

KERIKERI PRIMARY SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018



KERIKERI PRIMARY SCHOOL

Annual Report - For the year ended 31 December 2018

School Directory

Ministry Number: 1034

Principal: Sarah Brown

School Address: 39 Hone Heke Road, Kerikeri

School Postal Address: P O Box 773, Kerikeri

School Phone: (09) 407-8414

School Email: admin@kkps.school.nz

Members of the Board of Trustees

Name	Position	How Position Gained	Term expires
Fintan McGlinchey	Chair Person	Elected	Apr-19
Sarah Brown	Principal	ex Officio	
Maree Urlich	Parent Rep	Elected	Apr-19
Melinda Harwood	Parent Rep	Elected	Apr-19
Chloe Davenport	Parent Rep	Elected casual vacancy	Apr-19
Kate Mounter	Parent Rep	Co-opted	Apr-19
Renaë Rakena	Parent Rep	Elected	Resigned Oct 2018
Andrew Penny	Parent Rep	Elected	Resigned April 2018
Rosemary Murphy	Staff Rep	Elected	Apr-19

Accountant / Service Provider:

The SchoolOffice
all things financial for schools

Auditor:

PKF Francis Aickin Limited

KERIKERI PRIMARY SCHOOL

Annual Report - For the year ended 31 December 2018

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Kerikeri Primary School

Statement of Responsibility

For the year ended 31 December 2018

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

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

It is the opinion of the Board and management that the annual financial statements for the financial year ended 31 December 2018 fairly reflects the financial position and operations of the school.

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

Fintin Patrick McGlinchey
Full Name of Board Chairperson

Sarah Jane Brown
Full Name of Principal


Signature of Board Chairperson


Signature of Principal

28 May 2019
Date:

28 May 2019
Date:

Kerikeri Primary School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2018

	Notes	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Revenue				
Government Grants	2	3,715,178	3,597,171	3,918,235
Locally Raised Funds	3	71,112	40,800	92,484
Interest Earned		12,906	8,000	11,808
Gain on Sale of Property, Plant and Equipment		-	-	393
		<u>3,799,196</u>	<u>3,645,971</u>	<u>4,022,920</u>
Expenses				
Locally Raised Funds	3	32,645	-	48,264
Learning Resources	4	2,320,321	2,323,858	2,618,728
Administration	5	255,309	267,320	246,009
Finance		2,572	-	2,118
Property	6	1,056,278	1,009,005	1,042,632
Depreciation	7	139,772	140,028	130,336
Loss on Disposal of Property, Plant and Equipment		139,779	-	-
		<u>3,946,676</u>	<u>3,740,211</u>	<u>4,088,087</u>
Net Surplus / (Deficit) for the year		(147,480)	(94,240)	(65,167)
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>(147,480)</u>	<u>(94,240)</u>	<u>(65,167)</u>

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



Kerikeri Primary School
Statement of Changes in Net Assets/Equity

For the year ended 31 December 2018

	Actual 2018 \$	Budget (Unaudited) 2018 \$	Actual 2017 \$
Balance at 1 January	1,594,609	1,500,690	1,640,291
Total comprehensive revenue and expense for the year	(147,480)	(94,240)	(65,167)
Capital Contributions from the Ministry of Education Contribution - Furniture and Equipment Grant	18,071	-	19,485
Equity at 31 December	<u>1,465,200</u>	<u>1,406,450</u>	<u>1,594,609</u>
Retained Earnings	1,465,200	1,406,450	1,594,609
Reserves	-	-	-
Equity at 31 December	<u>1,465,200</u>	<u>1,406,450</u>	<u>1,594,609</u>

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




Kerikeri Primary School Statement of Financial Position

As at 31 December 2018

	Notes	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Current Assets				
Cash and Cash Equivalents	8	1,198,866	171,138	438,237
Accounts Receivable	9	214,515	171,034	171,034
GST Receivable		-	546	546
Prepayments		5,315	5,980	5,980
Investments	10	-	125,000	125,000
		<u>1,418,696</u>	<u>473,698</u>	<u>740,797</u>
Current Liabilities				
GST Payable		30,655	-	-
Accounts Payable	12	289,735	192,461	192,461
Painting Contract Liability - Current Portion	14	32,258	32,258	32,258
Finance Lease Liability - Current Portion	15	21,974	20,661	20,661
Funds held for Capital Works Projects	16	705,948	-	241,420
		<u>1,080,570</u>	<u>245,380</u>	<u>486,800</u>
Working Capital Surplus/(Deficit)		338,126	228,318	253,997
Non-current Assets				
Property, Plant and Equipment	11	1,242,701	1,309,328	1,471,808
		<u>1,242,701</u>	<u>1,309,328</u>	<u>1,471,808</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	13	22,857	-	-
Painting Contract Liability	14	65,806	82,258	82,258
Finance Lease Liability	15	26,964	48,938	48,938
		<u>115,627</u>	<u>131,196</u>	<u>131,196</u>
Net Assets		<u><u>1,465,200</u></u>	<u><u>1,406,450</u></u>	<u><u>1,594,609</u></u>
Equity		<u><u>1,465,200</u></u>	<u><u>1,406,450</u></u>	<u><u>1,594,609</u></u>

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


Signature of Board Chairperson


Signature of Principal

26 May 2019
Date:

28 May 2019
Date:



Kerikeri Primary School
Statement of Cash Flows
For the year ended 31 December 2018

	2018	2018	2017
Note	Actual \$	Budget (Unaudited) \$	Actual \$
Cash flows from Operating Activities			
Government Grants	940,076	848,958	956,278
Locally Raised Funds	67,726	24,312	75,996
Goods and Services Tax (net)	31,201	29,799	29,799
Payments to Employees	(438,555)	(388,605)	(427,753)
Payments to Suppliers	(369,551)	(547,471)	(479,167)
Cyclical Maintenance Payments in the year	-	(97,550)	(97,550)
Interest Paid	(2,572)	-	(2,118)
Interest Received	12,262	7,164	10,972
Net cash from / (to) the Operating Activities	240,587	(123,393)	66,457
Cash flows from Investing Activities			
Proceeds from Sale of PPE (and Intangibles)	-	-	(1,107)
Purchase of PPE (and Intangibles)	(50,444)	-	(129,536)
Proceeds from sale of Investments	125,000	(125,000)	(125,000)
Net cash from / (to) the Investing Activities	74,556	(125,000)	(255,643)
Cash flows from Financing Activities			
Furniture and Equipment Grant	18,071	-	19,485
Finance Lease Payments	(20,661)	5,475	(16,277)
Painting contract payments	(16,452)	77,850	(32,258)
Funds Held for Capital Works Projects	464,528	(110,108)	131,312
Net cash from Financing Activities	445,486	(26,783)	102,262
Net increase/(decrease) in cash and cash equivalents	760,629	(275,176)	(86,924)
Cash and cash equivalents at the beginning of the year	8 438,237	446,314	525,161
Cash and cash equivalents at the end of the year	8 1,198,866	171,138	438,237

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

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



Kerikeri Primary School

Notes to the Financial Statements

For the year ended 31 December 2018

1. Statement of Accounting Policies

a) Reporting Entity

Kerikeri Primary School (the School) is a Crown entity as specified in the Crown Entities Act 2004 and a school as described in the Education Act 1989. The Board of Trustees (the Board) is of the view that the School is a public benefit entity for financial reporting purposes.

b) Basis of Preparation

Reporting Period

The financial reports have been prepared for the period 1 January 2018 to 31 December 2018 and in accordance with the requirements of the Public Finance Act 1989.

Basis of Preparation

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

Financial Reporting Standards Applied

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

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

Useful lives of property, plant and equipment

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



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 15.

Recognition of grants

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

c) Revenue Recognition

Government Grants

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

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

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

For Non-integrated schools only:

Use of land and buildings grants are recorded as revenue in the period the School uses the land and buildings. These are not

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 uncollectability) is the difference between the amount due and the present value of the amounts expected to be collected.

i) Investments

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

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

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

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

j) Property, Plant and Equipment

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

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

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

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

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

Leased Assets

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



Depreciation

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

The estimated useful lives of the assets are:

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

k) 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.

l) 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.

m) 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.

n) Provision for Cyclical Maintenance

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

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



o) 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.

p) Goods and Services Tax (GST)

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

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

Commitments and contingencies are disclosed exclusive of GST.

q) Budget Figures

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

r) Services received in-kind

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



2. Government Grants

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Operational grants	823,565	803,763	843,514
Teachers' salaries grants	2,038,034	2,017,240	2,298,481
Use of Land and Buildings grants	733,328	733,328	726,585
Resource teachers learning and behaviour grants	2,370	-	8,010
Other MoE Grants	114,716	42,840	29,163
Other government grants	3,165	-	12,482
	3,715,178	3,597,171	3,918,235

3. Locally Raised Funds

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

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Revenue			
Donations	18,927	30,000	45,227
Activities	34,371	10,000	27,661
Trading	917	800	1,398
Fundraising	8,106	-	8,135
Other Revenue	8,791	-	10,063
	71,112	40,800	92,484
Expenses			
Activities	30,335	-	38,355
Trading	-	-	6,323
Fundraising costs	2,310	-	3,586
	32,645	-	48,264
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	38,467	40,800	44,220

4. Learning Resources

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Curricular	41,742	69,677	55,637
Equipment repairs	3,860	2,000	-
Information and communication technology	37,157	39,188	13,644
Extra-curricular activities	-	-	-
Library resources	1,209	1,254	2,608
Employee benefits - salaries	2,205,178	2,155,939	2,493,637
Staff development	31,175	55,800	53,202
	2,320,321	2,323,858	2,618,728



5. Administration

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Audit Fee	5,124	4,800	4,780
Board of Trustees Fees	3,170	4,500	5,104
Board of Trustees Expenses	10,745	23,280	4,919
Communication	6,393	5,700	12,127
Consumables	5,821	9,000	15,080
Operating Lease	5,804	8,900	1,704
Legal Fees	-	-	4,206
Other	8,936	11,100	15,738
Employee Benefits - Salaries	197,837	191,040	173,166
Insurance	5,379	5,000	5,525
Service Providers, Contractors and Consultancy	6,100	4,000	3,660
	<u>255,309</u>	<u>267,320</u>	<u>246,009</u>

6. Property

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Caretaking and Cleaning Consumables	18,924	16,992	21,065
Consultancy and Contract Services	53,340	54,996	53,133
Cyclical Maintenance Expense	22,857	33,996	33,996
Grounds	33,177	14,197	17,000
Heat, Light and Water	35,087	42,000	56,777
Rates	14,246	16,000	13,744
Repairs and Maintenance	74,669	29,996	52,544
Use of Land and Buildings	733,328	733,328	726,585
Security	6,454	5,496	5,219
Employee Benefits - Salaries	64,196	62,004	62,569
	<u>1,056,278</u>	<u>1,009,005</u>	<u>1,042,632</u>

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

7. Depreciation

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Buildings - School	29,806	35,000	34,524
Furniture, Fittings and Equipment	22,876	20,000	18,525
Information and Communication Technology	35,326	23,000	23,752
Motor Vehicles	1,130	228	283
Textbooks	1,999	2,000	1,999
Plant and Machinery	11,699	22,000	18,169
Playground/Sports Equipment	12,906	15,000	12,906
Leased Assets	21,419	18,000	17,004
Library Resources	2,611	4,800	3,174
	<u>139,772</u>	<u>140,028</u>	<u>130,336</u>



8. Cash and Cash Equivalents

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Cash on Hand	-	-	100
Bank Current Account	157,395	170,345	437,300
Bank Call Account	841,471	-	44
Short-term Bank Deposits	200,000	-	-
Visa Account	-	793	793
Cash and cash equivalents for Cash Flow Statement	<u>1,198,866</u>	<u>171,138</u>	<u>438,237</u>

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

Of the \$1,198,866 Cash and Cash Equivalents, \$705,948 is held by the School on behalf of the Ministry of Education. These funds are required to be spent in 2019 on Crown owned school buildings under the School's Five Year Property Plan.

9. Accounts Receivable

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Receivables	1,470	6,178	6,178
Receivables from the Ministry of Education	29,767	26,027	26,027
Banking Staffing Underuse	20,794	12,700	12,700
Interest Receivable	1,480	836	836
Teacher Salaries Grant Receivable	161,004	125,293	125,293
	<u>214,515</u>	<u>171,034</u>	<u>171,034</u>
Receivables from Exchange Transactions	23,744	19,714	19,714
Receivables from Non-Exchange Transactions	190,771	151,320	151,320
	<u>214,515</u>	<u>171,034</u>	<u>171,034</u>

10. Investments

The School's investment activities are classified as follows:

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Current Asset			
Short-term Bank Deposits	-	125,000	125,000
Non-current Asset			
Long-term Bank Deposits	-	-	-



11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2018	\$	\$	\$	\$	\$	\$
Buildings - School	946,148	-	(140,090)	-	(29,806)	776,252
Furniture, Fittings and Equipment	172,488	31,304	-	-	(22,876)	180,916
Information and Communication T	99,493	11,446	-	-	(35,326)	75,613
Motor Vehicles	5,369	-	-	-	(1,130)	4,239
Textbooks	4,664	-	-	-	(1,999)	2,665
Plant and Machinery	21,419	6,285	-	-	(11,699)	16,005
Playground/Sports Equipment	148,086	-	-	-	(12,906)	135,180
Leased Assets	66,482	-	-	-	(21,419)	45,063
Library Resources	7,659	1,721	-	-	(2,611)	6,769
Balance at 31 December 2018	1,471,808	50,756	(140,090)	-	(139,772)	1,242,702

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2018	\$	\$	\$
Buildings - School	1,153,337	(377,086)	776,251
Furniture, Fittings and Equipment	530,942	(350,025)	180,917
Information and Communication Technology	400,544	(324,930)	75,614
Motor Vehicles	5,652	(1,413)	4,239
Textbooks	39,504	(36,839)	2,665
Plant and Machinery	155,373	(139,369)	16,004
Playground/Sports Equipment	257,316	(122,137)	135,179
Leased Assets	95,844	(50,782)	45,062
Library Resources	86,592	(79,822)	6,770
Balance at 31 December 2018	2,725,104	(1,482,403)	1,242,701

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2017	\$	\$	\$	\$	\$	\$
Buildings - School	980,672	-	-	-	(34,524)	946,148
Furniture, Fittings and Equipment	146,261	44,752	-	-	(18,525)	172,488
Information and Communication T	48,627	74,618	-	-	(23,752)	99,493
Motor Vehicles	-	5,652	-	-	(283)	5,369
Textbooks	6,663	-	-	-	(1,999)	4,664
Plant and Machinery	34,917	4,671	-	-	(18,169)	21,419
Playground/Sports Equipment	160,993	-	-	-	(12,906)	148,087
Leased Assets	61,734	21,752	-	-	(17,004)	66,482
Library Resources	9,489	1,344	-	-	(3,174)	7,659
Balance at 31 December 2017	1,449,356	152,789	-	-	(130,336)	1,471,809

The net carrying value of equipment held under a finance lease is \$45,062 (2017: \$66,482)



2017	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
Buildings - School	1,342,062	(395,914)	946,148
Furniture, Fittings and Equipment	510,162	(337,674)	172,488
Information and Communication Technology	396,214	(296,721)	99,493
Motor Vehicles	5,652	(283)	5,369
Textbooks	39,504	(34,840)	4,664
Plant and Machinery	149,089	(127,670)	21,419
Playground/Sports Equipment	257,316	(109,230)	148,086
Leased Assets	95,845	(29,363)	66,482
Library Resources	84,871	(77,212)	7,659
Balance at 31 December 2017	2,880,715	(1,408,907)	1,471,808

12. Accounts Payable

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Operating creditors	122,434	35,431	35,431
Accruals	8,595	24,657	24,657
Employee Entitlements - salaries	149,606	125,293	125,293
Employee Entitlements - leave accrual	9,100	7,080	7,080
	289,735	192,461	192,461
Payables for Exchange Transactions	289,735	192,461	192,461
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	289,735	192,461	192,461

The carrying value of payables approximates their fair value.

13. Provision for Cyclical Maintenance

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Provision at the Start of the Year	-	-	63,554
Increase/ (decrease) to the Provision During the Year	22,857	33,996	33,996
Use of the Provision During the Year	-	(33,996)	(97,550)
Provision at the End of the Year	22,857	-	-
Cyclical Maintenance - Current	-	-	-
Cyclical Maintenance - Term	22,857	-	-
	22,857	-	-



14. Painting Contract Liability

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Current Liability	32,258	32,258	32,258
Non Current Liability	65,806	82,258	82,258
	<u>98,064</u>	<u>114,516</u>	<u>114,516</u>

In 2017 the Board signed an agreement with Scheduled Maintenance Services Ltd (the contractor) for an agreed programme of work covering an eight year period. The programme provides for an interior and exterior repaint of the Ministry owned buildings in 2017, with regular maintenance in subsequent years. The agreement has an annual commitment of \$32,258. The liability is the best estimate of the actual amount of work performed by the contractor for which the contractor has not been paid at balance sheet date. The liability has not been adjusted for inflation and the effect of the time value of money.

15. Finance Lease Liability

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

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
No Later than One Year	23,190	23,234	23,234
Later than One Year and no Later than Five Years	13,876	35,553	48,938
Later than Five Years	-	-	-
	<u>37,066</u>	<u>58,787</u>	<u>72,172</u>

16. Funds Held for Capital Works Projects

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

	2018	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions	Closing Balances \$
Bock 19-21 (Room 24/25/Resource)	<i>completed</i>	115,222	-	(116,826)	1,804	-
Block 5/22 (Room 11 and old RTLB)	<i>in progress</i>	85,738	-	(73,034)	-	12,704
Blocks 1 & 2 Junior (Kiwi)	<i>in progress</i>	(9,836)	21,261	-	-	11,425
Building Improvements	<i>completed</i>	(32,008)	-	-	32,008	-
2018/2019 New Build	<i>in progress</i>	82,304	946,828	(347,313)	-	681,819
Capital Works - RTLB	<i>completed</i>	-	50,250	(50,250)	-	-
Totals		<u>241,420</u>	<u>1,018,339</u>	<u>(587,423)</u>	<u>33,612</u>	<u>705,948</u>

Represented by:

Funds Held on Behalf of the Ministry of Education

705,948

Funds Due from the Ministry of Education

-

705,948



	2017	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions	Closing Balances \$
Build New Classrooms Bock 19-21 (Room 24/25/Resource)	<i>split to Projects</i>	109,572	330,600	(188,752)	-	-
Block 5/22 (Room 11 and old RTLB)	<i>in progress</i>	-	-	-	-	115,222
Blocks 1 & 2 Junior (Kiwi)	<i>in progress</i>	-	-	-	-	85,738
Building Improvements	<i>in progress</i>	-	-	-	-	(9,836)
2018/2019 New Build	<i>in progress</i>	-	-	-	-	(32,008)
Transfer P Block	<i>completed</i>	86	-	-	86	82,304
Electrical 3 Phase Cable	<i>completed</i>	450	-	-	450	-
Totals		110,108	330,600	(188,752)	536	241,420

17. 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.

18. Remuneration

Key management personnel compensation

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

	2018 Actual \$	2017 Actual \$
<i>Board Members</i>		
Remuneration	3,170	5,104
Full-time equivalent members	0.27	0.27
<i>Leadership Team</i>		
Remuneration	324,208	427,706
Full-time equivalent members	3.00	4.00
Total key management personnel remuneration	327,378	432,810
Total full-time equivalent personnel	3.27	4.27

The full time equivalent for Board members has been determined based on attendance at Board meetings, Committee meetings and for other obligations of the Board, such as stand downs and suspensions, plus the estimated time for Board members to prepare for meetings.



Principal

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

	2018 Actual \$000	2017 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	120 - 130	120 - 130
Benefits and Other Emoluments	2-3	3-4
Termination Benefits	-	-

Other Employees

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

Remuneration \$000	2018 FTE Number	2017 FTE Number
110-120	0.00	1.00
100-110	1.00	0.00
	<u>1.00</u>	<u>1.00</u>

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

19. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at **31 December 2018** (Contingent liabilities and assets at **31 December 2017**: the school is currently in discussions with Far North District Council over an outstanding water rates invoice. There is a potential liability of \$13,295.32).

Holidays Act Compliance – schools payroll

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

The Ministry has commenced a review of the schools sector payroll to ensure compliance with the Holidays Act 2003. The initial phase of this review has identified areas of non-compliance, however the potential impact on any specific school or individual and any associated historical liability will not be known until further detailed analysis has been completed.

To the extent that any obligation cannot reasonably be quantified at 31 December 2018, a contingent liability for the school may exist.

20. Commitments

(a) Capital Commitments

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

(a) an ongoing contract to have new classrooms built as agent for the Ministry of Education. This project is fully funded by the Ministry of Education and has been approved by the Ministry.

(Capital commitments at 31 December 2017: nil)



(b) Operating Commitments

As at 31 December 2018 the Board had not entered into any contracts

(a) Programmed Maintenance Contract;

	2018 Actual \$	2017 Actual \$
No later than One Year	9,123	15,039
Later than One Year and No Later than Five Years	53,584	53,584
Later than Five Years	-	9,123
	<u>62,707</u>	<u>77,746</u>

21. 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.

22. Financial Instruments

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

Loans and receivables

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Cash and Cash Equivalents	1,198,866	171,138	438,237
Receivables	214,515	171,034	171,034
Investments - Term Deposits	-	125,000	125,000
Total Loans and Receivables	<u>1,413,381</u>	<u>467,172</u>	<u>734,271</u>

Financial liabilities measured at amortised cost

Payables	289,735	192,461	192,461
Borrowings - Loans	-	-	-
Finance Leases	48,938	69,599	69,599
Painting Contract Liability	98,064	114,516	114,516
Total Financial Liabilities Measured at Amortised Cost	<u>436,737</u>	<u>376,576</u>	<u>376,576</u>

23. Events After Balance Date

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

24. Comparatives

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



Kiwisport Funding 2018



This year we have given our Kerikeri Primary children the opportunities to explore and participate in different sporting activities. The funding from Kiwisport has helped us in the following ways:

- Swimming Sports – We were able to hire out the KKHS pool to hold our senior swimming sports. This enabled all children to participate in this event and to promote participation and excellence in the pool.
- Inter-Sch Swimming Sports – we used the funding to enable the running of the Inter School Swimming competition in our local area. We were also able to send children along to participate in this event.
- Senior Camp - We were able to hire the Kerikeri Cruising Club yachts for children to experience 'have a go' at sailing. We also had surfing instructors on camp who introduced the children to surfing at Matauri Bay.
- Book resources – we purchased these resources to up skill teachers in order to teach children different sporting and fundamental movement skills.
- Hockey contract – we used the funding to allow a hockey coach into the school to give every student 4 sessions of hockey skills.
- Inter-School Cross Country – bringing schools together to have a inter school cross country competition. Funding enabled children to participate and time for me to organise the event. This event added the excitement for children to experience competition and allow for top competition of our fastest runners.
- Sporting coaches – we have had a variety of sporting coaches come in to school to run a skills session with the children. This gave the children the opportunity to explore each sport in a non-threatening way (cricket, soccer, rippa rugby, hockey).
- Rippa Rugby – we participated in this event in Taipa this year.
- Golf – we used the Kiwisport funding for 4 sessions of Golf. This allowed a coach to travel from Whangarei and deliver a series of lessons to our students from Yr 4-6
- Sports Equipment – through the funding, we were able to purchase a range of sporting equipment to allow children the opportunity to use these during the lunch hour.
- Hireage of buses to get to venues, sports tournaments e.g. ki o rahi.

Conclusion:

The Kiwisport funding has given the children at Kerikeri Primary School the opportunity to experience new sporting and physical activities. Kiwisport has been very valuable in funding these programmes in and out in our local community.

Dave Kirkland 2018
Sport and PE leader

Analysis of Variance Reporting



School Name:	Kerikeri Primary School	School Number:	1034
Strategic Aim:	To raise achievement for our 'Below' children to 'At' through accelerated learning groups, ie: ALL		
Annual Aim:	Identify those children within each class who are Below and shift 50% to At		
Target:	At least half of our children who are identified as currently below National standards in Reading, Writing and Maths will be 'at' by the end of 2018.		
Baseline Data:	<p>We have 26.2% of children across the school identified as Well below/ below in Reading. We are aiming for 50% of the children identified at Below move to At or Above by the end of the year (2018).</p> <p>We have 31.5% of children across the school identified as Well below / Below in Writing. We are aiming for 50% of the children identified at Below to move to At or Above by the end of the year (2018)</p> <p>We have 23.5% of children across the school identified as Well below / Below in Mathematics. We are aiming for 50% of the children identified at Below to move to At or Above by the end of the year (2018).</p>		

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>We implemented ALL (Accelerated Literacy Learning) programme. This was our third and final year on the programme. This programme was implemented from year two classes and above. Teachers from the ALL group observed their colleagues, giving feedback about teaching practice.</p> <p>Whole staff PLD around relationship based learning through CORE education.</p> <p>Continuation of 'learning through play' in junior classes, where literacy and numeracy was integrated into play. While continuing to workshop children for reading, writing and maths. Gradual exploration of this format into middles and seniors.</p> <p>Regular PLG (Professional Learning Group) meetings, where staff discuss a reading, complete moderation and/ or approach to teaching etc.</p>	<p>EOY summary: Reading: Year 1: 100% at/ above Year 2: 61% at/ above Year 3: 85% at / above Year 4: 72% at/ above Year 5: 76% at/ above Year 6: 81% at/ above</p> <p>EOY 2017(all children) 73.9% at/ above 2018: 79.5% at/above</p> <p>Writing: Year 1: 100% at/above Year 2: 52% at/ above Year 3: 75% Year 4: 56% Year 5: 53% Year 6: 72%</p> <p>EOY (all children) 2017: 68.5% at/ above 2018: 69% at/ above</p> <p>Maths: Year 1: 100% at/above Year 2: 75% at/ above Year 3: 80% at/ above Year 4: 74% at/ above Year 5: 67% at/ above Year 6: 74% at/ above</p> <p>EOY (all children) 2017: 76.5% at/above</p>	<p>This year our data is slightly different as it is the first year with no national standards to report to. The 2018 data is based on curriculum levels and the expected level students within each year group should be working at. As each curriculum level is stretched over two years, students can be working at the start, middle and end of the level.</p> <p>Maths: There has been good progress in Maths. The data for girls was comparative and consistent with other years. The boys results are slightly higher with two thirds of each year group are achieving at or above in maths.</p> <p>Reading: The results have remained consistent with previous years. They have improved from 2015 and are significantly higher in year one and year two. However, one of the reasons for this will be discussed further in this report.</p> <p>Writing: The 2018 data was consistent with 2015, 2016 but not as high as 2017. Boys writing continues to be an area of concern with a significant difference</p>	<p>The next step is to continue our development of robust moderation procedures as the inconsistencies in data seem to relate to the validity of our moderation process. Moderation will become a regular feature of team meetings and the focus in PLGs (Professional Learning Groups) each term. Unpacking and familiarising ourselves with the maths, reading and writing progressions will also be part of this.</p> <p>The data in year one this year reads across all three curriculum areas at 100%. This is due to the reporting against curriculum levels rather than a national standard. To be BELOW a student must be working at a year below their expected curriculum level. This would mean they would be working at the previous level. For our year one students, those who have not completed one academic year (not weeks as it was with national standards), they cannot be below as they cannot yet be a full academic year and therefore, level below. We have been through the year one data and under the weeks system, there are a number of students who have</p>

	<p>2018: 78% at/above</p>	<p>between the girls and boys results. At our last staff meeting we unpacked this, identifying what is needed to improve boys interest and results in writing. This is something we will continue to focus on and have at the top of our agenda. The implementation of STEAM and Makerspace should aid boys writing.</p> <p>Overall girls progress is higher than boys across all three curriculum areas.</p> <p>The Progress in Te Whakatapuranga, just as in ALL, is very pleasing. There are high percentages of students AT and ABOVE their expected curriculum level. In 2019 the programme and teaching/learning strategies used in Te Whakatapuranga will be shared with the school in staff meetings and briefings to inspire staff to implement these in their classrooms as what is working for the Te Whakatapuranga students will work for all our students.</p>	<p>been at school for 40 weeks plus who are early or within level one so they are working BELOW their expected level. As a result of this, in 2019 the year two data will dip significantly. This is a consequence of the change away from reporting on a national standard.</p>
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Planning for next year:

We are organising moderation in literacy with other local schools.
Employing teacher aides to assist in all classes across the school
Curriculum leaders appointed to lead learning around their curriculum areas
PLD budget for curriculum areas
Participate in PB4L

Continue with Relationship Based Learning PLD
Implement parent programme 'Read together'

INDEPENDENT AUDITOR'S REPORT

**TO THE READERS OF KERIKERI PRIMARY SCHOOL'S FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

The Auditor-General is the auditor of Kerikeri Primary School (the School). The Auditor-General has appointed me, Stewart Russell, using the staff and resources of PKF Francis Aickin Ltd, 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 2018, the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion the financial statements of the School:

- present fairly, in all material respects:
 - its financial position as at 31 December 2018; and
 - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with PBE Accounting Standards (PBE IPSAS) Reduced Disclosure Regime as appropriate to public benefit entities that qualify for Tier 2 reporting.

Our audit was completed on 28 May 2019. 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 Kiwi Sport Statement and Analysis of Variance included on pages 20 - 25, 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.



Stewart Russell
PKF Francis Aickin Ltd
On behalf of the Auditor-General
Kaitiaki, New Zealand