

KAEO SCHOOL

ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

School Directory

Ministry Number: 1019

Principal: Paul Barker

School Address: State Highway 10

School Postal Address: P O Box 9, Kaeo, 0448

School Phone: 09 405 0099

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Accountant / Service Provider:

Education  *Services.*
Dedicated to your school

KAEO SCHOOL

Annual Financial Statements - For the year ended 31 December 2023

Index

Page	Statement
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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 - 20	Notes to the Financial Statements
--------	-----------------------------------

Independent Auditor's Report

Other Information

Members of the Board

Kiwisport / Statement of Compliance with Employment Policy

Analysis of Variance

Kaeo School

Statement of Responsibility

For the year ended 31 December 2023

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

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

It is the opinion of the Board and management that the annual financial statements for the financial year ended 31 December 2023 fairly reflects the financial position and operations of the school.

The School's 2023 financial statements are authorised for issue by the Board.

Marco Van Den Broek

Full Name of Presiding Member

Signed by:
Marco Van Den Broek
91668841E1C1DC9A

Signature of Presiding Member

18/06/2024

Date:

Paul Barker

Full Name of Principal

Signed by:
Paul Barker
262657D3F2A0257D

Signature of Principal

18/06/2024

Date:

Kaeo School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2023

		2023	2023	2022
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Revenue				
Government Grants	2	1,547,166	1,348,803	1,518,524
Locally Raised Funds	3	11,873	24,000	20,950
Interest		28,127	7,000	7,451
Other Revenue		22,418	4,000	-
Total Revenue		1,609,584	1,383,803	1,546,925
Expense				
Locally Raised Funds	3	5,619	2,000	3,292
Learning Resources	4	1,020,762	1,017,068	986,171
Administration	5	276,948	155,703	276,055
Interest		371	132	359
Property	6	250,314	209,798	224,593
Loss on Disposal of Property, Plant and Equipment		1,338	-	139
Total Expense		1,555,352	1,384,701	1,490,609
Net Surplus / (Deficit) for the year		54,232	(898)	56,316
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		54,232	(898)	56,316

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

Kaeo School
Statement of Changes in Net Assets/Equity
For the year ended 31 December 2023

	Notes	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Equity at 1 January		789,509	727,647	733,193
Total comprehensive revenue and expense for the year		54,232	(898)	56,316
Contribution - Furniture and Equipment Grant		6,503	-	-
Equity at 31 December		850,244	726,749	789,509
Accumulated comprehensive revenue and expense		850,244	726,749	789,509
Equity at 31 December		850,244	726,749	789,509

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

Kaeo School

Statement of Financial Position

As at 31 December 2023

	Notes	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Current Assets				
Cash and Cash Equivalents	7	1,264,462	229,894	143,135
Accounts Receivable	8	61,784	113,571	70,137
GST Receivable		-	-	6,992
Prepayments		6,904	6,384	6,354
Inventories	9	293	1,435	1,226
Investments	10	238,083	222,734	527,430
Funds Receivable for Capital Works Projects	16	20,580	-	-
		<u>1,592,106</u>	<u>574,018</u>	<u>755,274</u>
Current Liabilities				
GST Payable		17,302	38,933	-
Accounts Payable	12	222,542	109,808	118,923
Revenue Received in Advance	13	2,934	-	-
Provision for Cyclical Maintenance	14	5,754	-	-
Finance Lease Liability	15	2,415	3,057	1,666
Funds held for Capital Works Projects	16	871,208	-	137,790
		<u>1,122,155</u>	<u>151,798</u>	<u>258,379</u>
Working Capital Surplus/(Deficit)		469,951	422,220	496,895
Non-current Assets				
Property, Plant and Equipment	11	303,065	328,602	305,883
Work in Progress		96,916	-	-
		<u>399,981</u>	<u>328,602</u>	<u>305,883</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	14	16,754	22,600	12,500
Finance Lease Liability	15	2,934	1,473	769
		<u>19,688</u>	<u>24,073</u>	<u>13,269</u>
Net Assets		<u>850,244</u>	<u>726,749</u>	<u>789,509</u>
Equity		<u>850,244</u>	<u>726,749</u>	<u>789,509</u>

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

Kaeo School

Statement of Cash Flows

For the year ended 31 December 2023

		2023	2023	2022
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Cash flows from Operating Activities				
Government Grants		461,721	407,122	480,680
Locally Raised Funds		34,378	28,000	20,803
Goods and Services Tax (net)		24,294	-	(45,925)
Payments to Employees		(270,458)	(229,871)	(219,758)
Payments to Suppliers		(138,558)	(543,413)	(128,575)
Interest Paid		(371)	(132)	(359)
Interest Received		28,390	7,000	6,285
Net cash from/(to) Operating Activities		139,396	(331,294)	113,151
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(16,706)	(27,850)	(54,730)
Purchase of Investments		(10,654)	-	(304,696)
Proceeds from Sale of Investments		300,000	-	-
Net cash from/(to) Investing Activities		272,640	(27,850)	(359,426)
Cash flows from Financing Activities				
Furniture and Equipment Grant		6,503	-	-
Finance Lease Payments		(1,064)	(1,666)	(1,477)
Funds Administered on Behalf of Other Parties		703,852	-	(199,817)
Net cash from/(to) Financing Activities		709,291	(1,666)	(201,294)
Net increase/(decrease) in cash and cash equivalents		1,121,327	(360,810)	(447,569)
Cash and cash equivalents at the beginning of the year	7	143,135	590,704	590,704
Cash and cash equivalents at the end of the year	7	1,264,462	229,894	143,135

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 and other notional items have been excluded.

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

Kaeo School

Notes to the Financial Statements

For the year ended 31 December 2023

1. Statement of Accounting Policies

a) Reporting Entity

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

b) Basis of Preparation

Reporting Period

The financial statements have been prepared for the period 1 January 2023 to 31 December 2023 and in accordance with the requirements of the Education and Training Act 2020.

Basis of Preparation

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

Financial Reporting Standards Applied

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

PBE Accounting Standards Reduced Disclosure Regime

The School qualifies for Tier 2 as the school is not publicly accountable and is not considered large as it falls below the expense 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.

Cyclical maintenance

A school recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's best estimate of the cost of painting the school and when the school is required to be painted, based on an assessment of the school's condition. During the year, the Board assesses the reasonableness of its painting maintenance plan on which the provision is based. Cyclical maintenance is disclosed at note 14.

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

Determining whether a lease is a finance lease or an operating lease requires judgement as to whether the lease transfers substantially all the risks and rewards of ownership to the school. A lease is classified as a finance lease if it transfers substantially all risks and rewards incidental to ownership of an underlying asset to the lessee. In contrast, an operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset to the lessee.

Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant, and equipment, whereas for an operating lease no such asset is recognised. Finance lease liability disclosures are contained in note 15. Future operating lease commitments are disclosed in note 21b.

Recognition of grants

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

c) Revenue Recognition

Government Grants

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

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

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

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

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

Other Grants where conditions exist

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

Donations, Gifts and Bequests

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

Interest Revenue

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

d) 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.

e) 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.

f) 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.

g) Accounts Receivable

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

h) Inventories

Inventories are consumable items held for sale and comprised of Uniform. 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.

i) Investments

Bank term deposits are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance. A loss allowance for expected credit losses is recognised if the estimated loss allowance is material.

j) Property, Plant and Equipment

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

Improvements (funded by the Board) to buildings owned by the Crown or directly by the board are recorded at cost, less accumulated depreciation and impairment losses.

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

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

Finance Leases

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

Depreciation

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

The estimated useful lives of the assets are:

Building Improvements	40 years
Furniture and Equipment	5-18 years
Information and Communication Technology	4 years
Motor Vehicles	5 years
Library Resources	8 years
Leased assets held under a Finance Lease	Term of Lease

k) 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 and research expenditure are recognised as an expense in the Statement of Comprehensive Revenue and Expense when incurred.

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.

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. If such indication exists, the School estimates the asset's recoverable service amount. 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.

In determining fair value less costs to sell, the School engages an independent valuer to assess market value based on the best available information. The valuation is based on a comparison to recent market transactions.

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. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable service amount since the last impairment loss was recognised.

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

Long-term employee entitlements

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

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

o) 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 or grants are recorded as revenue as the obligations are fulfilled and the fees or grants are earned.

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

p) 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 Comprehensive Revenue and Expense.

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

q) Funds held for Capital works

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

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

r) Shared Funds

Shared Funds are held on behalf of a cluster of participating schools as agreed with the Ministry of Education. In instances where funds are outside of the School's control, these amounts are not recorded in the Statement of Comprehensive Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose.

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 is a reasonable estimate, based on the school's best estimate of the cost of painting the school and when the school is required to be painted, based on an assessment of the school's condition.

The School carries out painting maintenance of the whole school over a 7 to 10 year period. The economic outflow of this is dependent on the plan established by the school to meet this obligation and is detailed in the notes and disclosures of these accounts.

t) Financial Instruments

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

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

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

u) Borrowings

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

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.

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

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Government Grants - Ministry of Education	598,851	408,189	574,839
Teachers' Salaries Grants	761,856	786,866	780,431
Use of Land and Buildings Grants	186,459	153,748	163,254
	1,547,166	1,348,803	1,518,524

The school has opted in to the donations scheme for this year. Total amount received was \$19,419.

3. Locally Raised Funds

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

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Revenue			
Donations & Bequests	1,311	4,000	1,743
Fees for Extra Curricular Activities	1,396	5,000	6,149
Trading	1,504	1,000	655
Fundraising & Community Grants	7,662	12,000	10,680
Other Revenue	-	2,000	1,723
	11,873	24,000	20,950
Expense			
Extra Curricular Activities Costs	440	1,000	1,076
Trading	1,813	1,000	662
Fundraising & Community Grant Costs	3,366	-	1,554
	5,619	2,000	3,292
<i>Surplus for the year Locally raised funds</i>	6,254	22,000	17,658

4. Learning Resources

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	34,122	49,850	26,880
Library Resources	706	1,600	579
Employee Benefits - Salaries	934,916	915,988	917,113
Staff Development	7,572	13,000	1,737
Depreciation	38,221	33,630	37,058
Information Communication Technology	4,635	1,500	2,081
Equipment Repairs	590	1,500	723
	1,020,762	1,017,068	986,171

5. Administration

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
	\$	\$	\$
Audit Fees	4,654	4,654	4,519
Board Fees	2,010	1,750	2,010
Board Expenses	369	2,500	1,679
Communication	2,594	3,850	2,672
Consumables	9,806	9,400	9,191
Other	13,413	20,300	14,495
Employee Benefits - Salaries	106,396	100,749	100,322
Insurance	3,503	4,000	3,431
Service Providers, Contractors and Consultancy	8,940	8,500	8,940
Healthy School Lunch Programme	125,263	-	128,796
	<u>276,948</u>	<u>155,703</u>	<u>276,055</u>

6. Property

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
	\$	\$	\$
Caretaking and Cleaning Consumables	7,086	6,750	7,699
Cyclical Maintenance Provision	11,225	10,100	10,100
Grounds	11,876	8,550	8,013
Heat, Light and Water	18,594	17,000	21,760
Rates	4,206	5,500	4,691
Repairs and Maintenance	10,186	7,400	8,752
Use of Land and Buildings	186,459	153,748	163,254
Security	682	750	324
	<u>250,314</u>	<u>209,798</u>	<u>224,593</u>

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

7. Cash and Cash Equivalents

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
	\$	\$	\$
Bank Accounts	1,264,462	229,894	143,135
Cash and cash equivalents for Statement of Cash Flows	<u>1,264,462</u>	<u>229,894</u>	<u>143,135</u>

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

Of the \$1,264,462 Cash and Cash Equivalents \$871,208 is held by the School on behalf of the Ministry of Education. These funds have been provided by the Ministry as part of the school's 5 Year Agreement funding for upgrades to the school's buildings. The funds are required to be spent in 2024 on Crown owned school buildings.

8. Accounts Receivable

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
	\$	\$	\$
Receivables	315	8,040	402
Receivables from the Ministry of Education	-	-	7,902
Interest Receivable	1,342	439	1,605
Banking Staffing Underuse	-	40,400	-
Teacher Salaries Grant Receivable	60,127	64,692	60,228
	61,784	113,571	70,137
	61,784	113,571	70,137
Receivables from Exchange Transactions	1,657	8,479	2,007
Receivables from Non-Exchange Transactions	60,127	105,092	68,130
	61,784	113,571	70,137
	61,784	113,571	70,137

9. Inventories

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
	\$	\$	\$
Uniform	293	1,435	1,226
	293	1,435	1,226
	293	1,435	1,226

10. Investments

The School's investment activities are classified as follows:

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
	\$	\$	\$
Current Asset			
Short-term Bank Deposits	238,083	222,734	527,430
	238,083	222,734	527,430
Total Investments	238,083	222,734	527,430

11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2023	\$	\$	\$	\$	\$	\$
Building Improvements	105,767	-	-	-	(3,875)	101,892
Furniture and Equipment	177,806	22,548	(1,338)	-	(22,367)	176,649
Information and Communication Technology	18,719	8,616	-	-	(9,038)	18,297
Leased Assets	2,177	5,498	-	-	(2,575)	5,100
Library Resources	1,414	79	-	-	(366)	1,127
Balance at 31 December 2023	305,883	36,741	(1,338)	-	(38,221)	303,065

The net carrying value of equipment held under a finance lease is \$5,100 (2022: \$2,177)

Restrictions

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

	2023	2023	2023	2022	2022	2022
	Cost or Valuation	Accumulated Depreciation	Net Book Value	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$	\$	\$	\$
Building Improvements	155,001	(53,109)	101,892	155,001	(49,234)	105,767
Furniture and Equipment	355,090	(178,441)	176,649	401,308	(223,502)	177,806
Information and Communication Technology	164,975	(146,678)	18,297	167,170	(148,451)	18,719
Motor Vehicles	1,725	(1,725)	-	1,725	(1,725)	-
Leased Assets	7,892	(2,792)	5,100	9,167	(6,990)	2,177
Library Resources	51,524	(50,397)	1,127	51,445	(50,031)	1,414
Balance at 31 December	736,207	(433,142)	303,065	785,816	(479,933)	305,883

12. Accounts Payable

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Creditors	144,483	33,992	37,989
Accruals	4,654	4,387	4,519
Banking Staffing Overuse	9,924	-	12,493
Employee Entitlements - Salaries	60,127	64,692	60,228
Employee Entitlements - Leave Accrual	3,354	6,737	3,694
	<u>222,542</u>	<u>109,808</u>	<u>118,923</u>
Payables for Exchange Transactions	222,542	109,808	118,923
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	<u>222,542</u>	<u>109,808</u>	<u>118,923</u>

The carrying value of payables approximates their fair value.

13. Revenue Received in Advance

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Grants in Advance - Ministry of Education	2,934	-	-
	<u>2,934</u>	<u>-</u>	<u>-</u>

14. Provision for Cyclical Maintenance

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Provision at the Start of the Year	12,500	12,500	2,400
Increase to the Provision During the Year	10,100	10,100	10,100
Use of the Provision During the Year	(1,217)	-	-
Other Adjustments	1,125	-	-
Provision at the End of the Year	<u>22,508</u>	<u>22,600</u>	<u>12,500</u>
Cyclical Maintenance - Current	5,754	-	-
Cyclical Maintenance - Non current	16,754	22,600	12,500
	<u>22,508</u>	<u>22,600</u>	<u>12,500</u>

Per the cyclical maintenance schedule, the school is next expected to undertake painting works during 2024. This plan is based on the schools 10 Year Property plan / painting quotes.

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:

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
No Later than One Year	2,789	3,057	1,798
Later than One Year and no Later than Five Years	3,152	1,473	812
Future Finance Charges	(592)	-	(175)
	5,349	4,530	2,435
Represented by			
Finance lease liability - Current	2,415	3,057	1,666
Finance lease liability - Non current	2,934	1,473	769
	5,349	4,530	2,435

16. Funds Held for Capital Works Projects

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

	2023	Project No.	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions	Closing Balances \$
5YA and AMS Combined: 1,8		231679	26,378	-	(46,958)	-	(20,580)
Floor Coverings and Roofing Works		231676	15,607	14,800	(30,407)	-	-
2x Teaching Spaces, Resource & Rationalisa		232539	95,805	1,255,201	(479,798)	-	871,208
Emergency Cyclone Gabrielle		241276	-	31,500	(31,500)	-	-
Totals			137,790	1,301,501	(588,663)	-	850,628

Represented by:

Funds Held on Behalf of the Ministry of Education	871,208
Funds Receivable from the Ministry of Education	(20,580)

	2022	Project No.	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions	Closing Balances \$
Drainage Works		231678	5,510	2,500	(8,010)	-	-
5YA and AMS Combined: 1,8		231679	230,812	-	(204,434)	-	26,378
Floor Coverings and Roofing Works		231676	121,808	-	(106,201)	-	15,607
2x Teaching Spaces, Resource & Rationalisa		232539	-	170,544	(74,739)	-	95,805
Totals			358,130	173,044	(393,384)	-	137,790

Represented by:

Funds Held on Behalf of the Ministry of Education	137,790
Funds Receivable from the Ministry of Education	-

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 conditions 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 Board members, Principal, Deputy Principals and Heads of Departments.

	2023 Actual \$	2022 Actual \$
<i>Board Members</i> Remuneration	2,010	2,010
<i>Leadership Team</i> Remuneration	259,741	339,122
Full-time equivalent members	2.00	3.00
Total key management personnel remuneration	261,751	341,132

There are 5 members of the Board excluding the Principal. The Board has held 8 full meetings of the Board in the year. The Board also has Finance (5 members) and Property (5 members) committees that met 8 and 8 times respectively. As well as these regular meetings, including preparation time, the Presiding Member and other Board members have also been involved in ad hoc meetings to consider student welfare matters including stand downs, suspensions, and other disciplinary matters.

Principal

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

	2023 Actual \$000	2022 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	150 - 160	140 - 150
Benefits and Other Emoluments	3 - 4	3 - 4
Termination Benefits	-	-

Other Employees

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

	2023 FTE Number	2022 FTE Number
Remuneration \$000 100 - 110	2.00	1.00
	2.00	1.00

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 board members, committee members, or employees during the financial year in relation to that cessation and number of persons to whom all or part of that total was payable was as follows:

	2023 Actual	2022 Actual
Total	-	-
Number of People	-	-

20. Contingencies

There are no contingent liabilities and no contingent assets (except as noted below) as at 31 December 2023 (Contingent liabilities and assets at 31 December 2022: the same).

In 2023 the Ministry of Education provided additional funding for non-teaching collective and pay equity agreements. The school is yet to receive a final wash-up that adjusts the estimated quarterly instalments for the actual eligible staff members employed in 2023. The Ministry is in the process of determining wash-up payments or receipts for the year ended 31 December 2023. However, as at the reporting date, this amount had not been calculated and therefore is not recorded in these financial statements.

Holidays Act Compliance – schools payroll

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

The Ministry continues to review the Schools Sector Payroll to ensure compliance with the Holidays Act 2003. An initial remediation payment has been made to some current school employees. The Ministry is continuing to perform detailed analysis to finalise calculations and the potential impacts of specific individuals. As such, this is expected to resolve the liability for school boards.

21. Commitments

(a) Capital Commitments

As at 31 December 2023, the Board had capital commitments of \$513,307 (2022: \$1,077,345) as a result of entering the following contracts:

Contract Name	Contract Amount	Spend To Date	Remaining Capital Commitment
	\$	\$	\$
2x Teaching Spaces, Resource & Rationalisation	1,067,844	554,537	513,307
Total	1,067,844	554,537	513,307

(b) Operating Commitments

There are no operating commitments as at 31 December 2023 (Operating commitments at 31 December 2022: nil).

22. Financial Instruments

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

Financial assets measured at amortised cost

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Cash and Cash Equivalents	1,264,462	229,894	143,135
Receivables	61,784	113,571	70,137
Investments - Term Deposits	238,083	222,734	527,430
Total financial assets measured at amortised cost	1,564,329	566,199	740,702

Financial liabilities measured at amortised cost

Payables	222,542	109,808	118,923
Finance Leases	5,349	4,530	2,435
Total financial liabilities measured at amortised cost	227,891	114,338	121,358

23. Events After Balance Date

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

24. Comparatives

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

Kaeo School

Members of the Board

Name	Position	How Position Gained	Term Expired/ Expires
Marco Van Den Broek	Presiding Member	Elected	Jun 2025
Paul Barker	Principal	ex Officio	
Callum McNaughton	Parent Representative	Appointed	Nov 2023
Glenys Grace	Parent Representative	Elected	Jun 2025
Wiki Todd	Parent Representative	Elected	Jun 2025
Stephanie Campbell	Staff Representative	Elected	Jun 2025

Kaeo School

Kiwisport

Kiwisport is a Government funding initiative to support students' participation in organised sport. In 2023, the school received total Kiwisport funding of \$1,978 (excluding GST). The funding was spent on sporting endeavours.

Statement of Compliance with Employment Policy

For the year ended 31st December 2023 the Kaeo School Board:

- Has developed and implemented personnel policies, within policy and procedural frameworks to ensure the fair and proper treatment of employees in all aspects of their employment
- Has reviewed its compliance against both its personnel policy and procedures and can report that it meets all requirements and identified best practice.
- Is a good employer and complies with the conditions contained in the employment contracts of all staff employed by the Board.
- Ensures all employees and applicants for employment are treated according to their skills, qualifications and abilities, without bias or discrimination.
- Meets all Equal Employment Opportunities requirements.



Statement of Variance – Spelling 2023

Goal: To raise the levels of Spelling.

Achievement Target for 2023:

That 80% of all children will be spelling at or above the expected level for their age at 1 December 2023.

<p><u>Position at the end of 2022</u> 63.20% of all students were spelling at or above the level expected for their age.</p> <p>16.80% of all students were spelling less than 6 months below the level expected for their age.</p> <p>20% of all students were spelling in excess of 6 months below the level expected at their age.</p> <p>60.95% of all Maori students were spelling at or above the level expected for their age.</p> <p>18.10% of all Maori students were spelling less than 6 months below the level expected for their age.</p> <p>20.95% of all Maori students were spelling in excess of 6 months below the level expected at their age</p>	<p><u>Result for 2022</u> 62.28% of all students were spelling at or above the level expected for their age.</p> <p>18.77% of all students were spelling less than 6 months below the level expected for their age.</p> <p>28.95% of all students were spelling in excess of 6 months below the level expected at their age.</p> <p>59.14% of all Maori students were spelling at or above the level expected for their age.</p> <p>9.68% of all Maori students were spelling less than 6 months below the level expected for their age.</p> <p>31.18% of all Maori students were spelling in excess of 6 months below the level expected at their age</p>
<p><u>Discussion of Variance</u> We are around the level where we were at this time last year and some distance from challenging our goal for the year. In particular our Year 5 and Year 3 children are in need of a boost.</p> <p>We continue to use the school Spelling Programme across Years 4-6 and have now added this progress to the school profile to allow for better tracking of the programmes effectiveness. Rooms 6, 7 are using their own spelling programmes and concentrating on learning the alphabet and early high frequency words with the support of the school wide Quick 60 programme.</p>	<p><u>Future Direction</u></p> <ul style="list-style-type: none"> • Manage Covid 19 disruptions effectively to allow maximum opportunity for teaching and learning. • Continue to set clear, agreed achievable goals. • Continue 'You Can Spell' programme across Rooms 1, 2, 3, 4 (including completing Professional Development for new staff). • Continue Quick 60 for all children in Room 6/7. • Continue STEPS programme for identified children. • Spelling Bee to continue spelling development. • Seek out and encourage parent support for spelling at home.



Statement of Variance – Reading 2023

Goal: To raise the levels of Reading.

Achievement Target for 2023:

That 83% of all children will be reading at or above their chronological reading age at 30 November 2022. 50% of all children Years 4-6 will be reading in excess of 12 months above the level expected at their age, and less than 8% of our children will be reading greater than 6 months below their chronological age.

<p><u>Position at the end of 2022</u></p> <p>61.60% of all students were reading at or above their chronological reading age.</p> <p>16.00% of all students were reading less than 6 months below their chronological age.</p> <p>22.40% of all students were reading in excess of 6 months below their chronological age.</p> <p>60.19% of Maori students were reading at or above their chronological reading age.</p> <p>15.53% of all Maori students were reading less than 6 months below their chronological age.</p> <p>24.27% of all Maori students were reading in excess of 6 months below their chronological age.</p>	<p><u>Result for 2023</u></p> <p>62.50% of all students were reading at or above their chronological reading age.</p> <p>12.50% of all students were reading less than 6 months below their chronological age.</p> <p>25.00% of all students were reading in excess of 6 months below their chronological age.</p> <p>62.03% of Maori students were reading at or above their chronological reading age.</p> <p>11.39% of all Maori students were reading less than 6 months below their chronological age.</p> <p>26.58% of all Maori students were reading in excess of 6 months below their chronological age.</p>
<p><u>Discussion of Variance</u></p> <p>The affect of transiency and stressful situations is highlighted with most of the children new to our school requiring a long term concerted effort to reach the reading levels expected at their age.</p> <p>The Global pandemic continues to affect progress of many children but it is expected that this disruption will reduce over time. All children not reading at the level expected for their age are receiving additional support.</p> <p>Very good progress made in Senior School will all children leaving us reading at the level expected for their age and close to 3/4's of these children reading in excess of twelve months above the expected level.</p>	<p><u>Future Direction</u></p> <ul style="list-style-type: none"> • Continue to set clear, agreed achievable goals. • Continue extra assistance programmes – Rainbow Reading/STEPS. • Continue Quick 60 programme for use for all children in Room 7 • Further improve book stock. • Continue to embrace the Duffy Book programme. • Teachers to target key children and report on same on a termly basis.



Statement of Variance – Mathematics 2023

Goal: To raise the levels of mathematics.

Achievement Target for 2023:

That 83% of all children will be working at or above their appropriate mathematics curriculum level with 15% working at least one level above the level expected at 30 November 2022.

<p><u>Position at the end of 2022</u> 79.68% of all children working at or above the expected level.</p> <p>15.67% of all children working one level below the level expected.</p> <p>8.82% of all children working two or more levels below that expected.</p> <p>75.49% of all Maori children working at or above the expected level.</p> <p>15.67% of all Maori children working one level below the level expected (Near expectation).</p> <p>8.82% of all Maori children working two or more levels below that expected (At Risk).</p>	<p><u>Result for 2023</u> 75.00% of all children working at or above the expected level.</p> <p>17.97% of all children working one level below the level expected.</p> <p>7.03% of all children working two or more levels below that expected.</p> <p>72.45% of all Maori children working at or above the expected level.</p> <p>18.37% of all Maori children working one level below the level expected (Near expectation).</p> <p>9.18% of all Maori children working two or more levels below that expected (At Risk).</p>
<p><u>Discussion of Variance</u> We were close to achieving our goal - a consequence of several years mathematics professional development and a particular focus on this area of the curriculum. PLD continued in first term of this year but has now reached its conclusion. Very few children are a cause for concern but again the small cohort of Year 4 children that have particular learning needs stands out and it is clear that the disruption to learning during the pandemic has affected our ability to work closely and regularly with this group of children. It is expected that we will be more able to do so next year.</p>	<p><u>Future Direction</u></p> <ul style="list-style-type: none"> • Manage Covid 19 (and other) disruptions to allow for learning time to be maximised. • Set clear, agreed achievable goals. • Provide a balanced mathematics program (across all mathematics strands). • Continue to identify Junior School children requiring extra assistance at mathematics time. • Continue to imbed and use the learning from mathematics professional development. • Provide extra support for children not yet working at expected levels as available and applicable.

INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF KAEO SCHOOL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

The Auditor-General is the auditor of Kaeo School (the School). The Auditor-General has appointed me, Angela Edwards, using the staff and resources of BDO Northland, to carry out the audit of the financial statements of the School on his behalf.

Opinion

We have audited the financial statements of the School on pages 2 to 20, that comprise the statement of financial position as at 31 December 2023, 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 2023; 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 as applicable to entities that qualify as tier 2.

Our audit was completed on *18 June 2024*. This is the date at which our opinion is expressed.

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

Basis for our opinion

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

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

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

KERIKERI PARTNERS: Solomon Dalton Angela Edwards Joanne Roberts

WHANGAREI PARTNERS: Greg Atkins Scott Kennedy Adelle Wilson

Responsibilities of the Board for the financial statements

The Board is responsible on behalf of the School for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand. The Board 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 is responsible on behalf of the School for assessing the School's ability to continue as a going concern. The Board is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to close or merge the School, or there is no realistic alternative but to do so.

The Board's responsibilities arise from section 134 of the Education and Training Act 2020.

Responsibilities of the auditor for the audit of the financial statements

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

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

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

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

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

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

the date of our auditor's report. However, future events or conditions may cause the School to cease to continue as a going concern.

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

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

Our responsibilities arises from the Public Audit Act 2001.

Other information

The Board is responsible for the other information. The other information comprises of the Statement of Responsibility, Members of the Board, Kiwisport, Analysis of Variance and Statement of Compliance with Employment Policy, but does not include the financial statements, and our auditor's report thereon.

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

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

Independence

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

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

Signed by:


55FEE36317A09EDA
Angela Edwards

BDO Northland

On behalf of the Auditor-General

Kerikeri, New Zealand

18 June 2024