



ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

School Directory

Ministry Number:	527
Principal:	Kate Staniford
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TWIZEL AREA SCHOOL

Annual Report - For the year ended 31 December 2020

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Twizel Area School

Statement of Responsibility

For the year ended 31 December 2020

The Commissioner 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 Commissioner) 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 Commissioner and management that the annual financial statements for the financial year ended 31 December 2020 fairly reflect the financial position and operations of the School.

The School's 2020 financial statements are authorised for issue by the Board.

ROBERTA JOY PATTERSON

Full Name of Commissioner

BOARD CHAIR

RJ Patterson

Signature of Commissioner

BOARD CHAIR

09/08/2021

Date:

KATE STANFORD

Full Name of Principal

Kate Stanford

Signature of Principal

09/08/2021

Date:

Twizel Area School

Members of the Board of Trustees

For the year ended 31 December 2020

Name	Position	How Position Gained	Held Until
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On 16th December 2019 a Limited Statutory Manager, Madeleine Hawkesby was appointed to functions, powers and duties of the board, as an employer, to manage communications and to establish policies and procedures. She was appointed as commissioner 26 March 2020 with the Board being disbanded on that date.

Neil Potter	Acting Principal	ex Officio	Dec 2020
Bill Feasey	Principal	ex Officio	Aug 2020
Kate Staniford	Principal	ex Officio	
Paul Lloyd	Parent Rep	Elected Member	Mar 2020
Jason Swain	Parent Rep	Elected Member	Mar 2020
Matt Hurst	Parent Rep	Elected Member	Mar 2020
Trish Alty	Parent Rep	Elected Member	Mar 2020
Nicola Graham	Parent Rep	Elected Member	Mar 2020
Anneke Smit	Staff Rep	Elected	Mar 2020
Tom Grant	Student Rep	Elected	Mar 2020
Debra Hunter	Parent Rep	Elected Member	Mar 2020

Twizel Area School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2020

		2020	2020	2019
	Notes	Actual	Budget (Unaudited)	Actual
		\$	\$	\$
Revenue				
Government Grants	2	3,597,495	2,524,848	3,274,931
Locally Raised Funds	3	192,302	155,770	328,961
Interest Income		3,533	5,000	4,958
		<u>3,793,330</u>	<u>2,685,618</u>	<u>3,608,850</u>
Expenses				
Locally Raised Funds	3	76,090	58,030	110,796
Learning Resources	4	2,524,220	1,722,852	2,240,334
Administration	5	226,051	169,063	167,971
Finance		4,387	-	1,236
Property	6	753,884	535,490	720,086
Depreciation	7	138,647	102,490	137,381
Loss on Disposal of Property, Plant and Equipment		1,271	-	944
Transport		177,216	177,216	191,984
		<u>3,901,766</u>	<u>2,765,141</u>	<u>3,570,732</u>
Net (Deficit) / Surplus for the year		(108,436)	(79,523)	38,118
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>(108,436)</u>	<u>(79,523)</u>	<u>38,118</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.



Twizel Area School

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2020

	Notes	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Balance at 1 January		<u>1,183,305</u>	<u>1,183,305</u>	<u>1,127,897</u>
Total comprehensive revenue and expense for the year		(108,436)	(79,523)	38,118
Capital Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		-	-	17,290
Equity at 31 December	23	<u>1,074,869</u>	<u>1,103,782</u>	<u>1,183,305</u>
Retained Earnings		1,074,869	1,103,782	1,183,305
Equity at 31 December		<u>1,074,869</u>	<u>1,103,782</u>	<u>1,183,305</u>

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.



Twizel Area School
Statement of Financial Position
As at 31 December 2020

	Notes	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Current Assets				
Cash and Cash Equivalents	8	405,445	431,414	408,447
Accounts Receivable	9	142,445	129,748	129,748
GST Receivable		18,188	22,449	22,449
Prepayments		12,011	5,186	5,186
Inventories	10	2,010	25,460	25,460
Investments	11	146,166	142,637	142,637
		<u>726,265</u>	<u>756,894</u>	<u>733,927</u>
Current Liabilities				
Accounts Payable	13	259,442	199,691	199,691
Revenue Received in Advance	14	14,295	13,616	13,616
Provision for Cyclical Maintenance	15	106,342	106,342	106,342
Finance Lease Liability - Current Portion	16	16,012	6,859	6,859
		<u>396,091</u>	<u>326,508</u>	<u>326,508</u>
Working Capital Surplus/(Deficit)		330,174	430,386	407,419
Non-current Assets				
Property, Plant and Equipment	12	905,578	777,231	879,721
		<u>905,578</u>	<u>777,231</u>	<u>879,721</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	15	119,605	96,094	96,094
Finance Lease Liability	16	41,278	7,741	7,741
		<u>160,883</u>	<u>103,835</u>	<u>103,835</u>
Net Assets		<u>1,074,869</u>	<u>1,103,782</u>	<u>1,183,305</u>
Equity	23	<u>1,074,869</u>	<u>1,103,782</u>	<u>1,183,305</u>

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



Twizel Area School
Statement of Cash Flows
For the year ended 31 December 2020

		2020	2020	2019
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
Cash flows from Operating Activities				
Government Grants		1,018,725	943,048	950,716
Locally Raised Funds		192,791	155,770	325,427
Goods and Services Tax (net)		4,261	-	(1,474)
Payments to Employees		(500,613)	(394,122)	(352,240)
Payments to Suppliers		(596,725)	(686,729)	(663,119)
Cyclical Maintenance payments in the Year		-	-	(19,181)
Interest Received		3,856	5,000	5,004
Net cash from/(to) Operating Activities		122,295	22,967	245,133
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(108,850)	-	(77,432)
Purchase of Investments		(3,529)	-	(4,461)
Net cash from/(to) Investing Activities		(112,379)	-	(81,893)
Cash flows from Financing Activities				
Furniture and Equipment Grant		-	-	17,290
Finance Lease Payments		(12,918)	-	(15,273)
Funds held for Capital Works Projects		-	-	(69,836)
Net cash from/(to) Financing Activities		(12,918)	-	(67,819)
Net increase/(decrease) in cash and cash equivalents		(3,002)	22,967	95,421
Cash and cash equivalents at the beginning of the year	8	408,447	408,447	313,026
Cash and cash equivalents at the end of the year	8	405,445	431,414	408,447

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..



Twizel Area School

Notes to the Financial Statements

For the year ended 31 December 2020

1. Statement of Accounting Policies

1.1. Reporting Entity

Twizel Area 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 of Trustees (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 2020 to 31 December 2020 and in accordance with the requirements of the Public Finance Act 1989.

Basis of Preparation

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

Financial Reporting Standards Applied

The Education 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.

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.

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 15.



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 carryforward amounts unspent. The School believes all grants received have been appropriately recognised as a liability if required. Government grants are disclosed at note 2.

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.

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

Other Grants

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

Donations, Gifts and Bequests

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

Interest Revenue

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

1.4. Use of Land and Buildings Expense

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

1.5. 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.

1.6. 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.

1.7. 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.



1.8. 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.

1.9. Inventories

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

1.10. 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.

1.11. 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	10–75 years
Furniture and equipment	5–15 years
Information and communication technology	4–5 years
Motor vehicles	5 years
Textbooks	5–10 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	10% Diminishing value



1.12. 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.

1.13. 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.

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

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

1.15. 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.

1.16. Provision for Cyclical Maintenance

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

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

1.17. 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, 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.



1.18. 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.

1.19. 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.

1.20. Budget Figures

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

1.21. 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

	2020	2020 Budget	2019
	Actual	(Unaudited)	Actual
	\$	\$	\$
Operational Grants	688,116	599,474	598,399
Teachers' Salaries Grants	2,056,962	1,320,000	1,884,081
Use of Land and Buildings Grants	501,373	261,800	463,128
Other MoE Grants	140,596	128,531	117,682
Transport grants	210,448	215,043	211,641
	<u>3,597,495</u>	<u>2,524,848</u>	<u>3,274,931</u>

Other MOE Grants total includes additional COVID-19 funding totalling \$12,808 for the year ended 31 December 2020.

3. Locally Raised Funds

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

	2020	2020 Budget	2019
	Actual	(Unaudited)	Actual
	\$	\$	\$
Revenue			
Donations	18,055	19,150	32,045
Fundraising	59,330	-	104,200
Bequests & Grants	5,064	2,000	2,532
Other Revenue	71,417	72,070	142,845
Transport Revenue	6,199	22,000	1,088
Trading	10,611	11,800	13,193
Activities	21,626	28,750	33,058
	<u>192,302</u>	<u>155,770</u>	<u>328,961</u>
Expenses			
Activities	21,996	32,630	38,432
Trading	11,292	11,500	14,352
Fundraising (Costs of Raising Funds)	32,641	-	43,125
Transport (Local)	10,161	13,900	14,887
	<u>76,090</u>	<u>58,030</u>	<u>110,796</u>
<i>Surplus for the year Locally raised funds</i>	<u>116,212</u>	<u>97,740</u>	<u>218,165</u>

4. Learning Resources

	2020	2020 Budget	2019
	Actual	(Unaudited)	Actual
	\$	\$	\$
Curricular	113,870	148,930	112,036
Equipment Repairs	533	300	392
Information and Communication Technology	23,152	25,000	33,203
Library Resources	3,997	7,500	6,532
Employee Benefits - Salaries	2,376,219	1,506,322	2,065,538
Staff Development	6,449	34,800	22,633
	<u>2,524,220</u>	<u>1,722,852</u>	<u>2,240,334</u>

5. Administration

	2020	2020 Budget	2019
	Actual	(Unaudited)	Actual
	\$	\$	\$
Audit Fee	4,765	4,627	4,627
Board of Trustees Fees	2,510	5,000	2,150
Board of Trustees Expenses	1,306	9,700	8,698
Intervention Costs & Expenses	67,757	1,500	-
Communication	7,029	7,010	7,083
Consumables	24,632	21,410	30,839
Legal Fees	3,360	-	3,083
Other	14,358	14,521	11,172
Employee Benefits - Salaries	82,700	82,650	80,300
Insurance	13,439	18,900	14,509
Service Providers, Contractors and Consultancy	4,195	3,745	5,510
	<u>226,051</u>	<u>169,063</u>	<u>167,971</u>



6. Property

	2020	2020 Budget (Unaudited)	2019
	Actual \$	\$	Actual \$
Caretaking and Cleaning Consumables	15,588	10,200	7,258
Cyclical Maintenance Provision	23,511	15,000	23,511
Grounds	20,174	18,700	17,922
Heat, Light and Water	48,039	76,000	67,020
Rates	1,839	1,860	1,809
Repairs and Maintenance	22,096	24,780	37,678
Use of Land and Buildings	501,373	261,800	463,128
Security	3,091	2,000	2,505
Employee Benefits - Salaries	118,173	125,150	99,255
	<u>753,884</u>	<u>535,490</u>	<u>720,086</u>

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

7. Depreciation of Property, Plant and Equipment

	2020	2020 Budget (Unaudited)	2019
	Actual \$	\$	Actual \$
Building Improvements	15,065	10,000	15,065
Furniture and Equipment	32,436	18,000	27,597
Information and Communication Technology	38,833	29,000	40,758
Motor Vehicles	22,416	20,000	22,416
Textbooks	540	490	540
Leased Assets	16,230	14,000	17,689
Library Resources	13,127	11,000	13,316
	<u>138,647</u>	<u>102,490</u>	<u>137,381</u>

8. Cash and Cash Equivalents

	2020	2020 Budget (Unaudited)	2019
	Actual \$	\$	Actual \$
Cash on Hand	140	-	140
Bank Current Account	382,520	431,414	385,818
Bank Call Account	22,785	-	22,489
Cash and cash equivalents for Statement of Cash Flows	<u>405,445</u>	<u>431,414</u>	<u>408,447</u>

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

9. Accounts Receivable

	2020	2020 Budget (Unaudited)	2019
	Actual \$	\$	Actual \$
Receivables	190	-	-
Interest Receivable	201	524	524
Teacher Salaries Grant Receivable	142,054	129,224	129,224
	<u>142,445</u>	<u>129,748</u>	<u>129,748</u>
Receivables from Exchange Transactions	391	524	524
Receivables from Non-Exchange Transactions	142,054	129,224	129,224
	<u>142,445</u>	<u>129,748</u>	<u>129,748</u>

10. Inventories

	2020	2020 Budget (Unaudited)	2019
	Actual \$	\$	Actual \$
Stationery	2,010	2,000	2,000
Other	-	23,460	23,460
	<u>2,010</u>	<u>25,460</u>	<u>25,460</u>

11. Investments

The School's investment activities are classified as follows:

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Current Asset			
Short-term Bank Deposits	146,166	142,637	142,637
Total Investments	146,166	142,637	142,637

12. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2020	\$	\$	\$	\$	\$	\$
Land	91,630	-	-	-	-	91,630
Building Improvements	398,863	-	-	-	(15,065)	383,798
Furniture and Equipment	102,721	49,189	-	-	(32,436)	119,474
Information and Communication Technology	93,575	26,373	-	-	(38,833)	81,115
Motor Vehicles	55,865	-	-	-	(22,416)	33,449
Textbooks	1,830	-	-	-	(540)	1,290
Leased Assets	15,396	56,925	-	-	(16,230)	56,091
Library Resources	119,841	12,705	(1,271)	-	(13,127)	118,148
Work in Progress	-	20,583	-	-	-	20,583
Balance at 31 December 2020	879,721	165,775	(1,271)	-	(138,647)	905,578

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2020	\$	\$	\$
Land	91,630	-	91,630
Building Improvements	607,534	(223,736)	383,798
Furniture and Equipment	698,514	(579,040)	119,474
Information and Communication Technology	486,573	(405,458)	81,115
Motor Vehicles	231,107	(197,658)	33,449
Textbooks	17,037	(15,747)	1,290
Leased Assets	77,034	(20,943)	56,091
Library Resources	400,557	(282,409)	118,148
Work in Progress	20,583	-	20,583
Balance at 31 December 2020	2,630,569	(1,724,991)	905,578

The net carrying value of equipment held under a finance lease is \$56,091 (2019: \$15,396)

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2019	\$	\$	\$	\$	\$	\$
Land	91,630	-	-	-	-	91,630
Building Improvements	413,928	-	-	-	(15,065)	398,863
Furniture and Equipment	99,132	31,186	-	-	(27,597)	102,721
Information and Communication Technology	105,636	28,697	-	-	(40,758)	93,575
Motor Vehicles	78,281	-	-	-	(22,416)	55,865
Textbooks	2,370	-	-	-	(540)	1,830
Leased Assets	20,310	12,775	-	-	(17,689)	15,396
Library Resources	116,552	17,549	(944)	-	(13,316)	119,841
Balance at 31 December 2019	927,839	90,207	(944)	-	(137,381)	879,721

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2019	\$	\$	\$
Land	91,630	-	91,630
Building Improvements	607,534	(208,671)	398,863
Furniture and Equipment	649,325	(546,604)	102,721
Information and Communication Technology	460,200	(366,625)	93,575
Motor Vehicles	231,107	(175,242)	55,865
Textbooks	17,037	(15,207)	1,830
Leased Assets	74,408	(59,012)	15,396
Library Resources	392,009	(272,168)	119,841
Balance at 31 December 2019	2,523,250	(1,643,529)	879,721



13. Accounts Payable

	2020	2020 Budget (Unaudited)	2019
	Actual		Actual
	\$	\$	\$
Operating creditors	53,826	33,382	33,382
Accruals	12,280	5,320	5,320
Employee Entitlements - salaries	165,098	132,265	132,265
Employee Entitlements - leave accrual	28,238	28,724	28,724
	<u>259,442</u>	<u>199,691</u>	<u>199,691</u>
Payables for Exchange Transactions	259,442	199,691	199,691
	<u>259,442</u>	<u>199,691</u>	<u>199,691</u>

The carrying value of payables approximates their fair value.

14. Revenue Received in Advance

	2020	2020 Budget (Unaudited)	2019
	Actual		Actual
	\$	\$	\$
Other	14,295	13,616	13,616
	<u>14,295</u>	<u>13,616</u>	<u>13,616</u>

15. Provision for Cyclical Maintenance

	2020	2020 Budget (Unaudited)	2019
	Actual		Actual
	\$	\$	\$
Provision at the Start of the Year	202,436	202,436	198,106
Increase/ (decrease) to the Provision During the Year	23,511	-	23,511
Use of the Provision During the Year	-	-	(19,181)
Provision at the End of the Year	<u>225,947</u>	<u>202,436</u>	<u>202,436</u>
Cyclical Maintenance - Current	106,342	106,342	106,342
Cyclical Maintenance - Term	119,605	96,094	96,094
	<u>225,947</u>	<u>202,436</u>	<u>202,436</u>

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:

	2020	2020 Budget (Unaudited)	2019
	Actual		Actual
	\$	\$	\$
No Later than One Year	20,137	7,999	7,999
Later than One Year and no Later than Five Years	46,722	8,348	8,348
	<u>66,859</u>	<u>16,347</u>	<u>16,347</u>

17. Funds Held for Capital Works

During the year the School received and applied funding from the Ministry of Education for the following capital works projects:

	2020	Opening Balances	Receipts from MoE	Payments	BOT Contributions	Closing Balances
		\$	\$	\$	\$	\$
Heatpumps	Completed	-	16,165	(16,165)	-	-
Totals		<u>-</u>	<u>16,165</u>	<u>(16,165)</u>	<u>-</u>	<u>-</u>
	2019	Opening Balances	Receipts from MoE	Payments	BOT Contributions	Closing Balances
		\$	\$	\$	\$	\$
Doors Replacement	Completed	3,647	-	(3,647)	-	-
Acoustics	Completed	66,189	-	(66,189)	-	-
Totals		<u>69,836</u>	<u>-</u>	<u>(69,836)</u>	<u>-</u>	<u>-</u>



18. 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.

19. Remuneration

Key management personnel compensation

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

	2020 Actual \$	2019 Actual \$
<i>Board Members</i>		
Remuneration	2,510	2,150
Full-time equivalent members	0.04	0.36
<i>Leadership Team</i>		
Remuneration	496,707	392,593
Full-time equivalent members	3.00	3.00
Total key management personnel remuneration	499,217	394,743
Total full-time equivalent personnel	3.04	3.36

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

Principal 1

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

	2020 Actual \$000	2019 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	170 - 180	160 - 170
Benefits and Other Emoluments	10 - 15	15 - 20
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	2020 FTE Number	2019 FTE Number
100 - 110	7.00	1.00
110 - 120	1.00	1.00
	8.00	2.00

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

20. 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:

	2020 Actual	2019 Actual
Total	\$ 24,025	\$ -
Number of People	1	-

21. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2020 (Contingent liabilities and assets at 31 December 2019: nil).

Holidays Act Compliance – Schools payroll

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

The Ministry's review of the schools sector payroll to ensure compliance with the Holidays Act 2003 is ongoing. The current phase of this review is to design potential solutions for any compliance breaches discovered in the initial phase of the Programme. 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 2020, a contingent liability for the school may exist.

22. Commitments

(a) Capital Commitments

As at 31 December 2020 the Board has not entered into any contract agreements for capital works.

(Capital commitments at 31 December 2019: nil)

(b) Operating Commitments

As at 31 December 2020 the Board has not entered into any operating contracts.

(Operating commitments at 31 December 2019: nil)

23. Managing Capital

The School's capital is its equity and comprises capital contributions from the Ministry of Education for property, plant and equipment and accumulated surpluses and deficits. The School does not actively manage capital but attempts to ensure that income exceeds spending in most years. Although deficits can arise as planned in particular years, they are offset by planned surpluses in previous years or ensuing years.

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

	2020 Actual	2020 Budget (Unaudited)	2019 Actual
	\$	\$	\$
Cash and Cash Equivalents	405,445	431,414	408,447
Receivables	142,445	129,748	129,748
Investments - Term Deposits	146,166	142,637	142,637
Total Financial assets measured at amortised cost	694,056	703,799	680,832

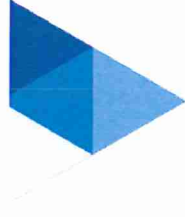
Financial liabilities measured at amortised cost

	2020	2020	2019
	259,442	199,691	199,691
Payables	57,290	14,600	14,600
Finance Leases	316,732	214,291	214,291
Total Financial liabilities measured at amortised Cost			

25. Events After Balance Date

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

Analysis of Variance Reporting



School Name:	Twizel Area School	School Number: 527
Strategic Aim:	Through providing clear expectations of learning and achievement for all students from Year 1 to 13.	
Annual Aim:	To establish and support personalised and aspirational learning programmes for every NCEA student. A group of priority NCEA learners will be identified. This group would include Maori and Pasifika students at risk of not achieving NCEA or capable of merit and or excellence.	
Target:	To maintain the overall achievement rate for NCEA, (Level 1 – 3), and improve the merit percentage for Level 2 NCEA results in 2020.	
Baseline Data:	We have 39 NCEA candidates in 2020. 2019 results had: L1 95% Achieve (47% Merit), L2 100% Achieve (27% Merit), L3 89% Achieve, UE 100%.	

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>Students make a careful choice between an academic study and or vocational pathways. The timetable is created to ensure that all students receive their required courses.</p> <p>NCEA Teachers identify priority learners and targeted students likely to achieve either merit or excellence passes in their chosen subjects.</p> <p>All NCEA students take part in an orientation course on how to achieve, well-being (Korahitanga) and how to handle stress.</p> <p>Students setting their own individual goals for achievement.</p> <p>Goals shared with mentors, parents and whanau.</p> <p>Interim and formal (3x per year) mentoring conferences. Three mentor reports and one end of year subject report.</p> <p>Monitoring of courses with deliberate acts of teaching.</p> <p>Setting and achieving milestones both short and long-term. Celebrating individual achievements.</p> <p>Revisiting both students' goals.</p> <p>Summative and formative assessments. Results shared with students.</p>	<p>The timetable was arranged to maximise the contact with on-line providers and minimal disruption with 'face-to-face' classes.</p> <p>Students considered 'at risk' of not achieving were identified early in term one. Mentors and class teachers negotiated coursework to complement and challenge individual student's abilities.</p> <p>Students with potential for merit or excellence endorsement were identified and monitored as the year progressed.</p> <p>Orientation programme at the beginning of the school year was supported by well-being scheduled into the weekly timetable.</p> <p>Direct contact with Maori students targeting success and engagement in all year groups, spearheaded by an individual teacher. Meetings held on the West Coast in Hokitika as well as on the East Coast at Karitane, to support Maori leadership and achievement.</p> <p>Covid 19 lockdown had a serious effect on the progress of students. On returning to school staff and students prioritised the standards that needed to be completed, identified standards that could be completed and removed those that were surplus to requirements.</p> <p>Three-way conferences were held within the constraints of Covid restrictions. Contact with parents was not always</p>	<p>Some minor hitches with the on-line and face-to-face schedules occurred as the matrix of subjects and student availability resulted in unresolvable clashes. Catch up of work of missed classes was facilitated by teachers at the school to ensure all students have a fair proportion of learning.</p> <p>With some standards being set aside after the students and staff returned from lockdown, the number of opportunities for merit and excellence endorsement was therefore limited. This combined with the reduction of credits needed to achieve a level reduced the number of standards offered to the students. The proportion of standards needed for an endorsement was altered.</p> <p>Well-being and direct engagement with Maori students resulted in 89% achievement. Although this was below the school's 97% overall achievement, the number of students in the cohort had a significant effect of the statistics.</p> <p>With lockdown and subsequent restrictions to assembly, the first opportunity for face-to-face meetings with mentors, parents and students was in Term 3.</p> <p>Being unable to access council operated sports facilities during term two and three compromised the Physical Education programmes offered to senior students.</p>	<p>40 senior students either began the school year or enrolled at the school during the year.</p> <p>3 students left before completing their courses. 2 took up apprenticeships and 1 returned north after the country came out of lockdown.</p> <p>Of the 37 students completing their courses in 2020 the following results were attained: Level 1 83% Achieved, 33% Merit Level 2 100% Achieved, 21% Merit Level 3 100% Achieved, 17% Merit. 83% of Level 3 gained UE.</p> <p>Overall, 97% of students achieved their programmes, 22% at merit.</p> <p>For Maori 89% Achieved, 11% Merit Females 100% Achieved, 38% Merit and Males 96% Achieved, 13 Merit.</p> <p>The overall figure of 3% not passing represented 1 student.</p> <p>Despite the disruptions of the Covid 19 lockdown and subsequent restrictions on the students' attendance the over results were good. This was particularly noticeable for the Year 13 students wanting to attain UE.</p> <p>The constant engagement with mentors, teachers, students and their parents/whanau indicate a direct correlation with success.</p>

<p>Students give feedback opportunity on relevance and difficulty of individual NCEA standards.</p>	<p>‘face-to-face’ but online and phone calls were used to engage with parents and students.</p> <p>Reconsiderations were made for courses while during lockdown and the subsequent return to school. Access to facilities (council owned gymnasium as we do not have a gym) was restricted and did have an impact on the scope of some courses.</p> <p>Student achievement and updated progress towards NCEA levels was reported on approximately fortnightly through their mentors.</p>	<p>Improving the proportion of merit and excellence would still be a priority for the school.</p>
<p>Planning for next year:</p>		
<p>The student cohort for 2021 will bring a new scenario to be considered with only 5 students in Year 12. The inevitable combination of subject levels for some courses will require careful consideration for planning and delivery. There is a strong expectation for many Year 13 students to gain UE. Year 11 students are tracking to be another strong academic cohort. The small Year 12 group is dividing into vocational and academic pathways.</p>		

Analysis of Variance Reporting



School Name:	Twizel Area School	School Number: 527
Strategic Aim:	Ensure that the students in Y1 – 10 will achieve at or exceed national expectations in mathematics	
Annual Aim:	To extend our Year 1 – 10 students' higher-order mathematical thinking with the result of them achieving at or above in relation to the New Zealand Curriculum Levels.	
Target:	Ensure that the 78% - 80% of students in Y1 – 10 will achieve at or exceed national expectations in mathematics.	
Baseline Data:	At December 2019, 73% of our Years 1-10 students were at or above the expected NZC levels according to OTJs based partially on NumPa and Gloss testing. In February 2020 Y4 – 10 students sat a PAT Maths test. The data from this test indicated that 32% of Y4 – 10 students lie in the below average band, 9% more than the 23% national distribution. As can be gauged from these statistics there was a marked and concerning drop in achievement from December 2019. Partly this could be explained through: Y1 – 3 not being included in the data, the effect of the holiday break on achievement, Y4 students being given a formal written maths test for the first time and possibly the numeracy strand being given priority to the other maths strands particularly in the junior school.	

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>Firstly, individual students in Years 1 – 10 at risk of not achieving in maths were identified (see baseline data above). Two groups of students at Year 6 and Year 8 were specifically identified for the ALiM programme in terms 2/3. Throughout the teaching year homeroom (Y1 – 7) and maths teachers (Y8 – 10) deliberately taught strategies to enhance deeper thinking in maths, encouraged ‘hands-on approaches’ and provided multiple opportunities to practice problem solving and apply learned strategies through a rich mathematical curriculum. Irregular maths meetings were held (due to Covid 19) which our Kahui Ako across school’s teacher led. Support-booklets for parents were produced and distributed to help their children with maths during lockdown. Year 7 – 10 students took part in the Aoraki Maths Competition in Timaru in Term 3 (one of the few competitions not cancelled). Students’ progress was monitored and analysed throughout the year.</p>	<p>In November all students were tested (JAM, GLOSS {Y1 – 8} and asTTle {Y9 -10}). Seventy-seven percent out of a total student cohort of 196 were either achieving at the required NZC expectation for their year level or were above it.</p> <p>Seventy-three percent of students identifying as Māori achieved at or above the NZC expectations in mathematics.</p> <p>Of the students identified ‘at risk’ 13 had made excellent progress accelerating more than one year’s stage, 10 had made a normal year’s progress, 9 had remained at the same stage and 4 had moved backward. (In the group at the same level or backward, four students had attendance issues after the lockdown, one was ICS and another was HHN).</p>	<p>The staff felt we had made good progress despite Covid 19 Lockdown and the general anxiety in the community. Our principal of twenty-three years resigned a week after lockdown began and a commissioner dissolved the board of trustees.</p> <p>Despite the hard work and dedication of our teachers we came just short of our target. We did not meet the 78% of our target as only 77% of our student cohort achieved or exceeded the expectations.</p>	<p>Next year we hope to teach face-to-face in maths with our students for the entire year. We believe that if we had been able to teach the entire year we would have achieved the target we had set ourselves.</p> <p>We have already identified a group of students from our December analysis of Y1 – 10 maths achievement who will participate in ALiM in 2021.</p> <p>Teachers will continue to use rich maths tasks and proven maths teaching strategies to give our students the best opportunities to achieve in maths to high levels.</p>
Planning for next year:			
<p>The Commissioner approve an ALiM budget request to sustain programme for 15 weeks In 2021. Selection of students to be involved in this programme. Continue to hold useful regular maths meetings based on rich tasks. Continue to monitor students ‘at risk’ of not achieving in maths to ensure their progress against the NZC requirements.</p>			

Kiwisport Funding

School Name: Twizel Area School

Kiwisport is a Government funding initiative to support students' participation in organised sport. During 2020, the school received total Kiwisport funding of \$3994.18 (excluding GST).

The funding was spent on travel to numerous events, sports entries, tennis coaching and equipment.

INDEPENDENT AUDITOR'S REPORT**TO THE READERS OF TWIZEL AREA SCHOOL'S FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

The Auditor-General is the auditor of Twizel Area School (the School). The Auditor-General has appointed me, Jane Jackman, using the staff and resources of Nexia Audit Christchurch, to carry out the audit of the financial statements of the School on his behalf.

Opinion

We have audited the financial statements of the School on pages 3 to 17, that comprise statement of financial position as at 31 December 2020, 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 2020; and
 - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with the Public Sector – Public Benefit Entity Standards, Reduced Disclosure Regime.

Our audit was completed on 9 August 2021. 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 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, 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 Novopay payroll system, which may still contain errors. As a result, we carried out procedures to minimise the risk of material errors arising from the system that, in our judgement, would likely influence readers' overall understanding of the financial statements.

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

Our responsibilities arise from the Public Audit Act 2001.

Other information

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



Jane Jackman

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