

King's College Foundation

Financial Statements

For Year Ended

31 December 2023

King's College Foundation
Financial Statements
For the year ended 31 December 2023

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King's College Foundation

Statement of Service Performance

For the year ended 31 December 2023

The King's College Foundation was formed in 1980 as a vehicle to provide financial security for the future of King's College and its goal is create a substantial financial base to ensure the ongoing independence of the College.

The Foundation intends to use and maintain the substantial financial base it has created from membership fees and other donations to provide the College with financial assistance in the following areas:

- 1) employment of teachers and other staff;
- 2) carrying out of educational and research projects;
- 3) granting of scholarships, bursaries, endowments, and educational allowances to teachers, other staff and to students of the College;
- 4) enabling academic specialists to visit the College;
- 5) acquiring of library books, works of art and plant and equipment required for educational purposes;
- 6) developing new teaching methods and the cultural environment of the College;
- 7) acquiring land or other facilities for the College and for the construction or maintenance of building and other facilities to be used by the College.

The Foundation's main activities to achieve its goals are as follows:

- 1) Fundraising from membership fees and other donations
- 2) Managing the investment funds
- 3) Managing the different funds to ensure appropriate levels of support are provided from the investment returns and donations

Fundraising from membership fee donations

The Foundation has the following different membership categories, with membership criteria noted:

Classes	Donation or Pledge	Notified bequest
Members	\$5,000 to \$14,999	\$10,000 to \$29,999
Fellows	\$15,000 to \$39,999	\$30,000 to \$79,999
Directors	\$40,000 to \$99,999	\$80,000 to \$199,999
Patrons	\$100,000 to \$499,999	\$200,000 to \$999,999
President's Circle	\$500,000 or more	\$1,000,000 or more

Any donation or pledge made to the Foundation is considered a membership fee and allows the donor to enter the category relevant to the amount donated or pledged.

We encourage current and prospective members to join and remain members of the Foundation by activities such as regular communication and invitations to events. A key objective of these activities is to promote areas of the College's operations that have been supported, or will be supported, by the Foundation. This activity also encourages members to make further donations to the College.

Regular communication and invitation to events continued in 2023; Due to general economic circumstance, the donations did not increase in 2023.

The Headmaster and the College's Board of Governors has continued to highlight the need to fund the new Performing Arts Centre and more student scholarships. This has led to donations of \$793,034 (2022 - \$2,606,000) towards the Performing Arts Centre and several significant donations towards scholarship endowment funds.

Management of investments

We have an Investment Committee made up of three members of the Foundation's Board of Management and three external members, who are specialists in asset management. The Investment Committee operates under a Statement of Investment Policies, Standards and Procedures ("SIPSP"). The SIPSP provides guidelines for how the endowment funds will be invested and this includes a prescribed asset allocation as follows:

King's College Foundation

Category	Prescribed allocation
Global equities	27.5%
Trans-Tasman Equities	27.5%
Global Fixed Interest	13.0%
Trans-Tasman Fixed Interest	19.0%
Alternative Assets	10.0%
Cash	3.0%
Total	100%

As outlined in the SIPSP, the Investment Committee engage professional fund managers to independently manage the funds within the above categories. The fund managers are currently Hobson Wealth.

Category	Fund
Trans-Tasman Equities	Milford Trans-Tasman Fund Harbour Australasian Equity Fund
Global equities	Russell Global Opportunities Fund – Class A Russell Investments Hedge Global Shares Fund Harbour T. Rowe Price Global Equity Fund Harbour T. Rowe Price Global Equity Fund (Hedged)
Global Fixed Interest	Russell Global Opportunities Fund – Class B Nikko AM Wholesale Global Bond Fund
Trans-Tasman Fixed Interest	Milford Trans-Tasman Bond Wholesale Fund Harbour NZ Core Fixed Interest fund
Alternative Assets	Not applicable

The Investment Committee met four times during 2023, with guest speakers from the Foundation's asset managers presenting on the economy, the markets and their investment strategies.

	2023	2022
Investment Return	11.25%	-13.03%
Fund balance (\$)	\$28,009,666	\$25,178,131

Managing equity funds and financial support

The Foundation funds are categorised into three different kinds of funds based on the intention of the donor, as follows:

Category	Explanation
Preserved Capital Fund	Donations that are not given for a specific purpose
Capital Endowment Funds	Donations where the income is to be distributed
- Scholarships & Bursary Funds	Donations given for scholarships & bursaries
- Other Endowment Funds	Donations given for non-scholarship purposes
Special Purpose Funds	Donations where the principal is to be distributed

Our Board of Management met four times during 2023 (and also in 2022) and at each meeting, the Headmaster or a member of the College's Board of Governors attended and provided insight on the College's operations. Where applicable, this included an update on the important areas of financial need and where the Foundation could provide the most support to the College, including the discussion and approval of funding requests from the College. The Foundation aims to help King's College enable an all-round education supporting teachers, giving back to students and providing scholarships and in doing so provide diversity opportunities.

As outlined in the financial statements, the Foundation supported the College with grants in 2023 of \$1,715,270 and of \$3,361,000 in 2022.

These below tables show areas of significant support made to the College:

Student Scholarships		2023	2022
Amount(\$)	These scholarships meet a key Foundation goal of providing diversity in the student roll.	\$642,122	\$609,000
Margaret Myers Fellowships		2023	2022
Amount(\$)	These fellowshps provide educational and reseach project opportunities	\$118,237	\$39,000
Performing Arts Centre		2023	2022
Amount(\$)	These donations help fund a major new educational faciity.	\$904,036	\$2,606,000

King's College Foundation

Statement of Comprehensive Revenue and Expenses

For the year ended 31 December 2023

	Note	2023 \$	2022 \$
Revenue from non-exchange transactions			
Donations - Preserved Capital Fund		47,778	15,000
Donations - Scholarship & Bursaries		247,700	1,234,964
Donations - Other Endowment Funds		-	7,100
Donations - Special Purpose Funds		865,598	3,191,933
		<u>1,161,076</u>	<u>4,448,997</u>
Revenue from exchange transactions			
Gain/(Loss) on revaluation of investments		2,831,535	(3,771,128)
Finance Income	5	132,036	10,679
		<u>2,963,571</u>	<u>(3,760,449)</u>
Total Revenue		<u>4,124,647</u>	<u>688,548</u>
Expenses			
Grants - Scholarship & Bursaries		642,118	609,012
Grants - Other Endowment Funds		141,407	48,336
Grants - Special Purpose Funds		931,745	2,703,831
Audit Fees		16,811	12,000
Sundry Expenses		41,924	14,991
		<u>1,774,005</u>	<u>3,388,170</u>
Total Expenses		<u>1,774,005</u>	<u>3,388,170</u>
Total Surplus/(Deficit) for the year		<u>2,350,642</u>	<u>(2,699,622)</u>
Other comprehensive revenue and expenses		-	-
Total Other comprehensive revenue and expenses		-	-
Total Comprehensive Revenue and Expenses		<u>2,350,642</u>	<u>(2,699,622)</u>

The notes to the financial statements form part of and are to be read in conjunction with these financial statements.

King's College Foundation

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2023

	Note	2023	2022
Equity at start of year		\$ 26,542,775	\$ 29,242,397
Total comprehensive revenue and expense for the year		2,350,642	(2,699,622)
Equity at end of year		<u>28,893,418</u>	<u>26,542,775</u>

The notes to the financial statements form part of and are to be read in conjunction with these financial statements.

King's College Foundation

Statement of Financial Position

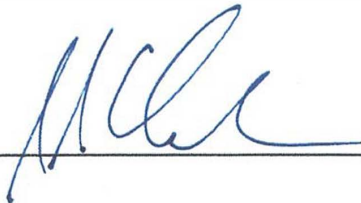
As at 31 December 2023

	Note	2023 \$	2022 \$
EQUITY	8	28,893,418	26,542,775
Non Current Assets			
Investments	7	28,009,666	25,178,131
Current Assets			
Cash and Cash Equivalents	6	1,815,818	751,618
Short Term Investments - Term Deposits	6	-	1,500,000
Accounts Receivable	9	157,759	-
		1,973,577	2,251,618
TOTAL ASSETS		29,983,243	27,429,749
Current Liabilities			
Accounts Payable - King's College	11	480,067	874,974
Accounts Payable - Association of the Friends of King's College	11	13,000	-
Funds held in Trust	10	583,758	-
Accruals		13,000	12,000
		1,089,825	886,974
TOTAL LIABILITIES		1,089,825	886,974
NET ASSETS		28,893,418	26,542,775

For and on behalf of the Board of Management of King's College Foundation who approve these financial statements



President, Board of Management Date 5 June 2024



Chairman, Investment Committee Date 5 June 2024

The notes to the financial statements form part of and are to be read in conjunction with these financial statements.

King's College Foundation

Statement of Cash Flows

For the year ended 31 December 2023

	Note	2023 \$	2022 \$
Cash Flows from Operating Activities			
Receipts from:			
Donations		1,011,076	4,448,997
Interest and dividends		124,277	10,679
Payments for:			
Grants		(2,121,230)	(2,816,374)
Suppliers		(15,994)	(37,426)
Net cash inflow/(outflow) from operating activities		(1,001,871)	1,605,876
Cash Flows from Investing Activities			
Receipts from:			
Disposal of investments at fair value through surplus or deficit			
Short Term Deposits		1,500,000	-
Bruce Trust Fund		566,071	-
Payments for:			
Acquisition of investments at fair value through surplus or deficit		-	-
Short Term Deposits		-	(1,500,000)
Net cash inflow/(outflow) from investing activities		2,066,071	(1,500,000)
Net increase/(decrease) in cash and cash equivalents		1,064,200	105,876
Cash and cash equivalents at beginning of year		751,618	645,742
Cash and cash equivalents at end of year	6	1,815,818	751,618
		0	

The notes to the financial statements form part of and are to be read in conjunction with these financial statements.

King's College Foundation

Notes to the Financial Statements

For the year ended 31 December 2023

Statement of Accounting Policies

1. Reporting Entity

King's College Foundation ("the Foundation") is a Charitable Trust registered under the Charities Act 2005. The Foundation makes grants to King's College Trustees and is domiciled in Auckland, New Zealand.

2. Basis of Preparation

a) Statement of compliance

The financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice ("NZ GAAP"). They comply with Public Benefit Entity International Public Sector Accounting Standards ("PBE IPSAS"). The Foundation is a public benefit not-for-profit entity and is eligible to apply Tier 2 Not-for-Profit PBE IPSAS on the basis that it does not have public accountability and it is not defined as large.

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

These financial statements for the year ended 31 December 2023 were authorised for issue by the Board of Management on 5 June 2024.

b) Measurement basis

The financial statements have been prepared on the historical cost basis as modified by the fair value measurement of non-derivative financial instruments.

c) Functional and presentation currency

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

There has been no change in the functional currency of the Foundation during the year.

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

King's College Foundation

Notes to the Financial Statements

For the year ended 31 December 2023

3. Significant Accounting Policies

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

a) Revenue

Revenue is recognised when the amount of revenue can be measured reliably and it is probable that economic benefits will flow to the Foundation, and measured at the fair value of consideration received or receivable.

(i) Revenue from non-exchange transactions

Donations including Scholarship Contributions and Capital Contributions

Non-exchange revenue from donations can only be deferred and recognised as a liability if there is a condition attached to the donation that requires use of the donation for a specified purpose or return of the donation if the entity does not perform as specified. Donation revenue is recognised when the conditions attached, if any, to the donation have been complied with.

(ii) Revenue from exchange transactions

Interest is recognised as it accrues using effective interest method.

Gains and losses on revaluation of investments to fair value are based on reported results from fund managers.

b) Grant Expense

Grant expense is recognised when the payment of the grant is authorised by the Board of Management, or when an irreversible commitment of the grant is made to a third party.

c) Financial Instruments

(i) Recognition and initial measurement

Receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Foundation becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus transaction costs that are directly attributable to its acquisition or issue. At initial recognition, an entity may measure short-term receivables and payables at the original invoice amount if the effect of discounting is immaterial.

(ii) Classification and subsequent measurement

Financial Assets

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive revenue and expense (FVOCRE) – debt investment and equity investment; or fair value through surplus or deficit (FVTSD).

Financial assets are not reclassified subsequent to their initial recognition unless the Foundation changes its management model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the management model.

King's College Foundation

Notes to the Financial Statements

For the year ended 31 December 2023

3. Significant Accounting Policies (continued)

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTSD:

- it is held within a management model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCRE if it meets both of the following conditions and is not designated as at FVTSD:

- it is held within a management model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost or FVOCRE as described above are measured at FVTSD. On initial recognition, the Foundation may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCRE as at FVTSD if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

d) GST

These financial statements have been prepared on a GST exclusive basis. The Foundation deregistered for GST from 1 April 2015, as it is no longer involved in taxable activity.

e) Income Tax

The Foundation is wholly exempt from New Zealand income tax having fully complied with all statutory conditions to obtain this exemption.

4. Significant accounting judgements and estimates

4.1 Financial Statements

The preparation of the Foundation's financial statement require management to make judgements and estimates that affect the reported amount of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of the contingent liabilities. Uncertainties about these assumptions and estimates could result in outcomes that require material adjustments to the carrying amount of assets or liabilities affected in future period.

As at 31 December 2023, the Foundation does not have any significant judgements and estimates.

4.2 Statement of Service Performance Reporting

The Foundation has been established for charitable purposes to provide King's College with financial assistance in the areas noted below:

- (1) employment of teachers and other staff;
- (2) carrying out educational and research projects;
- (3) granting of scholarships, bursaries, endowments, and educational allowances to teachers, other staff and to students of the College;
- (4) enabling academic specialists to visit the College;
- (5) acquiring library books, works of art and plant and equipment required for educational purposes;
- (6) developing new teaching methods and the cultural environment of the College;
- (7) acquiring land or other facilities for the College and for the construction or maintenance of building and other facilities to be used by the College.

In compiling the Foundation's Statement of Service Performance report, management has made judgements in relation to which outcomes and outputs best reflect the achievement of our performance.

King's College Foundation

Notes to the Financial Statements

For the year ended 31 December 2023

5.	Finance Income	2023	2022
		\$	\$
	Interest income	132,036	10,679
		<u>132,036</u>	<u>10,679</u>

6.	Cash and cash equivalents and investments	2023	2022
		\$	\$
	Cash in bank	1,815,818	387,496
	Short Term Deposits	-	364,122
	Cash and cash equivalents	<u>1,815,818</u>	<u>751,618</u>
	Investments - Short Term Deposits	<u>-</u>	<u>1,500,000</u>

This year's cash in bank includes \$1,757,622 held on call by Hobson Wealth who manages the Foundations Investments.

7.	Investments	2023	2022
		\$	\$
	Equity Funds		
	Global	8,686,520	7,372,767
	Australasia	8,708,160	7,909,926
	Total Equity Funds	<u>17,394,680</u>	<u>15,282,693</u>
	Fixed Income Security Funds		
	Global	4,262,372	4,000,372
	Domestic	6,352,614	5,895,066
	Total Fixed Income Security Funds	<u>10,614,986</u>	<u>9,895,438</u>
	Total Investments	<u>28,009,666</u>	<u>25,178,131</u>

The above investments are units in independently managed funds that are managed by professional fund managers in accordance with the Foundation's investment strategy.

The fair value of the investments is based on the market value as at year end reported by the fund managers.

8. Equity

	Fund Balance \$	Donations During Year \$	Investment Returns \$	Allocations and Reclassifications \$	Payments \$	Fund Balance \$	Includes Distributable Income \$
	31/12/2022					31/12/2023	31/12/2023
Preserved Capital Fund:	6,621,095	47,778	725,558	(443,757)	-	6,950,674	-
Capital Endowment Fund:							
Scholarship and Bursary Funds							
General Scholarships & Bursaries	2,160,603	100,000	239,452	12,624	(175,049)	2,337,630	-
KCOCA Scholarships & Bursaries	3,270,791	0	357,768	-	(110,700)	3,517,859	93,341
Lilian Alexander Stride Bursaries	1,922,060	0	205,797	-	(86,396)	2,041,460	128,058
Endeavour Scholarships	749,006	0	72,706	-	-	821,712	242,943
Phil Ryall Bursary	379,851	0	40,335	-	(14,888)	405,298	34,646
Peter Wilson Boarding Scholarships	1,406,314	0	153,827	-	(74,440)	1,485,700	13,290
James Webster Memorial Scholarship	224,859	0	24,420	-	-	249,279	17,756
Dr. Roger Bartley Memorial Fund	152,330	0	16,662	-	(5,217)	163,776	4,286
William Thode Memorial Scholarship	250,416	0	27,391	-	(8,700)	269,107	6,922
Ian Kirkpatrick Rugby Scholarship	75,703	200	8,287	-	(20,000)	64,190	-
Bradley Fenner Scholarship	506,385	0	55,390	-	(14,888)	546,887	16,702
Bryne Thomas Scholarship	120,859	0	13,220	-	(5,217)	128,862	2,323
Rollin Bates Trust Fund Scholarship	482,606	0	52,789	-	-	535,395	30,106
Mark & Angela Clatworthy Boarding Scholarship	443,217	147,500	53,081	-	(84,440)	559,358	-
Warne Rowlings Memorial Scholarship	381,539	0	41,734	-	(20,000)	403,272	3,801
Stephen and Virginia Fisher Scholarship	94,875	0	10,378	-	(9,183)	96,069	-
Mackley Family Scholarship Fund	909,677	0	99,503	-	(13,000)	996,180	43,748
Richard and Yvette Hall Scholarship	90,844	0	9,937	-	-	100,781	5,667
	13,621,934	247,700	1,482,676	12,624	(642,118)	14,722,817	643,589
Other Endowment Funds							
Margaret Myers Fellowships	3,324,611	-	334,639	-	(118,237)	3,541,013	706,531
Sibson Trust	253,114	-	26,182	-	(19,909)	259,386	27,893
JB Luncheon	2,133	-	233	-	(261)	2,106	-
Positive Education	139,781	-	15,290	-	-	155,070	8,720
Cultural Excellence	223,891	-	24,490	-	-	248,380	13,967
Sporting Excellence	377,669	-	41,123	-	-	418,791	27,553
Academic Excellence	59,329	-	6,490	-	-	65,818	3,701
Rolf Porter Rowing	546,707	-	59,800	-	-	606,508	34,105
John Renshaw Memorial Prize	9,672	-	956	-	-	10,628	2,763
Bruce Rhodes Maxwell Memorial Sun Dial	68,789	-	7,327	-	-	76,116	8,491
Damapong Commerce Fund	23,503	-	2,468	-	-	25,971	3,662
Michael Innes-Walker Memorial Prize	4,601	-	503	-	-	5,104	287
Tony Butler Memorial Fund	53,179	-	5,817	-	(3,000)	55,996	317
King's College Trust	31,205	-	3,276	-	-	34,482	4,861
	5,118,183	0	528,594	0	(141,407)	5,505,369	842,852
Special Purpose Fund:							
Capital Projects	10,393	-	1,137	-	-	11,530	-
KCOCA Chapel Preservation	94,892	-	10,380	-	-	105,272	-
KCOCA Discretionary	356,980	-	39,047	-	-	396,027	-
King's College Cricket Club	103,605	-	11,333	-	(3,100)	111,838	-
Peter Barton Cricket Scholarship	6,674	-	730	-	-	7,404	-
Helping Hand Fund	60,903	-	6,662	-	-	67,565	-
Rugby Supporters Fund – Youth Opportunity	8,704	700	974	-	-	10,378	-
Chapel Fund	10,326	-	1,292	-	(11,609)	9	-
Sports and Aquatic Centre	25,691	-	2,810	-	-	28,502	-
Heritage (Archives)	3,142	-	344	-	-	3,486	-
Performing Arts Centre	173,511	793,034	8,155	-	(904,036)	70,664	-
General Purpose Special Fund (Annual Giving)	538,773	-	58,933	-	-	597,705	-
Next Horizon General Fund	179,969	71,764	21,924	-	-	273,658	-
Mackay Trail Teaching Resources	4,741	-	519	-	-	5,260	-
Old Collegian's Pavillion	13,629	-	1,491	-	(13,000)	2,120	-
General Scholarship (Non-Endowment)	-	100	3	-	-	103	-
Service Books	2,593	-	284	-	-	2,876	-
Cricket Capital Projects	18,172	-	1,988	-	-	20,160	-
Capital Campaign Costs	(431,133)	-	-	431,133	-	0	-
	1,181,566	865,598	168,004	431,133	(931,745)	1,714,556	-
	26,542,780	1,161,076	2,904,832	0	(1,715,270)	28,893,419	1,486,441

Notes:

- a) Gains or Losses in Distributable Reserves of Special Purpose Funds were transferred back to capital.
- b) CPI - rate of 4.7% is an annualised rate.

King's College Foundation

Notes to the Financial Statements

For the year ended 31 December 2023

9. Accounts Receivable

	2023 \$	2022 \$
Interest Receivable	7,759	-
Related party receivable	150,000	-
	<u>157,759</u>	<u>-</u>

The \$150,000 receivable as at 31 December 2023 was Kings College Old Collegians donation to the Foundation to be used on the Performing Arts Centre (2022: nil)

10. Funds held in Trust

	2023 \$	2022 \$
Bruce Trust Fund	566,072	-
Investment income	17,686	-
	<u>583,758</u>	<u>-</u>

The Foundation Trustees have been appointed as Trustees of the Bruce Trust and have invested the funds into their Investment portfolio. Income on these Investments are allocated to the Funds held in Trust. The Bruce Trust will use the Investment returns to support students who attend King's College by way of a Scholarship. No scholarship was paid in 2023.

11. Accounts Payable

The Foundation has the following related party payable transaction as at 31 December 2023:

A total of \$480,067 was payable to King's College Trustees (2022: \$876,514) and a total of \$13,000 was payable to the Association of the Friends of King's College (2022: \$10,232) being the value of funds invested with the King's College Foundation.

12. Related Parties

During the year, the King's College Foundation donated \$1,715,270 to King's College Trustees (2022: \$3,361,179).

The Foundation makes donations to the College, in the form of scholarships for students, professional development for academic staff and purchase of capital items.

13. Financial Instruments Classification and Fair Values

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

	Loans and Receivables	Fair value through Surplus or Deficit	Liabilities at Amortised Cost	Total Carrying Amount
2023				
<u>Assets</u>				
Cash and Cash Equivalents	1,815,818	-	-	1,815,818
Interest Receivable	7,759	-	-	7,759
Receivable from related party	150,000	-	-	150,000
Investments	-	28,009,666	-	28,009,666
	<u>1,973,577</u>	<u>28,009,666</u>	<u>-</u>	<u>29,983,243</u>
<u>Liabilities</u>				
Accounts Payable - related parties	-	-	493,067	493,067
Funds held in Trust	-	-	583,758	583,758
Accruals	-	-	13,000	13,000
	<u>-</u>	<u>-</u>	<u>1,089,825</u>	<u>1,089,825</u>
2022				
<u>Assets</u>				
Cash and Cash Equivalents	751,618	-	-	751,618
Interest Receivable	1,500,000	-	-	1,500,000
Investments	-	25,178,131	-	25,178,131
	<u>2,251,618</u>	<u>25,178,131</u>	<u>-</u>	<u>27,429,749</u>
<u>Liabilities</u>				
Accounts Payable	-	-	886,974	886,974
	<u>-</u>	<u>-</u>	<u>886,974</u>	<u>886,974</u>

Given the nature of the financial instruments their carrying values are considered to approximate their fair values.

King's College Foundation

Notes to the Financial Statements

For the year ended 31 December 2023

- 14 Contingent Liabilities**
The Foundation had no contingent liabilities in 2023 (2022: Nil).
- 15 Events after Balance Date**
There were no significant events after balance date.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF KING'S COLLEGE FOUNDATION**

Report on the Audit of the General Purpose Financial Report

Opinion

We have audited the general purpose financial report of King's College Foundation ("the Foundation"), which comprise the financial statements on pages 4 to 14, and the service performance information on pages 2 to 3. The complete set of financial statements comprise the statement of financial position as at 31 December 2023, the statement of comprehensive revenue and expense, statement of changes in net assets/equity, statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion the accompanying general purpose financial report presents fairly, in all material respects:

- the financial position of the Foundation as at 31 December 2023, and its financial performance, and its cash flows for the year then ended; and
- the service performance for the year ended 31 December 2023, in accordance with the entity's service performance criteria,

in accordance with Public Benefit Entity Standards Reduced Disclosure Regime ("PBE Standards RDR") issued by the New Zealand Accounting Standards Board.

Basis for Opinion

We conducted our audit of the financial statements in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)) and the audit of the service performance information in accordance with the ISAs and New Zealand Auditing Standard (NZ AS) 1 *The Audit of Service Performance Information (NZ)*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the General Purpose Financial Report section of our report. We are independent of the Foundation in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Board of Management's Responsibilities for the General Purpose Financial Report

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

- (a) the preparation and fair presentation of the financial statements and service performance information in accordance with Public Benefit Entity Standards RDR issued by the New Zealand Accounting Standards Board;
- (b) service performance criteria that are suitable in order to prepare service performance information in accordance with Public Benefit Entity Standards RDR; and

(c) such internal control as those charged with governance determine is necessary to enable the preparation of the financial statements and service performance information that are free from material misstatement, whether due to fraud or error.

In preparing the general purpose financial report those charged with governance are responsible for assessing the foundation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless those charged with governance either intend to liquidate the Foundation or to cease operations, or have no realistic alternative but to do so.

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole, and the service performance information are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) and NZ AS 1 will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate or collectively, they could reasonably be expected to influence the decisions of users taken on the basis of this general purpose financial report.

A further description of the auditor's responsibilities for the audit of the general purpose financial report is located at the XRB's website at <https://www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-14/>

Who we Report to

This report is made solely to the Foundation's members, as a body. Our audit work has been undertaken so that we might state those matters which we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Foundation and the Foundation's members, as a body, for our audit work, for this report or for the opinions we have formed.

BDO Auckland

BDO Auckland
Auckland
New Zealand
5 June 2023