

# Annual Report

Elsthorpe School  
For the year ended 31 December 2018

## School Directory

**Ministry Number:** 2556  
**Principal:** Patricia Ross  
**School Address:** 25 Kenderdine Road, Elsthorpe  
**School postal code:** 4277  
**School Phone:** 06-8584228  
**School Email:** office@elsthorpe.school.nz

### Members of the Board of Trustees

Name	Position	How Position Gained	Term Expires
Struan Bell	Chair person	Elected	May 2019
Rebecca Gray	Vice Chair person	Elected	May 2019
Sarah Laugesen	Principal ex officio		
Greg Hart	Treasurer	Elected	May 2019
Philip Knowles	Parent Rep	Elected	Nov 2020
Geoff Strong	Parent Rep	Elected	Nov 2020
Mark Ferguson	Parent Rep	Selected	Nov 2020
Ange Scott	Secretary	Appointed	-
Horiana Goldsmith	Staff Rep	Elected	Jan 2018

**Accountant / Service Provider:** School Support Ltd

# Elsthorpe School

Annual Report - For the year ended 31 December 2018

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# Statement of Responsibility

Elsthorpe School

For the year ended 31 December 2018

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 2018 fairly reflects the financial position and operations of the school.

The School's 2018 financial statements are authorised for issue by the Board.

~~Struan Bell~~ LUCIE GILBERTSON

Full Name of Board Chairperson



Signature of Board Chairperson

Date: 16/1/19

~~Sarah Laugesen~~ ADA Crawford

Full Name of Principal



Signature of Principal

Date: 16/1/19

# Statement of Comprehensive Revenue and Expense

## Elsthorpe School

For the year ended 31 December 2018

	NOTES	2018 ACTUAL	2018 BUDGET (UNAUDITED)	2017 ACTUAL
<b>Revenue</b>				
Government Grants	1	468,992	459,613	480,699
Locally Raised Funds	2	83,803	78,400	96,007
Interest & Dividends Received		643	350	678
<b>Total Revenue</b>		<b>553,438</b>	<b>538,363</b>	<b>577,384</b>
<b>Expenses</b>				
Locally raised funds	2	54,546	48,900	35,368
Learning Resources	3	358,933	336,272	353,663
Administration	4	45,798	43,810	45,150
Finance		435	-	755
Property	5	114,280	117,146	100,649
Depreciation	6	16,454	12,000	15,190
Loss on Sale of Assets		3,735	-	720
<b>Total Expenses</b>		<b>594,181</b>	<b>558,128</b>	<b>551,495</b>
<b>Net Surplus/(Deficit) for the year</b>		<b>(40,743)</b>	<b>(19,765)</b>	<b>25,889</b>
<b>Other Comprehensive Revenue and Expenses</b>		<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Comprehensive Revenue and Expense for the Year</b>		<b>(40,743)</b>	<b>(19,765)</b>	<b>25,889</b>

The above Statement of Comprehensive Revenue and Expense should be read in conjunction with the accompanying notes.

# Statement of Changes in Net Assets/Equity

## Elsthorpe School

For the year ended 31 December 2018

	2018 ACTUAL	BUDGET 2018 (UNAUDITED)	2017 ACTUAL
<b>Equity</b>			
Balance at 1 January	475,232	475,232	449,343
Total comprehensive revenue and expense for the year	(40,743)	(19,765)	25,889
Capital Contributions from the Ministry of Education	1,246	-	-
Equity at 31 December	435,735	455,467	475,232
<b>Retained Earnings</b>			
Equity at 31 December	435,735	455,467	475,232

The above Statement of Changes in Net Assets/Equity should be read in conjunction with the accompanying notes.

# Statement of Financial Position

## Elsthorpe School As at 31 December 2018

	NOTES	2018 ACTUAL	2018 BUDGET (UNAUDITED)	2017 ACTUAL
<b>Current Assets</b>				
Cash and Cash Equivalents	7	196,752	221,526	225,690
Accounts Receivable	8	19,927	18,921	18,921
GST Receivable		1,853	-	-
Prepayments		179	298	298
Inventories	9	66,349	71,515	71,515
<b>Total Current Assets</b>		<b>285,059</b>	<b>312,260</b>	<b>316,424</b>
<b>Current Liabilities</b>				
GST Payable		-	1,234	1,234
Accounts Payable	11	32,967	43,631	28,030
Provision for Cyclical Maintenance	12	2,333	-	-
Finance Lease Liability - Current Portion	13	2,407	3,799	3,799
<b>Total Current Liabilities</b>		<b>37,707</b>	<b>48,664</b>	<b>33,063</b>
<b>Working Capital Surplus/(Deficit)</b>		<b>247,352</b>	<b>263,596</b>	<b>283,361</b>
<b>Non-Current Assets</b>				
Property, Plant and Equipment	10	206,664	212,898	212,898
<b>Total Non-Current Assets</b>		<b>206,664</b>	<b>212,898</b>	<b>212,898</b>
<b>Non-Current Liabilities</b>				
Provision for Cyclical Maintenance	12	18,243	19,017	19,017
Finance Lease Liability	13	38	2,010	2,010
<b>Total Non-Current Liabilities</b>		<b>18,282</b>	<b>21,027</b>	<b>21,027</b>
<b>Net Assets</b>		<b>435,735</b>	<b>455,467</b>	<b>475,232</b>
<b>Equity</b>				
Equity		435,735	455,467	475,232
<b>Total Equity</b>		<b>435,735</b>	<b>455,467</b>	<b>475,232</b>

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

# Statement of Cash Flows

## Elsthorpe School

For the year ended 31 December 2018

	NOTES	2018 ACTUAL	2018 BUDGET (UNAUDITED)	2017 ACTUAL
<b>Statement of Cashflows</b>				
<b>Cashflows from Operating Activities</b>				
Government Grants		128,362	120,317	134,667
Locally Raised Funds		83,804	21,000	96,007
Goods & Services Tax (net)		(3,087)	-	4,088
Payments to Employees		(82,109)	(76,020)	(74,235)
Payments to Suppliers		(134,269)	(52,150)	(128,795)
Cyclical Maintenance Payments in the year		(5,774)	-	-
Interest Paid		(435)	-	(755)
Interest & Dividends Received		643	350	678
Funds Administered on Behalf of Third Parties		-	-	-
<b>Net Cash from / (to) Operating Activities</b>		<b>(12,865)</b>	<b>13,497</b>	<b>31,655</b>
<b>Cashflows from Investing Activities</b>				
Proceeds from Sale of PPE (and Intangibles)		1,265	-	-
Purchase of PPE (and Intangibles)		(17,634)	(14,700)	(13,951)
Purchase of Investments		-	-	-
Proceeds from Sale of Investments		-	-	-
<b>Net Cash from / (to) Investing Activities</b>		<b>(16,369)</b>	<b>(14,700)</b>	<b>(13,951)</b>
<b>Cashflows from Financing Activities</b>				
Furniture and Equipment Grant		1,246	-	-
Finance Lease Payments		(950)	(2,961)	(2,808)
Funds Held for Capital Works Projects		-	-	(1,250)
<b>Net cash from Financing Activities</b>		<b>296</b>	<b>(2,961)</b>	<b>(4,058)</b>
<b>Net Increase/(decrease) in cash and cash equivalents</b>		<b>(28,938)</b>	<b>(4,164)</b>	<b>13,646</b>
Cash and cash equivalents at the beginning of the year	7	225,690	225,690	212,044
Cash and cash equivalents at the end of the year	7	196,752	221,526	225,690

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

The above Cash Flow Statement should be read in conjunction with the accompanying notes.

# Statement of Accounting Policies

## Elsthorpe School

For the year ended 31 December 2018

### Statement of Accounting Policies

#### a) Reporting Entity

Elsthorpe 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.

#### b) Basis of Preparation

##### Reporting Period

The financial reports have been prepared for the period 1 January 2018 to 31 December 2018 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".

##### 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 10.

#### **Critical Judgements in applying accounting policies**

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

##### *Classification of leases*

The School reviews the details of lease agreements at the end of each reporting date. The School believes the classification of each lease as either operation or finance is appropriate and reflects the nature of the agreement in place. Finance leases are disclosed at note 13.

##### *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 1.

#### **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**

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.

**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 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.

### 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.

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.

#### **Leased Assets**

Leases where the School assumes substantially all the risks and rewards of ownership are classified as finance leases. The assets acquired by way of finance lease are measured at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease, less accumulated depreciation and impairment losses. Leased assets and corresponding liability are recognised in the Statement of Financial Position and leased assets are depreciated over the period the School is expected to benefit from their use or over the term of the lease.

#### **Depreciation**

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

The estimated useful lives of the assets are:

Building improvements to Crown Owned Assets	10-75 years
Furniture and equipment	10-15 years
Information and communication technology	4-5 years
Motor vehicles	5 years
Textbooks	3 years
Leased assets held under a Finance Lease	4 years
Library resources	12.5% Diminishing value

## **l) Intangible Assets**

### *Software costs*

Computer software acquired by the School is 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 licences with individual values under \$1,000 are not capitalised, they 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, 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

#### **p) Revenue Received in Advance**

Revenue received in advance relates to fees received from students 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.

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

#### **r) 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).

#### **s) Financial Assets and Liabilities**

The School's financial assets comprise of 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, 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.

#### **t) Borrowings**

Borrowings are recognised at the amount borrowed. 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 the balance date.

#### **u) 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.

#### **v) Budget Figures**

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

#### **w) 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.

# Notes to the Financial Statements

## Elsthorpe School

For the year ended 31 December 2018

	2018 ACTUAL	2018 BUDGET (UNAUDITED)	2017 ACTUAL
<b>1. Government Grants</b>			
Operational grants	122,450	120,317	127,809
Teachers' Salary grants	272,050	272,050	271,889
Use of Land and Buildings grants	68,580	67,246	74,143
Other MOE grants	5,912	-	6,858
<b>Total Government Grants</b>	<b>468,992</b>	<b>459,613</b>	<b>480,699</b>
	2018 ACTUAL	2018 BUDGET (UNAUDITED)	2017 ACTUAL

## 2. Locally Raised Funds

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

### Revenue

Donations	3,576	-	16,190
Activities	4,174	6,900	2,548
Trading	46,912	47,500	50,991
Fundraising	10,460	5,000	2,161
School House	12,279	19,000	18,010
Transport Revenue	6,403	-	6,107
<b>Total Revenue</b>	<b>83,803</b>	<b>78,400</b>	<b>96,007</b>

### Expenses

Trading	31,816	33,900	25,974
Transport	15,779	-	3,319
School House	6,951	15,000	6,075
<b>Total Expenses</b>	<b>54,546</b>	<b>48,900</b>	<b>35,368</b>

Surplus/ (Deficit) for the year Locally raised funds

	2018 ACTUAL	2018 BUDGET (UNAUDITED)	2017 ACTUAL
	29,257	29,500	60,639

## 3. Learning Resources

Curricular	21,387	23,300	19,518
Equipment Repairs	941	500	265
Information and communication technology	5,514	3,380	4,916
Extra-curricular activities	4,846	5,400	11,304
Library resources	136	150	173
Employee benefits - salaries	320,574	296,542	313,249
Staff development	5,535	7,000	4,238
<b>Total Learning Resources</b>	<b>358,933</b>	<b>336,272</b>	<b>353,663</b>

	2018 ACTUAL	2018 BUDGET (UNAUDITED)	2017 ACTUAL
<b>4. Administration</b>			
Audit Fee	3,870	3,760	3,760
Board of Trustees Fees	4,105	5,400	4,360
Board of Trustees Expenses	5,201	1,400	3,890
Communication	1,224	1,750	1,764
Consumables	6,924	3,400	2,582
Other	1,785	3,850	3,426
Employee Benefits - Salaries	17,124	17,350	17,367
Insurance	465	2,400	2,901
Service Providers, Contractors & Consultancy	5,100	4,500	5,100
<b>Total Administration</b>	<b>45,798</b>	<b>43,810</b>	<b>45,150</b>

	2018 ACTUAL	2018 BUDGET (UNAUDITED)	2017 ACTUAL
<b>5. Property</b>			
Caretaking and Cleaning Consumables	3,725	3,150	2,095
Cyclical Maintenance Expense	7,333	5,000	(4,765)
Grounds	8,436	4,900	5,072
Heat, Light and Water	8,146	5,650	7,711
Repairs and maintenance	3,044	620	584
Use of Land and Buildings	67,246	82,126	74,143
Employee Benefits - Salaries	16,350	15,700	15,809
<b>Total Property</b>	<b>114,280</b>	<b>117,146</b>	<b>100,649</b>

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.

	2018 ACTUAL	2018 BUDGET (UNAUDITED)	2017 ACTUAL
<b>6. Depreciation of Property, Plant &amp; Equipment</b>			
Building Improvements	4,318	3,000	4,083
Furniture and Equipment	5,906	2,500	536
Other	-	-	3,716
Information and Communication Technology	2,011	3,000	2,387
Leased Assets	2,414	2,000	2,337
Library Resources	1,805	1,500	2,131
<b>Total Depreciation of Property, Plant &amp; Equipment</b>	<b>16,454</b>	<b>12,000</b>	<b>15,190</b>



	2018 ACTUAL	2018 BUDGET (UNAUDITED)	2017 ACTUAL
<b>7. Cash &amp; Cash Equivalents</b>			
Bank Current Account	16,886	61,526	59,312
Bank Call Accounts	179,865	160,000	166,377
Cash and cash equivalents for Cash Flow Statement	196,752	221,526	225,690

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

	2018 ACTUAL	2018 BUDGET (UNAUDITED)	2017 ACTUAL
<b>8. Accounts Receivable</b>			
<b>Accounts Receivable</b>			
Teachers Salaries Grant Receivable	19,927	18,921	18,921
Total Accounts Receivable	19,927	18,921	18,921

	2018 ACTUAL	2018 BUDGET (UNAUDITED)	2017 ACTUAL
<b>Accounts Receivable</b>			
Receivables from Non-Exchange Transactions	19,927	18,921	18,921
Total	19,927	18,921	18,921

	2018 ACTUAL	2018 BUDGET (UNAUDITED)	2017 ACTUAL
<b>9. Inventories</b>			
Stationery	1,598	1,638	1,638
School Uniforms	3,751	3,637	3,637
Livestock	61,000	66,240	66,240
Total Inventories	66,349	71,515	71,515

## 10. Property, Plant & Equipment

<b>2018</b>	<b>Opening Balance (NBV)</b>	<b>Additions</b>	<b>Disposals</b>	<b>Depreciation</b>	<b>Total (NBV)</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Buildings and Grounds	170,295	-	-	(4,318)	<b>165,977</b>
Furniture and Equipment	18,521	10,698	-	(5,906)	<b>23,313</b>
Information and Communication Technology	3,655	-	-	(2,011)	<b>1,644</b>
Leased Assets	5,432	-	-	(2,414)	<b>3,018</b>
Library Resources	14,922	3,330	(3,735)	(1,805)	<b>12,712</b>
Textbooks	73	-	(73)	-	-
<b>Balance at 31 December 2018</b>	<b>212,898</b>	<b>14,028</b>	<b>(3,808)</b>	<b>(16,454)</b>	<b>206,664</b>

<b>2018</b>	<b>Cost or Valuation</b>	<b>Accumulated Depreciation</b>	<b>Net Book Value</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Buildings and Grounds	218,225	(52,248)	<b>165,977</b>
Furniture and Equipment	170,997	(147,684)	<b>23,313</b>
Information and Communication	37,317	(35,673)	<b>1,644</b>
Leased Assets	10,242	(7,224)	<b>3,018</b>
Library Resources	31,993	(19,281)	<b>12,712</b>
<b>Balance at 31 December 2018</b>	<b>468,774</b>	<b>(262,110)</b>	<b>206,664</b>

2017	Opening Balance (NBV)	Additions	Disposals	Depreciation	Total (NBV)
	\$	\$	\$	\$	\$
Buildings and Grounds	174,378	-	-	(4,083)	170,295
Furniture and Equipment	14,563	8,210	-	(4,252)	18,521
Information and Communication Technology	2,344	3,697	-	(2,387)	3,655
Leased Assets	6,378	1,391	-	(2,337)	5,432
Library Resources	15,729	2,044	(720)	(2,131)	14,922
Textbooks	73	-	-	-	73
<b>Balance at 31 December 2017</b>	<b>213,465</b>	<b>15,342</b>	<b>(720)</b>	<b>(15,190)</b>	<b>212,898</b>

2017	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$
Buildings and Grounds	218,225	(47,930)	170,295
Furniture and Equipment	160,299	(141,778)	18,521
Information and Communication Technology	37,317	(33,662)	3,655
Leased Assets	10,242	(4,810)	5,432
Library Resources	38,233	(23,311)	14,922
Textbooks	73	-	73
<b>Balance at 31 December 2017</b>	<b>464,389</b>	<b>(251,491)</b>	<b>212,898</b>

The net carrying value of equipment held under a finance lease is \$3,018 (2017: \$5,432)

2018 ACTUAL	2018 BUDGET (UNAUDITED)	2017 ACTUAL
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## 11. Accounts Payable

### Accounts Payable

Operating Creditors	8,076	23,631	4,144
Accruals	3,870	-	3,760
Banking Staffing Overuse	193	-	-
Employee Entitlements - salaries	19,927	20,000	19,370
Employee Entitlements - Leave accrual	901	-	756
<b>Total Accounts Payable</b>	<b>32,967</b>	<b>43,631</b>	<b>28,030</b>

	2018 ACTUAL	2018 BUDGET (UNAUDITED)	2017 ACTUAL
<b>Accounts Payable</b>			
Payables for Exchange Transactions	32,967	43,631	28,030
<b>Total</b>	<b>32,967</b>	<b>43,631</b>	<b>28,030</b>

	2018 ACTUAL	2018 BUDGET (UNAUDITED)	2017 ACTUAL
<b>12. Provision for Cyclical Maintenance</b>			
Provision at Start of the Year	19,017	19,017	23,782
Increase/ (decrease) to Provision During the Year	7,333	5,000	(4,765)
Use of the Provision During the year	(5,774)	(5,000)	-
Provision at the End of the Year	20,576	19,017	19,017
<b>Total Provision</b>			
Cyclical Maintenance - Current	2,333	-	-
Cyclical Maintenance - Term	18,243	19,017	19,017
<b>Total</b>	<b>20,576</b>	<b>19,017</b>	<b>19,017</b>

	2018 ACTUAL	2018 BUDGET (UNAUDITED)	2017 ACTUAL
<b>13. Finance Lease Liability</b>			
The School has entered into a number of finance lease agreements for computers and other ICT equipment. Minimum lease payments payable:			
No Later than One Year	2,407	3,799	3,799
Later than One Year and no Later than Five Years	140	2,010	2,547
Later than Five Years	-	-	-
<b>Total</b>	<b>2,547</b>	<b>5,809</b>	<b>6,346</b>

#### 14. Funds held for Capital Works Projects

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

2018		Opening Balances	Receipts from MoE	Payments	BOT Contributions	Closing Balance
		\$	\$	\$	\$	\$
Blk B Heat Pump	Completed	0	8,115	(8,115)	0	0
<b>Total</b>		<b>0</b>	<b>8,115</b>	<b>(8,115)</b>	<b>0</b>	<b>0</b>

2017		Opening Balances	Receipts from MOE	Payments	BOT Contributions	Closing Balance
		\$	\$	\$	\$	\$
Heating - Health & Safety	Completed	1250	5474	6724	0	0
Total		1250	5474	6724	0	0

### 15. 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.

## 16. Remuneration

### *Key management personnel compensation*

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

	2018	2017
	Actual	Actual
	\$	\$
<b>Board Members</b>		
Remuneration	4,105	4360
Full-time equivalent members	0.08	0.08
<b>Leadership Team</b>		
Remuneration	108,709	107,569
Full-time equivalent members	1	1
<b>Total key management personnel remuneration</b>	<b>112,814</b>	<b>111,929</b>
<b>Total full-time equivalent personnel</b>	<b>1.08</b>	<b>1.08</b>

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:

	2018	2017
	Actual	Actual
<b>Salaries and Other Short-term Employee Benefits:</b>	<b>\$000</b>	<b>\$000</b>
<b>Principal A</b>		
Salary and Other Payments	-	70 - 80
Benefits and Other Emoluments	-	0 - 0
Termination Benefits	-	0 - 0
<b>Principal B</b>		
Salary and Other Payments	130 - 140	20 - 30
Benefits and Other Emoluments	0 - 0	0 - 0
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	2018	2017
	\$000	FTE Number	FTE Number
	110 - 120	0	0
	100- 110	0	0
		0.00	0.00

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

## 17. 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:

	2018 Actual	2017 Actual
Total	0	0
Number of People	0	0

## 18. Contingencies

There are no contingent liabilities (except as stated below) and no contingent assets as at 31 December 2018 (Contingent liabilities and assets at 31 December 2017: 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, however the potential impact on any specific school or individual and any associated historical liability will not be known until further detailed analysis has been completed. To the extent that any obligation cannot reasonably be quantified at 31 December 2018, a contingent liability for the school may exist.

## 19. Commitments

### a) Capital Commitments

As at 31 December 2018 the Board has entered into contract agreements for capital works as follows: Nil

(Capital commitments at 31 December 2017: nil)

### b) Operating Commitments

As at 31 December 2018 the Board has entered into the following contracts:

(a) operating lease of computer equipment;

	2018 Actual	2017 Actual
	\$	\$
No later than One Year	3169	5202
Later than One Year and No Later than Five Years	1262	4331
Later than Five Years	0	0
	4431	9533



## 20. 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.

## 21. Financial Instruments

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

	2018 ACTUAL	2018 BUDGET (UNAUDITED)	2017 ACTUAL
<b>Loans and receivables</b>			
Cash and Cash Equivalents	196,752	221,526	225,690
Receivables	19,927	18,921	18,921
<b>Total Loans and receivables</b>	<b>216,679</b>	<b>240,447</b>	<b>244,611</b>

	2018 ACTUAL	2018 BUDGET (UNAUDITED)	2017 ACTUAL
<b>Financial liabilities measured at amortised cost</b>			
Payables	32,967	43,631	28,030
Finance Leases	2,445	5,809	5,809
<b>Total Financial Liabilities Measured at Amortised Cost</b>	<b>35,411</b>	<b>49,440</b>	<b>33,839</b>

## 22. Events after Balance Date

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

## 23. Comparatives

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

## 24. Breach of Law - Failure to meet Statutory Reporting Deadline

The Board of Trustees did not comply with Section 87A of the Education Act, in that it did not submit its Annual Financial Statements for audit by 31 March 2019.

## 25. Breach of Law - Failure to meet Statutory Reporting Deadline

Under Section 87C of the Education Act 1989, the Board of Trustees is required to forward audited financial statements to the Ministry of Education by 31st May 2019. This deadline was not met.

# Kiwisport Statement

## Elsthorpe School

### For the year ended 31 December 2018

Kiwisport is a Government funding initiative to support students' participation in organised sport. In 2018, the school received Kiwi Sport funding of \$694.99. The funding was spent on the organisational running of the annual CHB Ripa Rugby, 5 Aside Tournament and Cross Country Tournament.

Analysis of Variance 2018

<p><b>Strategic Target 1.</b> To enhance student achievement through the improvement of teacher delivery to raise student achievement to meet the National Curriculum and COL targets.</p>							
<p><b>Historical:</b> The students are reading confidently when doing running records but they are still not testing very high with the STAR test, PAT reading comprehension and vocabulary. (STAR data Feb 2018- 7 boys and 2 girls with stanine 2-4, 8 boys and 3 girls stanine 5-6, 3 boys and 10 girls stanine 7-9), (PAT Reading comp data 2017- 3 boys and 1 girl stanine 2-4, 4 boys and 2 girls stanine 5-6, 1 boy and 2 girls stanine 7-9), (PAT Vocab data 2017- 3 boys and 1 girls stanine 2-4, 6 boys and 4 girls stanine 5-6, 1 boy and 2 girls stanine 7-9).</p>							
<p><b>Baseline Data against the National Standards Nov 2017.</b></p>	<p><b>Reading</b></p> <table border="0"> <tr> <td>Working above</td> <td>39% (13 students)</td> </tr> <tr> <td>Working at</td> <td>37% (12 students)</td> </tr> <tr> <td>Working below</td> <td>24% (8 students)</td> </tr> </table>	Working above	39% (13 students)	Working at	37% (12 students)	Working below	24% (8 students)
Working above	39% (13 students)						
Working at	37% (12 students)						
Working below	24% (8 students)						
<p><b>Target 1:</b> All students in this group will have made accelerated progress against the National Curriculum Level in Reading by the end of 2018, as measured by a range of assessment tools and OTJ's.</p>							
<p><b>Base Line Data November 2018</b></p> <p><b>Reading</b></p> <p>22% working above their expected curriculum level.          66% working at their expected curriculum level.          12.5% working below their expected curriculum level.</p>	<p><b>Analysis</b></p> <p>Reading is progressing steadily upwards which is great to see.          The use of PACT is helping to build a more consistent picture of student achievement in reading.          There are 4 students who are below their expected curriculum for reading. They have made progress over the year but are just below the expected level.</p>						
<p><b>Outcome</b></p> <p>The use of the reading together has helped to strengthen the reading at home practices.          To continue to use parent support and Teacher Aides to help strengthen reading habits and strategies.          The purchase of new reading books, high interest for boys 7 to 8 years and chapter books for the senior school has helped with more engagement in reading this year.          To train and implement Reading recovery in 2019.</p>							

Analysis of Variance 2018

<b>Strategic Target 1. To enhance student achievement through the improvement of teacher delivery to raise student achievement to meet the National Curriculum and COL targets.</b>		
<b>Historical:</b> Students are not very disciplined at setting out work in paragraphs, proof reading and re-crafting their written stories. They have a strength in creative writing but are not making the links to different writing styles used in other curriculum areas.		
<b>Baseline Data against the National Standards Nov 2017.</b>	<b>Writing</b>  Working above 21% (7 students) Working at 48 % (16 students) Working below 30% (10 students)	<b>Cohort for 2018:</b> Year 3-7 students (33 student in cohort)
<b>Target 2: Writing, to improve student's ability to develop the structure of their writing (paragraphs and re-crafting) and to improve grammar. To move students 2 sub levels. Focus on Yr 3 to 7 students.</b>		
<b>Base Line Data November 2018</b>	<b>Analysis</b>	<b>Outcome</b>
<b>Writing</b> 9% are working above their expected curriculum level. 56% are working at their expected curriculum level 37% are working below their expected curriculum level.	The data shows that we have 12 students who are below expectation. This may be because they haven't made any accelerated progress and have only moved on one sub level where they needed to have moved 2 sublevels. This could also be the reason why several students have gone from being Above to At their curriculum level.	Writing needs to be a focus for our teacher inquiry in 2019. Phonics needs to be a focus in the junior school We have several students sitting just below their expected curriculum level. We are looking at re-working the school time table for 2019 so there is block for writing which will be uninterrupted. We need to ensure they students are getting explicit writing instructions and understand their leaning progressions. To use PACT in 2019 to moderate students writing.

Analysis of Variance 2018

<b>Strategic Target 1. To enhance student achievement through the improvement of teacher delivery to raise student achievement to meet the National Curriculum and COL targets.</b>		
<p><b>Historical:</b> The students are not applying knowledge to different areas and problems. Basic facts have been weak and not automatic, fraction and decimal knowledge has been poor. (PAT Math data 2017- 1 boy and 2 girl's stanine 4, 5 boys and 3 girl's stanine 5-6, 3 boys and 3 girl's stanine 7-9.) (2018 - Number Knowledge test Feb 2018. 12 students working below their stage level, 13 students working at their appropriate stage level, 8 students working above their stage level).</p>		
<p><b>Baseline Data against the National Standards Nov 2017.</b></p>	<p><b>Mathematics</b>                      Working above 12% (4 students)                       Working at 82%(27 students)                      Working below 6% (2 students)</p>	<p><b>Cohort for 2018:</b>                      Year 3-7 students (33 students in cohort)</p>
<p><b>Target 3: Mathematics - To move students one curriculum sub level in Math. Focus on Yr 3 to 7 students.</b></p>		
<p><b>Base Line Data November 2018</b></p>		
<p><b>Mathematics</b>                       25% working above their expected curriculum level .                      62% working at their expected curriculum level.                      12.5% working below their expected curriculum level.</p>	<p><b>Analysis</b>                       There has been a positive shift with students mostly moving up and a couple of students have slipped back however overall the students have been making sound progress. Data may have varied as we have now moved to PACT and it will take time to ensure moderation is consistent.</p>	<p><b>Outcome</b>                       To continue the math 2 year rotation plan to ensure good math coverage.                      To continue using teaching strategies we know are working and to continue supporting classroom practice with Teacher aides to reinforce learning.                      Ensure we have the resourcing materials needed to teach the different areas.</p>



## INDEPENDENT AUDITOR'S REPORT

### TO THE READERS OF ELSTHORPE SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

The Auditor-General is the auditor of Elsthorpe School (the School). The Auditor-General has appointed me, Victoria Jane Lawson, using the staff and resources of PricewaterhouseCoopers, to carry out the audit of the financial statements of the School on his behalf.

#### **Opinion**

We have audited the financial statements of the School on pages 2 to 23, that comprise the statement of financial position as at 31 December 2018, 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 2018; and
  - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Standards Reduced Disclosure Regime issued in New Zealand (PBE Standards RDR)

Our audit was completed on 16 July 2019. 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 matters. 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 information included within the Kiwisport Statement which forms part of the Annual Report, but does not include the financial statements, and our auditor's report thereon.

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

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





**Independence**

We are independent of the School in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1 (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.

A handwritten signature in blue ink, appearing to read 'V. J. Lawson', is written over a large, light blue circular scribble.

**Victoria Jane Lawson**  
**PricewaterhouseCoopers**  
**On behalf of the Auditor-General**  
**Napier, New Zealand**