

Annual Report

Dannevirke South School

For the year ended 31 December 2018

School Directory

Ministry Number: 2553
Principal: Stephen Snell
School Address: Stairs Street, Dannevirke
School Postal Address: P O Box 77, Dannevirke, 4942
School Phone: 06-3748915
School Email: principal@dannevirkesouth.school.nz

Members of the Board of Trustees

Name	Position	How Position Gained	Term Expires
Lee Teller	Chair person	Elected	May 2019
Stephen Snell	Principal ex officio	Principal	
Chris Bone	Treasurer	Elected	May 2019
Pam Beamsley	Secretary	Elected	May 2019
Michelle Walker	Parent Rep	Elected	May 2019
Donna Holm	Parent Rep	Elected	May 2019
Caroline Gyde	Staff Rep	Elected	May 2019

Accountant / Service Provider: School Support Ltd

Dannevirke South School

Annual Report - For the year ended 31 December 2018

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Statement of Responsibility

Dannevirke South School

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.

Lee Teller

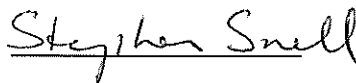
Full Name of Board Chairperson



Signature of Board Chairperson

Stephen Snell

Full Name of Principal



Signature of Principal

Date: 12/11/19

Date: 12/11/19

Statement of Comprehensive Revenue and Expense

Dannevirke South School
For the year ended 31 December 2018

	NOTES	2018 ACTUAL	2018 BUDGET (UNAUDITED)	2017 ACTUAL
Revenue				
Government Grants	1	2,194,010	2,089,072	2,339,291
Locally Raised Funds	2	94,772	32,000	63,617
Interest & Dividends Received		6,720	-	6,937
Total Revenue		2,295,502	2,121,072	2,409,845
Expenses				
Locally raised funds	2	5,496	6,000	9,992
Learning Resources	3	1,733,917	1,616,815	1,743,443
Administration	4	101,235	93,700	110,886
Finance		5,654	-	8,894
Property	5	436,164	413,009	437,151
Depreciation	6	80,666	80,000	70,702
Loss on Sale of Property, Plant and Equipment		1,225	-	2,264
Total Expenses		2,364,357	2,209,524	2,383,332
Net Surplus/(Deficit) for the year		(68,855)	(88,452)	26,513
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		(68,855)	(88,452)	26,513

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

Statement of Changes in Net Assets/Equity

Dannevirke South School

For the year ended 31 December 2018

	2018 ACTUAL	2018 BUDGET (UNAUDITED)	2017 ACTUAL
Equity			
Balance at 1 January	513,270	601,722	486,757
Total comprehensive revenue and expense for the year	(68,855)	(88,452)	26,513
Capital Contributions from the Ministry of Education	5,812	-	-
Equity at 31 December	450,227	513,270	513,270
Retained Earnings	450,227	513,270	513,270
Reserves	-	-	-
Equity at 31 December	450,227	513,270	513,270

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

Statement of Financial Position

Dannevirke South School

As at 31 December 2018

	NOTES	2018 ACTUAL	2018 BUDGET (UNAUDITED)	2017 ACTUAL
Current Assets				
Cash and Cash Equivalents	7	22,536	168,844	168,844
Accounts Receivable	8	103,675	93,014	93,014
GST Receivable		26,295	9,310	9,310
Prepayments		-	9,235	9,235
Inventories	9	1,172	1,103	1,103
Investments	10	150,973	144,223	144,223
Total Current Assets		304,651	425,729	425,729
Current Liabilities				
Accounts Payable	12	129,042	112,821	112,821
Revenue Received in Advance	13	10,750	7,953	7,953
Provision for Cyclical Maintenance	14	-	11,344	11,344
Finance Lease Liability - Current Portion	15	17,290	40,962	40,962
Funds held for Capital Works Projects	16	(321)	15,379	15,379
Total Current Liabilities		156,759	188,459	188,459
Working Capital Surplus/(Deficit)		147,892	237,270	237,270
Non-Current Assets				
Property, Plant and Equipment	11	372,483	319,922	319,922
Total Non-Current Assets		372,483	319,922	319,922
Non-Current Liabilities				
Provision for Cyclical Maintenance	14	59,325	35,047	35,047
Finance Lease Liability	15	10,823	8,875	8,875
Total Non-Current Liabilities		70,148	43,922	43,922
Net Assets		450,227	513,270	513,270
Equity				
Equity		450,227	513,270	513,270
Total Equity		450,227	513,270	513,270

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

Statement of Cashflows

Dannevirke South School

For the year ended 31 December 2018

	NOTES	2018 ACTUAL	2018 BUDGET (UNAUDITED)	2017 ACTUAL
Statement of Cashflows				
Cashflows from Operating Activities				
Government Grants		533,239	542,943	596,253
Locally Raised Funds		107,570	26,000	63,690
Goods & Services Tax (net)		(16,338)	-	11,265
Payments to Employees		(321,239)	(242,500)	(247,246)
Payments to Suppliers		(279,860)	(314,069)	(292,551)
Cyclical Maintenance Payments in the year		-	-	-
Interest Paid		(5,654)	(12,375)	(8,894)
Interest & Dividends Received		6,609	-	6,798
Net Cash from / (to) Operating Activities		24,327	(1)	129,315
Cashflows from Investing Activities				
Proceeds from Sale of PPE (and Intangibles)		(1,225)	-	(2)
Purchase of PPE (and Intangibles)		(134,452)	-	(23,985)
Purchase of Investments		(3,347)	-	(4,765)
Net Cash from / (to) Investing Activities		(139,024)	-	(28,752)
Cashflows from Financing Activities				
Furniture and Equipment Grant		5,812	-	-
Finance Lease Payments		(21,724)	-	(30,727)
Funds Administered on Behalf of Third Parties		-	-	-
Funds Held for Capital Works Projects		(15,700)	-	(1,673)
Net cash from Financing Activities		(31,612)	-	(32,400)
Net Increase/(decrease) in cash and cash equivalents		(146,309)	(1)	68,163
Cash and cash equivalents at the beginning of the year	7	168,845	168,845	100,682
Cash and cash equivalents at the end of the year	7	22,536	168,844	168,845

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.

Notes to the Financial Statements

Dannevirke South School

For the year ended 31 December 2018

Statement of Accounting Policies

a) Reporting Entity

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

b) Basis of Preparation

Reporting Period

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

Basis of Preparation

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

Financial Reporting Standards Applied

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

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

Useful lives of property, plant and equipment

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

Critical Judgements in applying accounting policies

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

Classification of leases

The School reviews the details of lease agreements at the end of each reporting date. The School believes the classification of each lease as either operation or finance is appropriate and reflects the nature of the agreement in place. Finance leases are disclosed at note 15.

Recognition of grants

The School reviews the grants monies received at the end of each reporting period and whether any require a provision to carry forward amounts unspent. The School believes all grants received have been appropriately recognised as a liability if required. Government grants are disclosed at note 1.

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 \$1,000 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense.

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

Leased Assets

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

Depreciation

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

The estimated useful lives of the assets are:

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

l) 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.

m) Accounts Payable

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

n) Employee Entitlements

Short-term employee entitlements

Employee benefits that are due to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned to but not yet taken at balance date.

Long-term employee entitlements

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

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

o) Revenue Received in Advance

Revenue received in advance relates to fees received from grants 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.

p) Provision for Cyclical Maintenance

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

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

q) 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.

r) Goods and Services Tax (GST)

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

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

Commitments and contingencies are disclosed exclusive of GST.

s) Budget Figures

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

t) Services received in-kind

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

Notes & Disclosures

Dannevirke South School

For the year ended 31 December 2018

	2018 ACTUAL	2018 BUDGET (UNAUDITED)	2017 ACTUAL
1. Government Grants			
Operational grants	436,923	442,943	515,205
Teachers' Salary grants	1,351,095	1,351,095	1,441,533
Use of Land and Buildings grants	295,034	295,034	301,505
Other MOE grants	110,958	-	81,048
Total Government Grants	2,194,010	2,089,072	2,339,291

Other MoE grants includes \$8,924.34 of Teacher Led Innovation Funding, of which \$3,076.34 remains unspent as at 31 December 2018.

	2018 ACTUAL	2018 BUDGET (UNAUDITED)	2017 ACTUAL
2. Locally Raised Funds			
Local funds raised within the School's community are made up of:			
Revenue			
Donations	15,330	-	1,389
Fundraising	24,230	-	12,454
Trading	5,188	-	8,052
Activities	50,024	32,000	41,722
Total Revenue	94,772	32,000	63,617
Expenses			
Trading	5,496	6,000	9,992
Total Expenses	5,496	6,000	9,992
Surplus/ (Deficit) for the year Locally raised funds	89,276	26,000	53,625
	2018 ACTUAL	2018 BUDGET (UNAUDITED)	2017 ACTUAL

3. Learning Resources

Curricular	60,587	69,900	47,966
Equipment Repairs	26,358	25,000	28,895
Information and communication technology	719	2,820	5,506
Extra-curricular activities	57,571	23,000	37,290
Library resources	2,332	1,500	816
Employee benefits - salaries	1,565,634	1,482,095	1,591,440
Staff development	20,716	12,500	31,530
Total Learning Resources	1,733,917	1,616,815	1,743,443

	2018 ACTUAL	2018 BUDGET (UNAUDITED)	2017 ACTUAL
4. Administration			
Audit Fee	4,180	4,400	4,060
Board of Trustees Fees	6,570	5,000	6,709
Board of Trustees Expenses	4,442	2,100	7,626
Communication	4,973	4,300	5,044
Consumables	6,461	5,500	10,835
Other	15,084	10,400	18,572
Employee Benefits - Salaries	46,979	46,000	45,264
Insurance	4,046	7,500	4,276
Service Providers, Contractors & Consultancy	8,500	8,500	8,500
Total Administration	101,235	93,700	110,886

	2018 ACTUAL	2018 BUDGET (UNAUDITED)	2017 ACTUAL
5. Property			
Caretaking and Cleaning Consumables	19,547	14,500	29,244
Cyclical Maintenance Expense	12,934	12,675	10,724
Grounds	11,939	5,300	2,870
Heat, Light and Water	19,421	19,000	21,283
Rates	10,167	6,500	6,178
Repairs and maintenance	1,100	4,000	8,798
Use of Land and Buildings	295,034	295,034	301,505
Security	5,062	5,000	5,078
Employee Benefits - Salaries	60,959	51,000	51,471
Total Property	436,164	413,009	437,151

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.

	2018 ACTUAL	2018 BUDGET (UNAUDITED)	2017 ACTUAL
6. Depreciation of Property, Plant & Equipment			
Furniture and Equipment	16,116	17,000	9,056
Other Equipment	-	-	5,450
Information and Communication Technology	22,957	25,000	29,121
Building Improvements	3,731	5,000	3,561
Library Resources	3,319	3,500	3,596
Leased Assets	34,543	29,500	19,918
Total Depreciation of Property, Plant & Equipment	80,666	80,000	70,702

	2018 ACTUAL	2018 BUDGET (UNAUDITED)	2017 ACTUAL
7. Cash & Cash Equivalents			
Cash on hand	193	193	193
Bank Current Account	11,798	46,221	46,221
Bank Call Account	10,545	122,430	122,430
Cash and cash equivalents for Cash Flow Statement	22,536	168,844	168,844

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

	2018 ACTUAL	2018 BUDGET (UNAUDITED)	2017 ACTUAL
8. Accounts Receivable			
Accounts Receivable			
Receivables	725	634	634
Receivables from the Ministry of Education	12,925	-	-
Interest Receivable	110	1,784	1,784
Teachers Salaries Grant Receivable	89,915	90,596	90,596
Total Accounts Receivable	103,675	93,014	93,014
Accounts Receivable			
Receivables from Exchange Transactions	835	2,418	2,418
Receivables from Non-Exchange Transactions	102,840	90,596	90,596
Total	103,675	93,014	93,014

	2018 ACTUAL	2018 BUDGET (UNAUDITED)	2017 ACTUAL
9. Inventories			
Stationery	1,172	1,103	1,103
Total Inventories	1,172	1,103	1,103

	2018 ACTUAL	2018 BUDGET (UNAUDITED)	2017 ACTUAL
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10. Investments

The School's investment activities are classified as follows:

Current Asset			
Short-term Bank Deposits	150,973	144,223	144,223

11. Property, Plant & Equipment

2018	Opening Value	Additions	Disposals	Impairment/ Transfer	Depreciation	Total (NBV)
Buildings and Grounds	131,599	99,708	-	-	(3,731)	227,576
Furniture and Equipment	56,422	12,426	-	17,199	(16,116)	69,931
Other Equipment	17,199	-	-	(17,199)	-	-
Information and Communication	29,929	1,867	-	-	(22,957)	8,839
Leased Assets	59,590	17,719	-	-	(34,543)	42,766
Library	25,170	2,730	(1,224)	-	(3,319)	23,357
Textbooks	14	-	-	-	-	14
Balance at 31 December 2018	319,923	134,450	(1,224)	-	(80,666)	372,483

Other Equipment has been reclassified to Furniture and Equipment

2018	Cost or Valuation	Accum Depreciation	Transfer	Net Book Value
Buildings and Grounds	295,069	(67,493)	-	227,576
Furniture and Equipment	222,220	(169,487)	17,199	69,931
Other Equipment	149,879	(132,680)	(17,199)	-
Information and Communication	295,631	(286,792)	-	8,839
Leased Assets	112,542	(69,776)	-	42,766
Library	76,116	(52,759)	-	23,357
Textbooks	14	-	-	14
Balance at 31 December 2018	1,151,470	(778,987)	-	372,483

2017	Opening Value	Additions	Disposals	Impairment	Depreciation	Total (NBV)
Furniture & Equipment	52,621	13,848	(993)	-	(9,056)	56,422
Other Equipment	16,399	6,253	(3)	-	(5,450)	17,199
Information & Communication	59,051	-	(2)	-	(29,121)	29,928
Buildings Improvements - Crown	135,160	-	-	-	(3,561)	131,599
Textbooks	14	-	-	-	-	14
Leased Assets	66,543	12,965	-	-	(19,918)	59,590
Library Resources	26,148	3,884	(1,266)	-	(3,596)	25,170
Total	355,936	36,950	(2,264)	-	(70,702)	319,922

	Cost or Valuation	Accumulated Depreciation	Net Book Value
Furniture & Equipment	209,793	(153,371)	56,422
Other Equipment	149,879	(132,680)	17,199
Information & Communication	293,763	(263,835)	29,928
Buildings Improvements - Crown	195,361	(63,762)	131,599
Textbooks	14	-	14
Leased Assets	94,823	(35,233)	59,590
Library Resources	77,139	(51,969)	25,170
Balance at 31 December 2017	1,020,772	(700,850)	319,922

	2018 ACTUAL	2018 BUDGET (UNAUDITED)	2017 ACTUAL
12. Accounts Payable			
Accounts Payable			
Operating Creditors	31,818	16,274	16,274
Accruals	4,180	4,060	4,060
Employee Entitlements - salaries	89,915	90,596	90,596
Employee Entitlements - Leave accrual	3,129	1,891	1,891
Total Accounts Payable	129,042	112,821	112,821
Accounts Payable			
Payables for Exchange Transactions	129,042	112,821	112,821
Total	129,042	112,821	112,821

	2018 ACTUAL	2018 BUDGET (UNAUDITED)	2017 ACTUAL
13. Revenue Received in Advance			
Other	10,750	7,953	7,953
Total Revenue Received in Advance	10,750	7,953	7,953

	2018 ACTUAL	2018 BUDGET (UNAUDITED)	2017 ACTUAL
14. Provision for Cyclical Maintenance			
Provision at Start of the Year	46,391	35,667	35,667
Increase/ (decrease) to Provision During the Year	12,934	10,724	10,724
Provision at the End of the Year	59,325	46,391	46,391
Total Provision			
Cyclical Maintenance - Current	-	11,344	11,344
Cyclical Maintenance - Term	59,325	35,047	35,047
Total	59,325	46,391	46,391

	2018 ACTUAL	2018 BUDGET (UNAUDITED)	2017 ACTUAL
15. Finance Lease Liability			
The School has entered into a number of finance lease agreements for computers and other ICT equipment. Minimum lease payments payable:			
No Later than One Year	17,290	40,962	40,962
Later than One Year and no Later than Five Years	16,477	8,875	14,413
Total	33,767	49,837	55,375

16. Funds held for Capital Works Projects

Project	2018	Opening Balances	Receipts from MOE	Payments	BOT Contributions	Closing Balances
		\$	\$	\$	\$	\$
Roof Leaks Blk A	In Progress	-	6,929	1,850	-	5,079
Electrical Upgrade	Completed	(2,749)	2,749	-	-	-
Fence	Completed	1,309	-	1,309	-	-
Hall Upgrade	Completed	1,251	-	1,251	-	-
Heating Upgrade	Completed	10,528	-	10,528	-	-
Blks A & E HW Upgrade	Completed	5,040	-	5,040	-	-
Blk E ILE Upgrade	In Progress	-	-	5,400	-	(5,400)
Total		15,379	9,678	25,378	-	(321)

Represented by:

Funds Held on Behalf of the Ministry of Education	5,079
Funds Due from the Ministry of Education	(5,400)
	<u>(321)</u>

	2017	Opening Balances	Receipts from MOE	Payments	BOT Contribution	Closing Balances
		\$	\$	\$	\$	\$
Heating Upgrade	in Progress	10,528	-	-	-	10,528
Hall Upgrade	in Progress	10,563	-	9,312	-	1,251
Electrical Upgrade	in Progress	(2,749)	-	-	-	(2,749)
Blocks A & E HW Upgrade	in Progress	5,040	4,396	4,396	-	5,040
Fence	in Progress	1,309	-	-	-	1,309
Block C Boiler Pipe Replacement	Complete	(1,706)	1,706	-	-	-
Drain Upgrade	Complete	(5,933)	6,909	976	-	-
Totals		17,052	13,011	14,684	-	15,379

17. Related Party Transactions

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

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

18. Remuneration

Key management personnel compensation

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

	2018	2017
	Actual	Actual
	\$	\$
Board Members		
Remuneration	6,480	6,709
Full-time equivalent members	0.03	0.07
Leadership Team		
Remuneration	277,059	275,662
Full-time equivalent members	2	2
Total key management personnel remuneration	283,539	282,371
Total full-time equivalent personnel	2.03	2.07

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	2017
	Actual	Actual
Salaries and Other Short-term Employee Benefits:	\$000	\$000
Salary and Other Payments	160 - 170	160 - 170
Benefits and Other Emoluments	-	3 - 4
Termination Benefits	-	-

Other Employees

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

Remuneration	2018	2017
\$000	FTE Number	FTE Number
100-110	2	-
110-120	-	1

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

19. 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	2017
	Actual	Actual
Total	-	-
Number of People	-	-

20. 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: \$9,463).

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.

21. Commitments

a) Capital Commitments

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

a) \$6,929 contract for Roof Leaks Block A to be completed as agent for the Ministry of Education. \$6,929 has been received of which \$1,850 has been spent on the project to date; and

(Capital commitments at 31 December 2017 \$23,042)

b) Operating Commitments

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

(a) operating lease of computer equipment;

	2018	2017
	Actual	Actual
	\$	\$
No later than One Year	0	320
Later than One year and No later than Five years	0	0
	0	320

22. 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.

23. Financial Instruments

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

	2018 ACTUAL	2018 BUDGET (UNAUDITED)	2017 ACTUAL
Cash and receivables			
Cash and Cash Equivalents	22,536	168,844	168,844
Receivables	103,675	93,014	93,014
Investments - Term Deposits	150,973	144,223	144,223
Total Cash and receivables	277,184	406,081	406,081
	2018 ACTUAL	2018 BUDGET (UNAUDITED)	2017 ACTUAL
Financial liabilities measured at amortised cost			
Payables	129,042	112,821	112,821
Finance Leases	28,113	49,837	49,837
Total Financial Liabilities Measured at Amortised Cost	157,155	162,658	162,658

24. Events after Balance Date

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

25. Breach of Law - Failure to meet Statutory Reporting Deadline

The Board of Trustees did not comply with section 87A(1) of the Education Act 1989 in that it did not submit its annual financial statements for audit by 31st March 2019.

26. Breach of Law - Failure to meet Statutory Reporting Deadline

Under Section 87C1 of the Education Act 1989, the Board of Trustees is required to forward audited financial statements to the Ministry of Education by 31st May 2019. This deadline was not met.

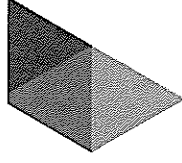
Dannevirke South School Kiwi Sport Funding 2018

Kiwisport is a Government funding initiative to support students' participation in organised sport. In 2018, the school received total Kiwisport funding of \$4072.17.

Dannevirke South School has a very high participation rate in organised sports. Rugby and netball teams participate in all grades of the local junior competitions. Soccer is our highest participation sport with children playing in mixed teams for their local association. Hockey is a growing sport with increasing numbers every year participating in the weekly night competition. Students participate in summer sport including tennis, cricket, swimming and squash.

Funding was used to support participation by providing transport to Inter School events involving all major sporting codes. Because of the distance and cost involved this is a significant incentive to ensure children continue to play sport. Other funding was used to replace team uniforms and provide balls, bags and training equipment for netball and rugby teams.

Analysis of Variance Reporting



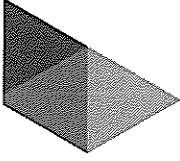
School Name:	Dannevirke South School	School Number:	2553
Strategic Aim:	To improve student achievement in: A) Reading B) Oral Language C) Written Language To improve student achievement in Numeracy To improve student achievement in those groups of students who participate in special needs or abilities programmes To enhance student achievement through the use of information and communication technologies in their learning To Improve the achievement of Maori students in Literacy & Numeracy		
Annual Aim:	1. To improve the achievement of Maori students in Literacy and Numeracy. Kahui Ako Learning Goal 1, 2 and 3 Cultural Responsiveness and Engagement. 2. To improve student achievement in writing .		
Target:	1. Expectation all students will make at least 1 year progress as assessed on the NZC. 2. Students not making sufficient progress will be identified and accelerated.		
Baseline Data:	Based on National Standards Data • End of 2016 90/320 below 28% 23/320 Well Below 7% • End of 2017 93/314 below 30% 28/314 Well Below 9% 2017 data showed there were four groups significantly lower than others – Year 1, 2, 7 and 8.		

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>Yr 1 – 3 Play Based Learning 3 year plan.</p> <p>Collaborative Teaching Teams.</p> <p>Teachers Inquiring into Accelerated Strategies.</p> <p>Targeted students focussing on progress – accelerated where required.</p> <p>Implementation of the CaAP Plan to guide staff.</p> <p>Intervention Programmes</p> <ul style="list-style-type: none"> - High 5 Reading - STEPS Literacy - Teacher Aide Support <p>Kahui Ako Inquiry – Questioning & rich tasks. (mathematics focus but applications across the curriculum)</p> <p>Kahui Ako transition programme from ECE to School, including TLIF Project.</p>	<p>This is a transition year from National Standards to NZC assessment.</p> <p>Student progress was determined by collaborative teams targeting groups of students who were expected to make accelerated progress toward curriculum expectations.</p> <p>The reporting for writing here has used student OTJ's against the expected NZC levels. To support this teachers developed a continuum of learning for writing.</p> <p>Year 1 – 3 75% of students are meeting expectations</p> <p>Year 4 – 8 25% Below curriculum expectations 69% At curriculum expectations 6% Above curriculum expectations</p>	<p>The introduction of Play Based learning Year 1 – 3 has had a significant impact on student engagement and achievement. Behavioural issues are rare and engagement high. Most students are making expected progress on the NZC in reading.</p> <p>Students targeted for acceleration mostly achieved expectation. These were tier 2 students. These included a high proportion of Maori students.</p> <p>Engagement, progress and achievement was significant for Year 7 & 8 students.</p>	<p>Continue in 2019:</p> <ul style="list-style-type: none"> - Collaborative Teaching Teams - Targeting students - Teacher Inquiry <p>Develop further in 2019:</p> <ul style="list-style-type: none"> - Focus on developing localised curriculum. - Teachers developing culturally responsive practices. (CRRP Continuum) - Improved whanau engagement. - Improved student engagement <p>Professional Development in 2019:</p> <ul style="list-style-type: none"> - Culturally responsive pedagogy. - Student and whanau engagement - Acceleration strategies

Planning for next year:

Continue to develop a localised curriculum that fully engages our students and community. The data gained from Rongohia Te Hau and the Me and My School Survey clearly indicates that student engagement and well-being is a pre-requisite for improved student achievement. These aims will be reflected in the Boards Strategic Planning for 2019.

Analysis of Variance Reporting

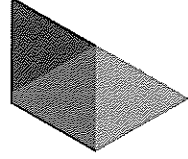


School Name:	Dannevirke South School	School Number:	2553
Strategic Aim:	<p>To improve student achievement in:</p> <p>A) Reading</p> <p>B) Oral Language</p> <p>C) Written Language</p> <p>To improve student achievement in Numeracy</p> <p>To improve student achievement in those groups of students who participate in special needs or abilities programmes</p> <p>To enhance student achievement through the use of information and communication technologies in their learning</p> <p>To Improve the achievement of Maori students in Literacy & Numeracy</p>		
Annual Aim:	<p>1. To improve the achievement of Maori students in Literacy and Mathematics. Kahui Ako Learning Goal 1, 2 and 3 Cultural Responsiveness and Engagement.</p> <p>2. To improve student achievement in mathematics.</p>		
Target:	<p>1. Expectation all students will make at least 1 year progress as assessed on the NZC.</p> <p>2. Students not making sufficient progress will be identified and accelerated.</p>		
Baseline Data:	<p>Based on National Standards Data</p> <ul style="list-style-type: none"> End of 2016 67/323 below 21% 16/323 Well Below 5% End of 2017 69/310 below 22% 12/310 Well Below 4% <p>Data shows Year 1, 2, 3 and 7 students of most concern</p>		

Actions <i>What did we do?</i>	Outcomes <i>What happened?</i>	Reasons for the variance <i>Why did it happen?</i>	Evaluation <i>Where to next?</i>
<p>Yr 1 – 3 Play Based Learning 3 year plan.</p> <p>Collaborative Teaching Teams.</p> <p>Teachers Inquiring into Accelerated Strategies.</p> <p>Targeted students focussing on progress – accelerated where required.</p> <p>Implementation of the CaAP Plan to guide staff.</p> <p>Intervention Programmes</p> <ul style="list-style-type: none"> - Teacher Aide Support - Kahui Ako In School <p>Teacher (mathematics inquiry)</p> <p>Kahui Ako Inquiry – Questioning & rich tasks.</p> <p>Kahui Ako transition programme from ECE to School, including TLIF Project.</p>	<p>This is a transition year from National Standards to NZC assessment.</p> <p>Student progress was determined by collaborative teams targeting groups of students who were expected to make accelerated progress toward curriculum expectations.</p> <p>The reporting for mathematics here has used PAT mathematics Data. The raw score progress from end 2017 to end 2018 was used.</p> <p>Year 1 – 3 OTJ against NZC expectations</p> <p>Nearly all students are now meeting expected progress against the NZC</p> <p>Year 4 – 8 PAT Mathematics Comprehension</p> <p>This commentary is focussed on student progression to meet the targets set in the strategic plan.</p> <p>42.2 % of students have made less than expected achievement.</p> <p>30.5 % expected achievement</p>	<p>The introduction of Play Based learning Year 1 – 3 has had a significant impact on student engagement and achievement. Behavioural issues are rare and engagement high and nearly all students are making expected progress on the NZC in reading.</p> <p>Students targeted for acceleration mostly achieved expectation. These were tier 2 students and included a high proportion of Maori students.</p> <p>There is a disappointing number of students in Year 4 – 6 who have not achieved. Some students in this grouping have made very good progress and we need to investigate mathematics programmes.</p> <p>There is variance between teacher OTJ against the NZC and the PAT results. This is to be expected as PAT are only a snapshot but we were looking for consistency in this transition year from National Standards.</p>	<p>Continue in 2019:</p> <ul style="list-style-type: none"> - Collaborative Teaching Teams - Targeting students - Teacher Inquiry <p>Develop further in 2019:</p> <ul style="list-style-type: none"> - Focus on developing localised curriculum. - Teachers developing culturally responsive practices. (CRRP Continuum) - Improved whanau engagement. - Improved student engagement <p>Professional Development in 2019:</p> <ul style="list-style-type: none"> - Culturally responsive pedagogy. - Student and whanau engagement - Acceleration strategies <p>Complete a full review of mathematics programmes.</p>

		<p>26.8 % accelerated achievement.</p> <p>Maori students have achieved significantly better than non-Maori. These students made up a good proportion of targeted students.</p>	
Planning for next year:			
<p>There needs to be a determined focus on developing a localised curriculum that fully engages our students and community. The data gained from Rongohia Te Hau and the Me and My School Survey clearly indicates that student engagement and well-being is a pre-requisite for improved student achievement. These aims will be reflected in the Boards Strategic Planning for 2019.</p>			

Analysis of Variance Reporting



School Name:	Dannevirke South School	School Number:	2553												
Strategic Aim:	To improve student achievement in: A) Reading B) Oral Language C) Written Language To improve student achievement in Numeracy To improve student achievement in those groups of students who participate in special needs or abilities programmes To enhance student achievement through the use of information and communication technologies in their learning To Improve the achievement of Maori students in Literacy & Numeracy														
Annual Aim:	1. To improve the achievement of Maori students in Literacy and Numeracy. Kahui Ako Learning Goal 1, 2 and 3 Cultural Responsiveness and Engagement. 2. To improve student achievement in reading.														
Target:	1. Expectation all students will make at least 1 year progress as assessed on the NZC. 2. Students not making sufficient progress will be identified and accelerated.														
Baseline Data:	Based on National Standards Data <table><tr><td>1. End of 2016</td><td>58/320 below</td><td>18%</td><td>4/320</td><td>Well Below</td><td>1.25%</td></tr><tr><td>2. End of 2017</td><td>72/314 below</td><td>23%</td><td>4/314</td><td>Well Below</td><td>1%</td></tr></table> <p>Yr 1 - 3 are well over represented in those students not achieving.</p>			1. End of 2016	58/320 below	18%	4/320	Well Below	1.25%	2. End of 2017	72/314 below	23%	4/314	Well Below	1%
1. End of 2016	58/320 below	18%	4/320	Well Below	1.25%										
2. End of 2017	72/314 below	23%	4/314	Well Below	1%										

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>Yr 1 - 3 Play Based Learning 3 year plan.</p> <p>Collaborative Teaching Teams.</p> <p>Teachers Inquiring into Accelerated Strategies.</p> <p>Targeted students focussing on progress - accelerated where required.</p> <p>Implementation of the CaAP Plan to guide staff.</p> <p>Intervention Programmes</p> <ul style="list-style-type: none"> - High 5 Reading - STEPS Literacy - Teacher Aide Support <p>Kahui Ako Inquiry - Questioning & rich tasks. (mathematics focus but applications across the curriculum)</p> <p>Kahui Ako transition programme from ECE to School, including TLIF Project.</p>	<p>This is a transition year from National Standards to NZC assessment.</p> <p>Student progress was determined by collaborative teams targeting groups of students who were expected to make accelerated progress toward curriculum expectations.</p> <p>The reporting for reading here has used STAR and PAT reading Data. The raw score progress from end 2017 to end 2018 was used.</p> <p>Year 4 - 8 STAR 130 (76%) out of 170 students made expected or accelerated progress.</p> <p>A higher proportion of boys and Maori students were accelerated. This is because they made up most targeted students & intervention programmes.</p> <p>Year 5 - 8 PAT Reading Comprehension 44.4% (55) students made less than expected progress.</p>	<p>The introduction of Play Based learning Year 1 - 3 has had a significant impact on student engagement and achievement. Behavioural issues are rare and engagement high. Nearly all students are making expected progress on the NZC in reading.</p> <p>Students targeted for acceleration mostly achieved expectation. These were tier 2 students. These included a high proportion of maori students.</p> <p>Where teachers fully engaged in the intervention programmes then student achievement was accelerated.</p>	<p>Continue in 2019:</p> <ul style="list-style-type: none"> - Collaborative Teaching Teams - Targeting students - Teacher Inquiry <p>Develop further in 2019:</p> <ul style="list-style-type: none"> - Focus on developing localised curriculum. - Teachers developing culturally responsive practices. (CRRP Continuum) - Improved whanau engagement. - Improved student engagement <p>Professional Development in 2019:</p> <ul style="list-style-type: none"> - Culturally responsive pedagogy. - Student and whanau engagement - Acceleration strategies

<p>18.8% were accelerated and 36.8 achieved expected progress. Higher proportion of Maori students accelerated as they were targeted for achievement.</p> <p>Year 1 – 3 OTJ against NZC expectations Nearly all students are now meeting expected progress against the NZC</p>	
<p>Planning for next year:</p> <p>There needs to be a determined focus on developing a localised curriculum that fully engages our students and community. The data gained from Rongohia Te Hau and the Me and My School Survey clearly indicates that student engagement and well-being is a pre-requisite for improved student achievement. These aims will be reflected in the Boards Strategic Planning for 2019.</p>	



INDEPENDENT AUDITOR'S REPORT

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

The Auditor-General is the auditor of Dannevirke South School (the School). The Auditor-General has appointed me, Maxwell John Dixon, using the staff and resources of PricewaterhouseCoopers, 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 21, 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 issued in New Zealand (PBE Standards RDR).

Our audit was completed on 12 November 2019. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Board of Trustees and our responsibilities relating to the financial statements, we comment on other information, and we explain our independence.

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Responsibilities of the Board of Trustees for the financial statements

The Board of Trustees is responsible on behalf of the School for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand. The Board of Trustees is responsible for such internal control as it determines is necessary to enable it to prepare financial statements that are free from material misstatement, whether due to fraud or error.

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

The Board of Trustees' responsibilities arise from the Education Act 1989.

Responsibilities of the auditor for the audit of the financial statements

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

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

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

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

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

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



- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Trustees and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the School to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We assess the risk of material misstatement arising from the Novopay payroll system, which may still contain errors. As a result, we carried out procedures to minimise the risk of material errors arising from the system that, in our judgement, would likely influence readers' overall understanding of the financial statements.

We communicate with the Board of Trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Board of Trustees is responsible for the other information. The other information comprises the information included within the Analysis of Variance, the Kiwisport Statement, and the Board of Trustees List 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.

A handwritten signature in black ink, appearing to read 'M. John Dixon'.

Maxwell John Dixon
PricewaterhouseCoopers
On behalf of the Auditor-General
Napier, New Zealand