

BROADLANDS SCHOOL
ANNUAL REPORT
 FOR THE YEAR ENDED 31 DECEMBER 2018

SCHOOL DIRECTORY

Principal Graeme Taylor

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Ministry Number: 1698

Accountant Kusabs Lasike Limited

Members of the Board of Trustees

Name	Position	How Position Gained	Term Expires
Ross Shaw	Chairperson	Elected	May-2019
Graeme Taylor	Principal	ex officio	May-2019
Bruce Putt	Parent Rep	Elected	May-2019
Bridget Hayes	Parent Rep	Elected	May-2019
Liz Macaskill	Staff Rep	Elected	May-2019
Mere Ratu	Parent Rep	Elected	May-2019

BROADLANDS SCHOOL

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BROADLANDS 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 control designed to provide reasonable assurance as to the integrity and reliability of the school's financial reporting.

In the opinion of the Board and management, 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.

Ross James Shaw

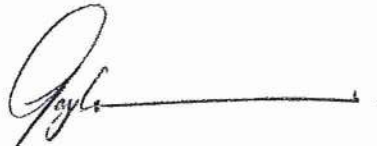
Full name of Board Chairperson

GRAEME CHARLES TAYLOR

Full name of Principal



Signature of Board Chairperson



Signature of Principal

31/5/19
Date

31.5.19
Date

BROADLANDS SCHOOL

STATEMENT OF COMPREHENSIVE REVENUE & EXPENSE

FOR THE YEAR ENDED 31 DECEMBER, 2018

	Notes	Actual 2018 \$	Budget (Unaudited) 2018 \$	Actual 2017 \$
Income				
Government Grants	2	892,101	903,732	934,673
Locally Raised Funds	3	59,179	36,400	72,250
Other Income		-	-	1,495
Interest Earned		3,027	4,000	4,448
Gain on Sale of Property, Plant & Equipment		1,275	-	-
		955,582	944,132	1,012,866
Expenditure				
Locally Raised Funds	3	70,329	25,500	45,918
Learning Resources	4	696,531	661,500	697,676
Administration	5	62,056	63,227	64,647
Property	6	163,381	158,200	169,164
Finance Costs	7	885	-	685
Depreciation	8	39,717	50,000	46,722
Loss on Disposal of Assets		79	-	67
		1,032,978	958,427	1,024,879
Net Surplus/(Deficit)		(77,396)	(14,295)	(12,013)
Other Comprehensive Revenue & Expenses		-	-	-
Total Comprehensive Revenue & Expenses for the Year		<u>(77,396)</u>	<u>(14,295)</u>	<u>(12,013)</u>

This Statement is to be read in conjunction with the attached Accounting Policies, Notes to the Financial Statements and the Audit report

BROADLANDS SCHOOL

STATEMENT OF CHANGES IN NET ASSETS/EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2018

	2018 Actual	2018 Budget (Unaudited)	2017 Actual
Equity at start of the year	423,153	423,153	433,064
Total Comprehensive Revenue & Expense for the Year	(77,396)	(14,295)	(12,013)
Furniture & Equipment Grant	4,415	-	2,102
Equity at end of year	350,172	408,858	423,153
Retained Earnings	350,172	408,858	423,153
Equity at end of year	350,172	408,858	423,153

This Statement is to be read in conjunction with the attached Accounting Policies, Notes to the Financial Statements and the Audit Report

BROADLANDS SCHOOL

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2018

	Notes	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Equity		350,172	408,858	423,153
TOTAL EQUITY		350,172	408,858	423,153
Represented by				
CURRENT ASSETS				
Cash and Cash Equivalents	9	7,332	11,941	40,855
Investments	10	108,263	159,395	129,395
Accounts Receivable	11	34,313	32,269	32,269
Prepayments		4,575	5,210	5,210
GST Holding Account		-	6,671	6,671
Total Current Assets		154,483	215,486	214,400
CURRENT LIABILITIES				
Cash and Cash Equivalents	9	-	-	18,619
Accounts Payable	12	45,844	47,810	47,810
GST Holding Account		1,146	-	-
Finance Leases	13	3,506	3,981	3,981
Provision for Cyclical Maintenance	14	1,000	1,000	1,000
Revenue in Advance	15	450	-	-
Funds Held for Capital Works	16	16,373	-	-
Total Current Liabilities		68,319	52,791	71,410
WORKING CAPITAL SURPLUS		86,164	162,695	142,990
NON-CURRENT ASSETS				
Property, Plant & Equipment	17	267,933	249,511	285,011
Total Non-Current Assets		267,933	249,511	285,011
NON-CURRENT LIABILITIES				
Finance Leases	13	1,916	2,415	3,915
Provision for Cyclical Maintenance	14	2,009	933	933
Total Non-Current Liabilities		3,925	3,348	4,848
Net Assets		350,172	408,858	423,153

This Statement is to be read in conjunction with the attached Accounting Policies, Notes to the Financial Statements and the Audit Report

BROADLANDS SCHOOL

Statement of Cash Flow For the year ended 31 December 2018

	Note	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Cash flows from Operating Activities				
Government Grants		209,465	203,732	231,404
Other Income		-	-	1,495
Locally Raised Funds		58,231	36,400	72,645
Goods and Services Tax (net)		7,829	-	(4,663)
Payments to Employees		(139,283)	(78,300)	(133,343)
Payments to Suppliers		(176,247)	(130,127)	(154,760)
Interest Received		3,214	4,000	4,178
Interest Paid		(361)	-	(361)
Net cash from / (to) the Operating Activities		(37,152)	35,705	16,595
Cash flows from Investing Activities				
Sales of PPE (and Intangibles)		2,125	-	-
Purchase of PPE (and Intangibles)		(21,492)	(14,500)	(32,981)
Proceeds from Sale of Investments		63,834	-	-
Purchase of Investments		(42,702)	(30,000)	(3,222)
Net cash from / (to) the Investing Activities		1,765	(44,500)	(36,203)
Cash flows from Financing Activities				
Finance Lease payments		(2,641)	(1,500)	(1,986)
Furniture & Equipment Grant		4,415	-	2,102
Funds Held for Capital Works		18,710	-	-
Net cash from Financing Activities		20,484	(1,500)	116
Net increase/(decrease) in cash and cash equivalents		(14,903)	(10,295)	(19,492)
Cash and cash equivalents at the beginning of the year	9	22,235	22,235	41,727
Cash and cash equivalents at the end of the year	9	7,332	11,940	22,235

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

BROADLANDS SCHOOL

Notes to the Financial Statements For the year ended 31 December 2018

1. Statement of Significant Accounting Policies

a) Reporting Entity

Broadlands 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 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 the 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 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.

BROADLANDS SCHOOL

Notes to the Financial Statements For the year ended 31 December 2018

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 15.

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 13.

Recognition of grants

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

c) Revenue Recognition

Government Grants

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

Operational grants are recorded as revenue when the School has the rights to the funding, which is 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 but are paid directly to teachers by the Ministry of Education (the Ministry).

Use of land and building grants are recorded as revenue in the period the school uses the land and buildings. These are not received in cash by the School as they equate to the deemed expense for using the land and buildings which are owned by the Crown.

Other Grants

Other grants are recorded as revenue when the School has the rights to the funding, unless there are unfulfilled conditions attached to the grant, in which case the amount relating to the unfilled 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 income in the period it is earned.

BROADLANDS SCHOOL

Notes to the Financial Statements For the year ended 31 December 2018

d) Use of Land and Buildings Expense

The property from which the School operates is owned by the Crown and managed by the Ministry 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. They are initially recorded at fair value and subsequently recorded at the amount the School realistically expects to receive. A receivable is considered uncollectable where there is objective evidence the School will not be able to collect all amounts due. The amount that is uncollectable (the provision for uncollectibility) is the difference between the amount due and the present value of the amounts expected to be collected.

i) Inventories

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

j) Investments

Bank term deposits for periods exceeding 90 days are classified as investments and are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance.

After initial recognition bank term deposits are measured at amortised cost using the effective interest method less impairment.

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

k) Property, Plant and Equipment

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

BROADLANDS SCHOOL

Notes to the Financial Statements For the year ended 31 December 2018

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 \$250 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:

Buildings & Improvements	40 years
Classroom Furniture	5-15 years
Information and communication technology	4-15 years
Office Furniture & Equipment	5 years
Textbooks	3 years
Other Equipment	5-10 years
Leased Assets held under a Finance Lease	4 years
Library Books	12.5% Diminishing value

I) Impairment of property, plant and equipment

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

Non cash generating assets

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

BROADLANDS SCHOOL

Notes to the Financial Statements For the year ended 31 December 2018

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

The reversal of an impairment loss is recognised in the surplus or deficit.

m) Accounts payable

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

n) Employee Entitlements

Short-term employee entitlements

Employee benefits that are due to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date, annual leave earned to but not yet taken at balance date.

Long-term employee entitlements

Employee benefits that are due to be settled beyond 12 months after the end of the period in which the employee renders the related service, such as long service leave and retirement gratuities, have been calculated on an actuarial basis. The calculations are based on:

- likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement, and contractual entitlement information; and
- the present value of the estimated future cash flows.

o) Revenue Received in Advance

Revenue received in advance relates to grants received where there are unfulfilled obligations for the School to provide services in the future. When those services are fulfilled the funds will be recorded as revenue.

p) Provision for Cyclical Maintenance

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

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

q) Financial Assets and Liabilities

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

The School's financial liabilities comprise accounts payable and finance lease liabilities. All of these financial liabilities are categorised as "financial liabilities measured at amortised cost" for accounting purposes in accordance with financial reporting standards.

BROADLANDS SCHOOL

Notes to the Financial Statements For the year ended 31 December 2018

r) Goods and Services Tax (GST)

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

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

Commitments and contingencies are disclosed exclusive of GST.

s) Budget figures

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

t) Services received in-kind

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

BROADLANDS SCHOOL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER, 2018

	2018 Actual	2018 Budget (Unaudited)	2017 Actual
	\$	\$	\$
NOTE 2 Government Grants			
Income			
Operational Grants	191,206	202,232	189,560
Teachers Salaries Grants	568,042	590,000	590,638
Use of Land & Buildings Grant	112,866	110,000	109,678
Other MOE Grants	6,720	1,500	20,533
Other Grants	13,267	-	24,264
	<u>892,101</u>	<u>903,732</u>	<u>934,673</u>

NOTE 3 Locally Raised Funds

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

Revenue			
Donations	18,925	19,700	26,837
Fundraising	47	-	50
Activities	13,600	300	13,772
Trading	8,121	2,600	13,593
Other Revenue	18,486	13,800	17,999
	<u>59,179</u>	<u>36,400</u>	<u>72,250</u>
Expenditure			
Fundraising Costs	-	1,000	3,975
Activities	24,072	4,500	21,617
Trading	7,992	-	11,806
Other Expenses	38,264	20,000	8,520
	<u>70,329</u>	<u>25,500</u>	<u>45,918</u>
	<u>(11,150)</u>	<u>10,900</u>	<u>26,332</u>

NOTE 4 Learning Resources

Curricular	20,857	15,500	18,701
Extra-Curricular Activities	3,633	3,700	4,596
Employee Benefits - Salaries	652,225	627,800	661,365
Staff Development	19,816	14,500	13,015
Total Comprehensive Income	<u>696,531</u>	<u>661,500</u>	<u>697,676</u>

BROADLANDS SCHOOL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER, 2018 (continued)

	2018 Actual	2018 Budget (Unaudited)	2017 Actual
	\$	\$	\$
NOTE 5 Administration			
Audit Fees	4,225	4,500	4,102
Board of Trustee Fees	1,695	3,640	3,495
Board of Trustees Expenses	702	1,100	597
Communication	1,787	2,500	2,581
Consumables	7,442	8,300	9,795
Operating Leases	78	-	569
Other	5,524	5,600	6,356
Employee Benefits - Salaries	31,024	26,350	27,948
Insurance	4,579	6,237	4,203
Service Providers, Contractors & Consultancy	5,000	5,000	5,000
	<u>62,056</u>	<u>63,227</u>	<u>64,647</u>

NOTE 6 Property

Caretaking & Cleaning Consumables	1,518	2,000	3,287
Cyclical Maintenance Provision	1,076	3,000	1,076
Grounds	7,799	14,600	16,323
Heat, Light & Water	8,920	9,000	8,957
Rates	1,296	1,200	1,256
Repairs & Maintenance	12,436	3,900	9,103
Use of Land & Buildings	112,866	110,000	109,678
Employee Benefits - Salaries	17,472	14,500	19,485
	<u>163,381</u>	<u>158,200</u>	<u>169,164</u>

The use of land & 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.

NOTE 7 Finance Costs

Interest Paid	<u>885</u>	<u>-</u>	<u>685</u>
	<u>885</u>	<u>-</u>	<u>685</u>

NOTE 8 Depreciation

Buildings & Improvements	6,323	6,000	6,175
Classroom Furniture	5,933	9,000	7,506
Info-Tech Assets	11,916	18,500	19,157
Office Furniture & Equipment	-	-	1,385
Other Equipment	9,848	11,500	9,589
Library Resources	1,503	2,000	1,377
Leased Assets	4,194	3,000	1,533
	<u>39,717</u>	<u>50,000</u>	<u>46,722</u>

BROADLANDS SCHOOL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER, 2018 (continued)

	2018 Actual	2018 Budget (Unaudited)	2017 Actual
	\$	\$	\$
NOTE 9 Cash and Cash Equivalents			
ASB Education Admin Account	6,990	11,600	(18,619)
ASB Business Saver	342	341	341
Short Term Deposits with a maturity of three months or less	-	-	40,513
Net Cash & Cash equivalents for Cashflow Statement	<u>7,332</u>	<u>11,941</u>	<u>22,235</u>

Of the \$7,332 Cash & Cash Equivalents and \$108,263 investments \$16,373 is held by the school on behalf of the Ministry of Education to be spent in 2019 on Crown owned school buildings under the Schools 5 year Property Plan.

NOTE 10 Investments

The School's investment activities are classified as follows:

Long-term bank deposits with maturities greater than 3 months and no greater than 1 year

108,263	159,395	129,395
<u>108,263</u>	<u>159,395</u>	<u>129,395</u>

NOTE 11 Accounts Receivable

Interest Receivable	399	586	586
Teachers Salaries Grant Receivable	30,705	28,542	28,542
Sundry Debtors	1,053	665	664
Staff Bankiung Underuse	-	2,476	2,476
	<u>32,157</u>	<u>32,269</u>	<u>32,269</u>

Receivables from Exchange Transactions	1,452	1,251	1,251
Receivables from Non-Exchange Transactions	30,705	31,018	31,018
	<u>32,157</u>	<u>32,269</u>	<u>32,269</u>

NOTE 12 Accounts Payable

Accruals	4,225	4,102	4,102
Operating Creditors	8,005	7,526	7,526
Employee Benefits - Salaries	32,860	36,182	36,182
Employee Benefits - Leave Accrual	754	-	-
	<u>45,844</u>	<u>47,810</u>	<u>47,810</u>
Payables from Exchange Transactions	45,844	47,810	47,810
Payables from Non-Exchange Transactions	-	-	-
	<u>45,844</u>	<u>47,810</u>	<u>47,810</u>

The carrying value of payables approximates their value.

BROADLANDS SCHOOL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER, 2018 (continued)

2018 Actual	2018 Budget (Unaudited)	2017 Actual
\$	\$	\$

NOTE 13 Finance Lease Liability

The school has entered into a lease agreement for a photocopier and laptops for teachers. Minimum lease payments payable:

Not later than one year	3,506	3,981	3,981
Later than 1 year but not more than 5 years	1,916	2,415	3,915
	<u>5,422</u>	<u>6,396</u>	<u>7,896</u>

NOTE 14 Cyclical Maintenance Provision

Provision at Start of Year	1,933	12,000	12,000
Increase in Provision during the Year	1,076	(1,855)	(1,855)
Use of Provision during the year	-	(9,288)	(9,288)
Provision at the end of the Year	<u>3,009</u>	<u>1,933</u>	<u>1,933</u>
Current Liability	1,000	1,000	1,000
Non Current Liability	<u>2,009</u>	<u>933</u>	<u>933</u>
	<u>3,009</u>	<u>1,933</u>	<u>1,933</u>

NOTE 15 Revenue Received in Advance

Consolidated Fees	450	-	-
	<u>450</u>	<u>-</u>	<u>-</u>

NOTE 16 Funds Held for Capital Work Projects

During the year the school received and applied funding from the Ministry of Education for the following Capital Works Projects.

	Opening Balance	Funds Received	Money Spent	Balance Revenue	Closing Balance
2018	\$	\$	\$	\$	\$
10 YPP (Completed)	-	5,002	5,455	(453)	-
Toilets (In progress)	-	12,530	12,249	-	281
ILE (In progress)	-	18,180	2,088	-	16,092
	<u>-</u>	<u>35,712</u>	<u>19,792</u>	<u>(453)</u>	<u>16,373</u>
Represented by:					
Funds held on behalf of the M.O.E.					16,373
Funds due from M.O.E.					<u>-</u>
					<u>16,373</u>

BROADLANDS SCHOOL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER, 2018 (continued)

NOTE 17 Property, Plant & Equipment

			Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
				31 Dec 2018	
Buildings & Improvements			265,160	110,476	154,684
Classroom Furniture			131,342	106,416	24,926
Info-Tech Assets			162,308	149,637	12,671
Office Furniture & Fittings			33,937	33,937	-
Other Equipment			224,370	164,487	59,884
Leased Assets			15,368	10,111	5,257
Library Resources			48,431	37,919	10,512
			<u>880,916</u>	<u>612,983</u>	<u>267,933</u>
	Op/Balance (NBV) \$	Additions \$	Disposals \$	Depreciation \$	Total (NBV) \$
			31 Dec 2018		
Buildings	155,352	5,655	-	(6,323)	154,684
Classroom Furniture	27,037	3,822	-	(5,933)	24,926
Info-Tech Assets	20,237	4,350	-	(11,916)	12,671
Office Furniture & Fittings	-	-	-	-	-
Other Equipment	64,986	5,667	(921)	(9,848)	59,884
Leased Assets	7,761	1,690	-	(4,194)	5,257
Library Books	9,638	2,384	(7)	(1,503)	10,512
	<u>285,011</u>	<u>23,568</u>	<u>(928)</u>	<u>(39,717)</u>	<u>267,933</u>

The Net carrying value of Equipment held under a finance lease is \$5,257.

As At 31 December 2018 the school has \$Nil of work in progress that has been included in Land & Buildings.

BROADLANDS SCHOOL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER, 2018 (continued)

NOTE 17 cont'd

	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
	31 Dec 2017		
Buildings & Improvements	259,505	104,153	155,352
Classroom Furniture	127,520	100,483	27,037
Info-Tech Assets	157,958	137,721	20,237
Office Furniture & Fittings	33,937	33,937	-
Other Equipment	220,607	155,621	64,986
Leased Assets	13,679	5,917	7,761
Library Resources	46,081	36,443	9,638
	<u>859,286</u>	<u>574,275</u>	<u>285,011</u>

	Op/Balance (NBV) \$	Additions \$	Disposals \$	Depreciation \$	Total (NBV) \$
	31 Dec 2017				
Buildings	157,713	3,814	-	(6,175)	155,352
Classroom Furniture	32,401	2,142	-	(7,506)	27,037
Info-Tech Assets	27,713	11,681	-	(19,157)	20,237
Office Furniture & Fittings	202	-	-	(202)	-
Other Equipment	59,451	15,124	-	(9,589)	64,986
Leased Assets	5,688	4,789	-	(2,716)	7,761
Library Books	10,187	895	(67)	(1,377)	9,638
	<u>293,355</u>	<u>38,445</u>	<u>(67)</u>	<u>(46,722)</u>	<u>285,011</u>

The net carrying value of equipment held under a finance lease is \$7,761.

As At 31 December 2017 the school has \$Nil of work in progress that has been included in Land & Buildings.

NOTE 18 Related Party Transactions

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

Related party disclosures have not been made for transactions with related parties that are within 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. No related party debts or transactions have been written off or forgiven during the year.

BROADLANDS SCHOOL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER, 2018 (continued)

NOTE 19 Remuneration

Key management personnel compensation.

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

	2018 Actual	2017 Actual
<i>Board Members</i>	\$	\$
Remuneration	1,695	3,495
Full-time equivalent members	0.09	0.12
 <i>Leadership Team</i>		
Remuneration	343,709	431,852
Full-time Equivalent Members	4.00	5.00
Total key management personnel remuneration	345,404	435,347
Total full time equivalent personnel	4.09	5.12

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 plus the estimated time for Board members to prepare for meetings.

Principal

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

	2018 Actual \$000	2017 Actual \$000
<i>Salaries and Other Short-term Employee Benefits:</i>		
Salary and other payments	110-120	110-120
Benefits and other emoluments	3 - 4	3 - 4
Termination benefits	-	-

Other Employees

Number of other employee who received remuneration of over \$100,000 was in the following bands:

Remuneration \$000	2018 FTE Number	2017 FTE Number
110 - 120	-	-
100 - 110	-	-
	-	-

The disclosure for "other employees" does not include remuneration of the Principal.

NOTE 20 Compensations and Other Benefits upon leaving Remuneration

The total value of compensation or other benefits paid or payable to persons who ceased to be trustees, 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 as follows:

	2018	2017
Number of persons	1	-
Total Value	\$ 1,000	-

BROADLANDS SCHOOL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER, 2018 (continued)

NOTE 21 Contingencies

There are no Contingent Liabilities and no Contingent Assets at balance date.

(Contingent Liabilities and Contingent Assets at 31 December 2017: Nil)

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 Ltd.

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 completed.

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

NOTE 22 Commitments

(a) Capital Commitments

At balance date the Board had not entered into contract agreements for Capital Works: (2017 \$Nil)

(b) Operating Commitments

As at balance date, the Board had entered into the following contracts:

(1) Operating lease of teacher Laptops & IPod's.

	2018 Actual \$	2017 Actual \$
No later than one year	-	78
Later than 5years	-	-
	<u>-</u>	<u>78</u>

Amounts owing on finance lease are disclosed as a liability in Note 13.

NOTE 23 Managing Capital

The School's capital is its equity and comprises capital contributions from the Ministry of Education for property, 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.

BROADLANDS SCHOOL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER, 2018 (continued)

NOTE 24 Financial Instruments

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

	2018 Actual	2018 Budget (Unaudited)	2017 Actual
Loans & Receivables	\$	\$	\$
Cash and Cash Equivalents	7,332	11,941	22,235
Investments	108,263	159,395	129,395
Receivables	34,313	32,269	32,269
Total Loans & Receivables	149,908	203,605	183,900
Financial Liabilities Measured at Amortised Cost			
Payables	45,844	47,810	47,810
GST Holding Account	1,146	-	-
Finance Leases	5,422	6,396	7,896
Total Financial Liabilities Measured at Amortised Cost	52,412	54,206	55,706

NOTE 25 Events after Balance Date

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

BROADLANDS SCHOOL

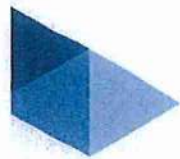
KIWISPORT REPORT

Kiwi Sport is a Government funded initiative to support students' participation in organised sport.

In 2018, the School received \$1,617.19 through Operations Grant. There was also a re-calculated roll adjustment of \$53.46) during the year.

The funding was spent on the Sport BOP GO4it Programme. All students benefited from the programme.

Goals - Writing 2018



School Name:	Broadlands School – Writing 2018	School Number: 1698
Strategic Aim:	<ol style="list-style-type: none"> 1. Within the process of 'Teaching as Inquiry', teachers monitor and reflect upon their teaching effectiveness and the impact their Writing programme is having on student learning and achievement specifically the 2017 Writing Curriculum and Achievement Plan (WCaAP) 2. Cater for the learning needs of identified target students through targeted intervention and specific learning support programmes including Reading Recovery (0.2 FTTE), Perceptual Motor Programme (PMP), Toe-by-Toe, Teacher Oral Language Development Programme (TOLD)/KLST assessment in Years' 1, 2 & 3, Irlen Screening in Year 4, Auditory Processing Disorder (APD) Screening in Year 4, 'Hear Builder' app, Lucid Screening and Language Learning Initiative (LLI2) 3. Cater for the learning needs of all students through targeted differentiation within classroom programmes 4. Provide PL & D to support digital, learner agency, student voice & personalised learning pedagogy (Refer to Annual Aims 3.) 5. Develop inclusive transitional practices (Refer to Annual Aims 4.) 6. Build inclusive whanau partnerships (Refer to Annual Aims 2.) 	
Annual Aims:	<ol style="list-style-type: none"> 1. Through Te Kahui Ako o Reporoa Community of Learning 'Achievement Challenge', ALL classroom teachers (5) will engage in an Oral Language 'Teaching as Inquiry' focus which will specifically measure the impact of their deliberate acts of teaching and learning in Oral Language with strategic links to Writing 2. Review and develop inclusive transitional practices at all year levels including ECE and Year 7, as such, engaging whanau and our tamariki more willingly and purposefully throughout the learning journey. 	

	<ol style="list-style-type: none"> 3. Through Kahui Ako Accelerated Learning in Literacy (ALL) intervention and teachers' 'Teaching as Inquiry' focus, prioritise oral language and its impact on writing school-wide. 4. Provide specific and relevant PL & D for teaching and support staff supported by strategic and targeted resourcing including sound digital, learner agency, student voice and personalised learning pedagogy 5. Build and sustain highly effective and inclusive whanau partnerships in the learning process at a digital, personal, 1:1 level and whanau level, thus, removing any perceived or actual barriers to the learning journey of our tamariki. 6. Use Seesaw as the teaching and learning tool to embed 1., 2., 3. & 4. above
Goal:	Through deliberate acts of teaching and strategic use of 'Seesaw' as a student voice, student agency and engagement tool, raise the level of achievement in Oral Language school-wide with direct links to Writing outcomes.
Baseline Data:	<ol style="list-style-type: none"> 1. Overall Teacher Judgements (OTJ's) based upon sound formative and summative data gathered throughout 2017 in Writing which focused on three key areas: learning conversations, learning tasks and assessment tools. 2. Refer to the National Standards data and Overall Teacher Judgements (OTJ's) for Writing 2017 3. Writing curriculum levels/data, with reference to TKI Learning Progressions, school-wide from Term 1, 2018. 4. 'Teacher Oral Language Development' (TOLD) programme and KLST assessment data for Years' 1 & 2, 2017 and 2018. 5. TKI Oral Language rubric comparative formative data for ALL students in Terms' 1 and 4.

Actions <i>What did we do?</i>	Outcomes <i>What happened?</i>	Reasons for the variance <i>Why did it happen?</i>	Evaluation <i>Where to next?</i>
<p>Through liaison and facilitation with the RTLb and SENCo, implement TOLD (Oral Language) intervention at the Year 1 and 2 levels.</p> <p>Through the Kahui Ako or Reporoa Community of Learning and 'Across School' teacher, facilitate and implement Accelerated Literacy Learning (ALL) intervention from Years' 1 to 6.</p>	<p>Refer to the BOT TOLD Report - pre/post intervention data and analyses 2018 (uploaded to data portal)</p> <p>Refer to BOT ALL Report - pre/post intervention data and analyses 2018 (uploaded to data portal)</p> <p>Refer to BOT Oral Language Report - pre/post data and analyses 2018</p>	<p>Refer to the TOLD intervention pre/post intervention data and analyses 2018</p> <p>Refer to ALL intervention pre/post data and analyses 2018</p> <p>Refer to Oral Language Report 2018</p>	<p>Continue TOLD intervention 2019 facilitated and implemented by RTLb, SENCo and Year 1 and 2 teachers</p> <p>Continue Kahui Ako o Reporoa Community of Learning ALL intervention 2019 facilitated and implemented by 'Within School' teacher.</p> <p>Introduce Storytelling School/StoryWays Literacy through external facilitation</p> <p>Teachers to link 'Teaching as Inquiry' focus on Storytelling/Oral Language and the impact on Writing</p> <p>All staff to attend Sheena Cameron and Louise Dempsey Writing Workshop, Hamilton 2019 (Full day)</p> <p>Four staff to attend Sheena Cameron and Louise Dempsey 'Embedding Oral Language Across the Curriculum' Oral Workshop June 2019 (Two hours)</p> <p>Teachers to extensively use Seesaw as a learning sharing conduit for student voice, learner agency and whanau engagement</p>

Planning for next year:

Continue TOLD intervention 2019 facilitated and implemented by RTLB, SENCo and Year 1 and 2 teachers

Continue Kahui Ako o Reporoa Community of Learning ALL intervention 2019 facilitated and implemented by 'Within School' teacher

Introduce Storytelling School/StoryWays Literacy through external facilitation

Teachers to link 'Teaching as Inquiry' focus on Storytelling/Oral Language and the impact on Writing

All staff to attend Sheena Cameron and Louise Dempsey Writing Workshop, Hamilton 2019 (Full day)

Four staff to attend Sheena Cameron and Louise Dempsey 'Embedding Oral Language Across the Curriculum' Oral Workshop June 2019 (Two hours)

Teachers to extensively use Seesaw as a learning sharing conduit for student voice, learner agency and whanau engagement

Goals - Reading 2018



School Name:	Broadlands School – Reading 2018	School Number: 1698
Strategic Aim:	<ol style="list-style-type: none"> 1. Within the process of 'Teaching as Inquiry', teachers monitor and reflect upon their teaching effectiveness and the impact their Reading programme is having on student learning and achievement specifically the 2017 Reading Curriculum and Achievement Plan (RCaAP) 2. Cater for the learning needs of identified target students through targeted intervention and specific learning support programmes including Reading Recovery (0.44 FTTE), Toe-by-Toe, Teacher Oral Language Development Programme (TOLD)/KLST assessment in Years 1, 2 & 3 (Juniors), Irlen Screening in Year 4, Auditory Processing Disorder (APD) Screening in Year 4, 'Hear Builder' app, Lucid Screening and Language Learning Initiative (LLI) all as required/managed throughout 2018. 3. Cater for the learning needs of all students through targeted differentiation within classroom programmes 4. Strengthen inclusive transitional practices 5. Strengthen inclusive whanau partnerships 6. Through 'Teaching as Inquiry', professionally collaborate with the Te Kahui Ako o Reporoa 'Community of Learning' to support the CoL Vision and 'Achievement Challenges' specifically in the areas of Oral Language and Writing 	
Annual Aims:	<ol style="list-style-type: none"> 1. Through Te Kahui Ako o Reporoa Community of Learning 'Achievement Challenge', all classroom teachers (5) will engage in an Oral Language 'Teaching as Inquiry' focus which will specifically measure the impact of their deliberate acts of teaching and learning in Oral Language in Reading with strategic links to Writing 2. Review and develop inclusive transitional practices at all year levels including ECE and Year 7, as such, engaging whanau and our tamariki more willingly and purposefully throughout the learning journey. 	

	<ol style="list-style-type: none"> 3. Through Kahui Ako Accelerated Literacy Learning (ALL) intervention and teachers' 'Teaching as Inquiry' focus, prioritise oral language and its impact on writing school-wide. 4. Provide specific and relevant PL & D for teaching and support staff supported by strategic and targeted resourcing including sound digital, learner agency, student voice and personalised learning pedagogy. 5. Build and sustain highly effective and inclusive whanau partnerships in the learning process at a digital, personal, 1:1 level and whanau level, thus, removing any perceived or actual barriers to the learning journey of our tamariki. 6. Use Seesaw as the teaching and learning tool to embed 1., 2., 3. & 4. above
Goal:	Through deliberate acts of teaching and strategic use of 'Seesaw' as a student voice, student agency and engagement tool, raise the level of achievement in Oral Language school-wide with direct links to Writing outcomes.
Baseline Data:	<ol style="list-style-type: none"> 1. National Standards data, curriculum levels and Overall Teacher Judgements (OTJ's) based upon sound formative and summative data gathered throughout 2017 in Reading. 2. Writing curriculum levels/data, with reference to TKI Learning Progressions, school-wide from Term 1, 2018. 3. 'Teacher Oral Language Development' (TOLD) programme and KLST assessment data for Years' 1 & 2, 2017 and 2018. 4. TKI Oral Language rubric comparative formative data for ALL students in Terms' 1 and 4.

Actions <i>What did we do?</i>	Outcomes <i>What happened?</i>	Reasons for the variance <i>Why did it happen?</i>	Evaluation <i>Where to next?</i>
<p>Through liaison and facilitation with the RTL and SENCo, implement TOLD (Oral Language) intervention at the Year 1 and 2 levels.</p> <p>Through the Kahui Ako or Reporoa Community of Learning and 'Across School' teacher, facilitate and implement Accelerated Literacy Learning (ALL) intervention from Years' 1 to 6.</p>	<p>Refer to BOT TOLD Report - intervention pre/post intervention data and analyses 2018 (uploaded to data portal)</p> <p>Refer to BOT ALL Report - intervention pre/post data and analyses 2018 (uploaded to data portal)</p> <p>Refer to BOT Oral Language Report - pre/post data and analyses 2018</p>	<p>Refer to the TOLD intervention pre/post intervention data and analyses 2018</p> <p>Refer to ALL intervention pre/post data and analyses 2018</p> <p>Refer to Oral Language Report 2018</p>	<p>Continue TOLD intervention 2019 facilitated and implemented by RTL, SENCo and Year 1 and 2 teachers</p> <p>Continue Kahui Ako o Reporoa Community of Learning ALL intervention 2019 facilitated and implemented by 'Within School' teacher</p> <p>Introduce Storytelling School/StoryWays Literacy through external facilitation</p> <p>Teachers to link 'Teaching as Inquiry' focus on Storytelling/Oral Language and the impact on Writing</p> <p>All staff to attend Sheena Cameron and Louise Dempsey Writing Workshop, Hamilton 2019 (Full day)</p> <p>Four staff to attend Sheena Cameron and Louise Dempsey 'Embedding Oral Language Across the Curriculum' Oral Workshop June 2019 (Two hours)</p> <p>Teachers to extensively use Seesaw as a learning sharing conduit for student voice, learner agency and whanau engagement</p>

Planning for next year:

Continue TOLD intervention 2019 facilitated and implemented by RTLB, SENCo and Year 1 and 2 teachers

Continue Kahui Ako o Reporoa Community of Learning ALL intervention 2019 facilitated and implemented by 'Within School' teacher

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Teachers to extensively use Seesaw as a learning sharing conduit for student voice, learner agency and whanau engagement

INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF BROADLANDS SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

The Auditor-General is the auditor of Broadlands School (the School). The Auditor-General has appointed me, Stephen Graham, using the staff and resources of BDO Rotorua Limited, 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 20, 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 the Public Sector Public Benefit Entity (PBE) Standards Reduced Disclosure Regime.

Our audit was completed on 31 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 information included within the Analysis of Variance, the Board of Trustee Listing and the Kiwisport Report, which form part of the Annual Report, but does not include the financial statements, and our auditor's report thereon.

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

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

Independence

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

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



Stephen Graham
BDO Rotorua Limited
On behalf of the Auditor-General
Rotorua, New Zealand