



## **ANNUAL REPORT**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

**School Directory**

<b>Ministry Number:</b>	3307
<b>Principal:</b>	Deane Power
<b>School Address:</b>	Cannington Road, Cannington
<b>School Postal Address:</b>	Cannington Road, RD 14, Cave, 7984
<b>School Phone:</b>	03 614 3723
<b>School Email:</b>	<a href="mailto:office@cannington.school.nz">office@cannington.school.nz</a>

# CANNINGTON SCHOOL

Annual Report - For the year ended 31 December 2022

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# Cannington School

## Statement of Responsibility

For the year ended 31 December 2022

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

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

It is the opinion of the Board and management that the annual financial statements for the financial year ended 31 December 2022 fairly reflects the financial position and operations of the School.

The School's 2022 financial statements are authorised for issue by the Board.

Andrew James Smith

Full Name of Presiding Member



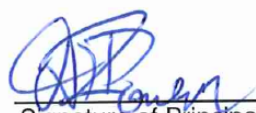
Signature of Presiding Member

29.05.2023

Date:

Deane Ross Power

Full Name of Principal



Signature of Principal

29.05.2023

Date:

# **Cannington School**

## **Members of the Board**

For the year ended 31 December 2022

<b>Name</b>	<b>Position</b>	<b>How Position Gained</b>	<b>Term Expired/ Expires</b>
Andrew Scott	Presiding Member	Elected	Sep 2025
Deane Power	Principal	ex Officio	
Donna Simmons	Parent Representative	Elected	Sep 2022
Michael Butt	Parent Representative	Elected	Sep 2022
Leanne Joyce	Staff Representative	Elected	Sep 2025
Trish Wood	Staff Representative	Elected	Sep 2022
Grant Mckerchar	Parent Representative	Elected	Sep 2025
Sam Eggleton	Parent Representative	Elected	Sep 2025
Jodi Westaway	Parent Representative	Elected	Sep 2025

# Cannington School

## Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2022

		2022	2022	2021
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
<b>Revenue</b>				
Government Grants	2	372,925	399,800	311,813
Locally Raised Funds	3	23,650	11,020	14,376
Interest Income		3,828	1,500	1,354
		<u>400,403</u>	<u>412,320</u>	<u>327,543</u>
<b>Expenses</b>				
Locally Raised Funds	3	931	750	1,107
Learning Resources	4	246,865	248,500	218,140
Administration	5	37,592	38,442	37,271
Finance		839	-	578
Property	6	109,814	195,930	69,989
		<u>396,041</u>	<u>483,622</u>	<u>327,085</u>
<b>Net Surplus / (Deficit) for the year</b>		4,362	(71,302)	458
Other Comprehensive Revenue and Expense		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<u>4,362</u>	<u>(71,302)</u>	<u>458</u>

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



# Cannington School

## Statement of Changes in Net Assets/Equity

For the year ended 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
<b>Equity at 1 January</b>		266,303	266,303	264,555
Total comprehensive revenue and expense for the year		4,362	(71,302)	458
Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		-	-	1,290
<b>Equity at 31 December</b>		270,665	195,001	266,303
Accumulated comprehensive revenue and expense		270,665	195,001	266,303
<b>Equity at 31 December</b>		270,665	195,001	266,303

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



# Cannington School

## Statement of Financial Position

As at 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
<b>Current Assets</b>				
Cash and Cash Equivalents	7	84,825	17,955	45,430
Accounts Receivable	8	16,729	23,381	23,381
Prepayments		3,254	2,387	2,387
Investments	9	122,335	85,460	119,787
Funds Receivable for Capital Works Projects	15	42,625	16,038	16,038
		<u>269,768</u>	<u>145,221</u>	<u>207,023</u>
<b>Current Liabilities</b>				
GST Payable		6,483	638	638
Accounts Payable	11	23,838	27,579	27,579
Revenue Received in Advance	12	897	377	377
Provision for Cyclical Maintenance	13	-	7,042	7,042
Finance Lease Liability	14	2,625	2,217	2,217
Funds held for Capital Works Projects	15	81,682	21,263	21,263
		<u>115,525</u>	<u>59,116</u>	<u>59,116</u>
<b>Working Capital Surplus/(Deficit)</b>		154,243	86,105	147,907
<b>Non-current Assets</b>				
Property, Plant and Equipment	10	123,302	119,929	127,429
		<u>123,302</u>	<u>119,929</u>	<u>127,429</u>
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	P.01 Adjustment 3 13	354	3,200	1,200
Finance Lease Liability	14	6,526	7,833	7,833
		<u>6,880</u>	<u>11,033</u>	<u>9,033</u>
<b>Net Assets</b>		<u>270,665</u>	<u>195,001</u>	<u>266,303</u>
<b>Equity</b>		<u>270,665</u>	<u>195,001</u>	<u>266,303</u>

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



# Cannington School

## Statement of Cash Flows

For the year ended 31 December 2022

		2022	2022	2021
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
		\$	\$	\$
<b>Cash flows from Operating Activities</b>				
Government Grants		162,155	98,128	106,031
Locally Raised Funds		22,666	11,020	10,856
Goods and Services Tax (net)		5,845	-	(9,664)
Payments to Employees		(100,752)	(91,828)	(81,295)
Payments to Suppliers		(79,932)	(76,122)	(58,275)
Interest Received		3,092	1,500	1,267
Net cash from/(to) Operating Activities		13,074	(57,302)	(31,080)
<b>Cash flows from Investing Activities</b>				
Purchase of Property Plant & Equipment (and Intangibles)		(3,946)	(4,500)	(2,946)
Purchase of Investments		(2,548)	-	(1,211)
Proceeds from Sale of Investments		-	34,327	-
Net cash from/(to) Investing Activities		(6,494)	29,827	(4,157)
<b>Cash flows from Financing Activities</b>				
Furniture and Equipment Grant		-	-	1,290
Finance Lease Payments		(1,017)	-	(3,373)
Funds Administered on Behalf of Third Parties		33,832	-	(38,740)
Net cash from/(to) Financing Activities		32,815	-	(40,823)
<b>Net increase/(decrease) in cash and cash equivalents</b>				
		39,395	(27,475)	(76,060)
Cash and cash equivalents at the beginning of the year	7	45,430	45,430	121,490
<b>Cash and cash equivalents at the end of the year</b>	7	84,825	17,955	45,430

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

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





# Cannington School

## Notes to the Financial Statements

### For the year ended 31 December 2022

#### 1. Statement of Accounting Policies

##### 1.1. Reporting Entity

Cannington School (the School) is a Crown entity as specified in the Crown Entities Act 2004 and a school as described in the Education and Training Act 2020. The Board is of the view that the School is a public benefit entity for financial reporting purposes.

##### 1.2. Basis of Preparation

###### **Reporting Period**

The financial statements have been prepared for the period 1 January 2022 to 31 December 2022 and in accordance with the requirements of the Education and Training Act 2020.

###### **Basis of Preparation**

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

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

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

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

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

###### **Measurement Base**

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

###### **Presentation Currency**

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

###### **Specific Accounting Policies**

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

###### **Critical Accounting Estimates And Assumptions**

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

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

###### **Cyclical Maintenance**

A school recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's best estimate of the cost of painting the school and when the school is required to be painted, based on an assessment of the school's condition. During the year, the Board assesses the reasonableness of its painting maintenance plan on which the provision is based. Cyclical maintenance is disclosed at note 13.



#### *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 10.

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

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

##### *Classification of leases*

Determining whether a lease is a finance lease or an operating lease requires judgement as to whether the lease transfers substantially all the risks and rewards of ownership to the school. A lease is classified as a finance lease if it transfers substantially all risks and rewards incidental to ownership of an underlying asset to the lessee. In contrast, an operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset to the lessee. Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant, and equipment, whereas for an operating lease no such asset is recognised. Finance lease liability disclosures are contained in note 14. Future operating lease commitments are disclosed in note 20b.

##### *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.

### **1.3. 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 to which they relate. The grants are not received in cash by the School and are paid directly to teachers by the Ministry of Education.

Other Ministry Grants for directly funded programmes are recorded as revenue when the School has the rights to the funding in the period to which they relate. The grants are not received in cash by the School and are paid directly by the Ministry of Education.

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

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

#### **Other Grants where conditions exist**

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 recognised as revenue as the conditions are fulfilled.

#### **Donations, Gifts and Bequests**

Donations, gifts and bequests are recognised as an asset and revenue when the right to receive funding or the asset has been established unless there is an obligation to return funds if conditions are not met. If conditions are not met funding is recognised as revenue in advance and recognised as revenue when conditions are satisfied.



### ***Interest Revenue***

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

#### **1.4. 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.

#### **1.5. 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.

#### **1.6. 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.

#### **1.7. Accounts Receivable**

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

#### **1.8. Investments**

Bank term deposits are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance. A loss allowance for expected credit losses is recognised if the estimated loss allowance is not trivial.

#### **1.9. 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 funded by the Board to buildings owned by the Crown or directly by the board are recorded at cost, less accumulated depreciation and impairment losses.

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

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

### ***Finance Leases***

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



## **Depreciation**

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

The estimated useful lives of the assets are:

Building improvements	40 years
Furniture and equipment	5-10 years
Information and communication technology	4-5 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value

### **1.10. 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. If such indication exists, the School estimates the asset's recoverable service amount. An impairment loss is recognised as 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.

In determining fair value less costs to sell the school engages an independent valuer to assess market value based on the best available 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 Statement of Comprehensive Revenue and Expense.

The reversal of an impairment loss is recognised in the Statement of Comprehensive Revenue and Expense. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable service amount since the last impairment loss was recognised.

### **1.11. 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.

### **1.12. Employee Entitlements**

#### *Short-term employee entitlements*

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

#### *Long-term employee entitlements*

Employee benefits that are not expected to be settled wholly before 12 months after the end of the reporting period in which the employee provides the related service, such as retirement and long service leave, have been calculated on an actuarial basis.

The calculations are based on the likely future entitlements accruing to employees, based on years of service, years to entitlement, the likelihood that employees will reach the point of entitlement, and contractual entitlement information, and the present value of the estimated future cash flows. Remeasurements are recognised in Statement of Comprehensive Revenue and Expense in the period in which they arise.



### **1.13. 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.

### **1.14. Funds held for Capital Works**

The school directly receives funding from the Ministry of Education for capital works projects that are included in the School five year capital works agreement. These funds are held on behalf and for a specified purpose as such these transactions are not recorded in the Statement of Comprehensive Revenue and Expense.

The School holds sufficient funds to enable the funds to be used for their intended purpose at any time.

### **1.15. 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.

Cyclical maintenance, which involves painting of the School, makes up the most significant part of the Board's responsibilities outside the day-to-day maintenance. The provision is a reasonable estimate, based on the school's best estimate of the cost of painting the school and when the School is required to be painted, based on an assessment of the school's condition.

The School carries out painting maintenance of the whole school over a variety of periods in accordance with the conditional assessment of each area of the school. The economic outflow of this is dependent on the plan established by the School to meet this obligation and is detailed in the notes and disclosures of these accounts.

### **1.16. Financial Instruments**

The School's financial assets comprise cash and cash equivalents, accounts receivable, and investments. All of these financial assets, except for investments that are shares, are initially recognised at fair value and subsequently measured at amortised cost, using the effective interest method.

Investments that are shares are categorised as financial assets at fair value through other comprehensive revenue and expense in accordance with financial reporting standards. On initial recognition of an equity investment that is not held for trading, the School may irrevocably elect to present subsequent changes in the investments' fair value in other comprehensive revenue and expense. This election has been made for investments that are shares. Subsequent to initial recognition, these assets are measured at fair value. Dividends are recognised as income in the Statement of Comprehensive Revenue and Expense unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in other comprehensive revenue and expense and are never reclassified to the Statement of Comprehensive Revenue and Expense.

The School's financial liabilities comprise accounts payable, borrowings, finance lease liability, and painting contract liability. Financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and any gain or loss on derecognition are recognised in the Statement of Comprehensive Revenue and Expense.

### **1.17. Borrowings**

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

### **1.18. 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.



**1.19. Budget Figures**

The budget figures are extracted from the School budget that was approved by the Board.

**1.20. 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

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Government Grants - Ministry of Education	160,196	99,800	118,776
Teachers' Salaries Grants	146,378	150,000	138,978
Use of Land and Buildings Grants	66,351	150,000	54,059
	<u>372,925</u>	<u>399,800</u>	<u>311,813</u>

The School has opted in to the donations scheme for this year. Total amount received was \$2,100 (2021: \$1,800).

## 3. Locally Raised Funds

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

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
<b>Revenue</b>			
Donations & Bequests	6,342	1,000	1,665
Trading	330	500	883
Fundraising & Community Grants	7,200	1,200	1,495
Other Revenue	9,778	8,320	10,333
	<u>23,650</u>	<u>11,020</u>	<u>14,376</u>
<b>Expenses</b>			
Trading	931	750	1,107
	<u>931</u>	<u>750</u>	<u>1,107</u>
<i>Surplus / (Deficit) for the year Locally raised funds</i>	<u>22,719</u>	<u>10,270</u>	<u>13,269</u>

## 4. Learning Resources

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Curricular	20,751	22,000	15,280
Information and Communication Technology	110	-	-
Employee Benefits - Salaries	211,913	212,300	191,770
Staff Development	4,313	2,200	2,336
Depreciation	9,778	12,000	8,754
	<u>246,865</u>	<u>248,500</u>	<u>218,140</u>

## 5. Administration

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Audit Fee	4,777	4,640	4,640
Board Fees	1,935	4,100	1,915
Board Expenses	1,461	1,200	1,133
Communication	1,155	1,050	814
Consumables	164	300	72
Operating Lease	761	3,692	74
Legal Fees	-	-	4,738
Other	526	350	121
Employee Benefits - Salaries	23,781	20,200	19,945
Insurance	110	-	119
Service Providers, Contractors and Consultancy	2,922	2,910	3,700
	<u>37,592</u>	<u>38,442</u>	<u>37,271</u>



## 6. Property

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	1,326	1,200	1,029
Consultancy and Contract Services	4,205	3,000	1,947
Cyclical Maintenance Provision	(7,888)	2,000	(24,008)
Grounds	19,842	15,550	13,780
Heat, Light and Water	5,449	5,000	4,551
Rates	1,751	1,680	1,597
Repairs and Maintenance	6,311	6,500	6,030
Use of Land and Buildings	66,351	150,000	54,059
Employee Benefits - Salaries	12,467	11,000	11,004
	<u>109,814</u>	<u>195,930</u>	<u>69,989</u>

The Use of Land and Buildings figure represents 5% of the school's total property value. Property values are established as part of the nation-wide revaluation exercise that is conducted every 30 June for the Ministry of Education's year-end reporting purposes.

## 7. Cash and Cash Equivalents

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Bank Accounts	84,825	17,955	45,430
Cash and Cash Equivalents for Statement of Cash Flows	<u>84,825</u>	<u>17,955</u>	<u>45,430</u>

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

Of the \$84,825 Cash and Cash Equivalents, \$81,682 is held by the School on behalf of the Ministry of Education. These funds have been provided for the Ministry as part of the school's 5 Year Agreement funding for upgrades to the school's buildings. The funds are required to be spent in 2023 on Crown owned school buildings.

## 8. Accounts Receivable

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Receivables	5,693	4,189	4,189
Receivables from the Ministry of Education	-	6,923	6,923
Interest Receivable	1,026	290	290
Teacher Salaries Grant Receivable	10,010	11,979	11,979
	<u>16,729</u>	<u>23,381</u>	<u>23,381</u>
Receivables from Exchange Transactions	6,719	4,479	4,479
Receivables from Non-Exchange Transactions	10,010	18,902	18,902
	<u>16,729</u>	<u>23,381</u>	<u>23,381</u>

## 9. Investments

The School's investment activities are classified as follows:

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Current Asset			
Short-term Bank Deposits	122,335	85,460	119,787
Total Investments	<u>122,335</u>	<u>85,460</u>	<u>119,787</u>





## 10. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
	\$	\$	\$	\$	\$	\$
<b>2022</b>						
Land	25,000	-	-	-	-	<b>25,000</b>
Building Improvements	65,297	-	-	-	(2,598)	<b>62,699</b>
Furniture and Equipment	19,297	1,807	-	-	(2,993)	<b>18,111</b>
Information and Communication Technology	6,887	2,139	-	-	(1,236)	<b>7,790</b>
Leased Assets	10,038	1,705	-	-	(2,837)	<b>8,906</b>
Library Resources	910	-	-	-	(114)	<b>796</b>
<b>Balance at 31 December 2022</b>	<b>127,429</b>	<b>5,651</b>	<b>-</b>	<b>-</b>	<b>(9,778)</b>	<b>123,302</b>

The net carrying value of equipment held under a finance lease is \$8,906 (2021: \$10,038)

### Restrictions

With the exception of the contractual restrictions relating to the above noted finance leases, there are no other restrictions over the title of the school's property, plant and equipment, nor are any property, plant and equipment pledged as security for liabilities.

	2022 Cost or Valuation	2022 Accumulated Depreciation	2022 Net Book Value	2021 Cost or Valuation	2021 Accumulated Depreciation	2021 Net Book Value
	\$	\$	\$	\$	\$	\$
Land	25,000	-	<b>25,000</b>	25,000	-	<b>25,000</b>
Building Improvements	103,926	(41,227)	<b>62,699</b>	103,926	(38,629)	<b>65,297</b>
Furniture and Equipment	117,821	(99,710)	<b>18,111</b>	116,015	(96,718)	<b>19,297</b>
Information and Communication Technology	51,341	(43,551)	<b>7,790</b>	49,203	(42,316)	<b>6,887</b>
Leased Assets	12,827	(3,921)	<b>8,906</b>	11,123	(1,085)	<b>10,038</b>
Library Resources	7,163	(6,367)	<b>796</b>	7,163	(6,253)	<b>910</b>
<b>Balance at 31 December</b>	<b>318,078</b>	<b>(194,776)</b>	<b>123,302</b>	<b>312,430</b>	<b>(185,001)</b>	<b>127,429</b>

## 11. Accounts Payable

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Creditors	7,233	7,802	7,802
Accruals	4,777	4,640	4,640
Banking Staffing Overuse	-	1,672	1,672
Employee Entitlements - Salaries	10,383	12,274	12,274
Employee Entitlements - Leave Accrual	1,445	1,191	1,191
	<b>23,838</b>	<b>27,579</b>	<b>27,579</b>
Payables for Exchange Transactions	<b>23,838</b>	<b>27,579</b>	<b>27,579</b>

The carrying value of payables approximates their fair value.

## 12. Revenue Received in Advance

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Other Revenue in Advance	897	377	377
	<b>897</b>	<b>377</b>	<b>377</b>



### 13. Provision for Cyclical Maintenance

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Provision at the Start of the Year	8,242	8,242	32,250
Increase to the Provision During the Year	4,151	2,000	2,208
Other Adjustments	(12,039)	-	(26,216)
Provision at the End of the Year	354	10,242	8,242
Cyclical Maintenance - Current	-	7,042	7,042
Cyclical Maintenance - Non current	354	3,200	1,200
	354	10,242	8,242

The School's cyclical maintenance schedule details annual painting & other significant cyclical maintenance work to be undertaken. The costs associated with this annual work will vary depending on the requirements during the year. This plan is based on the School's most recent 10 Year Property plan, adjusted as identified and confirmed appropriate by the Board, to other reliable sources of evidence.

### 14. Finance Lease Liability

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

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
No Later than One Year	3,269	2,956	2,956
Later than One Year and no Later than Five Years	7,272	9,079	9,079
Future Finance Charges	(1,390)	(1,985)	(1,985)
	9,151	10,050	10,050
Represented by:			
Finance lease liability - Current	2,625	2,217	2,217
Finance lease liability - Non current	6,526	7,833	7,833
	9,151	10,050	10,050

### 15. Funds Held for Capital Works Projects

During the year the School received and applied funding from the Ministry of Education for the following capital works projects. The amount of cash held on behalf of the Ministry for capital works project is included under cash and cash equivalents in note 7.

2022	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions \$	Closing Balances \$
SIP - Swimming Pool & Playground Upgrade	21,263	843	-	-	22,106
Admin Kitchen Upgrade	(16,038)	-	(24,230)	-	(40,268)
Roofing Upgrade	-	61,376	(1,800)	-	59,576
Classroom Modification	-	43,395	(44,352)	-	(957)
Carpet Upgrade	-	-	(1,400)	-	(1,400)
Totals	5,225	105,614	(71,782)	-	39,057

#### Represented by:

Funds Held on Behalf of the Ministry of Education	81,682
Funds Receivable from the Ministry of Education	(42,625)

2021	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions \$	Closing Balances \$
Stage 2 - Upgrade to Windows	165	-	(165)	-	-
SIP - Swimming Pool & Playground Upgrade	43,800	-	(22,537)	-	21,263
Admin Kitchen Upgrade	-	-	(16,038)	-	(16,038)
Totals	43,965	-	(38,740)	-	5,225

#### Represented by:

Funds Held on Behalf of the Ministry of Education	21,263
Funds Receivable from the Ministry of Education	(16,038)



## 16. Related Party Transactions

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

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

## 17. Remuneration

### Key management personnel compensation

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

	2022 Actual \$	2021 Actual \$
<i>Board Members</i>		
Remuneration	1,935	1,915
<i>Leadership Team</i>		
Remuneration	115,580	113,949
Full-time equivalent members	1.00	1.00
Total key management personnel remuneration	117,515	115,864

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

### Principal

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

	2022 Actual \$000	2021 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	110 - 120	110 - 120
Benefits and Other Emoluments	3 - 4	0 - 5
Termination Benefits	0 - 0	0 - 0

### Other Employees

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

Remuneration \$000	2022 FTE Number	2021 FTE Number
100 -110	-	-
110 -120	-	-
	-	-

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

## 18. Compensation and Other Benefits Upon Leaving

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

	2022 Actual \$	2021 Actual \$
Total	-	-
Number of People	-	-



## 19. Contingencies

There are no contingent liabilities and no contingent assets except as noted below as at 31 December 2022 (Contingent liabilities and assets at 31 December 2021: nil).

### Holidays Act Compliance – schools payroll

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

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

To the extent that any obligation cannot reasonably be quantified at 31 December 2022, a contingent liability for the school may exist.

### Additional funding wash up payment

The Ministry of Education provided additional funding for both the Support Staff in Schools' Collective Agreement (CA) Settlement and the Teacher Aide Pay Equity Settlement. The School has not been notified of the final wash up calculation relating to 31 December 2022. The final calculations impact on the financial statements is unable to be determined at the date of reporting.

### (a) Capital Commitments

As at 31 December 2022 the Board has entered into the following contract agreements for capital works.

(a) A contract for Classroom Modifications and Roof Replacement to be completed in 2023, which will be fully funded by the Ministry of Education; and

(b) Contract for Clearlight roofing to the classroom block which will be fully funded by the Ministry of Education and replaces the adventure playground project. This project is expected to be completed in 2023.

(Capital commitments in relation to Ministry projects at 31 December 2021: \$5,225)

### (b) Operating Commitments

As at 31 December 2022 the Board has not entered into any operating contracts.

(Operating commitments at 31 December 2021: nil)

## 21. Financial Instruments

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

### Financial assets measured at amortised cost

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Cash and Cash Equivalents	84,825	17,955	45,430
Receivables	16,729	23,381	23,381
Investments - Term Deposits	122,335	85,460	119,787
Total Financial assets measured at amortised cost	<u>223,889</u>	<u>126,796</u>	<u>188,598</u>

### Financial liabilities measured at amortised cost

Payables	23,838	27,579	27,579
Finance Leases	9,151	10,050	10,050
Total Financial liabilities measured at amortised Cost	<u>32,989</u>	<u>37,629</u>	<u>37,629</u>

## 22. Events After Balance Date

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

## 23. Comparatives

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



# Analysis of Variance Reporting



<b>School Name:</b>	Cannington School 2022	<b>School Number:</b>	3307
<b>Strategic Aim:</b>	<p>“We Can and We Do” To educate and develop confident, connected and committed learners who positively contribute to society.</p>		
<b>Annual Aim:</b>	<p>“We Can and We Do” To educate and develop confident, connected and committed learners who positively contribute to society through authentic learning experiences.</p>		
<b>Target:</b>	<p>To make at least one years progress in relation to the NZC and accelerated progress where necessary. As a BOT we discussed the results and felt that the school had weathered COVID in 21 very well. We will take the 2022 year as it comes. One day at a time. Continue to focus on the basics</p>		
<b>Baseline Data:</b>	<p>Reading:</p> <p>Exceeding expectations (1/11)</p> <p>Within Expectations (10/11)</p> <p>Working towards Expectations (0/11)</p> <p>Writing:</p> <p>Exceeding expectations (1/11)</p> <p>Within Expectations (9/11)</p> <p>Working towards Expectations (1/11)</p> <p>Mathematics:</p>		

	Exceeding expectations	(3/11)
	Within Expectations	(7/11)
	Working towards Expectations	(1/11)

<b>Actions</b> <i>What did we do?</i>	<b>Outcomes</b> <i>What happened?</i>	<b>Reasons for the variance</b> <i>Why did it happen?</i>	<b>Evaluation</b> <i>Where to next?</i>
<p>Reading: Wheelers reading platform, supplied to us by the National Library of New Zealand, which included many audio books. We purchased enough headphones for all students and ensured that all out students were able to access a computer at school. We promoted this in the home and gave lessons on how to use this to parents during assemblies. This PD from National Library was supported with visits from their staff.</p> <p>We used on line learning more. TEAMS was what we used over lockdown. We were able to link the Ready To Read texts and questions for the students to answer in their own time. Parents were encouraged to take part in the learning.</p> <p>We actively promoted that students could read an online book if they had completed everything.</p> <p>Teacher Aide was given specific students and specific actions to take to support reading. Sight words, blends, word endings, and word family.</p>	<p>Working Towards: Nil  Working Within: (9/12) 75%  Exceeding Expectations: (3/12) 25%</p> <p>We were able two move students from working within to exceeding expectations.</p>	<p>We have achieved the targets that we set out for 2022. Even for those students that were at the lower end of expectations they have made the expected progress. It really can come down to the attitude towards reading that we have developed here at school over the last eight years. While there are some specific actions that we have undertaken that are listed below it is our approach for the last few years that have made the difference. What actions makes this happen? We make sure that families are always welcome and we stay on constant contact with families around achievement if we are concerned. These interactions are never from deficit thinking rather from what can WE do together to make sure we meet your expectations of the school and your whanau?</p> <p>We hold information sessions to inform parents about what we are doing and why, also how to use the digital platforms for reading and research.</p> <p>We are now using the latest PM evaluation kit for running records. The material enclosed in this kit is harder than the previous one and we expect the results and data to differ from those previously.</p>	<p>Hopefully next year we will have a clean run with no interruptions of the like from COVID19. We believe that the approach used this year around use of the audio books and helping families to get this to work at home will continue the progress we have started. We are also splitting the class into seniors and junior for 2/3 of the day.</p>

<p>Writing</p> <p>We had a big shift in achievement in Term 4. The three students of concern were able to produce consistent work at the desired levels. We have been using what we term making sense of music for term 4. This focused on students saying what they thought and explaining why they thought this. This showed the value of personal voice and how to bring it to writing. The use of easTTle Writing was not used in 2022. Use of the Writing Matrix continued. Punctuation and Grammar PAT was used. Targeted learners section in our weekly planning continued with our planning having more specific achievable goals than larger generic terms. We continued to fund the technology construction that many of our students are a part of. We can see the results that this has brought into our classes. Student needs that will need to be addressed in the next year are around the construction of texts. Paragraphing and the planning that develops use of them need to be reinforced. This will become part of our starting point in the Writing Internal Review document.</p>	<p>Working Towards: Nil Working Within: (10/12) 84% Exceeding Expectations: (2/12) 16%</p> <p>We have moved one student from working towards to within and one student from within to exceeding expectations</p>	<p>We achieved the target we set out of making at least one years progress in relation to the NZC. We cannot say that we actually had accelerated learning for a sustained period. This acceleration took place in the final part of the year. Despite the disruptions to the year we had great results.</p> <p>Writing success is very closely linked to Reading engagement. As we can see in the Reading results there are no students below, then I would expect this success to start to filter through into these two students over the coming year. Keeping writing related to school events and home events has kept the teaching relevant. What we have noticed that spelling is a concern with two of our students but not an overall a concern.</p> <p>I believe it is the home school relationship that has contributed to the raising of achievement. Parents feel welcome to discuss things with the school around learning and what we can do together to improve learning.</p> <p>One of our students are towards the lower end of expectations but they were in the same situation last year. So they have made one years' progress in relation to the NZC.</p>	<p>We have a change to the school population next year. We have six new students starting at different year groups. Writing is the hardest area to show improvement or acceleration in so we will have to support our new student. This will be where the home school partnership, and use of targeted learners will be used to make the difference. It seems that some of our new students are working towards expectations.</p>
<p>Mathematics: We had to rethink some of our approach this year and went back to basics for many of our students. While we normally do this the students that we had picked up during the year needed this more than expected. Absenteeism also hurt our ability to run through a concept. All</p>	<p>Working Towards: Nil Working Within: (9/12) 75% Exceeding Expectations: (3/12) 25%</p> <p>This year has seen an improved attitude towards mathematics.</p>	<p>We saw that some of the new entrants this year struggled because we were wearing masks at the beginning of the year. They missed the facial clues that are so important in teaching. This forced us to revisit a lot of the learning many</p>	<p>We fell that COVID19 has interrupted our students learning and we are expecting to see our rates climb next year where we will see more students make it to Exceeding expectations. We</p>



students have a grasp of what times and divide means and quickly pick up the 1,2,5,10 and then 3- and 9-times tables. Before end of year 3. Our focus became around building a routine in maths and then sticking with it.

times until we were happy that they have some form of mastery. This was about three times the length of time to normal. We believed that at the end of the year we would have more student exceeding than we did. Sickness and the subsequent time of school and the brain fog that came with it is what we have believed for this lack of acceleration.

are still confident in our programme. As we get closer to starting the 2023 year I see many of the same issues arising from COVID are ending.

**Planning for next year:**

- Expect to make at least one year's progress with each student in relation to the NZC.
- Make sure that the new students have their needs identified and then taught to. Monitoring through the targeted learners programme.

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## **KIWISPORT 2022**

Kiwisport is a Government funding initiative to support students “participation in organised sport. In 2022, the school received total Kiwisport funding of \$182.45(excluding GST). The funding was spent on the Rural Schools Kiwisport programme. This funding enabled 13 students to participate in organised sport.

**Compliance with Education and Training Act 2020 requirements to be a good employer for the year ending 31 December 20XX.**

The following questions address key aspects of compliance with a good employer policy:

<b>Reporting on the principles of being a Good Employer</b>	
How have you met your obligations to provide good and safe working conditions?	<i>Yes. We meet as staff and raise any concerns. Staff are told regularly if you can't talk to me then talk to the BOT chair or anyone they trust. We run sessions on our Vulnerable Children Policy and Physical restraint so all policies are clear to all staff.</i>
What is in your equal employment opportunities programme?  How have you been fulfilling this programme?	<i>We take all applications to the management team. They choose the best fit regards qualifications. The shortlisted are interviewed with a a BOT member, Principal, and community member. Best fit for the job.</i>
How do you practise impartial selection of suitably qualified persons for appointment?	<i>See above. We see a member of the community as vital in our small community as part of the interview panel.</i>
How are you recognising, <ul style="list-style-type: none"> <li>- The aims and aspirations of Maori,</li> <li>- The employment requirements of Maori, and</li> <li>- Greater involvement of Maori in the Education service?</li> </ul>	<i>We are a school and as such are familiar with tikanga Maori.</i>
How have you enhanced the abilities of individual employees?	<i>PLD courses for staff, external and internal.</i>
How are you recognising the employment requirements of women?	<i>We are a female dominated industry.</i>
How are you recognising the employment requirements of persons with disabilities?	<i>As an educational institution we are used to working with diverse learners.</i>

Good employer policies should include provisions for an Equal Employment Opportunities (EEO) programme/policy . The Ministry of Education monitors these policies:

<b>Reporting on Equal Employment Opportunities (EEO) Programme/Policy</b>	<b>YES</b>	<b>NO</b>

Do you operate an EEO programme/policy?	X	
Has this policy or programme been made available to staff?	X	
Does your EEO programme/policy include training to raise awareness of issues which may impact EEO?		X
Has your EEO programme/policy appointed someone to coordinate compliance with its requirements?	X	
Does your EEO programme/policy provide for regular reporting on compliance with the policy and/or achievements under the policy?		X
Does your EEO programme/policy set priorities and objectives?		X

**INDEPENDENT AUDITOR'S REPORT****TO THE READERS OF CANNINGTON SCHOOL'S FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

The Auditor-General is the auditor of Cannington School (the School). The Auditor-General has appointed me, Sam Naylor, using the staff and resources of Nexia Audit Christchurch, 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 3 to 18, that comprise statement of financial position as at 31 December 2022, 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 2022; 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 Standards, Reduced Disclosure Regime.

Our audit was completed on 29 May 2023. 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 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 for the financial statements**

The Board 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 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 is responsible on behalf of the School for assessing the School's ability to continue as a going concern. The Board is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to close or merge the School, or there is no realistic alternative but to do so.

The Board's responsibilities, in terms of the requirements of the Education and Training Act 2020, arise from section 87 of the Education Act 1989.

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

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

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

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

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

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

- We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board 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 school 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 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 is responsible for the other information. The other information comprises the information included on KiwiSport, Analysis of Variance and Good Employer Disclosure but does not include the financial statements, and our auditor's report thereon.

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

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

### **Independence**

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

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



### **Sam Naylor**

Nexia Audit Christchurch  
On behalf of the Auditor-General  
Christchurch, New Zealand