WAIHAO DOWNS SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

School Directory

Ministry Number:	3567
Principal:	Kere-Pania Adams
School Address:	1139 Hakataramea Highway, RD 7, Waimate 7977
School Postal Address:	1139 Hakataramea Highway, RD 7, Waimate 7977
School Phone:	(03) 689 2734
School Email:	office@waihaodowns.school.nz

Members of the Board

Position	Name/How Position Gained	Term Expired/ Expires
Presiding Member	Dan Studholme (co-opted)	1/06/2025
Principal	Kere-Pania Adams	1/06/2025
Parent Rep	Carmen Hurst (via election)	1/01/2022
Parent Rep	Quintin Paul (via election)	1/06/2025
Parent Rep	Dan Higinbottom (co-opted)	1/06/2025
Parent Rep	Lucy Cameron (co-opted)	1/06/2025
Parent Rep	Ben Hart (co-opted)	1/06/2025
Parent Rep	Sonya Henshaw (co-opted) 10/8/22	1/06/2025
Parent Rep	Andrea Harborne (co-opted) 10/8/22	1/06/2025
Staff Rep	Maggie Robertson	1/06/2025

Accountant / Service Provider: HC Partners LP
Chartered Accountants
101 Queen Street
Waimate 7960

WAIHAO DOWNS SCHOOL

Annual Report - For the year ended 31 December 2022

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Waihao Downs School

Statement of Responsibility

For the year ended 31 December 2022

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

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

It is the opinion of the Board and management that the annual financial statements for the financial year ended 31 December 2022 fairly reflects the financial position and operations of the school.

The School's 2022 financial statements are authorised for issue by the Board.

Dan Studholme	Kere-Pania Adams
Full Name of Presiding Member	Full Name of Principal
Signed by: Dan Studholme 64006836437E9690	Signed by: Kere-Pania Adams 3A50E4E45BFA75BE
Signature of Presiding Member	Signature of Principal
Date: 03/08/2023	Date: 07/08/2023

Waihao Downs School
Statement of Comprehensive Revenue and Expense
For the year ended 31 December 2022

	Notes	2022 Actual $	2022 Budget (Unaudited) $	2021 Actual $
Revenue				
Government Grants	2	726,534	161,513	640,021
Locally Raised Funds	3	53,036	31,590	44,741
Interest Income		683	100	108
Other Revenue		2,478	2,360	2,088
Total Revenue		782,731	195,563	686,958
Expenses				
Locally Raised Funds	3	22,269	16,950	22,335
Learning Resources	4	527,016	69,263	498,234
Administration	5	90,610	57,291	64,556
Finance		288	-	347
Property	6	143,230	43,005	132,542
		783,413	186,509	718,014
Net Surplus / (Deficit) for the year		(682)	9,054	(31,056)
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		(682)	9,054	(31,056)

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

BDO INVERCARGILL

Waihao Downs School
Statement of Changes in Net Assets/Equity
For the year ended 31 December 2022

	Notes	2022 Actual $	2022 Budget (Unaudited) $	2021 Actual $
Equity at 1 January		108,336	104,193	135,251
Total comprehensive revenue and expense for the year		(682)	9,054	(31,056)
Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		1,875	4,141	4,141
Equity at 31 December		109,529	117,388	108,336
Accumulated comprehensive revenue and expense		109,529	117,388	108,336
Equity at 31 December		109,529	117,388	108,336

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.

BDO INVERCARGILL

Waihao Downs School
Statement of Financial Position
As at 31 December 2022

	Notes	2022 Actual $	2022 Budget (Unaudited) $	2021 Actual $
Current Assets				
Cash and Cash Equivalents	7	79,113	110,116	106,062
Accounts Receivable	8	306,897	36,467	36,467
Prepayments		2,855	2,605	2,606
Inventories	9	3,507	2,895	2,895
Funds Receivable for Capital Works Projects	14	82,142	-	-
		474,513	152,083	148,030
Current Liabilities				
GST Payable		31,766	755	755
Accounts Payable	11	109,116	51,865	51,865
Finance Lease Liability	13	5,593	5,574	5,573
Funds held for Capital Works Projects	14	288,030	59,530	59,530
		434,505	117,724	117,723
Working Capital Surplus/(Deficit)		40,008	34,359	30,307
Non-current Assets				
Property, Plant and Equipment	10	102,833	114,351	109,352
		102,833	114,351	109,352
Non-current Liabilities				
Provision for Cyclical Maintenance	12	24,793	18,596	18,596
Finance Lease Liability	13	8,518	12,726	12,726
		33,311	31,322	31,322
Net Assets		109,529	117,388	108,336
Equity		109,529	117,388	108,336

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

BDO INVERCARGILL

Waihao Downs School
Statement of Cash Flows
For the year ended 31 December 2022

	Note	2022 Actual $	2022 Budget (Unaudited) $	2021 Actual $
Cash flows from Operating Activities				
Government Grants		215,894	161,513	197,569
Locally Raised Funds		52,201	33,950	47,498
Goods and Services Tax (net)		31,011	-	(4,653)
Payments to Employees		(165,917)	(113,513)	(144,596)
Payments to Suppliers		(111,327)	(72,996)	(107,856)
Interest Paid		(288)	-	(347)
Interest Received		683	100	108
Net cash from/(to) Operating Activities		22,257	9,054	(12,277)
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(8,952)	(5,000)	(1,939)
Net cash from/(to) Investing Activities		(8,952)	(5,000)	(1,939)
Cash flows from Financing Activities				
Furniture and Equipment Grant		1,875	-	4,141
Finance Lease Payments		(6,718)	-	(6,049)
Funds Administered on Behalf of Third Parties		(35,411)	-	59,530
Net cash from/(to) Financing Activities		(40,254)	-	57,622
Net increase/(decrease) in cash and cash equivalents		(26,949)	4,054	43,406
Cash and cash equivalents at the beginning of the year	7	106,062	106,062	62,656
Cash and cash equivalents at the end of the year	7	79,113	110,116	106,062

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.

BDO INVERCARGILL

Waihao Downs School
Notes to the Financial Statements
For the year ended 31 December 2022

1. Statement of Accounting Policies

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

b) Basis of Preparation
Reporting Period
The financial statements have been prepared for the period 1 January 2022 to 31 December 2022 and in accordance with the requirements of the Education and Training Act 2020.

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

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

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

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

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

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

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

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

Cyclical maintenance
A school recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's best estimate of the cost of painting the school and when the school is required to be painted, based on an assessment of the school's condition. During the year, the Board assesses the reasonableness of its painting maintenance plan on which the provision is based. Cyclical maintenance is disclosed at note 12

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
Determining whether a lease is a finance lease or an operating lease requires judgement as to whether the lease transfers substantially all the risks and rewards of ownership to the school. A lease is classified as a finance lease if it transfers substantially all risks and rewards incidental to ownership of an underlying asset to the lessee. In contrast, an operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset to the lessee. Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant, and equipment, whereas for an operating lease no such asset is recognised. Finance lease liability disclosures are contained in note 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 2.

c) Revenue Recognition

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

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

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

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

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

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

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

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

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

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

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

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

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

h) Inventories
Inventories are consumable items held for sale and comprised of 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.

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

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

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

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

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

Depreciation
Property, plant and equipment is depreciated using both Straight line and diminishing value method. 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	10–75 years
Furniture and equipment	10–15 years
Information and communication technology	4–5 years
Motor vehicles	5 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value

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

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

In determining fair value less costs to sell the school engages an independent valuer to assess market value based on the best available information. The valuation is based on [details of the valuer's approach to determining market value (i.e. what valuation techniques have been employed, comparison to recent market transaction etc.)].

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

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

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

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

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

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

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

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

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

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

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

o) Financial Instruments
The School's financial assets comprise cash and cash equivalents and accounts receivable. All of these financial assets, are initially recognised at fair value and subsequently measured at amortised cost, using the effective interest method.

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

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

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

Commitments and contingencies are disclosed exclusive of GST.

q) Budget Figures
The budget figures are extracted from the School budget that was approved by the Board.

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

2. Government Grants

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	$	$	$
Government Grants - Ministry of Education	225,625	154,835	196,555
Teachers' Salaries Grants	395,668	-	370,147
Use of Land and Buildings Grants	82,840	-	73,319
Other Government Grants	22,401	6,678	-
	726,534	161,513	640,021

The school has opted in to the donations scheme for this year. Total amount received was $10,350.

3. Locally Raised Funds

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

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
Revenue	$	$	$
Donations & Bequests	18,895	10,450	17,984
Fees for Extra Curricular Activities	9,742	1,500	9,627
Trading	6,249	-	911
Other Revenue	18,150	19,640	16,219
	53,036	31,590	44,741
Expenses			
Extra Curricular Activities Costs	4,503	8,050	12,056
Trading	11,874	1,500	5,049
Other Locally Raised Funds Expenditure	5,892	7,400	5,230
	22,269	16,950	22,335
Surplus/ (Deficit) for the year Locally raised funds	30,767	14,640	22,406

4. Learning Resources

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	$	$	$
Curricular	12,262	6,775	14,102
Employee Benefits - Salaries	492,759	56,688	460,108
Staff Development	3,995	5,800	5,202
Depreciation	18,000	-	18,822
	527,016	69,263	498,234

5. Administration

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	$	$	$
Audit Fee	4,546	3,838	4,414
Board Fees	2,910	4,050	2,560
Board Expenses	-	-	314
Communication	1,737	1,464	1,586
Consumables	7,439	3,750	4,798
Other	21,613	2,310	6,313
Employee Benefits - Salaries	40,360	29,474	33,417
Insurance	7,384	8,200	6,837
Service Providers, Contractors and Consultancy	4,621	4,205	4,317
	90,610	57,291	64,556

6. Property

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	$	$	$
Caretaking and Cleaning Consumables	3,167	1,800	3,292
Cyclical Maintenance Provision	6,197	-	7,696
Grounds	2,888	1,700	2,452
Heat, Light and Water	7,544	7,000	8,136
Rates	1,554	1,504	1,360
Repairs and Maintenance	10,256	3,650	8,608
Use of Land and Buildings	82,840	-	73,319
Employee Benefits - Salaries	28,784	27,351	27,679
	143,230	43,005	132,542

The use of land and buildings figure represents 5% of the school's total property value. Property values are established as part of the nation-wide revaluation exercise that is conducted every 30 June for the Ministry of Education's year-end reporting purposes.

7. Cash and Cash Equivalents

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	$	$	$
Bank Accounts	79,113	110,116	106,062
Cash and cash equivalents for Statement of Cash Flows	79,113	110,116	106,062

Of the $79,113 Cash and Cash Equivalents, $17,894 is held by the School on behalf of the Ministry of Education. These funds have been provided by the Ministry as part of the school's 5 Year Agreement funding for upgrades to the school's buildings. The funds are required to be spent in 2023 on Crown owned school buildings.

8. Accounts Receivable

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	$	$	$
Receivables	4,764	1,451	1,451
Receivables from the Ministry of Education	265,390	3,756	3,756
Teacher Salaries Grant Receivable	36,743	31,260	31,260
	306,897	36,467	36,467
Receivables from Exchange Transactions	4,764	1,451	1,451
Receivables from Non-Exchange Transactions	302,133	35,016	35,016
	306,897	36,467	36,467

9. Inventories

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	$	$	$
School Uniforms	3,507	2,895	2,895
	3,507	2,895	2,895

10. Property, Plant and Equipment

2022	Opening Balance (NBV) $	Additions $	Disposals $	Impairment $	Depreciation $	Total (NBV) $
Land	5,000				-	**5,000**
Buildings	59,434				(1,215)	**58,219**
Furniture and Equipment	14,224	2,186			(3,865)	**12,545**
Information and Communication Technology	3,872	7,504			(2,441)	**8,935**
Leased Assets	15,751	1,792			(8,048)	**9,495**
Library Resources	11,070				(2,431)	**8,639**
Balance at 31 December 2022	109,352	11,482	-	-	(18,000)	**102,833**

The net carrying value of equipment held under a finance lease is $9,495

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

	2022 Cost or Valuation $	2022 Accumulated Depreciation $	2022 Net Book Value $	2021 Cost or Valuation $	2021 Accumulated Depreciation $	2021 Net Book Value $
Land	5,000	-	**5,000**	5,000	-	**5,000**
Buildings	81,000	(22,781)	**58,219**	81,000	(21,566)	**59,434**
Furniture and Equipment	92,646	(80,100)	**12,546**	90,459	(76,235)	**14,224**
Information and Communication Technology	92,650	(83,715)	**8,935**	85,146	(81,274)	**3,872**
Motor Vehicles	4,012	(4,012)	**-**	4,012	(4,012)	**-**
Leased Assets	29,192	(19,698)	**9,494**	31,412	(15,661)	**15,751**
Library Resources	45,640	(37,001)	**8,639**	45,641	(34,571)	**11,070**
Balance at 31 December	350,140	(247,307)	**102,833**	342,670	(233,319)	**109,352**

11. Accounts Payable

	2022 Actual $	2022 Budget (Unaudited) $	2021 Actual $
Creditors	57,253	7,580	7,580
Accruals	8,341	6,564	6,564
Employee Entitlements - Salaries	36,743	32,625	32,625
Employee Entitlements - Leave Accrual	6,779	5,096	5,096
	109,116	51,865	51,865
Payables for Exchange Transactions	109,116	51,865	51,865
	109,116	51,865	51,865

The carrying value of payables approximates their fair value.

12. Provision for Cyclical Maintenance

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	$	$	$
Provision at the Start of the Year	18,596	18,596	20,000
Increase to the Provision During the Year	6,197	-	(1,404)
Provision at the End of the Year	24,793	18,596	18,596
Cyclical Maintenance - Non current	24,793	18,596	18,596
	24,793	18,596	18,596

The schools cyclical maintenance schedule details annual painting to be undertaken, the costs associated to this annual work will vary dependent on the requirements during the year. This plan is based on the schools 10 Year Property plan / [other source of evidence]

13. Finance Lease Liability

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

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	$	$	$
No Later than One Year	5,593	5,573	5,573
Later than One Year and no Later than Five Years	8,518	12,726	12,726
	14,111	18,299	18,299
Represented by			
Finance lease liability - Current	5,593	5,573	5,573
Finance lease liability - Non current	8,518	12,726	12,726
	14,111	18,299	18,299

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. The amount of cash held on behalf of the Ministry for capital works project is included under cash and cash equivalents in note 9.

SIP : H&S New Administration/LSC block	2022	Opening Balances	Receipts from MoE	Payments	Board Contributions	Closing Balances
		$	$	$	$	$
Capital Works - Admin Block		59,530	229,500	(1,000)		288,030
Capital Works - New Potable Water Supply		-	42,710	(124,851)		(82,142)
Totals		59,530	272,210	(125,851)	-	205,889
Represented by:						
Funds Held on Behalf of the Ministry of Education						288,030
Funds Receivable from the Ministry of Education						(82,142)

	2021	Opening Balances	Receipts from MoE	Payments	Board Contributions	Closing Balances
		$	$	$	$	$
SIP : H&S New Administration/LSC block			128,395	(68,865)		59,530
						-
Totals		-	128,395	(68,865)	-	59,530
Represented by:						
Funds Held on Behalf of the Ministry of Education						59,530
Funds Receivable from the Ministry of Education						-

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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 Board members, Principal, Deputy Principals and Heads of Departments.

	2022 Actual $	2021 Actual $
Board Members		
Remuneration	2,910	2,560
Leadership Team		
Remuneration	115,489	109,269
Full-time equivalent members	1	1
Total key management personnel remuneration	118,399	111,829

There are 8 members of the Board excluding the Principal. The Board had held 8 full meetings of the Board in the year. The Board also has Property (2 members) that meet monthly and quarterly respectively. As well as these regular meetings, including preparation time, the Presiding member and other Board members have also been involved in ad hoc meetings to consider student welfare matters including stand downs, suspensions, and other disciplinary matters.

Principal 1

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

	2022 Actual $000	2021 Actual $000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	110-120	100-110
Benefits and Other Emoluments	0-10	0-10
Termination Benefits	-	

Other Employees

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

Remuneration $000	2022 FTE Number	2021 FTE Number
	0.00	0.00

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

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17. Compensation and Other Benefits Upon Leaving

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

	2022 Actual	2021 Actual
Total		$0
Number of People		0

18. Contingencies

There are no contingent liabilities and no contingent assets as at **31 December 2022** (Contingent liabilities and assets at **31 December 2021**: nil).

Holidays Act Compliance – schools payroll
The Ministry of Education performs payroll processing and payments on behalf of boards, through payroll service provider Education Payroll Limited.

The Ministry's review of the schools sector payroll to ensure compliance with the Holidays Act 2003 is ongoing. 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 2022, a contingent liability for the school may exist.

19. Commitments

(a) Capital Commitments

As at 31 December 2022 the Board has entered into contract agreements for capital works as follows:

(a) $538,950 contract for Admin Block - SIP : H & S; New administration LSC block which was due to be completed in 2022, but this has now been extended to end of 2023. This project will be fully funded by the Ministry of Education. $357,895 has been received of which $69,865 has been spent on the project to date.
(b)$218,977 contact for Site: New Potable Water Supply - to be completed end of 2023 which will be fully funded by the Ministry of Education. $42,710 has been received of which $124,851 has been spent on the project to date.

20. 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

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	$	$	$
Cash and Cash Equivalents	79,113	110,116	106,062
Receivables	306,897	36,467	36,467
Total Financial assets measured at amortised cost	386,010	146,583	142,529

Financial liabilities measured at amortised cost

Payables	109,116	51,865	51,865
Finance Leases	14,111	18,300	18,299
Total Financial Liabilities Measured at Amortised Cost	123,227	70,165	70,164

21. Events After Balance Date

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

22. Comparatives

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

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Waihao Downs School

Analysis of Variance 2022

Environment Improvement Journey 2022

Provide a physically and emotionally safe, challenging and enjoyable learning environment

Kia manahuau kia kākanui kā ākoka

Actions (What did we do?)	Outcomes (What happened?)	Reasons for the variance (Why did it happen?)	Evaluation (Where to next?)
1 **Develop a culturally responsive well-being programme.** **Nurture and foster student and staff wellbeing/ hauora)Imbedding school values- underpinned by five-ways to well-being**	Culturally responsive well -being programme- To be developed along with the new Health & Sexuality Curriculum -2023	Staff need time to become familiar with the new curriculum	**To upskill staff with new curriculum - Using PLD and resources from the MOE and MOH**

2 **Embed consistent and fair schoolwide Positive Behaviour practices**	Staff follow the Behaviour Management procedure- All incidents are recorded on HERO	Teacher are able to track students behaviour in the SMS PD has cemented the behaviour management procedures	Continue to upskill as required. Use SMS to track behaviour Continue to promote Positive Behaviour across the school
3 **Work collaboratively with all stakeholders to develop safe and enjoyable teaching and learning spaces.** New **administration building to be built by the MOE.**	**Kere/ BOT** Plans on hold while a new sewage and water systems are investigated. The current systems are not fit for purpose	Submissions made in regards to the upgrade of the sewage and water systems- MOE approved plans	**End of 2022-Ongoing** The Administration plans are still on hold while the sewage and water upgrade are completed. The natural flow sewage system is now fully functional and was completed inJan 2023. A temporary water system has been installed and plans are underway for a new system to be installed in 2023 The project manager is sourcing information for the Admin build that will give us a building fit for purpose. We hope that the building will go to tender at the beginning of 2023
4 **Reroof of Library**	**Deferred to 2023**	Projects on hold in 2022. BOT are wanting to project manage the reroofing to save money that	**Reroofing will go ahead in 2023- The Small Schools Project will**

		can be used in other areas of the school. Small Schools project has to be completed before roof can be started	
5 **Upgrade the Block A - Toilet block/Wet area**	**Deferred to 2023**	Project on hold in 2022	**Ongoing 2023**

Connected Communities Improvement Journey 2022

Strengthen the connection between the school and the community

Whakakahakia kā honoka i waekanui i te kura me te hapori

Actions (What did we do?)	Outcomes (What happened?)	Reasons for the variance (Why did it happen?)	Evaluation (Where to next?)
1 **Promote increased community spirit and parent involvement in the district. Focus on the Goal "The school to be the hub of the community."**	The following community -Working Bee -Sports Challenge -Sports Events -Prize giving -School Trip -Whanau Hui & -Literacy EveningS (COL)	After two years of COVID restriction involvement from the school community has increased.	Continue to promote the school at the hub of the community - Planning to include Parent/whanau involvement at school events.

2 ***Continue to promote effective communication between home and school.*** *Introducing HERO to the parent community at the beginning of 2022. Effectively use the School's Website to communicate with parents..*	The website has been upgraded and up to date information put on regularly. **HERO-** We have introduced the school community this term and our reports will go live on the 13 December. As of 2023 all messages will be through **HERO.**	Working with a web developer to upgrade the website. This new school management system has been a positive attention for the school. Parents are receiving reports via on line and these will show progress over time.	Continue to add relevant information to the website and promote this through our newsletters. As staff become familiar with HERO we will introduce other features including community notices, class notices and staff notices. Goal setting, Bookings for interviews.
3 ***Provide an induction programme for new parents to the school.***	This hasn't happened but PTA will be encouraged to host at least two afternoon meet and greets if we have new parents at school. Especially people who have moved into the district.	Covid and other illnesses continued to impact our school community.	Continue to promote the PTA in our newsletter, Facebook and on our website. PTA providing information for school newsletters

Growing Learners Improvement Journey 2022

Provide children with the tools to become active, adaptable lifelong learners.

Whakatinanatia he marautaka ā-rohe

Actions (What did we do?)	Outcomes (What happened?)	Reasons for the variance (Why did it happen?)	Evaluation (Where to next?)
1 **Implement a curriculum that embraces and embeds local resources, incorporating the local culture and history relevant to the students' lives.**	Teachers worked with the facilitator from ImpactEd to begin the journey of localising our school curriculum. The Maths, Te Reo and Literacy curriculum were reviewed and have been rewritten to reflect our local area.	PLD was secured via MOE funding. We identified the need to establish a localised curriculum that reflects our local area.	Continue to review our school curriculum with the remaining subjects, ie. Science, Social Science, Technology, Art to reflect our local area.

2 **All teachers to be actively involved in reviewing and planning the school curriculum.**	Teachers have been involved in PLD for the localised curriculum. This will be ongoing in 2023 with the roll out of the Curriculum refresh. Teachers will read the Aotearoa Histories of NZ during the holidays and this will be incorporated into our planning	We recognise the need to develop a rich localised curriculum that I students can identify with.	This will be ongoing in 2023 with the roll out of the Curriculum refresh. Teachers will read the Aotearoa Histories of NZ during the holidays and this will be incorporated into our planning
3 **Continue to build on the student Leadership programme.**	The Leadership programme is more robust. The school has two sports leaders and five school leaders that have responsibilities.	We recognised that our senior students needed to be encouraged to step up and take on responsibilities within the school	The leadership programme needs to be developed further. Kahui Ako - Combine with other school to promote leadership in our senior school Leaders to promote the 5C's In 2023 student leaders will take part in a leadership course.

4 **To reinforce the schools values of the "5 C's" Equipping children with the skill set needed to have positive social interaction**	Our school values were revised during our PLD sessions. Student voice was gathered and the goals were defined to reflect our learning environment and students' understanding. Our Values are displayed in all classes.	Worked collaboratively to update our 5C's into Kids speak so that they have a better understanding of our values and how they relate to them	Complete the poster to display throughout our school
5 **To reinforce the Waihao Downs School "Ready to Learn" tools (based from the Davis Learning Strategies)**	Continue to use the tools throughout the school	Teacher incorporating into the daily routine and the release strategies are used when teachers are dealing with behavioural issues	This is ongoing .

Maths Improvement Journey 2022 – Spiral of Inquiry

Strategic Aim	To provide learning opportunities that enable All students to achieve success.
Goal 1	By the end of 2022 All yr 5-8 students will show an upward shift in sublevels in the maths curriculum
Goal 2	Continue to focus on basic facts knowledge in yrs 1-8
Goal 3.	All Maori students will show an upward shift in sublevels in the maths curriculum

Analysis of 2022 Maths Data.

Analysis

Gender EOY: Girls in the below category for maths (22% 9/41) less than a third are higher compared to boys in the same category (13% 4/30) Boys represent (10% 3/30) in the below category. In the at and above category boys (77% 23/30) and girls (78% 32/41) are performing evenly.

Māori EOY: In Maths more than half of Māori students are 'at ' (60% 3/5) slightly higher than European students working 'at' (52% 33/64) However Māori students working below (40% 2/5) are more than 1/3 higher than European Students (14% 12/ 64).

Year Levels: Year 3 - 8 students achieving 'at' ranges between 56 - 84%. A third (35% 16/45) of all students from Yr 3 - 8 are working below or well below expectations in maths. Students in Year 4 and 8 respectively are represented in the well below (18% 3/17)

Analysis of Variance

78% (55/71) of students are working 'at' or above curriculum expectations. Of the 55 students that have been identified as working 'at' or above curriculum expectation there are 32 girls and 23 boys. 23% (16/71) are below or well below. The make-up of this group are as follows; 13 students working below, 9 girls – 2 who started at WDS during the year from another school and 4 boys. Of these 4 boys, 1 started at WDS during the year, 2 are tier 2 students, 1 student with a record of truancy. 10% 3/30 of boys are well below curriculum expectations. Of these boys 1 student with a high record of absences and 2 students are identified as tier 2 students. They have shown some progress within the curriculum level they are working at.

There has been an upwards shift in our Maths results from
EOY 2021 - 70%
Mid Year 2022- 77%
EOY- 2022 - 78%

What contributed to these results?

Current interventions / approaches in mathematics across the schools include… -

- Learning Support Coordinator support
- Teacher Aide Support
- ILP with specific goals in maths for each student.
- Weekly basic facts in homework
- ALIM
- Specific teaching of skills and knowledge followed by repeated practice
- Hands on activities to support learning of new concepts
- Rich tasks to encourage deeper thinking and encouragement to share thinking, extend learning and verbalise strategies and knowledge.
- Deeper questioning to extend learning and verbalise strategies and knowledge.
- Mixed ability grouping- giving students the opportunity to "teach and explain."
- Differentiate programmes to meet the needs of students
- Use small groups for target teaching of concepts and strategies
- Junior school, apps on ipads to support maths learning and skills.

Indicators – students making progress but not meeting Curriculum Achievement levels (Below and Well Below)

- Some of our below/well below students have identified learning needs.
- Low attendance is also a factor for some of these children
- Kaiako has expressed more support required in the teaching of maths – An area teachers would like to continue to develop and focus on.

Reading Improvement Journey 2022 – Spiral of Inquiry

Strategic Aim	To provide learning opportunities that will enable all children to achieve success.
Goal 1	To ensure all students make progress and achieve success in Reading.
Goal 2	Continue to raise the comprehension level of children transitioning from 'learning to read' to 'reading to learn' (level 21-30 /RA 8.5-11yrs)
Goal 3	Raise the achievement of our years 4 and years 8 boys for 2021.
Goal 4	Provide an engaging and relevant reading programme for all Maori students.
Goal 5	Continue to embed Structured Literacy across the school

Analysis of 2022 Reading Data

Gender: EOY 2022- Girls in the 'at' and above category are shown (90% - 37/41) compared to boys in the 'at' and above (74% - 22/30) however, in the below and well below boys have a higher percentage represented (26% 8/30) compared to girls (10%- 4/41).

Māori EOY 2022- More than half of Māori students are represented in the 'at' category (60% -3/5). In the below and well below Māori students are shown as (40% 2/5) compared to European Students (16% 10/64). The well below Māori students are tier 2 students. 1 of these students has advanced 7 reading levels from the beginning of the year and continues to make progress.

Asian: There are 2 identified Asian students at school, 100% of these are reading 'at 'and above the expected curriculum levels

Year Levels: In the Year 4 cohort there is a slight decrease of students in the below and well below (50% 7/14 mid-year data compared to 42% 5/12 EOY data) 1 student has moved from well below to below and 2 students has moved from below to 'at'. Of this cohort girls represent (20% 1/5 compared to boys who represent 80% 4/5) working at below and well below. All students working at below and well below have continued to make progress moving up 4 to 7 reading levels in 2022.

Analysis of Variance.

83% (59/71) of students are working 'at' or above expected curriculum expectations. Of the 21 students that have been identified as working above curriculum expectations there are 5 boys and 16 girls.
17% (12/71) of students are below or well below. The makeup of these groups are as follows; 8 students below (4 girls - 1 of which started at WDS during the year from another school and is a tier 2 student and 4 boys) All students continue to make steady progress. There are 4 students working at well below (4 boys, 2 Māori and 2 NZ- European boys- all identified as Tier 2 students, 1 of the boys started at WDS in Term 2.)

There has been a consistent upward shift in our Reading results

EOY-2021- 70%
Mid Year- 2022- 79%
EOY- 2022- 83%

What contributed to these results?

Current interventions / approaches in reading across the schools include... -

- Learning Support Coordinator support
- Structured Literacy
- Better Start Literacy Approach - Kakano
- Teacher Aide Support
- Specialist Literacy Teacher Support - RTliT Support
- Reading Eggs for Kakano and Pihinga and some Rakau students
- Magic Belt series for older struggling readers on a daily basis

Indicators – Extenuating circumstances - students making progress but not meeting Curriculum Achievement levels (Below and Well Below)

- A number of below/well below students have learning needs and are tier 2 students. They continue to make progress as part of their Individual Education Plan.
- Low attendance is also a factor for some of these children (unjustified attendance)
- A large number of students absence because of illness/COVID
- Lack of engagement from home for some students

Writing Improvement Journey 2022 – Spiral of Inquiry

Strategic Aim	To provide learning opportunities that will enable all children to achieve success.
Goal 1	**"Success for Boys" writing programme to engage and raise the level for all boys in Years 5 - 8.**
Goal 2	**Accelerate Tier 2 targeted students requiring remedial writing support.**
Goal 3	**Accelerate all Maori students to At or Above in writing.**

Analysis ofWriting Data 2022

Analysis

Gender: EOY: There is a higher percentage of boys in the below and well below (43% 13/30 boys) compared to girls in the below and well below (13% 5/41) less than one quarter of all girls. There is a greater representation of girls (87% 36/41) more than half in the 'at' and above category for writing compared to boys (57% 17/30) just over half of all boys at Waihao Downs School are working 'at' and above.

Māori: EOY: Over half of the Māori students (60% 3/5) are in the below category for writing compared to European students (15% 10/64) which represent less than a quarter of all European students. Māori students are not represented in the well below category compared to European students 7% (5/65) . 40% 2/5 of Māori students are consistently working 'at 'in writing.

By Year Level: In writing from year 4 to 7, (44% 17/39) students are working below or well below compared to students working 'at'. (56% 22/39) in years 4 to 7. Just over a quarter (28 % 18/64) of all students from years 1 to 8 are working below or well below compared with (84% 54/64) of students working 'at 'or above.

Analysis of Variance

75% (53/71) of students are working 'at' or above curriculum expectations. Of the 53 students that have been identified as working 'at' or above curriculum expectation there are 36 girls and 17 boys. 25% (18/71) are below or well below. The make-up of this group are as follows; 13 students working below (4 girls – 1 of which started at WDS during the year from another school (tier 2 student) and 9 boys) Of the 9 boys 2 started at WDS during the year and are tier 2 students, 1 student with a record of truancy, 6 boys that are tier 2 students who have shown progress either within the curriculum level they are working at or moving up a level. 3 of these boys are Māori.

There has been a consistent upward shift in our writing results from:

Mid year 2021- 58%
EOY 2021- 68%
Mid Year 2022- 71.5%
EOY 2022- 75%

What contributed to these results?

Current interventions / approaches in writing across the school include... -

- Learning Support Coordinator support
- Better Start Literacy Approach - Kakano Room
- Teacher Aide Support - 1:1, small groups
- RTliT Support
- There is a historical trend that some students moving from Year 2 to 3 plateau as there is a difference in expectations due to curriculum levels
- ILP with specific goals
- Lack of engagement from home
- Reading Eggs - Phonics part of a programme assisting with spelling.

Indicators -students making progress but not meeting Curriculum Achievement levels (Below and Well Below)

A number of well below students' have learning needs (tier 2). They continue to make progress as part of their Individual Learning Plans.
Low attendance (unjustified absences are beginning to impact learning for targeted groups of children.)

Use of Kiwi-sport Funding 2022

The Waihao Downs School has the amount allocated in the Operational Funding, $1103.40(excl GST) for Kiwi-sport to a local sport initiative called Active in Sport.

This is a project involving a cluster of local schools, set up to provide sporting opportunities and coaching in a range of sports for primary school-aged children from these schools, which are mostly small rural schools.

The Active in Sport organisation submit a tender to provide this service, which they, in turn bill the schools involved for.

Our budget amount for Kiwi-sport is directed to this.

Kere Adams
Principal

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INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF WAIHAO DOWNS SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

The Auditor-General is the auditor of Waihao Downs School (the School). The Auditor-General has appointed me, Aaron Higham, using the staff and resources of BDO Invercargill, 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 15, that comprise the statement of financial position as at 31 December 2022, 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 2022; and
  - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Sector – Public Benefit Entity Standards, Reduced Disclosure Regime.

Our audit was completed on 7 August 2023. This is the date at which our opinion is expressed.

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

Basis for our opinion

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

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

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

Responsibilities of the Board for the financial statements

The Board is responsible on behalf of the School for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand.

The Board 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.

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

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

Responsibilities of the auditor for the audit of the financial statements

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

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

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

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

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

- We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control.

- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.

- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the School to cease to continue as a going concern.

- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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- We assess the risk of material misstatement arising from the school payroll system, which may still contain errors. As a result, we carried out procedures to minimise the risk of material errors arising from the system that, in our judgement, would likely influence readers' overall understanding of the financial statements.

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

Our responsibilities arises from the Public Audit Act 2001.

Other information

The Board is responsible for the other information. The other information comprises the information included on the title page and on pages 16 to 34, but does not include the financial statements, and our auditor's report thereon.

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

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

Independence

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

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



Aaron Higham
BDO Invercargill
On behalf of the Auditor-General
Invercargill, New Zealand