

BROADWOOD AREA SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

School Directory

Ministry Number: 6

Principal: Danelle Tatana

School Address: 1041 Broadwood Road

School Postal Address: P O Box 12, Broadwood, 0462

School Phone: 09 409 5878

School Email: maryanne@broadwood.school.nz

Members of the Board of Trustees

Name	Position	How Position Gained	Term Expires/ Expired
Stephen Linder	Chairperson	Elected	May 2022
Danelle Tatana	Principal	ex Officio	
Dion Chapman	Parent Rep	Elected	May 2022
Yvonne Kopa	Parent Rep	Elected	May 2022
Harriet Waipouri-Grbich	Parent Rep	Elected	May 2022
Renee Sauer	Staff Rep	Elected	May 2022
Ariana Adams	Student Rep	Appointed	Aug 2020
Edward Tamati	Student Rep	Co-opted	Oct 2020

Accountant / Service Provider: Education Services Ltd

BROADWOOD AREA SCHOOL

Annual Report - For the year ended 31 December 2020

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Broadwood Area School

Statement of Responsibility

For the year ended 31 December 2020

The Board of Trustees 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 2020 fairly reflects the financial position and operations of the school.

The School's 2020 financial statements are authorised for issue by the Board.

STEPHEN LINDER

Full Name of Board Chairperson



Signature of Board Chairperson

31 05 - 2021

Date:

Danele Tatana

Full Name of Principal



Signature of Principal

31/05/2021

Date:

Broadwood Area School
Statement of Comprehensive Revenue and Expense
For the year ended 31 December 2020

		2020	2020	2019
	Notes	Actual \$	Budget (Unaudited) \$	Actual \$
Revenue				
Government Grants	2	1,978,534	1,707,446	1,781,660
Locally Raised Funds	3	76,808	40,260	70,320
Interest income		24,393	6,000	29,506
Gain on Sale of Property, Plant and Equipment		-	-	1,887
		<u>2,079,735</u>	<u>1,753,706</u>	<u>1,883,373</u>
Expenses				
Locally Raised Funds	3	55,340	52,300	58,451
Learning Resources	4	1,279,805	1,121,681	1,079,627
Administration	5	129,768	130,933	121,552
Finance		2,298	626	1,520
Property	6	437,123	444,588	420,766
Depreciation	7	107,448	97,582	100,117
Loss on Disposal of Property, Plant and Equipment		-	-	344
Loss on Uncollectable Accounts Receivable		1,165	-	98
		<u>2,012,947</u>	<u>1,847,710</u>	<u>1,782,475</u>
Net Surplus / (Deficit) for the year		66,788	(94,004)	100,898
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>66,788</u>	<u>(94,004)</u>	<u>100,898</u>

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



Broadwood Area School

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2020

	Notes	Actual 2020 \$	Budget (Unaudited) 2020 \$	Actual 2019 \$
Balance at 1 January		<u>2,303,026</u>	<u>2,132,136</u>	<u>2,202,128</u>
Total comprehensive revenue and expense for the year		66,788	(94,004)	100,898
Capital Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		4,562	-	-
Adjustment to Accumulated surplus/(deficit) from adoption of PBE IFRS 9		-	-	-
Equity at 31 December	23	<u>2,374,376</u>	<u>2,038,132</u>	<u>2,303,026</u>
 Retained Earnings		 2,374,376	 2,038,132	 2,303,026
Equity at 31 December		<u>2,374,376</u>	<u>2,038,132</u>	<u>2,303,026</u>

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.



Broadwood Area School Statement of Financial Position

As at 31 December 2020

		2020	2020	2019
	Notes	Actual \$	Budget (Unaudited) \$	Actual \$
Current Assets				
Cash and Cash Equivalents	8	1,398,903	157,062	590,028
Accounts Receivable	9	101,936	70,457	127,338
GST Receivable		3,607	9,972	14,136
Prepayments		20,692	16,947	18,399
Inventories	10	1,792	4,317	2,797
Investments	11	100,036	255,689	802,008
		<u>1,626,966</u>	<u>514,444</u>	<u>1,554,706</u>
Current Liabilities				
Accounts Payable	13	86,761	104,992	77,813
Revenue Received in Advance	14	22,960	348	2,108
Provision for Cyclical Maintenance	15	9,000	8,750	8,889
Finance Lease Liability - Current Portion	16	6,932	6,227	5,620
Funds held for Capital Works Projects	17	153,596	-	125,082
		<u>279,249</u>	<u>120,317</u>	<u>219,512</u>
Working Capital Surplus/(Deficit)		<u>1,347,717</u>	<u>394,127</u>	<u>1,335,194</u>
Non-current Assets				
Investments (more than 12 months)	11	-	540,116	-
Property, Plant and Equipment	12	1,080,694	1,143,638	1,010,671
		<u>1,080,694</u>	<u>1,683,754</u>	<u>1,010,671</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	15	37,600	31,491	24,050
Finance Lease Liability	16	16,435	8,258	18,789
		<u>54,035</u>	<u>39,749</u>	<u>42,839</u>
Net Assets		<u>2,374,376</u>	<u>2,038,132</u>	<u>2,303,026</u>
Equity		<u>2,374,376</u>	<u>2,038,132</u>	<u>2,303,026</u>

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



Broadwood Area School
Statement of Cash Flows
For the year ended 31 December 2020

		2020	2020	2019
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
		\$	\$	\$
Cash flows from Operating Activities				
Government Grants		683,400	556,047	601,364
Locally Raised Funds		79,672	40,260	69,060
Goods and Services Tax (net)		10,529	-	(4,164)
Funds Administered on Behalf of Third Parties		19,255	-	-
Payments to Employees		(309,869)	(295,850)	(256,728)
Payments to Suppliers		(288,054)	(495,057)	(274,887)
Interest Paid		(2,298)	(626)	(1,520)
Interest Received		44,905	6,000	9,429
Net cash from/(to) Operating Activities		237,540	(189,226)	142,554
Cash flows from Investing Activities				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		-	-	345
Purchase of Property Plant & Equipment (and Intangibles)		(153,945)	(143,000)	(170,459)
Purchase of Investments		(2,243)	-	(6,203)
Proceeds from Sale of Investments		704,214	-	-
Net cash from/(to) Investing Activities		548,026	(143,000)	(176,317)
Cash flows from Financing Activities				
Furniture and Equipment Grant		4,562	-	-
Finance Lease Payments		(6,936)	(7,577)	(5,995)
Funds Held for Capital Works Projects		25,683	-	132,921
Net cash from/(to) Financing Activities		23,309	(7,577)	126,926
Net increase/(decrease) in cash and cash equivalents		808,875	(339,803)	93,163
Cash and cash equivalents at the beginning of the year	8	590,028	496,865	496,865
Cash and cash equivalents at the end of the year	8	1,398,903	157,062	590,028

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.



Broadwood Area School

Notes to the Financial Statements

For the year ended 31 December 2020

1. Statement of Accounting Policies

a) Reporting Entity

Broadwood Area School (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 of Trustees (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 reports have been prepared for the period 1 January 2020 to 31 December 2020 and in accordance with the requirements of the Public Finance Act 1989.

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 expenditure 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 long term maintenance plan which is prepared as part of its 10 Year Property Planning process. During the year, the Board assesses the reasonableness of its 10 Year Property Plan on which the provision is based. Cyclical maintenance is disclosed at note 15.

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 12.

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. 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.

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.

Use of land and buildings grants are recorded as revenue in the period the School uses the land and buildings. These 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.



Other Grants

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 recorded as revenue when their receipt is formally acknowledged by the School.

Interest Revenue

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

d) Use of Land and Buildings Expense

The property from which the School operates is owned by the Crown and managed by the Ministry of Education on behalf of 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 expense that is offset by a non-cash grant from the Ministry.

e) 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.

f) 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.

g) 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.

h) Accounts Receivable

Short-term receivables are recorded at the amount due, less an allowance for 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.

i) Inventories

Inventories are consumable items held for sale and comprise 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.



j) 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.

k) 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 to buildings owned by the Crown 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:

Buildings	40 years
Furniture and Equipment	5-20 years
Information and Communication	4-10 years
Motor Vehicles	5 years
Leased Assets	3-5 years
Library Resources	8 years
Leased assets held under a Finance Lease	Term of Lease



l) 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 or licensing of software are recognised as an expense in the Statement of Comprehensive Revenue and Expense when incurred.

Computer software that the school receives from the Ministry of Education is normally acquired through a non-exchange transaction and is not of a material amount. It's fair value can be assessed at time of acquisition if no other methods lead to a fair value determination. Computer software purchased directly from suppliers at market rates are considered exchange transactions and the fair value is the amount paid for the software.

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.

m) 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. 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.

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.

n) 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.



o) Employee Entitlements

Short-term employee entitlements

Employee benefits that are due to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date, and also annual leave earned, by non teaching staff, to but not yet taken at balance date.

Long-term employee entitlements

Employee benefits that are due to be settled beyond 12 months after the end of the period in which the employee renders the related service, such as long service leave and retirement gratuities, have been calculated on an actuarial basis. The calculations are based on:

- likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement, and contractual entitlement information; and
- the present value of the estimated future cash flows.

p) 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 international students, should the School be unable to provide the services to which they relate.

q) 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 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. The cluster of schools operate activities outside of the School's control. These amounts are not recorded in the Statement of 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 for cyclical maintenance represents the obligation the Board has to the Ministry and is based on the Board's ten year property plan (10YPP).

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 categorised as 'financial assets measured at amortised cost' for accounting purposes in accordance with financial reporting standards.

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.

The School's financial liabilities comprise accounts payable, borrowings, finance lease liability, and painting contract liability. All of these financial liabilities are categorised as 'financial liabilities measured at amortised cost' for accounting purposes in accordance with financial reporting standards.



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.

Borrowings include but are not limited to bank overdrafts, operating leases, finance leases, painting contracts and term loans.

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

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operational Grants	522,202	515,637	481,607
Teachers' Salaries Grants	1,043,087	866,501	924,337
Use of Land and Buildings Grants	278,674	284,898	267,254
Tec Gateway	-	37,200	33,333
Resource Teachers Learning and Behaviour Grants	5,900	-	900
Other MoE Grants	110,182	3,210	72,912
Other Government Grants	18,489	-	1,317
	<u>1,978,534</u>	<u>1,707,446</u>	<u>1,781,660</u>

The school has opted in to the donations scheme for this year. Total amount received was \$12,000.

Other MOE Grants total includes additional COVID-19 funding totalling \$20688 for the year ended 31 December 2020.

3. Locally Raised Funds

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

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Revenue			
Donations	4,011	-	1,455
Bequests & Grants	6,000	-	12,600
Activities	6,778	500	21,352
Trading	5,616	1,000	6,777
Fundraising	12,567	5,000	132
Other Revenue	41,836	33,760	28,004
	<u>76,808</u>	<u>40,260</u>	<u>70,320</u>
Expenses			
Activities	1,285	19,000	19,154
Trading	6,154	1,000	15,940
Fundraising (Costs of Raising Funds)	712	1,000	48
Other Locally Raised Funds Expenditure	47,189	31,300	23,309
	<u>55,340</u>	<u>52,300</u>	<u>58,451</u>
Surplus/(Deficit) for the year Locally raised funds	<u>21,468</u>	<u>(12,040)</u>	<u>11,869</u>

4. Learning Resources

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	75,950	72,980	51,884
Library Resources	989	2,000	1,043
Employee Benefits - Salaries	1,192,593	1,039,501	1,016,719
Staff Development	7,722	4,500	7,121
Equipment Repairs	2,551	2,700	2,860
	<u>1,279,805</u>	<u>1,121,681</u>	<u>1,079,627</u>



5. Administration

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	6,100	6,100	5,960
Board of Trustees Fees	3,350	5,000	4,580
Board of Trustees Expenses	8,359	11,535	4,867
Communication	7,563	10,500	7,874
Consumables	7,099	6,300	7,322
Operating Lease	786	786	880
Legal Fees	435	-	-
Other	19,207	16,722	15,811
Employee Benefits - Salaries	59,400	54,850	56,232
Insurance	10,329	12,000	10,886
Service Providers, Contractors and Consultancy	7,140	7,140	7,140
	<u>129,768</u>	<u>130,933</u>	<u>121,552</u>

6. Property

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	8,144	7,590	5,011
Cyclical Maintenance Expense	13,661	14,800	13,689
Grounds	7,394	16,800	10,135
Heat, Light and Water	29,471	30,000	25,940
Repairs and Maintenance	20,580	11,200	19,694
Use of Land and Buildings	278,674	284,898	267,254
Security	2,859	2,000	741
Employee Benefits - Salaries	69,527	68,000	63,893
Transport	6,813	9,300	6,544
Consultancy And Contract Services	-	-	7,865
	<u>437,123</u>	<u>444,588</u>	<u>420,766</u>

The use of land and buildings figure represents 8% 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. Depreciation

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Buildings	19,351	18,356	18,833
Building Improvements	16,661	14,939	15,327
Furniture and Equipment	31,785	29,164	29,922
Information and Communication Technology	20,658	11,371	11,666
Motor Vehicles	11,962	16,306	16,730
Leased Assets	6,787	7,286	7,475
Library Resources	244	160	164
	<u>107,448</u>	<u>97,582</u>	<u>100,117</u>



8. Cash and Cash Equivalents

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Cash on Hand	-	-	836
Bank Current Account	320,743	41,960	257,517
Bank Call Account	1,078,160	3,512	4,498
Short-term Bank Deposits	-	111,590	327,177
Cash and cash equivalents for Statement of Cash Flows	<u>1,398,903</u>	<u>157,062</u>	<u>590,028</u>

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

Of the \$1,398,903 Cash and Cash Equivalents \$158,992 is held by the School on behalf of the Ministry of Education. These funds are required to be spent in 2021 on Crown owned school buildings under the School's Five Year Property Plan.

9. Accounts Receivable

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Receivables	1,960	158	3,827
Banking Staffing Underuse	24,968	13,919	45,873
Interest Receivable	2,137	2,572	22,649
Teacher Salaries Grant Receivable	72,871	53,808	54,989
	<u>101,936</u>	<u>70,457</u>	<u>127,338</u>
Receivables from Exchange Transactions	4,097	2,730	26,476
Receivables from Non-Exchange Transactions	97,839	67,727	100,862
	<u>101,936</u>	<u>70,457</u>	<u>127,338</u>

10. Inventories

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Uniforms	1,792	4,317	2,797
	<u>1,792</u>	<u>4,317</u>	<u>2,797</u>

11. Investments

The School's investment activities are classified as follows:

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Current Asset			
Short-term Bank Deposits	100,036	255,689	802,008
Non-current Asset			
Long-term Bank Deposits	-	540,116	-
Total Investments	<u>100,036</u>	<u>795,805</u>	<u>802,008</u>



12. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2020	\$	\$	\$	\$	\$	\$
Land	55,200	-	-	-	-	55,200
Buildings	509,078	25,799	-	-	(19,351)	515,526
Building Improvements	183,779	2,035	-	-	(16,661)	169,153
Furniture and Equipment	179,824	39,695	-	-	(31,785)	187,734
Information and Communication Tech	23,427	82,206	-	-	(20,658)	84,975
Motor Vehicles	37,641	21,568	-	-	(11,962)	47,247
Leased Assets	20,689	5,530	-	-	(6,787)	19,432
Library Resources	1,033	638	-	-	(244)	1,427
Balance at 31 December 2020	1,010,671	177,471	-	-	(107,448)	1,080,694

The net carrying value of equipment held under a finance lease is \$19,432 (2019: \$20,689)

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2020	\$	\$	\$
Land	55,200	-	55,200
Buildings	779,119	(263,593)	515,526
Building Improvements	319,994	(150,841)	169,153
Furniture and Equipment	540,168	(352,434)	187,734
Information and Communication	220,579	(135,604)	84,975
Motor Vehicles	173,771	(126,524)	47,247
Leased Assets	28,990	(9,558)	19,432
Library Resources	90,693	(89,266)	1,427
Balance at 31 December 2020	2,208,514	(1,127,820)	1,080,694



	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
	\$	\$	\$	\$	\$	\$
2019						
Land	55,200	-	-	-	-	55,200
Buildings	527,911	-	-	-	(18,833)	509,078
Building Improvements	181,110	17,996	-	-	(15,327)	183,779
Furniture and Equipment	120,311	89,864	(429)	-	(29,922)	179,824
Information and Communication Technology	29,047	6,047	-	-	(11,666)	23,427
Motor Vehicles	15,249	39,122	-	-	(16,730)	37,641
Leased Assets	12,987	20,498	(5,321)	-	(7,475)	20,689
Library Resources	405	792	-	-	(164)	1,033
Balance at 31 December 2019	942,220	174,319	(5,750)	-	(100,117)	1,010,671

The net carrying value of equipment held under a finance lease is \$20,689 (2018: \$12,987)

	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$
2019			
Land	55,200	-	55,200
Buildings	753,320	(244,242)	509,078
Building Improvements	317,959	(134,180)	183,779
Furniture and Equipment	515,150	(335,326)	179,824
Information and Communication Technology	138,374	(114,947)	23,427
Motor Vehicles	152,203	(114,562)	37,641
Leased Assets	27,531	(6,842)	20,689
Library Resources	90,055	(89,022)	1,033
Balance at 31 December 2019	2,049,792	(1,039,121)	1,010,671

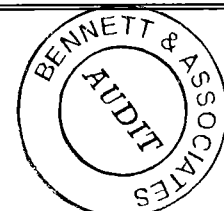
13. Accounts Payable

	2020 Actual	2020 Budget (Unaudited)	2019 Actual
	\$	\$	\$
Operating Creditors	5,475	38,246	8,076
Accruals	6,100	5,800	5,960
Employee Entitlements - Salaries	72,871	53,808	54,989
Employee Entitlements - Leave Accrual	2,315	7,138	8,788
	86,761	104,992	77,813
Payables for Exchange Transactions	86,761	104,992	77,813
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	86,761	104,992	77,813

The carrying value of payables approximates their fair value.

14. Revenue Received in Advance

	2020 Actual	2020 Budget (Unaudited)	2019 Actual
	\$	\$	\$
Gateway	19,256	-	-
Revenue Received In Advance	3,704	348	2,108
	22,960	348	2,108



15. Provision for Cyclical Maintenance

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Provision at the Start of the Year	32,939	25,441	19,250
Increase to the Provision During the Year	14,550	14,800	13,689
Adjustment to the Provision	(889)	-	-
Provision at the End of the Year	<u>46,600</u>	<u>40,241</u>	<u>32,939</u>
Cyclical Maintenance - Current	9,000	8,750	8,889
Cyclical Maintenance - Term	37,600	31,491	24,050
	<u>46,600</u>	<u>40,241</u>	<u>32,939</u>

16. Finance Lease Liability

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

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
No Later than One Year	8,747	6,227	7,459
Later than One Year and no Later than Five Years	18,319	8,258	21,867
	<u>27,066</u>	<u>14,485</u>	<u>29,326</u>



17. 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:

2020		Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution/ (Write-off to R&M)	Closing Balances \$
Reroof Gymnasium	<i>completed</i>	(699)	699	-	-	-
Gym Ceiling Remedial Works	<i>completed</i>	(2,766)	2,766	-	-	-
Electrical & Heating	<i>in progress</i>	41,032	-	(22,282)	-	18,750
Cladding/Windows/Asbestos/Toilet	<i>in progress</i>	54,140	-	(17,938)	-	36,202
Roofing Main Block	<i>in progress</i>	45,361	-	(24,750)	-	20,611
Drainage Plumbing Fountains	<i>in progress</i>	(11,986)	87,510	7,905	-	83,429
SIP Pool Resurfacing	<i>in progress</i>	-	-	(290)	-	(290)
LSC Project	<i>in progress</i>	-	-	(4,606)	-	(4,606)
SIP - Security System	<i>in progress</i>	-	-	(500)	-	(500)
Totals		125,082	90,975	(62,461)	-	153,596

Represented by:

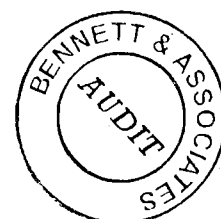
Funds Held on Behalf of the Ministry of Education	158,992
Funds Due from the Ministry of Education	(5,396)
	<u>153,596</u>

2019		Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution/ (Write-off to R&M)	Closing Balances \$
Reroof Gymnasium	<i>in progress</i>	713	-	(1,412)	-	(699)
Gym Ceiling Remedial Works	<i>in progress</i>	264	-	(3,030)	-	(2,766)
Electrical & Heating	<i>in progress</i>	(5,597)	42,150	4,479	-	41,032
Cladding/Windows/Asbestos/Toilet	<i>in progress</i>	-	62,047	(7,907)	-	54,140
Roofing Main Block	<i>in progress</i>	-	52,717	(7,356)	-	45,361
Drainage Plumbing Fountains	<i>in progress</i>	-	-	(11,986)	-	(11,986)
Totals		(4,620)	156,914	(27,212)	-	125,082

18. 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 condition 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.



19. Remuneration

Key management personnel compensation

Key management personnel of the School include all trustees of the Board, Principal, Deputy Principals and Heads of Departments.

	2020 Actual \$	2019 Actual \$
<i>Board Members</i>		
Remuneration	3,350	4,580
Full-time equivalent members	0.06	0.07
<i>Leadership Team</i>		
Remuneration	336,456	271,854
Full-time equivalent members	3.00	2.00
Total key management personnel remuneration	339,806	276,434
Total full-time equivalent personnel	3.06	2.07

The full time equivalent for Board members has been determined based on attendance at Board meetings, Committee meetings and for other obligations of the Board, such as stand downs and suspensions, plus the estimated time for Board members to prepare for meetings.

Principal

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

	2020 Actual \$000	2019 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	120 - 130	110 - 120
Benefits and Other Emoluments	0 - 5	3 - 4
Termination Benefits	-	-

Other Employees

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

Remuneration \$000	2020 FTE Number	2019 FTE Number
100 - 110	3.00	-
	3.00	0.00

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

20. Compensation and Other Benefits Upon Leaving

The total value of compensation or other benefits paid or payable to persons who ceased to be trustees, committee member, 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:

	2020 Actual	2019 Actual
Total	-	-
Number of People	-	-



21. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2020 (Contingent liabilities and assets at 31 December 2019: nil).

Holidays Act Compliance – schools payroll

The Ministry of Education performs payroll processing and payments on behalf of school boards of trustees, 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. The current phase of this review is to design potential solutions for any compliance breaches discovered in the initial phase of the Programme. 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 2020, a contingent liability for the school may exist.

22. Commitments

(a) Capital Commitments

As at 31 December 2020 the Board has entered into contract agreements for capital works as follows:

(a) \$46,833 contract for the Electrical & Heating as agent for the Ministry of Education. This project is fully funded by the Ministry and \$42,150 has been received of which \$23,400 has been spent (2019: \$1,118) on the project to balance date. This project has been approved by the Ministry; and

(b) \$620,470 contract for the Cladding/Windows/Asbestos/Toilet as agent for the Ministry of Education. This project is fully funded by the Ministry and \$62,047 has been received of which \$25,845 has been spent (2019: \$7,907) on the project to balance date. This project has been approved by the Ministry; and

(c) \$527,170 contract for the Roofing Main Block as agent for the Ministry of Education. This project is fully funded by the Ministry and \$52,717 has been received of which \$32,106 has been spent (2019: \$7,356) on the project to balance date. This project has been approved by the Ministry; and

(d) contract for the Drainage Plumbing Fountains as agent for the Ministry of Education. This project is fully funded by the Ministry and \$87,510 has been received (2019: \$0) of which \$4,081 has been spent on the project to balance date. This project has been approved by the Ministry; and

(e) contract for the SIP Pool Resurfacing as agent for the Ministry of Education. This project is fully funded by the Ministry and \$0 has been received of which \$290 has been spent on the project to balance date. This project has been approved by the Ministry; and

(f) contract for the LSC Project as agent for the Ministry of Education. This project is fully funded by the Ministry and \$0 has been received of which \$4,606 has been spent on the project to balance date. This project has been approved by the Ministry; and

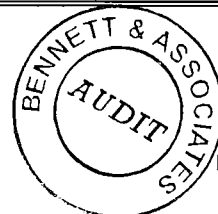
(g) contract for the SIP - Security System as agent for the Ministry of Education. This project is fully funded by the Ministry and \$0 has been received of which \$500 has been spent on the project to balance date. This project has been approved by the Ministry.

(b) Operating Commitments

As at 31 December 2020 the Board has entered into the following contracts:

(a) operating lease of photocopiers;

	2020 Actual \$	2019 Actual \$
No later than One Year	1,866	3,087
Later than One Year and No Later than Five Years	464	1,517
Later than Five Years	-	-
	<u>2,330</u>	<u>4,604</u>



23. Managing Capital

The School's capital is its equity and comprises capital contributions from the Ministry of Education for property, plant and equipment and accumulated surpluses and deficits. The School does not actively manage capital but attempts to ensure that income exceeds spending in most years. Although deficits can arise as planned in particular years, they are offset by planned surpluses in previous years or ensuing years.

24. 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

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Cash and Cash Equivalents	1,398,903	157,062	590,028
Receivables	101,936	70,457	127,338
Investments - Term Deposits	100,036	795,805	802,008

Total Financial assets measured at amortised cost

1,600,875	1,023,324	1,519,374
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Financial liabilities measured at amortised cost

Payables	86,761	104,992	77,813
Borrowings - Loans	-	-	-
Finance Leases	23,367	14,485	24,409
Painting Contract Liability	-	-	-

Total Financial Liabilities Measured at Amortised Cost

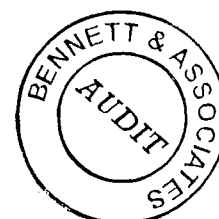
110,128	119,477	102,222
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25. Events After Balance Date

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

26. Comparatives

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



Broadwood Area School

Kiwisport

Kiwisport is a Government funding initiative to support students' participation in organised sport. In 2020, the school received total Kiwisport funding of \$1,544 (excluding GST). The funding was spent on sporting endeavours.

Analysis of Variance Reporting



2020 Review

School Name:	Broadwood Area School	School Number:	06
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Strategic Aim:	<p>All students are able to access the NZC as evidenced by progress and achievement.</p> <p>Provide opportunity for student progress and success in literacy and numeracy and development as successful digital citizens, across the NZC. Professional development for Junior teaching staff around Writing and Mathematics.</p> <p>Continue to develop positive interactive relationships among and between staff, students, their families and the school's local communities, to foster engagement and involvement in the life of the school.</p>
Annual Aim:	<p>80% of students from Years 1-8 will be at or above the New Zealand Curriculum Level at the end of 2019, or at their specified anniversary.</p> <p>80% of students well below at the beginning of 2020 will be accelerated to reach below, by the end of the year.</p> <p>80% of students from Years 1-8 will be at or above the NZC at the end of 2020, or at their specified anniversary.</p> <p>80% of students well below at the beginning of 2020 will be accelerated to reach below, by the end of the year.</p>
Baseline Data:	<p>EOY 2020 achievement data shows: 40 students in Total</p> <p>Reading 14/40 35 % (students) at Expected NZC, <u>26/40 65% (students) within & needing additional support</u></p> <p>Writing 9/40 22.5 % (students) at Expected NZC, <u>31/40 77.5% (students) within & needing additional support</u></p> <p>Math 18/40 45% (students) at Expected NZC, <u>22/40 55 % (students) within & needing additional support</u></p>



MINISTRY OF EDUCATION
Te Kaitiaki Take Kōwhiri

Tātaritanga raraunga



Actions <i>What did we do?</i>	Outcomes <i>What happened?</i>	Reasons for the variance <i>Why did it happen?</i>	Evaluation <i>Where to next?</i>
<p>Due to Covid_19 lock down etc it was really difficult to re-engage students back into learning.</p> <p>For some whanau academic achievement was not important, student well-being became the focus.</p> <p>Fear of sending students to school meant staggered returns and inconsistent attendance.</p> <p>Counselling became an option for students.</p> <p>Engaging students in learning became a mammoth task.</p>	<p>Inconsistent attendance</p> <p>Student wellbeing became a focus</p> <p>Difficulty re-engaging students into learning</p>	<p>Covid_19 interruptions</p> <p>Community fear of returning</p> <p>Education Packs delayed delivery</p> <p>Students returning to whanau in Auckland delaying return</p>	<p>PLD around Assessment for learning particularly around writing Term 1.</p> <p>Building relationships with whanau as new enrolments arrive from other districts again around the fear of Covid_19.</p> <p>Stabilizing staff</p> <p>Smaller class numbers in Y1-6</p> <p>Incredible years training for staff Y1-4</p> <p>Reading Recovery Training Y1-2 teacher</p> <p>Strengthening leadership and teamwork with all junior staff.</p>

Planning for next year (2020) :



MINISTRY OF EDUCATION
Te Kaitiaki Take Kōwhiri

Tātaritanga raraunga



Students: Focus on PB4L & School Values to build acceptable social behaviours. Lifting the standards and expectations of all our students, whanau and staff. "challenging ourselves to reach our full potential". High expectations during critical learning times.

Leadership: Senior Leader (Kura Teina) to regularly monitor data for Yr 1-8. PLD around Assessment for Learning, localised curriculum (Formative Assessment, PACT, Incredible Years, Reading recovery Training) Engage with RTLB and Learning Support Coordinator to assist with student IEP's with Special Needs (ie Behavioural & Learning difficulties). Second meeting day to implement PLD objectives. We will continue to push RBL, to improve relationships between students and teachers to gain better outcomes for students. Observations will be taken at regular intervals, and teachers will discuss the findings together. Combine writing PLD with best practice, and clarify the lesson outlines per lesson. Clarify the team strengths, utilise teacher strengths in combined teaching opportunities. Observe/Model ideal practice for teaching staff.

Teaching: Focus on Writing Assessment (PACT), Oral language will be explored in years 1-4, ensuring they are having meaningful learning conversations with teachers, and are able to articulate their thinking more precisely, building a better vocabulary. Teacher planning will clearly indicate skills/knowledge being learnt, utilising probing questions they have prepared prior to lessons for reading and writing in order to develop thinking/comprehension skills. Maths programmes in the years 5-8 will continue as the previous year. Leadership to work through 1-4 Maths programme, identify improvements/assistance, clarification needed

Whanau Engagement: Continue to engage whanau all year round. Ensure a regular cycle of Newsletters are sent out to keep whanau informed. Follow up on any attendance issues immediately, particularly for target students.

Governance: BOT to support goals set in 2021 School Charter & Strategic Plan. Changing the language of reporting to [REDACTED] Needing Additional Support.

National Standards NAG2A(b) Commentary Reporting

Schools that use *The New Zealand Curriculum* for their students in years 1 to 8 must use this template to report school-level data on National Standards.

Date:	03/03/2021
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School Name:	Broadwood Area School	School Number:	06
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NAG2A (b)(i) Areas of Strength

Curriculum Area(s): Mathematics

Math 18/40 45% (students) at NZC Expectation, 22/40 55 % (students) within & needing support

Discussion: Room for improvement:

Continue with programs in Y5-8. Movement is happening, look at tweaking and how can we get to targets sooner. Y1-4 needs to go through current programs with the leader, look at current good practice and research, and make alterations to the maths program in both classes. Identify target students and ensure the program caters to the needs. Regular monitoring of the changes need to be reflected on. Will look at this daily.

NAG2A (b)(i) Areas for Improvement

Curriculum Area(s): Reading & Writing

Writing:

Writing 9/40 22.5 % (students) at NZC Expectation, 31/40 77.5% (students) within & needing support

Reading

Reading 14/40 35 % (students) at NZC Expectation, 26/40 65% (students) within & needing support

Discussion:

Staff are undergoing PLD in writing, and will review all class programs to include new findings and research-driven practice. Staff will practice using the e-asttle writing tool to become more familiar with what it is we need to do as teachers to ensure each section of e-asttle for every student shows improvement. We will do this weekly, using samples from every class.

Reading programs will be planned with specific focus on the books being used, the types of questions being asked and the deeper thinking that they invoke from the students. We will organise the resources in a way that is more streamline to access and plan for, and so that teachers can focus on what it is they are doing around their guided reading programs to support the teaching. Regular observations will be needed to observe what the teacher plans, actually occurs, and if changes are made, reflected on and explained

**INDEPENDENT AUDITOR'S REPORT
TO THE READERS OF BROADWOOD AREA SCHOOLS'S
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

57 Clyde Street
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The Auditor-General is the auditor of Broadwood Area School (the School). The Auditor-General has appointed me, Steve Bennett, using the staff and resources of Bennett & Associates, 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 22, that comprise the statement of financial position as at 31 December 2020, 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 2020; and
 - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Standards Reduced Disclosure Regime.

Our audit was completed on 31 May 2021. 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 of Trustees 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 Novopay 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 arise from the Public Audit Act 2001.

Other information

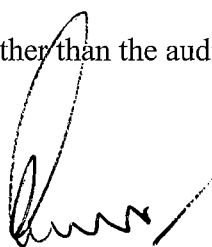
The Board is responsible for the other information. The other information comprises the Analysis of Variance, the Kiwisport Statement, the List of Trustees and Statement of Responsibility but does not include the financial statements, and our auditor's report thereon. Our opinion on the financial statements 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.



Steve Bennett
BENNETT & ASSOCIATES
On behalf of the Auditor-General
Whangarei, New Zealand

