

COLEY STREET SCHOOL

ANNUAL REPORT & FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

School Address: 51 Coley Street, Foxton
School Postal Address: 51 Coley Street, Foxton 4814
School Phone: 06 363 8117
School Email: principal@coleystreet.school.nz
Ministry Number: 2352

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COLEY STREET SCHOOL

ANNUL REPORT INDEX

ANNUAL REPORT

1. Board/Principal's Report (including KiwiSport Funding)
2. Analysis of Variance
3. Trustee Register
4. Financial Statements

Board / Principal's Report

Principals Report on Variances – 2018

2017 showed very few changes to staffing but within the Foxton community a very transient school population.

Coley Street School is no different and over a year we can have 30% plus of our school children shift in or out of the Foxton District.

Whilst this can have serious implications on student achievement, our strong PB4L focus creates an environment conducive to student engagement.

Our newcomers club also assists with the induction and transition of new children.

With the BOT reporting a surplus in our bulk grant from 2016-2017 the board funded an intervention teacher .6 to focus on literacy and later on MSL strategies for dyslexia. This proved to be a valuable asset and we saw good shifts from our targeted students.

The reception class was also retained as a great way of transitioning new entrant children into the junior hub.

Our focus in ICT has always been to go 1:1 digital devices and by the years end we were very close to achieving this.

We also purchased a number of apple TV's to replace redundant mimio boards and projectors.

For the second year running our senior school operated out of the assembly hall so we can maintain our collaborative teaching and learning ethos, while waiting for our new classrooms to be refurbished.

While we had big numbers enrolling at Coley Street School this was more than offset by a lack of housing in Foxton and students leaving for other districts.

Student Achievement

Our focus was on boys writing and specifically Maori Boys. This was supported by staff receiving intensive PLD around Best Practice Writing and the introduction of the PaCT Tool across our local COL.

Coley Street School Staff led much of the across school moderation and planning and by the years end felt confident to use PaCT as a planning and moderation tool.

Hence this had a flow on effect on student achievement and we were able to meet our targets of shifting 75% of our targeted Maori student's one national standard level.

Sport, culture and academic endeavours play a big part in what happens at Coley Street School and we had many students attend local, regional and national competitions in a range of activities, with distinction. We enjoy celebrating the success of all of these students.

Our Kiwi Sport grant always goes to good use with us supplying new sport uniforms and equipment, subsidising travel costs and fees and also having a large number of students apply for our Coley Street School Scholarship subsidy. The total amount of \$3152.72 was well utilised.

Physical Resources

We are a well-resourced school and with the addition of our new walking / biking/running track and our fitness circuit, this makes our school the envy of many schools around the region.

In 2018 we look forward to our modern learning environments adding to the already impressive facilities that we have.

Peter Kemp – Principal

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Analysis of Variance Reporting



School Name:	Coley Street School 2018 (reporting on 2017)	School Number:	2352
Strategic Aim:	To support the achievement of all students, around the priority learning areas of Reading, Writing and Mathematics, in relation to the New Zealand Curriculum. Note 'expectation' means national standard expectation		
Annual Aim:	The aim is to make significant shifts in Maori Achievement across all subject areas of at least one level on the national standard 4 points scale for 75% of our targeted students		
Target:	<p>Writing Currently we have 28 Maori students well below in reading and 34 Maori students below, which equates to 59.6 of our Maori students. We aim to shift 75% of all Maori students at least 1 level on the national standard 4 point scale for 75% of our targeted students</p>		
Baseline Data:	<p>Term 1 2017, 28 Maori student well below - Term 4 2017, 15 Maori students well below =53% shift across all levels Term1 2017, 42 Maori students below - Term 4 2017, 25 Maori students below = 73% shift across all levels</p>		

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Actions <i>What did we do?</i>	Outcomes <i>What happened?</i>	Reasons for the variance <i>Why did it happen?</i>	Evaluation <i>Where to next?</i>
<p>Through our PLD Journal we engaged DR Alison Davis to facilitate 'best practice' writing integrated with PaCT Tool training. Staff received 3 PLD days a term in their syndicates so that they could plan and assess collaboratively.</p> <p>Our Col had call back days with all teachers moderating samples of written language concentrating on two aspects of the PaCT Tool each term.</p> <p>We engaged Kairanga School as a model school using PaCT and learned from their school experiences.</p> <p>We had after school meetings across schools to discuss the moderation process. This was also extended in Team meetings.</p> <p>The BOT funded an intervention teacher for 3 days a week who constantly monitored student progress</p> <p>Yolanda Sorrell letter sounds programme was implemented with intervention teacher running PLD sessions for the teacher aides.</p>	<p>Staff learnt specific strategies to address writing</p> <p>Staff unpacked the individual aspects of the PaCT Tool and became far more confident with it's use</p> <p>Staff started using the PaCT Tool as a planning and moderation tool and became more consistent with their assessment practices</p> <p>Students understand more clearly the steps to achieve better standards of writing by using the exemplars in the writing framework.</p> <p>The aspects of the writing framework were also broken down into manageable parts.</p>	<p>We regularly monitored student achievement and reinforced school wide what was working and eliminated what was not working.</p> <p>The target students in each class were identified and highlighted to each teacher.</p> <p>There was a sharing of best practice strategies on how best to engage Maori students</p> <p>As we monitored student achievement we often changed tact on how we did things which made it hard to monitor pre and post achievement.</p> <p>We have now been involved in intervention programmes for 6 years, which has made it easier to focus on specifics in student achievement.</p> <p>BOT has carefully focused it's finances on ensuring target students receive focused money and that staff receive the required PLD and resources.</p> <p>Not all students responded well to being out of class for intervention and created some issues with transitioning back into class while</p>	<p>In 2018 our intervention teacher is being utilised in the junior department 4 days a week to implement the MSL strategies that were so successful in 2017. The aim is to develop these basics early with our junior students.</p> <p>The best practice writing strategies learnt from our PLD in 2017 will be consolidated in 2018 along with ongoing COL's PLD, in and across school moderation using the PaCT Tool both in writing and reading.</p> <p>The BOT have funded an extra teacher as well as extra teacher aide support across all classes. Our class numbers are approximately 15 per teacher in junior school, 22 per teacher in middle school and a senior hub with two teachers and a teacher aide.</p>

The intervention teacher attended a week long MSL workshop that provides specific strategies to address the needs of children with dyslexia.

This was implemented with all intervention groups.

Our reception class has been extremely successful in lifting students to a basic level that provides them with the ability cope in the junior hub

the remainder of the class were working.

Planning for next year:

The BOT have funded .8 teacher to deliver MSL strategies to junior school. This focuses on students who have been identified as having aspects of dyslexia.

Previously the BOT had funded this teacher to attend a week long workshop on MSL teaching strategies.

Now we have integrated this into our normal junior programme in the hope that this will become a normal aspect of student learning.

All teacher aides have also received training from the teacher and we have ensured there is teacher aide time schoolwide.

The BOT have also funded another teacher which has allowed us the luxury of small numbers in class and a reception class which transitions students from pre - school to the junior hub.

The BOT have continued to support PLD around the PaCT Tool as our main form of planning and moderation and support the COL's call back days to ensure consistency in and across schools.

Every term there is ongoing monitoring of children at risk and this is reported on in the data analysis to the BOT. The BOT then use this information to inform them on target areas for the budget and are prepared to inject extra funds to ensure identified students and staff are supported and equipment and resources are purchased.

Currently the staff are working with the BOT to restructure our report template to ensure it is reflective of the curriculum levels.

Programmes that the BOT are currently funding are 'Steps', Mathematics licensing and they are informed of the early identification of tier 3 intervention strategies for students by outside agencies.

Analysis of Variance Reporting



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Coley Street School Trustee Register – this register is updated when any trustee joins or leaves the board or the board opts into or out of mid-term election cycle.
 Approved Number of Elected Parent Representatives = 5

Name	Phone/email	Position on board [Chair CH, Trustee T, Commissioner CMR, Member ME]	Type of member [Note 1]	Start date	Left the board date	Current Term expires
Hamish Easton	0211143303 hceaston@icloud.com	CH	EL	July 2015		Election 2019
Jason Ellery	021734450 jeellery@hotmail.com	T	EL	July 2015		Election 2019
Duncan Cole	0272684995 dunks1@farmside.co.nz	T	EL	May 2013	December 2016	Election 2019
Celeste Flintoff	02102465828 sheleste-2693@hotmail.co.nz	T	EL	May 2016	February 2017	Election 2019
Rebecca Coburn	0211397666 paul.rebecca.coburn@hotmail.com	T	EL	May 2016	December 2017	Election 2019
Peter Kemp	021357870 pkemp@coleystreet.school.nz	P	P	2010		Ongoing
Tina Maclean	0274179689 tmaclean@coleystreet.school.nz	ST	ST	May 2016		Election 2019
Jason Jack	0275130307	T	selected	Feb 2017		Election 2019
Roger Clement	0212947235 roger.clement@xtra.co.nz	T	selected	Feb 2017		Election 2019
Danny Wanoa	027 442 9800 Dannywanoa@gmail.com	T	EL	May 2018		Election 2019

Note 1: Elected, selected, co-opted, staff trustee, student trustee, proprietor's appointee, principal

Note 2: If the board opts into or out of mid-term election cycle please ensure it is noted here and the MoE are advised

Note 3: Complete form (Appendix F) for informing MoE and NZSTA

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COLEY STREET SCHOOL

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

School Address:	51 Coley Street, Foxton
School Postal Address:	51 Coley Street, Foxton 4814
School Phone:	06 363 8117
School Email:	principal@coleystreet.school.nz
Ministry Number:	2352

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COLEY STREET SCHOOL

Financial Statements - For the year ended 31 December 2017

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Coley Street School

Statement of Responsibility

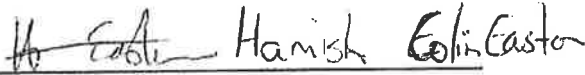
For the year ended 31 December 2017

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 2017 fairly reflects the financial position and operations of the school.

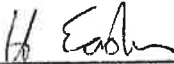
The School's 2017 financial statements are authorised for issue by the Board.

 Hamish Eolin Easton

Full Name of Board Chairperson

 PETER JAMES KEMP

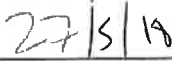
Full Name of Principal



Signature of Board Chairperson



Signature of Principal



Date:



Date:

Coley Street School
Statement of Comprehensive Revenue and Expense
For the year ended 31 December 2017

		2017	2017	2016
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Revenue				
Government Grants	2	1,759,421	1,713,909	1,756,180
Locally Raised Funds	3	41,267	32,541	48,417
Use of Land and Buildings Integrated		-	-	-
Interest Earned		14,022	12,000	11,800
Gain on Sale of Property, Plant and Equipment		-	-	3,178
Other Revenue		-	-	-
		<u>1,814,711</u>	<u>1,758,450</u>	<u>1,819,575</u>
Expenses				
Locally Raised Funds	3	26,124	6,000	31,169
Learning Resources	4	1,223,044	1,175,048	1,135,986
Administration	5	92,330	100,079	91,305
Finance		1,100	-	743
Property	6	423,642	445,347	440,451
Depreciation	7	74,432	51,100	74,005
Impairment of Property, Plant and Equipment	12	-	-	-
Loss on Disposal of Property, Plant and Equipment		245	-	1,453
Loss on Uncollectable Accounts Receivable		-	-	-
Transport		-	-	-
		<u>1,840,917</u>	<u>1,777,574</u>	<u>1,775,112</u>
Net Surplus / (Deficit) for the year		(26,206)	(19,124)	44,463
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>(26,206)</u>	<u>(19,124)</u>	<u>44,463</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 2017

	Actual 2017 \$	Budget (Unaudited) 2017 \$	Actual 2016 \$
Balance at 1 January	671,401	671,401	626,148
Total comprehensive revenue and expense for the year	(26,206)	(19,124)	44,463
Capital Contributions from the Ministry of Education			
Contribution - Furniture and Equipment Grant	-	-	790
Equity at 31 December	645,195	652,277	671,401
Retained Earnings	645,195	652,277	671,401
Reserves	-	-	-
Equity at 31 December	645,195	652,277	671,401

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 2017

	Notes	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Current Assets				
Cash and Cash Equivalents	8	162,443	53,624	127,752
Accounts Receivable	9	73,314	65,498	77,727
GST Receivable		203	-	5,241
Prepayments		6,733	6,000	5,971
Inventories	10	252	200	109
Investments	11	297,521	350,000	329,330
		<u>540,467</u>	<u>475,322</u>	<u>546,130</u>
Current Liabilities				
GST Payable		-	1,000	-
Accounts Payable	13	100,834	87,000	96,865
Revenue Received in Advance	14	2,843	3,000	9,423
Provision for Cyclical Maintenance	15	11,200	11,200	92,722
Finance Lease Liability - Current Portion	16	6,726	6,000	5,746
Funds held for Capital Works Projects	17	83,430	-	(11,244)
		<u>205,033</u>	<u>108,200</u>	<u>193,512</u>
Working Capital Surplus/(Deficit)		335,434	367,122	352,618
Non-current Assets				
Investments	11	25,000	-	-
Property, Plant and Equipment	12	314,276	316,623	356,219
		<u>339,276</u>	<u>316,623</u>	<u>356,219</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	15	24,468	24,468	28,800
Finance Lease Liability	16	5,047	7,000	8,636
		<u>29,515</u>	<u>31,468</u>	<u>37,436</u>
Net Assets		<u><u>645,195</u></u>	<u><u>652,277</u></u>	<u><u>671,401</u></u>
Equity		<u><u>645,195</u></u>	<u><u>652,277</u></u>	<u><u>671,401</u></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 2017

		2017	2017	2016
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Cash flows from Operating Activities				
Government Grants		468,818	440,365	507,596
Locally Raised Funds		42,029	35,541	44,840
Hostel		-	-	-
International Students		-	-	-
Goods and Services Tax (net)		5,038	1,000	6,784
Payments to Employees		(288,369)	(281,021)	(220,821)
Payments to Suppliers		(188,989)	(214,827)	(239,654)
Cyclical Maintenance Payments in the year		(82,737)	(85,854)	-
Interest Paid		(1,100)	-	(743)
Interest Received		13,861	8,502	13,171
Net cash from / (to) the Operating Activities		(31,449)	(96,294)	111,173
Cash flows from Investing Activities				
Proceeds from Sale of PPE (and Intangibles)		4,755	-	8,712
Purchase of PPE (and Intangibles)		(34,930)	(11,504)	(74,417)
Purchase of Investments		6,809	20,670	(12,070)
Proceeds from Sale of Investments		-	-	-
Net cash from / (to) the Investing Activities		(23,366)	9,166	(77,775)
Cash flows from Financing Activities				
Furniture and Equipment Grant		-	-	790
Finance Lease Payments		(5,168)	13,000	-
Painting contract payments		-	-	-
Loans Received/ Repayment of Loans		-	-	14,382
Funds Administered on Behalf of Third Parties		-	-	(22,902)
Funds Held for Capital Works Projects		94,674	-	-
Net cash from Financing Activities		89,506	13,000	(7,730)
Net increase/(decrease) in cash and cash equivalents		34,690	(74,128)	25,668
Cash and cash equivalents at the beginning of the year	8	127,752	127,752	102,084
Cash and cash equivalents at the end of the year	8	162,442	53,624	127,752

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.

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Coley Street School

Notes to the Financial Statements

1. Statement of Accounting Policies

For the year ended 31 December 2017

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 2017 to 31 December 2017 and in accordance with the requirements of the Public Finance Act 1989.

Basis of Preparation

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

Financial Reporting Standards Applied

The Education Act 1989 requires the School, as a Crown entity, to prepare financial statements in accordance with generally accepted accounting practice. The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand, applying Public Sector Public Benefit Entity (PBE) Standards Reduced Disclosure Regime as appropriate to public benefit entities that qualify for Tier 2 reporting. The school is considered a Public Benefit Entity as it meets the criteria specified as "having a primary objective to provide goods and/or services for community or social benefit and where any equity has been provided with a view to supporting that primary objective rather than for financial return to equity holders".

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

Useful lives of property, plant and equipment

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School

believes that the estimated useful lives of the property, plant and equipment as disclosed in the Significant Accounting Policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 12.

Critical Judgements in applying accounting policies

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

Classification of leases

The School reviews the details of lease agreements at the end of each reporting date. The School believes the classification of each lease as either operation or finance is appropriate and reflects the nature of the agreement in place. Finance leases are disclosed at note 16.

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

Other Grants

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

Donations, Gifts and Bequests

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

Interest Revenue

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

d) Use of Land and Buildings Expense

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

e) Operating Lease Payments

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

f) Finance Lease Payments

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

g) Cash and Cash Equivalents

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

h) Accounts Receivable

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

i) Inventories

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

j) Investments

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

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

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

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

k) Property, Plant and Equipment

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

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

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

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

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

Leased Assets

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

Depreciation

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

The estimated useful lives of the assets are:

Building improvements to Crown Owned Assets	25 years
Furniture and equipment	10 years
Information and communication technology	4–10 years
Motor vehicles	5 - 10 years
Leased assets held under a Finance Lease	3 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 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

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operational grants	403,132	401,591	425,088
Teachers' salaries grants	964,648	964,648	924,579
Use of Land and Buildings grants	331,205	328,020	328,020
Resource teachers learning and behaviour grants	471	-	960
Other MoE Grants	59,816	10,150	65,993
Transport grants	-	-	-
Other government grants	150	9,500	11,540
	<u>1,759,421</u>	<u>1,713,909</u>	<u>1,756,180</u>

3. Locally Raised Funds

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

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Revenue			
Donations	13,440	20,000	6,933
Fundraising	11,683	-	16,814
Bequests	-	-	-
Other revenue	415	3,000	4,070
Trading	10,140	9,541	9,363
Activities	5,590	-	11,237
Curriculum Recoveries	-	-	-
	<u>41,267</u>	<u>32,541</u>	<u>48,417</u>
Expenses			
Activities	15,161	1,000	17,517
Trading	5,378	5,000	4,776
Fundraising (costs of raising funds)	5,585	-	8,876
Transport (local)	-	-	-
Other Locally Raised Funds Expenditure	-	-	-
	<u>26,124</u>	<u>6,000</u>	<u>31,169</u>
<i>Surplus for the year Locally raised funds</i>	<u>15,143</u>	<u>26,541</u>	<u>17,248</u>

4. Learning Resources

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	44,698	55,298	45,096
Equipment repairs	1,838	2,000	482
Information and communication technology	13,824	14,000	12,049
Extra-curricular activities	2,195	22,663	14,913
Library resources	402	3,450	694
Employee benefits - salaries	1,146,443	1,049,187	1,039,710
Resource/attached teacher costs	-	-	-
Staff development	13,645	28,450	23,042
	<u>1,223,044</u>	<u>1,175,048</u>	<u>1,135,986</u>

5. Administration

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
		\$	
Audit Fee	3,927	3,927	3,868
Board of Trustees Fees	3,370	4,860	3,705
Board of Trustees Expenses	3,418	4,605	5,593
Communication	2,553	2,925	2,532
Consumables	7,567	7,314	6,141
Operating Lease	-	-	-
Legal Fees	-	-	-
Other	10,595	16,776	12,347
Employee Benefits - Salaries	48,293	46,172	44,744
Insurance	5,436	5,000	4,905
Service Providers, Contractors and Consultancy	7,170	8,500	7,470
	<u>92,330</u>	<u>100,079</u>	<u>91,305</u>

6. Property

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
		\$	
Caretaking and Cleaning Consumables	8,213	6,450	7,810
Consultancy and Contract Services	-	-	-
Cyclical Maintenance Expense	(3,117)	15,639	2,659
Grounds	5,769	7,650	9,801
Heat, Light and Water	9,897	11,523	13,016
Rates	-	-	-
Repairs and Maintenance	13,220	14,900	21,658
Use of Land and Buildings	331,205	328,020	328,020
Security	1,800	2,336	570
Employee Benefits - Salaries	56,655	58,829	56,917
	<u>423,642</u>	<u>445,347</u>	<u>440,451</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

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
		\$	
Buildings	3,127	-	3,127
Building Improvements	3,843	-	3,843
Furniture and Equipment	32,750	31,100	33,916
Information and Communication Technology	25,596	20,000	27,238
Motor Vehicles	-	-	-
Textbooks	-	-	-
Leased Assets	7,036	-	3,684
Library Resources	2,080	-	2,197
	<u>74,432</u>	<u>51,100</u>	<u>74,005</u>

FD/CO

8. Cash and Cash Equivalents

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Cash on Hand	-	-	-
Bank Current Account	41,695	53,624	84,374
Bank Call Account	475	-	43,378
Short-term Bank Deposits	120,273	-	-
Bank Overdraft	-	-	-
Cash equivalents and bank overdraft for Cash Flow Statement	<u>162,443</u>	<u>53,624</u>	<u>127,752</u>

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

9. Accounts Receivable

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Receivables	-	-	2,300
Receivables from the Ministry of Education	1,913	-	12,205
Provision for Uncollectibility	-	-	-
Interest Receivable	3,803	3,498	3,642
Teacher Salaries Grant Receivable	67,598	62,000	59,580
	<u>73,314</u>	<u>65,498</u>	<u>77,727</u>
Receivables from Exchange Transactions	3,803	3,498	5,942
Receivables from Non-Exchange Transactions	69,511	62,000	71,785
	<u>73,314</u>	<u>65,498</u>	<u>77,727</u>

10. Inventories

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Stationery	252	200	109
School Uniforms	-	-	-
Canteen	-	-	-
	<u>252</u>	<u>200</u>	<u>109</u>

11. Investments

The School's investment activities are classified as follows:

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Current Asset			
Short-term Bank Deposits	297,521	350,000	329,330
Non-current Asset			
Long-term Bank Deposits	25,000	-	-

FD&CO

12. Property, Plant and Equipment

2017	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
Land	-	-	-	-	-	-
Buildings	40,627	-	-	-	(3,127)	37,500
Building Improvements	89,062	-	-	-	(3,843)	85,219
Furniture and Equipment	150,286	7,493	-	-	(32,750)	125,029
Information and Communication	46,909	19,248	-	-	(25,596)	40,561
Motor Vehicles	-	-	-	-	-	-
Textbooks	-	-	-	-	-	-
Leased Assets	14,041	4,891	-	-	(7,036)	11,897
Library Resources	15,294	1,102	(245)	-	(2,080)	14,071
Balance at 31 December 2017	356,219	32,734	(245)	-	(74,432)	314,276

2017	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
Land	-	-	-
Buildings	78,171	(40,671)	37,500
Building Improvements	154,887	(69,669)	85,218
Furniture and Equipment	544,238	(419,209)	125,029
Information and Communication	174,816	(134,255)	40,561
Motor Vehicles	31,452	(31,452)	-
Textbooks	-	-	-
Leased Assets	21,797	(9,900)	11,897
Library Resources	40,119	(26,048)	14,071
Balance at 31 December 2017	1,045,480	(731,204)	314,276

2016	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
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)	-	(33,916)	150,284
Information and Communication	53,760	21,721	(1,334)	-	(27,238)	46,910
Technology	-	-	-	-	-	-
Motor Vehicles	-	-	-	-	-	-
Textbooks	-	-	-	-	-	-
Leased Assets	-	17,725	-	-	(3,684)	14,041
Library Resources	16,406	1,129	(44)	-	(2,197)	15,294
Balance at 31 December 2016	365,970	72,418	(8,164)	-	(74,005)	356,219

2016	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
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 Technology	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
Balance at 31 December 2016	1,015,714	(659,495)	356,219

13. Accounts Payable

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Operating creditors	15,400	15,000	18,203
Accruals	12,182	5,000	11,802
Capital accruals for PPE items	-	-	-
Banking staffing overuse	-	-	-
Employee Entitlements - salaries	67,598	62,000	59,580
Employee Entitlements - leave accrual	5,654	5,000	7,280
	<u>100,834</u>	<u>87,000</u>	<u>96,865</u>
Payables for Exchange Transactions	100,834	87,000	96,865
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)			
Payables for Non-exchange Transactions - Other			
	<u>100,834</u>	<u>87,000</u>	<u>96,865</u>

The carrying value of payables approximates their fair value.

14. Revenue Received in Advance

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Grants in Advance - Ministry of Education	-	-	5,042
International Student Fees	-	-	-
Hostel Fees	-	-	-
Other	2,843	3,000	4,381
	<u>2,843</u>	<u>3,000</u>	<u>9,423</u>

15. Provision for Cyclical Maintenance

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Provision at the Start of the Year	121,522	121,522	118,863
Increase to the Provision During the Year	15,639	-	2,659
Adjustment to the Provision	(18,756)	(3,117)	-
Use of the Provision During the Year	(82,737)	(82,737)	-
Provision at the End of the Year	<u>35,668</u>	<u>35,668</u>	<u>121,522</u>
Cyclical Maintenance - Current	11,200	11,200	92,722
Cyclical Maintenance - Term	24,468	24,468	28,800
	<u>35,668</u>	<u>35,668</u>	<u>121,522</u>

16. Finance Lease Liability

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

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
No Later than One Year - Principal	6,726	5,746	5,746
No Later than One Year - Interest	907	-	1,364
Later than One Year and no Later than Five Years - Principal	5,047	8,636	8,636
Later than One Year and no Later than Five Years - Interest	150	-	309
Later than Five Years	-	-	-
	<u>12,830</u>	<u>14,382</u>	<u>16,055</u>

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:

	2017	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution/ (Write-off to R&M)	Closing Balances \$
Blocks 1 and 3	<i>in progress</i>	(11,244)	99,000	4,326	-	83,430
Roofing Replacement	<i>completed</i>	-	15,868	15,868	-	-
Totals		<u>(11,244)</u>	<u>114,868</u>	<u>20,193</u>	<u>-</u>	<u>83,430</u>

Represented by:

Funds Held on Behalf of the Ministry of Education	83,430
Funds Due from the Ministry of Education	-
	<u>83,430</u>

	2016	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution/ (Write-off to R&M)	Closing Balances \$
Sportsfield	<i>completed</i>	11,658	3,067	14,724	-	-
Blocks 1 and 2	<i>in progress</i>	-	-	11,244	-	(11,244)

FD & CO

Totals	11,658	3,067	25,968	-	(11,244)
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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.

	2017 Actual \$	2016 Actual \$
<i>Board Members</i>		
Remuneration	3,370	3,705
Full-time equivalent members	0.32	0
<i>Leadership Team</i>		
Remuneration	296,871	216,245
Full-time equivalent members	3	2
Total key management personnel remuneration	300,241	219,950
Total full-time equivalent personnel	3.32	2.32

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:

	2017 Actual \$000	2016 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	120 - 130	120 - 130
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	2017 FTE Number	2016 FTE Number
110 - 120	0.00	0.00
100 - 110	0.00	0.00
	0.00	0.00

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

20. Compensation and Other Benefits Upon Leaving

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

	2017 Actual	2016 Actual
Total	\$0	-
Number of People	0	-

21. Contingencies

Contingent liabilities at 31 December 2017 - unquantified Ancillary Sick Leave, employment court costs in relation to a serious misconduct case. Contingent assets as at 31 December 2017 - insurance compensation in relation to the above employment matters. (Contingent liabilities at 31 December 2016: Flooring in Staff room and unquantified Ancillary Sick Leave; Contingent Assets at 31 December 2016: nil).

22. Commitments

(a) Capital Commitments

As at 31 December 2017 the Board has entered into contract agreements for capital works as follows:

(a) \$252,030 contract for Block 1 and 2 Alterations to be completed in 2018, which \$234,919 will be funded by the Ministry of Education and the balance by the Board of Trustees. \$99,000 has been received of which \$15,570 has been spent on the project to date.

(Capital commitments at 31 December 2016: nil)

(b) Operating Commitments

As at 31 December 2017 the Board had not entered into any contracts.

(Operating Commitments 2016: Nil)

	2017 Actual \$	2016 Actual \$
No later than One Year	-	-
Later than One Year and No Later than Five Years	-	-
Later than Five Years	-	-
	<hr/> <hr/>	<hr/> <hr/>

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

2017	2017	2016
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	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Cash and Cash Equivalents	162,443	53,624	127,752
Receivables	73,314	65,498	77,727
Investments - Term Deposits	322,521	350,000	329,330
Total Loans and Receivables	<u>558,279</u>	<u>469,122</u>	<u>534,809</u>
Financial liabilities measured at amortised cost			
Payables	100,834	87,000	96,865
Finance Leases	11,773	13,000	14,382
Total Financial Liabilities Measured at Amortised Cost	<u>112,607</u>	<u>100,000</u>	<u>111,247</u>

25. Events After Balance Date

After Balance Date a suspected fraud was discovered in relation to a staff member. A court case in relation to serious misconduct is in progress. It is unlikely that there will be uninsured costs to the school.

INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF COLEY STREET SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

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 2017, 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 2017; 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 29 May 2018. 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 arise from the Public Audit Act 2001.

Other information

The Board of Trustees is responsible for the other information. The other information comprises the Board/Principal's report including the Statement on Kiwi Sport funding, Analysis of Variance and Members of the Board of Trustees List included in 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