

WAIKAWA BAY SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022



School Address:	282 Waikawa Bay Road, Waikawa Bay, Picton
School Postal Address:	282 Waikawa Bay Road, Waikawa Bay, Picton 7220
School Phone:	03-573-6636
School Email:	office@waikawabay.school.nz
Ministry Number:	3057
Principal:	Peter Knowles
Accountant/Service Provider:	Accounting for Schools Limited

WAIKAWA BAY SCHOOL

Annual Report - For the year ended 31 December 2022

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WAIKAWA BAY SCHOOL

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.

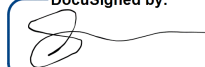
The management (including the principal and others as directed by the Board) accepts responsibility for establishing and maintaining a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of the school's financial reporting.

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.

Jimmy Giles

Full Name of Presiding Member

DocuSigned by:

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Signature of Presiding Member

31 May 2023

Date:

Peter Knowles

Peter Knowles
Full Name of Principal

DocuSigned by:

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Signature of Principal

31 May 2023

Date:

WAIKAWA BAY SCHOOL

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	1,548,866	1,417,652	1,382,351
Locally Raised Funds	3	56,038	59,750	55,348
Interest income		1,889	400	493
		<u>1,606,793</u>	<u>1,477,802</u>	<u>1,438,192</u>
Expenses				
Locally Raised Funds	3	32,258	42,400	47,399
Learning Resources	4	1,109,448	1,031,060	1,006,649
Administration	5	95,524	88,020	68,816
Finance		928	500	1,413
Property	6	345,222	316,000	275,299
		<u>1,583,380</u>	<u>1,477,980</u>	<u>1,399,576</u>
Net Surplus / (Deficit)		23,413	(178)	38,616
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u><u>23,413</u></u>	<u><u>(178)</u></u>	<u><u>38,616</u></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.

WAIKAWA BAY SCHOOL

Statement of Changes in Net Assets/Equity For the year ended 31 December 2022

Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Balance at 1 January	444,781	444,781	403,654
Total comprehensive revenue and expense for the year	23,413	(178)	38,616
Capital Contributions from the Ministry of Education Contribution - Furniture and Equipment Grant	-	-	2,511
Equity at 31 December	468,194	444,603	444,781
Accumulated comprehensive revenue and expense Reserves	468,194 -	444,603 -	444,781 -
Equity at 31 December	468,194	444,603	444,781

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



WAIKAWA BAY SCHOOL

Statement of Financial Position

As at 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Current Assets				
Cash and Cash Equivalents	7	232,284	140,593	268,311
Accounts Receivable	8	77,216	76,010	63,994
GST Receivable		9,584	10,000	-
Prepayments		7,766	6,000	7,578
		<u>326,850</u>	<u>232,603</u>	<u>339,883</u>
Current Liabilities				
GST Payable		-	-	7,035
Accounts Payable	10	96,971	86,000	80,222
Provision for Cyclical Maintenance	11	7,643	7,000	47,500
Finance Lease Liability	12	3,837	3,000	5,664
Funds held for Capital Works Projects	13	48,639	-	88,886
		<u>157,090</u>	<u>96,000</u>	<u>229,307</u>
Working Capital Surplus		169,760	136,603	110,576
Non-current Assets				
Property, Plant and Equipment	9	320,647	330,000	355,555
		<u>320,647</u>	<u>330,000</u>	<u>355,555</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	11	17,000	17,000	12,300
Finance Lease Liability	12	5,213	5,000	9,050
		<u>22,213</u>	<u>22,000</u>	<u>21,350</u>
Net Assets		<u>468,194</u>	<u>444,603</u>	<u>444,781</u>
Equity		<u>468,194</u>	<u>444,603</u>	<u>444,781</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.

WAIKAWA BAY SCHOOL

Statement of Cash Flows

For the year ended 31 December 2022

	2022	2022	2021
Note	Actual	Budget	Actual
	\$	(Unaudited)	\$
		\$	\$
Cash flows from Operating Activities			
Government Grants	416,429	377,652	388,716
Locally Raised Funds	54,891	58,750	59,199
Goods and Services Tax (net)	(16,619)	(17,035)	11,526
Payments to Employees	(203,773)	(215,657)	(206,197)
Payments to Suppliers	(238,312)	(218,773)	(157,893)
Interest Paid	(928)	(500)	(1,413)
Interest Received	1,879	390	596
Net cash from / (to) the Operating Activities	13,567	(15,173)	94,534
Cash flows from Investing Activities			
Purchase of PPE (and Intangibles)	(3,682)	(16,945)	(12,653)
Net cash from / (to) the Investing Activities	(3,682)	(16,945)	(12,653)
Cash flows from Financing Activities			
Furniture and Equipment Grant	-	-	2,511
Finance Lease Payments	(5,665)	(6,714)	(6,051)
Funds Held for Capital Works Projects	(40,247)	(88,886)	62,100
Net cash from Financing Activities	(45,912)	(95,600)	58,560
Net increase/(decrease) in cash and cash equivalents	(36,027)	(127,718)	140,441
Cash and cash equivalents at the beginning of the year	7 268,311	268,311	127,870
Cash and cash equivalents at the end of the year	7 232,284	140,593	268,311

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



WAIKAWA BAY SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2022

1. Statement of Accounting Policies

a) Reporting Entity

Waikawa Bay 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 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 2022 to 31 December 2022 and in accordance with the requirements of 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 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 11.



WAIKAWA BAY SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2022

1. Statement of Accounting Policies

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 12. Future operating lease commitments are disclosed in note 17b.

Recognition of grants

The School reviews the grants monies received at the end of each reporting period and whether any require a provision to carryforward 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.



WAIKAWA BAY SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2022

1. Statement of Accounting Policies

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 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 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.

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.



WAIKAWA BAY SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2022

1. Statement of Accounting Policies

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 except for library resources are depreciated over their estimated useful lives on a straight line basis. Library resources are depreciated on a diminishing value 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 to Crown Owned Assets	10–75 years
Furniture and equipment	7–15 years
Information and communication technology	4–5 years
Motor vehicles	5 years
Textbooks	3 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value

k) 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.

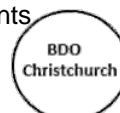
In determining fair value less costs to sell the school engages an independent valuer to assess market value based on the best available information. The valuation is based on [details of the valuer's approach to determining market value (i.e. what valuation techniques have been employed, comparison to recent market transaction etc.)].

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.

l) 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.



WAIKAWA BAY SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2022

1. Statement of Accounting Policies

m) 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 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.

n) 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.

o) 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 Revenue and Expense.

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

p) 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.

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

q) 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.



WAIKAWA BAY SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2022

1. Statement of Accounting Policies

r) Budget Figures

The budget figures are extracted from the School budget that was approved by the Board at the start of the year.

s) 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.



WAIKAWA BAY SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2022

2. Government Grants

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Government Grants - Ministry of Education	416,036	357,652	387,303
Teachers' Salaries Grants	889,542	800,000	776,049
Use of Land and Buildings Grants	242,895	240,000	217,586
Other Government Grants	393	20,000	1,413
	<u>1,548,866</u>	<u>1,417,652</u>	<u>1,382,351</u>

The school has opted in to the donations scheme for this year. Total amount received was \$22,650 (2021:\$21,150).

3. Locally Raised Funds

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

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Revenue			
Donations & Bequests	55	500	1,669
Fees for Extra Curricular Activities	8,548	9,250	10,679
Trading	3,367	3,500	3,352
Fundraising & Community Grants	23,360	23,000	23,685
Other Revenue	20,708	23,500	15,963
	<u>56,038</u>	<u>59,750</u>	<u>55,348</u>
Expenses			
Extra Curricular Activities Costs	12,986	9,000	17,580
Trading	5,830	3,700	4,487
Fundraising and Community Grant Costs	2,227	11,000	6,590
School House	11,215	18,700	18,742
	<u>32,258</u>	<u>42,400</u>	<u>47,399</u>
	<u>23,780</u>	<u>17,350</u>	<u>7,949</u>

Surplus/ (Deficit) for the year Locally raised funds

4. Learning Resources

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	30,578	30,810	23,309
Equipment Repairs	321	1,000	1,971
Information and Communication Technology	4,313	2,000	3,181
Resource/Attached teacher Costs	4,803	10,550	7,134
Library Resources	980	1,400	1,216
Employee Benefits - Salaries	1,025,482	936,800	926,612
Staff Development	4,380	6,000	1,256
Depreciation	38,591	42,500	41,970
	<u>1,109,448</u>	<u>1,031,060</u>	<u>1,006,649</u>

WAIKAWA BAY SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2022

5. Administration

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	5,513	3,500	5,250
Board of Trustees Fees	2,490	2,700	2,685
Board of Trustees Expenses	3,602	1,300	560
Communication	1,791	2,300	2,385
Consumables	7,684	5,500	5,444
Other	3,882	5,720	5,337
Employee Benefits - Salaries	61,487	57,700	37,985
Insurance	4,589	4,600	4,883
Service Providers, Contractors and Consultancy	4,486	4,700	4,287
	<u>95,524</u>	<u>88,020</u>	<u>68,816</u>

6. Property

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	2,509	4,200	3,234
Consultancy and Contract Services	28,243	26,000	25,635
Cyclical Maintenance Provision	26,695	7,000	2,600
Grounds	2,577	3,000	2,682
Heat, Light and Water	9,570	8,000	8,935
Rates	1,012	1,300	1,109
Repairs and Maintenance	12,944	8,500	(5,923)
Use of Land and Buildings	242,895	240,000	217,586
Employee Benefits - Salaries	18,777	18,000	19,441
	<u>345,222</u>	<u>316,000</u>	<u>275,299</u>

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 Current Account	52,228	50,000	191,280
Bank Call Account	180,056	90,593	77,031
Cash and cash equivalents for Cash Flow Statement	<u>232,284</u>	<u>140,593</u>	<u>268,311</u>

Of the \$232,284 Cash and Cash Equivalents, \$48,639, is held by the School on behalf of the Ministry of Education. These funds are required to be spent in 2023 on Crown owned school buildings under the School's Five Year Property Plan.



WAIKAWA BAY SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2022

8. Accounts Receivable

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Receivables	1,147	1,000	-
Interest Receivable	10	10	-
Teacher Salaries Grant Receivable	76,059	75,000	63,994
	<u>77,216</u>	<u>76,010</u>	<u>63,994</u>
Receivables from Exchange Transactions	1,157	1,010	-
Receivables from Non-Exchange Transactions	76,059	75,000	63,994
	<u>77,216</u>	<u>76,010</u>	<u>63,994</u>

9. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2022						
Buildings	201,642	-	-	-	(6,591)	195,051
Building Improvements	69,220	-	-	-	(4,679)	64,541
Furniture and Equipment	50,069	3,131	-	-	(13,525)	39,675
Information Technology	15,034	551	-	-	(5,196)	10,389
Leased Assets	10,896	-	-	-	(7,513)	3,384
Library Resources	8,694	-	-	-	(1,087)	7,607
Balance at 31 December 2022	<u>355,555</u>	<u>3,682</u>	<u>-</u>	<u>-</u>	<u>(38,591)</u>	<u>320,647</u>

The net carrying value of equipment held under a finance lease is \$3,384 (2021: \$10,896).

	2022 Cost or Valuation \$	2022 Accumulated Depreciation \$	2022 Net Book Value \$	2021 Cost or Valuation \$	2021 Accumulated Depreciation \$	2021 Net Book Value \$
2022						
Buildings	246,422	(51,371)	195,051	246,422	(44,780)	201,642
Building Improvements	134,129	(69,588)	64,541	134,129	(64,909)	69,220
Furniture and Equipment	235,899	(196,224)	39,675	232,768	(182,699)	50,069
Information Technology	120,655	(110,266)	10,389	120,104	(105,070)	15,034
Leased Assets	22,077	(18,693)	3,384	25,022	(14,126)	10,896
Library Resources	12,811	(5,204)	7,607	12,811	(4,117)	8,694
Balance at 31 December 2022	<u>771,993</u>	<u>(451,346)</u>	<u>320,647</u>	<u>771,256</u>	<u>(415,701)</u>	<u>355,555</u>

WAIKAWA BAY SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2022

10. Accounts Payable

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
	\$	\$	\$
Creditors	7,507	7,000	9,571
Accruals	3,763	4,000	3,500
Employee Entitlements - Salaries	84,270	75,000	63,994
Employee Entitlements - Leave Accrual	1,431	-	3,157
	<u>96,971</u>	<u>86,000</u>	<u>80,222</u>
Payables for Exchange Transactions	96,971	86,000	80,222
	<u>96,971</u>	<u>86,000</u>	<u>80,222</u>

11. Provision for Cyclical Maintenance

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
	\$	\$	\$
Provision at the Start of the Year	59,800	59,800	57,200
Increase/ (decrease) to the Provision During the Year	26,695	(7,200)	2,600
Use of the Provision During the Year	(61,852)	(28,600)	-
Provision at the End of the Year	<u>24,643</u>	<u>24,000</u>	<u>59,800</u>
Cyclical Maintenance - Current	7,643	7,000	47,500
Cyclical Maintenance - Non Current	17,000	17,000	12,300
	<u>24,643</u>	<u>24,000</u>	<u>59,800</u>

The schools cyclical maintenance schedule details annual painting to be undertaken, the costs associated to this annual work will vary dependent on the requirements during the year. This plan is based on the schools 10 Year Property plan which is prepared by a Ministry of Education appointed property consultant.

12. 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	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
	\$	\$	\$
No Later than One Year	4,361	3,000	6,592
Later than One Year and no Later than Five Years	5,494	5,000	9,855
Future Finance Charges	(805)	-	(1,733)
	<u>9,050</u>	<u>8,000</u>	<u>14,714</u>
Represented by			
Finance lease liability - Current	3,837	3,000	5,664
Finance lease liability - Non Current	5,213	5,000	9,050
	<u>9,050</u>	<u>8,000</u>	<u>14,714</u>

WAIKAWA BAY SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2022

13. Funds Held 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 project is included under cash and cash equivalents in note 7.

	2022	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions (Write-off to R&M)	Closing Balances \$
SIP A Window Replacement	232846	88,886	10,580	(50,827)	-	48,639
Totals		88,886	10,580	(50,827)	-	48,639
Represented by:						
Funds Held on Behalf of the Ministry of Education						48,639
Funds Due from the Ministry of Education						-
						48,639

	2021	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions (Write-off to R&M)	Closing Balances \$
Shade Sails		-	7,267	(7,267)	-	-
Block A/B/H/F ILE		26,786	65,252	(92,038)	-	-
SIP A Window Replacement		-	88,886	-	-	88,886
Totals		26,786	161,405	(99,305)	-	88,886

14. 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 favorable 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 favorable 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.

WAIKAWA BAY SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2022

15. Remuneration

Key management personnel compensation

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

	2022 \$	2021 \$
<i>Board Members</i>		
Remuneration	2,490	2,685
<i>Leadership Team</i>		
Remuneration	274,398	264,349
Full-time equivalent members	2	2
Total key management personnel remuneration	276,888	267,034

There are 7 members of the Board excluding the Principal. The Board had held 7 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

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	130 - 140	130 - 140
Benefits and Other Emoluments	20 - 30	20 - 30
Termination Benefits	-	-

Other Employees

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

Remuneration \$000	2022 FTE Number	2021 FTE Number
100 - 110	1	2
110-120	1	-
	2	2

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

WAIKAWA BAY SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2022

16. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets 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 School's Collective Agreement (CA) Settlement and the Teacher Aide Pay Equity Settlement. The School is yet to receive a final wash up that adjusts the estimated quarterly installments 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 confirmed, 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 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. 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.

17. Commitments

(a) Capital Commitments

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

(i) To replace windows, with a total budget of \$98,762 which will be fully funded by the Ministry. Ministry funding of \$99,466 has been received and \$50,827 expenses have been incurred at balance date.

(Capital commitments at 31 December 2021: \$98,762)

(b) Operating Commitments

As at 31 December 2022 the Board has not entered into any contracts (2021: nil).

18. 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. The School's financial liabilities comprise accounts payable, 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.

Financial assets measured at amortised cost

	2022 \$	2022 \$	2021 \$
Cash and Cash Equivalents	232,284	140,593	268,311
Receivables	77,216	76,010	63,994
Total Financial assets measured at amortised cost	<u>309,500</u>	<u>216,603</u>	<u>332,305</u>

Financial liabilities measured at amortised cost

Payables	96,971	86,000	80,222
Finance Leases	9,050	8,000	14,714
Total Financial Liabilities Measured at Amortised Cost	<u>106,021</u>	<u>94,000</u>	<u>94,936</u>

BDO
Chartered Accountants

WAIKAWA BAY SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2022

19. Events After Balance Date

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

20. Comparatives

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



WAIKAWA BAY SCHOOL

Members of the Board

For the year ended 31 December 2022

Name	Position	How position on Board gained	Occupation	Term expired/expires
Jimmy Giles	Presiding Member	Re-elected 2022	Mechanical Engineer	September 2025
Peter Knowles	Principal	Appointed	Principal	
Rachel Russell	Parent Rep	Elected May 2016, Re elected May 2019	Project Coordinator	September 2022
Kevin Childs	Parent Rep	Elected May 2019	Senior Community Work Supervisor	September 2022
Wendy Strack	Parent Rep	Elected May 2019	Hairdresser	September 2022
Gavin Beattie	Parent Rep	Co-opted July 2020		September 2022
Kirsty Burgess	Staff Rep	Appointed 2020	Teacher/Deputy Principal	September 2025
Meg Stechmann	Parent Rep	Elected 2022		September 2025
Ash Clarke	Parent Rep	Elected 2022		September 2025
Amy Healey	Parent Rep	Elected 2022		September 2025
Hamish Watson	Parent Rep	Elected 2022		September 2025
Allanah Burgess	Parent Rep	Co-Opted 2022		September 2025

WAIKAWA BAY SCHOOL

Kiwisport / Statement of Compliance with Employment Policy For the year ended 31 December 2022

Kiwisport is a Government funding initiative to support student participation in organised sport.

In 2022 the School received funding of \$2,239 (2021: \$2,203). This funding was spent on sporting and PE gear for the school and Year 3 - 6 students participating in the "Swim for Life Programme".

Statement of Compliance with Employment Policy

For the year ended 31 December 2022 Waikawa Bay School 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 contract 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.



Waikawa Bay School

Analysis of Variance Report 2022

Section One: Annual Targeted Aims:

3057	Waikawa Bay School
Aim 1 Attendance	
Strategic Aim	To increase our students overall 'Regular Attendance' to 80%. Regular attendance is defined as 90% or higher. (a child who has 90% attendance will have approx 18 days absent a year.)
Annual Aim	Connections / Relationships Promote and put into consistent practice the Hauora of all our community.
Target	Achievement and success can directly be related to attendance at school. We must investigate why and work with our students and their whanau to increase consistency in attendance over all for our students.
Baseline Data	Every Day Matters 2021 Report
Actions	
<p>Monitor Absences All rolls completed on HERO by 9.05. TXTs sent for explanation. Phone if answer not received. Office to inform Principal if no explanation</p> <p>Inform Regular messages to whole community posted on HERO regarding expectations, examples, scenarios and procedures</p> <p>Medical Certificates Inform and collect Medical certificates for students absences for more than three days for medical reasons</p> <p>Contact Families Contact families of students who are showing a regular pattern of absence; 1. Teacher: informal, investigating reasons and hopefully remedying any issues.</p>	

2. Principal: Informal following up from Teacher if absences continue.
3. Principal: Formal letter.

Well Being Survey

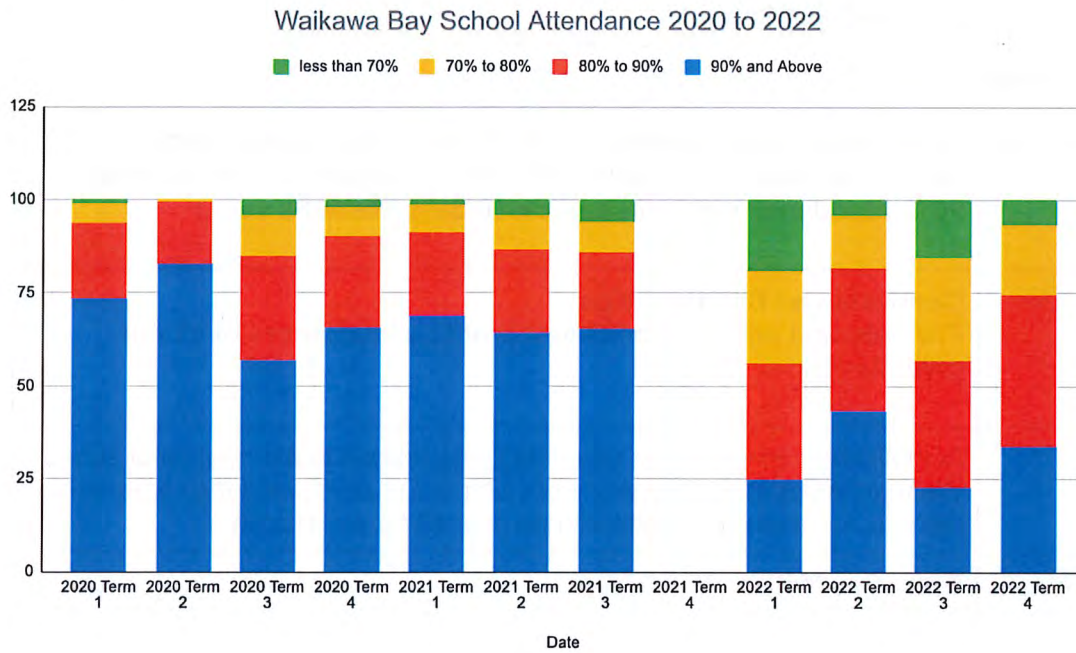
Design a Survey to be sent families and students to:
 Identify any Barriers that exist in Well Being that could affect attendance.

Implementation of results of Survey

Investigate information received from surveys that may mean a change of practices, beliefs, values, that would increase Well Being and Attendance.

Outcomes

27% in Term 4 attending 90% or more.



Reason For the Variance

We were affected by Covid on two occasions during the year. Both times we had large numbers of children and staff who had long absences. In some cases over 50% of classes.

We had been encouraging our community not to send their sick children to school and stay away until fully fit. Many did so.

There was also the understandable fear of catching an illness at school, which meant many had spasmodic attendance.

Due to this, as a school, we were very lenient on absences and did not push many planned actions.

We identified some families who were continually late. Their reasons for this were not related to covid.

Evaluation

We realize our attendance rates were extremely low, but we understand the reasons for this.
 We knew where all the children were on any given day and did not have turents.
 Hopefully we will not have so many interruptions in 2023 and we will keep to our goals action plan.

Planning for Next year

Repeat Goal and variations to actions.
 Identify families who are continually late and work with them.
 Review Timetable.
 Emphasis importance of attendance with the community.

3057	Waikawa Bay School
Aim 2 Literacy	
Strategic Aim	To increase overall School Achievement in Literacy Providing consistent, meaningful and appropriate teaching practices in Literacy
Annual Aim	Curriculum : Unpack and building a pathway in Literacy Teaching and Learning: Teaching fundamental skills in Literacy and Numeracy
Target	Specific Target Group: All classes will have a Target group of children comprising 4 to 6 students who are working below their expected level of attainment.
Baseline Data	2021 School wide Attainment Results
Actions	
<p>What we plan to do:</p> <p>Target Groups All teachers are to select a 'Target Group' of students who are achieving below their expected level. Over the period of Term 2 , 3 and 4 they are to plan and implement programmes based on their individual needs to increase their attainment. This will be linked to the individual teacher Professional Growth Cycle and will involve investigations and research. As well as being monitored by senior staff on a regular basis, results will be reported to</p>	

BOT at the end of the year.

Develop a consistent programme throughout the school based on Phonics:
Year 0 to 2: Better Start Literacy
Year 2 to 6: The Code and Codeable Texts

Review unpack expectations of each level of our Literacy curriculum and ensure that our HERO reporting goals are compatible.

Use HERO to set learning goals for each child as well as report attainment

Using our Literacy objectives, have shared expectations of success

Develop a professional development programme with an independent facilitator based on consistency of expectations and programmes within our school,

Organize regular moderation meeting between teachers to ensure standards assessment is consistent

Outcomes

Reading:
100% of children in target groups made progress in Reading.
25% made accelerated progress.
Writing
52% of target group children made progress in Writing.

Reason For the Variance

We are still developing our School Wide approach towards Literacy, and this was evident in varying results.
The use of the Code and Better start Literacy had a great effect on our Reading success, but there was not great attention made to Writing.
We would still benefit from Professional Development in Teaching Literacy, especially writing.

Evaluation

Our results for reading were pleasing, but it must be emphasized that we reported progress. This doesn't mean to say all children in target groups meet their appropriate level curriculum level requirements.
Writing results were below what we were expecting, but gives us evidence that we must continue to target this area in 2023.
The use of HERO was successful as the staff became involved in meaningful learning conversations when sharing objectives and what success would look like.
Moderation was successful and continued throughout the year.
By including the target groups into teachers Growth Cycles it encouraged continuous reflection and development.
Overall, although the results were not as high as we would want, the process was beneficial for teacher knowledge and development in Literacy.
We were very fortunate to have a capable Teacher Aide who supported the actions by

taking small target groups. (up to 30 students over the year)

Planning for Next year

Next year we will be focusing on Writing.

It will be imperative that we receive focused Professional Development based on the skills and expectations in teaching writing.

We will continue to integrate group work and teachers Growth Cycles into Writing.

We will also be reviewing our timetable and school wide expectations for Writing.

Incorporate our trained Teacher Aides into individual and small group targeted learning.

Our school will be reviewing Maths in the hope that we make it our 2024 focus

End Year Reporting Data - 2022

Reading

	At or above		Below		Progress	<u>School Wide:</u> 108 of 165 (65%) students are at or above in Reading 57 of 165 (35%) students are below in Reading Target Group - 100% made progress in Reading 26% made accelerated progress
Weka	21 of 30	71%	9 of 30	29%	90%	
Tui	20 of 29	61%	9 of 29	39%	100%	
	Yr 5	48%				
	Yr 6	83%				
Kea	15 of 24	63%	9 of 24	37%	75%	
Kereru	15 of 26	58%	11 of 26	42%	95%	
Piwakawaka	14 of 22	64%	8 of 22	36%	95%	
Pukeko	10 of 19	53%	9 of 19	47%	100%	
Kiwi	13 of 15	87%	2 of 15	13%		

Writing

	At or above		Below		Progress	<u>School Wide:</u> 75 of 165 (45%) students are at or above in Writing 90 of 147 (55%) students are below in Writing Target Group - 52% made progress in writing.
Weka	13 of 30	43%	17 of 30	57%	85%	
Tui	11 of 29	43%	18 of 29	57%	80%	
	Yr 5	26%				
	Yr 6	50%				
Kea	6 of 24	25%	13 of 24	54%	38%	
Kereru	4 of 26	15%	22 of 26	85%	68%	
Piwakawaka	13 of 22	60%	9 of 22	30%	75%	
Pukeko	14 of 19	74%	5 of 19	26%	84%	
Kiwi	14 of 15	94%	1 of 15	6%		

Maths

	At or above		Below		Progress	<u>School Wide:</u> 85 of 165 (52%) students are at or above in Maths 80 of 165 (48%) students are below in Maths
Weka	8 of 30	27%	22 of 30	73%	82%	
Tui	12 of 29	41%	17 of 29	59%	82%	
	Yr 5	26%				
	Yr 6	39%				
Kea	15 of 24	63%	9 of 24	37%	67%	
Kereru	10 of 26	38%	16 of 26	62%	73%	
Piwakawaka	14 of 22	64%	8 of 22	36%	85%	
Pukeko	13 of 19	68%	6 of 19	32%	63%	
Kiwi	13 of 15	87%	2 of 15	13%		

INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF WAIKAWA BAY **SCHOOL'S FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 31 DECEMBER 2022

The Auditor-General is the auditor of Waikawa Bay School (the School). The Auditor-General has appointed me, Michael Rondel, using the staff and resources of BDO Christchurch, 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.

Our audit was completed on 31 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, Analysis of Variance, Kiwisport and the Statement of Compliance with Employment Policy, **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.



Michael Rondel,
BDO Christchurch
On behalf of the Auditor-General
Christchurch, New Zealand