

KAMO SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

School Directory

Ministry Number:	1030
Principal:	Sally Wilson
School Address:	6 Three Mile Bush Road, Kamo, Whangarei
School Postal Address:	6 Three Mile Bush Road, Kamo, WHANGAREI, 0112
School Phone:	09 435 1482
School Email:	dbatten@kamoprimary.school.nz

Members of the Board of Trustees

Name	Position	How Position Gained	Term Expires/ Expired
Matt Keene	Chair Person	Elected	Jun 2019
Sally Wilson	Principal	ex Officio	
Nikki-Jay Hunia	Parent Rep	Elected	Jun 2019
Gerald Kairau	Parent Rep	Co-opted	Jun 2019
Graeme Severinsen	Parent Rep	Elected	Jun 2019
Bronwyn Walters	Parent Rep	Elected	Jun 2019
Dan Gotz	Parent Rep	Elected	Jun 2019
Ben Soole	Staff Rep	Elected	Jun 2019

Accountant / Service Provider: Education Services Ltd

KAMO SCHOOL

Annual Report - For the year ended 31 December 2018

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Kamo School

Statement of Responsibility

For the year ended 31 December 2018

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

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

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

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

Matthew Keene

Full Name of Board Chairperson

Sally Wilson

Full Name of Principal

[Signature]

Signature of Board Chairperson

[Signature]

Signature of Principal

10/05/2019

Date:

10/05/2019

Date:

Kamo School
Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2018

	Notes	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Revenue				
Government Grants	2	3,355,081	3,095,888	3,282,967
Locally Raised Funds	3	85,626	88,282	70,867
Interest Earned		20,252	15,000	13,879
Gain on Sale of Property, Plant and Equipment		1,383	-	-
		<u>3,462,342</u>	<u>3,199,170</u>	<u>3,367,713</u>
Expenses				
Locally Raised Funds	3	25,898	59,000	40,922
Learning Resources	4	2,424,789	2,289,700	2,236,523
Administration	5	152,786	170,880	146,940
Finance Costs		6,325	-	4,296
Property	6	661,233	644,390	668,152
Depreciation	7	78,029	90,000	68,213
Loss on Disposal of Property, Plant and Equipment		-	-	27,543
		<u>3,349,060</u>	<u>3,253,970</u>	<u>3,192,589</u>
Net Surplus / (Deficit)		113,282	(54,800)	175,124
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u><u>113,282</u></u>	<u><u>(54,800)</u></u>	<u><u>175,124</u></u>

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



Kamo School
Statement of Changes in Net Assets/Equity
For the year ended 31 December 2018

	Actual 2018 \$	Budget (Unaudited) 2018 \$	Actual 2017 \$
Balance at 1 January	809,552	809,552	634,428
Total comprehensive revenue and expense for the year	113,282	(54,800)	175,124
Capital Contributions from the Ministry of Education			
Contribution - Furniture and Equipment Grant	6,236	-	-
Equity at 31 December	<u>929,070</u>	<u>754,752</u>	<u>809,552</u>
Retained Earnings	929,070	754,752	809,552
Equity at 31 December	<u>929,070</u>	<u>754,752</u>	<u>809,552</u>

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



Kamo School
Statement of Financial Position

As at 31 December 2018

	Notes	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Current Assets				
Cash and Cash Equivalents	8	417,854	275,867	261,879
Accounts Receivable	9	212,139	160,539	160,539
GST Receivable		15,219	5,208	5,207
Prepayments		7,606	6,052	6,052
Inventories	10	978	656	656
Investments	11	188,468	268,869	268,869
Funds owed for Capital Works Projects	17	-	-	13,309
		<u>842,264</u>	<u>717,191</u>	<u>716,511</u>
Current Liabilities				
Accounts Payable	13	178,346	126,200	126,200
Revenue Received in Advance	14	2,908	15,942	15,942
Provision for Cyclical Maintenance	15	103,175	155,181	155,181
Finance Lease Liability - Current Portion	16	21,751	18,711	18,711
Funds held for Capital Works Projects	17	20,688	-	-
		<u>326,868</u>	<u>316,034</u>	<u>316,034</u>
Working Capital Surplus/(Deficit)		515,396	401,157	400,477
Non-current Assets				
Property, Plant and Equipment	12	497,559	422,719	477,518
		<u>497,559</u>	<u>422,719</u>	<u>477,518</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	15	39,284	17,966	17,286
Finance Lease Liability	16	44,601	51,158	51,157
		<u>83,885</u>	<u>69,124</u>	<u>68,443</u>
Net Assets		<u>929,070</u>	<u>754,752</u>	<u>809,552</u>
Equity		<u>929,070</u>	<u>754,752</u>	<u>809,552</u>

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



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

		2018	2018	2017
	Note	Actual	Budget (Unaudited)	Actual
		\$	\$	\$
Cash flows from Operating Activities				
Government Grants		947,392	638,528	945,280
Locally Raised Funds		108,692	61,282	11,769
Goods and Services Tax (net)		(10,011)	-	8,682
Payments to Employees		(580,788)	(375,700)	(393,435)
Payments to Suppliers		(311,500)	(279,922)	(231,769)
Cyclical Maintenance Payments in the year		546	(10,000)	-
Interest Paid		(6,325)	-	(5,404)
Interest Received		17,660	15,000	13,879
Net cash from / (to) the Operating Activities		165,666	49,188	349,002
Cash flows from Investing Activities				
Proceeds from Sale of PPE (and Intangibles)		1,383	-	(27,543)
Purchase of PPE (and Intangibles)		(81,227)	(35,200)	(87,513)
Proceeds from Sale of Investments		-	-	(5,847)
Net cash from / (to) the Investing Activities		(79,844)	(35,200)	(120,903)
Cash flows from Financing Activities				
Furniture and Equipment Grant		6,236	-	-
Finance Lease Payments		948	-	18,500
Funds Administered on Behalf of Third Parties		-	-	(13,308)
Funds Held for Capital Works Projects		62,969	-	-
Net cash from Financing Activities		70,153	-	5,192
Net increase/(decrease) in cash and cash equivalents		155,975	13,988	233,291
Cash and cash equivalents at the beginning of the year	8	261,879	261,879	28,588
Cash and cash equivalents at the end of the year	8	417,854	275,867	261,879

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

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



Kamo School

Notes to the Financial Statements

For the year ended 31 December 2018

1. Statement of Accounting Policies

a) Reporting Entity

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

b) Basis of Preparation

Reporting Period

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

Basis of Preparation

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

Financial Reporting Standards Applied

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

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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



Useful lives of property, plant and equipment

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

Critical Judgements in applying accounting policies

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

Classification of leases

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

Recognition of grants

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

c) Revenue Recognition

Government Grants

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

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

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

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

Other Grants

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

Donations, Gifts and Bequests

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

Interest Revenue

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

d) Use of Land and Buildings Expense

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



e) Operating Lease Payments

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

f) Finance Lease Payments

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

g) Cash and Cash Equivalents

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

h) Accounts Receivable

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

i) Inventories

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

j) Investments

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

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

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

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

k) Property, Plant and Equipment

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

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

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

Property, plant and equipment acquired with individual values under \$1000 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 are depreciated over their estimated useful lives on a straight line basis. Depreciation of all assets is reported in the Statement of Comprehensive Revenue and Expense.

The estimated useful lives of the assets are:

Buildings	40 Years
Building Improvements	40 Years
Furniture and Equipment	10-20 Years
Information and Communication	5 Years
Motor Vehicles	5 Years
Textbooks	8 years
Leased Assets	3-5 Years
Library Resources	8 Years

Leased assets are depreciated over the life of the lease.

l) Intangible Assets

Software costs

Computer software acquired by the School are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Costs associated with subsequent maintenance or licensing of software are recognised as an expense in the Statement of Comprehensive Revenue and Expense when incurred.

Computer software licences with individual values under \$1,000 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense when incurred.

Computer software that the school receives from the Ministry of Education is normally acquired through a non-exchange transaction and is not of a material amount. It's fair value can be assessed at time of acquisition if no other methods lead to a fair value determination. Computer software purchased directly from suppliers at market rates are considered exchange transactions and the fair value is the amount paid for the software.

The carrying value of software is amortised on a straight line basis over its useful life. The useful life of software is estimated as three years. The amortisation charge for each period and any impairment loss is recorded in the Statement of Comprehensive Revenue and Expense.

m) 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.

n) 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.

o) 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.

p) Revenue Received in Advance

Revenue received in advance relates to fees received from students and grants received where there are unfulfilled obligations for the School to provide services in the future. The fees are recorded as revenue as the obligations are fulfilled and the fees earned.

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

q) Funds Held in Trust

Funds are held in trust where they have been received by the School for a specified purpose, or are being held on behalf of a third party and these transactions are not recorded in the Statement of Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose at any time.

r) Shared Funds

Shared Funds are held on behalf of a cluster of participating schools as agreed with the Ministry of Education. The cluster of schools operate activities outside of school control. These amounts are not recorded in the Statement of Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose.

s) Provision for Cyclical Maintenance

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

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

t) Financial Assets and Liabilities

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



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

The School's financial liabilities comprise accounts payable, borrowings, finance lease liability, and painting contract liability. All of these financial liabilities are categorised as “financial liabilities measured at amortised cost” for accounting purposes in accordance with financial reporting standards.

u) Borrowings

Borrowings are recognised at the amount borrowed. 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 the balance date.

v) 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.

w) Budget Figures

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

x) Services received in-kind

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



2. Government Grants

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Operational grants	676,233	637,528	646,816
Teachers' salaries grants	1,976,731	2,000,000	1,878,652
Use of Land and Buildings grants	476,243	457,360	457,360
Ministry Pilot	110,201	-	64,284
Resource teachers learning and behaviour grants	2,771	-	-
Other MoE Grants	112,674	1,000	206,395
Other government grants	228	-	29,460
	<u>3,355,081</u>	<u>3,095,888</u>	<u>3,282,967</u>

3. Locally Raised Funds

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

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Revenue			
Donations	17,862	13,800	19,179
Bequests & Grants	8,456	27,000	-
Activities	50,113	42,482	45,812
Trading	5,100	5,000	5,509
Fundraising	3,807	-	367
Other Revenue	288	-	-
	<u>85,626</u>	<u>88,282</u>	<u>70,867</u>
Expenses			
Activities	21,669	27,000	35,612
Trading	3,658	5,000	4,943
Fundraising costs	571	27,000	367
	<u>25,898</u>	<u>59,000</u>	<u>40,922</u>
<i>Surplus for the year Locally raised funds</i>	<u>59,728</u>	<u>29,282</u>	<u>29,945</u>

4. Learning Resources

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Curricular	68,848	64,200	52,255
Library resources	2,074	2,200	(9,141)
Employee benefits - salaries	2,326,600	2,182,700	2,170,024
Staff development	11,951	28,000	15,630
Ict	6,595	9,600	6,385
R&m & Purchases <\$1,000	8,721	3,000	1,370
	<u>2,424,789</u>	<u>2,289,700</u>	<u>2,236,523</u>



5. Administration

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Audit Fee	5,470	4,900	4,900
Board of Trustees Fees	4,235	4,000	4,290
Board of Trustees Expenses	2,310	3,780	2,290
Communication	7,758	7,700	7,114
Consumables	5,691	23,200	3,826
Operating Lease	4,446	4,250	9,705
Other	16,680	21,050	20,486
Employee Benefits - Salaries	95,196	93,000	86,593
Insurance	7,625	9,000	7,736
Service Providers, Contractors and Consultancy	3,375	-	-
	<u>152,786</u>	<u>170,880</u>	<u>146,940</u>

6. Property

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Caretaking and Cleaning Consumables	10,881	11,000	12,798
Cyclical Maintenance Expense	(19,013)	10,680	23,610
Grounds	9,083	7,450	6,986
Heat, Light and Water	30,125	28,400	29,283
Rates	10,077	8,500	8,346
Repairs and Maintenance	33,799	15,500	28,562
Use of Land and Buildings	476,243	457,360	457,360
Security	6,539	5,500	5,660
Employee Benefits - Salaries	103,499	100,000	95,547
	<u>661,233</u>	<u>644,390</u>	<u>668,152</u>

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

7. Depreciation

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Buildings	5,020	6,623	5,020
Building Improvements	3,589	4,735	3,589
Furniture and Equipment	25,597	29,884	22,649
Information and Communication Technology	26,675	34,406	26,077
Leased Assets	11,776	7,961	6,034
Library Resources	5,372	6,391	4,844
	<u>78,029</u>	<u>90,000</u>	<u>68,213</u>



8. Cash and Cash Equivalents

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
ASB 01 Main Account	128,159	274,777	260,789
ASB Business Saver 53	-	1,090	1,090
Short-term Bank Deposits	289,695	-	-
Cash equivalents for Cash Flow Statement	<u>417,854</u>	<u>275,867</u>	<u>261,879</u>

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

Of the \$417,854 Cash and Cash Equivalents, \$72,151 is held by the School on behalf of the Ministry of Education. These funds are required to be spent in 2019 on Crown owned school buildings under the School's Five Year Property Plan.

9. Accounts Receivable

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Receivables	350	70,508	70,508
Receivables from the Ministry of Education	72,481	-	-
Interest Receivable	2,592	-	-
Teacher Salaries Grant Receivable	136,716	90,031	90,031
	<u>212,139</u>	<u>160,539</u>	<u>160,539</u>
Receivables from Exchange Transactions	2,942	70,508	70,508
Receivables from Non-Exchange Transactions	209,197	90,031	90,031
	<u>212,139</u>	<u>160,539</u>	<u>160,539</u>

10. Inventories

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Stationery	978	656	656
	<u>978</u>	<u>656</u>	<u>656</u>

11. Investments

The School's investment activities are classified as follows:

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Current Asset			
Short-term Bank Deposits	188,468	268,869	268,869



12. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2018	\$	\$	\$	\$	\$	\$
Buildings	58,285	-	-	-	(5,020)	53,265
Building Improvements	83,165	-	-	-	(3,589)	79,576
Furniture and Equipment	181,656	38,318	-	-	(25,597)	194,377
Information and Communication Tech	65,113	39,240	-	-	(26,675)	77,678
Leased Assets	48,295	16,843	-	-	(11,776)	53,362
Library Resources	41,004	3,669	-	-	(5,372)	39,301
Balance at 31 December 2018	477,518	98,070	-	-	(78,029)	497,559

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2018	\$	\$	\$
Buildings	114,261	(60,996)	53,265
Building Improvements	122,292	(42,716)	79,576
Furniture and Equipment	574,528	(380,151)	194,377
Information and Communication	699,161	(621,483)	77,678
Leased Assets	72,731	(19,369)	53,362
Library Resources	86,122	(46,821)	39,301
Balance at 31 December 2018	1,669,095	(1,171,536)	497,559

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2017	\$	\$	\$	\$	\$	\$
Buildings	63,305	-	-	-	(5,020)	58,285
Building Improvements	86,754	-	-	-	(3,589)	83,165
Furniture and Equipment	173,054	31,251	-	-	(22,649)	181,656
Information and Communication Tech	64,448	26,743	-	(73)	(26,077)	65,113
Leased Assets	43,102	42,525	(31,298)	-	(6,034)	48,295
Library Resources	30,299	6,797	(7,939)	(16,766)	(4,844)	41,004
Balance at 31 December 2017	460,962	107,316	(39,237)	(16,693)	(68,213)	477,518

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2017	\$	\$	\$
Buildings	114,261	(55,976)	58,285
Building Improvements	122,292	(39,127)	83,165
Furniture and Equipment	536,210	(354,554)	181,656
Information and Communication	662,407	(597,294)	65,113
Leased Assets	55,888	(7,593)	48,295
Library Resources	82,453	(41,449)	41,004
Balance at 31 December 2017	1,573,511	(1,095,993)	477,518



13. Accounts Payable

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Operating creditors	25,604	27,626	27,626
Accruals	5,500	-	-
Employee Entitlements - salaries	136,716	90,031	90,031
Employee Entitlements - leave accrual	10,526	8,543	8,543
	<u>178,346</u>	<u>126,200</u>	<u>126,200</u>
Payables for Exchange Transactions	178,346	126,200	126,200
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	<u>178,346</u>	<u>126,200</u>	<u>126,200</u>

The carrying value of payables approximates their fair value.

14. Revenue Received in Advance

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Revenue Received In Advance	2,908	15,942	15,942
	<u>2,908</u>	<u>15,942</u>	<u>15,942</u>

15. Provision for Cyclical Maintenance

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Provision at the Start of the Year	172,467	162,467	161,787
Increase/(decrease) to the Provision During the Year	(24,381)	10,680	23,610
Use of the Provision During the Year	(5,627)	-	(12,930)
Provision at the End of the Year	<u>142,459</u>	<u>173,147</u>	<u>172,467</u>
Cyclical Maintenance - Current	103,175	155,181	155,181
Cyclical Maintenance - Term	39,284	17,966	17,286
	<u>142,459</u>	<u>173,147</u>	<u>172,467</u>

16. Finance Lease Liability

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

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
No Later than One Year	25,357	18,711	23,572
Later than One Year and no Later than Five Years	48,138	51,158	58,300
	<u>73,495</u>	<u>69,869</u>	<u>81,872</u>



17. Funds Held (Owed) for Capital Works Projects

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

	2018	Opening Balances	Receipts from MoE	Payments	BOT Contribution/ (Write-off to R&M)	Closing Balances
		\$	\$	\$		\$
Breakout Space	<i>completed</i>	6,791	(3,704)	3,087	-	-
209608 ILE Project	<i>in progress</i>	(16,148)	253,992	234,078	-	3,766
Toilet Block	<i>in progress</i>	(780)	-	683	-	(1,463)
211328 Roofing and Gutters	<i>in progress</i>	-	15,933	13,994	-	1,939
212238 Covered Deck & Other Works	<i>in progress</i>	(3,172)	77,952	8,334	-	66,446
Dental Clinic	<i>in progress</i>	-	-	50,000	-	(50,000)
Totals		(13,309)	344,173	310,176	-	20,688

Represented by:

Funds Held on Behalf of the Ministry of Education	72,151
Funds Due from the Ministry of Education	(51,463)
	<u>20,688</u>

	2017	Opening Balances	Receipts from MoE	Payments	BOT Contribution/ (Write-off to R&M)	Closing Balances
		\$	\$	\$		\$
Breakout Space	<i>in progress</i>	-	28,298	21,507	-	6,791
209608 ILE Project	<i>in progress</i>	-	-	16,148	-	(16,148)
Toilet Block	<i>in progress</i>	-	-	780	-	(780)
212238 Covered Deck & Other Works	<i>in progress</i>	-	-	3,172	-	(3,172)
Totals		-	28,298	41,607	-	(13,309)

18. Related Party Transactions

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

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



19. Remuneration

Key management personnel compensation

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

	2018 Actual \$	2017 Actual \$
<i>Board Members</i>		
Remuneration	4,235	4,290
Full-time equivalent members	0.06	0.46
<i>Leadership Team</i>		
Remuneration	477,050	411,521
Full-time equivalent members	5.00	4.00
Total key management personnel remuneration	481,285	415,811
Total full-time equivalent personnel	5.06	4.46

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

Principal

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

	2018 Actual \$000	2017 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	140 - 150	130-140
Benefits and Other Emoluments	3 - 4	3-4
Termination Benefits	-	-

Other Employees

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

Remuneration \$000	2018 FTE Number	2017 FTE Number
100 - 110	-	-
	0.00	0.00

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

20. Compensation and Other Benefits Upon Leaving

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

	2018 Actual	2017 Actual
Total	-	-
Number of People	-	-

21. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2018 (Contingent liabilities and assets at 31 December 2017: 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 Limited.

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

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

22. Commitments

(a) Capital Commitments

The School has entered into the following capital commitments as at 31 December 2018:

(a) \$282,214 contract for the ILE Upgrade Project as agent for the Ministry of Education. This project is fully funded by the Ministry and \$228,141 (2017: \$19,312) has been received of which \$248,649 (2017: \$780) has been spent to balance date.

(b) contract for the Toilet Upgrade Project as agent for the Ministry of Education. This project is waiting for approval by the Ministry of Education and \$780 (2017: \$780) has been spent to balance date.

(c) \$17,703 contract for the Roofing & Gutters Project as agent for the Ministry of Education. This project is fully funded by the Ministry and \$15,933 has been received at balance date.

(d) \$86,613 contract for the Covered Deck Project as agent for the Ministry of Education. This project is fully funded by the Ministry and \$77,952 has been received of which \$3,172 has been spent at balance date.

(Capital Commitments at 31 December 2017: (a) \$31,443 contract for the Breakout Space Project as agent for the Ministry of Education. This project is fully funded by the Ministry and \$28298 has been received of which \$21,514 has been spent to balance date.)

(b) Operating Commitments

As at 31 December 2018 the Board has entered into the following contracts:

(a) operating lease of laptops;

	2018 Actual \$	2017 Actual \$
No later than One Year	4,882	4,416
Later than One Year and No Later than Five Years	11,391	14,720
Later than Five Years	-	-
	<u>16,273</u>	<u>19,136</u>

23. Managing Capital

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



24. Financial Instruments

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

Loans and receivables

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Cash and Cash Equivalents	417,854	275,867	261,879
Receivables	212,139	160,539	160,539
Investments - Term Deposits	188,468	268,869	268,869
Total Loans and Receivables	<u>818,461</u>	<u>705,275</u>	<u>691,287</u>

Financial liabilities measured at amortised cost

Payables	178,346	126,200	126,200
Borrowings - Loans	-	-	-
Finance Leases	66,352	69,869	69,868
Painting Contract Liability	-	-	-
Total Financial Liabilities Measured at Amortised Cost	<u>244,698</u>	<u>196,069</u>	<u>196,068</u>

25. Events After Balance Date

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

26. Comparatives

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





Learning for the future

Ahuwhenua – Manaakitia – Manamotuhake – Manawanui – Hiranga

2018 Kiwisport Funding Report

KiwiSport is a national initiative that aims to get more school aged children playing organised sport. The three main objectives of KiwiSport are:

- 1. More Kids:** Increase the number of school aged children playing organised sport
- 2. More Opportunities:** Increase the availability and accessibility of sport for school aged children
- 3. Better Skills:** Support children in developing skills that will allow them to participate effectively in sport throughout school and beyond.

For the School Year of 2018 Kamo Primary received:

Component	Category/Roll	Entitlement Value
Kiwisport Y1 - 8	465	\$6,214.83

It was recalculated later in the year with an adjustment to 504 for Roll and an extra \$521.24 received.

The budget was used to support:

- Puberty lessons – this was crucial to supporting older students to participate
- External Gymnastics provider – this was focus on skills and personal awareness and doing something different
- Sports trips - the focus is on participation and the value of being a team member
- Sports equipment – lets learn with the right equipment
- Releasing of teacher to support trips and events – we can get there and be organised
- Saturday sports teams – Hockey and Netball – skills for life
- Support for swimming supplies - - water safety is paramount with drowning statistics

Did we meet the National intention?

We most certainly did 511 students at Kamo Primary had the opportunity to experience swimming, athletics, cross country, touch rugby, hockey, netball, soccer, table tennis and gymnastics. All this topped with improving skills, a better sense of knowing who we are and our capabilities along with confidence.

One of the biggest gains I saw as leader of KPS was wellbeing that matched our school Values of PRIDE...

Proactive	Ahuwhenua
Respect	Manaakitia
Independence	Manamotuhake
Determination	Manawanui
Excellence	Hiranga

After all is that not what we want for our Kiwi Kids!!

Sally Wilson

Principal

6 Three Mile Bush Road, Kamo, Whangarei, Ph: 4351482

Analysis of Variance Reporting



School Name:	Kamo Primary School	School Number:	1030
Strategic Aim:	Our 2018 strategic aim was that all students will strive to meet, or achieve above the National Standard expectation for their year level in Mathematics.		
Annual Aim:	Our annual aim for 2018 was that all students will be engaged in Mathematics and their learning will show the progress they have made to reach their own potential.		
Target:	Our curriculum achievement target in Mathematics for 2018 was to have at least 85% of our students working At or Above their National Standard expectation for their year level. This includes our students with specific learning needs.		
Baseline Data:	<p>Our 2018 baseline data showed the following:</p> <ul style="list-style-type: none"> • 16% of students working above the National Standard expectation • 59% of students working at the National Standard expectation • 19% of students working below the National Standard expectation • 6% of students working well below the National Standard expectation 		

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>In 2018 we received a Ministry of Education contract through Cognition Education to deliver Professional Learning and Development in Mathematics. Through this contract, the following actions have been undertaken by all teaching staff and have been identified as making a significant difference to our Mathematics data for 2018:</p> <ul style="list-style-type: none"> • Mixed-ability groupings across all levels of learning • Using the problem-solving approach to deliver Mathematics education in all classrooms • Collaborative planning within our four teaching teams • Staff and team meetings which have been dedicated to professional learning and development in mathematics for teachers • Staff meetings which have been focused around raising student achievement • Vertical groupings of teachers through our Whanau teams where teachers talk about the progress and achievement of their students in 	<p>Our overall end of year data for 2018 showed the following:</p> <ul style="list-style-type: none"> • 23% of students working above the National Standard expectation • 60% of students working at the National Standard expectation • 13% of students working below the National Standard expectation • 5% of students working well below the National Standard expectation <p>We saw significant changes in the following cohorts within our school for 2018:</p> <ul style="list-style-type: none"> • Our overall Maori achievement went from 68% of students to 73% of students achieving at or above expectation • Our boys went from 72% to 83% achieving at or above their expected level • Our girls went from 78% to 81% achieving at or above their expectation <p>Teachers became more motivated to teach Mathematics in all levels of learning, and as a result their</p>	<p>Although we currently sit 2% away from our identified target of 85% of our students achieving at or above in Mathematics, we are extremely happy with our results.</p> <p>We have identified the following reasons for the positive variance in our data:</p> <ul style="list-style-type: none"> • Teachers became more comfortable with what they were teaching and how to teach it • Collaborative planning provided opportunities for teachers to scaffold each other in their own professional teaching and learning in Mathematics • Planning was specifically based around identified student need and addressed these and was not completed too far in advance • Problem-solving questions and activities were authentic to their students and taught in context rather than as stand-alone or one-off activities • A growth mindset developed amongst the staff in relation to the teaching of Mathematics 	<p>Our Ministry of Education contract continues for the 2019 school year, and therefore we will continue to work with our facilitator from Cognition Education.</p> <p>We will continue to follow the same practices as this year with the intention to take these to the next level in our professional learning and development as a whole staff.</p> <p>We will introduce a new planning template to all staff. One team trialled it this year and had great success in supporting our collaborative planning.</p> <p>We have new staff coming onboard next year. We will be giving them the same support our current staff have had this year to help them with their teaching and learning in Mathematics.</p> <p>We aim to have Mathematics at the forefront of our minds to increase our data even further by the end of the 2019 school year.</p> <p>We will be introducing the Progress and Consistency Tool (PaCT) to staff to help teachers</p>

<p>Mathematics</p> <ul style="list-style-type: none"> Professional discussions with appraisal partners in relation to teaching and learning Peer observations amongst staff in Mathematics lessons Co-teaching opportunities with our Mathematics facilitator Having a constant awareness amongst all teaching staff about what we are aiming to achieve in our Mathematics data for 2018 Open discussions with our Board of Trustees around our data – what it's showing, what we are doing to address it and what we are seeing as a result Professional learning with our teaching staff around the change from National Standards expectations and wording to Curriculum level language and expectations Introduction of student-led learning where our students could identify areas of Mathematics they needed to work on. Teachers then provided opportunities for this to happen Professional learning and around the Learning Progressions Framework in 	<p>attitude became positive, which led to a very noticeable change in the engagement our students had in their learning.</p>	<ul style="list-style-type: none"> Mathematics became less of an area where teachers were unsure of themselves and how to teach it effectively We had buy in from staff which helped to create a positive mindset Our facilitator had a very positive approach to the teaching and learning of Mathematics for both students and teachers Our facilitator was very obliging in assisting staff with anything they needed Teachers became more confident in what they were looking for in their students, and felt more comfortable with the evidence they had for students to make an informed judgement on a students learning Over the year we have phased out National Standard language and expectations, and brought in language around information about assessing against curriculum levels and what this looks like The vertical groupings (whanau teams) allowed teachers to see the expectations across all levels of the curriculum with our school 	<p>confirm their judgements for student progress and achievement.</p> <p>More work with staff will be done around curriculum knowledge and development.</p> <p>Our own school curriculum has been under review during 2018 and our new school curriculum will be implemented in 2019.</p>
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Mathematics and an expectation for teachers to use these to help them make informed decision about their students' learning

Planning for next year:

The Kamo Primary School Board of Trustees will continue to support our principal in the direction she would like to take our school with regard to teaching and learning which best suits the needs of our students. The Board of Trustees will also continue to support what we are doing with our Professional Learning and Development contract with Cognition Education. They are heavily invested in raising student achievement in Mathematics and will do anything to support what our teaching team feels would be the best approach for our students. The Board of Trustees of Kamo Primary School always has the best interests of our students at the forefront of any decision they make.

They are aware that we sit 2% off our identified target for 2018, but are suitably impressed with the progress our teaching team and students have made during the 2018 school year. We have a reasonable number of students with identified specific learning needs for a school of our size and they agree with the leaders of the school that we will not exclude these student's results from our data.

**INDEPENDENT AUDITOR'S REPORT
TO THE READERS OF
KAMO PRIMARY SCHOOL'S
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

57 Clyde Street
PO Box 627
WHANGAREI 0140
Phone: (09) 438 2312
Fax: (09) 438 2912
info@bennettca.co.nz
www.bennettca.co.nz

The Auditor-General is the auditor of Kamo Primary School (the School). The Auditor-General has appointed me, Steve Bennett, using the staff and resources of Bennett & Associates, 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 Public Benefit Entity Standards Reduced Disclosure Regime.

Our audit was completed on 14 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 arises from the Public Audit Act 2001.

Other information

The Board of Trustees is responsible for the other information. The other information comprises the Analysis of Variance, the Kiwi Sport Statement, the List of Trustees and Statement of Responsibility 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.



Steve Bennett
BENNETT & ASSOCIATES
On behalf of the Auditor-General
Whangarei, New Zealand

