

AWAPUNI SCHOOL (P.NORTH)

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

School Directory

Ministry Number:	2339
Principal:	Tui Halatokoua
School Address:	18 Rochester Street, Awapuni
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Accountant / Service Provider:



AWAPUNI SCHOOL (P.NORTH)

Annual Report - For the year ended 31 December 2022

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Awapuni School (P.North)

Statement of Responsibility

For the year ended 31 December 2022

The Board accepts responsibility for the preparation of the annual financial statements and the judgements used in these financial statements.

The management (including the principal and others as directed by the Board) accepts responsibility for establishing and maintaining a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of the school's financial reporting.

It is the opinion of the Board and management that the annual financial statements for the financial year ended 31 December 2022 fairly reflects the financial position and operations of the school.

The School's 2022 financial statements are authorised for issue by the Board.

Renee Tawhiti
Full Name of Presiding Member

Tuitipou Halatokoua.
Full Name of Principal

[Signature]
Signature of Presiding Member

[Signature]
Signature of Principal

30/5/2023
Date:

30.05.23.
Date:

Awapuni School (P.North)

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Revenue				
Government Grants	2	1,194,559	1,054,913	1,152,845
Locally Raised Funds	3	55,255	33,315	12,545
Interest Income		1,045	330	646
Other Revenue		2,046	-	-
		1,252,905	1,088,558	1,166,036
Expenses				
Locally Raised Funds	3	548	811	2,742
Learning Resources	4	648,308	583,477	636,045
Administration	5	108,814	92,532	76,294
Finance		855	888	1,361
Property	6	431,074	400,854	419,007
		1,189,599	1,078,562	1,135,449
Net Surplus / (Deficit) for the year		63,306	9,996	30,587
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		63,306	9,996	30,587

The above Statement of Comprehensive Revenue and Expense should be read in conjunction with the accompanying notes which form part of these financial statements.

Awapuni School (P.North)

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Equity at 1 January		155,172	120,722	121,300
Total comprehensive revenue and expense for the year		63,306	9,996	30,587
Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		-	-	3,285
Equity at 31 December		218,478	130,718	155,172
Accumulated comprehensive revenue and expense		218,478	130,718	155,172
Equity at 31 December		218,478	130,718	155,172

The above Statement of Changes in Net Assets/Equity should be read in conjunction with the accompanying notes which form part of these financial statements.

Awapuni School (P.North)
Statement of Financial Position
As at 31 December 2022

		2022	2022	2021
	Notes	Actual \$	Budget (Unaudited) \$	Actual \$
Current Assets				
Cash and Cash Equivalents	7	198,035	64,923	115,316
Accounts Receivable	8	55,366	37,685	77,793
GST Receivable		6,375	2,325	9,179
Prepayments		5,745	3,499	28,749
Funds Receivable for Capital Works Projects	14	175	-	-
		<u>265,696</u>	<u>108,432</u>	<u>231,037</u>
Current Liabilities				
Accounts Payable	10	65,205	61,834	76,397
Revenue Received in Advance	11	732	202	632
Provision for Cyclical Maintenance	12	45,741	45,393	90,819
Finance Lease Liability	13	3,449	6,688	4,718
Funds held for Capital Works Projects	14	52,780	-	-
		<u>167,907</u>	<u>114,117</u>	<u>172,566</u>
Working Capital Surplus/(Deficit)		97,789	(5,685)	58,471
Non-current Assets				
Property, Plant and Equipment	9	160,421	139,236	143,103
		<u>160,421</u>	<u>139,236</u>	<u>143,103</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	12	33,485	-	40,306
Finance Lease Liability	13	6,247	2,833	6,096
		<u>39,732</u>	<u>2,833</u>	<u>46,402</u>
Net Assets		<u>218,478</u>	<u>130,718</u>	<u>155,172</u>
Equity		<u>218,478</u>	<u>130,718</u>	<u>155,172</u>

The above Statement of Financial Position should be read in conjunction with the accompanying notes which form part of these financial statements.

Awapuni School (P.North)
Statement of Cash Flows
For the year ended 31 December 2022

		2022	2022	2021
	Note	Actual \$	Budget (Unaudited) \$	Actual \$
Cash flows from Operating Activities				
Government Grants		328,857	280,972	313,452
Locally Raised Funds		57,401	33,315	4,190
Goods and Services Tax (net)		2,804	-	(6,854)
Payments to Employees		(95,608)	(104,669)	(115,756)
Payments to Suppliers		(214,527)	(294,589)	(178,507)
Interest Paid		(855)	(888)	(1,361)
Interest Received		1,045	330	646
Net cash from/(to) Operating Activities		79,117	(85,529)	15,810
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(46,693)	(37,975)	(6,155)
Net cash from/(to) Investing Activities		(46,693)	(37,975)	(6,155)
Cash flows from Financing Activities				
Furniture and Equipment Grant		-	-	3,285
Finance Lease Payments		(4,177)	(23,828)	(6,125)
Funds Administered on Behalf of Third Parties		54,472	-	(103,754)
Net cash from/(to) Financing Activities		50,295	(23,828)	(106,594)
Net increase/(decrease) in cash and cash equivalents		82,719	(147,332)	(96,939)
Cash and cash equivalents at the beginning of the year	7	115,316	212,255	212,255
Cash and cash equivalents at the end of the year	7	198,035	64,923	115,316

The Statement of Cash Flows records only those cash flows directly within the control of the School. This means centrally funded teachers' salaries and the use of land and buildings grant and expense have been excluded.

The above Statement of Cash Flows should be read in conjunction with the accompanying notes which form part of these financial statements.

Awapuni School (P.North)

Notes to the Financial Statements

For the year ended 31 December 2022

1. Statement of Accounting Policies

a) Reporting Entity

Awapuni School (P.North) (the School) is a Crown entity as specified in the Crown Entities Act 2004 and a school as described in the Education and Training Act 2020. The Board is of the view that the School is a public benefit entity for financial reporting purposes.

b) Basis of Preparation

Reporting Period

The financial statements have been prepared for the period 1 January 2022 to 31 December 2022 and in accordance with the requirements of the Education and Training Act 2020.

Basis of Preparation

The financial statements have been prepared on a going concern basis, and the accounting policies have been consistently applied throughout the period.

Financial Reporting Standards Applied

The Education and Training Act 2020 requires the School, as a Crown entity, to prepare financial statements in accordance with generally accepted accounting practice. The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand, applying Public Sector Public Benefit Entity (PBE) Standards Reduced Disclosure Regime as appropriate to public benefit entities that qualify for Tier 2 reporting. The school is considered a Public Benefit Entity as it meets the criteria specified as 'having a primary objective to provide goods and/or services for community or social benefit and where any equity has been provided with a view to supporting that primary objective rather than for financial return to equity holders'.

PBE Accounting Standards Reduced Disclosure Regime

The School qualifies for Tier 2 as the school is not publicly accountable and is not considered large as it falls below the expense threshold of \$30 million per year. All relevant reduced disclosure concessions have been taken.

Measurement Base

The financial statements are prepared on the historical cost basis unless otherwise noted in a specific accounting policy.

Presentation Currency

These financial statements are presented in New Zealand dollars, rounded to the nearest dollar.

Specific Accounting Policies

The accounting policies used in the preparation of these financial statements are set out below.

Critical Accounting Estimates And Assumptions

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenue and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Cyclical maintenance

A school recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's best estimate of the cost of painting the school and when the school is required to be painted, based on an assessment of the school's condition. During the year, the Board assesses the reasonableness of its painting maintenance plan on which the provision is based. Cyclical maintenance is disclosed at note 12.

Useful lives of property, plant and equipment

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment as disclosed in the significant accounting policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 9.

Critical Judgements in applying accounting policies

Management has exercised the following critical judgements in applying accounting policies:

Classification of leases

Determining whether a lease is a finance lease or an operating lease requires judgement as to whether the lease transfers substantially all the risks and rewards of ownership to the school. A lease is classified as a finance lease if it transfers substantially all risks and rewards incidental to ownership of an underlying asset to the lessee. In contrast, an operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset to the lessee. Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the Statement of Financial Position as property, plant, and equipment, whereas for an operating lease no such asset is recognised. Finance lease liability disclosures are contained in note 13. Future operating lease commitments are disclosed in note 19b.

Recognition of grants

The School reviews the grants monies received at the end of each reporting period and whether any require a provision to carry forward amounts unspent. The School believes all grants received have been appropriately recognised as a liability if required. Government grants are disclosed at note 2.

c) Revenue Recognition

Government Grants

The school receives funding from the Ministry of Education. The following are the main types of funding that the School receives.

Operational grants are recorded as revenue when the School has the rights to the funding, which is in the year that the funding is received.

Teachers salaries grants are recorded as revenue when the School has the rights to the funding in the salary period they relate to. The grants are not received in cash by the School and are paid directly to teachers by the Ministry of Education.

Other Ministry Grants for directly funded programs are recorded as revenue when the School has the rights to the funding in the period they relate to. The grants are not received in cash by the School and are paid directly by the Ministry of Education.

The property from which the School operates is owned by the Crown and managed by the Ministry of Education on behalf of the Crown. Grants for the use of land and buildings are not received in cash by the School as they equate to the deemed expense for using the land and buildings which are owned by the Crown. The School's use of the land and buildings as occupant is based on a property occupancy document as gazetted by the Ministry. The expense is based on an assumed market rental yield on the value of land and buildings as used for rating purposes.

This is a non-cash revenue that is offset by a non-cash expense. The use of land and buildings grants and associated expenditure are recorded in the period the School uses the land and buildings.

Other Grants where conditions exist

Other grants are recorded as revenue when the School has the rights to the funding, unless there are unfulfilled conditions attached to the grant, in which case the amount relating to the unfulfilled conditions is recognised as a liability and released to revenue as the conditions are fulfilled.

Donations, Gifts and Bequests

Donations, gifts and bequests are recognised as an asset and revenue when the right to receive funding or the asset has been established unless there is an obligation to return funds if conditions are not met. If conditions are not met funding is recognised as revenue in advance and recognised as revenue when conditions are satisfied.

Interest Revenue

Interest Revenue earned on cash and cash equivalents and investments is recorded as revenue in the period it is earned.

d) Operating Lease Payments

Payments made under operating leases are recognised in the Statement of Comprehensive Revenue and Expense on a straight line basis over the term of the lease.

e) Finance Lease Payments

Finance lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term on an effective interest basis.

f) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, bank balances, deposits held at call with banks, and other short term highly liquid investments with original maturities of 90 days or less, and bank overdrafts. The carrying amount of cash and cash equivalents represent fair value.

g) Accounts Receivable

Short-term receivables are recorded at the amount due, less an allowance for expected credit losses (uncollectable debts). The schools receivables are largely made up of funding from the Ministry of Education, therefore the level of uncollectable debts is not considered to be material. However, short-term receivables are written off when there is no reasonable expectation of recovery.

h) Inventories

Inventories are consumable items held for sale and comprised of stationery and school uniforms. They are stated at the lower of cost and net realisable value. Cost is determined on a first in, first out basis. Net realisable value is the estimated selling price in the ordinary course of activities less the estimated costs necessary to make the sale. Any write down from cost to net realisable value is recorded as an expense in the Statement of Comprehensive Revenue and Expense in the period of the write down.

i) Investments

Bank term deposits are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance. A loss allowance for expected credit losses is recognised if the estimated loss allowance is not trivial.

j) Property, Plant and Equipment

Land and buildings owned by the Crown are excluded from these financial statements. The Board's use of the land and buildings as 'occupant' is based on a property occupancy document.

Improvements (funded by the Board) to buildings owned by the Crown or directly by the board are recorded at cost, less accumulated depreciation and impairment losses.

Property, plant and equipment are recorded at cost or, in the case of donated assets, fair value at the date of receipt, less accumulated depreciation and impairment losses. Cost or fair value as the case may be, includes those costs that relate directly to bringing the asset to the location where it will be used and making sure it is in the appropriate condition for its intended use.

Gains and losses on disposals (i.e. sold or given away) are determined by comparing the proceeds received with the carrying amounts (i.e. the book value). The gain or loss arising from the disposal of an item of property, plant and equipment is recognised in the Statement of Comprehensive Revenue and Expense.

Finance Leases

A finance lease transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred. At the start of the lease term, finance leases are recognised as assets and liabilities in the Statement of Financial Position at the lower of the fair value of the leased asset or the present value of the minimum lease payments. The finance charge is charged to the surplus or deficit over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability. The amount recognised as an asset is depreciated over its useful life. If there is no reasonable certainty whether the school will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

Depreciation

Property, plant and equipment are depreciated over their estimated useful lives on a straight line basis. Depreciation of all assets is reported in the Statement of Comprehensive Revenue and Expense.

The estimated useful lives of the assets are:

Building Improvements	10-20 years
Furniture and Equipment	4-15 years
Information and Communication Technology	4-5 years
Motor Vehicles	8 years
Library Resources	8 years
Leased assets held under a Finance Lease	Term of Lease

k) Intangible Assets

Software costs

Computer software acquired by the School are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Costs associated with subsequent maintenance and research expenditure are recognised as an expense in the Statement of Comprehensive Revenue and Expense when incurred.

The carrying value of software is amortised on a straight line basis over its useful life. The useful life of software is estimated as three years. The amortisation charge for each period and any impairment loss is recorded in the Statement of Comprehensive Revenue and Expense.

l) Impairment of property, plant, and equipment and intangible assets

The school does not hold any cash generating assets. Assets are considered cash generating where their primary objective is to generate a commercial return.

Non cash generating assets

Property, plant, and equipment and intangible assets held at cost that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If such indication exists, the School estimates the asset's recoverable service amount. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable service amount. The recoverable service amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

In determining fair value less costs to sell the school engages an independent valuer to assess market value based on the best available information. The valuation is based on a comparison to recent market transactions.

If an asset's carrying amount exceeds its recoverable service amount, the asset is regarded as impaired and the carrying amount is written down to the recoverable amount. The total impairment loss is recognised in the surplus or deficit.

The reversal of an impairment loss is recognised in the surplus or deficit. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable service amount since the last impairment loss was recognised.

m) Accounts Payable

Accounts Payable represents liabilities for goods and services provided to the School prior to the end of the financial year which are unpaid. Accounts Payable are recorded at the amount of cash required to settle those liabilities. The amounts are unsecured and are usually paid within 30 days of recognition.

n) Employee Entitlements

Short-term employee entitlements

Employee entitlements that are expected to be settled within 12 months after the end of the reporting period in which the employees provide the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned, by non teaching staff, to but not yet taken at balance date.

Long-term employee entitlements

Employee benefits that are not expected to be settled wholly before 12 months after the end of the reporting period in which the employee provides the related service, such as retirement and long service leave, have been calculated on an actuarial basis.

The calculations are based on the likely future entitlements accruing to employees, based on years of service, years to entitlement, the likelihood that employees will reach the point of entitlement, and contractual entitlement information, and the present value of the estimated future cash flows. Remeasurements are recognised in surplus or deficit in the period in which they arise.

o) Revenue Received in Advance

Revenue received in advance relates to fees received from students and grants received where there are unfulfilled obligations for the School to provide services in the future. The fees are recorded as revenue as the obligations are fulfilled and the fees earned.

The School holds sufficient funds to enable the refund of unearned fees in relation to students, should the School be unable to provide the services to which they relate.

p) Funds Held in Trust

Funds are held in trust where they have been received by the School for a specified purpose, or are being held on behalf of a third party and these transactions are not recorded in the Statement of Comprehensive Revenue and Expense.

The School holds sufficient funds to enable the funds to be used for their intended purpose at any time.

q) Funds held for Capital works

The school directly receives funding from the Ministry of Education for capital works projects that are included in the School five year capital works agreement. These funds are held on behalf and for a specified purpose as such these transactions are not recorded in the Statement of Comprehensive Revenue and Expense.

The School holds sufficient funds to enable the funds to be used for their intended purpose at any time.

r) Shared Funds

Shared Funds are held on behalf of a cluster of participating schools as agreed with the Ministry of Education. In instances where funds are outside of the School's control, these amounts are not recorded in the Statement of Comprehensive Revenue and Expense. In instances where the school is determined to be the principal for providing the service related to the Shared Funds (such as the RTL programme), all income and expenditure related to the provision of the service is recorded in the Statement of Comprehensive Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose.

s) Provision for Cyclical Maintenance

The property from which the School operates is owned by the Crown, and is vested in the Ministry. The Ministry has gazetted a property occupancy document that sets out the Board's property maintenance responsibilities. The Board is responsible for maintaining the land, buildings and other facilities on the School site in a state of good order and repair.

Cyclical maintenance, which involves painting the interior and exterior of the School, makes up the most significant part of the Board's responsibilities outside day-to-day maintenance. The provision is a reasonable estimate, based on the school's best estimate of the cost of painting the school and when the school is required to be painted, based on an assessment of the school's condition.

The schools carries out painting maintenance of the whole school over a 7 to 10 year period, the economic outflow of this is dependent on the plan established by the school to meet this obligation and is detailed in the notes and disclosures of these accounts.

t) Financial Instruments

The School's financial assets comprise cash and cash equivalents, accounts receivable, and investments. All of these financial assets, except for investments that are shares, are initially recognised at fair value and subsequently measured at amortised cost, using the effective interest method.

Investments that are shares are categorised as 'financial assets at fair value through other comprehensive revenue and expense' for accounting purposes in accordance with financial reporting standards. On initial recognition of an equity investment that is not held for trading, the School may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive revenue and expense. This election has been made for investments that are shares. Subsequent to initial recognition, these assets are measured at fair value. Dividends are recognised as income in surplus or deficit unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in other comprehensive revenue and expense and are never reclassified to surplus or deficit.

The School's financial liabilities comprise accounts payable, borrowings, finance lease liability, and painting contract liability. Financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and any gain or loss on derecognition are recognised in surplus or deficit.

u) Borrowings

Borrowings on normal commercial terms are initially recognised at the amount borrowed plus transaction costs. Interest due on the borrowings is subsequently accrued and added to the borrowings balance. Borrowings are classified as current liabilities unless the school has an unconditional right to defer settlement of the liability for at least 12 months after balance date.

v) Goods and Services Tax (GST)

The financial statements have been prepared on a GST exclusive basis, with the exception of accounts receivable and accounts payable which are stated as GST inclusive.

The net amount of GST paid to, or received from, the IRD, including the GST relating to investing and financing activities, is classified as a net operating cash flow in the statements of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

w) Budget Figures

The budget figures are extracted from the School budget that was approved by the Board.

x) Services received in-kind

From time to time the School receives services in-kind, including the time of volunteers. The School has elected not to recognise services received in kind in the Statement of Comprehensive Revenue and Expense.

2. Government Grants

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Government Grants - Ministry of Education	343,815	280,972	317,447
Teachers' Salaries Grants	529,952	464,813	533,134
Use of Land and Buildings Grants	320,317	309,128	302,264
Other Government Grants	475	-	-
	1,194,559	1,054,913	1,152,845

The school has opted in to the donations scheme for this year. Total amount received was \$15,000.

3. Locally Raised Funds

Local funds raised within the School's community are made up of:

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Revenue			
Donations & Bequests	16,226	3,279	9,112
Fees for Extra Curricular Activities	1,445	-	1,729
Trading	199	211	198
Fundraising & Community Grants	37,385	29,825	1,506
	55,255	33,315	12,545
Expenses			
Extra Curricular Activities Costs	178	600	2,511
Trading	236	211	231
Fundraising & Community Grant Costs	134	-	-
	548	811	2,742
<i>Surplus for the year Locally raised funds</i>	54,707	32,504	9,803

4. Learning Resources

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Curricular	39,599	36,406	23,930
Employee Benefits - Salaries	558,702	497,178	561,880
Staff Development	14,087	13,893	18,302
Depreciation	35,920	36,000	31,912
Text Books	-	-	21
	648,308	583,477	636,045

5. Administration

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	6,336	6,336	6,152
Board Fees	5,265	3,240	1,505
Board Expenses	4,578	5,031	3,150
Intervention Costs & Expenses	4,159	-	-
Communication	3,480	4,181	3,653
Consumables	3,134	4,500	4,850
Operating Lease	359	-	-
Other	16,686	15,860	8,398
Employee Benefits - Salaries	40,781	46,304	40,566
Insurance	785	-	940
Service Providers, Contractors and Consultancy	7,080	7,080	7,080
Healthy School Lunch Programme	16,171	-	-
	108,814	92,532	76,294

6. Property

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	7,454	6,277	12,097
Cyclical Maintenance Provision	29,866	21,360	20,900
Grounds	6,149	6,200	10,364
Heat, Light and Water	27,683	13,500	19,703
Rates	5,012	3,389	3,467
Repairs and Maintenance	9,205	12,000	8,817
Use of Land and Buildings	320,317	309,128	302,264
Security	2,682	3,000	2,513
Employee Benefits - Salaries	22,706	26,000	20,288
Consultancy And Contract Services	-	-	18,594
	431,074	400,854	419,007

The use of land and buildings figure represents 5% of the school's total property value. Property values are established as part of the nation-wide revaluation exercise that is conducted every 30 June for the Ministry of Education's year-end reporting purposes.

7. Cash and Cash Equivalents

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Bank Accounts	198,035	64,923	115,316
Cash and cash equivalents for Statement of Cash Flows	198,035	64,923	115,316

The carrying value of short-term deposits with original maturity dates of 90 days or less approximates their fair value.

Of the \$198,035 Cash and Cash Equivalents \$52,780 is held by the School on behalf of the Ministry of Education. These funds have been provided by the Ministry as part of the school's 5 Year Agreement funding for upgrades to the school's buildings. The funds are required to be spent in 2023 on Crown owned school buildings.

8. Accounts Receivable

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Receivables	319	215	-
Receivables from the Ministry of Education	16,872	-	-
Banking Staffing Underuse	-	-	26,375
Teacher Salaries Grant Receivable	38,175	37,470	51,418
	<u>55,366</u>	<u>37,685</u>	<u>77,793</u>
Receivables from Exchange Transactions	319	215	-
Receivables from Non-Exchange Transactions	55,047	37,470	77,793
	<u>55,366</u>	<u>37,685</u>	<u>77,793</u>

9. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2022						
Building Improvements	81,065	6,425	-	-	(7,305)	80,185
Furniture and Equipment	32,388	12,883	-	-	(11,011)	34,260
Information and Communication Technology	17,512	27,836	-	-	(11,590)	33,758
Motor Vehicles	921	-	-	-	(326)	595
Leased Assets	10,176	4,359	-	-	(5,294)	9,241
Library Resources	1,041	1,735	-	-	(394)	2,382
Balance at 31 December 2022	<u>143,103</u>	<u>53,238</u>	<u>-</u>	<u>-</u>	<u>(35,920)</u>	<u>160,421</u>

The net carrying value of equipment held under a finance lease is \$9,241 (2021: \$10,176)

Restrictions

There are no restrictions over the title of the school's property, plant and equipment, nor are any property, plant and equipment pledged as security for liabilities.

	2022 Cost or Valuation \$	2022 Accumulated Depreciation \$	2022 Net Book Value \$	2021 Cost or Valuation \$	2021 Accumulated Depreciation \$	2021 Net Book Value \$
Building Improvements	209,551	(129,366)	80,185	203,126	(122,061)	81,065
Furniture and Equipment	187,258	(152,998)	34,260	193,771	(161,383)	32,388
Information and Communication Technology	86,778	(53,020)	33,758	61,178	(43,666)	17,512
Motor Vehicles	2,609	(2,014)	595	2,609	(1,688)	921
Leased Assets	15,964	(6,723)	9,241	25,511	(15,335)	10,176
Library Resources	53,631	(51,249)	2,382	54,531	(53,490)	1,041
Balance at 31 December	<u>555,791</u>	<u>(395,370)</u>	<u>160,421</u>	<u>540,726</u>	<u>(397,623)</u>	<u>143,103</u>

10. Accounts Payable

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Creditors	19,923	18,684	19,322
Accruals	6,286	5,444	5,202
Employee Entitlements - Salaries	38,175	37,470	51,418
Employee Entitlements - Leave Accrual	821	236	455
	<u>65,205</u>	<u>61,834</u>	<u>76,397</u>
Payables for Exchange Transactions	65,205	61,834	76,397
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	<u>65,205</u>	<u>61,834</u>	<u>76,397</u>

The carrying value of payables approximates their fair value.

11. Revenue Received in Advance

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Other Revenue in Advance	732	202	632
	<u>732</u>	<u>202</u>	<u>632</u>

12. Provision for Cyclical Maintenance

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Provision at the Start of the Year	131,125	22,966	110,225
Increase to the Provision During the Year	21,676	22,427	21,293
Use of the Provision During the Year	(55,677)	-	-
Other Adjustments	(17,898)	-	(393)
Provision at the End of the Year	<u>79,226</u>	<u>45,393</u>	<u>131,125</u>
Cyclical Maintenance - Current	45,741	45,393	90,819
Cyclical Maintenance - Non current	33,485	-	40,306
	<u>79,226</u>	<u>45,393</u>	<u>131,125</u>

Per the cyclical maintenance schedule the school is next expected to undertake painting works during 2023. This plan is based on the schools 10 Year Property plan / painting quotes.

13. Finance Lease Liability

The School has entered into a number of finance lease agreements for computers and other ICT equipment. Minimum lease payments payable:

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
No Later than One Year	4,086	6,688	5,373
Later than One Year and no Later than Five Years	6,827	2,833	6,888
Future Finance Charges	(1,217)	-	(1,447)
	9,696	9,521	10,814

Represented by

Finance lease liability - Current	3,449	6,688	4,718
Finance lease liability - Non current	6,247	2,833	6,096
	9,696	9,521	10,814

14. Funds Held (Owed) for Capital Works Projects

During the year the School received and applied funding from the Ministry of Education for the following capital works projects. The amount of cash held on behalf of the Ministry for capital works projects is included under cash and cash equivalents in note 7.

	2022	Project No.	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions	Closing Balances \$
Playground Upgrade		236163	-	-	-	-	-
Upgrade & Replace Security System		236163	-	39,014	(39,189)	-	(175)
Roof Rem, Rep Window Sill, Slumped Aspha		215596	-	22,324	-	-	22,324
Office Entrance Clearlite Replacement		238269	-	6,110	-	-	6,110
Rationalisation ex-Dental Clinic		237488	-	27,687	(3,341)	-	24,346
Totals			-	95,135	(42,530)	-	52,605

Represented by:

Funds Held on Behalf of the Ministry of Education	52,780
Funds Receivable from the Ministry of Education	(175)

	2021	Project No.	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions	Closing Balances \$
Blk 1 Alterations		215599	69,168	86	(69,254)	-	-
Heatpump Replacement		222703	5,407	101	(5,508)	-	-
Basketball Hoops		225769	5,137	40	(5,177)	-	-
Playground Upgrade		222702	24,042	8,715	(29,831)	(2,926)	-
Totals			103,754	8,942	(109,770)	(2,926)	-

Represented by:

Funds Held on Behalf of the Ministry of Education	-
Funds Receivable from the Ministry of Education	-

15. Related Party Transactions

The School is a controlled entity of the Crown, and the Crown provides the major source of revenue to the school. The school enters into transactions with other entities also controlled by the Crown, such as government departments, state-owned enterprises and other Crown entities. Transactions with these entities are not disclosed as they occur on terms and conditions no more or less favourable than those that it is reasonable to expect the school would have adopted if dealing with that entity at arm's length.

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 school would have adopted in dealing with the party at arm's length in the same circumstances. Further, transactions with other government agencies (for example, Government departments and Crown entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.

16. Remuneration

Key management personnel compensation

Key management personnel of the School include all Board members, Principal/Acting Principals and Deputy Principals.

	2022 Actual \$	2021 Actual \$
<i>Board Members</i>		
Remuneration	5,265	1,505
<i>Leadership Team</i>		
Remuneration	348,819	197,669
Full-time equivalent members	3.41	1.85
Total key management personnel remuneration	354,084	199,174

There are 6 members of the Board excluding the Principal. The Board had held 10 full meetings of the Board in the year. As well as these regular meetings, including preparation time, the Presiding Member and other Board members have also been involved in ad hoc meetings to consider student welfare matters including stand downs, suspensions, and other disciplinary matters.

Principal 1

The total value of remuneration paid or payable to the Principal was in the following bands:

	2022 Actual \$000	2021 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	-	90 - 100
Benefits and Other Emoluments	-	2 - 3
Termination Benefits	-	-

Acting Principal 1

The total value of remuneration paid or payable to the Acting Principal was in the following bands:

Salary and Other Payments	40 - 50	20 - 30
Benefits and Other Emoluments	-	-
Termination Benefits	-	-

Acting Principal 2

The total value of remuneration paid or payable to the Acting Principal was in the following bands:

Salary and Other Payments	60 - 70	-
Benefits and Other Emoluments	-	-
Termination Benefits	-	-

Other Employees

The number of other employees with remuneration greater than \$100,000 was in the following bands:

Remuneration \$000	2022 FTE Number	2021 FTE Number
100 - 110	1.00	1.00
	1.00	1.00

The disclosure for 'Other Employees' does not include remuneration of the Principal.

17. Compensation and Other Benefits Upon Leaving

The total value of compensation or other benefits paid or payable to persons who ceased to be board members, committee members, or employees during the financial year in relation to that cessation and number of persons to whom all or part of that total was payable was as follows:

	2022 Actual	2021 Actual
Total	-	-
Number of People	-	-

18. Contingencies

There are no contingent liabilities and no contingent assets (except as noted below) as at 31 December 2022 (Contingent liabilities and assets at 31 December 2021: nil).

In 2022 the Ministry of Education provided additional funding for both the Support Staff in Schools' Collective Agreement (CA) Settlement and the Teacher Aide Pay Equity Settlement. The school is still yet to receive a final wash up that adjusts the estimated quarterly instalments for the actual teacher aides employed in 2022.

The Ministry is in the Process of determining the amount of the final wash up payment for the year ended 31 December 2022. Even though the payment is probable, the amount to be received is not known with a high level of certainty. The school has therefore not recognised the expected receipt (asset) and income in its financial statements. The payment is expected to be received in July 2023.

Holidays Act Compliance – schools payroll

The Ministry of Education performs payroll processing and payments on behalf of boards, through payroll service provider Education Payroll Limited.

The Ministry's review of the schools sector payroll to ensure compliance with the Holidays Act 2003 is ongoing. Final calculations and potential impact on any specific individual will not be known until further detailed analysis and solutions have been completed.

To the extent that any obligation cannot reasonably be quantified at 31 December 2022 a contingent liability for the school may exist.

19. Commitments

(a) Capital Commitments

As at 31 December 2022 the Board has entered into contract agreements for capital works as follows:

\$43,349 contract for the Upgrade & Replace Security System as agent for the Ministry of Education. This project is fully funded by the Ministry and \$39,014 has been received of which \$39,189 has been spent on the project to balance date. This project has been approved by the Ministry; and

\$27,424 contract for the Roof Rem, Rep Window Sill, Slumped Asphalt as agent for the Ministry of Education. This project is fully funded by the Ministry and \$22,324 has been received of which \$0 has been spent on the project to balance date. This project has been approved by the Ministry; and

\$7,110 contract for the Office Entrance Clearlite Replacement as agent for the Ministry of Education. This project is fully funded by the Ministry and \$6,110 has been received of which \$0 has been spent on the project to balance date. This project has been approved by the Ministry; and

\$38,987 contract for the Rationalisation ex-Dental Clinic as agent for the Ministry of Education. This project is fully funded by the Ministry and \$27,687 has been received of which \$3,341 has been spent on the project to balance date. This project has been approved by the Ministry.

(Capital commitments as at 31 December 2021: Nil)

(b) Operating Commitments

There are no operating commitments as at 31 December 2022 (Operating commitments at 31 December 2021: nil).

20. Financial Instruments

The carrying amount of financial assets and liabilities in each of the financial instrument categories are as follows:

Financial assets measured at amortised cost

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Cash and Cash Equivalents	198,035	64,923	115,316
Receivables	55,366	37,685	77,793
Total Financial assets measured at amortised cost	<u>253,401</u>	<u>102,608</u>	<u>193,109</u>

Financial liabilities measured at amortised cost

Payables	65,205	61,834	76,397
Finance Leases	9,696	9,521	10,814
Total Financial Liabilities Measured at Amortised Cost	<u>74,901</u>	<u>71,355</u>	<u>87,211</u>

21. Events After Balance Date

There were no significant events after the balance date that impact these financial statements.

22. Comparatives

There have been a number of prior period comparatives which have been reclassified to make disclosure consistent with the current year.

Awapuni School (P.North)

Members of the Board

Name	Position	How Position Gained	Term Expired/ Expires
Renee Tawhiti	Presiding Member	Elected	May 2025
Stephen Soutar	Principal	ex Officio	on secondment
Matthew Howard	Acting Principal	Appointed	Jun 2022
Tui Halatokoua	Acting Principal	Appointed	
Christina Brears	Parent Representative	Elected	May 2025
Joanna Ochoa	Parent Representative	Elected	May 2025
Arbbie Ganotan	Parent Representative	Elected	May 2025
Chujun Yuan	Parent Representative	Elected	May 2025
Stevie-Lee Minns	Parent Representative	Elected	Sep 2022
Mark Greenem	Parent Representative	Elected	Sep 2022
Te Araorehua Ponga	Staff Representative	Elected	May 2025
Janine Stephens	Staff Representative	Elected	Sep 2022
Steven Whittaker	Limited Statutory Manager	Appointed	

Awapuni School (P.North)

Kiwisport

Kiwisport is a Government funding initiative to support students' participation in organised sport. In 2022, the school received total Kiwisport funding of \$1,226 (excluding GST). The funding was spent on sporting endeavours.

Statement of Compliance with Employment Policy

For the year ended 31st December 2022 the Awapuni School (P.North) Board:

- Has developed and implemented personnel policies, within policy and procedural frameworks to ensure the fair and proper treatment of employees in all aspects of their employment.
- Has reviewed its compliance against both its personnel policy and procedures and can report that it meets all requirements and identified best practice.
- Is a good employer and complies with the conditions contained in the employment contracts of all staff employed by the Board.
- Ensures all employees and applicants for employment are treated according to their skills, qualifications and abilities, without bias or discrimination.
- Meets all Equal Employment Opportunities requirements.

Analysis of Variance Reporting

School Name:	Awapuni School	School Number:	2339
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Strategic Aim:	Learners who are enthusiastic and driven
Annual Aim:	<p>To accelerate the progress of all students that need it in Mathematics who were below expectation in 2021.</p> <p>1.a By the end of 2022 50% of students will be achieving at or above.</p> <p>1.b Kids have developed a positive attitude towards their maths</p>
Target:	Improve the overall achievement levels of all student to line up with curriculum achievement level
Baseline Data	At the end of 2021 37% of students are achieving at or above expectation for maths. Of the 37% achieving, 51% of those are Māori students

Actions What did we do?	Outcomes What happened?	Reasons for the variance Why did it happen?	Evaluation Where to next?
<ol style="list-style-type: none"> 1. Implement a new Maths teaching programme, PRIME Maths 2. All staff will attend relevant PRIME Maths training 3. All staff will have appraisals in teaching PRIME Maths 4. Focus will be on moving as many children as possible to achieving in 	<p>In preparation for incorporating a brand new programme to the school we created a plan of action.</p> <ol style="list-style-type: none"> 1) Teachers were to attend the online PRIME training sessions. This was done via zoom and facilitated by an overseas facilitator. 2) Staff meetings included PD around the learnt material around PRIME 	<p>The implementation of a new programme will always come with complexities and factors that may not be accounted for. Awapuni school applied to gain ministry funding to support mathematics and was successful in attaining 60 hours. Funding was approved later on in the school year.</p> <p>The issue came with trying to locate a facilitator that</p>	<p>Based on the outcome for this year we will be making mathematical comprehension a focus area for the 2023 year. Although it is not professional development around the teaching of PRIME mathematics, it will go a long way to supporting the already existing material.</p> <p>We will be incorporating whole staff professional development</p>

<p>maths curriculum</p> <ol style="list-style-type: none"> 5. PRIME states this achievement could take as much as three years, so emphasis on moving as many students forward toward achievement as possible each year 6. Targets developed specifically for each classroom - using PRIME to help teachers establish goals for each individual learner 7. Differentiated planning. 8. Develop the Awapuni Curriculum to meet the strengths, needs and interests of students. 9. Use classroom observations, PGC, Appraisal and Internal Evaluation to develop effective teachers. 10. Strengthen home and school partnerships. 11. Strengthen professional development system for supporting teachers on their learning journey. 12. Achieve equity and excellence in student outcomes. 13. Use research to improve 	<p>maths - teacher guides were looked into in depth and the structure of the lessons were outlined and broken down.</p> <ol style="list-style-type: none"> 3) Focus students were selected from each class and teachers were to monitor these students and their progress over the year. 4) Teachers were asked to record a lesson with a group of students. This lesson was then presented at the next staff meeting and the teaching itself was analysed by colleagues. A safe environment and one of trust was required prior to asking teachers to be vulnerable in this space. 5) Our AP provided opportunities to observe and apply feedback to all teachers through in class lessons as well as supplying 1 to 1 support to teachers. 6) Induction of PRIME programme for new staff members as the school roll grew and new 	<p>specialised in the PRIME mathematics programme. This was proving to be unsuccessful.</p> <p>The second hurdle came in the form of classroom disruptions. Teachers moving around due to change in leadership and school growth has created complexities with making uniformed progression over the classes.</p> <p>Thirdly is the language barrier. At Awapuni school we have a high percentage of students for whom English is a second language and is not the language spoken at home. The issue that this poses is that the language features in the programme that are technical jargon can make numerically simple maths seem more difficult when comprehension of what the text is actually asking is required before attempting to answer. More work is required around mathematical comprehension moving forward.</p> <p>It is important to note that student results will decrease before it will improve as the programme is becoming more and more</p>	<p>around the key components to teaching comprehension successfully as well as providing 1 to 1 tutoring from our mathematics language expert.</p> <p>Julia Tong from cognition education has been allocated to facilitate this learning and she has a flipped approach to the conventional way of teaching language comprehension and how to normalise and utilise language more effectively. We look forward to working with Julia and seeing the positive outcomes for our kids.</p> <p>We will also continue with supplying language support for our migrant students. These are our students who speak their native tongue predominantly within their household. Having the language support teachers available will not only reduce the barrier of language and learning but it will also benefit the relationship and communication with their parents who speak little to no english.</p>
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<p>performance.</p> <p>14. As a staff discuss/share strategies that have helped to achieve success</p> <p>15. Regularly gather students, teacher, leader, parent and whānau voice. How are we doing? What changes do we need to make to be even more effective?</p> <p>16. Investigate and source effective resources, programmes and personnel that/who can be of value in advancing student and teacher learning</p>	<p>teachers were hired.</p> <p>7) Summative assessments were done at the end of the year to accompany school reports to parents/caregivers.</p> <p>8) Creating resources for summative testing as not all resources provided in the programme met the needs for our tamariki.</p> <p>As predicted, the result of the preliminary testing identified that the majority of our students fell below the expected curriculum level. This will be due to a number of variables including the expectation for each year level within the programme. However, the prescribed method of teaching manual has step by step teaching progressions included. This teaching is specific to the PRIME and scaffolds the teaching/learning material well.</p> <p>What has been identified over this year is that our students are capable and comfortable with linear numerical mathematics and structure. The problems arise when the focus of the equations require deciphering</p>	<p>familiar with both teachers and students. Currently, we have 30% of all students operating within and above their curriculum year level but that will increase dramatically over the next 3 years now having identified the main variable affecting their ability to excel in mathematics.</p>	
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	<p>word problems and figuring out what the question is asking them to do.</p> <p>Questions including the terms 'fewer than' and 'greater than' are an example of wording that for many of our students is unfamiliar and alien to their natural speech. Without understanding what these words do to the numbers it becomes difficult for the children to understand the math.</p> <p>Over this year we have seen improvement in results and the achievement level of the students are improving however a common thread has been identified among the whole school and that is the mathematical language comprehension of our students.</p> <p>This issue has also been identified in our reading results. Majority of our students that have been assessed using the PROBE reading assessment have no problem decoding words. However, when they are questioned about the information that they have just read, a lot will</p>		
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	not be able to answer correctly.		
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Planning for next year

1. This template will guide reporting in staff meetings on the practice teachers are trialling in classrooms.
2. Targets will be set focusing on names, percentages and numbers. Targets will also have a focus on accelerated learning and progress.
3. TAI will be used for both targets.
4. Student achievement needs to be prioritised over all other matters.
5. Assessment practices need to be moderated.

INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF AWAPUNI SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

The Auditor-General is the auditor of Awapuni School (the School). The Auditor-General has appointed me, Glenn Fan-Robertson, using the staff and resources of BDO Manawatu, to carry out the audit of the financial statements of the School on his behalf.

Opinion

We have audited the financial statements of the School on pages 2 to 19, that comprise the Statement of Financial Position as at 31 December 2022, the Statement of Comprehensive Revenue and Expense, Statement of Changes in Net Assets/Equity 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 School:

- present fairly, in all material respects:
 - its financial position as at 31 December 2022; 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 Sector Public Benefit Entity Standards Reduced Disclosure Regime as applicable to entities that qualify as tier 2.

Our audit was completed on 30th May 2023. 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 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.

Responsibilities of the Board for the financial statements

The Board is responsible on behalf of the School for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand.

The Board 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 is responsible on behalf of the School for assessing the School's ability to continue as a going concern. The Board is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to close or merge the School, or there is no realistic alternative but to do so.

The Board's responsibilities, in terms of the requirements of the Education and Training Act 2020, arise from section 87 of the Education Act 1989.

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 readers 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 School's approved budget.

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 risks 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 School's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School'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 School 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 assess the risk of material misstatement arising from the school payroll system, which may still contain errors. As a result, we carried out procedures to minimise the risk of material errors arising from the system that, in our judgement, would likely influence readers' overall understanding of the financial statements.

We communicate with the Board 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 arises from the Public Audit Act 2001.

Other information

The Board is responsible for the other information. The other information comprises the Statement of Responsibility, Members of the Board, Kiwisport Statement, Statement of Employment Policy, and Analysis of Variance, but does not include the financial statements, 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 School 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 the audit, we have no relationship with or interests in the School.



Glenn Fan-Robertson
BDO Manawatu
On behalf of the Auditor-General
Palmerston North, New Zealand