

MOEREWĀ SCHOOL

ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

School Directory

Ministry Number: 2103

Principal: Maia Cooper

School Address: 70 Otiria Road

School Postal Address: 70 Otiria Road, Moerewa, 0211

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School Email: Office@moerewa.school.nz

Accountant / Service Provider:

Education Services.
Dedicated to your school

MOERewa SCHOOL

Annual Financial Statements - For the year ended 31 December 2023

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Moerewa School

Statement of Responsibility

For the year ended 31 December 2023

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

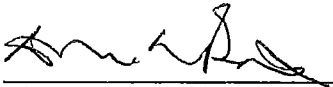
The management (including the principal and others, as directed by the Board) accepts responsibility for establishing and maintaining a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of the school's financial reporting.

It is the opinion of the Board and management that the annual financial statements for the financial year ended 31 December 2023 fairly reflects the financial position and operations of the school.

The School's 2023 financial statements are authorised for issue by the Board.

Delwyn Bristow

Full Name of Presiding Member



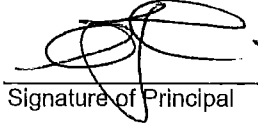
Signature of Presiding Member

03/ July 2024

Date:

Maia Cooper

Full Name of Principal



Signature of Principal

03 July 2024

Date:

Moerewa School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2023

		2023	2023	2022
	Notes	Actual \$	Budget (Unaudited) \$	Actual \$
Revenue				
Government Grants	2	2,813,375	2,598,122	2,831,930
Locally Raised Funds	3	112,708	90,036	123,645
Interest		74,948	7,000	23,227
Gain on Sale of Property, Plant and Equipment		518	-	-
Other Revenue		-	-	4,971
Total Revenue		3,001,549	2,695,158	2,983,773
Expense				
Locally Raised Funds	3	78,133	58,200	99,625
Learning Resources	4	1,859,454	1,782,700	1,839,575
Administration	5	286,169	311,679	346,332
Interest		7,224	6,733	6,567
Property	6	582,922	631,592	592,422
Other Expenses	7	2,457	2,500	4,293
Loss on Disposal of Property, Plant and Equipment		2,090	-	1,046
Total Expense		2,818,449	2,793,404	2,889,860
Net Surplus / (Deficit) for the year		183,100	(98,246)	93,913
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		183,100	(98,246)	93,913

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



Moerewa School

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2023

	Notes	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Equity at 1 January		1,836,235	1,659,508	1,721,486
Total comprehensive revenue and expense for the year		183,100	(98,246)	93,913
Contributions from / (Distributions to) the Ministry of Education		27,439	-	-
Contribution - Furniture and Equipment Grant		-	-	20,836
Equity at 31 December		2,046,774	1,561,262	1,836,235
Accumulated comprehensive revenue and expense		2,046,774	1,561,262	1,836,235
Equity at 31 December		2,046,774	1,561,262	1,836,235

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.



Moerewa School
Statement of Financial Position
As at 31 December 2023

		2023	2023	2022
	Notes	Actual \$	Budget (Unaudited) \$	Actual \$
Current Assets				
Cash and Cash Equivalents	8	1,126,745	49,721	728,196
Accounts Receivable	9	189,033	185,688	155,857
GST Receivable		49,663	437	-
Prepayments		9,616	6,802	9,500
Inventories	10	19,857	23,593	19,109
Investments	11	1,073,880	885,235	1,091,917
Funds Receivable for Capital Works Projects	17	23,251	-	2,158
		<u>2,492,045</u>	<u>1,151,476</u>	<u>2,006,737</u>
Current Liabilities				
GST Payable		-	-	16,280
Accounts Payable	13	166,696	140,611	162,272
Revenue Received in Advance	14	7,013	6,213	4,699
Provision for Cyclical Maintenance	15	35,454	37,479	-
Finance Lease Liability	16	29,690	16,605	30,469
Funds held for Capital Works Projects	17	720,665	-	343,893
		<u>959,518</u>	<u>200,908</u>	<u>557,613</u>
Working Capital Surplus/(Deficit)		<u>1,532,527</u>	<u>950,568</u>	<u>1,449,124</u>
Non-current Assets				
Property, Plant and Equipment	12	746,070	626,650	693,673
Work in Progress		-	-	34,484
		<u>746,070</u>	<u>626,650</u>	<u>728,157</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	15	187,043	-	274,544
Finance Lease Liability	16	44,780	15,956	66,502
		<u>231,823</u>	<u>15,956</u>	<u>341,046</u>
Net Assets		<u>2,046,774</u>	<u>1,561,262</u>	<u>1,836,235</u>
Equity				
		<u>2,046,774</u>	<u>1,561,262</u>	<u>1,836,235</u>

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



Moerewa School
Statement of Cash Flows
For the year ended 31 December 2023

		2023	2023	2022
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Cash flows from Operating Activities				
Government Grants		1,004,184	984,124	1,014,426
Locally Raised Funds		111,650	90,036	123,832
Goods and Services Tax (net)		(65,943)	-	16,717
Payments to Employees		(505,467)	(445,558)	(466,951)
Payments to Suppliers		(470,959)	(1,031,777)	(376,106)
Interest Paid		(7,224)	(6,733)	(6,567)
Interest Received		68,788	7,000	12,159
Net cash from/(to) Operating Activities		135,029	(402,908)	317,510
Cash flows from Investing Activities				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		1,206	-	-
Purchase of Property Plant & Equipment (and Intangibles)		(78,646)	(165,300)	(103,993)
Purchase of Investments		(172,613)	-	(206,681)
Proceeds from Sale of Investments		190,649	-	-
Net cash from/(to) Investing Activities		(59,404)	(165,300)	(310,674)
Cash flows from Financing Activities				
Furniture and Equipment Grant		-	-	20,836
Finance Lease Payments		(28,522)	(36,821)	(21,364)
Funds Administered on Behalf of Other Parties		351,446	-	67,138
Net cash from/(to) Financing Activities		322,924	(36,821)	66,610
Net increase/(decrease) in cash and cash equivalents		398,549	(605,029)	73,446
Cash and cash equivalents at the beginning of the year	8	728,196	654,750	654,750
Cash and cash equivalents at the end of the year	8	1,126,745	49,721	728,196

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 and other notional items 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.



Moerewa School

Notes to the Financial Statements

For the year ended 31 December 2023

1. Statement of Accounting Policies

a) Reporting Entity

Moerewa 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 statements have been prepared for the period 1 January 2023 to 31 December 2023 and in accordance with the requirements of the Education and Training Act 2020.

Basis of Preparation

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

Financial Reporting Standards Applied

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

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

Cyclical maintenance

A school recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's best estimate of the cost of painting the school and when the school is required to be painted, based on an assessment of the school's condition. During the year, the Board assesses the reasonableness of its painting maintenance plan on which the provision is based. Cyclical maintenance is disclosed at note 15.



Useful lives of property, plant and equipment

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment as disclosed in the significant accounting policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 12.

Critical Judgements in applying accounting policies

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

Classification of leases

Determining whether a lease is a finance lease or an operating lease requires judgement as to whether the lease transfers substantially all the risks and rewards of ownership to the school. 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 16. Future operating lease commitments are disclosed in note 22b.

Recognition of grants

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

c) Revenue Recognition

Government Grants

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

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

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

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

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

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

Other Grants where conditions exist

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

Donations, Gifts and Bequests

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



Interest Revenue

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

d) Operating Lease Payments

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

e) Finance Lease Payments

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

f) Cash and Cash Equivalents

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

g) Accounts Receivable

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

h) Inventories

Inventories are consumable items held for sale and comprised of Canteen and Stationery and 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 material.

j) Property, Plant and Equipment

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

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

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

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

Finance Leases

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



Depreciation

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

The estimated useful lives of the assets are:

Building Improvements	40 years
Buildings	40 years
Furniture and Equipment	5-18 years
Information and Communication Technology	4 years
Motor Vehicles	5 years
Library Resources	8 years
Leased assets held under a Finance Lease	Term of Lease

k) Intangible Assets

Software costs

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

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

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

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

Non cash generating assets

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

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

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

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

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

m) Accounts Payable

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



n) Employee Entitlements

Short-term employee entitlements

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

Long-term employee entitlements

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

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

o) Revenue Received in Advance

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

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

p) Funds Held in Trust

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

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

q) Funds held for Capital works

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

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

r) Shared Funds

Shared Funds are held on behalf of a cluster of participating schools as agreed with the Ministry of Education. In instances where funds are outside of the School's control, these amounts are not recorded in the Statement of Comprehensive Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose.



s) Provision for Cyclical Maintenance

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

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

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

t) Financial Instruments

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

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

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

u) Borrowings

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

v) Goods and Services Tax (GST)

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

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

Commitments and contingencies are disclosed exclusive of GST.

w) Budget Figures

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

x) Services received in-kind

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



2. Government Grants

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Government Grants - Ministry of Education	1,004,327	987,756	1,140,561
Teachers' Salaries Grants	1,378,698	1,300,704	1,325,284
Use of Land and Buildings Grants	430,350	309,662	352,428
Other Government Grants	-	-	13,657
	<u>2,813,375</u>	<u>2,598,122</u>	<u>2,831,930</u>

The school has opted in to the donations scheme for this year. Total amount received was \$23,734.

3. Locally Raised Funds

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

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Revenue			
Donations & Bequests	1,175	-	278
Fees for Extra Curricular Activities	12,852	15,036	7,775
Trading	24,597	20,000	22,100
Fundraising & Community Grants	3,358	-	315
Other Revenue	66,807	55,000	59,524
Oscar After School	3,919	-	31,088
	-	-	2,565
	<u>112,708</u>	<u>90,036</u>	<u>123,645</u>
Expense			
Trading	21,461	19,000	17,140
Fundraising & Community Grant Costs	340	-	17
Other Locally Raised Funds Expenditure	50,084	39,200	41,572
Oscar After School	6,248	-	33,985
	-	-	6,911
	<u>78,133</u>	<u>58,200</u>	<u>99,625</u>
Surplus for the year Locally Raised Funds	<u>34,575</u>	<u>31,836</u>	<u>24,020</u>

4. Learning Resources

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Curricular	77,795	70,220	58,679
Library Resources	677	200	490
Employee Benefits - Salaries	1,640,990	1,598,241	1,652,562
Staff Development	21,285	10,000	18,985
Depreciation	106,798	102,539	104,605
Information Communication Technology	4,910	1,000	3,699
Equipment Repairs	6,999	500	555
	<u>1,859,454</u>	<u>1,782,700</u>	<u>1,839,575</u>



5. Administration

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fees	4,100	4,100	4,000
Board Fees	740	1,000	470
Board Expenses	4,203	3,320	5,080
Communication	19,648	16,500	15,754
Consumables	7,800	5,200	7,488
Operating Leases	1,934	520	522
Other	33,749	21,250	40,045
Employee Benefits - Salaries	73,740	99,521	111,153
Insurance	4,806	3,000	4,057
Service Providers, Contractors and Consultancy	9,600	11,400	8,580
Healthy School Lunch Programme	125,849	145,868	149,183
	<u>286,169</u>	<u>311,679</u>	<u>346,332</u>

6. Property

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	8,402	6,500	6,713
Consultancy and Contract Services	48,653	45,000	41,978
Cyclical Maintenance Provision	(52,047)	24,930	55,001
Grounds	32,615	144,400	34,217
Heat, Light and Water	37,523	36,000	35,445
Rates	639	600	591
Repairs and Maintenance	18,053	12,000	12,997
Use of Land and Buildings	430,350	309,662	352,428
Security	13,281	4,000	6,082
Employee Benefits - Salaries	45,453	48,500	46,970
	<u>582,922</u>	<u>631,592</u>	<u>592,422</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. Other Expenses

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Loss on Uncollectable Accounts Receivable	952	-	555
Transport	1,505	2,500	3,738
	<u>2,457</u>	<u>2,500</u>	<u>4,293</u>



8. Cash and Cash Equivalents

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Bank Accounts	726,745	49,721	728,196
Short-term Bank Deposits	400,000	-	-
Cash and cash equivalents for Statement of Cash Flows	<u>1,126,745</u>	<u>49,721</u>	<u>728,196</u>

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

Of the \$1,126,745 Cash and Cash Equivalents \$720,665 is held by the School on behalf of the Ministry of Education. These funds have been provided by the Ministry as part of the school's 5 Year Agreement funding for upgrades to the school's buildings. The funds are required to be spent in 2024 on Crown owned school buildings.

9. Accounts Receivable

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Receivables	6,143	80,260	9,597
Receivables from the Ministry of Education	2,171	-	1,996
Interest Receivable	19,113	1,885	12,953
Banking Staffing Underuse	50,949	-	20,308
Teacher Salaries Grant Receivable	110,657	103,543	111,003
	<u>189,033</u>	<u>185,688</u>	<u>155,857</u>
Receivables from Exchange Transactions	25,256	82,145	22,550
Receivables from Non-Exchange Transactions	163,777	103,543	133,307
	<u>189,033</u>	<u>185,688</u>	<u>155,857</u>

10. Inventories

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Canteen	133	110	214
Stationery	3,572	3,308	4,180
Uniforms	16,152	20,175	14,715
	<u>19,857</u>	<u>23,593</u>	<u>19,109</u>

11. Investments

The School's investment activities are classified as follows:

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Current Asset			
Short-term Bank Deposits	1,073,880	885,235	1,091,917
Total Investments	<u>1,073,880</u>	<u>885,235</u>	<u>1,091,917</u>



12. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2023	\$	\$	\$	\$	\$	\$
Land	25,760	-	-	-	-	25,760
Buildings	214,800	-	-	-	(9,242)	205,558
Building Improvements	173,945	50,975	-	-	(9,306)	215,614
Furniture and Equipment	154,160	35,421	(2,636)	-	(32,767)	154,178
Information and Communication Technology	27,155	65,501	(141)	-	(19,520)	72,995
Motor Vehicles	1,909	-	-	-	(1,027)	882
Leased Assets	93,667	9,251	-	-	(34,126)	68,792
Library Resources	2,277	824	-	-	(810)	2,291
Balance at 31 December 2023	693,673	161,972	(2,777)	-	(106,798)	746,070

The net carrying value of equipment held under a finance lease is \$68,792 (2022: \$93,667)

Restrictions

With the exception of the contractual restrictions related to the above noted finance leases, there are no restrictions over the title of the school's property, plant and equipment, nor are any property, plant and equipment pledged as security for liabilities.

	2023	2023	2023	2022	2022	2022
	Cost or Valuation	Accumulated Depreciation	Net Book Value	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$	\$	\$	\$
Land	25,760	-	25,760	25,760	-	25,760
Buildings	373,308	(167,750)	205,558	373,308	(158,508)	214,800
Building Improvements	394,575	(178,961)	215,614	343,600	(169,655)	173,945
Furniture and Equipment	567,212	(413,034)	154,178	559,241	(405,081)	154,160
Information and Communication Technology	174,986	(101,991)	72,995	114,427	(87,272)	27,155
Motor Vehicles	96,696	(95,814)	882	96,696	(94,787)	1,909
Leased Assets	121,140	(52,348)	68,792	140,575	(46,908)	93,667
Library Resources	88,389	(86,098)	2,291	87,565	(85,288)	2,277
Balance at 31 December	1,842,066	(1,095,996)	746,070	1,741,172	(1,047,499)	693,673

13. Accounts Payable

	2023	2023	2022
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Creditors	33,189	29,443	38,532
Accruals	4,100	3,900	4,000
Employee Entitlements - Salaries	110,657	103,543	111,003
Employee Entitlements - Leave Accrual	18,750	3,725	8,737
	166,696	140,611	162,272
Payables for Exchange Transactions	166,696	140,611	162,272
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	166,696	140,611	162,272

The carrying value of payables approximates their fair value.

14. Revenue Received in Advance

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Grants in Advance - Ministry of Education	5,619	-	-
Other Revenue In Advance	1,394	6,213	4,699
	<u>7,013</u>	<u>6,213</u>	<u>4,699</u>

15. Provision for Cyclical Maintenance

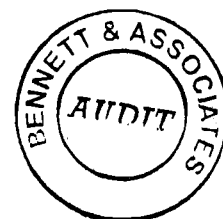
	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Provision at the Start of the Year	274,544	12,549	219,543
Increase to the Provision During the Year	23,138	24,930	27,978
Other Adjustments	(75,185)	-	27,023
Provision at the End of the Year	<u>222,497</u>	<u>37,479</u>	<u>274,544</u>
Cyclical Maintenance - Current	35,454	37,479	-
Cyclical Maintenance - Non current	187,043	-	274,544
	<u>222,497</u>	<u>37,479</u>	<u>274,544</u>

Per the cyclical maintenance schedule, the school is next expected to undertake painting works during 2024. This plan is based on the schools 10 Year Property plan / painting quotes.

16. Finance Lease Liability

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

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
No Later than One Year	34,689	16,605	37,341
Later than One Year and no Later than Five Years	48,847	15,956	74,593
Future Finance Charges	(9,066)	-	(14,963)
	<u>74,470</u>	<u>32,561</u>	<u>96,971</u>
Represented by			
Finance lease liability - Current	29,690	16,605	30,469
Finance lease liability - Non current	44,780	15,956	66,502
	<u>74,470</u>	<u>32,561</u>	<u>96,971</u>



17. 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 projects is included under cash and cash equivalents in note 8.

	2023	Project No.	Opening Balances	Receipts from MoE	Payments	Board Contributions	Closing Balances
			\$	\$	\$		\$
Student Toilet Refurb/Joinery Replacement		242122	-	46,890	(12,754)	-	34,136
Dental Clinic & Carpark Upgrade		242123	-	-	(13,734)	-	(13,734)
Woodtex Tiles/Guttering		242130	-	36,900	(1,800)	-	35,100
Waste & Storm Water Upgrade		224847	120,534	-	(35,986)	-	84,548
Floors and Wall Covering Replacement		233884	58,061	531,660	(422,114)	-	167,607
Outdoor Learning/Breakout Space		233883	16,800	160,000	(26,357)	-	150,443
Windows/Window Winders Replacement		233882	13,372	200,000	(10,242)	-	203,130
Landscaping			(2,158)	-	(1,079)	-	(3,237)
Rm 15 Upgrade for RTLB		235116	18,126	201,101	(173,526)	-	45,701
2,3,4,5: Floor Covering		239962	117,000	-	(122,580)	-	(5,580)
Site: Driveway Remediation		241361	-	-	(700)	-	(700)
Totals			341,735	1,176,551	(820,872)	-	697,414

Represented by:

Funds Held on Behalf of the Ministry of Education	720,665
Funds Receivable from the Ministry of Education	(23,251)

	2022	Project No.	Opening Balances	Receipts from MoE	Payments	Board Contributions	Closing Balances
			\$	\$	\$		\$
Waste & Storm Water Upgrade		224847	220,914	-	(100,380)	-	120,534
Roofing Replacement		233881	4,205	90,000	(94,205)	-	-
Floors and Wall Covering Replacement		233884	26,008	46,485	(14,432)	-	58,061
Outdoor Learning/Breakout Space		233883	16,800	-	-	-	16,800
Windows/Window Winders Replacement		233882	4,702	14,400	(5,730)	-	13,372
Landscaping			-	-	(2,158)	-	(2,158)
Rm 15 Upgrade for RTLB		235116	-	21,901	(3,775)	-	18,126
2,3,4,5: Floor Covering		239962	-	117,000	-	-	117,000
Totals			272,629	289,786	(220,680)	-	341,735

Represented by:

Funds Held on Behalf of the Ministry of Education	343,893
Funds Receivable from the Ministry of Education	(2,158)

18. Related Party Transactions

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

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and conditions no more or less favourable than those that it is reasonable to expect the school would have adopted in dealing with the party at arm's length in the same circumstances. Further, transactions with other government agencies (for example, Government departments and Crown entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.



19. Remuneration

Key management personnel compensation

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

	2023 Actual \$	2022 Actual \$
<i>Board Members</i>		
Remuneration	740	470
<i>Leadership Team</i>		
Remuneration	588,031	650,422
Full-time equivalent members	5.00	6.00
Total key management personnel remuneration	<u>588,771</u>	<u>650,892</u>

There are 4 members of the Board excluding the Principal. The Board has held 8 full meetings of the Board in the year. The Board also has Finance (4 members) and Property (4 members) committees that met 8 and 8 times respectively. 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:

	2023 Actual \$000	2022 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	160 - 170	150 - 160
Benefits and Other Emoluments	4 - 5	4 - 5
Termination Benefits	-	-

Other Employees

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

Remuneration \$000	2023 FTE Number	2022 FTE Number
100 - 110	2.00	-
110 - 120	3.00	1.00
	<u>5.00</u>	<u>1.00</u>

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

20. Compensation and Other Benefits Upon Leaving

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

	2023 Actual	2022 Actual
Total	-	-
Number of People	-	-



21. Contingencies

There are no contingent liabilities and no contingent assets (except as noted below) as at 31 December 2023 (Contingent liabilities and assets at 31 December 2022: the same).

In 2023 the Ministry of Education provided additional funding for non-teaching collective and pay equity agreements. The school is yet to receive a final wash-up that adjusts the estimated quarterly instalments for the actual eligible staff members employed in 2023. The Ministry is in the process of determining wash-up payments or receipts for the year ended 31 December 2023. However, as at the reporting date, this amount had not been calculated and therefore is not recorded in these financial statements.

Holidays Act Compliance – schools payroll

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

The Ministry continues to review the Schools Sector Payroll to ensure compliance with the Holidays Act 2003. An initial remediation payment has been made to some current school employees. The Ministry is continuing to perform detailed analysis to finalise calculations and the potential impacts of specific individuals. As such, this is expected to resolve the liability for school boards.

22. Commitments

(a) Capital Commitments

As at 31 December 2023, the Board had capital commitments of \$1,629,359 (2022: \$1,524,941) as a result of entering the following contracts:

Contract Name	Contract Amount	Spend To Date	Remaining Capital Commitment
	\$	\$	\$
Student Toilet Refurb/Joinery Replacement	468,900	12,754	456,146
Dental Clinic & Carpark Upgrade	130,000	13,734	116,266
Woodtex Tiles/Guttering	41,000	1,800	39,200
Waste & Storm Water Upgrade	705,214	550,145	155,069
Floors and Wall Covering Replacement	673,850	444,438	229,412
Outdoor Learning/Breakout Space	200,000	29,557	170,443
Windows/Window Winders Replacement	250,000	21,870	228,130
Landscaping	120,000	3,237	116,763
Rm 15 Upgrade for RTL	225,861	177,301	48,560
2,3,4,5: Floor Covering	131,755	122,580	9,175
Site: Driveway Remediation	60,895	700	60,195
Total	3,007,475	1,378,116	1,629,359

(b) Operating Commitments

As at 31 December 2023, the Board has entered into the following contracts:

(a) operating lease of photocopiers;

	2023 Actual \$	2022 Actual \$
No later than One Year	5,803	4,580
Later than One Year and No Later than Five Years	15,475	-
Later than Five Years	-	-
	<u>21,278</u>	<u>4,580</u>

The total lease payments incurred during the period were \$1,934 (2022: \$522).



23. 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

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Cash and Cash Equivalents	1,126,745	49,721	728,196
Receivables	189,033	185,688	155,857
Investments - Term Deposits	1,073,880	885,235	1,091,917

Total financial assets measured at amortised cost

2,389,658	1,120,644	1,975,970
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Financial liabilities measured at amortised cost

Payables	166,696	140,611	162,272
Finance Leases	74,470	32,561	96,971

Total financial liabilities measured at amortised cost

241,166	173,172	259,243
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24. Events After Balance Date

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

25. Comparatives

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



Moerewa School

Members of the Board

Name	Position	How Position Gained	Term Expired/ Expires
Charnelle Ngawati	Presiding Member	Appointed	Jun 2023
Lorraine King	Presiding Member	Appointed	Jun 2025
Maia Cooper	Principal	ex Officio	
Karmelia Briggs	Parent Representative	Elected	Jul 2023
Delwyn Bristow	Parent Representative	Appointed	Jun 2025
Peter Ngaika	Parent Representative	Elected	Jun 2025
Margaret Mathews	Staff Representative	Elected	Jun 2025

Moerewa School

Kiwisport

Kiwisport is a Government funding initiative to support students' participation in organised sport. In 2023, the school received total Kiwisport funding of \$2,083 (excluding GST). The funding was spent on sporting endeavours.

Statement of Compliance with Employment Policy

For the year ended 31st December 2023 the Moerewa 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 contracts of all staff employed by the Board.
- Ensures all employees and applicants for employment are treated according to their skills, qualifications and abilities, without bias or discrimination.
- Meets all Equal Employment Opportunities requirements.



2023 Statement of Analysis

School name: Moerewa School	School number: 2103
Focus: <ul style="list-style-type: none">• Embed common teaching and assessment practice that will support the acceleration of student achievement schoolwide	
Strategic Aim: <ul style="list-style-type: none">• Implement systems and processes that will enable regular tracking and monitoring of student progress and achievement over time.	
Annual Aim: <ol style="list-style-type: none">1. Strengthen the use of achievement information by leaders and kaiako2. Implement a system of monitoring that will enable:<ol style="list-style-type: none">a. Effective planning and assessment in reading/writing/mathsb. Regular tracking of student progressc. Effective use of assessment information to inform forward planning	
TARGET GROUP: Year 5-8 achieving well below & below in reading/writing/maths Year 5-8 achieving at or above in reading/writing/maths	
MONITOR & IMPLEMENT Years 0-1 refine assessment and monitoring 6yr Net/JAM Years 1-4 learning progressions are embedded across junior cohort – BSLA, trained kaiako and Pouwhirinaki, Toe by Toe	



Actions (what did we do?)	Outcomes (what happened?)	Reasons for the variance (why did it happen?)	Evaluation (where to next?)
Implementation of systems for assessment	Principal & DP Completed ETAP training – Markbook set up – Angela Johnston - DP tasked with monitoring as Principal returned to class full time PLCs monitoring teaching practice and assessment (moderation) and alignment with LPFs	Monitoring did not occur as regularly as required leaving a gap in monitoring throughout mid-year at the departure of the DP (illness).	Refine set up of markbooks (to be advised (SAF) - Best fit to capture assessment information in reading/writing and maths - Extrapolate information for use at board/SLT/Kaiko level - Monitoring assessment information for effective use in planning - Continue to embed use of LPFs Retraining to be completed in Term 1 2024 with Rosina Wikaira Planning for IRIS observations with a focus on data Prioritise the explicit teaching of maths
Relationships First Impact Coaching	New impact coaches identified: -Principal -Senior Teacher x 1	Departure of previous I.C through illness and personal reasons.	Development of school marautanga Refine PLC sessions and implement these in line with current assessment data Assessment schedule schoolwide • Year 5-8 achieving well below & below in reading/writing/maths • Year 5-8 achieving at or above in reading/writing/maths
Assessment for Learning - English Medium - Maori Medium	This PLD did not happen	PLD hours were reallocated hours to another school in 2022/2023 - Lesley Parton	



Planning

2023 was a year of change and mid year reorganisation across the school. The impact on student & staff wellbeing was the priority as staffing was modified with the departure of teaching staff mid-year. Although the challenges were present, the ability to tick off some key priorities for the year were slow and arduous. Tasked with role of teaching Principal for 3 terms, the priority was the stabilisation of the Year 8 cohort with the highest pastoral/learning needs across the school, after the departure of a staff member. Attracting staff to our community has been very difficult. SAF involvement has been useful and supportive.

With the inclusion of a new Board of Trustees in 2023 work is being done to inform our strategic direction 2024 – 2025 with a focus on an increased commitment to the mission and goals of the school's strategic annual plan.

PRIORITIES FOR 2024

LEADERSHIP - *To develop and embed systems that will support effective teaching and leadership practice across the school*

- Development internal communication systems to ensure that all teachers have the information and support needed to engage in consistently effective practice
- Collective responsibility to ensure students success
- Implement processes for monitoring planning effectiveness across the school
- Monitor teaching as inquiry against teacher PGCs through PLCs and Relationships First observations and Impact Coaching

ASSESSMENT - *To strengthen capability of all teaching staff in collecting, analysing, and using data to inform planning to best address student learning needs*

- Implement processes for regular analysis, tracking and monitoring of student progress and achievement over time through PLCs
- Systematically review understanding of LPFs and use to inform development of understanding in writing LPFs
- Engage in Assessment for Learning PLD with a focus on literacy and the use of LPFs and PaCT

KAIAKO - *To raise student achievement in literacy through strengthening teacher capability in effective teaching practice.*

- Develop the school Tuna Whakaheke 'localised' curriculum
- Teachers will use the ETAP (Spotlight) planning format to provide evidence of how they are planning to address student needs
- Regularly monitor planning effectiveness to meet student needs aligning to the school goals and targets in reading/writing/maths
- Participate in the PLC format for reflection on practice, sharing expertise and tracking student progress in reading/writing/maths

Mauriōra
Maia Cooper

**INDEPENDENT AUDITOR'S REPORT
TO THE READERS OF MOEREWA SCHOOL'S
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

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The Auditor-General is the auditor of Moerewa School (the School). The Auditor-General has appointed me, Steve Bennett, using the staff and resources of Bennett & Associates, to carry out the audit of the financial statements of the School on his behalf.

Opinion

We have audited the financial statements of the School on pages 2 to 20, that comprise the statement of financial position as at 31 December 2023, 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 2023; and
 - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Standards Reduced Disclosure Regime.

Our audit was completed on 3 July 2024. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Board and our responsibilities relating to the financial statements, we comment on other information, and we explain our independence.

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board for the financial statements

The Board is responsible on behalf of the School for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand. The Board of Trustees is responsible for such internal control as it determines is necessary to enable it to prepare financial statements that are free from material misstatement, whether due to fraud or error.



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

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

Responsibilities of the auditor for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of these financial statements.

For the budget information reported in the financial statements, our procedures were limited to checking that the information agreed to the School's approved budget.

We did not evaluate the security and controls over the electronic publication of the financial statements.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the School to cease to continue as a going concern.



- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We assess the risk of material misstatement arising from the Novopay payroll system, which may still contain errors. As a result, we carried out procedures to minimise the risk of material errors arising from the system that, in our judgement, would likely influence readers' overall understanding of the financial statements.

We communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Board is responsible for the other information. The other information comprises the Analysis of Variance, the Kiwisport Statement, the List of Trustees and Statement of Responsibility but does not include the financial statements, and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the School in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: *International Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board.

Other than the audit, we have no relationship with or interests in the School.



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

