

AROHENA SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

School Directory

Ministry Number: 1688

Principal: Lisa Bates

School Address: Pukewhau road, RD7, Te Awamutu

School Postal Address: 40 Pukewhau Road , RD 7, Te Awamutu, 3877

School Phone: 07 872 4526

School Email: admin@arohena.school.nz

Members of the Board of Trustees

Name	Position	How Position Gained	Term Expires/ Expired
Nick Prendergast	Chairperson	Co-opted	May 2019
Lisa Bates	Principal	Ex Officio	
Mike Miller	Parent Rep	Co-opted	May 2019
Anna Burkitt	Parent Rep	Co-opted	May 2019
Tom Wing	Parent Rep	Co-opted	May 2019
Wade Roycroft	Parent Rep	Elected	May 2019
Robert Sherriff	Parent Rep	Elected	May 2019
Felicity Davison	Staff Rep	Co-opted	May 2019

Accountant / Service Provider: Education Services Ltd

AROHENA SCHOOL

Annual Report - For the year ended 31 December 2018

Index

Page	Statement
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	Financial Statements
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1	Statement of Responsibility
2	Statement of Comprehensive Revenue and Expense
3	Statement of Changes in Net Assets/Equity
4	Statement of Financial Position
5	Statement of Cash Flows
6 - 12	Statement of Accounting Policies
13 - 22	Notes to the Financial Statements

	Other Information
--	--------------------------

	Analysis of Variance
--	----------------------

	Kiwisport
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Arohena School

Statement of Responsibility

For the year ended 31 December 2018

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

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

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

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

NICHOLAS JOHN PRENDERGAST

Full Name of Board Chairperson

Signature of Board Chairperson

Date:

30/5/19

Lisa Merle Bates

Full Name of Principal

Signature of Principal

Date:

30/5/19

Arohena School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2018

		2018	2018	2017
	Notes	Actual \$	Budget (Unaudited) \$	Actual \$
Revenue				
Government Grants	2	513,776	448,434	485,216
Locally Raised Funds	3	50,726	32,840	37,982
Interest Earned		3,439	1,500	1,992
		<hr/>	<hr/>	<hr/>
		567,941	482,774	525,190
Expenses				
Locally Raised Funds	3	17,947	27,690	30,058
Learning Resources	4	283,324	236,160	269,301
Administration	5	120,170	121,830	115,536
Finance Costs		638	362	522
Property	6	158,145	132,044	145,055
Depreciation	7	17,253	18,775	18,770
Loss on Disposal of Property, Plant and Equipment		2,223	-	93
Loss on Uncollectable Accounts Receivable		486	-	-
		<hr/>	<hr/>	<hr/>
		600,186	536,861	579,335
Net Surplus / (Deficit)		(32,245)	(54,087)	(54,145)
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<hr/> <hr/> (32,245)	<hr/> <hr/> (54,087)	<hr/> <hr/> (54,145)

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



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

	Actual 2018 \$	Budget (Unaudited) 2018 \$	Actual 2017 \$
Balance at 1 January	213,465	187,391	266,227
Total comprehensive revenue and expense for the year	(32,245)	(54,087)	(54,145)
Capital Contributions from the Ministry of Education Contribution - Furniture and Equipment Grant	-	-	1,383
Equity at 31 December	181,220	133,304	213,465
 Retained Earnings	181,220	133,304	213,465
Equity at 31 December	181,220	133,304	213,465

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



Arohena School
Statement of Financial Position
As at 31 December 2018

	Notes	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Current Assets				
Cash and Cash Equivalents	8	44,437	64,208	144,238
Accounts Receivable	9	15,388	15,439	14,634
GST Receivable		6,175	6,601	4,199
Prepayments		5,172	9,060	4,050
Inventories	10	333	797	833
Investments	11	102,163	-	-
Funds owed for Capital Works Projects	16	1,051	-	39,361
		<u>174,719</u>	<u>96,105</u>	<u>207,315</u>
Current Liabilities				
Accounts Payable	13	22,406	22,054	30,211
Provision for Cyclical Maintenance	14	29,338	-	7,200
Finance Lease Liability - Current Portion	15	3,793	1,974	1,712
		<u>55,537</u>	<u>24,028</u>	<u>39,123</u>
Working Capital Surplus/(Deficit)		<u>119,182</u>	<u>72,077</u>	<u>168,192</u>
Non-current Assets				
Property, Plant and Equipment	12	73,103	61,590	69,178
		<u>73,103</u>	<u>61,590</u>	<u>69,178</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	14	-	-	21,298
Finance Lease Liability	15	11,065	363	2,607
		<u>11,065</u>	<u>363</u>	<u>23,905</u>
Net Assets		<u>181,220</u>	<u>133,304</u>	<u>213,465</u>
Equity		<u>181,220</u>	<u>133,304</u>	<u>213,465</u>

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



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

		2018	2018	2017
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Cash flows from Operating Activities				
Government Grants		219,687	173,186	200,574
Locally Raised Funds		51,599	32,050	37,120
Goods and Services Tax (net)		(1,976)	-	2,402
Payments to Employees		(97,536)	(77,923)	(92,103)
Payments to Suppliers		(198,549)	(156,595)	(143,812)
Interest Paid		(561)	(362)	(599)
Interest Received		3,282	1,500	1,992
Net cash from / (to) the Operating Activities		(24,054)	(28,144)	5,574
Cash flows from Investing Activities				
Purchase of PPE (and Intangibles)		(10,168)	(8,700)	(5,149)
Purchase of Investments		(102,163)	-	-
Net cash from / (to) the Investing Activities		(112,331)	(8,700)	(5,149)
Cash flows from Financing Activities				
Furniture and Equipment Grant		-	-	1,383
Finance Lease Payments		(386)	(2,014)	(598)
Funds Held for Capital Works Projects		36,970	-	38,962
Net cash from Financing Activities		36,584	(2,014)	40,747
Net increase/(decrease) in cash and cash equivalents		(99,801)	(38,858)	41,172
Cash and cash equivalents at the beginning of the year	8	144,238	103,066	103,066
Cash and cash equivalents at the end of the year	8	44,437	64,208	144,238

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.



Arohena School

Notes to the Financial Statements

For the year ended 31 December 2018

1. Statement of Accounting Policies

a) Reporting Entity

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

b) Basis of Preparation

Reporting Period

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

Basis of Preparation

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

Financial Reporting Standards Applied

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

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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



Critical Accounting Estimates And Assumptions

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

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

Useful lives of property, plant and equipment

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

Critical Judgements in applying accounting policies

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

Classification of leases

The School reviews the details of lease agreements at the end of each reporting date. The School believes the classification of each lease as either operation or finance is appropriate and reflects the nature of the agreement in place. Finance leases are disclosed at note 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 carryforward amounts unspent. The School believes all grants received have been appropriately recognised as a liability if required. Government grants are disclosed at note 2.

c) Revenue Recognition

Government Grants

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

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

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

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

Other Grants

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



Donations, Gifts and Bequests

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

Interest Revenue

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

d) Use of Land and Buildings Expense

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

e) Operating Lease Payments

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

f) Finance Lease Payments

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

g) Cash and Cash Equivalents

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

h) Accounts Receivable

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

i) Inventories

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



j) Investments

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

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

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

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

k) Property, Plant and Equipment

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

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

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

Property, plant and equipment acquired with individual values under \$500 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense.

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

Leased Assets

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



Depreciation

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

The estimated useful lives of the assets are:

Buildings	10-20 Years
Furniture and Equipment	5-15 Years
Information and Communication	4-5 Years
Library Resources	12.5DV
Leased assets are depreciated over the life of the lease.	

l) Intangible Assets

Software costs

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

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

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

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

m) Impairment of property, plant, and equipment and intangible assets

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

Non cash generating assets

Property, plant, and equipment and intangible assets held at cost that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable service amount. The recoverable service amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

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

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



n) Accounts Payable

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

o) Employee Entitlements

Short-term employee entitlements

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

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

Long-term employee entitlements

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

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

p) Revenue Received in Advance

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

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

q) Funds Held in Trust

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

r) Shared Funds

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

s) Provision for Cyclical Maintenance

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

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



t) Financial Assets and Liabilities

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

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

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

u) Borrowings

Borrowings are recognised at the amount borrowed. Borrowings are classified as current liabilities unless the School has an unconditional right to defer settlement of the liability for at least 12 months after the balance date.

v) Goods and Services Tax (GST)

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

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

Commitments and contingencies are disclosed exclusive of GST.

w) Budget Figures

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

x) Services received in-kind

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



2. Government Grants

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operational grants	92,273	92,346	97,585
Teachers' salaries grants	205,121	179,721	198,016
Use of Land and Buildings grants	87,203	94,973	84,245
Resource teachers learning and behaviour grants	2,474	-	-
Other MoE Grants	23,424	7,425	20,751
Transport grants	103,281	73,969	84,619
	<u>513,776</u>	<u>448,434</u>	<u>485,216</u>

3. Locally Raised Funds

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

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Revenue			
Donations	8,271	15,000	1,586
Activities	8,414	2,380	11,774
Trading	2,372	2,200	2,011
Fundraising	28,189	7,500	16,371
School House	3,480	5,760	6,240
	<u>50,726</u>	<u>32,840</u>	<u>37,982</u>
Expenses			
Activities	7,239	4,290	11,310
Trading	3,697	2,200	2,289
Fundraising costs	5,233	-	13,262
School House	1,778	21,200	3,197
	<u>17,947</u>	<u>27,690</u>	<u>30,058</u>
<i>Surplus for the year Locally raised funds</i>	<u>32,779</u>	<u>5,150</u>	<u>7,924</u>

4. Learning Resources

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	9,254	6,150	4,512
Library resources	443	850	1,260
Employee benefits - salaries	268,790	222,160	256,652
Staff development	4,837	7,000	6,877
	<u>283,324</u>	<u>236,160</u>	<u>269,301</u>



5. Administration

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	3,161	3,900	3,286
Board of Trustees Fees	3,370	4,455	3,275
Board of Trustees Expenses	285	1,000	270
Communication	2,455	2,700	2,544
Consumables	1,851	3,940	3,643
Operating Lease	833	471	1,313
Other	7,068	3,724	6,561
Employee Benefits - Salaries	22,877	22,840	22,266
Insurance	2,809	3,500	3,103
Service Providers, Contractors and Consultancy	4,095	5,300	3,593
Bus Network	71,366	70,000	65,682
	<u>120,170</u>	<u>121,830</u>	<u>115,536</u>

6. Property

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	2,051	1,500	1,337
Cyclical Maintenance Expense	840	2,727	28,498
Grounds	4,095	3,750	3,491
Heat, Light and Water	6,779	7,500	6,873
Rates	-	950	-
Repairs and Maintenance	45,781	8,000	8,201
Use of Land and Buildings	67,203	94,973	84,245
Employee Benefits - Salaries	11,396	12,644	12,410
	<u>158,145</u>	<u>132,044</u>	<u>145,055</u>

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

7. Depreciation

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Buildings	3,213	3,387	3,386
Building Improvements	2,564	2,662	2,661
Furniture and Equipment	5,666	5,446	5,444
Information and Communication Technology	3,114	5,129	5,128
Leased Assets	2,202	1,586	1,586
Library Resources	494	565	565
	<u>17,253</u>	<u>18,775</u>	<u>18,770</u>



8. Cash and Cash Equivalents

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
ASB Bank 00	43,837	64,208	144,238
ASB-50 a/c	200	-	-
ASB Education Admin-01 a/c	400	-	-
Cash equivalents for Cash Flow Statement	44,437	64,208	144,238

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

9. Accounts Receivable

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Receivables	417	264	1,026
Receivables from the Ministry of Education	-	2,140	-
Interest Receivable	157	-	-
Teacher Salaries Grant Receivable	14,814	13,035	13,608
	15,388	15,439	14,634
Receivables from Exchange Transactions	574	264	1,026
Receivables from Non-Exchange Transactions	14,814	15,175	13,608
	15,388	15,439	14,634

10. Inventories

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Stationery	160	642	294
Canteen	93	155	239
School Hats	80	-	300
	333	797	833

11. Investments

The School's investment activities are classified as follows:

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Current Asset			
Short-term Bank Deposits	102,163	-	-



12. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2018	\$	\$	\$	\$	\$	\$
Land	7,993	-	-	-	-	7,993
Buildings	19,938	-	-	-	(3,213)	16,725
Building Improvements	9,412	-	-	-	(2,564)	6,848
Furniture and Equipment	18,287	4,187	-	-	(5,666)	16,808
Information and Communication Tech:	5,505	4,296	-	-	(3,114)	6,687
Leased Assets	4,097	14,917	(2,223)	-	(2,202)	14,589
Library Resources	3,946	-	-	-	(494)	3,453
Balance at 31 December 2018	69,178	23,400	(2,223)	-	(17,253)	73,103

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2018	\$	\$	\$
Land	8,000	(7)	7,993
Buildings	55,081	(38,356)	16,725
Building Improvements	62,031	(55,183)	6,848
Furniture and Equipment	179,540	(162,732)	16,808
Information and Communication	100,984	(94,297)	6,687
Leased Assets	16,371	(1,782)	14,589
Library Resources	19,241	(15,788)	3,453
Balance at 31 December 2018	441,248	(368,145)	73,103



	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2017						
Land	7,993	-	-	-	-	7,993
Buildings	19,823	-	-	-	(3,386)	19,938
Building Improvements	15,575	-	-	-	(2,661)	9,412
Furniture and Equipment	20,186	3,638	(93)	-	(5,444)	18,287
Information and Communication Technology	7,437	3,196	-	-	(5,128)	5,505
Leased Assets	5,683	-	-	-	(1,586)	4,097
Library Resources	4,510	-	-	-	(565)	3,946
Balance at 31 December 2017	81,207	6,834	(93)	-	(18,770)	69,178

	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
2017			
Land	8,000	(7)	7,993
Buildings	92,655	(72,717)	19,938
Building Improvements	72,805	(63,393)	9,412
Furniture and Equipment	127,005	(108,718)	18,287
Information and Communication Technology	96,687	(91,182)	5,505
Leased Assets	6,965	(2,868)	4,097
Library Resources	19,241	(15,295)	3,946
Balance at 31 December 2017	423,358	(354,180)	69,178

13. Accounts Payable

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Operating creditors	3,896	4,618	11,186
Accruals	2,812	3,779	2,693
Capital accruals for PPE items	-	-	1,928
Employee Entitlements - salaries	14,814	13,035	13,608
Employee Entitlements - leave accrual	884	622	796
	22,406	22,054	30,211
Payables for Exchange Transactions	22,406	22,054	30,211
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	22,406	22,054	30,211

The carrying value of payables approximates their fair value.



14. Provision for Cyclical Maintenance

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Provision at the Start of the Year	28,498	(2,727)	-
Increase to the Provision During the Year	840	2,727	28,498
Provision at the End of the Year	<u>29,338</u>	<u>-</u>	<u>28,498</u>
Cyclical Maintenance - Current	29,338	-	7,200
Cyclical Maintenance - Term	-	-	21,298
	<u>29,338</u>	<u>-</u>	<u>28,498</u>

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:

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
No Later than One Year	3,793	1,974	2,014
Later than One Year and no Later than Five Years	11,065	363	2,805
Future Finance Charges			(500)
	<u>14,858</u>	<u>2,337</u>	<u>4,319</u>



16. Funds Owed (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:

	2018	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution/ (Write-off to R&M)	Closing Balances \$
5YA Project	<i>completed</i>	21,496	-	(21,496)	-	-
Toilet Block	<i>completed</i>	17,865	-	(17,865)	-	-
Work to Stormwater	<i>in progress</i>	-	36,854	37,905	-	1,051
Totals		39,361	36,854	(1,456)	-	1,051

Represented by:

Funds Held on Behalf of the Ministry of Education
Funds Due from the Ministry of Education

-
1,051

1,051

	2017	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution/ (Write-off to R&M)	Closing Balances \$
5YA Project	<i>in progress</i>	20,156	-	1,340	-	21,496
Toilet Block	<i>in progress</i>	57,827	39,962	-	-	17,865
Totals		77,983	39,962	1,340	-	39,361

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 Actual \$	2017 Actual \$
<i>Board Members</i>		
Remuneration	3,370	3,275
Full-time equivalent members	0.09	0.15
<i>Leadership Team</i>		
Remuneration	90,607	153,472
Full-time equivalent members	2.00	2.00
Total key management personnel remuneration	93,977	156,747
Total full-time equivalent personnel	2.09	2.15

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

Principal

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

	2018 Actual \$000	2017 Actual \$000
<i>Salaries and Other Short-term Employee Benefits:</i>		
<i>Principal A</i>		
Salary and Other Payments	40 - 50	80 - 90
Benefits and Other Emoluments	-	-
Termination Benefits	-	-
<i>Principal B</i>		
Salary and Other Payments	40 - 50	-
Benefits and Other Emoluments	-	-
Termination Benefits	-	-

Other Employees

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

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

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



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 Actual	2017 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: nil).

Holidays Act Compliance – schools payroll

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

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

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

21. Commitments

(a) Capital Commitments

There are no capital commitments as at 31 December 2018 (Capital commitments at 31 December 2017: nil).

(b) Operating Commitments

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

(a) operating lease of laptops;

	2018 Actual \$	2017 Actual \$
No later than One Year	-	353
Later than One Year and No Later than Five Years	-	-
Later than Five Years	-	-
	-	353



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:

Loans and receivables

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Cash and Cash Equivalents	44,437	64,208	144,238
Receivables	15,388	15,439	14,634
Investments - Term Deposits	102,163	-	-
Total Loans and Receivables	161,988	79,647	158,872

Financial liabilities measured at amortised cost

Payables	22,406	22,054	30,211
Borrowings - Loans	-	-	-
Finance Leases	14,858	2,337	4,319
Painting Contract Liability	-	-	-
Total Financial Liabilities Measured at Amortised Cost	37,264	24,391	34,530

24. Events After Balance Date

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

25. 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



School Name:	Arohena	School Number:	1688
Strategic Aim:	<ul style="list-style-type: none"> All students are successfully able to access the New Zealand Curriculum 2007 as evidenced by progress and achievement in relation to the curriculum expectations for Reading, Writing and Mathematics and other subjects areas of NZC. Increase academic progress and achievement for priority learners - Māori, Pasifika, ELL, students with special educational needs, other at-risk learners 		
Annual Aim:	<p><i>Literacy and Numeracy Goal 1: Mathematics</i></p> <ul style="list-style-type: none"> All students are successfully able to access the New Zealand Curriculum as evidenced by achievement in relation to the expected NZ curriculum outcomes in Mathematics All students will make progress and achievement in relation to the National Standards in Mathematics - those achieving below NS will make accelerated progress Target Māori and Pasifika students in classroom teaching as priority learners: Increase staff cultural competency and knowledge of Tikanga Maori Raise Maori Student achievement in relation to the expected NZC outcomes in Mathematics - those achieving below level will be targeted to make accelerated progress Build teacher knowledge/strategies to raise student achievement through deliberate acts of teaching, Model, prompt, question, feedback, tell, explain and give directions. Identify and put systems in place to meet the needs of students with special learning needs/abilities who are at risk of not achieving equitable outcome <p><i>Literacy and Numeracy Goal 1: Reading</i></p> <ul style="list-style-type: none"> All students are successfully able to access the New Zealand Curriculum as evidenced by achievement in relation to the expected NZ Curriculum outcomes in Reading Build teacher knowledge and strategies to raise all student achievement in relation to the National Standards in Reading. Increase student engagement & interaction with curriculum through student agency & teacher efficacy. Identify and put systems in place to meet the requirements of students with special learning needs/abilities and support them in order to make accelerated progress. Target Māori and Pasifika students in classroom teaching as priority learners (and others) who are at risk of not achieving equitable outcomes 		

	<p><i>Literacy and Numeracy Goal 1: Writing</i></p> <ul style="list-style-type: none"> • All students are successfully able to access the New Zealand Curriculum as evidenced by achievement in relation to expected NZ Curriculum outcomes in Writing • Improve teacher knowledge and strategies in increasing student engagement in writing, a raise total student achievement in relation to the NZ Curriculum levels. • Target Māori and Pasifika students in classroom teaching as priority learners (and others) who are at risk of not achieving equitable outcomes. Lift Maori achievement in relation to NZC • Lift Boys' achievement in relation to the NZ Curriculum levels in Writing • Identify and put systems in place to meet the needs of students with special learning needs/abilities and support them in order to make accelerated progress. • Increase staff knowledge/competency in Tikanga Maori; empower Maori students to achieve accelerated progress as Maori & make meaningful connections with whanau/local iwi •
Target:	<p>Mathematics</p> <ul style="list-style-type: none"> • 74 % (23 of 31) students will achieve At or Above expected NZC Maths lev • 80 % (12 of 15) Maori Students will achieve At or Above NZC Maths levels • 79 % (11 of 14) Girls will achieve At or Above expected NZC Maths levels • 70.5% (12 of 17) Boys will achieve At or Above expected NZC Math levels <p>Reading</p> <ul style="list-style-type: none"> • 39% (12 of 31) total students will be reading above the NZC expected outcomes • 80 % (12 of 15) Maori students will be reading At or Above expected NZC level • 71% (5 of 7) students after 12mths will be reading At or Above expected NZClev • 71% (12 of 17) Boys will be reading At or Above expected NZC level <p>Writing</p> <ul style="list-style-type: none"> • 74 % of (23 of 31) Total students will achieve At or Above expected NZC level • 80 % (12 of 15) Maori students will achieve At or Above expected NZC writing lev • 65 % (11 of 17) Boys will achieve At or Above the expected NZC writing level • 75 % (6 of 8) students will achieve At or Above the NZC level after 2 yrs at school <p>Base-line Data - Target groups of 15 Maori students, 17 Girls & 16 Boys at Dec 2017 Mathematics</p> <ul style="list-style-type: none"> • 60 % (9 of 15) Maori students are working At or Above expected NZ Curriculum levels • 65 % (11 of 17) Girls are working At or Above expected NZ Curriculum Levels in Maths • 62.5 % (10 of 16) Boys are working At or Above expected NZ curriculum levels in Maths • <p>Base-line Data - Target groups - as at December 2017 (33 students) Reading</p> <ul style="list-style-type: none"> • 39.5 % (13 of 33) total students are reading above the NZC expected outcomes • 73% (11 of 15) Māori students are Reading At or Above NZC expected outcomes • 75% (12 of 16) Boys are Reading At or Above NZC expected outcomes. • 71.5 % (5 of 7) students after 12 mth are At or Above NZC expectations
Baseline Data:	

Base-line Data - Target groups as at December 2017 Writing

- 70 % (23 of 33) Total students are writing at or Above the expected NZ curriculum level
- 67 % (10 of 15) Maori students are writing At or Above the expected NZ curriculum levels
- 56.25 % (9 of 16) Boys are writing At or Above the expected NZ Curriculum levels in Writing

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>From July 2018 when new principal appointed:</p> <p>Whole class analysis of needs and next steps completed.</p> <p>Community consultation in term four completed with 95% of families attending.</p> <p>Examine and reflect on current practices that were not supporting learning:</p> <p>Identified formative practice and Teaching as inquiry need strengthening along with the schools evaluative practice.</p>	<p>Maths</p> <ul style="list-style-type: none"> 69% (23 of 33) students are At or Above the expected level- Target not met 77% (10 of 13) Maori students are At or Above the expected level- Target not met 75% (12 of 16) Girls are At or Above the expected level- Target not met 65% (11 of 17) Boys are At or Above expected levels- Target not met <p>Reading</p> <ul style="list-style-type: none"> 30% (9 of 30) total students are reading above the NZC expected outcomes- Target not met 73% of Maori students are reading At or Above expected NZC level- Target not met 69 % (11 Of 16) of Boys are reading At or Above expected NZC level- Target not met <p>Writing</p> <ul style="list-style-type: none"> 82% of (22 of 27) ll students are At or Above expected NZC levels- Target met 75% of (9 of 12) Maori students are At or Above the expected level in writing- Target not met 78% (11 of 14) Boys are At or Above the expected level in writing- Target not met 	<p>Transient and newly enrolled students continue to provide challenges in our context. Approximately half of the children that did not meet expectations were new to our school in the second half of the year.</p> <p>A stock take of teacher practices and school systems reviewed and supported by mentor principal, cultural competency PLD provider and RTLB service with the following things noticed:</p> <ul style="list-style-type: none"> A clear understanding of TAI was not established with teachers. School curriculum did not have clear expectations for teaching and learning. Classroom environments did not reflect high expectations for learning. Formative practice needed strengthening. Children were not clear about success criteria and next steps. <p>Teachers were involved in MOE initiative; the ALL project. Senior teacher received more input over the year than the junior teacher.</p>	<p>Develop and plan a systematic process for integrating new students to our school quickly.</p> <p>Consider how deficit thinking about transient students may be influencing our practice.</p> <p>Use the PACT tool to measure progress and to improve teacher understating of the learning progressions in mathematics and writing then reading in 2020.</p> <p>Embed a continuous assessment model for Arohena School and learners together with strong formative practice.</p> <p>Develop a team culture based on the Quality Schools model (W.Glasser)</p> <p>Continue involvement in the ALL project to embed ALL practices with a focus on clear understanding of “teaching as inquiry” and formative practice in both reading and writing.</p> <p>This will be supported by PLD in Teaching as inquiry using Arinui</p> <p>Reflective practice enhanced through the development of teacher understanding of both formative practice and TAI</p>

Planning for next year:

- Build teacher capacity in Teaching as inquiry and formative practice
- Strengthen the evaluative capability so that Teaching as Inquiry is our disposition.
- Create robust systems and practice for newly enrolled students so that while they are at Arohena School they make significant progress in all aspects of their schooling.
- Through a review of the school curriculum, ensure expectations for both learning and teaching are clear.

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

The Auditor-General is the auditor of Arohena School (the School). The Auditor-General has appointed me, Paul Lawrence, using the staff and resources of Crowe Horwath New Zealand Audit Partnership, 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 22, 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 Sector – Public Benefit Entity Standards, Reduced Disclosure Regime.

Our audit was completed on 31 May 2019. This is the date at which our opinion is expressed.

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

Basis for our opinion

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

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

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

Responsibilities of the Board of Trustees for the financial statements

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

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

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

Responsibilities of the auditor for the audit of the financial statements

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

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

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

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

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

- We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Trustees.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Trustees and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report.

However, future events or conditions may cause the School to cease to continue as a going concern.

- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We assess the risk of material misstatement arising from the Novopay payroll system, which may still contain errors. As a result, we carried out procedures to minimise the risk of material errors arising from the system that, in our judgement, would likely influence readers' overall understanding of the financial statements.

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

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Board of Trustees are responsible for the other information. The other information obtained at the date of our report comprises the Analysis of Variance 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.



Paul Lawrence
Crowe Horwath New Zealand Audit Partnership
On behalf of the Auditor-General
Hamilton, New Zealand