



**West Gore School**  
Our Place to Grow  
E Kikiri Tātou

## **ANNUAL REPORT**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

Ministry Number:	4050
Principal:	Linda Fraser
School Address	120 Kitchener Street, Gore
School Postal Address:	120 Kitchener Street, Gore 9710
School Phone:	03 208 7586
School Email:	<a href="mailto:office@westgore.school.nz">office@westgore.school.nz</a>

# WEST GORE SCHOOL

Annual Report - For the year ended 31 December 2019

## Index

Page	Statement
	<b>Financial Statements</b>
<a href="#"><u>1</u></a>	Statement of Responsibility
<a href="#"><u>2</u></a>	Board of Trustees
<a href="#"><u>3</u></a>	Statement of Comprehensive Revenue and Expense
<a href="#"><u>4</u></a>	Statement of Changes in Net Assets/Equity
<a href="#"><u>5</u></a>	Statement of Financial Position
<a href="#"><u>6</u></a>	Statement of Cash Flows
<a href="#"><u>7</u></a>	Statement of Accounting Policies
<a href="#"><u>12</u></a>	Notes to the Financial Statements
	<b>Other Information</b>
	Analysis of Variance
	Kiwisport

# West Gore School

## Statement of Responsibility

For the year ended 31 December 2019

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 2019 fairly reflect the financial position and operations of the school.

The School's 2019 financial statements are authorised for issue by the Board.

*Ceri Macleod*

Full Name of Board Chairperson

*Ceri Macleod*

Signature of Board Chairperson

*07/05/2020*

Date:

*Linda M. Fraser*

Full Name of Principal

*Linda M. Fraser*

Signature of Principal

*5/05/2020*

Date:

# West Gore School

## Members of the Board of Trustees

For the year ended 31 December 2019

Name	Position	How Position Gained	Held Until	Occupation
Ceri MacLeod	Chairperson	Elected	Jun 2022	Executive Officer
Linda Fraser	Principal	ex Officio		
Martin Cupit	Parent Rep	Elected	Jun 2019	Farmer
Richard Tremaine	Parent Rep	Elected	Jun 2019	Builder
Shelley Lithgow	Parent Rep	Elected	Jun 2022	Contractor
Torrone Smith	Parent Rep	Elected	Jun 2022	Bank Employee
Jo Ruddenklau	Parent Rep	Elected	Jun 2022	Self Employed
Chris Giles	Parent Rep	Elected	Jun 2022	Farmer
Kaela McGregor	Staff Rep	Elected	Jun 2022	Deputy Principal

## West Gore School

# Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2019

	Notes	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
<b>Revenue</b>				
Government Grants	2	1,893,451	1,675,973	1,768,652
Locally Raised Funds	3	78,177	45,850	82,462
Interest Income		6,043	5,500	5,790
		<u>1,977,671</u>	<u>1,727,323</u>	<u>1,856,904</u>
<b>Expenses</b>				
Locally Raised Funds	3	28,007	21,000	33,739
Learning Resources	4	1,423,476	1,263,822	1,281,158
Administration	5	111,292	114,400	113,168
Finance Costs		736	-	1,000
Property	6	382,858	336,111	345,906
Depreciation	7	29,217	29,000	30,547
Loss on Disposal of Property, Plant and Equipment		1,190	-	56
		<u>1,976,776</u>	<u>1,764,333</u>	<u>1,805,574</u>
<b>Net Surplus / (Deficit)</b>		895	(37,010)	51,330
Other Comprehensive Revenue and Expenses		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<u>895</u>	<u>(37,010)</u>	<u>51,330</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.



**West Gore School****Statement of Changes in Net Assets/Equity**

For the year ended 31 December 2019

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
<b>Balance at 1 January</b>	439,288	439,288	387,958
Total comprehensive revenue and expense for the year	895	(37,010)	51,330
<b>Equity at 31 December</b>	440,183	402,278	439,288
Retained Earnings	330,865	402,278	329,970
Reserves	109,318	-	109,318
<b>Equity at 31 December</b>	440,183	402,278	439,288

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.



**West Gore School**  
**Statement of Financial Position**  
As at 31 December 2019

		2019	2019	2018
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
<b>Current Assets</b>				
Cash and Cash Equivalents	8	422,862	190,579	198,589
Accounts Receivable	9	68,502	66,816	66,816
GST Receivable		-	9,367	9,367
Prepayments		5,384	2,156	2,156
Investments	10	151,404	151,404	151,404
Funds owing for Capital Works Projects	16	-	21,856	21,856
		<u>648,152</u>	<u>442,178</u>	<u>450,188</u>
<b>Current Liabilities</b>				
GST Payable		24,187	-	-
Accounts Payable	12	104,583	124,723	124,723
Revenue Received in Advance	13	52	10	10
Provision for Cyclical Maintenance	14	31,972	-	-
Finance Lease Liability - Current Portion	15	5,278	5,144	5,144
Funds held for Capital Works Projects	16	213,050	7,287	7,287
		<u>379,122</u>	<u>137,164</u>	<u>137,164</u>
<b>Working Capital Surplus/(Deficit)</b>		269,030	305,014	313,024
<b>Non-current Assets</b>				
Property, Plant and Equipment	11	260,359	195,657	224,657
		<u>260,359</u>	<u>195,657</u>	<u>224,657</u>
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	14	82,261	96,600	96,600
Finance Lease Liability	15	6,945	1,793	1,793
		<u>89,206</u>	<u>98,393</u>	<u>98,393</u>
<b>Net Assets</b>		<u>440,183</u>	<u>402,278</u>	<u>439,288</u>
<b>Equity</b>		<u>440,183</u>	<u>402,278</u>	<u>439,288</u>

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



**West Gore School**  
**Statement of Cash Flows**  
For the year ended 31 December 2019

		2019	2019	2018
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
<b>Cash flows from Operating Activities</b>				
Government Grants		465,888	415,000	457,087
Locally Raised Funds		74,470	45,850	79,583
Goods and Services Tax (net)		33,554	-	(3,162)
Payments to Employees		(285,155)	(236,950)	(248,216)
Payments to Suppliers		(236,406)	(218,410)	(196,001)
Cyclical Maintenance payments in the Year		-	-	(500)
Interest Received		5,862	5,500	5,934
Net cash from / (to) the Operating Activities		58,213	10,990	94,725
<b>Cash flows from Investing Activities</b>				
Purchase of PPE (and Intangibles)		(66,228)	(19,000)	(30,430)
Net cash from the Investing Activities		(66,228)	(19,000)	(30,430)
<b>Cash flows from Financing Activities</b>				
Finance Lease Payments		4,669	-	(6,670)
Funds held for Capital Works Projects		227,619	-	(14,569)
Net cash from Financing Activities		232,288	-	(21,239)
<b>Net increase/(decrease) in cash and cash equivalents</b>		224,273	(8,010)	43,056
Cash and cash equivalents at the beginning of the year	8	198,589	198,589	155,533
<b>Cash and cash equivalents at the end of the year</b>	8	422,862	190,579	198,589

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 omitted.

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



# West Gore School

## Notes to the Financial Statements

### 1. Statement of Accounting Policies

For the year ended 31 December 2019

#### 1.1. Reporting Entity

West Gore School (the School) is a Crown entity as specified in the Crown Entities Act 2004 and a school as described in the Education Act 1989. The Board of Trustees (the Board) is of the view that the School is a public benefit entity for financial reporting purposes.

#### 1.2. Basis of Preparation

##### *Reporting Period*

The financial reports have been prepared for the period 1 January 2019 to 31 December 2019 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 Act 1989 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".

##### *Standard early adopted*

In line with the Financial Statements of the Government, the School has elected to early adopt PBE IFRS 9 Financial Instruments. PBE IFRS 9 replaces PBE IPSAS 29 Financial Instruments: Recognition and Measurement. Information about the adoption of PBE IFRS 9 is provided in Note 26.

##### *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.

##### *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.



### *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 14.

### **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 carryforward amounts unspent. The School believes all grants received have been appropriately recognised as a liability if required. Government grants are disclosed at note 2.

### **1.3. 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.

### **1.4. 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.

### **1.5. 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.

### **1.6. 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.



### 1.7. 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.

### 1.8. Accounts Receivable

Short-term receivables are recorded at the amount due, less an allowance for credit losses. The school applies the simplified expected credit loss model of recognising lifetime expected credit losses for receivables. In measuring expected credit losses, short-term receivables have been assessed on a collective basis as they possess shared credit risk characteristics. They have been grouped based on the days past due. Short-term receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include the debtor being in liquidation.

#### *Prior Year Policy*

Accounts Receivable represents items that the School has issued invoices for or accrued for, but has not received payment for at year end. Receivables are initially recorded at fair value and subsequently recorded at the amount the School realistically expects to receive. A receivable is considered uncollectable where there is objective evidence the School will not be able to collect all amounts due. The amount that is uncollectable (the provision for uncollectibility) is the difference between the amount due and the present value of the amounts expected to be collected.

### 1.9. 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.

#### *Prior Year Policy*

Bank term deposits for periods exceeding 90 days are classified as investments and are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance. After initial recognition bank term deposits are measured at amortised cost using the effective interest method less impairment.

Investments that are shares are categorised as "available for sale" for accounting purposes in accordance with financial reporting standards. Share investments are recognised initially by the School at fair value plus transaction costs. At balance date the School has assessed whether there is any evidence that an investment is impaired. Any impairment, gains or losses are recognised in the Statement of Comprehensive Revenue and Expense.

After initial recognition any investments categorised as available for sale are measured at their fair value without any deduction for transaction costs the school may incur on sale or other disposal.

The School has met the requirements of Schedule 6 para 28 of the Education Act 1989 in relation to the acquisition of investment securities.

### 1.10. 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.

Property, plant and equipment acquired with individual values under \$1,000 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense.

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 – Crown	10–75 years
Furniture and equipment	6.67–15 years
Information and communication technology	4–5 years
Leased assets held under a Finance Lease	3–4 years
Library resources	12.5% Diminishing value

### **1.11. 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.

### **1.12. 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.

### **1.13. Employment 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, annual leave earned to but not yet taken at balance date.

#### *Long-term employee entitlements*

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

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



#### **1.14. Revenue Received in Advance**

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

#### **1.15. 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).

#### **1.16. Financial Assets and Liabilities**

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 "loans and receivables" for accounting purposes in accordance with financial reporting standards.

Investments that are shares are categorised as "available for sale" 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.

#### **1.17. 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.

#### **1.18. Budget Figures**

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

#### **1.19. 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

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Operational grants	344,021	350,000	362,134
Teachers' salaries grants	1,168,678	1,046,662	1,070,419
Use of Land and Buildings grants	258,885	214,311	241,146
Other MoE Grants	95,655	65,000	94,953
Other government grants	26,212	-	-
	<u>1,893,451</u>	<u>1,675,973</u>	<u>1,768,652</u>

## 3. Locally Raised Funds

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

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
<b>Revenue</b>			
Donations	31,207	4,850	5,001
Fundraising	-	20,000	18,400
Bequests & Grants	21,601	-	7,698
Other revenue	913	-	13,566
Trading	5,223	4,000	5,006
Activities	19,233	17,000	32,791
	<u>78,177</u>	<u>45,850</u>	<u>82,462</u>
<b>Expenses</b>			
Activities	22,627	16,500	29,618
Trading	5,380	4,500	4,121
	<u>28,007</u>	<u>21,000</u>	<u>33,739</u>
<i>Surplus for the year Locally raised funds</i>	<u>50,170</u>	<u>24,850</u>	<u>48,723</u>

## 4. Learning Resources

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Curricular	27,811	37,300	21,899
Equipment repairs	5,275	1,000	4,090
Information and communication technology	2,750	6,100	4,785
Library resources	1,378	1,010	967
Employee benefits - salaries	1,371,834	1,196,862	1,233,644
Staff development	14,428	21,550	15,773
	<u>1,423,476</u>	<u>1,263,822</u>	<u>1,281,158</u>

## 5. Administration

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Audit Fee	4,013	3,800	3,896
Board of Trustees Fees	4,085	3,500	3,350
Board of Trustees Expenses	8,541	7,500	5,637
Communication	4,147	4,100	4,114
Consumables	19,381	23,100	25,480
Operating Lease	793	800	859
Other	4,773	4,550	3,946
Employee Benefits - Salaries	52,859	51,750	53,276
Insurance	4,790	4,800	4,770
Service Providers, Contractors and Consultancy	7,910	10,500	7,840
	<u>111,292</u>	<u>114,400</u>	<u>113,168</u>



## 6. Property

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	7,642	6,500	7,322
Consultancy and Contract Services	17,712	11,000	10,955
Cyclical Maintenance Provision	17,633	11,000	(12,912)
Grounds	3,249	8,000	6,247
Heat, Light and Water	22,639	24,700	25,788
Rates	6,306	6,500	6,624
Repairs and Maintenance	14,947	18,100	21,328
Use of Land and Buildings	258,885	214,311	241,146
Security	2,263	1,000	884
Employee Benefits - Salaries	31,582	35,000	38,524
	<u>382,858</u>	<u>336,111</u>	<u>345,906</u>

The use of land and buildings figure represents 8% of the school's total property value. Property values are established as part of the nation-wide revaluation exercise that is conducted every 30 June for the Ministry of Education's year-end reporting purposes.

## 7. Depreciation of Property, Plant and Equipment

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Building Improvements	5,826	5,000	5,826
Furniture and Equipment	10,215	10,000	10,104
Information and Communication Technology	6,132	7,000	7,105
Leased Assets	5,469	5,000	5,801
Library Resources	1,575	2,000	1,711
	<u>29,217</u>	<u>29,000</u>	<u>30,547</u>

## 8. Cash and Cash Equivalents

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Bank Current Account	399,262	190,579	175,009
Bank Call Account	23,600	-	23,580
Net cash and cash equivalents and bank overdraft for Cash Flow Statement	<u>422,862</u>	<u>190,579</u>	<u>198,589</u>

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

Of the \$422,862 Cash and Cash Equivalents, \$213,050 is held by the School on behalf of the Ministry of Education. These funds are required to be spent in 2020 on Crown owned school buildings under the School's Five Year Property Plan.

## 9. Accounts Receivable

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Receivables	7,837	4,088	4,088
Interest Receivable	914	733	733
Teacher Salaries Grant Receivable	59,751	61,995	61,995
	<u>68,502</u>	<u>66,816</u>	<u>66,816</u>
Receivables from Exchange Transactions	8,751	4,821	4,821
Receivables from Non-Exchange Transactions	59,751	61,995	61,995
	<u>68,502</u>	<u>66,816</u>	<u>66,816</u>



## 10. Investments

The School's investment activities are classified as follows:

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Current Asset			
Short-term Bank Deposits	151,404	151,404	151,404
Total Investments	151,404	151,404	151,404

## 11. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
<b>2019</b>						
Building Improvements	131,975	-	-	-	(5,826)	126,149
Furniture and Equipment	62,915	2,835	(363)	-	(10,215)	55,172
Information and Communication	11,230	2,205	(141)	-	(6,132)	7,162
Leased Assets	6,561	11,252	-	-	(5,469)	12,344
Library Resources	11,976	1,307	(686)	-	(1,575)	11,022
Work in Progress	-	48,510	-	-	-	48,510
<b>Balance at 31 December 2019</b>	<b>224,657</b>	<b>66,109</b>	<b>(1,190)</b>	<b>-</b>	<b>(29,217)</b>	<b>260,359</b>

	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
<b>2019</b>			
Building Improvements	343,090	(216,941)	126,149
Furniture and Equipment	414,562	(359,390)	55,172
Information and Communication	232,582	(225,420)	7,162
Leased Assets	17,285	(4,941)	12,344
Library Resources	55,867	(44,845)	11,022
Work in Progress	48,510	-	48,510
<b>Balance at 31 December 2019</b>	<b>1,111,896</b>	<b>(851,537)</b>	<b>260,359</b>

The net carrying value of equipment held under a finance lease is \$12,344 (2018: \$6,561)

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
<b>2018</b>						
Building Improvements	137,801	-	-	-	(5,826)	131,975
Furniture and Equipment	44,514	28,505	-	-	(10,104)	62,915
Information and Communication	18,335	-	-	-	(7,105)	11,230
Leased Assets	10,975	1,387	-	-	(5,801)	6,561
Library Resources	11,818	1,925	(56)	-	(1,711)	11,976
<b>Balance at 31 December 2018</b>	<b>223,443</b>	<b>31,817</b>	<b>(56)</b>	<b>-</b>	<b>(30,547)</b>	<b>224,657</b>

	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
<b>2018</b>			
Building Improvements	343,089	(211,114)	131,975
Furniture and Equipment	413,769	(350,854)	62,915
Information and Communication	230,718	(219,488)	11,230
Leased Assets	17,404	(10,843)	6,561
Library Resources	57,875	(45,899)	11,976
<b>Balance at 31 December 2018</b>	<b>1,062,855</b>	<b>(838,198)</b>	<b>224,657</b>



## 12. Accounts Payable

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Operating creditors	25,323	45,761	45,761
Accruals	3,235	3,135	3,135
Employee Entitlements - salaries	71,090	71,142	71,142
Employee Entitlements - leave accrual	4,935	4,685	4,685
	<u>104,583</u>	<u>124,723</u>	<u>124,723</u>
Payables for Exchange Transactions	104,583	124,723	124,723
	<u>104,583</u>	<u>124,723</u>	<u>124,723</u>

The carrying value of payables approximates their fair value.

## 13. Revenue Received in Advance

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Other	52	10	10
	<u>52</u>	<u>10</u>	<u>10</u>

## 14. Provision for Cyclical Maintenance

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Provision at the Start of the Year	96,600	96,600	110,012
Increase/ (decrease) to the Provision During the Year	17,633	-	(12,912)
Use of the Provision During the Year	-	-	(500)
Provision at the End of the Year	<u>114,233</u>	<u>96,600</u>	<u>96,600</u>
Cyclical Maintenance - Current	31,972	-	-
Cyclical Maintenance - Term	<u>82,261</u>	<u>96,600</u>	<u>96,600</u>
	<u>114,233</u>	<u>96,600</u>	<u>96,600</u>

## 15. Finance Lease Liability

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

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
No Later than One Year	6,240	5,586	5,586
Later than One Year and no Later than Five Years	7,620	1,885	1,885
	<u>13,860</u>	<u>7,471</u>	<u>7,471</u>



## 16. Funds Held for Capital Works

During the year the School received and applied funding from the Ministry of Education for the following capital works projects:

	2019	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution	Closing Balances \$
Special Needs Modifications	Completed	7,287	2,212	9,499	-	-
Heating Repairs	Completed	(21,856)	23,167	1,311	-	-
Block A&C ILE Remodel	In Progress	-	228,578	15,528	-	213,050
Totals		(14,569)	253,957	26,338	-	213,050

### Represented by:

Funds Held on Behalf of the Ministry of Education

213,050

213,050

	2018	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution	Closing Balances \$
Special Needs Modifications	In Progress	-	101,849	94,562	-	7,287
Heating Repairs	In Progress	-	-	21,856	-	(21,856)
Totals		-	101,849	116,418	-	(14,569)

## 17. 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.

## 18. Remuneration

### Key management personnel compensation

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

	2019 Actual \$	2018 Actual \$
<i>Board Members</i>		
Remuneration	4,085	3,350
Full-time equivalent members	0.16	0.14
<i>Leadership Team</i>		
Remuneration	294,091	310,611
Full-time equivalent members	2.75	3.00
Total key management personnel remuneration	298,176	313,961
Total full-time equivalent personnel	2.91	3.14

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



#### Principal

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

	2019 Actual \$000	2018 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	130 - 140	120 - 130
Benefits and Other Emoluments	3 - 4	3 - 4
Termination Benefits	0 - 0	0 - 0

#### Other Employees

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

Remuneration \$000	2019 FTE Number	2018 FTE Number
100 - 110	-	-
	-	-

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

### 19. 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:

	2019 Actual	2018 Actual
Total	\$ -	\$ -
Number of People	-	-

### 20. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2019 (Contingent liabilities and assets at 31 December 2018: nil).

#### Holidays Act Compliance – schools payroll

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

The Ministry has commenced a review of the schools sector payroll to ensure compliance with the Holidays Act 2003. The initial phase of this review has identified areas of non-compliance. The Ministry has recognised an estimated provision based on the analysis of sample data, which may not be wholly representative of the total dataset for Teacher and Support Staff Entitlements. A more accurate estimate will be possible after further analysis of non-compliance has been completed, and this work is ongoing. Final calculations and potential impact on any specific individual will not be known until further detailed analysis has been completed.

To the extent that any obligation cannot reasonably be quantified at 31 December 2019, a contingent liability for the school may exist.



## 21. Commitments

### (a) Capital Commitments

As at 31 December 2019 the Board has entered into the following contract agreements for capital works.

(a) Board of Trustees has committed to contributing \$10,141 to MOE Block A & C ILE Remodel Project

(Capital commitments at 31 December 2018: nil)

### (b) Operating Commitments

As at 31 December 2019 the Board has not entered into any operating contracts.

(a) operating lease of a photocopier (prior year);

	2019 Actual \$	2018 Actual \$
No later than One Year	-	8,188
	-	8,188

## 22. 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.

## 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

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Cash and Cash Equivalents	422,862	190,579	198,589
Receivables	68,502	66,816	66,816
Investments - Term Deposits	151,404	151,404	151,404
Total Financial assets measured at amortised cost	642,768	408,799	416,809

### Financial liabilities measured at amortised cost

Payables	104,583	124,723	124,723
Finance Leases	12,223	6,937	6,937
Total Financial liabilities measured at amortised Cost	116,806	131,660	131,660

## 24. Events After Balance Date

### Impact from COVID-19

On the 11th March 2020, the World Health Organisation declared the outbreak of COVID-19 (a novel Coronavirus) a pandemic. Two weeks later, on 26th March, New Zealand increased its' COVID-19 alert level to level 4 and a nationwide lockdown commenced. As part of this lockdown all schools were closed. While the disruption is currently expected to be temporary, there is a level of uncertainty around the duration of the closure.

At the date of issuing the financial statements, the school has been able to absorb the majority of the impact from the nationwide lockdown as it was decided to start the annual Easter School holidays early. In the periods the school is open for tuition, the school has switched to alternative methods of delivering the curriculum, so students can learn remotely.

At this time the full financial impact of the COVID-19 pandemic is not able to be determined, but it is not expected to be significant to the school. The school will continue to receive funding from the Ministry of Education, even while closed.



## 25. Comparatives

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

## 26. Adoption of PBE IFRS 9 Financial Instruments

In accordance with the transitional provisions of PBE IFRS 9, the school has elected not to restate the information for previous years to comply with PBE IFRS 9. Adjustments arising from the adoption of PBE IFRS 9 are recognised in opening equity at 1 January 2019. Accounting policies have been updated to comply with PBE IFRS 9. The main updates are:

- Note 8 Receivables: This policy has been updated to reflect that the impairment of short-term receivables is now determined by applying an expected credit loss model.

- Note 9 Investments:

Term deposits: This policy has been updated to explain that a loss allowance for expected credit losses is recognised only if the estimated loss allowance is not trivial.

Upon transition to PBE IFRS9 there were no material adjustments to these financial statements.



# Analysis of Variance Reporting



<b>School Name:</b>	West Gore School	<b>School Number:</b>	4050
<b>Strategic Aim:</b>	<b>Strategic Goals:</b> a) Māori Learners enjoying and achieving educational success as Māori b) All students will engage and achieve success in learning, across all areas of the NZ Curriculum, giving priority to Literacy, Numeracy and Physical Activity		
<b>Annual Aim:</b>	<b>Annual Goals:</b> Upskilling staff around Maori culture and Te Reo to strengthen practice and the value of the bicultural country in which we live to embed this practice within our school culture for all students.		
<b>Target:</b>	Staff to have a greater understanding around both the Maori language and culture and embed this into daily classroom practice to show authentic value to our bicultural nation		
<b>Baseline Data:</b>	School wide end of year data for 2018 for Māori Learners:  Reading: 82% of Maori students are at/above expected curriculum levels in 2018 Writing: 71% of Maori students are at/above expected curriculum levels in 2018 Maths: 82% of Maori students are at/above expected curriculum levels in 2018		

<b>Actions</b> <i>What did we do?</i>	<b>Outcomes</b> <i>What happened?</i>	<b>Reasons for the variance</b> <i>Why did it happen?</i>	<b>Evaluation</b> <i>Where to next?</i>
<p><b>Professional Development: He Papa Tikanga</b></p> <p>Te Wananga o Aotearoa (PD) to be completed during staff meetings to cover the 4 kete over the year - Sessions every 3-4 weeks with the tutor</p> <p>This was also extended to teacher aides and board members to complete in which 3 teacher aides and 1 board member have completed.</p> <p><b>Academy and specialist teaching:</b></p> <p>Tikanaga Academy on offer for all students to join with a focus of Maori Tikanaga.</p> <p>Te Reo specialist teaching for all senior students to support the correct learning of te reo across the school.</p> <p>Carving academy on offer for all students to learn how to carve pounamu using correct protocols, from a specialist teacher.</p> <p>Kapa Haka supported by specialist teacher to enhance mana, pride, and deepen protocol.</p>	<p>All teachers have evolved their knowledge and shared in the learning of He Papa Tikanga through completing 2 of the 4 kete over the year. This course has allowed teachers to refocus around tikanga and begin to build this knowledge into classroom practice to enrich classroom teaching. Staff have sound understanding of basic tikanga, mihi, bi-cultural and iwi perspectives, and pronunciation for te reo. Teacher's confidence around te reo and tikanga has grown as well as growing a culture of naturally using tikanga day to day.</p> <p>Students grew in their own confidence of who they are and are proud of their whakapapa/ learning / identities. They have been empowered to share and discuss their knowledge and are very happy to share and teach their Te Reo me nga Tikanga Maori learning with others. Pride and mana rising as students develop their understanding of Maori culture. The use of experts to support teachers and students to develop confidence and understanding has been very effective. These academy and specialist teaching has ensured that every learner has had quality Te Reo and Tikanga teaching across the year.</p>	<ul style="list-style-type: none"> <li>• Maori teachings across the school is more meaningful and authentic.</li> <li>• The staff are comfortable and confident in using their gained language and knowledge.</li> <li>• Students believe that teachers value their culture and this has help build relationships with all students</li> <li>• Students have pride and mana around their culture, learning, and who they are</li> <li>• Students have high quality teaching around te reo and tikanga</li> <li>• Maori culture and identity is fostered and celebrated</li> </ul>	<ul style="list-style-type: none"> <li>• Teachers to complete kete 3 and 4 to continue to develop their knowledge and understandings</li> <li>• Teachers to embed the learning from the kete into their classrooms daily in more authentic ways to truly embed the knowledge and language</li> <li>• Review the sustainability of using expert supports vs internal support. How can maintain this into the future?</li> <li>• Build on the use of experts and a possible marae visit using locals to support teachers and students</li> </ul>

<p>Further Actions Completed in 2019:</p> <ul style="list-style-type: none"> <li>• Increase in student attendance for Maori Learners by working closely with whanau and attendance support daily</li> <li>• Making the connections with whanau and celebrating the successes - Especially through Kapa Haka, Matariki celebration</li> <li>• PB4L Data tracked behavioural needs</li> <li>• Celebrated Te Reo during Maori Language week</li> <li>• Collaborative and innovative teaching and learning has seen a raise in engagement for Maori students</li> <li>• Play based learning in the junior school has allowed Maori students to have a smooth transition into school and their needs (socially, developmentally, and academically) are all being met.</li> </ul>	<p>Student voice was collected and the students feel:</p> <ul style="list-style-type: none"> <li>• West Gore School always is inclusive to student's cultures</li> <li>• Students feel that teachers like to spend time with them looking at what the child has achieved in their learning (work out put)</li> <li>• Students feel supported by teachers and know that teachers help them learn</li> <li>• Teachers hold high expectations for all students</li> <li>• They believe that their teacher cares about them and that their teacher can help them to problem solve issues</li> <li>• Most of our Maori students enjoy school and feel safe at school</li> </ul> <p><b>School wide end of year data for 2019 for Māori Learners:</b></p> <p><b>Reading:</b> 64% (21/33) of Maori students are at/above expected curriculum levels in 2019</p> <p><b>Writing:</b> 48% (16/33) of Maori students are at/above expected curriculum levels in 2019</p> <p><b>Maths:</b> 70% (23/33) of Maori students are at/above expected curriculum levels in 2019</p> <p><i>This data is significantly lower than the baseline data at the end of 2018. This will need to be addressed and reflected in 2020's strategic plan around how the school will address this. Maori Action Plans, Maori Achievement Collectives professional development, He Papa Tikanga, continuing the positive growth in valuing Tikanga in 2019, as well as our goals around Writing, Reading and Maths to work towards addressing the progress that this cohort of students is making.</i></p>	<ul style="list-style-type: none"> <li>• Developing deep relationships with individual students by valuing them for who they are, to enhance learning</li> <li>• Celebration of small successes with students regularly</li> <li>• A collective responsibility for our students</li> </ul>	<ul style="list-style-type: none"> <li>• Re-establish Maori Action Plans in 2020 to target learning for individual students based on the positive impact of 2018</li> <li>• Continue to build relationships with whanau and community around natural pathways such as matariki, using parent strengths i.e. carving lessons</li> <li>• Continue to monitor student voice throughout 2020</li> </ul>
---	---	--	---

### Planning for next year:

- Maori students to remain a core focus for 2020 – Looking to address the reduction of progress in our Maori cohort. This needs to be reflected in our Strategic Plan.
- Staff continue to be provided opportunities to study through Te Wananga o Aotearoa to broaden understanding and skill of teachers around culture and Te Reo
- As a whole staff, continue to foster & deepen relationships with students and whānau where the focus is on self believe and relationships between whānau/school teachers/students and peers/peers
- Continue to develop an innovative curriculum to meet the needs of Māori learners that reflects Tataiako and Ka Hikitia with an acceleration of achievement to be a focus in 2020
- Consideration of Maori Achievement Collective as a way forward in supporting our learners



West Gore School  
*Our Place to Grow*  
*E Kikiri Tātou*

120 Kitchener Street, Gore 9710  
03 208 7586  
03 208 7536  
office@westgore.school.nz  
www.westgore.school.nz

17 October 2019

Ministry of Education

**Re Accountability for Kiwi Sport Funding**

We co-operate with other primary schools in our area, to employ a Sports Activator. This person comes into our school, on a regular basis, to upskill all of our children with the fundamental skills required for them to participate successfully in any sporting opportunity that they wish to take up.

Many of our children translate what they are learning here in school, to an out of school organised sporting experience.

In 2019 West Gore School received \$3,300.00.

Your sincerely

Linda Fraser  
Principal

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE READERS OF WEST GORE SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019**

The Auditor-General is the auditor of West Gore School (the School). The Auditor-General has appointed me, Kenneth Sandri, using the staff and resources of Crowe, 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 3 to 19, that comprise the Statement of Financial Position as at 31 December 2019, the Statement of Comprehensive Revenue and Expense, Statement of Changes in Net Assets/Equity and Cash Flow Statement 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 2019; and
  - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Sector – Public Benefit Entity Standards Reduced Disclosure Regime.

Our audit was completed on 7 May 2020. This is the date at which our opinion is expressed.

The basis for our opinion is explained below, and we draw your attention to the possible effects of COVID-19. In addition, we outline the responsibilities of the Board and our responsibilities relating to the financial statements and the statement of service performance, we comment on other information, and we explain our independence.

#### **Emphasis of Matter – COVID-19**

Without modifying our opinion, we draw attention to the disclosures in note 24 on page 18 which outline the possible effects of the Alert Level 4 lockdown as a result of the COVID-19 pandemic.

#### **Basis of 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.

*Findex (Aust) Pty Ltd, trading as Crowe Australasia is a member of Crowe Global, a Swiss Verein. Each member firm of Crowe Global is a separate and independent legal entity. Findex (Aust) Pty Ltd and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global. Crowe Global does not render any professional services and does not have an ownership or partnership interest in Findex (Aust) Pty Ltd.*

*Services are provided by Crowe New Zealand Audit Partnership an affiliate of Findex (Aust) Pty Ltd.*

© 2019 Findex (Aust) Pty Ltd

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 of Trustees for the financial statements**

The Board of Trustees 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 of Trustees is responsible on behalf of the School for assessing the School's ability to continue as a going concern. The Board of Trustees 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 of Trustees' responsibilities arise from 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 of Trustees.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Trustees 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 of Trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arises from the Public Audit Act 2001.

## Other information

The Board of Trustees is responsible for the other information. The other information at the date of our report are Board of Trustees schedule, Analysis Variance and Kiwisport 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 (Revised): *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.



Kenneth Sandri  
Crowe New Zealand Audit Partnership