

# KERIKERI PRIMARY SCHOOL

## ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021



# KERIKERI PRIMARY SCHOOL

## ANNUAL REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### 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](mailto:admin@kkps.school.nz)

#### Members of the Board

Name	Position	How Position Gained	Term Expired/ Expires
Fintan McGlinchey	Presiding Member	Elected	Sep-22
Sarah Brown	Principal	ex Officio	
Pam Brunton	Parent Representative	Elected	Sep-22
Amy Slack	Parent Representative	Elected	Sep-22
Chloe Davenport	Parent Representative	Elected	Sep-22
Trudy Hau	Parent Representative	Elected	Sep-22
Daniel Simmonds	Parent Representative	Co-opted	Sep-22
Joanne vanderLinden	Staff Representative	Elected	Sep-22

**Accountant / Service Provider:**



**Auditor:**

PKF Francis Aickin Ltd

# KERIKERI PRIMARY SCHOOL

Annual Report - For the year ended 31 December 2021

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# Kerikeri Primary School

## Statement of Responsibility

For the year ended 31 December 2021

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

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

It is the opinion of the Board and management that the annual financial statements for the financial year ended 31 December 2021 fairly reflects the financial position and operations of the school.

The School's 2021 financial statements are authorised for issue by the Board.

DANIEL JOHN LASHMAR SIMMONDS

Full Name of Presiding Member



Signature of Presiding Member

17/6/2022

Date:

Sarah Jane Brown

Full Name of Principal



Signature of Principal

17.6.22

Date:

# Kerikeri Primary School

## Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
<b>Revenue</b>				
Government Grants	2	4,171,986	4,486,058	4,150,495
Locally Raised Funds	3	111,869	13,000	29,205
Interest Income		594	3,000	4,007
		4,284,449	4,502,058	4,183,707
<b>Expenses</b>				
Locally Raised Funds	3	26,935	34,500	31,807
Learning Resources	4	2,750,242	3,165,360	2,716,835
Administration	5	248,081	52,350	251,120
Finance		2,326	2,000	2,123
Property	6	1,068,858	1,311,065	1,068,068
Depreciation	9	133,030	135,141	137,347
Loss on Disposal of Property, Plant and Equipment		344	-	1,683
		4,229,816	4,700,416	4,208,983
<b>Net Surplus / (Deficit) for the year</b>		54,633	(198,358)	(25,276)
Other Comprehensive Revenue and Expense		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		54,633	(198,358)	(25,276)

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





# Kerikeri Primary School

## Statement of Changes in Net Assets/Equity

For the year ended 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
<b>Equity at 1 January</b>		1,450,750	1,450,750	1,476,026
Total comprehensive revenue and expense for the year		54,633	(198,358)	(25,276)
Capital Contributions from the Ministry of Education Contribution - Furniture and Equipment Grant		9,188	-	-
<b>Equity at 31 December</b>		1,514,571	1,252,392	1,450,750
Retained Earnings		1,514,571	1,252,392	1,450,750
Reserves		-	-	-
<b>Equity at 31 December</b>		1,514,571	1,252,392	1,450,750

The above Statement of Changes in Net Assets/Equity should be read in conjunction with the accompanying notes which form part of these financial statements.



# Kerikeri Primary School

## Statement of Financial Position

As at 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
<b>Current Assets</b>				
Cash and Cash Equivalents	7	709,195	573,354	662,882
Accounts Receivable	8	226,335	215,670	215,670
GST Receivable		33,151	45,494	45,494
Prepayments		36,208	5,263	5,263
		<u>1,004,889</u>	<u>839,781</u>	<u>929,309</u>
<b>Current Liabilities</b>				
Accounts Payable	10	279,918	356,475	356,475
Revenue Received in Advance	11	57,743	81,460	81,460
Painting Contract Liability	13	32,258	-	32,258
Finance Lease Liability	14	13,643	17,001	18,812
Funds held for Capital Works Projects	15	98,518	-	11,598
		<u>482,080</u>	<u>454,936</u>	<u>500,603</u>
<b>Working Capital Surplus/(Deficit)</b>		<b>522,809</b>	<b>384,845</b>	<b>428,706</b>
<b>Non-current Assets</b>				
Property, Plant and Equipment	9	1,136,642	963,689	1,135,187
		<u>1,136,642</u>	<u>963,689</u>	<u>1,135,187</u>
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	12	115,929	68,571	68,571
Painting Contract Liability	13	8,548	25,000	25,000
Finance Lease Liability	14	20,403	2,571	19,572
		<u>144,880</u>	<u>96,142</u>	<u>113,143</u>
<b>Net Assets</b>		<u><u>1,514,571</u></u>	<u><u>1,252,392</u></u>	<u><u>1,450,750</u></u>
<b>Equity</b>		<u><u>1,514,571</u></u>	<u><u>1,252,392</u></u>	<u><u>1,450,750</u></u>

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

  
 \_\_\_\_\_  
 Signature of Presiding Member

  
 \_\_\_\_\_  
 Signature of Principal

17/6/2022  
 \_\_\_\_\_  
 Date:

17. 6. 22  
 \_\_\_\_\_  
 Date:



# Kerikeri Primary School

## Statement of Cash Flows

For the year ended 31 December 2021

	Note	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
<b>Cash flows from Operating Activities</b>				
Government Grants		1,094,924	1,003,591	1,111,790
Locally Raised Funds		111,336	70,553	86,758
Goods and Services Tax (net)		12,343	(64,674)	(64,674)
Payments to Employees		(555,795)	(532,554)	(574,344)
Payments to Suppliers		(555,252)	(522,203)	(428,137)
Interest Paid		(2,326)	(2,000)	(2,123)
Interest Received		594	3,000	4,007
Net cash from/(to) Operating Activities		105,824	(44,287)	133,277
<b>Cash flows from Investing Activities</b>				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		7,540	11,523	
Purchase of Property Plant & Equipment (and Intangibles)		(126,598)	(30,502)	(78,571)
Net cash from/(to) Investing Activities		(119,058)	(18,979)	(78,571)
<b>Cash flows from Financing Activities</b>				
Furniture and Equipment Grant		9,188	-	
Finance Lease Payments		(20,109)	(9,810)	(21,463)
Painting contract payments		(16,452)	(16,452)	(16,452)
Funds Administered on Behalf of Third Parties		86,920	-	(362,743)
Net cash from/(to) Financing Activities		59,547	(26,262)	(400,658)
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>46,313</b>	<b>(89,528)</b>	<b>(345,952)</b>
Cash and cash equivalents at the beginning of the year	7	662,882	662,882	1,008,834
<b>Cash and cash equivalents at the end of the year</b>	7	<b>709,195</b>	<b>573,354</b>	<b>662,882</b>

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

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





# Kerikeri Primary School

## Notes to the Financial Statements

### For the year ended 31 December 2021

#### 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 and Training Act 2020. The Board is of the view that the School is a public benefit entity for financial reporting purposes.

##### b) Basis of Preparation

###### *Reporting Period*

The financial reports have been prepared for the period 1 January 2021 to 31 December 2021 and in accordance with the requirements of the Education and Training Act 2020.

###### *Basis of Preparation*

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

###### *Financial Reporting Standards Applied*

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

###### *PBE Accounting Standards Reduced Disclosure Regime*

The School qualifies for Tier 2 as the school is not publicly accountable and is not considered large as it falls below the 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.

###### *Cyclical maintenance*

A school recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's long term maintenance plan which is prepared as part of its 10 Year Property Planning process. During the year, the Board assesses the reasonableness of its 10 Year Property Plan on which the provision is based. Cyclical maintenance is disclosed at note 12.

###### *Useful lives of property, plant and equipment*

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment as disclosed in the significant accounting policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 9.





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

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

#### ***Classification of leases***

Determining whether a lease is a finance lease or an operating lease requires judgement as to whether the lease transfers substantially all the risks and rewards of ownership to the school. Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant, and equipment, whereas for an operating lease no such asset is recognised.

#### ***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.

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

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

#### ***Other Grants***

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) Operating Lease Payments**

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

### **e) Finance Lease Payments**

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

### **f) Cash and Cash Equivalents**

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

### **g) Accounts Receivable**

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



## h) 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.

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

### Finance Leases

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

### Depreciation

Property, plant and equipment 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	5–15 years
Information and communication technology	3–5 years
Motor vehicles	5 years
Textbooks	3 years
Plant & Equipment	2-10 years
Playground/Sports Equipment	17-40 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value

## i) 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.

## j) 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.



## **k) Employee Entitlements**

### *Short-term employee entitlements*

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

### *Long-term employee entitlements*

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

The calculations are based on the likely future entitlements accruing to employees, based on years of service, years to entitlement, the likelihood that employees will reach the point of entitlement, and contractual entitlement information, and the present value of the estimated future cash flows

## **l) Revenue Received in Advance**

Revenue received in advance relates to fees received from [international, hostel students and grants received] (**delete as appropriate**) 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.

## **m) Provision for Cyclical Maintenance**

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

Cyclical maintenance, which involves painting the interior and exterior of the School, makes up the most significant part of the Board's responsibilities outside day-to-day maintenance. The provision is a reasonable estimate, based on an up to date 10 Year Property Plan (10YPP) or another appropriate source of evidence.

## **n) Financial Instruments**

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 'financial assets measured at amortised cost' for accounting purposes in accordance with financial reporting standards.

Investments that are shares are categorised as 'financial assets at fair value through other comprehensive revenue and expense' 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.

## **o) Borrowings**

Borrowings on normal commercial terms are initially recognised at the amount borrowed plus transaction costs. Interest due on the borrowings is subsequently accrued and added to the borrowings balance. Borrowings are classified as current liabilities unless the school has an unconditional right to defer settlement of the liability for at least 12 months after balance date.

Borrowings include but are not limited to bank overdrafts, operating leases, finance leases, painting contracts and term loans.

## **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.

## **u) 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

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Operational Grants	986,815	856,000	978,555
Teachers' Salaries Grants	2,330,746	2,699,400	2,254,330
Use of Land and Buildings Grants	717,185	784,426	784,426
Other MoE Grants	134,986	146,232	131,757
Other Government Grants	2,254	-	1,427
	<u>4,171,986</u>	<u>4,486,058</u>	<u>4,150,495</u>

The school has opted in to the donations scheme for this year. Total amount received was \$75,300.

## 3. Locally Raised Funds

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

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
<b>Revenue</b>			
Donations & Bequests	82,000	-	6,898
Fees for Extra Curricular Activities	15,470	6,000	7,974
Fundraising & Community Grants	4,861	4,000	6,703
Other Revenue	9,538	3,000	7,630
	<u>111,869</u>	<u>13,000</u>	<u>29,205</u>
<b>Expenses</b>			
Extra Curricular Activities Costs	23,844	31,000	27,916
Fundraising and Community Grant Costs	3,091	3,500	3,891
	<u>26,935</u>	<u>34,500</u>	<u>31,807</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>84,934</u>	<u>(21,500)</u>	<u>(2,602)</u>

## 4. Learning Resources

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Curricular	76,719	106,460	81,342
Equipment Repairs	1,496	3,000	3,423
Information and Communication Technology	44,953	63,000	46,042
Library Resources	564	1,200	1,290
Employee Benefits - Salaries	2,611,925	2,972,100	2,573,073
Staff Development	14,585	19,600	11,665
	<u>2,750,242</u>	<u>3,165,360</u>	<u>2,716,835</u>



## 5. Administration

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Audit Fee	5,981	5,500	5,437
Board Fees	4,125	4,100	3,700
Board Expenses	6,749	7,600	5,847
Communication	3,384	3,400	3,796
Consumables	3,318	5,000	3,689
Operating Lease	21	-	(23)
Other	7,044	7,250	6,196
Employee Benefits - Salaries	203,632	-	205,354
Insurance	11,952	15,000	12,374
Service Providers, Contractors and Consultancy	1,875	4,500	4,750
	<u>248,081</u>	<u>52,350</u>	<u>251,120</u>

## 6. Property

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Caretaking and Cleaning Consumables	14,460	15,700	16,274
Consultancy and Contract Services	93,380	93,000	66,345
Cyclical Maintenance Provision	47,358	35,000	22,857
Grounds	17,423	22,520	24,094
Heat, Light and Water	47,849	46,000	38,237
Rates	14,719	20,000	12,880
Repairs and Maintenance	47,237	23,000	37,648
Use of Land and Buildings	717,185	784,426	784,426
Security	630	2,000	5,495
Employee Benefits - Salaries	68,617	269,419	59,812
	<u>1,068,858</u>	<u>1,311,065</u>	<u>1,068,068</u>

The Ministry of Education revised the notional rent rate from 8% to 5% to align it with the Government Capital Charge rate. This is considered to be a reasonable proxy for the market rental yield on the value of land and buildings used by schools. Accordingly in 2021, the use of land and buildings figure represents 5% of the school's total property value. Property values are established as part of the nation-wide revaluation exercise that is conducted every 30 June for the Ministry of Education's year-end reporting purposes.

## 7. Cash and Cash Equivalents

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Bank Accounts	709,195	573,354	662,882
Cash and cash equivalents for Statement of Cash Flows	<u>709,195</u>	<u>573,354</u>	<u>662,882</u>

Of the \$709,195 Cash and Cash Equivalents, \$103,618 is held by the School on behalf of the Ministry of Education. These funds have been provided for the Ministry as part of the school's 5 Year Agreement funding for upgrades to the school's buildings. The funds are required to be spent in 2021 on Crown owned school buildings.

Of the \$709,195 Cash and Cash Equivalents, \$57,743 of unspent grant funding is held by the School. This funding is subject to restrictions which specify how the grant is required to be spent. If these requirements are not met, the funds will need to be returned.



## 8. Accounts Receivable

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Receivables	827	3,676	3,676
Receivables from the Ministry of Education	34,753	32,499	32,499
Banking Staffing Underuse	7,850	1,308	1,308
Teacher Salaries Grant Receivable	182,905	178,187	178,187
	<u>226,335</u>	<u>215,670</u>	<u>215,670</u>
Receivables from Exchange Transactions	827	3,676	3,676
Receivables from Non-Exchange Transactions	225,508	211,994	211,994
	<u>226,335</u>	<u>215,670</u>	<u>215,670</u>

## 9. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2021						
Buildings - School	716,639				(29,806)	686,833
Furniture and Equipment	175,110	14,364			(33,403)	156,071
Information and Communication T	50,343	2,350			(25,268)	27,425
Motor Vehicles	1,977				(1,131)	846
Plant and Machinery	36,173	94,415			(8,645)	121,943
Playground/Sports Equipment	114,831	6,955			(14,989)	106,797
Leased Assets	34,836	23,655	(7,884)		(18,521)	32,086
Library Resources	5,278	630			(1,267)	4,641
<b>Balance at 31 December 2021</b>	<u>1,135,187</u>	<u>142,369</u>	<u>(7,884)</u>	<u>-</u>	<u>(133,030)</u>	<u>1,136,642</u>

The net carrying value of equipment held under a finance lease is \$32,086 (2020: \$34,836)

	2021 Cost or Valuation \$	2021 Accumulated Depreciation \$	2021 Net Book Value \$	2020 Cost or Valuation \$	2020 Accumulated Depreciation \$	2020 Net Book Value \$
Buildings - School	1,153,337	(466,504)	686,833	1,153,337	(436,698)	716,639
Furniture and Equipment	579,221	(423,150)	156,071	564,857	(389,747)	175,110
Information and Communication T	295,732	(268,307)	27,425	293,382	(243,039)	50,343
Motor Vehicles	5,652	(4,806)	846	5,652	(3,675)	1,977
Textbooks	39,504	(39,504)	-	39,504	(39,504)	-
Plant and Machinery	280,908	(158,965)	121,943	186,493	(150,320)	36,173
Playground/Sports Equipment	270,364	(163,567)	106,797	263,409	(148,578)	114,831
Leased Assets	53,532	(21,446)	32,086	89,137	(54,301)	34,836
Library Resources	89,829	(85,188)	4,641	89,199	(83,921)	5,278
<b>Balance at 31 December</b>	<u>2,768,079</u>	<u>(1,631,437)</u>	<u>1,136,642</u>	<u>2,684,970</u>	<u>(1,549,783)</u>	<u>1,135,187</u>



## 10. Accounts Payable

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Creditors	64,544	135,885	135,885
Accruals	6,878	14,445	14,445
Employee Entitlements - Salaries	197,031	194,972	194,972
Employee Entitlements - Leave Accrual	11,465	11,173	11,173
	<u>279,918</u>	<u>356,475</u>	<u>356,475</u>
Payables for Exchange Transactions	279,918	356,475	356,475
	<u>279,918</u>	<u>356,475</u>	<u>356,475</u>

The carrying value of payables approximates their fair value.

## 11. Revenue Received in Advance

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Grants in Advance - Ministry of Education	125	20,460	20,460
Other revenue in Advance	57,618	61,000	61,000
	<u>57,743</u>	<u>81,460</u>	<u>81,460</u>

## 12. Provision for Cyclical Maintenance

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Provision at the Start of the Year	68,571	68,571	45,714
Increase/ (decrease) to the Provision During the Year	22,857	35,000	22,857
Use of the Provision During the Year	-	(35,000)	-
Provision at the End of the Year	<u>91,428</u>	<u>68,571</u>	<u>68,571</u>
Cyclical Maintenance - Term	115,929	68,571	68,571
	<u>115,929</u>	<u>68,571</u>	<u>68,571</u>



### 13. Painting Contract Liability

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Due within one year	32,258	-	32,258
Due after one year	8,548	25,000	25,000
	<u>40,806</u>	<u>25,000</u>	<u>57,258</u>

In 2017 the Board signed an agreement with Scheduled Maintenance Services Ltd (the contractor) for an agreed programme of work covering an seven 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.

### 14. Finance Lease Liability

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

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
No Later than One Year	15,771	19,001	20,440
Later than One Year and no Later than Five Years	23,565	2,771	20,378
Future Finance Charges	(5,290)	(2,200)	(2,434)
	<u>34,046</u>	<u>19,572</u>	<u>38,384</u>
<b>Represented by</b>			
Finance lease liability - Current	13,643	17,001	18,812
Finance lease liability - Term	20,403	2,571	19,572
	<u>34,046</u>	<u>19,572</u>	<u>38,384</u>

These funds relate to arrangements where the school is acting as an agent. These amounts are not revenue or expenditure of the school and therefore are not included in the Statement of Comprehensive Revenue and Expense.



## 15. 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.

2021	Opening Balances	Receipts from MoE	Payments	Board Contributions	Closing Balances
	\$	\$	\$	\$	\$
AMS ILE Upgrades	13,374		(13,374)		-
Decking & Flooring Upgrades	(5,100)				(5,100)
Heating & Electrical Replacement	(6,760)	6,760			-
Roofing Replacement	(14,257)	14,257			-
Roofing, Flooring & Elctrical Upgrade	(28,110)	28,110			-
Stormwater & Sewerage Replacement	(15,247)	34,716	(19,469)		-
SIPS1 221844 Jnr2:ILE Upgrade	35,174	18,912	(54,086)		-
SIPS1 221846 Shade and Turf	14,940	136,604	(47,926)		103,618
Water Tanks	17,584		(17,584)		-
<b>Totals</b>	<b>11,598</b>	<b>239,359</b>	<b>(152,439)</b>	<b>-</b>	<b>98,518</b>

### Represented by:

Funds Held on Behalf of the Ministry of Education	103,618
Funds Due from the Ministry of Education	(5,100)
	<b>98,518</b>

2020	Opening Balances	Receipts from MoE	Payments	Board Contributions	Closing Balances
	\$	\$	\$	\$	\$
Block 5/22 (Room 11 and old RTLB)	10,172	-	(10,172)		-
2018/2019 New Build	(60,018)	114,615	(54,597)		-
AMS ILE Upgrades	7,888	160,000	(154,514)		13,374
Block 19/21 (Rooms 24/25/Resources)	(7,023)	8,625	(1,602)		-
Decking & Flooring Upgrades	38,154	-	(43,254)		(5,100)
Heating & Electrical Replacement	12,776	-	(19,536)		(6,760)
Roofing Replacement	78,797	-	(93,054)		(14,257)
Roofing, Flooring & Elctrical Upgrade	229,073	-	(257,183)		(28,110)
Stormwater & Sewerage Replacement	64,522	-	(79,769)		(15,247)
SIPS1 221844 Jnr2:ILE Upgrade	-	180,000	(144,826)		35,174
SIPS1 221846 Shade and Turf	-	17,076	(2,136)		14,940
Water Tanks	-	57,101	(39,517)		17,584
<b>Totals</b>	<b>374,341</b>	<b>537,417</b>	<b>(900,160)</b>	<b>-</b>	<b>11,598</b>

## 16. 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.

## 17. Remuneration

### Key management personnel compensation

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

	2021 Actual \$	2020 Actual \$
<i>Board Members</i> Remuneration	4,125	3,700
<i>Leadership Team</i> Remuneration	373,752	359,097
Full-time equivalent members	3.00	3.00
Total key management personnel remuneration	377,877	362,797

There are 7 members of the Board excluding the Principal. The Board had held 8 full meetings of the Board in the year. The Board also has Finance (**1 members**) and Property (**3 members**) that meet monthly and quarterly respectively. As well as these regular meetings, including preparation time, the Presiding Member and other Board members have also been involved in ad hoc meetings to consider student welfare matters including stand downs, suspensions, and other disciplinary matters.

### Principal

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

	2021 Actual \$000	2020 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	140-150	140-150
Benefits and Other Emoluments	4-5	4-5
Termination Benefits	-	-

### Other Employees

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

Remuneration \$000	2021 FTE Number	2020 FTE Number
100-110	3.00	3.00
110-120	1.00	0.00
	4.00	3.00

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





## 18. Compensation and Other Benefits Upon Leaving

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

	2021 Actual	2020 Actual
Total	\$0	\$0
Number of People	0	0

## 19. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at **31 December 2021** (Contingent liabilities and assets at **31 December 2020**: nil).

### Holidays Act Compliance – schools payroll

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

The Ministry's review of the schools sector payroll to ensure compliance with the Holidays Act 2003 is ongoing. Final calculations and potential impact on any specific individual will not be known until further detailed analysis and solutions have been completed.

To the extent that any obligation cannot reasonably be quantified at 31 December 2021, a contingent liability for the school may exist.

## 20. Commitments

### (a) Capital Commitments

As at 31 December 2021 the Board has entered into contract agreements for capital works as follows:

(a) Contracts for various projects around the school - all projects are fully funded by the Ministry of Education (see Capital Works Projects Note). As at balance date \$239,359 has been received and \$152,439 has been spent.

(Capital commitments at 31 December 2020: Ongoing contracts for new classrooms and other upgrades built as agent for the Ministry of Education. Projects are fully funded and approved by the Ministry.)

### (b) Operating Commitments

As at 31 December 2021 the Board has entered into the following contracts:

- (a) Programmed Maintenance Contract;
- (b) Cleaning Contract

	2021 Actual	2020 Actual
No later than One Year	\$ 86,806	\$ 106,946
Later than One Year and No Later than Five Years	7,903	23,710
	<u>94,709</u>	<u>130,656</u>



## 21. Financial Instruments

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

### Financial assets measured at amortised cost

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Cash and Cash Equivalents	709,195	573,354	662,882
Receivables	226,335	215,670	215,670
Total Financial assets measured at amortised cost	<u>935,530</u>	<u>789,024</u>	<u>878,552</u>

### Financial liabilities measured at amortised cost

Payables	279,918	356,475	356,475
Finance Leases	34,046	19,572	38,384
Painting Contract Liability	40,806	25,000	57,258
Total Financial Liabilities Measured at Amortised Cost	<u>354,770</u>	<u>401,047</u>	<u>452,117</u>

## 22. Events After Balance Date

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

## 23. Comparatives

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

## 24. COVID 19 Pandemic on going implications

### Impact of Covid-19

During 2021 the country moved between alert levels. During February and March 2021 Auckland was placed into alert levels 3 and 2 and other parts of the country moved into alert level 2.

Towards the end of June 2021, the Wellington region was placed into alert level 2 for one week.

Towards the end of August 2021, the entire country moved to alert level 4, with a move to alert level 3 and 2 for everyone outside the Auckland region three weeks later. While Auckland has remained in alert level 3 for a prolonged period of time the Northland and Waikato regions have also returned to alert level 3 restrictions during this period.

### Impact on operations

Schools have been required to continue adapting to remote and online learning practices when physical attendance is unable to occur in alert level 4 and 3. Schools continue to receive funding from the Te Tāhuhu o te Mātauranga | Ministry to Education, even while closed.

However, the ongoing interruptions resulting from the moves in alert levels have impacted schools in various ways which potentially will negatively affect the operations and services of the school. We describe below the possible effects on the school that we have identified, resulting from the ongoing impacts of the COVID-19 alert level changes.

### Reduction in locally raised funds

Under alert levels 4,3, and 2 the school's ability to undertake fund raising events in the community and/ or collect donations or other contributions from parents, may have been compromised. Costs already incurred arranging future events may not be recoverable.

### Increased Remote learning additional costs

Under alert levels 4 and 3 ensuring that students have the ability to undertake remote or distance learning often incurs additional costs in the supply of materials and devices to students to enable alternative methods of curriculum delivery.



## KiwiSport Funding 2021

2021 has been, to some degree, a continuation of Covid19 placing restrictions on our ability to provide the same level of sporting activities as in previous years. With this being said, we have still managed to achieve a fair amount of sporting activities assisted by KiwiSport as follows:

- Swimming Sports – Inter school competition between KKPS and Riverview.
- School Swimming - competitive and non competitive
- Sailing - seniors participated in 'have a go sailing' as part of their EOTC day trips
- School Tryathlon - school wide participation
- Rippa Rugby - three teams participated
- School Cross Country - offsite - school wide participation
- Inter School Cross Country
- 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. Money allowed us to stock up equipment that had been lost or broken
- Girls soccer festival (a new venture this year)
- Hireage of buses to get to sports tournament venues

Synthetic turf is being installed on our large court during the Christmas holidays together with outdoor roof structure which will enable more sporting activities to take place regardless of weather conditions.

A pump track is also being constructed during these holidays so we will be engaging cycling/mountain bike coaches to teach bike skills to students.

The KiwiSport funding has provided the students at Kerikeri Primary School the opportunity to experience new sporting and physical activities which some students would not have the opportunity to participate in outside the school environment. KiwiSport is valuable in funding these programmes in and around our local community.

Dave Kirkland 2021  
Sport and PE Leader

# Analysis of Variance Reporting



<b>School Name:</b>	Kerikeri Primary School	<b>School Number:</b>	1034
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<b>Strategic Goals:</b> <b>Analysis report</b>	<p>Goal 1: Strong working relationships among our school community (to drive better learning outcomes)</p> <p>Goal 2: A balanced and innovative curriculum is experienced by all</p> <p>Goal 3: Positive behaviours for learning are consistently evident throughout our school</p>
<b>Annual Strategic Initiatives:</b>	<p><b>Goal 1 Initiatives:</b></p> <p>Initiate a community engagement plan to allow all community members to become actively involved in our school.</p> <p>Timetabled parent information sessions about curriculum areas</p> <p>Class Dojo available in every class</p> <p><b>Goal 2 Initiatives:</b></p> <p>Consistent Literacy and Numeracy approaches facilitated by staff: Pr1me Maths implemented school wide</p> <p>ALL programme implemented</p> <p><b>Goal 3 Initiatives:</b></p> <p>Staff engaged in PB4L SW PLD</p> <p>Staff analyse own academic and attendance data</p> <p>Visual cues of our KORU values</p>
<b>Target:</b>	<p><b>Goal 1:</b></p> <ul style="list-style-type: none"> <li>80% attendance at 3WCs</li> <li>15 whanau attend a roopu day</li> <li>Engagement plan reviewed</li> </ul>





# Tātaritanga raraunga

- Attendance 15+ at each session
- 90% satisfaction of session
- 60% of parents engaging with Dojo
- Satisfaction survey to parents about Dojo 70% satisfaction

## Goal 2:

- 80% of children are achieving at or above in maths and literacy
- Literacy PLD for teachers
- 80% achieve acceleration in ALL
- 1 x curriculum session held per term for parents

## Goal 3:

- Visual cues around the school
- Attendance: 90%
- Shift is evident in academic achievement (as per % identified above)
- Plan is followed, consistent behaviours demonstrated across the school

## Baseline Data:

From 2019 (when baseline data was gathered for 3 year strategic plan)

Goal1:60% attendance (July 2019 3WCs), 5 parents attended the Sci/ Tech roopu day, no engagement with local iwi except for special events, no engagement plan in place, 20 parents attended the digital curric info session. 70% attendance at 3WCs.

Goal 2: Inconsistent approaches across classes about how Maths is taught, 2019 data of chn at or above:

Yr 1: 79.3%, Yr 2: 67%, Yr 3: 73%, yr 4: 70%, yr 5: 62%, yr 6: 75.9%

4 x optional curriculum PLD sessions for staff, 3-4 attendees at each.

STEAM implemented in 2019, heavily focussed on visual arts.

Goal 3: Attendance 2019 whole school: 85.5%

Written statements supporting PB4L randomly around the school, no photos around the school of our values.

<b>Actions</b> <i>What did we do?</i>	<b>Outcomes</b> <i>What happened?</i>	<b>Reasons for the variance</b> <i>Why did it happen?</i>	<b>Evaluation</b> <i>Where to next?</i>
<p>Goal 1: A community plan was developed. Unit holder appointed to oversee community engagement Parent sessions were offered about curriculum areas</p> <p>Goal 2: Write that Essay (WTE) PLD undertaken Maths PLD (once per term) Science of Reading trialled in some junior classes ALL programme implemented</p> <p>Goal 3: Staff engaged in PB4L PLD throughout the year Staff participate in Restorative Practice PLD Teachers met with Team Leaders twice annually to analyse academic and attendance data Developed posters for classroom display that support PB4L mahi</p>	<p>Goal 1: The unit holder and myself developed a plan however we were unable to host most community events due to covid restrictions. Senior leadership met with representatives from Ngati Rehia to participate in using the draft Histories curriculum. We also developed a plan for professional development for our staff around local history of Ngati Rehia.</p> <p>Goal 2: Staff enthusiastically participated in WTE PLD. Average end of year results in writing across all year levels. Maths PLD twice per term around effective maths programmes led by Maths Leader. Content driven from staff needs. The Maths results were very positive at the end of the year: Every year group made a positive shift in maths. For example: children at or above in maths: Yr 1: 97%, Yr 2: 88%, Yr 3: 76.5%, Yr 4: 80.9%, Yr 5: 80.9%, Yr 6: 71.2%</p>	<p>Goal 1: Due to Covid we were unable to hold many of the events which involved the community.  Trialling the draft Histories curriculum went really well. The MOE facilitator for this was very pleased with the mahi we had done with Ngati Rehia around this. We have just held a Teacher only day at the local marae learning about local histories etc.</p> <p>Goal 2: WTE facilitators explained that often in the first year of a new programme you won't see a big shift in the writing data. We did see positive shifts but not as big as Maths. In 2022, we are continuing the PLD to consolidate what we learnt in 2021.  In Maths, we had completed our 2<sup>nd</sup> full year of Pr1me and we had therefore consolidated what we had learned in 2021. This we believe contributed significantly to our positive shift with our Maths results. Continuing to prioritise</p>	<p>Goal 1: We will continue to be affected by Covid for the foreseeable future. We continue to communicate what we are doing through Dojo and when rules relax, bring parents in more.  We will meet with Ngati Rehia again to work out how else we can work with them in 2022.</p> <p>Goal 2: Staff will participate in consolidation PLD for Write that Essay (now called Writers' Toolbox). Pr1me Maths is business as usual for us now. We will run one effective maths programme PLD each term.  Carry on with ALL in 2022. We will also be running ALIM in 2022.</p> <p>Goal 3: Move through Tier 2 support systems. Have a Teacher Only day around PB4L Tier 2.</p>



## Tātaritanga raraunga

Science of Reading: positive results from classes that traied classes.

ALL programme in place. 80% of children in the programme made accelerated progress. 100% of Maori children on the programme made accelerated progress.

### Goal 3:

We completed Tier 1 of PB4L and were invited to speak at the PB4L conference in Wellington to share our school story of PB4L. Late in the year we moved into Tier 2. Restorative Practice PLD was held at the start of the year and continued throughout the year. Each teacher met with Team Leaders twice annually to discuss attendance and academic data and determining next steps. Attendance data continues to improve. Academic data was the best it has been for many years.

what the children could be doing when not with the teacher is a priority for us.

With ALL, we were in our 2<sup>nd</sup> year of using the unique approach with ALL that our school has implemented. We now know what works for our tamariki. The NZ Head of ALL has begun working with us to learn more about our approach given the positive results we get with ALL.

### Goal 3:

The tier teams for PB4L meet on a regular basis ensuring we keep good communication and reviewing what is and isn't working across our school. We continue to develop systems that we use consistently across the school. We have developed a checklist of posters that each class should have and ensured each class has these.

Continue to monitor consistency of posters/ signage around the school.

### Planning for next year:

## Tātaritanga raraunga

We have worked out from the end of year data which cohorts of children need to be targeted for the ALL and ALIM (Accelerating Learning in Mathematics). We have continued to have Writing PLD to continue to lift the results in Writing.



## INDEPENDENT AUDITOR'S REPORT

### TO THE READERS OF KERIKERI PRIMARY SCHOOLS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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 2021, 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 2021; 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 17 June 2022. 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's responsibilities, in terms of the requirements of the Education and Training Act 2020, arise from section 87 of the Education Act 1989.

### **Responsibilities of the auditor for the audit of the financial statements**

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

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

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

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

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

- We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board 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 information 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 *International Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board.

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



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