

# WAERENGA-O-KURI SCHOOL

## ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020



### School Directory

<b>Ministry Number:</b>	2712
<b>Principal:</b>	Richard McCosh
<b>School Address:</b>	Tiniroto Road, Gisborne
<b>School Postal Address:</b>	PO Box 24, Waerenga-o-Kuri, Gisborne, 4072
<b>School Phone:</b>	06 867 8145
<b>School Email:</b>	admin@wok.school.nz

### Members of the Board of Trustees

Name	Position	How Position Gained	Term Expired/Expires
Kylie Johnson	Chairperson	Elected	June 2022
Richard McCosh	Principal		
Kerry Butt	Staff Rep	Elected	June 2022
Toni Morrison	Parent Rep	Co-opted	June 2022
Jess Roche	Parent Rep	Elected	June 2022
Taryn Helm	Parent Rep	Elected	June 2022
Tira Nikora	Parent Rep	Elected	November 2020

**Accountant / Service Provider:**

Eclipse Solutions 4 Schools Ltd

# WAERENGA-O-KURI SCHOOL

Annual Report - For the year ended 31 December 2020

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# Waerenga-o-Kuri 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.

Kylie Johnson  
Full Name of Board Chairperson

[Signature]  
Signature of Board Chairperson

13 May 2021  
Date:

Richard McLoish  
Full Name of Principal

[Signature]  
Signature of Principal

13 May 2021  
Date:

# Waerenga-o-Kuri School

## Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2020

	Notes	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
<b>Revenue</b>				
Government Grants	2	567,150	538,044	562,121
Locally Raised Funds	3	24,357	27,780	42,149
Interest income		2,981	1,200	379
		<u>594,488</u>	<u>567,024</u>	<u>604,649</u>
<b>Expenses</b>				
Locally Raised Funds	3	2,769	11,500	5,630
Learning Resources	4	269,657	324,188	306,515
Administration	5	50,531	45,870	48,412
Finance		296	119	194
Property	6	75,840	93,371	87,107
Depreciation	7	17,211	15,152	17,636
Loss on Disposal of Property, Plant and Equipment		-	-	799
Transport		111,639	105,000	104,145
		<u>527,943</u>	<u>595,200</u>	<u>570,438</u>
<b>Net Surplus / (Deficit) for the Year</b>		66,545	(28,176)	34,211
Other Comprehensive Revenue and Expense		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<u>66,545</u>	<u>(28,176)</u>	<u>34,211</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.

# Waerenga-o-Kuri School

## Statement of Changes in Net Assets/Equity

For the year ended 31 December 2020

	Notes	Actual 2020 \$	Budget (Unaudited) 2020 \$	Actual 2019 \$
<b>Balance at 1 January</b>		430,692	430,692	396,481
Total Comprehensive Revenue and Expense for the Year		66,545	(28,176)	34,211
Capital Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		902	-	-
Distribution - Property Project		(4,689)	-	-
<b>Equity at 31 December</b>	21	493,450	402,516	430,692
Retained Earnings		493,450	402,516	430,692
Reserves		-	-	-
<b>Equity at 31 December</b>		493,450	402,516	430,692

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.

# Waerenga-o-Kuri School

## Statement of Financial Position

As at 31 December 2020

		2020	2020	2019
	Notes	Actual \$	Budget (Unaudited) \$	Actual \$
<b>Current Assets</b>				
Cash and Cash Equivalents	8	252,779	216,499	187,354
Accounts Receivable	9	17,664	12,900	36,985
GST Receivable		7,731	-	1,997
Prepayments		1,123	363	860
		<u>279,297</u>	<u>229,762</u>	<u>227,196</u>
<b>Current Liabilities</b>				
GST Payable		-	7,909	-
Accounts Payable	12	32,924	22,997	27,133
Provision for Cyclical Maintenance	13	8,906	6,958	15,883
Finance Lease Liability - Current Portion	14	3,788	962	889
Funds Held for Capital Works Projects	15	14,100	-	(3,339)
		<u>59,718</u>	<u>38,826</u>	<u>40,566</u>
<b>Working Capital Surplus/(Deficit)</b>		219,579	190,936	186,630
<b>Non-current Assets</b>				
Investments	10	100,000	60,000	80,000
Property, Plant and Equipment	11	199,073	166,558	182,222
Work In Progress		5,657	-	-
		<u>304,730</u>	<u>226,558</u>	<u>262,222</u>
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	13	24,520	13,247	17,319
Finance Lease Liability	14	6,339	1,731	841
		<u>30,859</u>	<u>14,978</u>	<u>18,160</u>
<b>Net Assets</b>		<u>493,450</u>	<u>402,516</u>	<u>430,692</u>
<b>Equity</b>	21	<u>493,450</u>	<u>402,516</u>	<u>430,692</u>

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

# Waerenga-o-Kuri School

## Statement of Cash Flows

For the year ended 31 December 2020

		2020	2020	2019
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
<b>Cash flows from Operating Activities</b>				
Government Grants		274,775	290,780	230,019
Locally Raised Funds		46,077	33,270	42,149
Goods and Services Tax (net)		(5,734)	12,412	(9,905)
Payments to Employees		(47,858)	(46,621)	(62,318)
Payments to Suppliers		(172,082)	(187,898)	(175,902)
Cyclical Maintenance Payments in the Year		-	(9,413)	-
Interest Paid		(296)	(119)	(195)
Interest Received		2,556	1,200	379
Net Cash from/(to) Operating Activities		97,438	93,611	24,227
<b>Cash flows from Investing Activities</b>				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		-	(300)	-
Purchase of Property Plant & Equipment (and Intangibles)		(24,462)	(3,110)	(23,447)
Purchase of Investments		(20,000)	-	(80,000)
Proceeds from Sale of Investments		-	(60,000)	-
Net Cash from/(to) Investing Activities		(44,462)	(63,410)	(103,447)
<b>Cash flows from Financing Activities</b>				
Furniture and Equipment Grant		902	-	-
Finance Lease Payments		(1,203)	(1,056)	(409)
Funds Held for Capital Works Projects		12,750	-	(74,872)
Net Cash from/(to) Financing Activities		12,449	(1,056)	(75,281)
<b>Net increase/(decrease) in Cash and Cash Equivalents</b>		<b>65,425</b>	<b>29,145</b>	<b>(154,501)</b>
Cash and Cash Equivalents at the Beginning of the Year	8	187,354	187,354	341,855
<b>Cash and Cash Equivalents at the End of the Year</b>	<b>8</b>	<b>252,779</b>	<b>216,499</b>	<b>187,354</b>

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.

# Waerenga-o-Kuri School

## Notes to the Financial Statements

### For the year ended 31 December 2020

#### 1. Statement of Accounting Policies

##### **a) Reporting Entity**

Waerenga-o-Kuri 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 13.

###### **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 11.



### **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) 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) 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.

#### **i) 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 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	10-40 years
Furniture and equipment	5-15 years
Information and communication technology	5 years
Motor vehicles	5 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value

#### **j) 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.

#### **k) 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.

#### **l) 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.

**m) 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).

**n) 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 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.

**o) 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.

**p) 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.

**q) Budget Figures**

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

**r) 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 Budget	2019
	Actual	(Unaudited)	Actual
	\$	\$	\$
Operational Grants	119,317	105,000	112,496
Teachers' Salaries Grants	235,142	273,088	273,088
Use of Land and Buildings Grants	57,233	54,356	54,356
Resource Teachers Learning and Behaviour Grants	2,000	-	-
Other MoE Grants	43,027	600	9,646
Transport grants	110,431	105,000	112,535
	<u>567,150</u>	<u>538,044</u>	<u>562,121</u>

The school has opted in to the donations scheme for this year. Total amount received was \$6,900.

Other MOE Grants total includes additional COVID-19 funding totalling \$18,606 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 Budget	2019
	Actual	(Unaudited)	Actual
	\$	\$	\$
<b>Revenue</b>			
Donations	6,949	-	2,017
Activities	44	40	923
Fundraising	2,784	13,700	25,949
Other Revenue	14,580	14,040	13,260
	<u>24,357</u>	<u>27,780</u>	<u>42,149</u>
<b>Expenses</b>			
Activities	2,769	11,500	5,630
	<u>2,769</u>	<u>11,500</u>	<u>5,630</u>
<b>Surplus/ (Deficit) for the year Locally raised funds</b>	<u>21,588</u>	<u>16,280</u>	<u>36,519</u>

## 4. Learning Resources

	2020	2020 Budget	2019
	Actual	(Unaudited)	Actual
	\$	\$	\$
Curricular	8,114	10,500	8,436
Equipment Repairs	1,006	900	2,120
Information and Communication Technology	1,760	3,000	1,292
Library Resources	-	500	-
Employee Benefits - Salaries	254,277	298,288	289,881
Staff Development	4,500	11,000	4,786
	<u>269,657</u>	<u>324,188</u>	<u>306,515</u>

## 5. Administration

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	4,220	4,220	4,100
Board of Trustees Fees	2,835	3,500	3,240
Board of Trustees Expenses	726	1,000	992
Communication	990	1,300	1,143
Consumables	4,779	6,800	5,854
Other	3,339	3,250	2,997
Employee Benefits - Salaries	28,277	21,000	25,373
Insurance	365	300	429
Service Providers, Contractors and Consultancy	5,000	4,500	4,284
	<u>50,531</u>	<u>45,870</u>	<u>48,412</u>

## 6. Property

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	1,121	1,500	1,858
Consultancy and Contract Services	2,234	600	441
Cyclical Maintenance Provision	224	4,215	3,580
Grounds	4,120	5,900	3,814
Heat, Light and Water	4,841	6,500	9,227
Repairs and Maintenance	5,389	19,900	13,473
Use of Land and Buildings	57,233	54,356	54,356
Security	678	400	358
	<u>75,840</u>	<u>93,371</u>	<u>87,107</u>

## 7. Depreciation

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Buildings - School	6,472	6,000	6,190
Furniture and Equipment	3,284	3,000	4,720
Information and Communication Technology	6,059	5,000	5,081
Motor Vehicles	-	-	623
Leased Assets	1,281	1,000	891
Library Resources	115	152	131
	<u>17,211</u>	<u>15,152</u>	<u>17,636</u>

## 8. Cash and Cash Equivalents

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Bank Current Account	203,695	116,499	31,390
Bank Call Account	49,084	100,000	155,964
Cash and cash equivalents for Statement of Cash Flows	<u>252,779</u>	<u>216,499</u>	<u>187,354</u>

Of the \$252,779 Cash and Cash Equivalents, \$14,100 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	115	-	21,835
Interest Receivable	425	-	-
Teacher Salaries Grant Receivable	17,124	12,900	15,150
	<u>17,664</u>	<u>12,900</u>	<u>36,985</u>
Receivables from Exchange Transactions	540	-	21,835
Receivables from Non-Exchange Transactions	17,124	12,900	15,150
	<u>17,664</u>	<u>12,900</u>	<u>36,985</u>

## 10. Investments

The School's investment activities are classified as follows:

	2020 Actual	2020 Budget (Unaudited)	2019 Actual
Non-current Asset			
Long-term Bank Deposits	100,000	60,000	80,000
Total Investments	<u>100,000</u>	<u>60,000</u>	<u>80,000</u>

## 11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2020	\$	\$	\$	\$	\$	\$
Land	22,000	-	-	-	-	22,000
Buildings	123,254	11,652	-	-	(6,472)	128,434
Furniture and Equipment	19,684	6,006	-	-	(3,284)	22,406
Information and Communication Technology	14,834	6,804	-	-	(6,059)	15,579
Leased Assets	1,531	9,600	-	-	(1,281)	9,850
Library Resources	919	-	-	-	(115)	804
<b>Balance at 31 December 2020</b>	<b>182,222</b>	<b>34,062</b>	<b>-</b>	<b>-</b>	<b>(17,211)</b>	<b>199,073</b>

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2020	\$	\$	\$
Land	22,000	-	22,000
Buildings	229,086	(100,652)	128,434
Furniture and Equipment	74,669	(52,263)	22,406
Information and Communication Technology	60,251	(44,672)	15,579
Motor Vehicles	4,696	(4,696)	-
Leased Assets	12,246	(2,396)	9,850
Library Resources	8,988	(8,184)	804
<b>Balance at 31 December 2020</b>	<b>411,936</b>	<b>(212,863)</b>	<b>199,073</b>

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2019	\$	\$	\$	\$	\$	\$
Land	22,000	-	-	-	-	22,000
Buildings	125,098	4,855	(509)	-	(6,190)	123,254
Furniture and Equipment	15,843	8,851	(290)	-	(4,720)	19,684
Information and Communication Technology	10,174	9,741	-	-	(5,081)	14,834
Motor Vehicles	623	-	-	-	(623)	-
Leased Assets	2,422	-	-	-	(891)	1,531
Library Resources	1,050	-	-	-	(131)	919
<b>Balance at 31 December 2019</b>	<b>177,210</b>	<b>23,447</b>	<b>(799)</b>	<b>-</b>	<b>(17,636)</b>	<b>182,222</b>

**2019**

	<b>Cost or Valuation \$</b>	<b>Accumulated Depreciation \$</b>	<b>Net Book Value \$</b>
Land	22,000	-	<b>22,000</b>
Buildings	217,434	(94,180)	<b>123,254</b>
Furniture and Equipment	69,280	(49,596)	<b>19,684</b>
Information and Communication Technology	53,447	(38,613)	<b>14,834</b>
Motor Vehicles	4,696	(4,696)	-
Leased Assets	2,646	(1,115)	<b>1,531</b>
Library Resources	8,988	(8,069)	<b>919</b>
<b>Balance at 31 December 2019</b>	<b>378,491</b>	<b>(196,269)</b>	<b>182,222</b>

**12. Accounts Payable**

	<b>2020 Actual \$</b>	<b>2020 Budget (Unaudited) \$</b>	<b>2019 Actual \$</b>
Operating Creditors	11,580	7,097	9,037
Accruals	4,220	3,000	2,500
Employee Entitlements - Salaries	17,124	12,900	15,150
Employee Entitlements - Leave Accrual	-	-	446
	<b>32,924</b>	<b>22,997</b>	<b>27,133</b>

Payables for Exchange Transactions

32,924 22,997 27,133

The carrying value of payables approximates their fair value.

**13. Provision for Cyclical Maintenance**

	<b>2020 Actual \$</b>	<b>2020 Budget (Unaudited) \$</b>	<b>2019 Actual \$</b>
Provision at the Start of the Year	33,202	33,202	29,622
Increase/ (decrease) to the Provision During the Year	224	4,215	3,580
Use of the Provision During the Year	-	(17,212)	-
<b>Provision at the End of the Year</b>	<b>33,426</b>	<b>20,205</b>	<b>33,202</b>
Cyclical Maintenance - Current	8,906	6,958	15,883
Cyclical Maintenance - Term	24,520	13,247	17,319
	<b>33,426</b>	<b>20,205</b>	<b>33,202</b>



#### 14. 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	3,788	962	889
Later than One Year and no Later than Five Years	8,349	1,731	841
	<u>12,137</u>	<u>2,693</u>	<u>1,730</u>

#### 15. 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:

	2020	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions \$	Closing Balances \$
Office Refurbishment	<i>completed</i>	(33,555)	29,273	1,844	2,438	-
Retaining Wall Remediation	<i>completed</i>	30,216	6,703	(39,170)	2,251	-
SIP - Shade, Sandpit, Rool, Pool and Resurfacing	<i>in progress</i>	-	45,000	(30,900)	-	14,100
Totals		<u>(3,339)</u>	<u>80,976</u>	<u>(68,226)</u>	<u>4,689</u>	<u>14,100</u>

#### Represented by:

Funds Held on Behalf of the Ministry of Education  
Funds Due from the Ministry of Education

14,100

-

14,100

	2019	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions \$	Closing Balances \$
Office Refurbishment	<i>in progress</i>	72,626	-	(106,180)	-	(33,555)
Retaining Wall Remediation	<i>in progress</i>	-	31,166	(950)	-	30,216
Totals		<u>72,626</u>	<u>31,166</u>	<u>(107,130)</u>	<u>-</u>	<u>(3,339)</u>

#### 16. 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.

## 17. 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	2,835	3,240
Full-time equivalent members	0.07	0.20
<i>Leadership Team</i>		
Remuneration	119,326	105,000
Full-time equivalent members	1.00	1.00
Total key management personnel remuneration	122,161	108,240
Total full-time equivalent personnel	1.07	1.20

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 1

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	110 - 120	100 - 110
Benefits and Other Emoluments	3 - 4	2 - 3
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	-	1
	0.00	1.00

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

## 18. 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 \$0	2019 Actual \$0
Total	-	-
Number of People	-	-

## 19. 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).

There is a contingent asset for repayment from the Ministry of Education for under spending the School's banking staffing entitlement during 2020. The Ministry have confirmed the cash repayment to be \$1,559.04. We will record the amount we receive as income in the 2021 financial year.

### *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.

## 20. Commitments

### (a) Capital Commitments

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

(a) \$53,696 contract for SIP - Shade, Sandpit, Rool, Pool and Resurfacing projects as agent for the Ministry of Education. This project is partially funded by the Ministry and \$45,000 has been received of which \$30,900 has been spent on the project to balance date. This project has been approved by the Ministry.

(Capital commitments at 31 December 2019: \$nil)

## 21. 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.

## 22. 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	252,779	216,499	187,354
Receivables	17,664	12,900	36,985
Investments - Term Deposits	100,000	60,000	80,000
Total Financial assets measured at amortised cost	370,443	289,399	304,339

**Financial liabilities measured at amortised cost**

Payables	32,924	22,997	27,133
Finance Leases	10,127	2,693	1,730
Total Financial Liabilities Measured at Amortised Cost	43,051	25,690	28,863

**23. Events After Balance Date**

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

**24. Comparatives**

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

**25. Breach of Law - Ineligible Trustees**

The Board is in breach of Section 103 of the Education Act 1989 in that it had more than one permanently appointed staff member on the Board of Trustees.

# **Waerenga-o-Kuri School**

## **Kiwisport Report**

For the year ended 31 December 2020

During the year the Board was the recipient of additional Government funding for specific purposes:

Kiwisport is a Government funded initiative to support students' participation in organised sport. In 2020 the school received total Kiwisport funding of \$553 (excluding GST). The funding was put towards a range of sports equipment to resource the school to support and initiate student participation in a variety of sports.

The number of students participating in organised sport continues to be at excellent levels.

## Analysis of Variance

School name and number: **Waerenga-O-Kuri School 2712**

**Focus: Literacy**

### **Strategic Goal 1:**

Provide programmes that support all students to excel in their learning and through effective implementation of the NZ Curriculum raise achievement in Literacy measured against New Zealand Curriculum Expectations.

### **Annual Aim:**

1b) To increase the number of students achieving “at or above” the Curriculum Expectations for Reading.

### **Baseline data:**

#### **Overall School-Wide Analysis of Reading Data**

Year 1 – 8 Students Reading Data (OTJ’S Against New Zealand Curriculum Expectations [CE]) November 2019

- 0 out of 44 (0%) achieved “well below” CE.
- 12 out of 44 (27%) achieved “below” CE.
- 13 out of 44 (29%) achieved “at” CE.
- 19 out of 44 (44%) achieved “above” CE.

**Targets:**

The cohort of five (Year 2 & Year 3) at risk readers will make accelerated progress in working towards their 2020 expected Curriculum Level.

**Actions (what did we do?)**

1. Review and analyse assessment data with staff and determine the particular learning needs of the targeted cohort. Assessment will include student motivation, interests and self-efficacy.
2. Implement monthly staff meetings to discuss students' progress and next learning steps
3. Co-construct individual learning goals with students, include regular reviews and celebrate success
4. Plan programmes around contexts that have relevance and hold importance to the student group
5. Purchase and utilise effective resources and e-learning tools considering advice from relevant experts.
6. Provide support to fully engage our parents and whanau in home learning opportunities.
7. Provide enrichment classes and/or teacher aide support to further enable

**Outcomes (what happened?)**

The combination of extra teacher/ teacher aide support, parental support, individualised resourcing (iPad apps, small group mini lessons), differentiated teaching and close monitoring of this cohort produced the following results.

At Risk Students Reading Results

Years 2-3

- 0 out of 5 (0%) achieved expected progress
- 2 out of 5 (40%) achieved accelerated progress
- 1 out of 5 (20%) achieved "well below" CE
- 2 out of 5 (40%) achieved "below" CE.
- 2 out of 5 (40%) achieved "at" CE.
- 0 out of 5 (0%) achieved "above" CE.

**Reasons for the variance (why did it happen?)**

These results do not accurately present the progress made by this cohort of students over the 2020 year. When compiling the end of year 2019 OTJs for these students it became apparent that this cohort was at risk of not achieving Reading Curriculum Expectations in 2020.

Many of the 5 students have increased in confidence, reading capability, self-efficacy as readers, and overall reading proficiency at their level. A lot of these students have had ongoing support since entering school to build literacy knowledge in all aspects of this learning area and will continue to require this.

All three students "below expectation" are tier 3 learners and on the SENCO register. All have received specialist support over their years at school.

**Evaluation (where to next?)**At Risk Readers

- Continue to utilise the CaAP school wide to provide pathways for tier 1, 2 and 3 learners, and promotion of consistency in the school.
- The goal will be for the small cohort (five learners) of at risk boy and girl readers to demonstrate accelerated progress in working towards their 2020 Curriculum Expectation.
- Past patterns of progress will ascertain exactly what accelerated progress will be for each individual at risk learner.
- In collaboration with the students and families, the teachers will establish effective approaches and strategies for individual students.
- The teachers will continue to utilise evidence based pedagogical practices.
- Maintain and build on the momentum

<p>accelerated learning.</p> <p>8. Put in place processes for teachers to reflect on and improve teaching programmes ensuring evidence based practices.</p> <p>9. Provide professional readings and discussion forums to support and guide teachers professional practice.</p> <p>10. Follow moderation processes and implement school-wide assessment maps so that there is consistency throughout the school.</p> <p>11. Analyse year-end data to inform planning for the following year.</p>	<p><u>Whole School Reading Results 2020</u></p> <p>Years 1 – 8</p> <p>1 out of 38 (3%) achieved “well below” CE</p> <p>11 out of 38 (29%) achieved “below” CE.</p> <p>14 out of 38 (37%) achieved “at” CE.</p> <p>12 out of 38 (31%) achieved “above” CE.</p> <p><b>Overall:</b></p> <p>2019: 73% of all students are at or above expected end of year CE.</p>	<p><u>Overall Student Reading</u></p> <p>Extra support was given to the ‘at risk group’ through targeted Teacher Aide time, individualised classroom programmes and teacher practice. Experts were consulted and specialised assessments used to inform differentiated learning programmes.</p> <p>Professional development and specialised teaching and interventions has supported progress for those students who did not achieve their 2019 CE.</p> <p>Using mentor texts, digital technologies, collaborative learning approaches, goal setting and relevant contexts has positively affected reading attitudes and motivation. Individualised feedback / feedforward and increased teacher knowledge about effective reading pedagogy, has enabled the students to develop greater understanding of the writing process and improved metacognitive practices.</p>	<p>with what has already been achieved for the cohort of at risk students.</p> <ul style="list-style-type: none"> <li>· There will be a transfer of successful strategies and pedagogies across the curriculum and within the classroom.</li> <li>· Continuation of staff collaboration and use of evidence to support practice.</li> <li>· Continued focus on ways of ensuring reading is authentic and has real purpose for the students to fully engage, motivate and develop reading skills for this group of learners.</li> <li>· Develop student agency by scaffolding student self-monitoring and assessment of progress, along with greater choice in reading texts of interest and purpose.</li> <li>· Consolidation and extension of new learning through monitoring and strategic scaffolds will continue for the group until success at Expected Level is normalised.</li> </ul>
<p><b>Planning for next year:</b></p> <p>To monitor progress of the small cohort of at risk boy and girl readers to facilitate accelerated progress in working towards their Reading 2021 New Zealand Curriculum Expectations.</p>			



## Analysis of Variance

School name and number: **Waerenga-O-Kuri School 2712**

**Focus:** Literacy

### **Strategic Goals 1 and 2:**

Provide programmes that support all students to excel in their learning and through effective implementation of the NZ Curriculum raise achievement in Mathematics and Literacy as measured against New Zealand Curriculum Expectations.

Maori students are engaged in their learning and are achieving educational success, with pride in their unique identity, language and culture as Maori. Whānau are engaged in supporting their children's learning

### **Annual Aim:**

2a) Develop programmes of learning that recognise the identity, needs and aspirations of Maori students and their whanau.

### **Target:**

Four of our Māori students at risk of not achieving their next expected curriculum level will demonstrate accelerated progress in Reading in 2020.

### **Baseline data:**

**Overall Maori Students Analysis of Reading Data**

<p>Year 1 – 8 Data (OTJ'S Against Curriculum Expectations) November 2019</p> <p>5 out of 11 (45%) achieved "at or above" CE" in Reading.</p> <p>6 out of 11 (55%) achieved "below" CE" in Reading.</p>			
<p><b>Target:</b></p> <p>Four of our Māori students at risk of not achieving their next expected curriculum level will demonstrate accelerated progress in Reading in 2020.</p>			
<p><b>Actions (what did we do?)</b></p> <p>1. Review and analyse assessment data with staff and determine the particular learning needs of students.</p> <p>2. Implement monthly staff meetings to discuss student's progress and next learning steps.</p> <p>3. Plan a specific programme to meet the learning needs of the students at risk of not achieving the 2020 target and co-construct individual learning goals incorporating regular reflection and review.</p> <p>4. Work with parents, families and whanau around ways to support students' learning.</p> <p>5. Provide enrichment classes and/or teacher aide support to further support accelerated learning.</p>	<p><b>Outcomes (what happened?)</b></p> <p>Through the combination of extra teacher/ teacher aide support, parental support,, individualised resourcing (iPad apps, small group mini lessons) and close monitoring of these cohorts, progress has occurred.</p> <p><u>Maori Students Reading Results 2020</u></p> <p>Years 1 – 8</p> <p>4 out of 10 (40%) students were at risk of not achieving their 2020 Curriculum Expectation.</p> <p>0 out of 4 (0%) achieved expected progress</p> <p>1 out of 4 (25%) achieved accelerated progress</p> <p>3 out of 4 (75%) achieved "below" CE</p>	<p><b>Reasons for the variance (why did it happen?)</b></p> <p><u>Maori Reading Achievement</u></p> <p>This group has shown further improvement in their attitude and motivation towards Reading as evidenced by an attitudes and motivation survey.</p> <p>Oral language, comprehension and grammar/syntactical knowledge continues to require extra support for these readers to work at expected CE. Vocabulary enrichment is vital to future progress.</p> <p>Two of the students working "below" CE. Are only 2 increment below expected level and did make progress this year. Both of these students are on the SENCO and Special Education Registers.</p> <p>Extra support was given to the 'at risk group' through targeted Teacher Aide time, individualised classroom programmes and</p>	<p><b>Evaluation (where to next?)</b></p> <p>The goal will be for the small cohort of Maori readers to demonstrate expected or accelerated progress in working towards their 2021 CE.</p> <ul style="list-style-type: none"> <li>· All strategies listed above will be employed for this group of students.</li> <li>· Collaboration with whanau and outside experts will continue in strengthening positive learning partnerships focussed on normalising success for Maori learners.</li> </ul>

<p>6. Purchase and utilise effective resources and e-learning tools considering advice from relevant experts.</p> <p>7. Put in place processes for teachers to reflect on and improve teaching programmes ensuring evidence based practices.</p> <p>8. Provide professional readings and discussion planned to support and guide teachers professional practice.</p> <p>9. Follow moderation processes and school-wide assessment maps so that there is consistency throughout the school.</p> <p>10. Analyse year-end data to inform planning for the following year.</p>	<p>0 out of 4(0%) achieved "at" CE</p> <p>0 out of 4 (0%) achieved "above" CE</p> <p><b><u>End of Year Overall Maori Reading Achievement 2020</u></b></p> <p>2 out of 10 (20%) achieved "above" CE in Reading.</p> <p>2 out of 10 (20%) achieved "at" CE in Reading.</p> <p>5 out of 10 (50%) achieved "below" CE in Reading</p> <p>1 out of 10 (10%) achieved "well below" CE in Reading</p>	<p>teacher practice. Experts were consulted and specialised assessments used to inform differentiated learning programmes.</p> <p>Using high interest texts, digital technologies, collaborative learning approaches and goal setting has positively affected reading attitudes and motivation. Individualised feedback / feedforward and increased teacher knowledge about effective reading pedagogy, has enabled the students to develop greater understanding of the reading and comprehension process and improved metacognitive practices.</p> <p>With specialised support programmes that were planned specifically to consider resourcing, evidence based teaching practices, authentic and relevant contexts, and a focus on student motivation and self-efficacy.</p>	
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		<p><u>Maori Reading Achievement</u></p> <p>Two students have progressed from reading “below” expectation to “at” C.S.</p> <p>Although strategies were employed to engage wider whanau participation, reading mileage and opportunities to enjoy a wide range of text is mostly limited to the classroom programme for the majority of this group.</p> <p>The children continue to need support to build wider understanding of vocabulary, and to utilise strategies when analysing and clarifying understanding of texts.</p> <p>Students are decoding at a higher text level</p> <p>Dispositional and motivational factors have continued to contribute to the reading outcomes. The students remain motivated to read, and this is evident in the excitement of the students to share their books they are reading. The students have further extended their ability to sit and read a book for longer periods of time.</p> <p>Successful progress is becoming normalised with 3 of this group of students.</p>	<p><u>Maori Reading Achievement</u></p> <p>A wrap around strategy will continue to be employed to progress all aspects required for reading development. Programmes will be planned specifically to consider resourcing, evidence based teaching practices, authentic and relevant contexts, and a continued focus on student motivation and self-efficacy.</p> <p>All families will be encouraged to enjoy and share powerful texts. Teachers will include mentor texts and unpack the messages and meanings while providing examples of how to interpret and understand a variety of text types for a range of purposes.</p> <p>The school will support learners, and their families, to achieve high levels of reading mileage. Parent/ caregiver education will focus on home reading and comprehension strategies.</p> <p>Strategies will continue to be implemented to build more student ownership and responsibility in the learning process.</p>
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			<p>The students that didn't make expected accelerated progress will be closely monitored and supported in 2021.</p> <p>Specific testing and programmes will be used to ensure prerequisite reading knowledge is in place for all year 1 – 3 students and any struggling year 4 – 8 readers.</p> <p>PD for teacher aide and teachers on improving academic outcomes for students with dyslexic tendencies and those requiring vocabulary enrichment will continue to occur in 2020 and strategies will be consolidated and extended in our programmes.</p>
<p><b>Planning for next year:</b></p> <p>All Maori students at risk of not achieving their Reading Curriculum Expectation in 2021 will demonstrate accelerated progress in 2021.</p>			



## Independent auditor's report

To the readers of Waerenga O Kuri School's Financial Statements for the year ended  
31 December 2020

The Auditor-General is the auditor of Waerenga O Kuri School (the School). The Auditor-General has appointed me, Maxwell John Dixon, using the staff and resources of PricewaterhouseCoopers, 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 18, 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 issued in New Zealand (PBE Standards RDR).

Our audit was completed on 13 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.

### Breach of Legislation – More Than One Permanent Staff Member on the Board

Without modifying our opinion, we draw attention to the fact that the Board did not comply with section 103 of the Education Act 1989 by having more than one permanent staff member on the Board. This has been disclosed in the financial statements in Note 26.

### 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 of Trustees is responsible for the other information. The other information comprises the information included within the Analysis of Variance, the Kiwisport Statement, and the Board of Trustees List which form part of the Annual Report, 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.

A handwritten signature in black ink, appearing to read 'M. John Dixon', written in a cursive style.

**Maxwell John Dixon**  
**PricewaterhouseCoopers**  
**On behalf of the Auditor-General**  
**Napier, New Zealand**