

TOTARA NORTH SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

School Directory

Ministry Number:	1116
Principal:	Jenny Williams
School Address:	32 Totara School Road , KAEO
School Postal Address:	School Road , RD 2, KAEO, 0479
School Phone:	09 405 1852
School Email:	office@totaranorth.school.nz

Members of the Board of Trustees

Name	Position	How Position Gained	Term Expires/ Expired
Cian Henwood	Chairperson	Appointed	Jun 2019
Jennifer Williams	Principal	ex Officio	
Tambra Sweetapple	Parent Rep	Elected	Jun 2019
Justin Fitton	Parent Rep	Elected	Jun 2019
Brian Burkett	Parent Rep	Elected	Jun 2019
Matilda Cane	Staff Rep	Appointed	Dec 2018

Accountant / Service Provider: Education Services Ltd

TOTARA NORTH SCHOOL

Annual Report - For the year ended 31 December 2018

Index

Page	Statement
	Financial Statements
1	Statement of Responsibility
2	Statement of Comprehensive Revenue and Expense
3	Statement of Changes in Net Assets/Equity
4	Statement of Financial Position
5	Statement of Cash Flows
6 - 11	Statement of Accounting Policies
12 - 19	Notes to the Financial Statements
	Other Information
	Analysis of Variance
	Kiwisport

Totara North School

Statement of Responsibility

For the year ended 31 December 2018

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

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

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

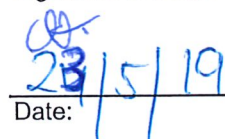
The School's 2018 financial statements are authorised for issue by the Board.

Cian Henwood

Full Name of Board Chairperson



Signature of Board Chairperson

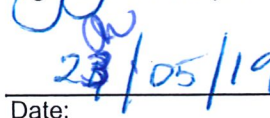

Date:

Jennifer Williams

Full Name of Principal



Signature of Principal

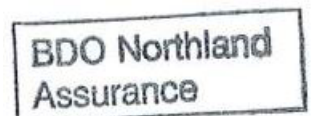

Date:

Totara North School
Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2018

	Notes	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Revenue				
Government Grants	2	331,097	338,713	379,496
Locally Raised Funds	3	29,727	10,600	11,064
Interest Earned		2,769	2,000	2,563
		<u>363,593</u>	<u>351,313</u>	<u>393,123</u>
Expenses				
Locally Raised Funds	3	1,762	4,800	3,744
Learning Resources	4	194,342	221,485	251,887
Administration	5	37,434	37,340	34,402
Finance Costs		814	815	1,263
Property	6	95,832	90,369	96,151
Depreciation	7	17,430	16,560	19,466
Loss on Disposal of Property, Plant and Equipment		2,765	-	-
		<u>350,379</u>	<u>371,369</u>	<u>406,913</u>
Net Surplus / (Deficit)		13,214	(20,056)	(13,790)
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>13,214</u>	<u>(20,056)</u>	<u>(13,790)</u>

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

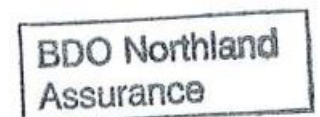


Totara North School
Statement of Changes in Net Assets/Equity

For the year ended 31 December 2018

	Actual 2018 \$	Budget (Unaudited) 2018 \$	Actual 2017 \$
Balance at 1 January	186,657	183,009	200,447
Total comprehensive revenue and expense for the year	13,214	(20,056)	(13,790)
Capital Contributions from the Ministry of Education			
Contribution - Furniture and Equipment Grant	619	-	-
Equity at 31 December	200,490	162,953	186,657
Retained Earnings	200,490	162,953	186,657
Equity at 31 December	200,490	162,953	186,657

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



Totara North School
Statement of Financial Position
As at 31 December 2018

	Notes	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Current Assets				
Cash and Cash Equivalents	8	67,106	34,533	33,001
Accounts Receivable	9	9,962	10,903	14,596
GST Receivable		1,023	4,197	1,378
Prepayments		482	1,855	257
Investments	10	58,732	48,732	58,732
		<u>137,305</u>	<u>100,220</u>	<u>107,964</u>
Current Liabilities				
Accounts Payable	12	21,220	32,239	24,707
Provision for Cyclical Maintenance	13	19,485	-	-
Finance Lease Liability - Current Portion	14	3,245	3,332	3,780
Funds held for Capital Works Projects	15	2,468	-	-
		<u>46,418</u>	<u>35,571</u>	<u>28,487</u>
Working Capital Surplus/(Deficit)		90,887	64,649	79,477
Non-current Assets				
Property, Plant and Equipment	11	154,163	156,377	163,340
		<u>154,163</u>	<u>156,377</u>	<u>163,340</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	13	37,263	56,751	51,166
Finance Lease Liability	14	7,297	1,322	4,994
		<u>44,560</u>	<u>58,073</u>	<u>56,160</u>
Net Assets		<u>200,490</u>	<u>162,953</u>	<u>186,657</u>
Equity		<u>200,490</u>	<u>162,953</u>	<u>186,657</u>

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

BDO Northland
Assurance

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

	2018	2018	2017
Note	Actual	Budget	Actual
	\$	(Unaudited)	\$
	\$	\$	\$
Cash flows from Operating Activities			
Government Grants	95,109	93,092	107,421
Locally Raised Funds	29,718	7,400	11,688
Goods and Services Tax (net)	355	-	2,819
Payments to Employees	(43,757)	(49,200)	(63,316)
Payments to Suppliers	(43,847)	(58,986)	(55,422)
Interest Paid	(814)	(815)	(1,263)
Interest Received	2,809	2,000	2,470
Net cash from / (to) the Operating Activities	39,573	(6,509)	4,397
Cash flows from Investing Activities			
Proceeds from Sale of PPE (and Intangibles)	113	-	-
Purchase of PPE (and Intangibles)	(6,180)	-	(13,564)
Net cash from / (to) the Investing Activities	(6,067)	-	(13,564)
Cash flows from Financing Activities			
Furniture and Equipment Grant	619	-	-
Finance Lease Payments	(2,488)	(4,428)	(3,302)
Funds Held for Capital Works Projects	2,468	-	-
Net cash from Financing Activities	599	(4,428)	(3,302)
Net increase/(decrease) in cash and cash equivalents	34,105	(10,937)	(12,469)
Cash and cash equivalents at the beginning of the year	8 33,001	45,470	45,470
Cash and cash equivalents at the end of the year	8 67,106	34,533	33,001

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

The above Cash Flow Statement should be read in conjunction with the accompanying notes.

BDO Northland
Assurance

Totara North School

Notes to the Financial Statements

For the year ended 31 December 2018

1. Statement of Accounting Policies

a) Reporting Entity

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

b) Basis of Preparation

Reporting Period

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

Basis of Preparation

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

Financial Reporting Standards Applied

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

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

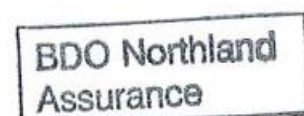
Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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



Useful lives of property, plant and equipment

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

Critical Judgements in applying accounting policies

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

Classification of leases

The School reviews the details of lease agreements at the end of each reporting date. The School believes the classification of each lease as either operation or finance is appropriate and reflects the nature of the agreement in place. Finance leases are disclosed at note 14.

Recognition of grants

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

c) Revenue Recognition

Government Grants

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

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

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

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

Other Grants

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

Donations, Gifts and Bequests

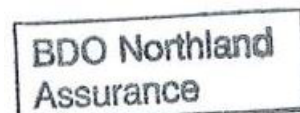
Donations, gifts and bequests are recorded as revenue when their receipt is formally acknowledged by the School.

Interest Revenue

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

d) Use of Land and Buildings Expense

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



e) Operating Lease Payments

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

f) Finance Lease Payments

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

g) Cash and Cash Equivalents

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

h) Accounts Receivable

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

i) Inventories

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

j) Investments

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

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

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

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

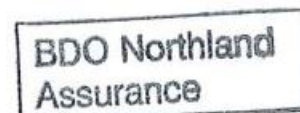
k) Property, Plant and Equipment

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

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

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

Property, plant and equipment acquired with individual values under \$1000 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense.



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

Leased Assets

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

Depreciation

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

The estimated useful lives of the assets are:

Buildings	40 years
Furniture and Equipment	4-18 years
Information and Communication	4 years
Leased Assets	3-5 years
Library Resources	8 years

Leased assets are depreciated over the life of the lease.

l) Intangible Assets

Software costs

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

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

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

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

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

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

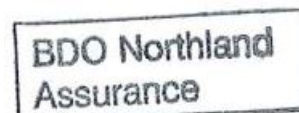
Non cash generating assets

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

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

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

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



n) Accounts Payable

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

o) Employee Entitlements

Short-term employee entitlements

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

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

Long-term employee entitlements

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

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

p) Revenue Received in Advance

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

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

q) Funds Held in Trust

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

r) Shared Funds

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

s) Provision for Cyclical Maintenance

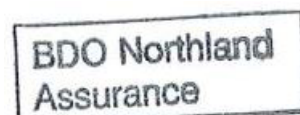
The property from which the School operates is owned by the Crown, and is vested in the Ministry. The Ministry has gazetted a property occupancy document that sets out the Board's property maintenance responsibilities. The Board is responsible for maintaining the land, buildings and other facilities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

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

t) Financial Assets and Liabilities

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

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



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

u) Borrowings

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

v) Goods and Services Tax (GST)

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

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

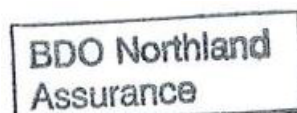
Commitments and contingencies are disclosed exclusive of GST.

w) Budget Figures

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

x) Services received in-kind

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



2. Government Grants

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operational grants	97,631	93,092	97,520
Teachers' salaries grants	169,746	187,955	205,860
Use of Land and Buildings grants	60,872	57,666	64,058
Other MoE Grants	2,848	-	12,058
	<u>331,097</u>	<u>338,713</u>	<u>379,496</u>

3. Locally Raised Funds

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

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Revenue			
Donations	798	1,000	801
Bequests & Grants	14,152	-	-
Activities	4,554	3,600	4,061
Trading	-	-	46
Fundraising	6,070	6,000	6,058
Other Revenue	4,153	-	98
	<u>29,727</u>	<u>10,600</u>	<u>11,064</u>
Expenses			
Activities	1,689	2,200	1,504
Trading	-	-	192
Fundraising costs	73	-	353
Other Expenses	-	2,600	1,695
	<u>1,762</u>	<u>4,800</u>	<u>3,744</u>
<i>Surplus for the year Locally raised funds</i>	<u>27,965</u>	<u>5,800</u>	<u>7,320</u>

4. Learning Resources

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	5,514	10,980	6,744
Library resources	408	600	385
Employee benefits - salaries	185,086	204,455	240,674
Staff development	1,972	3,950	1,477
R&m & Purchases <\$1,000	1,362	1,500	2,607
	<u>194,342</u>	<u>221,485</u>	<u>251,887</u>

BDO Northland
Assurance

5. Administration

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Audit Fee	3,600	3,500	3,500
Board of Trustees Fees	2,580	2,400	2,655
Board of Trustees Expenses	1,397	1,270	1,551
Communication	1,051	1,770	1,479
Consumables	1,969	1,850	1,810
Other	2,182	3,000	1,556
Employee Benefits - Salaries	18,443	18,500	17,474
Insurance	1,988	300	237
Service Providers, Contractors and Consultancy	4,224	4,750	4,140
	37,434	37,340	34,402

6. Property

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Caretaking and Cleaning Consumables	1,481	1,920	1,900
Cyclical Maintenance Expense	5,582	5,583	5,581
Grounds	4,067	3,400	3,542
Heat, Light and Water	7,184	4,000	4,878
Repairs and Maintenance	956	3,600	1,373
Use of Land and Buildings	60,872	57,666	64,058
Employee Benefits - Salaries	14,815	14,200	14,819
Consultancy And Contract Services	875	-	-
	95,832	90,369	96,151

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

7. Depreciation

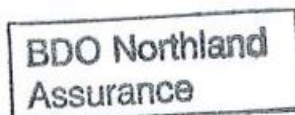
	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Buildings	3,156	2,685	3,156
Building Improvements	1,357	1,154	1,357
Furniture and Equipment	7,490	7,218	8,485
Information and Communication Technology	1,641	2,349	2,761
Leased Assets	3,754	3,136	3,686
Library Resources	32	18	21
	17,430	16,560	19,466

8. Cash and Cash Equivalents

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
ASB 00 Account	67,106	34,533	33,001
Cash equivalents for Cash Flow Statement	67,106	34,533	33,001

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

Of the \$67,106 Cash and Cash Equivalents, \$2,468 is held by the School on behalf of the Ministry of Education. These funds are required to be spent in 2019 on Crown owned school buildings under the School's Five Year Property Plan.



9. Accounts Receivable

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Receivables	9	172	-
Interest Receivable	370	317	410
Teacher Salaries Grant Receivable	9,583	10,414	14,186
	<u>9,962</u>	<u>10,903</u>	<u>14,596</u>
Receivables from Exchange Transactions	379	489	410
Receivables from Non-Exchange Transactions	9,583	10,414	14,186
	<u>9,962</u>	<u>10,903</u>	<u>14,596</u>

10. Investments

The School's investment activities are classified as follows:

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Current Asset			
Short-term Bank Deposits	58,732	48,732	58,732

11. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2018						
Land	15,000	-	-	-	-	15,000
Buildings	57,818	-	-	-	(3,156)	54,662
Building Improvements	38,336	-	-	-	(1,357)	36,979
Furniture and Equipment	40,601	-	-	-	(7,490)	33,111
Information and Communication Tech	3,570	6,092	(434)	-	(1,641)	7,587
Leased Assets	7,908	4,951	(2,444)	-	(3,754)	6,661
Library Resources	107	88	-	-	(32)	163
Balance at 31 December 2018	<u>163,340</u>	<u>11,131</u>	<u>(2,878)</u>	<u>-</u>	<u>(17,430)</u>	<u>154,163</u>

	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
2018			
Land	15,000	-	15,000
Buildings	103,644	(48,982)	54,662
Building Improvements	54,291	(17,312)	36,979
Furniture and Equipment	183,941	(150,830)	33,111
Information and Communication	24,550	(16,963)	7,587
Leased Assets	12,152	(5,491)	6,661
Library Resources	47,567	(47,404)	163
Balance at 31 December 2018	<u>441,145</u>	<u>(286,982)</u>	<u>154,163</u>

BDO Northland
Assurance

2017	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
Land	15,000	-	-	-	-	15,000
Buildings	60,972	-	-	-	(3,156)	57,816
Building Improvements	39,694	-	-	-	(1,357)	38,337
Furniture and Equipment	47,856	1,230	-	-	(8,485)	40,601
Information and Communication Technology	3,979	2,353	-	-	(2,761)	3,571
Leased Assets	11,594	-	-	-	(3,686)	7,908
Library Resources	128	-	-	-	(21)	107
Balance at 31 December 2017	179,223	3,583	-	-	(19,466)	163,340

2017	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
Land	15,000	-	15,000
Buildings	103,645	(45,829)	57,816
Building Improvements	54,291	(15,954)	38,337
Furniture and Equipment	186,305	(145,704)	40,601
Information and Communication Technology	23,513	(19,942)	3,571
Leased Assets	13,750	(5,842)	7,908
Library Resources	47,478	(47,371)	107
Balance at 31 December 2017	443,982	(280,642)	163,340

12. Accounts Payable

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Operating creditors	1,950	15,376	923
Accruals	2,600	3,968	3,500
Banking staffing overuse	4,730	175	3,849
Employee Entitlements - salaries	9,583	10,414	14,186
Employee Entitlements - leave accrual	2,357	2,306	2,249
	21,220	32,239	24,707
Payables for Exchange Transactions	16,490	32,064	20,858
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	4,730	175	3,849
	21,220	32,239	24,707

The carrying value of payables approximates their fair value.

**BDO Northland
Assurance**

13. Provision for Cyclical Maintenance

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Provision at the Start of the Year	51,166	51,168	45,585
Increase to the Provision During the Year	5,582	5,583	5,581
Provision at the End of the Year	<u>56,748</u>	<u>56,751</u>	<u>51,166</u>
Cyclical Maintenance - Current	19,485	-	-
Cyclical Maintenance - Term	37,263	56,751	51,166
	<u>56,748</u>	<u>56,751</u>	<u>51,166</u>

14. Finance Lease Liability

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

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
No Later than One Year	4,312	3,332	4,428
Later than One Year and no Later than Five Years	9,104	1,322	5,387
	<u>13,416</u>	<u>4,654</u>	<u>9,815</u>

15. Funds Held (Owed) for Capital Works Projects

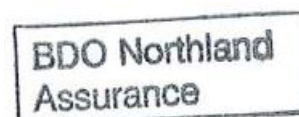
During the year the School received and applied funding from the Ministry of Education for the following capital works projects:

2018	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution/ (Write-off to R&M)	Closing Balances \$
Re-Roof & Guttering Repairs Income <i>in progress</i>	-	7,883	5,415	-	2,468
Totals	<u>-</u>	<u>7,883</u>	<u>5,415</u>	<u>-</u>	<u>2,468</u>

Represented by:

Funds Held on Behalf of the Ministry of Education	2,468
Funds Due from the Ministry of Education	-
	<u>2,468</u>

2017	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution/ (Write-off to R&M)	Closing Balances \$
Re-Roof Main Block <i>completed</i>	-	21,706	21,706	-	-
Totals	<u>-</u>	<u>21,706</u>	<u>21,706</u>	<u>-</u>	<u>-</u>



16. 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.

17. Remuneration

Key management personnel compensation

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

	2018 Actual \$	2017 Actual \$
<i>Board Members</i>		
Remuneration	2,580	2,655
Full-time equivalent members	0.05	0.09
<i>Leadership Team</i>		
Remuneration	94,643	110,626
Full-time equivalent members	1.00	1.00
Total key management personnel remuneration	97,223	113,281
Total full-time equivalent personnel	1.05	1.09

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

Principal

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

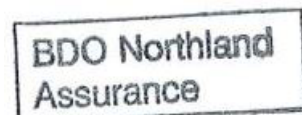
	2018 Actual \$000	2017 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Principal A		
Salary and Other Payments	90 - 100	10 - 20
Benefits and Other Emoluments	2 - 3	-
Termination Benefits	-	-
Principal B		
Salary and Other Payments	-	90 - 100
Benefits and Other Emoluments	-	1 - 2
Termination Benefits	-	-

Other Employees

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

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

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



18. Compensation and Other Benefits Upon Leaving

The total value of compensation or other benefits paid or payable to persons who ceased to be trustees, committee member, or employees during the financial year in relation to that cessation and number of persons to whom all or part of that total was payable was as follows:

	2018 Actual	2017 Actual
Total	-	-
Number of People	-	-

19. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2018 (Contingent liabilities and assets at 31 December 2017: nil).

Holidays Act Compliance – schools payroll

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

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

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

20. Commitments

(a) Capital Commitments

The School has entered into the following capital commitments as at 31 December 2018:

(a) contract for the Re-Roof & Gutter Repairs Project as agent for the Ministry of Education. This project is fully funded by the Ministry and \$7,883 has been received of which \$5,415 has been spent on the project to balance date.

(Capital commitments at 31 December 2017: nil)

(b) Operating Commitments

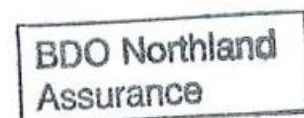
As at 31 December 2018 the Board has entered into the following contracts:

(a) operating lease of laptops;

	2018 Actual \$	2017 Actual \$
No later than One Year	1,185	-
Later than One Year and No Later than Five Years	4,742	-
Later than Five Years	-	-
	<u>5,927</u>	<u>-</u>

21. 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.



22. Financial Instruments

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

Loans and receivables

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Cash and Cash Equivalents	67,106	34,533	33,001
Receivables	9,962	10,903	14,596
Investments - Term Deposits	58,732	48,732	58,732
Total Loans and Receivables	<u>135,800</u>	<u>94,168</u>	<u>106,329</u>

Financial liabilities measured at amortised cost

Payables	21,220	32,239	24,707
Borrowings - Loans	-	-	-
Finance Leases	10,542	4,654	8,774
Painting Contract Liability	-	-	-
Total Financial Liabilities Measured at Amortised Cost	<u>31,762</u>	<u>36,893</u>	<u>33,481</u>

23. Events After Balance Date

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

24. Comparatives

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

BDO Northland
Assurance



School Name:	Totara North School	School Number:	1116
Strategic Aim:	Improve student achievement in core learning areas of reading, writing, spelling and maths		
Annual Aim:	100% of learners to progress in writing		
Target:	<p>Writing: 85% (18/21) to achieve their expected level. 70% (6/9) of Māori to achieve their expected level. 75% (6/8) of boys</p> <p>For students with specific learning difficulties to achieve their IEP goals</p>		
Baseline Data:	Writing achievement at the end of 2017 :81% (17/21) total, 50% (4/8) boys, 73% (8/11) Māori		



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>7 learners were identified as 'target' learners because they were either not on track to achieving the expected level in 2017 and were identified as Maori.</p> <p>Our writing programme was made up of giving the children many experiences to enhance engagement and developing different skills to write in a variety of genre.</p> <p>Teachers tracked the progress of target learners every 3 weeks and discussed what was working and what changes were needed.</p>	<p>89% (24/27) of all learners achieved their expected level. 79% (11/14) Maori learners achieved their expected level. 92% (11/12) male learners achieved their expected level.</p> <p>1 Maori female enrolled in late T3 and was identified but unfortunately left at the beginning of T4 (transient student). Another male maori enrolled and was identified mid T3 (he was enrolled at 5.6y)</p> <p>All targets were achieved or surpassed.</p> <p>Although 3 learners did not achieve the expected level they did make some progress.</p> <p>Our students also displayed a great improvement in confidence and attitude towards writing.</p>	<p>Two of the target learners have particular learning challenges that are being addressed with the support of Teacher Aides and have been referred to an outside agency.</p> <p>Having 1 target learner that needed a 2 year progress in 2018 was also going to be a challenge.</p> <p>Through discussion with Staff we felt that the children's writing improved due to the fact they were given many experiences, hands on activities through the What's for Lunch programme and science experiences. Teachers also taught the skills required for the different genres separately from the experiences.</p>	<p>Continue to track those children who are not achieving the standard every three weeks and continue to have staff discussions on progress.</p> <p>We will continue to focus on Maori learner achievement.</p> <p>Due to the success that was made in 2018 it is evident that these children require those experiences and hands on activities to strengthen their writing abilities.</p> <p>To raise our targets/expectations in 2019.</p>

Tātaritanga raraunga

Planning for next year:

Writing 85% (21/26) achieving their expected level, 75% (10/13) of Maori achieving their expected level, 80% (10/12) of boys achieving their expected level. Focus on Maori learners and boys and put in place specific measures for them. Continue to give all children hands on experiences and meaningful contexts.



Tātaritanga raraunga

Strategic Aim:	Improve student achievement in core learning areas of reading, writing, spelling and maths
Annual Aim:	100% of learners to progress in reading
Target:	<p>Reading: 90% (19/21) to achieve at their chronological age. 80% (7/9) of boys to achieve at their chronological age. 75% (6/8) of Māori to achieve at their chronological age</p> <p>For students with specific learning difficulties to achieve their IEP goals</p>
Baseline Data:	Reading achievement at the end of 2017:76% (16/21) total, 75% (6/8) boys, 60% (6/10) Māori



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>7 learners were identified as 'target' learners because they were either not on track to achieving the expected level in 2018 or were identified as at risk of not achieving the expected reading level in 2018 and identified as Maori.</p> <p>Teachers tracked the progress of these learners every 3 week and discussed what changes were needed.</p> <p>Reading Together was offered to Parents and 3 families of target learners attended.</p>	<p>93% (25/27) of all learners achieved reading at their chronological age. 86% (12/14) Maori achieved reading at their chronological age. 92% (11/12) boys achieved reading at their chronological age.</p> <p>1 Maori female enrolled in late T3 and was identified but unfortunately left at the beginning of T4 (transient student). Another male maori enrolled and was identified mid T3 (he was enrolled at 5.6y)</p> <p>6 of our target learners made accelerated progress, 2 of these learners made enough accelerated progress to achieve the reading standard.</p> <p>Of the 2 learners who are not achieving the expected level 1 has made some progress.</p>	<p>With an emphasis on just reading, reading a variety of material, discussions and quite a lot of research reading the children were surrounded in print, There was a substantial push for whanau to work on reading at home and home reading was the major homework focus.</p> <p>The use of the programmes of Reading Eggs and Reading Eggspress - children could access this programme at home also.</p>	<p><i>In 2019 we plan to continue to identify those children at risk and track their progress every three weeks throughout the year.</i></p> <p>Continue to use Reading Eggs/Eggspress</p>

Planning for next year:

Tātaritanga raraunga

90% (21/26) achieving at/above their chronological age, 80%(110/13) of Maori achieving at/above their chronological age, 75% (10/12) of boys achieving at/above their chronological age

Strategic Aim:	Improve student achievement in core learning areas of reading, writing, spelling and maths
Annual Aim:	100% of learners to progress in mathematics
Target:	<p>Maths: 90% (19/21) achieving the standard. 80% (7/9) of Māori achieving the standard. 75% (6/8) of boys achieving the standard.</p> <p>For students with specific learning difficulties to achieve their IEP goals.</p>
Baseline Data:	Maths achievement at the end of 2017:86% (18/21) total, 88% (7/8) boys, 82% (9/11) Māori



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>6 learners were identified as ‘target’ learners because they were wither not on track to achieving the expected level in 2018 or were identified as at risk of not achieving the expected mathematics level and identified as Maori.</p> <p>Teachers tracked the progress of target learners every 3 weeks and discussed what was working and what changes were needed.</p>	<p>85% (23/271) of all learners achieved their expected level. 79% (11/14) Maori achieved their expected level. 92% (11/12) boys achieved their expected level.</p> <p>1 Maori female enrolled in late T3 and was identified but unfortunately left at the beginning of T4 (transient student). Another male maori enrolled and was identified mid T3 (he was enrolled at 5.6y)</p> <p>3 of our 6 target learners are now achieving the expected maths level</p> <p>A decline in basic facts knowledge was noticed</p>	<p>Of the 3 learners who are not achieving the expected level 2 have moved very near a stage and the other has made great progress in attitude towards learning and came very close to achieving the standard required.</p> <p>An emphasis on basic fact was less than previous years.</p> <p>Boys achievement was very high due to strand and number work integrated with science and integrated themes that they were engaged in.</p>	<p>Basic facts and number knowledge will still have an emphasis throughout the school</p> <p>Reestablish a basic fact programme throughout the school</p>
<p>Planning for next year:</p>			
<p>90% (24/26) achieving the expected level, 80% (10/13) of Maori achieving the expected level, 75% (9/12) of boys achieving the expected level.</p>			

Totara North School

KiwiSport Statement

For the year ended 31 December 2018

This year we received KiwiSport Funding. We used this funding at Totara North School. The designated Kiwi Sport Funding is used to support our students to participate in sporting activities during the year. We participate in a variety of sports days and travel to the schools in our cluster to do so and in 2018 we ensured that we attended as many of these events ie. rippa rugby, cross country, soccer, hockey and multisports day.



Tel: +64 9 407 7250
Fax: +64 9 407 7129
northland@bdo.co.nz
www.bdo.co.nz

BDO Northland
Kerikeri Office
P O Box 304, Kerikeri 0245
Bay of Islands, New Zealand

Whangarei Office
Tel: 64 9 430 0471

INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF TOTARA NORTH SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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

Opinion

We have audited the financial statements of the School on pages 2 to 19, that comprise the statement of financial position as at 31 December 2018, the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion the financial statements of the School:

- present fairly, in all material respects:
 - its financial position as at 31 December 2018; and
 - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Sector – Public Benefit Entity Standards, Reduced Disclosure Regime.

Our audit was completed on 23rd May 2019. This is the date at which our opinion is expressed.

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

Basis for our opinion

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

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

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

PARTNERS: Adelle Allbon Angela Edwards Scott Kennedy Robyn Terlesk

BDO New Zealand Ltd, a New Zealand limited liability company, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms. BDO New Zealand is a national association of independent member firms which operate as separate legal entities.



Responsibilities of the Board of Trustees for the financial statements

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

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

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

Responsibilities of the auditor for the audit of the financial statements

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

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

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

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

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

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



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

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

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Board of Trustees is responsible for the other information. The other information comprises the information included on page 1, Kiwi sport statement, Analysis of Variance and Board of Trustees listing but does not include the financial statements on pages 2-19, and our auditor's report thereon.

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

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

Independence

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

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

Angela Edwards
BDO Northland
On behalf of the Auditor-General
Auckland, New Zealand