

ASHBROOK SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

School Directory

Ministry Number:	1689
Principal:	Sean Moore
School Address:	150 Wellington Street
School Postal Address:	150 Wellington Street, Opotiki, 3122
School Phone:	07 315 7048
School Email:	naomiw@ashbrook.school.nz

Members of the Board of Trustees

Name	Position	How Position Gained	Term Expires/ Expired
Maude Maxwell	Chairperson	Elected	Jun 2022
Sean Moore	Principal	ex Officio	
Tina Boynton	Parent Rep	Elected	Jun 2022
Sharleen Hepi	Staff Rep	Co-opted	Jun 2022
Wayne Gribble	Limited Statutory Member	Appointed	
Louis Rapihana	Other	Co-opted	Jun 2022

Accountant / Service Provider: Education Services Ltd

ASHBROOK SCHOOL

Annual Report - For the year ended 31 December 2020

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Ashbrook School

Statement of Responsibility

For the year ended 31 December 2020

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

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

It is the opinion of the Board and management that the annual financial statements for the financial year ended 31 December 2020 fairly reflects the financial position and operations of the school.

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

Donald Maxwell

Full Name of Board Chairperson

SEAN MOORE

Full Name of Principal

[Signature]

Signature of Board Chairperson

[Signature]

Signature of Principal

7th June 2021

Date:

7th June 2021

Date:

Ashbrook School**Statement of Comprehensive Revenue and Expense**

For the year ended 31 December 2020

		2020	2020	2019
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
Revenue				
Government Grants	2	1,275,320	1,257,584	1,223,800
Locally Raised Funds	3	23,112	32,480	77,950
Interest income		2,873	4,000	3,037
		<u>1,301,305</u>	<u>1,294,064</u>	<u>1,304,787</u>
Expenses				
Locally Raised Funds	3	22,914	28,000	38,151
Learning Resources	4	775,095	807,247	818,165
Administration	5	143,482	94,429	157,073
Finance		140	800	139
Property	6	338,059	298,413	324,146
Depreciation	7	35,329	41,000	51,837
		<u>1,315,019</u>	<u>1,269,889</u>	<u>1,389,511</u>
Net Surplus / (Deficit) for the year		(13,714)	24,175	(84,724)
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>13,714</u>	<u>24,175</u>	<u>84,724</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.

Ashbrook School**Statement of Changes in Net Assets/Equity**

For the year ended 31 December 2020

	Notes	Actual 2020 \$	Budget (Unaudited) 2020 \$	Actual 2019 \$
Balance at 1 January		352,328	364,381	437,052
Total comprehensive revenue and expense for the year		(13,714)	24,175	(84,724)
Capital Contributions from the Ministry of Education				
Adjustment to Accumulated surplus/(deficit) from adoption of PBE IFRS 9		-	-	-
Equity at 31 December	23	338,614	388,556	352,328
Retained Earnings		338,614	388,556	352,328
Equity at 31 December		338,614	388,556	352,328

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.

Ashbrook School
Statement of Financial Position
As at 31 December 2020

		2020	2020	2019
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Current Assets				
Cash and Cash Equivalents	8	184,328	222,838	162,917
Accounts Receivable	9	62,091	73,990	56,488
GST Receivable		-	5,812	2,593
Prepayments		10,697	7,152	1,844
Inventories	10	11,306	11,763	7,975
		<u>268,422</u>	<u>321,555</u>	<u>231,817</u>
Current Liabilities				
GST Payable		5,605	-	-
Accounts Payable	12	65,486	90,436	70,345
Revenue Received in Advance	13	110	-	110
Provision for Cyclical Maintenance		-	-	-
Painting Contract Liability - Current Portion	15	11,402	15,875	15,875
Finance Lease Liability - Current Portion	16	596	16,979	14,928
Funds held for Capital Works Projects	17	56,825	-	12,384
		<u>140,024</u>	<u>123,290</u>	<u>113,642</u>
Working Capital Surplus/(Deficit)		<u>128,398</u>	<u>198,265</u>	<u>118,175</u>
Non-current Assets				
Property, Plant and Equipment	11	266,276	267,093	284,077
		<u>266,276</u>	<u>267,093</u>	<u>284,077</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	14	55,563	63,786	44,450
Painting Contract Liability	15	-	-	5,240
Finance Lease Liability	16	497	13,016	234
		<u>56,060</u>	<u>76,802</u>	<u>49,924</u>
Net Assets		<u>338,614</u>	<u>388,556</u>	<u>352,328</u>
Equity		<u>338,614</u>	<u>388,556</u>	<u>352,328</u>

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

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

		2020	2020	2019
	Note	Actual \$	Budget (Unaudited) \$	Actual \$
Cash flows from Operating Activities				
Government Grants		450,279	387,750	398,687
Locally Raised Funds		20,232	10,600	78,033
Goods and Services Tax (net)		8,198	-	3,219
Payments to Employees		(237,296)	(152,354)	(233,574)
Payments to Suppliers		(229,665)	(194,519)	(262,330)
Interest Paid		(140)	(800)	(139)
Interest Received		2,873	4,000	3,037
Net cash from/(to) Operating Activities		14,481	54,677	(13,067)
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(13,534)	(11,000)	(24,821)
Proceeds from Sale of Investments		-	-	185,863
Net cash from/(to) Investing Activities		(13,534)	(11,000)	161,042
Cash flows from Financing Activities				
Finance Lease Payments		(14,264)	(16,979)	(14,153)
Painting contract payments		(9,713)	(15,875)	(9,441)
Funds Held for Capital Works Projects		44,441	-	12,384
Net cash from/(to) Financing Activities		20,464	(32,854)	(11,210)
Net increase/(decrease) in cash and cash equivalents		21,411	10,823	136,765
Cash and cash equivalents at the beginning of the year	8	162,917	212,015	26,152
Cash and cash equivalents at the end of the year	8	184,328	222,838	162,917

The Statement of Cash Flows records only those cash flows directly within the control of the School. This means centrally funded teachers' salaries and the use of land and buildings grant and expense have been excluded.

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

Ashbrook School

Notes to the Financial Statements

For the year ended 31 December 2020

1. Statement of Accounting Policies

a) Reporting Entity

Ashbrook School (the School) is a Crown entity as specified in the Crown Entities Act 2004 and a school as described in the Education and Training Act 2020. The Board of Trustees (the Board) is of the view that the School is a public benefit entity for financial reporting purposes.

b) Basis of Preparation

Reporting Period

The financial reports have been prepared for the period 1 January 2020 to 31 December 2020 and in accordance with the requirements of the Public Finance Act 1989.

Basis of Preparation

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

Financial Reporting Standards Applied

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

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

Cyclical maintenance

A school recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's long term maintenance plan which is prepared as part of its 10 Year Property Planning process. During the year, the Board assesses the reasonableness of its 10 Year Property Plan on which the provision is based. Cyclical maintenance is disclosed at note 14.

Useful lives of property, plant and equipment

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment as disclosed in the Significant Accounting Policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 11.

Critical Judgements in applying accounting policies

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

Classification of leases

Determining whether a lease is a finance lease or an operating lease requires judgement as to whether the lease transfers substantially all the risks and rewards of ownership to the school. Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant, and equipment, whereas for an operating lease no such asset is recognised.

Recognition of grants

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

c) Revenue Recognition

Government Grants

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

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

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

Use of land and buildings grants are recorded as revenue in the period the School uses the land and buildings. These are not received in cash by the School as they equate to the deemed expense for using the land and buildings which are owned by the Crown.

Other Grants

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

Donations, Gifts and Bequests

Donations, gifts and bequests are recorded as revenue when their receipt is formally acknowledged by the School.

Interest Revenue

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

d) Use of Land and Buildings Expense

The property from which the School operates is owned by the Crown and managed by the Ministry of Education on behalf of the Crown. The School's use of the land and buildings as occupant is based on a property occupancy document as gazetted by the Ministry. The expense is based on an assumed market rental yield on the value of land and buildings as used for rating purposes. This is a non-cash expense that is offset by a non-cash grant from the Ministry.

e) Operating Lease Payments

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

f) Finance Lease Payments

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

g) Cash and Cash Equivalents

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

h) Accounts Receivable

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

i) Inventories

Inventories are consumable items held for sale and comprise of stationery and school uniforms. They are stated at the lower of cost and net realisable value. Cost is determined on a first in, first out basis. Net realisable value is the estimated selling price in the ordinary course of activities less the estimated costs necessary to make the sale. Any write down from cost to net realisable value is recorded as an expense in the Statement of Comprehensive Revenue and Expense in the period of the write down.

j) Investments

Bank term deposits are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance. A loss allowance for expected credit losses is recognised if the estimated loss allowance is not trivial.

k) Property, Plant and Equipment

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

Improvements to buildings owned by the Crown are recorded at cost, less accumulated depreciation and impairment losses.

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

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

Finance Leases

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

Depreciation

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

The estimated useful lives of the assets are:

Building Improvements	10-75 years
Furniture and Equipment	5-15 years
Information and Communication	3-5 years
Motor Vehicles	5 years
Library Resources	12.5% DV
Leased assets held under a Finance Lease	Term of Lease

l) Intangible Assets

Software costs

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

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

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

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

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

Non cash generating assets

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

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

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

The reversal of an impairment loss is recognised in the surplus or deficit.

n) Accounts Payable

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

o) Employee Entitlements

Short-term employee entitlements

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

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

Long-term employee entitlements

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

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

p) Revenue Received in Advance

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

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

q) Funds Held in Trust

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

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

r) Shared Funds

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

s) Provision for Cyclical Maintenance

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

Cyclical maintenance, which involves painting the interior and exterior of the School, makes up the most significant part of the Board's responsibilities outside day-to-day maintenance. The provision for cyclical maintenance represents the obligation the Board has to the Ministry and is based on the Board's ten year property plan (10YPP).

t) Financial Instruments

The School's financial assets comprise cash and cash equivalents, accounts receivable, and investments. All of these financial assets, except for investments that are shares, are categorised as 'financial assets measured at amortised cost' for accounting purposes in accordance with financial reporting standards.

Investments that are shares are categorised as 'financial assets at fair value through other comprehensive revenue and expense' for accounting purposes in accordance with financial reporting standards.

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

u) Borrowings

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

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

v) Goods and Services Tax (GST)

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

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

Commitments and contingencies are disclosed exclusive of GST.

w) Budget Figures

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

x) Services received in-kind

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

2. Government Grants

	2020	2020	2019
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Operational Grants	328,275	370,000	350,178
Teachers' Salaries Grants	618,859	682,047	642,403
Use of Land and Buildings Grants	187,383	187,787	181,168
Attendance Grant	22,500	-	-
Other MoE Grants	118,303	17,750	50,051
	1 275 320	1 257 584	1 223 800

The school has opted in to the donations scheme for this year. Total amount received was \$15,750.

3. Locally Raised Funds

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

	2020	2020	2019
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Revenue			
Donations	96	-	479
Bequests & Grants	-	-	25,021
Activities	6,221	5,000	13,734
Trading	6,165	12,000	20,224
Fundraising	-	5,000	6,656
Other Revenue	2,100	600	1,956
School House	8,530	9,880	9,880
	23,112	32,480	77,950
Expenses			
Activities	348	6,000	12,297
Trading	8,407	12,000	19,746
Fundraising (Costs of Raising Funds)	-	-	1,010
Other Locally Raised Funds Expenditure	2,600	-	68
School House	11,559	10,000	5,030
	22,914	28,000	38,151
Surplus for the year Locally raised funds	198	4 480	39 799

4. Learning Resources

	2020	2020	2019
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Curricular	28,712	30,000	11,942
Library Resources	447	250	1,548
Employee Benefits - Salaries	737,867	759,997	789,714
Staff Development	8,069	15,000	13,992
Information And Communication Technology	-	2,000	969
	775 095	807 247	818 165

5. Administration

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	2,600	3,300	2,600
Board of Trustees Fees	3,730	3,025	4,115
Board of Trustees Expenses	906	3,100	10,879
Intervention Costs & Expenses	24,647	-	46,789
Communication	1,809	4,750	3,655
Consumables	10,303	7,000	12,690
Operating Lease	-	12,100	87
Other	9,968	8,800	16,117
Employee Benefits - Salaries	44,266	33,354	37,105
Insurance	6,316	7,500	4,779
Service Providers, Contractors and Consultancy	19,387	11,500	18,257
Healthy School Lunch Programme	19,550	-	-
	143,482	94,429	157,073

6. Property

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	6,425	9,240	7,985
Cyclical Maintenance Expense	11,113	12,000	10,664
Grounds	8,630	5,000	1,954
Heat, Light and Water	12,168	10,000	11,784
Rates	13,821	6,000	6,268
Repairs and Maintenance	28,580	14,386	29,174
Use of Land and Buildings	187,383	187,787	181,168
Security	2,967	3,000	5,914
Employee Benefits - Salaries	66,972	51,000	69,235
	338 059	298 413	324 146

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

7. Depreciation

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Building Improvements	5,673	4,722	5,970
Furniture and Equipment	16,850	21,256	26,873
Information and Communication Technology	815	1,981	2,505
Motor Vehicles	3,659	4,950	6,259
Leased Assets	7,805	7,614	9,627
Library Resources	527	477	603
	35 329	41 000	51 837

8. Cash and Cash Equivalents

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Bank Current Account	15,721	22,838	8,387
Bank Call Account	168,607	200,000	154,530
Cash and cash equivalents for Statement of Cash Flows	184,328	222,838	162,917

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

Of the \$184,328 Cash and Cash Equivalents \$56,825 is held by the School on behalf of the Ministry of Education. These funds are required to be spent in 2021 on Crown owned school buildings under the School's Five Year Property Plan.

9. Accounts Receivable

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Receivables	3,607	787	727
Banking Staffing Underuse	14,860	-	5,892
Teacher Salaries Grant Receivable	43,624	73,203	49,869
	62,091	73,990	56,488
Receivables from Exchange Transactions	3,607	787	727
Receivables from Non-Exchange Transactions	58,484	73,203	55,761
	62,091	73,990	56,488

10. Inventories

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Uniforms	5,915	11,763	7,975
Stationery	4,733	-	-
Canteen	658	-	-
	11,306	11,763	7,975

11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
	\$	\$	\$	\$	\$	\$
2020						
Building Improvements	205,481	-	-	-	(5,673)	199,808
Furniture and Equipment	63,019	9,069	-	-	(16,850)	55,239
Information and Communication Tech	-	7,348	-	-	(815)	6,532
Motor Vehicles	3,659	-	-	-	(3,659)	-
Leased Assets	7,700	1,111	-	-	(7,805)	1,006
Library Resources	4,218	-	-	-	(527)	3,691
Balance at 31 December 2020	284 077	17 528	-	-	35 329	266 276

The net carrying value of equipment held under a finance lease is \$1,006 (2019: \$7,700)

	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$
2020			
Building Improvements	284,385	(84,577)	199,808
Furniture and Equipment	362,777	(307,538)	55,239
Information and Communication	147,610	(141,078)	6,532
Motor Vehicles	31,296	(31,296)	-
Leased Assets	49,246	(48,240)	1,006
Library Resources	39,019	(35,328)	3,691
Balance at 31 December 2020	914 333	648 057	266 276

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
	\$	\$	\$	\$	\$	\$
2019						
Building Improvements	191,430	20,021	-	-	(5,970)	205,481
Furniture and Equipment	85,092	4,800	-	-	(26,873)	63,019
Information and Communication Tech	2,505	-	-	-	(2,505)	-
Motor Vehicles	9,918	-	-	-	(6,259)	3,659
Leased Assets	17,327	-	-	-	(9,627)	7,700
Library Resources	4,821	-	-	-	(603)	4,218
Balance at 31 December 2019	311 093	24 821	-	-	51 837	284 077

The net carrying value of equipment held under a finance lease is \$7,700 (2018: \$17,327)

	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$
2019			
Building Improvements	284,385	(78,904)	205,481
Furniture and Equipment	353,707	(290,688)	63,019
Information and Communication	140,263	(140,263)	-
Motor Vehicles	31,296	(27,637)	3,659
Leased Assets	48,135	(40,435)	7,700
Library Resources	39,019	(34,801)	4,218
Balance at 31 December 2019	896 805	612 728	284 077

12. Accounts Payable

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Operating Creditors	14,686	22,254	17,517
Accruals	2,454	4,571	2,959
Capital Accruals for PPE items	727	-	-
Banking Staffing Overuse	-	39,765	-
Employee Entitlements - Salaries	43,624	13,971	49,869
Employee Entitlements - Leave Accrual	3,995	9,875	-
	<u>65 486</u>	<u>90 436</u>	<u>70 345</u>
Payables for Exchange Transactions	65,486	90,436	70,345
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	<u>65 486</u>	<u>90 436</u>	<u>70 345</u>

The carrying value of payables approximates their fair value.

13. Revenue Received in Advance

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Income in Advance	110	-	110
	<u>110</u>	<u>-</u>	<u>110</u>

14. Provision for Cyclical Maintenance

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Provision at the Start of the Year	44,450	51,786	33,786
Increase to the Provision During the Year	11,112	12,000	10,664
Adjustment to the Provision	1	-	-
Provision at the End of the Year	<u>55 563</u>	<u>63 786</u>	<u>44 450</u>
Cyclical Maintenance - Current	-	-	-
Cyclical Maintenance - Term	55,563	63,786	44,450
	<u>55 563</u>	<u>63 786</u>	<u>44 450</u>

15. Painting Contract Liability

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Current Liability	11,402	15,875	15,875
Non Current Liability	-	-	5,240
	<u>11 402</u>	<u>15 875</u>	<u>21 115</u>

In 2015 the Board signed an agreement with Programmed Maintenance Services (NZ) Ltd (the contractor) for an agreed programme of work covering a seven year period. The programme provides for one interior and exterior repaint of the Ministry owned buildings in 2015, with regular maintenance in subsequent years. The agreement has an annual commitment of \$15,875. The liability is the best estimate of the actual amount of work performed by the contractor for which the contractor has not been paid at balance sheet date. The liability has not been adjusted for inflation and the effect of the time value of money.

16. Finance Lease Liability

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

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
No Later than One Year	663	16,979	14,928
Later than One Year and no Later than Five Years	529	13,016	234
	<u>1,192</u>	<u>29,995</u>	<u>15,162</u>

17. Funds Held (Owed) for Capital Works Projects

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

	2020	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution/ (Write-off to R&M)	Closing Balances \$
Building Rationalisation	<i>in progress</i>	12,384	20,415	(15,146)	-	17,653
Fencing 223792	<i>in progress</i>	-	59,400	(20,228)	-	39,172
Totals		<u>12,384</u>	<u>79,815</u>	<u>35,374</u>	<u>-</u>	<u>56,825</u>

Represented by:

Funds Held on Behalf of the Ministry of Education	56,825
Funds Due from the Ministry of Education	-
	<u>56,825</u>

	2019	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution/ (Write-off to R&M)	Closing Balances \$
Building Rationalisation	<i>in progress</i>	-	12,384	-	-	12,384
Totals		<u>-</u>	<u>12,384</u>	<u>-</u>	<u>-</u>	<u>12,384</u>

18. Related Party Transactions

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

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

19. Remuneration

Key management personnel compensation

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

	2020 Actual \$	2019 Actual \$
Board Members		
Remuneration	3,730	4,115
Full-time equivalent members	0.02	0.10
Leadership Team		
Remuneration	183,165	316,400
Full-time equivalent members	1.00	0.04
Total key management personnel remuneration	186,895	320,515
Total full-time equivalent personnel	1.02	0.14

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:

	2020 Actual \$000	2019 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	170 - 180	80 - 90
Benefits and Other Emoluments	5 - 6	0 - 1
Termination Benefits	-	-

Other Employees

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

Remuneration \$000	2020 FTE Number	2019 FTE Number
100 - 110	-	1.00
	0.00	1.00

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

20. Compensation and Other Benefits Upon Leaving

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

	2020 Actual	2019 Actual
Total	\$20,000	-
Number of People	1	-

21. Contingencies

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

Holidays Act Compliance – schools payroll

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

The Ministry's review of the schools sector payroll to ensure compliance with the Holidays Act 2003 is ongoing. The current phase of this review is to design potential solutions for any compliance breaches discovered in the initial phase of the Programme. Final calculations and potential impact on any specific individual will not be known until further detailed analysis and solutions have been completed.

To the extent that any obligation cannot reasonably be quantified at 31 December 2020, a contingent liability for the school may exist.

22. Commitments

(a) Capital Commitments

There are no capital commitments as at 31 December 2020 (Capital commitments at 31 December 2019: nil).

(b) Operating Commitments

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

(a) The School has entered into an agreement with Programmed Maintenance Services Ltd for painting of the School's buildings. The amount committed on the contract is:

	2020 Actual \$	2019 Actual \$
No later than One Year	-	14,681
Later than One Year and No Later than Five Years	-	-
Later than Five Years	-	-
	-	14,681

23. Managing Capital

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

24. Financial Instruments

The carrying amount of financial assets and liabilities in each of the financial instrument categories are as follows:

Financial assets measured at amortised cost

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Cash and Cash Equivalents	184,328	222,838	162,917
Receivables	62,091	73,990	56,488
Investments - Term Deposits	-	-	-

Total Financial assets measured at amortised cost

246 419	296 828	219 405
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Financial liabilities measured at amortised cost

Payables	65,486	90,436	70,345
Borrowings - Loans	-	-	-
Finance Leases	1,093	29,995	15,162
Painting Contract Liability	11,402	15,875	21,115

Total Financial Liabilities Measured at Amortised Cost

77 981	136 306	106 622
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25. Events After Balance Date

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

26. Comparatives

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

Ashbrook School

Kiwisport

Kiwisport is a Government funding initiative to support students' participation in organised sport. In 2020, the school received total Kiwisport funding of \$1,340 (excluding GST). The funding was spent on sporting endeavours.

Analysis of Variance Reporting – 2020



School Name:	Ashbrook Primary School	School Number:	1689
Strategic Aim:	To Assess using National Standards to effectively engage and excel student outcomes. Students are supported in setting their own learning goals and know what to do to achieve them. Teacher practise is responsive to student and cultural needs.		
Annual Aim:	To accelerate the number of students from well-below to at in Writing .		
Target:	Specific target groups 47 students well – below or below in writing. 39%		
Baseline Data:	Year 1 – 1 Year 2 – 5 Year 3 – 1 Year 4 – 4 Year 5 – 7 Year 6 – 14 Year 7 – 8 Year 8 – 7		
WHAT HAPPENED? Target met or not?	Our end of year data showed no increase or decrease. Evidence shows that 56% were below.		

Actions <i>What did we do?</i>	Outcomes <i>What happened?</i>	Reasons for the variance <i>Why did it happen?</i>	Evaluation <i>Where to next?</i>
<ol style="list-style-type: none"> 1. There is evidence of Professional Development in the school. 2. Some children set learning goals with their teachers. 3. Engage RTLB for additional supports for some children. 	<ol style="list-style-type: none"> 1. Evaluate Associates provided a comprehensive programme. 2. This was timetabled. 3. This was carried out. 	<p>It is difficult to pin point the variance. There seems to be a lack of data cohesion. Reasons will vary as to why – data analysis indicates a huge disparity and discrepancy in teacher moderation of data.</p>	<p>The use of priority students identified and regularly discussed and clear lines of who is a priority student to gain insightful understanding of the progressions will help next steps in learning.</p> <p>And this will lead to more contextually and differentiation learning across the school. (Staff meetings x 2, data walls each term)</p> <p>Focus group for those target students in year 1 – 6 year groups, teachers will develop an individual plan and track these students twice per term to show progress using the progressions.</p> <p>Building teacher capabilities in literacy. Professional development with Evaluate Associates with more focus on pedagogical knowledge.</p>
<p>Planning for next year:</p> <p>Strengthening students' oral language skills so they can formulate complete sentences and have a word bank to draw from to improve their literacy skills – especially in the junior end of the school. Talking matters programme introduced to NE classroom.</p> <p>Cooperative learning strategies to be implemented across the school to give structure in enabling students to confidently interact with their peers. All students are provided for oral language opportunities in a safe, cooperative environment (tuakana-teina).</p> <p>Clear and obvious identification of students not achieving, these students can be tracked, monitored and reported on to parents and BOT. Termly priority list is reviewed by all staff and 3-4 staff meetings focus on support for these students.</p> <p>Report to BOT termly on reading and oral language progress using evidence tracker spreadsheet / graphed results for targeted students - all students who did not make one year's progress in 2019 from Year 3 to 8.</p> <p>Create school wide protocols for conferencing with students and target students on their goals and learning needs (every 4-6 weeks).</p>			

Analysis of Variance Reporting – 2020



School Name:	Ashbrook Primary School	School Number:	1689
Strategic Aim:	To Assess using National Standards to effectively engage and excel student outcomes. Students are supported in setting their own learning goals and know what to do to achieve them. Teacher practise is responsive to student and cultural needs.		
Annual Aim:	To accelerate the number of students from well-below to at in Reading . 44% to excel in reading .		
Target:	Specific targets		
Baseline Data:	36 students well – below or below in reading. 30% Year 1 – 1 (.8%) Year 2 – 6 (5%) Year 3 – 5 (4%) Year 4 – 2 (1.6%) Year 5 – 4 (3.3%) Year 6 – 7 (5.8%) Year 7 – 5 (4%) Year 8 – 6 (5%)		
WHAT HAPPENED? Target met or not?	Our end of year data showed no increase or decrease. Evidence shows that 44% were below National Standards.		

Actions <i>What did we do?</i>	Outcomes <i>What happened?</i>	Reasons for the variance <i>Why did it happen?</i>	Evaluation <i>Where to next?</i>
<ol style="list-style-type: none"> 1. There is evidence of Professional Development in the school. 2. Some children set learning goals with their teachers. 3. Engage RTLB for additional supports for some children. 	<ol style="list-style-type: none"> 1. Class descriptions were reviewed each term and learning conversations empowered teachers to understand the bigger picture of the school trends. 2. This was timetabled. 3. This was timetabled. 	<p>Some impact was made with the introduction of class descriptions – it got teachers thinking about the impact they were having school wide and how delivery of reading in their classrooms may have helped or hindered.</p> <p>Student profiles increased awareness of the whole student and teachers from other classrooms became more aware of the needs of other students in the classroom and pedagogical progress.</p>	<p>The use of KAM and data walls to gain insightful understanding of the progressions will help next steps in learning.</p> <p>And this will lead to more contextually and differentiation learning across the school. (Staff meetings x 2, data walls each term)</p> <p>Focus group for those target students in year 1 – 6 year groups, teachers will develop an individual plan and track these students twice per term to show progress using learning progressions.</p> <p>Building teacher capabilities in literacy. Professional development with Evaluation Associates.</p>
Planning for next year: Strengthening students' oral language skills so they can formulate complete sentences and have a word bank to draw from to improve their literacy skills – especially in the junior end of the school. Talking matters programme introduced to NE classroom. b. Teacher Action Inquiry (TAI) will form part of their performance management and will include how their pedagogy impacts on learning. c. Learning through Play to be introduced to engage learners in all areas of the curriculum with a focus on purposeful time to play through provocations each day. d. Mindfulness programmes implemented across the school to assist teachers in helping students regulate their emotions, improve motivation and focus for cognition (learning). e. Cooperative learning strategies to be implemented across the school to give structure in enabling students to confidently interact with their peers. All students are provided for oral language opportunities in a safe, cooperative environment (tuakana teina). Reading rockets and seniors and junior shared reading weekly. f. Clear and obvious identification of students not achieving, these students can be tracked, monitored and reported on to parents and BOT. Termly priority list is reviewed by all staff and 3-4 staff meetings focus on support for these students. g. Report to BOT termly on reading and oral language progress using evidence tracker spreadsheet / graphed results for targeted students – all students who did not make one year's progress in 2019 from Year 3 to 8. h. Create school wide protocols for conferencing with students and target students on their goals and learning needs (every 4-6 weeks).			

Analysis of Variance Reporting – 2020



School Name:	Ashbrook Primary School	School Number:	1689
Strategic Aim:	To Assess using National Standards to effectively engage and excel student outcomes. Students are supported in setting their own learning goals and know what to do to achieve them. Teacher practise is responsive to student and cultural needs.		
Annual Aim:	To accelerate the number of students from well-below to at in Mathematics .		
Target:	Specific targets		
Baseline Data:	40 students well – below or below in Mathematics.		
	Year 1 – 1		
	Year 2 – 4		
	Year 3 – 4		
	Year 4 – 2		
	Year 5 – 4		
	Year 6 – 9		
	Year 7 – 4		
WHAT HAPPENED? Target met or not?	Year 8 – 12		
	Our end of year data showed no increase or decrease. Evidence shows that 52% were below. The target was not met as no progress is evident.		

Actions <i>What did we do?</i>	Outcomes <i>What happened?</i>	Reasons for the variance <i>Why did it happen?</i>	Evaluation <i>Where to next?</i>
1. There is some evidence of PAT testing, ALIM was identified but not carried through. Group modelling is evident.	1. There is some evidence that mathematics was taught. Systems of Assessments do not seem to be coherent or evident.	It is difficult to pin point the variance.	<p>The use of priority students identified and regularly discussed and clear lines of who is a priority student to gain insightful understanding of the progressions will help next steps in learning.</p> <p>And this will lead to more contextually and differentiation learning across the school. (Staff meetings x 2, data walls each term)</p>
Planning for next year			
<p>Each Teacher to identify the needs of their students and develop individual education plans that details the 'next steps' in their mathematics learning. Assessment and moderation practices with respect to mathematics is reviewed and strengthened to ensure robust and valid data. Report to BOT termly on mathematics progress using evidence tracker spreadsheet / graphed results for targeted students - all students. Continue to provide purposeful learning opportunities for students to grow their mathematics skills using learning experiences that are relevant and authentic.</p> <p>Investigation of prime maths to implement into the senior end of the school to support learning in mathematics.</p>			

INDEPENDENT AUDITOR'S REPORT

**TO THE READERS OF
ASHBROOK SCHOOL
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

The Auditor-General is the auditor of Ashbrook School (the School). The Auditor-General has appointed me, Fred Cookson, using the staff and resources of Cookson Forbes & Associates, Chartered Accountants, 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 21, that comprise the statement of financial position as at 31 December 2020, the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion the financial statements of the School:

- present fairly, in all material respects:
 - its financial position as at 31 December 2020; and
 - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Sector – Public Benefit Entity Standards, Reduced Disclosure Regime.

Our audit was completed on 8th June 2021. This is the date at which our opinion is expressed.

The basis for our opinion is explained below and we draw your attention to other matter. In addition, we outline the responsibilities of the Board of Trustees 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 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 comprises the analysis of variance and kiwisports disclosure, but does not include the financial statements, and our auditor's report thereon.

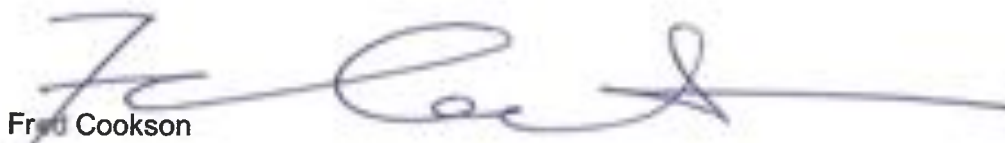
Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

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.



Fred Cookson
Cookson Forbes & Associates Chartered Accountants
On behalf of the Auditor-General
Opotiki, New Zealand