

SALFORD SCHOOL



ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

School Directory

Ministry Number: 4014

Principal: Sarah Gibbs

School Address: 110 Lamond Street East, Hargest, Invercargill, 9810

School Phone: 03 217 9521

School Email: admin@salford.school.nz

SALFORD SCHOOL

Annual Report - For the year ended 31 December 2021

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Salford School

Statement of Responsibility

For the year ended 31 December 2021

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 2021 fairly reflects the financial position and operations of the School.

The School's 2021 financial statements are authorised for issue by the Board.

Mary Paula Foley

Full Name of Presiding Member

[Signature]

Signature of Presiding Member

22/8/2022

Date:

Sarah Ruth Gibbs

Full Name of Principal

[Signature]

Signature of Principal

22/8/2022

Date:

Salford School

Members of the Board

For the year ended 31 December 2021

Name	Position	How Position Gained	Term Expired/ Expires
Mary Foley	Presiding Member	Elected	Sep 2022
Sarah Gibbs	Principal ex Officio		
Darren Schwass	Parent Representative	Elected	Sep 2022
Nicola Boutcher	Parent Representative	Elected	Sep 2022
Amelia Edgerton	Parent Representative	Elected	Sep 2022
Scott Lindsay	Parent Representative	Elected	Sep 2022
Marama Davis	Parent Representative	Co-opted	Apr 2024
Janine Morris	Staff Representative	Elected	Sep 2022

Salford School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Revenue				
Government Grants	2	2,296,003	2,615,262	2,302,357
Locally Raised Funds	3	140,478	126,500	116,858
Interest Income		2,077	2,500	4,780
Gain on Sale of Property, Plant and Equipment		94	-	-
International Students	4	8,739	-	1,261
		<u>2,447,391</u>	<u>2,744,262</u>	<u>2,425,256</u>
Expenses				
Locally Raised Funds	3	33,509	33,800	23,491
International Students	4	-	-	1,290
Learning Resources	5	1,800,761	2,033,580	1,654,195
Administration	6	132,310	159,115	147,270
Finance		2,188	-	1,926
Property	7	438,427	464,800	509,321
Depreciation	12	47,352	20,000	51,256
Loss on Disposal of Property, Plant and Equipment		-	500	373
		<u>2,454,547</u>	<u>2,711,795</u>	<u>2,389,122</u>
Net (Deficit)/Surplus for the year		(7,156)	32,467	36,134
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>(7,156)</u>	<u>32,467</u>	<u>36,134</u>

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



Salford School

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Equity at 1 January		439,639	439,639	403,505
Total comprehensive revenue and expense for the year		(7,156)	32,467	36,134
Capital Contributions from the Ministry of Education Contribution - Furniture and Equipment Grant		3,160	-	-
Equity at 31 December		435,643	472,106	439,639
Retained Earnings		435,643	472,106	439,639
Equity at 31 December		435,643	472,106	439,639

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.



Salford School

Statement of Financial Position

As at 31 December 2021

		2021	2021	2020
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Current Assets				
Cash and Cash Equivalents	8	72,472	245,191	222,725
Accounts Receivable	9	132,683	99,187	99,187
GST Receivable		11,657	29,829	29,829
Prepayments		17,440	16,072	16,072
Inventories	10	-	1,002	1,002
Investments	11	177,771	205,516	205,516
Funds owing for Capital Works Projects	18	28,665	-	-
		440,688	596,797	574,331
Current Liabilities				
Accounts Payable	13	157,446	179,764	179,764
Provision for Cyclical Maintenance	14	2,520	30,816	27,792
Painting Contract Liability	15	14,958	-	-
Finance Lease Liability	16	15,795	13,538	13,538
Funds held in Trust	17	182	-	-
Funds held for Capital Works Projects	18	-	87,765	87,765
		190,901	311,883	308,859
Working Capital Surplus/(Deficit)		249,787	284,914	265,472
Non-current Assets				
Property, Plant and Equipment	12	239,780	207,814	212,813
		239,780	207,814	212,813
Non-current Liabilities				
Provision for Cyclical Maintenance	14	32,917	8,085	26,109
Painting Contract Liability	15	3,434	-	-
Finance Lease Liability	16	17,573	12,537	12,537
		53,924	20,622	38,646
Net Assets		435,643	472,106	439,639
Equity		435,643	472,106	439,639

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



Salford School

Statement of Cash Flows

For the year ended 31 December 2021

		2021	2021	2020
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
		\$	\$	\$
Cash flows from Operating Activities				
Government Grants		586,906	555,262	587,070
Locally Raised Funds		141,037	126,500	120,427
International Students		8,739	-	1,261
Goods and Services Tax (net)		18,172	-	(23,551)
Payments to Employees		(375,527)	(346,000)	(374,442)
Payments to Suppliers		(401,175)	(300,295)	(196,195)
Interest Received		3,136	2,500	4,236
Net cash (to)/from Operating Activities		(18,712)	37,967	118,806
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(49,516)	(15,501)	(13,852)
Purchase of Investments		-	-	(23,686)
Proceeds from Sale of Investments		27,745	-	-
Net cash (to)/from Investing Activities		(21,771)	(15,501)	(37,538)
Cash flows from Financing Activities				
Furniture and Equipment Grant		3,160	-	-
Finance Lease Payments		(15,074)	-	(15,969)
Painting Contract Payments		18,392	-	-
Loans Received/ Repayment of Loans		-	-	-
Funds Administered on Behalf of Third Parties		(116,248)	-	89,856
Net cash (to)/from Financing Activities		(109,770)	-	73,887
Net (decrease)/increase in cash and cash equivalents		(150,253)	22,466	155,155
Cash and cash equivalents at the beginning of the year	8	222,725	222,725	67,570
Cash and cash equivalents at the end of the year	8	72,472	245,191	222,725

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

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



Salford School

Notes to the Financial Statements

For the year ended 31 December 2021

1. Statement of Accounting Policies

1.1. Reporting Entity

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

1.2. Basis of Preparation

Reporting Period

The financial reports have been prepared for the period 1 January 2021 to 31 December 2021 and in accordance with the requirements of the Education and Training Act 2020.

Basis of Preparation

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

Financial Reporting Standards Applied

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

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

These financial statements are presented in New Zealand dollars, rounded to the nearest 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 long term maintenance plan which is prepared as part of its 10 Year Property Planning process. During the year, the Board assesses the reasonableness of its 10 Year Property 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 12.



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. 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.

Recognition of grants

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

1.3. Revenue Recognition

Government Grants

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

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

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

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.

1.4. Operating Lease Payments

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

1.5. Finance Lease Payments

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

1.6. Cash and Cash Equivalents

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

1.7. Accounts Receivable

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



1.8. Inventories

Inventories are consumable items held for sale and comprised 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.

1.9. Investments

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

1.10. 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.

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

The estimated useful lives of the assets are:

Building improvements to Crown Owned Assets	35 years
Furniture and equipment	5-15 years
Information and communication technology	4-10 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value



1.11. 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.

1.12. Accounts Payable

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

1.13. 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, and also 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 twelve 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.

1.14. Revenue Received in Advance

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

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

1.15. 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.

1.16. 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 the School's 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.



1.17. 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 an up to date 10 Year Property Plan (10YPP) or another appropriate source of evidence.

1.18. 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 categorised as 'financial assets measured at amortised cost' for accounting purposes in accordance with financial reporting standards.

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.

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

1.19. 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.

Borrowings include but are not limited to bank overdrafts, operating leases, finance leases, painting contracts and term loans.

1.20. Goods and Services Tax (GST)

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

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

Commitments and contingencies are disclosed exclusive of GST.

1.21. Budget Figures

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

1.22. 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

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Operational Grants	468,833	464,062	450,295
Teachers' Salaries Grants	1,426,672	1,700,000	1,314,306
Use of Land and Buildings Grants	271,692	360,000	396,011
Other MoE Grants	116,378	88,200	141,745
Other Government Grants	12,428	3,000	-
	<u>2,296,003</u>	<u>2,615,262</u>	<u>2,302,357</u>

The School has not opted in to the donations scheme for this year.

3. Locally Raised Funds

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

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Revenue			
Donations & Bequests	51,822	47,800	44,808
Fees for Extra Curricular Activities	18,522	14,000	10,128
Trading	2,794	2,200	1,914
Fundraising & Community Grants	17,533	14,000	10,767
Other Revenue	49,807	48,500	49,241
	<u>140,478</u>	<u>126,500</u>	<u>116,858</u>
Expenses			
Extra Curricular Activities Costs	25,320	28,100	17,393
Trading	3,547	2,200	2,851
Fundraising & Community Grant Costs	1,853	-	-
Other Locally Raised Funds Expenditure	2,789	3,500	3,247
	<u>33,509</u>	<u>33,800</u>	<u>23,491</u>
<i>Surplus / (Deficit) for the year Locally raised funds</i>	<u>106,969</u>	<u>92,700</u>	<u>93,367</u>

4. International Student Revenue and Expenses

	2021 Actual Number	2021 Budget (Unaudited) Number	2020 Actual Number
International Student Roll	1	1	1
Revenue			
International Student Fees	8,739	-	1,261
Expenses			
Other Expenses	-	-	1,290
	<u>-</u>	<u>-</u>	<u>1,290</u>
<i>Surplus / (Deficit) for the year International Students</i>	<u>8,739</u>	<u>-</u>	<u>(29)</u>

5. Learning Resources

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Curricular	53,804	63,680	45,436
Equipment Repairs	90	400	-
Information and Communication Technology	7,248	12,000	9,026
Library Resources	279	2,000	561
Employee Benefits - Salaries	1,725,767	1,945,000	1,593,728
Staff Development	13,573	10,500	5,444
	<u>1,800,761</u>	<u>2,033,580</u>	<u>1,654,195</u>



6. Administration

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	3,031	4,200	5,054
Board Fees	3,645	3,665	3,665
Board Expenses	8,622	11,000	10,626
Communication	5,151	5,200	5,150
Consumables	7,749	8,700	14,867
Operating Lease	5,805	18,500	-
Other	18,715	19,650	23,613
Employee Benefits - Salaries	65,046	76,000	74,036
Insurance	11,776	9,200	7,769
Service Providers, Contractors and Consultancy	2,770	3,000	2,490
	<u>132,310</u>	<u>159,115</u>	<u>147,270</u>

7. Property

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	8,759	8,300	7,580
Consultancy and Contract Services	31,892	31,200	31,314
Cyclical Maintenance Provision	14,886	-	14,886
Grounds	2,902	3,500	3,492
Heat, Light and Water	18,398	18,000	18,381
Rates	4,148	4,300	4,720
Repairs and Maintenance	57,810	12,500	9,611
Use of Land and Buildings	271,692	360,000	396,011
Security	1,937	2,000	2,342
Employee Benefits - Salaries	26,003	25,000	20,984
	<u>438,427</u>	<u>464,800</u>	<u>509,321</u>

In 2021, the Ministry of Education revised the notional rent rate from 8% to 5% to align it with the Government Capital Charge rate. This is considered to be a reasonable proxy for the market rental yield on the value of land and buildings used by schools. Accordingly in 2021, 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.

8. Cash and Cash Equivalents

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Bank Accounts	72,472	245,191	222,725
Cash and cash equivalents for Statement of Cash Flows	<u>72,472</u>	<u>245,191</u>	<u>222,725</u>

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

9. Accounts Receivable

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Receivables	9,415	9,974	9,974
Receivables from the Ministry of Education	6,158	-	-
Interest Receivable	335	1,394	1,394
Banking Staffing Underuse	4,500	-	-
Teacher Salaries Grant Receivable	112,275	87,819	87,819
	<u>132,683</u>	<u>99,187</u>	<u>99,187</u>
Receivables from Exchange Transactions	9,750	11,368	11,368
Receivables from Non-Exchange Transactions	122,933	87,819	87,819
	<u>132,683</u>	<u>99,187</u>	<u>99,187</u>

10. Inventories

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
School Uniforms	-	1,002	1,002
	<u>-</u>	<u>1,002</u>	<u>1,002</u>



11. Investments

The School's investment activities are classified as follows:

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Current Asset			
Short-term Bank Deposits	177,771	205,516	205,516
Total Investments	177,771	205,516	205,516

12. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2021						
Building Improvements	75,202	2,080	-	-	(7,213)	70,069
Furniture and Equipment	75,113	34,734	(118)	-	(10,469)	99,260
Information and Communication Technology	21,867	11,042	-	-	(10,811)	22,098
Leased Assets	24,810	30,649	(5,940)	-	(16,647)	32,872
Library Resources	15,821	1,900	(28)	-	(2,212)	15,481
Balance at 31 December 2021	212,813	80,405	(6,086)	-	(47,352)	239,780

The net carrying value of equipment held under a finance lease is \$32,872 (2020: \$24,810)

	2021 Cost or Valuation \$	2021 Accumulated Depreciation \$	2021 Net Book Value \$	2020 Cost or Valuation \$	2020 Accumulated Depreciation \$	2020 Net Book Value \$
Building Improvements	226,167	(156,098)	70,069	224,088	(148,886)	75,202
Furniture and Equipment	425,674	(326,414)	99,260	393,011	(317,898)	75,113
Information and Communication Technology	181,437	(159,339)	22,098	170,395	(148,528)	21,867
Leased Assets	59,298	(26,426)	32,872	46,648	(21,838)	24,810
Library Resources	74,736	(59,255)	15,481	72,916	(57,095)	15,821
Balance at 31 December	967,312	(727,532)	239,780	907,058	(694,245)	212,813

13. Accounts Payable

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Creditors	18,496	85,302	85,302
Accruals	4,500	3,585	3,585
Employee Entitlements - Salaries	133,153	88,900	88,900
Employee Entitlements - Leave Accrual	1,297	1,977	1,977
	157,446	179,764	179,764
Payables for Exchange Transactions	157,446	179,764	179,764
	157,446	179,764	179,764

The carrying value of payables approximates their fair value.

14. Provision for Cyclical Maintenance

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Provision at the Start of the Year	53,901	53,901	51,482
Increase/ (decrease) to the Provision During the Year	14,886	-	14,886
Adjustment to the Provision	-	-	(12,467)
Use of the Provision During the Year	(33,350)	(15,000)	-
Provision at the End of the Year	35,437	38,901	53,901
Cyclical Maintenance - Current	2,520	30,816	27,792
Cyclical Maintenance - Term	32,917	8,085	26,109
	35,437	38,901	53,901



15. Painting Contract Liability

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Due within one year	14,958	-	-
Due after one year	3,434	-	-
	<u>18,392</u>	<u>-</u>	<u>-</u>

In 2021 the Board signed an agreement with Programme Maintenance Services Ltd (the contractor) for an agreed programme of work covering an six year period. The programme provides for an interior and exterior repaint of the Ministry owned buildings in 2021, with regular maintenance in subsequent years. The liability is the best estimate of the actual amount of work performed by the contractor for which the contractor has not been paid at balance sheet date. The liability has not been adjusted for inflation and the effect of the time value of money.

16. Finance Lease Liability

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

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
No Later than One Year	17,775	14,499	14,499
Later than One Year and no Later than Five Years	19,759	12,845	12,845
Later than Five Years	-	-	-
Future Finance Charges	(4,166)	(1,269)	(1,269)
	<u>33,368</u>	<u>26,075</u>	<u>26,075</u>
Represented by:			
Finance lease liability - Current	15,795	13,538	13,538
Finance lease liability - Term	17,573	12,537	12,537
	<u>33,368</u>	<u>26,075</u>	<u>26,075</u>

17. Funds Held in Trust

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Funds Held in Trust on Behalf of Third Parties - Current	182	-	-
	<u>182</u>	<u>-</u>	<u>-</u>

These funds relate to arrangements where the school is acting as an agent. These amounts are not revenue or expenditure of the school and therefore are not included in the Statement of Comprehensive Revenue and Expense.

18. 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:

2021	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions \$	Closing Balances \$
MLE Upgrade	(35,210)	365,000	(358,455)	-	(28,665)
SIP A,C Classroom Upgrade	(35,760)	40,574	(4,814)	-	-
Learning Support Fencing	158,735	4,592	(163,327)	-	-
Totals	<u>87,765</u>	<u>410,166</u>	<u>(526,596)</u>	<u>-</u>	<u>(28,665)</u>

Represented by:

Funds Due from the Ministry of Education	<u>(28,665)</u>
	<u>(28,665)</u>

2020	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions \$	Closing Balances \$
MLE Upgrade	(2,091)	45,640	(78,759)	-	(35,210)
SIP A,C Classroom Upgrade	-	150,000	(185,760)	-	(35,760)
Learning Support Fencing	-	175,000	(16,265)	-	158,735
Totals	<u>(2,091)</u>	<u>370,640</u>	<u>(280,784)</u>	<u>-</u>	<u>87,765</u>



19. 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.

20. Remuneration

Key management personnel compensation

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

	2021 Actual \$	2020 Actual \$
<i>Board Members</i>		
Remuneration	3,645	3,665
<i>Leadership Team</i>		
Remuneration	533,479	424,695
Full-time equivalent members	5.00	4.00
Total key management personnel remuneration	537,124	428,360

There are seven members of the Board excluding the Principal. The Board had held nine full meetings of the Board in the year. The Board also has Finance and Property members that meet monthly and quarterly respectively. As well as these regular meetings, including preparation time, the Chair 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:

	2021 Actual \$000	2020 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	130-140	140-150
Benefits and Other Emoluments	4-5	4-5
Termination Benefits	0-0	0-0

Other Employees

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

Remuneration \$000	2021 FTE Number	2020 FTE Number
100-110	1.00	-
	1.00	-

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

21. 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:

	2021 Actual \$	2020 Actual \$
Total	-	-
Number of People	-	-



22. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2021 (Contingent liabilities and assets at 31 December 2020: nil).

Holidays Act Compliance – schools payroll

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

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

To the extent that any obligation cannot reasonably be quantified at 31 December 2021, a contingent liability for the school may exist.

23. Commitments

(a) Capital Commitments

As at 31 December 2021 the Board has entered into the following contract agreements for capital works.

(a) \$456,402 contract for Infrastructure Upgrade & Block B ILE Remodel to be completed in 2022, which will be fully funded by the Ministry of Education. \$365,000 has been received of which \$358,455 has been spent on the project to date.

(Capital commitments in relation to Ministry projects at 31 December 2020: \$87,765)

(b) Operating Commitments

As at 31 December 2021 the Board has entered into the following contracts.

(a) operating service portion of a photocopier agreement.

	2021 Actual \$	2020 Actual \$
No later than One Year	5,368	-
Later than One Year and No Later than Five Years	18,787	-
	<u>24,155</u>	<u>-</u>

24. 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

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Cash and Cash Equivalents	72,472	245,191	222,725
Receivables	132,683	99,187	99,187
Investments - Term Deposits	177,771	205,516	205,516
Total Financial assets measured at amortised cost	<u>382,926</u>	<u>549,894</u>	<u>527,428</u>

Financial liabilities measured at amortised cost

Payables	157,446	179,764	179,764
Finance Leases	33,368	26,075	26,075
Painting Contract Liability	18,392	-	-
Total Financial liabilities measured at amortised Cost	<u>209,206</u>	<u>205,839</u>	<u>205,839</u>

25. Events After Balance Date

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

26. Comparatives

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



27. COVID 19 Pandemic on going implications

Impact of Covid-19

During 2021 the country moved between alert levels. During February and March 2021 Auckland was placed into alert levels 3 and 2 and other parts of the country moved into alert level 2.

Towards the end of June 2021, the Wellington region was placed into alert level 2 for one week.

Towards the end of August 2021, the entire country moved to alert level 4, with a move to alert level 3 and 2 for everyone outside the Auckland region three weeks later. While Auckland has remained in alert level 3 for a prolonged period of time the Northland and Waikato regions have also returned to alert level 3 restrictions during this period.

Impact on operations

Schools have been required to continue adapting to remote and online learning practices when physical attendance is unable to occur in alert level 4 and 3. Schools continue to receive funding from the Te Tāhuhu o te Mātauranga | Ministry to Education, even while closed.

However, the ongoing interruptions resulting from the moves in alert levels have impacted schools in various ways which potentially will negatively affect the operations and services of the school. We describe below the possible effects on the school that we have identified, resulting from the ongoing impacts of the COVID-19 alert level changes.

Reduction in locally raised funds

Under alert levels 4,3, and 2 the school's ability to undertake fund raising events in the community and/ or collect donations or other contributions from parents, may have been compromised. Costs already incurred arranging future events may not be recoverable.

Increased Remote learning additional costs

Under alert levels 4 and 3 ensuring that students have the ability to undertake remote or distance learning often incurs additional costs in the supply of materials and devices to students to enable alternative methods of curriculum delivery.

Reduction in International students

Under alert levels 4, 3, 2, and 1 International travel is heavily restricted. The school has been unable to welcome and enrol prospective international students which has resulted in a reduction in revenue from student fees & charges from International students and/or Board of Trustee operated boarding facilities.



Analysis of Variance Reporting



School Name:	Salford School	School Number:	4014
Strategic Aim:	Within a safe and secure learning environment we will encourage the development and achievement of each individual student, giving priority to literacy and numeracy.		
Annual Aim:	For all children to be 'at' or 'above' the expected standard in writing.		
Target:	To have the identified boys at risk in Years 3, 4, 5 and 6 and Māori students also at risk move a sub level towards the expected level.		
Baseline Data:	<p>2020 End of year data indicates:</p> <p>54 children (Years 1 - 5) 22% are not achieving at the expected standard. 40 children (16%) are <i>working towards</i> the standard and 14 (6%) are <i>requiring support</i>.</p> <p>20 boys (16%) are <i>working towards</i> the standard. 12 boys are <i>requiring support</i> (10%)</p> <p>6 Māori students (19%) are <i>working towards</i> the standard. 3 Māori students (10%) are <i>requiring support</i></p>		

Actions <i>What did we do?</i>	Outcomes <i>What happened?</i>	Reasons for the variance <i>Why did it happen?</i>	Evaluation <i>Where to next?</i>																								
<p>Learning Hub 36 children attended throughout the year focusing on writing only.</p> <p>Phonics Programme Year 3 - 6, Terms 2 and 4. (12 week programme)</p> <p>Writing Support (ESOL) - specific work targeting high frequency words and letter sounds for juniors with more complex sounding and sentence structures for older students. Experience based writing and integration of ICT to support writing development.</p> <p>ICT Integration - classes using Google apps as part of their writing and online motivations and starters for inspiring ideas and writing</p> <p>Student Voice - surveyed students to find their thinking about writing</p> <p>Teacher Professional Development - Structured literacy course (Junior syndicate Teachers) Online writing focussed webinar series (3 teachers across the school)</p>	<p><u>Mid year OTJ results:</u></p> <table border="1"> <thead> <tr> <th></th> <th>Below</th> <th>Well Below</th> </tr> </thead> <tbody> <tr> <td>Overall</td> <td>48 (17%)</td> <td>9 (1%)</td> </tr> <tr> <td>Maori</td> <td>11 (33%)</td> <td>3 (9%)</td> </tr> <tr> <td>Boys</td> <td>31(22%)</td> <td>7 (5%)</td> </tr> </tbody> </table> <p><u>End of Year OTJ results:</u></p> <table border="1"> <thead> <tr> <th></th> <th>Below</th> <th>Well Below</th> </tr> </thead> <tbody> <tr> <td>Overall</td> <td>62 (21%)</td> <td>13 (4%)</td> </tr> <tr> <td>Maori</td> <td>16 (41%)</td> <td>2 (5%)</td> </tr> <tr> <td>Boys</td> <td>36 (24%)</td> <td>9 (6%)</td> </tr> </tbody> </table> <p><u>Phonographics Programme</u> 7 children were involved in this programme. 2 parents came to observe so that they could follow up at home. Growth: Word identification: 2 months to 16 months Word attack: 1month to 5 years 4 months Code knowledge: 8% - 46%</p> <p><u>Learning Hub:</u> Term 1 and 2: 6/7 children finished their sessions working 'at' their expected level. Term 3 and 4: All children improved in their writing, moving sublevels however the shifts were not accelerated enough to have them at the expected level. Attitude shifts towards writing were seen with several of the children.</p> <p><u>Senior Student Survey</u> Children see their teacher as their audience with friends following next. Parents seldom see (or respond) to their writing even when it is shared through digital communication</p>		Below	Well Below	Overall	48 (17%)	9 (1%)	Maori	11 (33%)	3 (9%)	Boys	31(22%)	7 (5%)		Below	Well Below	Overall	62 (21%)	13 (4%)	Maori	16 (41%)	2 (5%)	Boys	36 (24%)	9 (6%)	<p>All 'At Risk' writers received support throughout the year either through the Learning Hub, ESOL, Teacher Aide support, RTLit services, Reading Recovery, Early Words or the Phonographics Programme.</p> <p>Distance learning packs (and school provided devices) for lockdown times were supportive for those students who had parents who were engaged with the learning activities. These children made more progress throughout the year.</p> <p>Utilising digital technology during lockdowns and alert levels to continue Reading Recovery and learning support for students with targeted needs assisted with maintaining the learning levels of some students.1:1 Zoom sessions were great for this extra support for the students.</p> <p>Writing requires consistent, regular, continued, focussed and deliberate teaching. With alert level changes, lockdowns and grouping guidelines these requirements were difficult to meet.</p> <p>Poor attendance in general was also a factor along with the lack of parent engagement at home for students practicing and discussing skills and learning.</p>	<p>Continue to explore ICT integration and use for supporting and lifting writing engagement for students. Particularly for those who find handwriting and spelling challenging.</p> <p>Reviewing and maintaining school wide tracking of 'at risk' students and monitoring strategies, programmes and the effects they are having on these students, the level of success and appropriateness of programmes.</p> <p>Cross syndicate moderation of writing assessments and the expected band levels for students to support teaching and learning progress from New Entrant to Year 6. Expectations for each level, best practice and what 'good' looks like.</p> <p>Reviewing best practice in the school, strategies and techniques for teaching writing and supporting neurodiverse learners.</p> <p>Review and reflect on assessment and reporting tools in the school – which are most effective for the information we require to direct teaching and learning and are also fair to the students in giving them the opportunity to show what they are capable of.</p>
	Below	Well Below																									
Overall	48 (17%)	9 (1%)																									
Maori	11 (33%)	3 (9%)																									
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Tātaritanga raraunga

Children enjoy using computers to write with only 5 / 97 children stating they don't enjoy it. Surface features, handwriting and coming up with ideas were three of the main reasons children didn't like writing.

Moderation of writing within teams has been a strong focus with expectations and understanding clear.

Review of achievement bands on the SMS and expectations for overall achievement is still in progress.

Planning for next year:

Review writing assessment purposes. What assessment tools are we using, what are we using them for, what information are they giving us, is this information helpful?

Gather wider student voice about writing.

Explore writing strategies, techniques and approaches across the school to share between staff. What practices can support the range of learners and learning needs that we have?

Across school moderation for clear understanding of writing development in children through their primary years and for more accurate, consistent assessing.

SALFORD SCHOOL

KIWISPORT – 2021

All Students at Salford School participated in organised sport during 2021 in a variety of forms i.e. Schools ILT Swimming Programme, Primary Schools Athletics, Primary Schools Cross Country, Interschool Tri-Nations sport, Hockey programme, Cricket programme, Jump Jam, Gym fest, classroom programmes, and visiting coaches.

Participation was impacted with COVID 19 and this did affect not only school attendance, but also student participation in sport.

Sporting codes also offered limited sporting opportunities to the older students owing to the COVID precautions that were in place.

Sports students have entered during 2021:

- Athletics
- Futsal
- Cricket
- Touch
- Swimming
- Netball – Year 5/6 – 7 aside
- Netball – Future Ferns Programme – 6 aside
- Miniball
- Golf
- Hockey
- Inter-schools Tri-Schools Tournament

In 2021 the school received Kiwi sport funding of **\$ 4,168.33**

The funding was spent on:

Sports activities representing school	213.00
Transport to Athletics venues and marking for field for Athletics events	835.00
PE Consumables and Programmes	7,300.00
Replacement sports equipment for classroom/student use	1565.00
Total expenditure	9,914.00

**INDEPENDENT AUDITOR'S REPORT
TO THE READERS OF SALFORD SCHOOL'S**

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

The Auditor-General is the auditor of Salford School (the School). The Auditor-General has appointed me, Anna Campbell, using the staff and resources of Crowe, to carry out the audit of the financial statements of the School on his behalf.

Opinion

We have audited the financial statements of the School on pages 3 to 18, that comprise the Statement of Financial Position as at 31 December 2021, the Statement of Comprehensive Revenue and Expense, Statement of Changes in Net Assets/Equity and Cash Flow Statement 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 2021; 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 22 August 2022. This is the date at which our opinion is expressed.

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

Basis for our opinion

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

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

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

Responsibilities of the Board for the financial statements

The Board is responsible on behalf of the School for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand.

The Board is responsible for such internal control as it determines is necessary to enable it to prepare financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Responsibilities of the auditor for the audit of the financial statements

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

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

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

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

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

- We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the School to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We assess the risk of material misstatement arising from the school payroll system, which may still contain errors. As a result, we carried out procedures to minimise the risk of material errors arising from the system that, in our judgement, would likely influence readers' overall understanding of the financial statements.

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

Our responsibilities arises from the Public Audit Act 2001.

Other information

The Board is responsible for the other information. The other information comprises the information included on pages 19 to 22, but does not include the financial statements, and our auditor’s report thereon.

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

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

Independence

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

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



Anna Campbell
Crowe New Zealand Audit Partnership
On behalf of the Auditor-General
Invercargill, New Zealand