

# **Coley Street School**

## **2016 Annual Report**

**and**

## **Financial Statements**

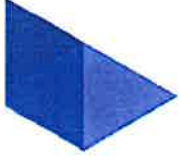
**School Number: 2352**

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# Analysis of Variance Reporting



<b>School Name:</b>	Coley Street School
<b>School Number:</b>	2352

<b>Strategic Aim:</b>	To support the achievement of all students around the priority areas of reading, writing and maths in relation to the New Zealand Curriculum
<b>Annual Aim:</b>	To make significant shifts in Maori achievement across all subject areas
<b>Target:</b>	(initial targets before ERO Review) Reading – To shift 25 Maori students out of the well below and below areas Writing – To shift 25 Maori students out of the well below and below areas Maths – To shift 25 Maori students out of the well below and below areas
<b>Baseline Data:</b>	<p>Following our ERO Review in April the report highlighted the fact that we needed to refocus our targets to ensure we had identified all target students personally through a RAP (Raising Achievement Plan) and documented the tiers of intervention for each target student. Furthermore we were told to review our targets for equity purposes.</p> <p>Each teacher identified an inquiry group of target students within their class in order to raise achievement and hence our targets changed for the remaining 3 terms of 2016</p> <p>We decided to concentrate our energies on literacy for Maori students and other priority learners. Boys in particular across both reading and writing. Our end of 2015 data showed that 51% Maori were well below or below in reading and 46.4 males were well below and below in reading.</p> <p>In writing 62% Maori were well below and below while 59.8% male were well below and below</p> <p>Based on our annual aim we are targeting all Maori and boys that sit in the well below and below areas with the intention of reducing the disparity that has appeared over the last 3 years, between Maori and Non-Maori. This would mean about 12% shift in Maori achievement to be aligned with Non Maori with the intention of an overall shift by Maori, Boys and other priority learners.</p>

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<b>Actions</b> <i>What did we do?</i>	<b>Outcomes</b> <i>What happened?</i>	<b>Reasons for the variance</b> <i>Why did it happen?</i>	<b>Evaluation</b> <i>Where to next?</i>
<p>Following our ERO Review we had to take a number of steps backwards to re-evaluate our targets and how we were going to intervene</p> <p>Maori students and other priority learners were personally identified so that they were at the forefront of all teaching and learning.</p> <p>Staff created a Raising Achievement Plan which identified individual students and their specific needs and tiers of intervention needed to address those needs.</p> <p>Whanau were included in the consultation / communication process so they were aware of their child's needs and the teaching strategies being implemented.</p> <p>We formed a change management team of staff, whanau, social worker and MOE representatives.</p> <p>We were an 'ALL' year 3 school and with our previous experience of intervention programmes, we were able to discriminate information school wide so other teachers could use similar strategies used by the lead teacher.</p> <p>We created data boards so that our board of trustees were better</p>	<p>It would be fair to say that following our ERO Review there was a genuine drop in teacher confidence as a result of personal comments to individual teachers, management and BOT.</p> <p>We genuinely believed we were meeting our previous year's targets and we were meeting the aspirations and needs of our community.</p> <p>Our Maori students had achieved alongside Non Maori but we had not identified a downward shift in disparity over the last 3 years.</p> <p>Teachers became far more focused on individual target students and their strengths, weakness, interests and needs.</p> <p>Robust discussion was had around strategies to raise achievement for Maori students, although we were already utilising many of these strategies.</p> <p>Syndicate meetings, staff meetings and BOT meetings became far more focused on student achievement with a line of sight from the student – whanau - teacher – management – BOT.</p> <p>Best practice strategies were shared school wide with teachers released for observations of other high performing teachers.</p>	<p>On key strategy that has been successful has been the identification of target students from the end of the previous year's data and a sharing of information from the current teacher to this year's teacher, so that the teacher can go straight into teaching and learning without the need to assess again in term 1.</p> <p>In class intervention groups have achieved more success than out of class.</p> <p>Utilising our teacher aides more strategically with the teacher being the expert with the intervention group.</p> <p>Team meetings have assisted teachers to keep identified students at the forefront of their teaching and learning and ensuring these students are front loaded prior to teaching sessions.</p> <p>Using the - learn – practice – prove concept has been instrumental in filling gaps and identifying needs.</p>	<p>As a result of our lack of consistency in the use of assessment tools we have become part of our local Kere Kere Schools COL. This will focus on writing using the PaCT Tool for planning and assessment.</p> <p>Because of the transient nature of our community, children often change school within the community and there appears to be some discrepancies amongst the way schools assess.</p> <p>Through the collaborative approach of the local schools we aim to increase teacher pedagogical knowledge around writing and the more consistent use of the PaCT Tool in and across schools.</p> <p>We have won 25 hours of PLD in the first term and have engaged Dr Alison Davis from Auckland University.</p> <p>Each set of holidays we have organised a call back day for all staff including year 9/10 staff from the local high school.</p> <p>Last year we had a large increase in roll and staffing entitlement leaving us with surplus staffing for 2017. We have utilised this by appointing one of our permanent part time staff to address</p>

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informed about student achievement and also engaged in some robust PLD. In our data we are aware that new students are having a strong influence on our results but we had not analysed this specifically. Following the ERO Review we went back and identified that 33% of our target students were not school of origin over the last year. In the past the principal was responsible for collating and analysing data but syndicates have now taken on this responsibility. This is so that they are able to share this job collaboratively to ensure there is a level of moderation and shared planning, assessment and ownership of the data. Much of our Coley Curriculum over the next 3 terms was based on authentic contexts such as Maori Myths and legends, wearable arts, kapa haka festival, science fair and our new physical activity trail. Teachers concentrated on front loading intervention groups and ensuring there was a double hit of literacy through the day in their normal classes.

Teachers shared their teacher inquiries with some robust discussion around teacher practice. There was in depth ICT support from Core Education to enhance teacher pedagogical knowledge and data collation and analysis capabilities.

intervention school wide, for 3 days a week. These children were identified from our end of year data in 2016. In syndicate meetings staff will continue to unpack the PaCT Tool and our PLD will cater for needs of the staff around the aspects of writing and the use of the PaCT Tool. Staff will continue to learn intervention strategies for targeted students through PLD and collaboration in our COL.

### Planning for next year.

The BOT will analyse the data from 2016 and monitor our progress to achieving our targets in our charter. They will identify strengths, weakness and trends and as a result make decisions around funding, resourcing and the purchase of equipment and professional development to support staff.

The BOT will be encouraged to ask challenging questions in relation to student achievement and will receive ongoing induction and PLD to further develop their knowledge. The BOT make 'noticings' on student data.

Each year the BOT will review its effectiveness in relation to student achievement targets and prioritising budget allocation.

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## Analysis of Variance for the 2016 Year

### **Principal's Report**

In the 2016 year Coley Street School saw a large roll increase with a number of new families entering the Foxton area, while a number of local families left the area due to a lack of rental properties.

This was reflected in our target data where 33% of our targeted students were not school of origin students. We are and will continue to be a very transient area with high unemployment and many families on benefits.

### **Formation of Kere Kere COL's**

In 2016 the Kere Kere School's worked together in professional development and are heading towards establishing a Community of Learning.

We have targeted writing as a area of teaching development / pedagogical knowledge and to upskill our children. Hence we have engaged in implementing the PaCT Tool through literacy for planning and assessment and have organised teacher callback days over each set of holidays in 2017.

In 2016 Coley Street School shifted to **PB4L** tier 2 training and whilst this was successful, it emphasised the fact that we need to ensure tier 1 is entrenched across our school.

We also started the 'Newcomers Club' which ensures all new children whether they are new entrant or year 8's are inducted into our behaviour management system.

Our new **Coley Curriculum** focusing on Pukeko and integrated concepts worked effectively. We had some major events throughout the year which were linked to the children's learning, including Maori Myths and Legends and a wearable Arts festival and Kapa Haka festival and Science Fair.

All of these events were very motivational to the children's learning.

The **Modern Learning Environment** continues to develop in our school and in 2017 the first building alterations will occur with 3 teacher and 4 teacher spaces being created.

Across the junior and middle school we are 1:2 digital devices with our senior school 1:1

Our **ERO Review** reinforced many of the good things that happen at Coley Street School but also assisted us to sharpen our focus around our targeted students with us developing a RAP Plan (Raising Student Achievement Plan) and a CAP (Curriculum Action Plan)

The Ministry of Education again funded us in the ALL Year 3 (accelerated learning in literacy) and in this intervention programme our targeted students showed significant progress. The teaching strategies were shared school - wide with all staff.

The **Board of Trustees** had a number of changes but work effectively to govern our school. They attended a number of induction and training days throughout the year.

Our **Kiwi Sport Funding** in 2016 was used to purchase new sport uniforms and equipment to support the large number and range of sport teams we enter each season. We also ensure travel to sport is free all all children.

### Members of the Board of Trustees

Name	Position	How position on board was gained	Occupation	Term expired / expires
Hamish Easton	Chairperson	Elected May 2016	Farmer	May 2019
Duncan Cole	Vice Chairperson	Elected May 2016	Farmer	May 2019
Jason Ellery	Parent Rep	Elected May 2016	contractor	May 2019
Rebecca Coburn	Parent Rep	Elected May 2016	Homemaker	May 2019
Celeste Flintoff	Parent Rep	Elected May 2016	Homemaker	May 2019
Tina Maclean	Staff Rep	Elected May 2016	Deputy Principal	May 2019
Peter Kemp	Principal	Appointed April 2010	Principal	



# COLEY STREET SCHOOL

## FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

School Address:	51 Coley Street, FOXTON
School Postal Address:	51 Coley Street, FOXTON 4814
School Phone:	06 3638117
School Email:	principal@coleystreet.co.nz
Ministry Number:	2352

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# COLEY STREET SCHOOL

Financial Statements - For the year ended 31 December 2016

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# Coley Street School

## Statement of Responsibility

For the year ended 31 December 2016

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 2016 fairly reflects the financial position and operations of the school.

The School's 2016 financial statements are authorised for issue by the Board.

*pp. Hamish Foster Tina Maclean*  
Full Name of Board Chairperson

*PETER JAMES KEMP*  
Full Name of Principal

*T Maclean*  
Signature of Board Chairperson

*P Kemp*  
Signature of Principal

*18/05/17*  
Date:

*18/05/17*  
Date:

**Coley Street School**  
**Statement of Comprehensive Revenue and Expense**  
For the year ended 31 December 2016

	Notes	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
<b>Revenue</b>				
Government Grants	2	1,756,180	1,648,400	1,599,793
Locally Raised Funds	3	48,417	3,000	107,860
Interest Earned		11,800	12,000	16,558
Gain on Sale of Property, Plant and Equipment		3,178	-	-
		<u>1,819,575</u>	<u>1,663,400</u>	<u>1,724,211</u>
<b>Expenses</b>				
Locally Raised Funds	3	31,169	1,000	33,467
Learning Resources	4	1,135,986	1,097,188	1,084,409
Administration	5	91,305	98,440	96,748
Finance Costs		743	-	-
Property	6	440,451	439,271	375,270
Depreciation	7	74,005	78,100	63,067
Loss on Disposal of Property, Plant and Equipment		1,453	-	3,231
		<u>1,775,112</u>	<u>1,713,999</u>	<u>1,656,194</u>
<b>Net Surplus / (Deficit)</b>		<b>44,463</b>	<b>(50,599)</b>	<b>68,017</b>
Other Comprehensive Revenue and Expenses		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<u><u>44,463</u></u>	<u><u>(50,599)</u></u>	<u><u>68,017</u></u>

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

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**Coley Street School**  
**Statement of Changes in Net Assets/Equity**

For the year ended 31 December 2016

	Actual 2016 \$	Budget (Unaudited) 2016 \$	Actual 2015 \$
<b>Balance at 1 January</b>	626,149	558,131	558,131
Total comprehensive revenue and expense for the year	44,463	(50,599)	68,017
Capital Contributions from the Ministry of Education Contribution - Furniture and Equipment Grant	790	-	-
<b>Equity at 31 December</b>	<b>671,401</b>	<b>507,532</b>	<b>626,149</b>
Retained Earnings	671,401	507,532	626,149
Reserves	-	-	-
<b>Equity at 31 December</b>	<b>671,401</b>	<b>507,532</b>	<b>626,149</b>

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

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# Coley Street School

## Statement of Financial Position

As at 31 December 2016

	Notes	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
<b>Current Assets</b>				
Cash and Cash Equivalents	8	127,752	141,982	102,084
Accounts Receivable	9	77,727	90,000	95,316
GST Receivable		5,241	-	12,025
Prepayments		5,971	-	9,781
Inventories	10	109	300	383
Investments	11	329,330	50,000	317,260
		<u>546,130</u>	<u>282,282</u>	<u>536,849</u>
<b>Current Liabilities</b>				
Accounts Payable	13	96,865	133,500	132,273
Revenue Received in Advance	14	9,423	2,500	13,878
Provision for Cyclical Maintenance	15	92,722	18,258	85,444
Finance Lease Liability - Current Portion	16	5,746	-	-
Funds held for Capital Works Projects	17	(11,244)	-	11,658
		<u>193,511</u>	<u>154,258</u>	<u>243,253</u>
<b>Working Capital Surplus/(Deficit)</b>		352,619	128,024	293,596
<b>Non-current Assets</b>				
Investments (more than 12 months)	11	-	-	-
Property, Plant and Equipment	12	356,219	398,250	365,972
		<u>356,219</u>	<u>398,250</u>	<u>365,972</u>
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	15	28,800	18,742	33,419
Finance Lease Liability	16	8,636	-	-
		<u>37,436</u>	<u>18,742</u>	<u>33,419</u>
<b>Net Assets</b>		<u>671,401</u>	<u>507,532</u>	<u>626,149</u>
<b>Equity</b>		<u>671,401</u>	<u>507,532</u>	<u>626,149</u>

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

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**Coley Street School**  
**Statement of Cash Flows**  
For the year ended 31 December 2016

		2016	2016	2015
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
<b>Cash flows from Operating Activities</b>				
Government Grants		507,834	395,801	454,690
Locally Raised Funds		44,840	3,000	117,085
Goods and Services Tax (net)		6,784	-	(350)
Payments to Employees		(220,821)	(173,946)	(178,954)
Payments to Suppliers		(239,654)	(272,576)	(224,341)
Interest Paid		(743)	-	-
Interest Received		13,171	12,000	16,103
<b>Net cash from / (to) the Operating Activities</b>		<b>111,411</b>	<b>(35,721)</b>	<b>184,233</b>
<b>Cash flows from Investing Activities</b>				
Proceeds from Sale of PPE (and Intangibles)		8,712	-	-
Purchase of PPE (and Intangibles)		(74,417)	(78,100)	(133,875)
Purchase of Investments		(12,070)	-	(12,097)
Proceeds from Sale of Investments		-	85,720	-
<b>Net cash from / (to) the Investing Activities</b>		<b>(77,775)</b>	<b>7,620</b>	<b>(145,972)</b>
<b>Cash flows from Financing Activities</b>				
Furniture and Equipment Grant		790	-	-
Finance Lease Payments		-	-	-
Painting contract payments		-	-	-
Loans Received/ Repayment of Loans		14,382	-	-
Funds Administered on Behalf of Third Parties		(22,902)	-	7,830
<b>Net cash from Financing Activities</b>		<b>(7,730)</b>	<b>-</b>	<b>7,830</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>25,906</b>	<b>(28,101)</b>	<b>46,091</b>
Cash and cash equivalents at the beginning of the year	8	102,084	102,084	55,995
<b>Cash and cash equivalents at the end of the year</b>	<b>8</b>	<b>127,990</b>	<b>73,983</b>	<b>102,086</b>

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

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# Coley Street School

## Notes to the Financial Statements

### 1. Statement of Accounting Policies

For the year ended 31 December 2016

#### **a) Reporting Entity**

Coley Street 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 2016 to 31 December 2016 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

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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 in the notes.

**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 in the notes.

*Recognition of grants*

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

**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 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.

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 under section 73 of the Education Act 1989 in relation to the acquisition of 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 – Crown	25 years
Furniture and equipment	10years
Information and communication technology	4–10 years
Motor vehicles	5 -10 years
Leased assets held under a Finance Lease	3 years
Leasehold Improvements	5 - 40 years
Library resources	12.5% Diminishing value

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

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

#### *Non cash generating assets*

Property, plant, and equipment and intangible assets held at cost that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. 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.

### **m) Accounts Payable**

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

### **n) Employee Entitlements**

#### *Short-term employee entitlements*

Employee 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

### **o) Revenue Received in Advance**

Revenue received in advance relates to fees received from students and grants received where there are unfulfilled obligations

for the School to provide services in the future. The fees are recorded as revenue as the obligations are fulfilled and the fees earned.

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

**p) 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).

**q) Financial Assets and Liabilities**

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

Investments that are shares are categorised as "available for sale" for accounting purposes in accordance with financial reporting standards.

The School's financial liabilities comprise accounts payable, 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.

**r) 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.

**s) Budget Figures**

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

**t) 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

	2016	2016	2015
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operational grants	425,088	384,543	396,482
Teachers' salaries grants	924,579	924,579	900,928
Use of Land and Buildings grants	328,020	328,020	253,987
Resource teachers learning and behaviour grants	960	-	-
Other MoE Grants	65,993	7,258	-
Transport grants	-	-	-
Other government grants	11,540	4,000	48,395
	<u>1,756,180</u>	<u>1,648,400</u>	<u>1,599,793</u>

## 3. Locally Raised Funds

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

	2016	2016	2015
	Actual	Budget	Actual
	\$	(Unaudited)	\$
<b>Revenue</b>			
Donations	6,933	-	68,202
Fundraising	16,814	-	18,704
Bequests	-	-	-
Other revenue	4,070	3,000	1,359
Transport Revenue	-	-	-
Trading	9,363	-	9,569
Activities	11,237	-	10,026
Curriculum Recoveries	-	-	-
	<u>48,417</u>	<u>3,000</u>	<u>107,860</u>
<b>Expenses</b>			
Activities	17,517	1,000	20,982
Trading	4,776	-	4,477
Fundraising (costs of raising funds)	8,876	-	8,008
Transport (local)	-	-	-
Other Locally Raised Funds Expenditure	-	-	-
	<u>31,169</u>	<u>1,000</u>	<u>33,467</u>
<i>Surplus for the year Locally raised funds</i>	<u>17,247</u>	<u>2,000</u>	<u>74,392</u>

## 4. Learning Resources

	2016	2016	2015
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	45,096	55,902	53,939
Equipment repairs	482	2,000	818
Information and communication technology	12,049	14,000	13,785
Extra-curricular activities	14,913	4,560	9,986
Library resources	694	2,450	640
Employee benefits - salaries	1,039,710	993,776	974,168
Resource/attached teacher costs	-	-	-
Staff development	23,042	24,500	31,073
	<u>1,135,986</u>	<u>1,097,188</u>	<u>1,084,409</u>

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**5. Administration**

	2016	2016	2015
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	3,868	3,811	3,811
Board of Trustees Fees	3,705	4,860	3,665
Board of Trustees Expenses	5,593	4,105	13,093
Communication	2,532	2,725	1,888
Consumables	6,141	6,814	6,795
Operating Lease	-	-	-
Legal Fees	-	-	-
Other	12,347	14,498	12,602
Employee Benefits - Salaries	44,744	48,327	43,842
Insurance	4,905	4,800	4,638
Service Providers, Contractors and Consultancy	7,470	8,500	6,414
	<u>91,305</u>	<u>98,440</u>	<u>96,748</u>

**6. Property**

	2016	2016	2015
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	7,810	6,450	7,167
Consultancy and Contract Services	-	-	-
Cyclical Maintenance Provision	2,659	17,136	18,753
Grounds	9,801	7,650	8,022
Heat, Light and Water	13,016	11,523	11,221
Rates	-	-	-
Repairs and Maintenance	21,658	12,200	19,830
Use of Land and Buildings	328,020	328,020	253,987
Security	570	2,268	907
Employee Benefits - Salaries	56,917	54,024	55,384
	<u>440,451</u>	<u>439,271</u>	<u>375,270</u>

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

**7. Depreciation of Property, Plant and Equipment**

	2016	2016	2015
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Buildings - School	3,127	-	3,127
Building Improvements - Crown	3,843	-	3,843
Furniture and Equipment	33,915	58,100	21,909
Information and Communication Technology	27,238	20,000	31,508
Motor Vehicles	-	-	-
Textbooks	-	-	-
Leased Assets	3,684	-	-
Library Resources	2,197	-	2,680
	<u>74,005</u>	<u>78,100</u>	<u>63,067</u>

**8. Cash and Cash Equivalents**

	2016	2016	2015
	Actual	Budget	Actual
	\$	(Unaudited)	\$
	\$	\$	\$
Cash on Hand	-	-	-
Bank Current Account	84,374	21,982	24,866
Bank Call Account	43,378	120,000	77,218
Short-term Bank Deposits	-	-	-
Bank Overdraft	-	-	-
Net cash and cash equivalents and bank overdraft for Cash Flow Statement	127,752	141,982	102,084

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

Of the \$127,752 Cash and Cash Equivalents, \$92,722 is held by the School on behalf of the Ministry of Education. These funds are required to be spent in 2017 on Crown owned school buildings under the School's Five Year Property Plan.

**9. Accounts Receivable**

	2016	2016	2015
	Actual	Budget	Actual
	\$	(Unaudited)	\$
	\$	\$	\$
Receivables	2,300	-	-
Receivables from the Ministry of Education	12,205	-	16,458
Provision for Uncollectibility	-	-	-
Interest Receivable	3,642	5,000	5,013
Teacher Salaries Grant Receivable	59,580	85,000	73,845
	77,727	90,000	95,316
Receivables from Exchange Transactions	5,942	5,000	5,013
Receivables from Non-Exchange Transactions	71,785	85,000	90,303
	77,727	90,000	95,316

**10. Inventories**

	2016	2016	2015
	Actual	Budget	Actual
	\$	(Unaudited)	\$
	\$	\$	\$
Stationery	109	300	383
School Uniforms	-	-	-
	109	300	383

**11. Investments**

The School's investment activities are classified as follows:

	2016	2016	2015
	Actual	Budget	Actual
	\$	(Unaudited)	\$
	\$	\$	\$
Current Asset			
Short-term Bank Deposits	329,330	50,000	317,260
Non-current Asset			
Long-term Bank Deposits	-	-	-

The carrying value of long term deposits longer than 12 months approximates their fair value at 31 December 2016.

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## 12. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2016	\$	\$	\$	\$	\$	\$
Land	-	-	-	-	-	-
Buildings	43,754	-	-	-	(3,127)	40,627
Building Improvements	92,905	-	-	-	(3,843)	89,062
Furniture and Equipment	159,144	31,842	(6,787)	-	(33,915)	150,284
Information and Communication	53,760	21,721	(1,334)	-	(27,238)	46,910
Motor Vehicles	-	-	-	-	-	-
Textbooks	-	-	-	-	-	-
Leased Assets	-	17,725	-	-	(3,684)	14,041
Library Resources	16,406	1,129	(44)	-	(2,197)	15,294
<b>Balance at 31 December 2016</b>	<b>365,970</b>	<b>72,418</b>	<b>(8,164)</b>	<b>-</b>	<b>(74,005)</b>	<b>356,219</b>

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2016	\$	\$	\$
Land	-	-	-
Buildings	78,171	(37,544)	40,627
Building Improvements	154,887	(65,825)	89,062
Furniture and Equipment	536,745	(386,459)	150,286
Information and Communication	155,568	(108,659)	46,909
Motor Vehicles	31,452	(31,452)	-
Textbooks	-	-	-
Leased Assets	19,238	(5,197)	14,041
Library Resources	39,653	(24,359)	15,294
<b>Balance at 31 December 2016</b>	<b>1,015,714</b>	<b>(659,495)</b>	<b>356,219</b>

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2015	\$	\$	\$	\$	\$	\$
Land	-	-	-	-	-	-
Buildings	46,881	-	-	-	(3,127)	43,754
Building Improvements	96,748	-	-	-	(3,843)	92,905
Furniture and Equipment	69,117	111,937	-	-	(21,909)	159,145
Information and Communication	68,482	18,839	(2,054)	-	(31,508)	53,760
Technology	-	-	-	-	-	-
Motor Vehicles	-	-	-	-	-	-
Textbooks	-	-	-	-	-	-
Leased Assets	-	-	-	-	-	-
Library Resources	17,165	3,099	(1,177)	-	(2,680)	16,407
<b>Balance at 31 December 2015</b>	<b>298,394</b>	<b>133,875</b>	<b>(3,231)</b>	<b>-</b>	<b>(63,067)</b>	<b>365,971</b>

### Accumulated Depreciation

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2015	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
Land	-	-	-
Buildings	78,171	(34,417)	43,754
Building Improvements	154,887	(61,982)	92,905
Furniture and Equipment	520,607	(361,463)	159,145
Information and Communication Technology	204,334	(150,574)	53,760
Motor Vehicles	31,452	(31,452)	-
Textbooks	-	-	-
Leased Assets	-	-	-
Library Resources	38,626	(22,220)	16,407
<b>Balance at 31 December 2015</b>	<b>1,028,078</b>	<b>(662,106)</b>	<b>365,972</b>

### 13. Accounts Payable

	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
Operating creditors	18,203	30,000	37,707
Accruals	11,802	12,000	11,810
Capital accruals for PPE items	-	-	-
Banking staffing overuse	-	-	2,513
Employee Entitlements - salaries	59,580	85,000	73,845
Employee Entitlements - leave accrual	7,280	6,500	6,398
	<u>96,865</u>	<u>133,500</u>	<u>132,274</u>
Payables for Exchange Transactions	96,865	133,500	124,974
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	7,300
	<u>96,865</u>	<u>133,500</u>	<u>132,274</u>

The carrying value of payables approximates their fair value.

### 14. Revenue Received in Advance

	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
Grants in Advance - Ministry of Education	5,042	-	10,455
International Student Fees	-	-	-
Hostel Fees	-	-	-
Other	4,381	2,500	3,423
	<u>9,423</u>	<u>2,500</u>	<u>13,878</u>

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### 15. Provision for Cyclical Maintenance

	2016	2016	2015
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Provision at the Start of the Year	118,863	118,863	100,110
Increase to the Provision During the Year	2,659	17,136	18,753
Adjustment to the Provision	-	-	-
Use of the Provision During the Year	-	(99,000)	-
Provision at the End of the Year	121,522	37,000	118,863
Cyclical Maintenance - Current	92,722	18,258	85,444
Cyclical Maintenance - Term	28,800	18,742	33,419
	121,522	37,000	118,863

### 16. Finance Lease Liability

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

	2016	2016	2015
	Actual	Budget	Actual
	\$	(Unaudited)	\$
No Later than One Year	7,110	-	-
Later than One Year and no Later than Five Years	8,945	-	-
Later than Five Years	-	-	-
	16,055	-	-

### 17. Funds Held for Capital Works Projects

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

	2016	Opening Balances	Receipts from MoE	Payments	BOT Contribution/ (Write-off to R&M)	Closing Balances
		\$	\$	\$		\$
Sportfield	<i>completed</i>	11,658	3,067	14,724	-	-
Blocks 1 and 2	<i>completed</i>	-	-	11,244	-	(11,244)
Totals		11,658	3,067	25,968	-	(11,244)
Represented by:						
Funds Held on Behalf of the Ministry of Education						-
Funds Due from the Ministry of Education						11,244
						(11,244)

	2015	Opening Balances	Receipts from MoE	Payments	BOT Contribution/ (Write-off to R&M)	Closing Balances
		\$	\$	\$		\$
Sportfield	<i>in progress</i>	-	32,688	21,030	-	11,658
Boundary Fence	<i>completed</i>	-	21,539	21,539	-	-
Totals		-	54,227	42,569	-	11,658

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## 18. Related Party Transactions

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

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

## 19. Remuneration

### Key management personnel compensation

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

	2016 Actual \$	2015 Actual \$
<i>Board Members</i>		
Remuneration	3,705	3,665
Full-time equivalent members	0.32	0.52
<i>Leadership Team</i>		
Remuneration	216,245	205,574
Full-time equivalent members	2.00	2.00
Total key management personnel remuneration	219,950	209,239
Total full-time equivalent personnel	2.32	2.52

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:

	2016 Actual \$000	2015 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	120 - 130	110 - 120
Benefits and Other Emoluments	3 - 4	3 - 4
Termination Benefits	-	-

### Other Employees

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

Remuneration \$000	2016 FTE Number	2015 FTE Number
110 - 120	0.00	0.00
100 - 110	-	0.00
	0.00	0.00

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

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## 20. Compensation and Other Benefits Upon Leaving

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

	2016 Actual	2015 Actual
Total	\$0	-
Number of People	0	-

## 21. Contingencies

Contingent liabilities comprise unquantified sick leave (2015: 29,234) and a flooring issue in the staff room. Contingent assets as at 31 December 2016 (31 December 2015: nil).

## 22. Commitments

### (a) Capital Commitments

As at 31 December 2016 the Board has not entered into any contract agreements for capital works (2015: Nil)

### (b) Operating Commitments

As at 31 December 2016 the Board has entered into the following contracts:

(a) operating lease of a photocopier;

	2016 Actual \$	2015 Actual \$
No later than One Year	-	2,172
Later than One Year and No Later than Five Years	-	347
Later than Five Years	-	-
	-	2,519

## 23. Managing Capital

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

## 24. Financial Instruments

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

### Loans and receivables

	2016 Actual \$	2016 Budget (Unaudited) \$	2015 Actual \$
Cash and Cash Equivalents	127,752	141,982	102,084
Receivables	77,727	90,000	95,316
Investments - Term Deposits	329,330	50,000	317,260
Total Cash and Receivables	534,809	281,982	514,660

### Financial liabilities measured at amortised cost

Payables	96,865	133,500	132,274
Finance Leases	14,382	-	-
Total Financial Liabilities Measured at Amortised Cost	111,247	133,500	132,274

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## INDEPENDENT AUDITOR'S REPORT

### TO THE READERS OF COLEY STREET SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

The Auditor-General is the auditor of Coley Street School (the School). The Auditor-General has appointed me, Andrew Hyslop, using the staff and resources of Fluker Denton & Co. 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 19, that comprise the statement of financial position as at 31 December 2016, 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 2016; 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 24 May 2017. 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 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 on pages 3 to 8 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.



Andrew Hyslop  
Fluker Denton & Co.  
On behalf of the Auditor-General  
Levin, New Zealand