# Application for Exception under the AMFM Policy 2023 for PTEs – Chartered accountant attestation form

External review by Chartered Accountant and Professional Assurance Report

This assurance report is to be completed for all private training establishments (PTEs) (being tertiary education organisations) seeking an exception to the Annual Maximum Fee Movement (AMFM) limit for 2023 (for any course that starts between 1 January 2023 and 31 December 2023). This assurance report is to be completed by an external independent chartered accountant (with reference to the International Standard on Assurance Engagements (New Zealand) 3000 (ISAE (NZ) 3000) as issued by the External Reporting Board).

Please forward this form to an independent chartered accountant who is required to complete the relevant sections below.

All costs of producing this assessment are to be met by the entity seeking an exception.

## External Review by Chartered Accountant and Professional Assurance Report

1. I have reviewed the latest financial statements and forecast information for (insert name of entity seeking exception below), this will be the PTE referred to in this document as the “entity”:

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| This information was prepared on a consolidated basis and included the following entities in the consolidation: |
| for the financial year ended [DD/MM]: and covering the period 2019 to 2024 (excluding 2020) |

1. This information was prepared for the purpose of the Tertiary Education Commission (TEC) completing an assessment of an application for an exception to the AMFM limit for 2023 (for any course that starts between 1 January 2023 and 31 December 2023).
2. A review was conducted in accordance with the ISAE (NZ) 3000, as issued by the External Reporting Board.
3. A review is limited primarily to enquiries of personnel and analytical review procedures applied to financial data and thus provides less assurance than an audit. I have not performed an audit and, accordingly, I do not express an audit opinion.

## Assurance Report

*Please note agreement to each statement by initialing in the box provided. If you are unable to confirm the statement please indicate by placing a cross (“X”) in the relevant box in the table below and by providing a brief explanation in an attachment to this form:*

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| **Assurance Report for application for an exception under the AMFM policy:** | | |
|  | **Statement** | **Initial** |
| A | Nothing has come to my attention that causes me to believe that the financial statements, forecast information, and calculations undertaken for the entity in preparing the AMFM exception application have not been:   1. presented on a basis consistent with New Zealand Generally Accepted Accounting Practice and with the accounting policies normally adopted by the entity named above; 2. prepared in accordance with the accounting records, budgets or internal forecasts (where available) of the entity; and 3. prepared in accordance with the strategic plans and business plans (where available) of the entity. |  |
| B | Nothing has come to my attention that causes me to believe that the financial forecasts, and the figures there in, have not been properly calculated and prepared on the basis of the assumptions used and are presented in accordance with the requirements in the financial templates provided for use with the exception application. |  |
| C | The forecasts prepared appear reasonable given my knowledge of the nature of the entity’s activities, information reviewed about the organisation’s past history, and knowledge of the business’s future prospects as at the date of signing of this report. |  |
| D | In my opinion the direct revenue and direct cost information provided in the financial templates (copy attached) reflects the identifiable revenues and costs which can be directly attributed to the qualifications, courses or departments set out in the exception application in relation to the fee increase requested for the course / qualification or department and have been allocated in a manner consistent with management reports used by the entity. |  |
| E | In my opinion,   * the transactions relating to shareholders and related entities of the organisation are correctly represented in the financial templates prepared in support of the application. |  |
| * where shareholder or related party transactions[[1]](#footnote-1) feature in the information covered by the financial templates that these transactions are “at arm’s length” and do not contain “transfer pricing” payments between related parties that lead to the entity seeking the exemption, to incur unreasonable or unnecessary costs or costs in excess of what could be negotiated between truly independent parties to the transaction(s). |  |
| F | I confirm that the financial figures for the historical financial years (2019 and 2021) in the completed financial templates (provided for use with the exception application) are consistent with the financial figures for the historical years (2019 and 2021) in the audited accounts of the entity; or where the accounts have not been audited are in accordance with:   1. the financial accounts prepared by the entity for 2019 and 2021; and 2. are the same set of financial accounts reviewed by the Independent Chartered Accountant who provided an annual attestation for the New Zealand Qualifications Authority (NZQA) in relation to NZQA’s financial management assurance programme for the 2020 and 2021 years. |  |
| G | I have reviewed the NZQA “Annual Return Chartered Accountant Professional Attestation” as to solvency for the last financial year of the entity concerned and confirm that this attestation confirms that the entity is not insolvent and will be able to continue as a “going concern” for the 12 months following the review. |  |
| H | Based on my review, and the forecasts provided, either (please tick one):   * nothing has come to my attention that causes me to believe that the above entity is unable in future (2023 to 2024) to produce an operating surplus (without the need for a student fee exception).   **OR**   * in my opinion, and based on the forecasts provided, the entity seeking an exception requires a student fee exception (which allows a tertiary education organisation (TEO) to increase its fees by up to 2.75%), after considering all other reasonable alternative strategies, in order to achieve a surplus in any future year over the period 2023 to 2024. |  |
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## Acknowledgements

This report has been prepared for distribution to the TEC for the purpose of completing an assessment of an application for an exception to the AMFM limit for 2023.

I disclaim any assumption of responsibility for any reliance on this report to any person other than to the TEC or for any purpose other than that for which it was prepared.

My work was conducted in accordance with the ISAE (NZ) 3000 issued by the External Reporting Board.

I have no relationship with the entity seeking an exception other than in my role as an independent chartered accountant (including where applicable an auditor role) undertaking this professional assurance, other than as disclosed (provide explanatory comments below):

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I acknowledge that:

* I have received a copy of the Annual Maximum Fee Movement Exception guidelines and assessment information,
* For the entity reviewed to seek an exception to the AMFM limit for 2023 the entity being reviewed must submit prescribed financial information to the TEC, and that a copy of this information is attached to this statement of assurance, and
* The TEC will rely on this attestation and the attached financial information in determining whether an exception will be granted.

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| Signed:  **Name:** | Date: |

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| External independent chartered accountant / firm name: |
| Address: |
|  |
| **Email address:** |

### Submission requirements

Please complete this form and do the following:

* attach the entity’s financial templates that have been reviewed,
* initial each page,
* enclose a copy of the most recent NZQA attestation for the entity, and
* return all of this information directly to the TEC’s Customer Contact Group.

Please scan this form and accompanying financial templates and attestation, and send by email to the Customer Contact Group at customerservice@tec.govt.nz. Please include in the subject line: **EDUMIS – PTE Name – 2023 AMFM exception application – PTE**.

This attestation and any other materials supporting an application for an exception to the AMFM policy for courses that start between 1 January 2023 and 31 December 2023 **must be submitted no later than 5:00pm on Tuesday 30 November 2022.**

1. A “related party” is as defined in the New Zealand International Accounting Standard 24 - Related Party Disclosures. [↑](#footnote-ref-1)