinion

We have audited the financial statements of the company on pages 30 to 49, that comprise the statement of financial position as at 30 June 2024, the statement of financial performance and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion, the financial statements of the company:

- present fairly, in all material respects:
  - its financial position as at 30 June 2024; and
  - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Public Sector); and
- the performance information of the company on pages 7 to 24 presents fairly, in all material respects, the company's actual performance compared against the performance targets and other measures by which performance was judged in relation to the company's objectives for the year ended 30 June 2024.

Our audit was completed on 27 September 2024. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Board of Directors and our responsibilities relating to the financial statements, we comment on other information and we explain our independence.

#### Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**PARTNERS:** Fraser Lellman CA Janine Hellyer CA Paul Manning CA Donna Taylor CA Linda Finlay CA Michael Lim CA

BDO New Zealand Ltd, a New Zealand limited company, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms. BDO New Zealand is a national association of independent member firms which operate as separate legal entities.

## **Responsibilities of the Board of Directors for the financial statements**

The Board of Directors is responsible on behalf of the company for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand. The Board of Directors is responsible for such internal control as it determines is necessary to enable it to prepare financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible, on behalf of the company, for assessing the company's ability to continue as a going concern. The Board of Directors is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the Board of Directors intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors' responsibilities arise from the Companies Act 1993.

## **Responsibilities of the auditor for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements, 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 carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of shareholders taken on the basis of these financial statements.

For the budget information reported in the financial statements, our procedures were limited to checking that the information agreed to the company's statement of intent.

We did not evaluate the security and controls over the electronic publication of the financial statements.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risk of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Directors and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 company to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors 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.

Our responsibilities arise from the Public Audit Act 2001.

## **Other information**

The Board of Directors is responsible for the other information. The other information comprises the information included on pages 1 to 6, 25 to 26 and 50 but does not include the financial statements, statement of intent and performance and our auditor's report thereon.


Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Independence**

We are independent of the company in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: *International Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board.

Other than in our capacity as the auditor, we have no relationship with, or interests in, the company.




Donna Taylor  
BDO Tauranga  
On behalf of the Auditor-General  
Tauranga, New Zealand

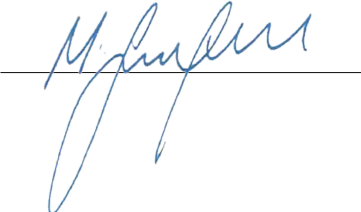
## Financial Statements – Statement of Financial Position

STATEMENT OF FINANCIAL POSITION - AS AT 30 JUNE 2024			
BOP LASS LTD	Notes	BOP LASS Ltd	
		2023/24 Actual	2022/23 Actual
<b>ASSETS - CURRENT</b>			
Bank accounts and cash	10	853,691	445,751
Short Term Investments	10	0	250,000
Debtors and Other Receivables	11	624,266	1,813,692
Prepayments	12	112,812	171,055
<b>Total Current Assets</b>		<b>1,590,769</b>	<b>2,680,500</b>
<b>ASSETS - NON-CURRENT</b>			
Intangible Assets	13	5,365	7,055
Plant and Equipment	14	12,560	16,855
<b>Total Non-Current Assets</b>		<b>17,925</b>	<b>23,910</b>
<b>TOTAL ASSETS</b>		<b>1,608,694</b>	<b>2,704,410</b>
<b>LIABILITIES - CURRENT</b>			
Creditors and Accrued Expenses	15	223,843	459,207
Employee Costs Payable	16	45,683	40,554
Income in Advance	17	1,311,972	2,176,128
Borrowings	18	0	0
<b>Total Current Liabilities</b>		<b>1,581,498</b>	<b>2,675,889</b>
<b>TOTAL LIABILITIES</b>		<b>1,581,498</b>	<b>2,675,889</b>
<b>TOTAL ASSETS less TOTAL LIABILITIES</b>		<b>27,197</b>	<b>28,520</b>
<b>EQUITY</b>			
Accumulated Deficits	19	(71,804)	(70,482)
Share Capital	19	99,002	99,002
<b>TOTAL EQUITY</b>		<b>27,197</b>	<b>28,520</b>

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

For and on behalf of the Board of Directors:

Signed:  Craig O'Connell – Chair Date: 26 September 2024

Signed:  Marty Grenfell – Director Date: 26 September 2024

## Financial Statements – Statement of Financial Performance

STATEMENT OF FINANCIAL PERFORMANCE - FOR THE YEAR ENDED 30 JUNE 2024				
BOP LASS LTD	Notes	BOP LASS Ltd		
		2023/24 Actual	2023/24 Budget	2022/23 Actual
<b>REVENUE</b>				
Council Contribution	2	348,219	321,637	328,507
Project Revenue	2	2,053,866	1,210,000	1,583,738
Interest Revenue	3	56,149	9,200	14,936
Other Income	2.5	2,670	0	0
<b>Total Revenue</b>		<b>2,460,904</b>	<b>1,540,837</b>	<b>1,927,181</b>
<b>EXPENSES</b>				
Depreciation and Amortisation	4	5,984	7,000	8,191
Employee Related Costs	5	334,694	291,803	319,349
Directors Costs	6	19,314	23,000	19,393
Finance Cost	7	0	0	0
Other Expenses	8	2,102,234	1,219,034	1,603,799
<b>Total Expenses</b>		<b>2,462,226</b>	<b>1,540,837</b>	<b>1,950,730</b>
<b>Surplus/(Deficit) before tax</b>		<b>(1,323)</b>		<b>(23,549)</b>
Income Tax Expense/(Benefit)	9	0	0	0
<b>Surplus/(Deficit) after tax</b>		<b>(1,323)</b>	<b>0</b>	<b>(23,549)</b>

The notes and Statement of Accounting Policies form part of these financial statements.  
 Explanations of major variances against budget are provided in note 25.

### Media Monitoring

A shared media monitoring portal provides councils with improved visibility of community feedback through monitoring of press and social media.



## Financial Statements – Statement of Cashflows

STATEMENT OF CASHFLOWS - FOR THE YEAR ENDED 30 JUNE 2024			
BOP LASS LTD	Notes	BOP LASS Ltd	
		2023/24 Actual	2022/23 Actual
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>			
Council Contribution		348,219	328,507
Other Revenue		2,670	0
Project Revenue		2,500,185	1,221,724
Interest Revenue		20,589	14,936
Tax Paid - RWT (net)			0
Goods and Services Tax (net)			0
<b>Total Cash Provided</b>		<b>2,871,663</b>	<b>1,565,167</b>
Employee Related Costs		(329,599)	(301,800)
Payments to Suppliers		(2,104,470)	(1,694,384)
Interest Paid		0	0
Tax Paid - RWT (net)		(13,142)	(3,837)
Goods and Services Tax (net)		(266,544)	210,022
<b>Total Cash Applied</b>		<b>(2,713,722)</b>	<b>(1,789,999)</b>
<b>NET CASHFLOWS FROM OPERATING ACTIVITIES</b>		<b>157,941</b>	<b>(224,835)</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>			
Acquisition of Investments		250,000	300,000
Purchase of Plant and Equipment			0
Purchase of Intangibles			0
<b>Total Investing Cash Applied</b>		<b>250,000</b>	<b>300,000</b>
<b>NET CASHFLOWS FROM INVESTING ACTIVITIES</b>		<b>250,000</b>	<b>300,000</b>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from Loans			0
Repayment of Loans			0
<b>NET CASHFLOWS FROM FINANCING ACTIVITIES</b>			<b>0</b>
<b>NET INCREASE/(DECREASE) IN CASH</b>		<b>407,940</b>	<b>75,165</b>
<b>CASH AT BEGINNING OF THE YEAR</b>		<b>445,751</b>	<b>370,586</b>
<b>CASH AT END OF THE YEAR</b>	10	<b>853,691</b>	<b>445,751</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.



**LEGAL NAME**

BOPLASS Limited stands for Bay of Plenty Local Authority Shared Services.

**TYPE OF ENTITY AND LEGAL BASIS**

BOPLASS Limited 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 ten 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 50 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.



**All of Government (AoG) Procurement**

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

## Statement of Accounting Policies

### Statement of Accounting Policies for the Year Ended 30 June 2024

#### 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 \$5 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.

##### ***SIGNIFICANT ACCOUNTING POLICIES***

There have been no changes to accounting policies during the reporting period.

##### ***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 2024.

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 2024.

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.

### ***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	20%
Computer equipment/ICN	4 years	25%
Mobile Phone	3 years	67%

### ***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:

2022 Computer Software	2 years	50%
2021 Computer Software	2 years	50%

### ***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.

### **Print Services**

A collective contract with Canon for photocopiers and printers has delivered significant savings to the group. It has also provided a common technology platform supporting the development and delivery of further shared services.



## Notes to Financial Statements

### NOTE 2: COUNCIL CONTRIBUTION / PROJECT REVENUE

	Notes	BOP LASS Ltd		
		2023/24 Actual	2023/24 Budget	2022/23 Actual
<b>Core Revenue</b>				
Council Contribution		348,219	321,637	328,507
		<b>348,219</b>		<b>328,507</b>
<b>Project Revenue</b>				
Rebates	*	243	1,000	622
Aerial Photography Revenue	**	263,312	300,000	741,188
Video Conferencing Revenue	***	18,380	24,000	22,472
Revenue - ICN	****	147,324	130,000	127,595
Recoveries	*****	611,176	710,000	641,448
Crime Prevention		980,776		13,163
Collaboration Portal Revenue	*****	32,655	45,000	37,250
<b>TOTAL CORE AND PROJECT REVENUE</b>		<b>2,053,866</b>	<b>1,531,637</b>	<b>1,912,245</b>

\* Rebates for Services contracted by BOPLASS Ltd are received from NZ Post Ltd and a final from CSG.

\*\* 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.

\*\*\*\* ICN Revenue is offset by ICN 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.

\*\*\*\*\* Collaboration Portal Revenue is offset by Collaboration Portal expenditure.

### NOTE 2.5: OTHER INCOME

	Notes	BOP LASS Ltd		
		2023/24 Actual	2023/24 Budget	2022/23 Actual
<b>Other Income</b>				
Income Tax Refund		2,670	0	0
<b>TOTAL OTHER INCOME</b>		<b>2,670</b>	<b>0</b>	<b>0</b>

### NOTE 3: INTEREST REVENUE

	Notes	BOP LASS Ltd		
		2023/24 Actual	2023/24 Budget	2022/23 Actual
<b>Core Revenue</b>				
Interest Revenue - Current account		41,922	9,000	6,039
<b>Project Revenue</b>				
Interest Revenue - Aerial Trust account		14,227	200	8,897
<b>TOTAL INTEREST REVENUE</b>		<b>56,149</b>	<b>9,200</b>	<b>14,936</b>

#### NOTE 4: DEPRECIATION AND AMORTISATION EXPENSE

	Notes	BOP LASS Ltd		
		2023/24 Actual	2023/24 Budget	2022/23 Actual
<b>Core Expenditure</b>				
Intangibles	*	1,689	2,000	2,285
Plant and Equipment	**	4,295	5,000	5,906
<b>TOTAL DEPRECIATION AND AMORTISATION EXPENSE</b>		<b>5,984</b>	<b>7,000</b>	<b>8,191</b>

\* Intangibles refer to Note 13.

\*\* Plant and Equipment refer to Note 14.

#### NOTE 5: EMPLOYEE RELATED COSTS

	Notes	BOP LASS Ltd		
		2023/24 Actual	2023/24 Budget	2022/23 Actual
<b>Core Expenditure</b>				
Salary and Wages		288,454	267,403	275,060
Superannuation	*	21,368	0	20,379
Direct Personnel Overheads	**	24,872	24,400	23,910
<b>TOTAL EMPLOYEE RELATED COSTS</b>		<b>334,694</b>	<b>291,803</b>	<b>319,349</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		
		2023/24 Actual	2023/24 Budget	2022/23 Actual
<b>Core Expenditure</b>				
Directors Costs (Fees & Travel)	*	19,314	23,000	19,393
<b>TOTAL DIRECTORS COSTS</b>		<b>19,314</b>	<b>23,000</b>	<b>19,393</b>

\* Craig O'Connell is 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.



### Insurance

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

## NOTE 7: FINANCE COST

	Notes	BOP LASS Ltd		
		2023/24 Actual	2023/24 Budget	2022/23 Actual
<b>Core Expenditure</b>				
Interest on Borrowings	*	0	0	0
<b>TOTAL FINANCE COST</b>		<b>0</b>	<b>0</b>	<b>0</b>

\* Interest on Tauranga City Council loan refer to Note 18.

## NOTE 8: OTHER EXPENSES

	Notes	BOP LASS Ltd		
		2023/24 Actual	2023/24 Budget	2022/23 Actual
<b>Core Expenditure</b>				
Audit Fees	*	21,006	22,000	21,277
Administration Expenses	**	17,576	18,000	18,049
Consultancy	***	6,200	5,300	8,400
General Costs	****	30,161	11,500	9,985
Insurance		11,517	11,500	10,950
Crime Prevention		982,456	0	13,163
		<b>1,068,916</b>	<b>68,300</b>	<b>81,824</b>
<b>Project Expenditure</b>				
Aerial Photography	*	263,312	300,000	741,188
Video Conferencing	**	19,175	22,560	19,360
Inter Council Network (ICN)	**	134,557	124,800	115,910
Recoveries	***	597,601	674,500	618,870
Collaboration Portal Opex	****	18,673	28,874	26,647
		<b>1,033,318</b>	<b>1,150,734</b>	<b>1,521,975</b>
<b>TOTAL OTHER EXPENSES</b>		<b>2,102,234</b>	<b>1,219,034</b>	<b>1,603,799</b>

### Core

\* Audit Fees for 2024 are \$21,006

\*\* Administration Expenses

\*\*\* Consultancy includes tax advice for both 2023 and 2024

\*\*\*\* Accommodation & Travel, Bank Fees, Conferences, General Expenses, Health & Safety, Legal, Subscriptions

### 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.

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

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

\*\*\*\* Collaboration Portal Opex - to assist in accelerating growth of shared service strategies and projects throughout local government in New Zealand by increasing visibility of councils' opportunities to collaborate.



## NOTE 9: INCOME TAX EXPENSE

	Notes	BOP LASS Ltd	
		2023/2024 Actual	2022/23 Actual
<b>Components of tax expense</b>			
Current Tax Expense		0	0
Adjustments to current tax in prior years		0	0
Tax Expense		0	0
<b>INCOME TAX EXPENSE</b>		<b>0</b>	<b>0</b>
<b>Relationship between tax expense and accounting profit</b>			
Net surplus (deficit) before Taxation*		(1,323)	(23,550)
Tax calculation @ 28%		370	(6,594)
Plus/(Less) Taxation effect of:		0	0
Non-deductible Expenditure		348,219	328,507
Imputation credit adjustment		0	0
Non-taxable (income)/expenditure		(348,219)	(328,507)
Prior Period Adjustment		0	0
Income not included in accounting profit		0	0
Tax Losses not recognised		0	0
Deferred tax adjustment		(370)	(6,594)
<b>TOTAL INCOME TAX EXPENSE</b>		<b>0</b>	<b>0</b>

### Joint Procurement

The procurement of services or products by two or more councils, from an external provider regardless of whether the service is paid for through BOPLASS or individually by participating councils.



**NOTE 10: BANK ACCOUNTS, CASH AND OTHER FINANCIAL ASSETS**

	Notes	BOP LASS Ltd	
		2023/24 Actual	2022/23 Actual
Cash at Bank - Current account		646,128	439,819
Cash at Bank - Aerial Trust account		206,435	5,932
Cash at Bank – Crime Prevention		1,128	0
Term Deposit 182 days @ 2.00% Maturing 10 October 2022		0	250,000
<b>TOTAL BANK ACCOUNTS AND CASH</b>		<b>853,691</b>	<b>695,751</b>

**NOTE 11: DEBTORS AND OTHER RECEIVABLES**

	Notes	BOP LASS Ltd	
		2023/24 Actual	2022/23 Actual
Debtors – Other		504,573	1,734,157
Goods and Services		77,457	0
Accrued Revenue		17,316	67,758
Tax (Payable) / Receivable		24,919	11,777
<b>TOTAL DEBTORS AND OTHER RECEIVABLES</b>		<b>624,266</b>	<b>1,813,692</b>

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

**NOTE 12: PREPAYMENTS**

	Notes	BOP LASS Ltd	
		2023/24 Actual	2022/23 Actual
Under 1 Year		112,812	171,055
<b>TOTAL PREPAYMENTS</b>		<b>112,812</b>	<b>171,055</b>

**Coalition of the Willing**

BOPLASS councils work within an opt-in principle, meaning projects initially advance with willing and active participants.



## NOTE 13: INTANGIBLE ASSETS

	Notes	BOP LASS Ltd	
		2023/24 Actual	2022/23 Actual
<b>Computer Software</b>			
<b>Cost</b>			
Cost at beginning of Year		79,174	79,174
Current Year Additions		0	0
Current Year Disposals		0	0
<b>Cost Balance at Year End</b>		<b>79,174</b>	<b>79,174</b>
<b>Accumulated Amortisation and Impairment</b>			
Cost at beginning of Year		(72,119)	(69,835)
Amortisation Expense		(1,689)	(2,284)
Impairment Losses			
<b>Accumulated Amortisation and Impairment Balance at Year End</b>		<b>(73,808)</b>	<b>(72,119)</b>
<b>Carrying Amounts</b>			
Cost at beginning of Year		7,055	9,340
<b>Carrying Amount at Year End</b>		<b>5,366</b>	<b>7,055</b>

Amortisation Expense was at varying rates between 15% to 60%.

No impairment losses have been recognised for intangible assets.

## NOTE 14: PLANT AND EQUIPMENT

	Notes	BOP LASS Ltd	
		2023/24 Actual	2022/23 Actual
<b>Office and Computer Equipment</b>			
<b>Cost</b>			
Cost at beginning of Year		29,613	29,613
Current Year Additions	*	0	0
Current Year Disposals		0	0
<b>Cost Balance at Year End</b>		<b>29,613</b>	<b>29,613</b>
<b>Accumulated Depreciation and Impairment</b>			
Cost at beginning of Year		(12,757)	(6,852)
Depreciation Expense		(4,295)	(5,905)
Impairment Losses		0	0
Loss on Disposal of Asset		0	0
<b>Accumulated Depreciation and Impairment Balance at Year End</b>		<b>(17,052)</b>	<b>(12,757)</b>
<b>Carrying Amounts</b>			
Cost at beginning of Year		16,855	22,762
<b>Carrying Amount at Year End</b>		<b>12,560</b>	<b>16,855</b>

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

Computer equipment has been depreciated over its life (4 years). Mobile Phone (3 years).

**NOTE 15: CREDITORS AND ACCRUED EXPENSES**

	Notes	BOP LASS Ltd	
		2023/24 Actual	2022/23 Actual
ANZ Business Credit Card		284	0
Creditors		193,996	202,057
Accrued Expenses	*	19,537	25,691
Goods and Services Tax Payable		0	194,515
Retentions		10,026	36,944
<b>TOTAL CREDITORS AND ACCRUED EXPENSES</b>		<b>223,843</b>	<b>459,207</b>

ANZ Business Credit Card facilities were arranged primarily to pay international accounts for software to reduce the fees charged and to improve expense processes and reporting.

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 for the 2024 financial year.

**NOTE 16: EMPLOYEE COSTS PAYABLE**

	Notes	BOP LASS Ltd	
		2023/24 Actual	2022/23 Actual
Salaries and Wages Payable		8,169	8,163
Annual Leave		27,862	23,357
PAYE		9,652	9,034
<b>TOTAL EMPLOYEE COSTS PAYABLE</b>		<b>45,683</b>	<b>40,554</b>

**NOTE 17: INCOME IN ADVANCE**

	Notes	BOP LASS Ltd	
		2023/24 Actual	2022/23 Actual
Income in Advance		1,311,972	2,176,128
<b>TOTAL INCOME IN ADVANCE</b>		<b>1,311,972</b>	<b>2,176,128</b>

## NOTE 18: BORROWINGS

	Notes	BOP LASS Ltd	
		2023/24 Actual	2022/23 Actual
Maturing in Under 1 Year		0	0
<b>TOTAL BORROWINGS</b>		<b>0</b>	<b>0</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 2024 is \$NIL. 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 is unsecured.

## NOTE 19: EQUITY

	Notes	BOP LASS Ltd	
		2023/24 Actual	2022/23 Actual
<b>Share Capital</b>			
Balance at beginning of Year		99,002	99,002
Fully Paid up Shares		0	0
<b>Balance at Year End</b>		<b>99,002</b>	<b>99,002</b>
<b>Accumulated Surpluses/(Deficit)</b>			
Balance at beginning of Year		(70,482)	(46,932)
Surplus/(Deficit) after Taxation		(1,322)	(23,550)
<b>Balance at Year End</b>		<b>(71,804)</b>	<b>(70,482)</b>

**Share Capital** - As at 30 June 2024, 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 regarding the Company's residual assets.

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

## NOTE 20: CONTINGENCIES

BOPLASS Ltd have no contingencies at year end and that there were no contingencies for prior year.

## NOTE 21: EVENTS OCCURRING AFTER BALANCE DAY

No events have occurred since balance date for BOPLASS Ltd.

## NOTE 22: STATEMENT OF COMMITMENTS

	Notes	BOP LASS Ltd	
		2023/24 Actual	2022/23 Actual
Capital Commitments		0	0
<b>TOTAL CAPITAL COMMITMENTS</b>		<b>0</b>	<b>0</b>


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

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

OPERATING LEASES AS LESSEE	Notes	BOP LASS Ltd	
		2023/24 Actual	2022/23 Actual
Not later than one year		0	0
Later than one year and not later than five years		0	0
Later than five years		0	0
<b>TOTAL OPERATING LEASES AS LESSEE</b>		<b>0</b>	<b>0</b>

The expense of \$134,557 for the Inter Council Network is recognised in the Statement of Financial Performance refer to Note 8. Participating councils are invoiced by BOPLASS Ltd on a quarterly basis to recover the costs of the Inter Council Network. The pricing is reviewable not less than annually and adjustments are to be made for market trends and for the number of councils participating.

RECOVERY OF OPERATING LEASES PAYMENTS FROM PARTICIPATING COUNCILS	Notes	BOP LASS Ltd	
		2023/24 Actual	2022/23 Actual
Not later than one year		0	0
Later than one year and not later than five years		0	0
Later than five years		0	0
<b>TOTAL OPERATING LEASES AS LESSOR</b>		<b>0</b>	<b>0</b>



### Video Conferencing

Distance and travel time are a significant cost. BOPLASS has assisted councils to implement video conferencing to make activities more efficient.

## NOTE 23: 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 2024 free of charge. An estimated value of the accounting services provided for the year is \$15,000.

## NOTE 24: 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:

2024: 1.69% (2023: 1.05%)

## NOTE 25: EXPLANATIONS OF MAJOR VARIANCES AGAINST BUDGET

BOP LASS Ltd	
Statement of Financial Performance	Variance against Budget
Recoveries and Projects – Recoveries (Note 2 & 8)	Project timing is often impacted by reprioritisation of workstreams and effects the Project Recoveries and Expenditure. Both the project expense and revenue remained proportional.
Other Income (Note 2.5)	BOPLASS received an income tax refund of \$2,670
Interest Revenue (Note 3)	Higher interest rates resulted in an increase in bank interest earned against budget.
Employee Related Expenses (Note 5)	OPEX Salaries have decreased when compared to budget which was a result of fewer hours being spent on the Collaboration Portal and specific projects that off-set salaries.
Collaboration Portal Opex (Note 8)	Collaboration Portal operating expenses have decreased through introducing efficiencies into the administration processes and services.



**NOTE 26: BOPLASS CONTRACTUAL OFFSETTING REVENUE & EXPENDITURE TRANSACTIONS**

	BOP LASS Ltd 2023/24			Explanation
	Revenue	Expenditure	Net Operating Surplus/(Deficit)	
<b>Core</b>				
Council Contribution	348,219	0	348,219	BOPLASS Ltd receives funds from nine councils to fund administrative costs not related to projects. Includes CPI Adjustment.
Interest Revenue	56,149	0	41,922	Refer Note 3.
Other Income – Reimbursement	2,670	0	2,670	Refer Note 2.5.
Depreciation & Amortisation	0	5,984	(5,984)	Refer to Note 4.
Salary and Wages	0	288,454	(288,454)	Refer to Note 5.
Superannuation	0	21,368	(21,368)	Refer to Note 5.
Direct Personnel Overheads	0	24,872	(24,872)	Refer to Note 5.
Directors Fees & Costs	0	19,314	(19,314)	Refer to Note 6.
Administration Expenses	0	17,576	(17,576)	Refer to Note 8.
Audit Fees	0	21,006	(21,006)	Refer to Note 8.
Consultancy	0	6,200	(6,200)	Refer to Note 8.
Insurance	0	11,517	(11,517)	Refer to Note 8.
General	0	30,161	(30,161)	Refer to Note 8.
Tax Expense	0	0	(0)	Refer to Note 9.
<b>Total</b>	<b>407,038</b>	<b>446,452</b>	<b>(39,414)</b>	
<b>Projects</b>				
Aerial Photography	263,312	263,312	0	Participating councils are invoiced by BOPLASS Ltd and the vendor is paid as percentages of the work on the project are completed.
Canon Video Conferencing	18,380	19,175	(795)	Councils pay BOPLASS Ltd an amount charged by Canon plus an administrative fee for BOPLASS Ltd maintaining a service and maintenance contract on behalf of the councils.
Inter Council Network	147,324	134,557	12,767	Participating councils are invoiced by BOPLASS Ltd on a quarterly basis to recover the cost for the Inter Council Regional Network Platform. ICN revenue includes recovery of other operating expenditure - ICN, interest on borrowings - ICN loan and BOPLASS Ltd administration fees.
Recoveries	611,176	597,601	13,575	BOPLASS charges an administration fee for management of project recoveries
Crime Prevention	980,776	982,456	(1,680)	DIA provided funding to support crime prevention initiatives which started in 2023 and has been completed in 2024
Rebates	243	0	243	Rebates earned by BOPLASS from CSG Technology and NZ Post Ltd.

Collaboration Portal	32,655	18,673	13,982	The Portal is to assist in accelerating growth of shared service strategies and projects throughout local government in New Zealand by increasing visibility of councils' opportunities to collaborate. Membership Revenue lower than expected.
<b>Total</b>	<b>2,053,866</b>	<b>2,015,774</b>	<b>38,092</b>	

<b>Overall Total</b>	<b>2,460,903</b>	<b>2,462,226</b>	<b>(1,323)</b>	

	BOP LASS Ltd 2022/23		
	Revenue	Expenditure	Net Operating Surplus/(Deficit)
<b>Core</b>			
Council Contribution	328,507	0	328,507
Interest Revenue	6,039	0	6,039
Other Income – Reimbursement	0	0	0
Depreciation & Amortisation	0	8,191	(8,191)
Salary and Wages	0	275,060	(275,060)
Superannuation	0	20,379	(20,379)
Direct Personnel Overheads	0	23,910	(23,910)
Directors Fees & Costs	0	19,393	(19,393)
Administration Expenses	0	18,049	(18,049)
Audit Fees	0	21,277	(21,277)
Consultancy	0	8,400	(8,400)
Insurance	0	10,950	(10,950)
General	0	9,985	(9,985)
Crime Prevention	0	13,163	(8,155)
<b>Total</b>	<b>334,546</b>	<b>428,755</b>	<b>(93,639)</b>
<b>Projects</b>			
Aerial Photography	741,188	741,188	0
Interest Revenue related to Aerial Photography	8,897	0	8,897
Canon Video Conferencing	22,472	19,360	3,112
Inter Council Network	127,595	115,910	11,685
Project Recoveries	654,611	618,870	35,741
Rebates	622	0	622
Collaboration Portal	37,250	26,647	10,603
<b>Total</b>	<b>1,592,635</b>	<b>1,521,975</b>	<b>70,659</b>
<b>Overall Total</b>	<b>1,927,181</b>	<b>1,950,730</b>	<b>(23,550)</b>

## ***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:

Independent director	Craig O'Connell	26 February 2015 Chair from 16 March 2016
Kawerau District Council	Russell George Morgan Godfery	14 January 2008 until 23 January 2024 28 February 2024
Bay of Plenty Regional Council	Fiona McTavish	30 June 2018
Western Bay of Plenty District Council	John Holyoake	19 July 2021
Rotorua Lakes Council	Geoff Williams Andrew Moraes	1 July 2013 until 22 September 2023 24 April 2024
Whakatane District Council	Stephanie O'Sullivan	19 November 2018 until 19 July 2024
Tauranga City Council	Martin Grenfell	3 September 2018
Taupo District Council	Julie Gardyne	2 June 2023
Gisborne District Council	Nedine Thatcher-Swann	13 March 2017
Opotiki District Council	Stace Lewer	23 September 2022

#### **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.