

# Analysis of Variance Reporting



School Name:	Mountview School	School Number: 1836
<b>Strategic Aim:</b>	Accelerate achievement rates for students whose achievement is all below and well below across, reading, writing and maths. Accelerate achievement rates in Pangarau, Tuhituhi, Panui, The Community of Learning targets are incorporated into the Charter Strengthen Cultural responsiveness for relational pedagogy (CR for RP) and Whanau engagement	
<b>Annual Aim:</b>	<p>Whanau engagement with the focus on supporting learning.</p> <p>Cultural Responsiveness for Relational Pedagogy will be introduced, and data collated with Rongia Te Hau and Well Being surveys</p> <p>Teaching as Inquiry becomes a strong lever in accelerating student achievement especially in Maths and Pangarau. Oral language and korero for new entrants and year one students will see teachers' inquiry develop over discovery time practices with support of Special Education in English Medium and Resource Teacher Maori in Maori Medium (Rumaki). PLD for both mediums will focus on Writing. Maori medium will also have PD focused on Te Reo Matatini. In 2018 Pangarau PLD will support the acceleration in Pangarau achievement. Another focus will be on use of digital resources with Maori Medium.</p> <p>The effective use of Formative Assessment practices will develop teacher capability across the whole school.</p> <p>Effective monitoring of students' progress, with an early assessment of students entering Mountview after the age of 8, to ensure they are accessing acceleration programmes and strategies if required, i.e. picked up early!</p> <p>Innovative Learning Practices with effective use of digital tools is supported to develop collaborative problem solving.</p> <p>Effective appraisal and teacher feedback and feed forward.</p> <p>Learner agency increases as teachers understand how and to embed this and what it looks like in the classroom.</p> <p>Te Reo, nga tikanga, and Tuwharetoatanga is at the heart of the school.</p> <p>Students' ability to articulate their learning and their next steps will reveal the depth of learner agency developed in classrooms and the professional development needs of individual teachers.</p> <p>The development of Writing across all levels will continue through PLD through into 2019.</p>	



#### Target:

#### English Medium

**Reading:** By the end of 2018, all Maori boys with End of Year 2017 data which had them Well below and below National Standards will make sufficient progress to be at and above curriculum expectations and/or have made accelerated progress within curriculum levels

**Writing:** By the end of 2018, By the end of 2018, all Maori boys with End of Year 2017 data which had them Well below and below National Standards will make sufficient progress to be at and above curriculum expectations and/or have made accelerated progress within curriculum levels

**Maths:** by the end of 2018, By the end of 2018, all Maori boys with End of Year 2017 data which had them Well below and below National Standards will make sufficient progress to be at and above curriculum expectations and/or have made accelerated progress within curriculum levels

#### Maori Medium

#### Baseline Data:

Total student in this group numbered 128, 23 left and 25 had no 2016 comparative data as they enrolled during the year. That left a total of a group of 80 students had comparable data sets.

**Reading:** by the end of 2017 Years 1-8, 34/128 will have made accelerated progress to be AT or above National Standard. Result 46 of the students reached at and above with 49 having made accelerated progress

**Writing:** by the end of 2017 Years 1-8, 63/128 Maori Boys will have made accelerated progress to be AT or above National Standard. Result 32 the students reached at and above with 46 having made accelerated progress

**Mathematics:** by the end of 2017 Years 1-8 Total 52/128 will have made accelerated progress to be AT or above National Standard. Result 34 of the students reached at and above with 59 making accelerated progress



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>Maori Boys Reading, Writing and Maths. Acceleration was needed for a group of priority students. Each teacher identified target students within this cohort and proceeded to monitor work with them and monitor their progress. In some cases, our acceleration programmes of TARP assisted with reading, Ian Hunter approaches assisted some in writing and maths progress remained quite strong.</p> <p>Dyslexia screening: In 2017 we identified quite a large cohort of 6 students identified as having dyslexia, 6 students with Urlens Syndrome and 9 students with dyslexia tendency</p> <p><b>Oral Language:</b> In 2016 we introduced an intensive oral language programme for 10 Year 0-1 students who had pre school oral language stanines of 2-3 or below. This programme continued throughout 2017. Assessments were under take by both the new entrant teacher and Special Education MOE speech and language therapists. They developed a suite of oral language interventions that were designed to</p>	<p><b>Reading: by the end of 2017 Years 1-8, 34/128 will have made accelerated progress to be AT or above National Standard. Result 46 of the students reached at and above with 49 having made accelerated progress</b></p> <p><b>Writing: by the end of 2017 Years 1-8, 63/128 Maori Boys will have made accelerated progress to be AT or above National Standard. Result 32 the students reached at and above with 46 having made accelerated progress</b></p> <p><b>Mathematics: by the end of 2017 Years 1-8 Total 52/128 will have made accelerated progress to be AT or above National Standard. Result 34 of the students reached at and above with 59 making accelerated progress</b></p> <p><b>Dyslexia screening: We had all Year 4 students screened for Dyslexia and Urlens and DPA.</b></p>	<p>We still have much work to do in our reading at Mountview School. We believe the impact of writing emphases and the use of the PACT tool in reading and writing caused a dip in achievement.</p> <p>From all accounts use of the PACT tool clearly indicates to teachers the gaps in their programming.</p> <p>We still have a large cohort of students identified in the SENCO roll with both learning and behaviour difficulties. There are 130 students at the beginning of 2018. These children also feature truancy and Tamariki Oranga and a range of NGO involvement.</p> <p>The oral language programme saw all children improve their stanines and for the Year 0-1 students they mostly got to where formal teaching and learning in reading and writing could begin to accelerate their achievement</p>	<p><b>Maori Boys:</b> In 2018 Maori Boys progress in achievement will still be at the forefront of Kahui ako goals and we will want to demonstrate progress within curriculum levels.</p> <p><i>Steps software reading and writing based support programme to increase learning in reading.</i></p> <p>All students not working with in their age appropriate curriculum level will have a ILP and be supported by additional learning support where available</p> <p><b>Oral Language:</b> Based on the positive outcomes from the oral language intensive intervention we have decided to put it in place for particularly for children on entry with oral language development screening tools.</p> <p><b>Ian Hunter writing:</b> will continue to be at the fore front of increasing writing proficiency for not only Maori boys but all students at Mountview.</p> <p><b>Teacher Inquiries into Practice:</b></p> <p>In 2018 we will continue to have an emphasis on teachers inquiring and learning about the implementation of effective</p>



<p>pick up gaps for each individual child.</p> <p><b>Written Language:</b> Mountview School had the benefit of CoL/Kahui Ako PLD with the lan Hunter writing approaches</p> <p><b>Te Reo Matatini:</b> PLD was provided to assist the Kaiako and kaiawhina with literacy and korero. Assessment practices were developed</p> <p><b>Teacher Inquiries into Practice:</b></p> <p>In 2017 we had an emphasis on teachers inquiring and learning about the implementation of effective practices with formative assessments.</p>	<p>While improvements across CoL wide data improved at Mountview we saw a dip in writing achievement.</p> <p>Students here made progress while some will need further support in Tuhituhi and korero in 2018.</p>	<p>Diagnostic Writing Test completed by 79 students, of which 55 students sat the May test - the comparison is with these 55 students.</p> <ul style="list-style-type: none"> <li>✿ Writing output: All years, with the exception of Year 8, showed an improved output in the test.</li> <li>✿ Average sentence length: 19 words (ideal result) good improvement.</li> <li>✿ Fluency capacity (sentence style range): Increased fluency demonstrated across the group. A slight lift in the use of incomplete within a concentrated group.</li> <li>✿ 24% (a drop of 3%) of students were struggling writers - 50% or more of their writing was incomplete sentences.</li> <li>✿ Repetition rate: 9% of respondents repeated their ideas (overall rate good).</li> <li>✿ Increased rates of idea development and precision.</li> </ul>	<p>practices with formative assessments. We will continue to fund a .1 position to assist this as well as a PLD application for Leadership.</p>
<b>Planning for next year:</b>			
Please see Charter for actions next year, however the most significant school wide action is the deeper development of formative assessment.			

# Mountview School Board of Trustees

Name	Phone No.	Occupation	Position on the Board	Selected = S Elected = E	Date Resigned
Kim Manunui	07 377 3975 021 545 693	Real Estate PA	Chairperson	E	
Carmel Hoetawa	07 3788488	Principal	School Principal	E	
Bridget Kemp	07 3788488	Teacher	Staff Rep	E	
Ray Wilson	07 3765644 027 592 8949	Butcher	Parent Rep	S	
Grant McDonald	07 378 6028 027 279 1100	House Executive	Parent Rep	E	
Elize van Heerden	021 026 604 70	House Executive	Parent Rep	E	
Chris Jackman	027 438 5586	Builder	Parent Rep	E	



# Mountview School

Principal: Carmel Hoetawa  
Email: [principal@mountview.school.nz](mailto:principal@mountview.school.nz)  
Phone: 07-378-8488  
Fax: 07-377-0671

## Kiwisport Expenditure 2017

Kiwisport funds were used for the following:

- Transport of students to and from sporting events like Rippa Rugby, Athletics, Junior BMX, Inter school fixtures for Swimming and Gym club.
- Equipment purchases for Rugby, and Netball
- Volleyball fees
- Kiwisports co-ordinators

Signed: C A Hoetawa Date: 30/01/18

Principal – Carmel Hoetawa

# **Mountview School**

## **Financial Statements for the year ended 31 December 2017**

<b>School Address:</b>	Rangatira Street, Taupo
<b>School Postal Address:</b>	31 Rangatira Street, Taupo, 3330
<b>School Phone:</b>	07 378 8488
<b>School Email:</b>	<a href="mailto:info@mountview.school.nz">info@mountview.school.nz</a>
<b>Ministry Number:</b>	1836

# Mountview School

## Financial Statements

For the year ended 31 December 2017

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Mountview School  
**Statement of Responsibility**  
For the year ended 31 December 2017

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 2017 fairly reflects the financial position and operations of the school.

The School's 2017 financial statements are authorised for issue by the Board.

Kimberly Manunui  
Full Name of Board Chairperson

K Manunui  
Signature of Board Chairperson

31 May 2018  
Date:

Carmel Ann Hoetawa  
Full Name of Principal

CA Hoetawa  
Signature of Principal

31 May 2018  
Date:

## Mountview School

### Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2017

		2017	2017 Budget (Unaudited)	2016
	Notes	Actual \$	\$	Actual \$
<b>Revenue</b>				
Government Grants	2	2,259,036	2,108,361	2,197,997
Locally Raised Funds	3	69,271	26,000	71,745
Interest Earned		4,315	5,000	3,962
		<hr/>	<hr/>	<hr/>
		2,332,622	2,139,361	2,273,704
<b>Expenses</b>				
Locally Raised Funds	3	54,706	500	34,163
Learning Resources	4	1,559,008	1,463,901	1,508,624
Administration	5	124,924	135,788	144,882
Finance Costs		2,268	-	557
Property	6	545,579	469,017	498,604
Depreciation	7	56,119	70,000	49,477
Loss on Disposal of Property, Plant and Equipment		1,757	-	-
		<hr/>	<hr/>	<hr/>
		2,344,361	2,139,206	2,236,307
<b>Net Surplus / (Deficit)</b>		(11,739)	155	37,397
Other Comprehensive Revenue and Expenses		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
		(11,739)	155	37,397

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

## Mountview School

### Statement of Changes in Net Assets/Equity

For the year ended 31 December 2017

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Balance at 1 January	440,740	440,740	403,343
Total comprehensive revenue and expense for the year	(11,739)	155	37,397
Equity at 31 December	429,001	440,895	440,740
Retained Earnings	429,001	440,895	440,740
Equity at 31 December	429,001	440,895	440,740

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



# Mountview School

## Statement of Financial Position

As at 31 December 2017

		2017	2017 Budget (Unaudited)	2016
	Notes	Actual \$	\$	Actual \$
<b>Current Assets</b>				
Cash and Cash Equivalents	8	212,669	167,592	263,726
Accounts Receivable	9	87,911	90,000	85,663
GST Receivable		-	20,000	18,829
Prepayments		13,649	6,500	5,889
Inventories	10	153	300	247
Investments	11	100,060	100,000	100,000
		<u>414,442</u>	<u>384,392</u>	<u>474,354</u>
<b>Current Liabilities</b>				
GST Payable		9,184	-	-
Accounts Payable	13	126,795	150,000	134,231
Revenue Received in Advance	14	8,035	6,500	6,011
Provision for Cyclical Maintenance	15	17,500	15,000	-
Painting Contract Liability - Current Portion	16	19,451	25,000	19,205
Finance Lease Liability - Current Portion	17	9,864	7,000	6,076
Funds Held for Capital Works Projects	18	205,290	120,000	230,231
		<u>396,119</u>	<u>323,500</u>	<u>395,754</u>
<b>Working Capital Surplus/(Deficit)</b>		18,323	60,892	78,600
<b>Non-current Assets</b>				
Property, Plant and Equipment	12	467,820	479,003	464,003
		<u>467,820</u>	<u>479,003</u>	<u>464,003</u>
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	15	41,249	84,000	84,820
Finance Lease Liability	17	15,893	15,000	17,043
		<u>57,142</u>	<u>99,000</u>	<u>101,863</u>
<b>Net Assets</b>		<u>429,001</u>	<u>440,895</u>	<u>440,740</u>
<b>Equity</b>		<u>429,001</u>	<u>440,895</u>	<u>440,740</u>

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

# Mountview School

## Statement of Cash Flows

For the year ended 31 December 2017

		2017	2017	2016
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
<b>Cash flows from Operating Activities</b>				
Government Grants		577,739	559,177	603,990
Locally Raised Funds		74,213	29,000	76,241
Goods and Services Tax (net)		28,013	(4,500)	(3,334)
Payments to Employees		(312,847)	(233,425)	(247,191)
Payments to Suppliers		(336,256)	(246,647)	(328,208)
Interest Paid		(2,268)	-	-
Interest Received		4,159	5,000	4,000
Net cash from / (to) the Operating Activities		32,753	108,605	105,498
<b>Cash flows from Investing Activities</b>				
Proceeds from Sale of PPE (and Intangibles)		-	-	-
Purchase of PPE (and Intangibles)		(51,589)	(155,402)	(100,261)
Purchase of Investments		(60)	-	-
Net cash from / (to) the Investing Activities		(51,649)	(155,402)	(100,261)
<b>Cash flows from Financing Activities</b>				
Finance Lease Payments		(7,466)	22,000	(1,769)
Painting contract payments		246	25,000	(3,896)
Funds Administered on Behalf of Third Parties		-	-	211,802
Funds Held for Capital Works Projects		(24,941)	102,000	-
Net cash from / (to) Financing Activities		(32,161)	149,000	206,137
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(51,057)</b>	<b>102,203</b>	<b>211,374</b>
Cash and cash equivalents at the beginning of the year	8	263,726	65,389	52,352
<b>Cash and cash equivalents at the end of the year</b>	<b>8</b>	<b>212,669</b>	<b>167,592</b>	<b>263,726</b>

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 omitted.

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

## Mountview School

# Notes to the Financial Statements

For the year ended 31 December 2017

### 1. Statement of Accounting Policies

#### Reporting Entity

Mountview 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.

#### Basis of Preparation

##### Reporting Period

The financial reports have been prepared for the period 1 January 2017 to 31 December 2017 and in accordance with the requirements of the Public Finance Act 1989.

##### Basis of Preparation

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

##### Financial Reporting Standards Applied

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

##### PBE Accounting Standards Reduced Disclosure Regime

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

##### Measurement Base

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

##### Presentation Currency

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

##### Specific Accounting Policies

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

##### Critical Accounting Estimates And Assumptions

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

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

##### Useful lives of property, plant and equipment

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



## Mountview School

# Notes to the Financial Statements (cont.)

For the year ended 31 December 2017

### *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 17.

#### *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.

## 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.

### *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.

### *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.

### *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.

## Mountview School

# Notes to the Financial Statements (cont.)

For the year ended 31 December 2017

### 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.

### 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.

### 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.

### 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 under Schedule 6 Section 28 of the Education Act 1989 in relation to the acquisition of investment securities.

### Property, Plant and Equipment

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

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

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

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

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



## Mountview School

# Notes to the Financial Statements (cont.)

For the year ended 31 December 2017

### **Leased Assets**

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

### **Depreciation**

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

The estimated useful lives of the assets are:

Building improvements to Crown owned assets	20-100 years
Furniture and equipment	5-15 years
Information and communication technology	3-10 years
Motor vehicles	5 years
Textbooks	10 years
Leased assets held under a Finance Lease	4-8 years
Library resources	12.5% Diminishing value

### **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.

### **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.

### **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.



## Mountview School

# Notes to the Financial Statements (cont.)

For the year ended 31 December 2017

### *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.

### **Revenue Received in Advance**

Revenue received in advance relates to fees received from international students 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.

### **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).

### **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 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.

### **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 Statement of Cash Flows.

Commitments and contingencies are disclosed exclusive of GST.

### **Budget Figures**

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

### **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.

## Mountview School

# Notes to the Financial Statements (cont.)

For the year ended 31 December 2017

### 2 Government Grants

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operational grants	521,449	495,820	550,575
Teachers' salaries grants	1,280,747	1,239,147	1,276,284
Use of Land and Buildings grants	403,639	310,037	312,063
Other MoE Grants	53,201	53,500	59,075
Other government grants	-	9,857	-
	<u>2,259,036</u>	<u>2,108,361</u>	<u>2,197,997</u>

### 3 Locally Raised Funds

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

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
<b>Revenue</b>			
Donations	6,380	4,500	4,482
Fundraising	368	1,000	12,352
Trading	10,246	-	10,978
Activities	52,277	20,500	43,933
Curriculum Recoveries	-	-	-
	<u>69,271</u>	<u>26,000</u>	<u>71,745</u>
<b>Expenses</b>			
Activities	41,241	-	21,950
Trading	12,982	-	7,916
Fundraising (costs of raising funds)	483	500	4,297
	<u>54,706</u>	<u>500</u>	<u>34,163</u>
	<u>14,565</u>	<u>25,500</u>	<u>37,582</u>

Surplus for the year Locally Raised Funds

### 4 Learning Resources

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	30,164	40,335	35,991
Equipment repairs	-	-	696
Information and communication technology	30,203	30,494	44,606
Extra-curricular activities	6,341	250	3,249
Library resources	261	900	956
Employee benefits - salaries	1,484,628	1,377,422	1,413,567
Staff development	7,411	14,500	9,559
	<u>1,559,008</u>	<u>1,463,901</u>	<u>1,508,624</u>

## Mountview School

# Notes to the Financial Statements (cont.)

For the year ended 31 December 2017

### 5 Administration

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	5,800	6,590	5,715
Board of Trustees Fees	2,225	3,000	2,275
Board of Trustees Expenses	4,749	6,300	6,493
Communication	2,383	2,570	2,836
Consumables	6,691	7,100	7,467
Operating Lease	658	6,528	3,283
Postage	540	600	614
Other	7,209	6,550	6,256
Employee Benefits - Salaries	80,351	81,150	93,369
Insurance	6,506	7,600	7,448
Service Providers, Contractors and Consultancy	7,812	7,800	9,126
	<u>124,924</u>	<u>135,788</u>	<u>144,882</u>

### 6 Property

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	9,357	7,580	8,318
Consultancy and Contract Services	36,634	37,000	36,077
Cyclical Maintenance Provision	(6,620)	15,000	33,367
Grounds	10,740	5,000	6,689
Heat, Light and Water	32,714	36,900	31,629
Rates	9,103	9,100	9,021
Repairs and Maintenance	16,268	14,900	26,242
Use of Land and Buildings	403,639	310,037	312,063
Security	4,087	3,500	4,019
Employee Benefits - Salaries	29,657	30,000	31,179
	<u>545,579</u>	<u>469,017</u>	<u>498,604</u>

The use of land and buildings figure represents 8% of the school's total property value. This is used as a 'proxy' for the market rental of the property. 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

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Building Improvements - Crown	5,294	5,300	4,924
Furniture and Equipment	16,486	21,000	18,906
Information and Communication Technology	30,054	40,000	21,849
Textbooks	-	-	963
Leased Assets	2,750	2,200	1,156
Library Resources	1,535	1,500	1,679
	<u>56,119</u>	<u>70,000</u>	<u>49,477</u>



## Mountview School

### Notes to the Financial Statements (cont.)

For the year ended 31 December 2017

#### 8 Cash and Cash Equivalents

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Cash on Hand	212	100	60
Bank Current Account	209,007	67,492	41,729
Bank Call Account	3,450	100,000	221,937
Net cash and cash equivalents and bank overdraft for Cash Flow Statement	212,669	167,592	263,726

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

Of the \$212,669 Cash and Cash Equivalents, \$205,290 is held by the School on behalf of the Ministry of Education. These funds are required to be spent in 2018 on Crown owned school buildings under the School's Five Year Property Plan.

#### 9 Accounts Receivable

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Receivables	220	4,000	3,138
Interest Receivable	1,082	1,000	926
Bank Staffing Underuse	4,440	-	7,529
Teacher Salaries Grant Receivable	82,169	85,000	74,070
	87,911	90,000	85,663
Receivables from Exchange Transactions	1,302	5,000	4,064
Receivables from Non-Exchange Transactions	86,609	85,000	81,599
	87,911	90,000	85,663

#### 10 Inventories

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Stationery	153	300	247
	153	300	247

#### 11 Investments

The School's investment activities are classified as follows:

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Current Asset			
Short-term Bank Deposits	100,060	100,000	100,000
	100,060	100,000	100,000

The carrying value of long term deposits longer than 12 months approximates their fair value at 31 December 2017.

# Mountview School

## Notes to the Financial Statements (cont.)

For the year ended 31 December 2017

### 12 Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2017	\$	\$	\$	\$	\$	\$
Building improvements	170,668	19,363	-	-	(5,294)	184,737
Furniture and equipment	84,732	8,481	-	-	(16,486)	76,727
Information and communication technology	171,262	22,499	(579)	-	(30,054)	163,128
Leased assets	25,133	10,104	-	-	(2,750)	32,487
Library resources	12,208	1,975	(1,907)	-	(1,535)	10,741
<b>Balance at 31 December 2017</b>	<b>464,003</b>	<b>62,422</b>	<b>(2,486)</b>	<b>-</b>	<b>(56,119)</b>	<b>467,820</b>

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2017	\$	\$	\$
Building improvements	254,369	(69,632)	184,737
Furniture and equipment	687,412	(610,685)	76,727
Information and communication technology	382,532	(219,404)	163,128
Textbooks	14,048	(14,048)	-
Leased assets	63,922	(31,435)	32,487
Library resources	68,726	(57,985)	10,741
<b>Balance at 31 December 2017</b>	<b>1,471,009</b>	<b>(1,003,189)</b>	<b>467,820</b>

The net carrying value of equipment held under a finance lease is \$32,487 (2016: \$25,133).

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2016	\$	\$	\$	\$	\$	\$
Building improvements	171,715	3,877	-	-	(4,924)	170,668
Furniture and equipment	99,768	3,870	-	-	(18,906)	84,732
Information and communication technology	103,527	89,584	-	-	(21,849)	171,262
Textbooks	963	-	-	-	(963)	-
Leased assets	-	26,289	-	-	(1,156)	25,133
Library resources	12,713	1,174	-	-	(1,679)	12,208
<b>Balance at 31 December 2016</b>	<b>388,686</b>	<b>124,794</b>	<b>-</b>	<b>-</b>	<b>(49,477)</b>	<b>464,003</b>

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2016	\$	\$	\$
Building improvements	235,006	(64,338)	170,668
Furniture and equipment	658,483	(573,751)	84,732
Information and communication technology	360,689	(189,427)	171,262
Motor vehicles	21,377	(21,377)	-
Textbooks	14,048	(14,048)	-
Leased assets	53,818	(28,685)	25,133
Library resources	79,113	(66,905)	12,208
<b>Balance at 31 December 2016</b>	<b>1,422,534</b>	<b>(958,531)</b>	<b>464,003</b>

## Mountview School

### Notes to the Financial Statements (cont.)

For the year ended 31 December 2017

#### 13 Accounts Payable

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Operating creditors	22,767	40,000	38,649
Accruals	5,663	7,000	6,358
Employee Entitlements - salaries	83,211	85,000	74,070
Employee Entitlements - leave accrual	15,154	18,000	15,154
	<u>126,795</u>	<u>150,000</u>	<u>134,231</u>
Payables for Exchange Transactions	126,795	150,000	134,231
	<u>126,795</u>	<u>150,000</u>	<u>134,231</u>

The carrying value of payables approximates their fair value.

#### 14 Revenue Received in Advance

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Other	8,035	6,500	6,011
	<u>8,035</u>	<u>6,500</u>	<u>6,011</u>

#### 15 Provision for Cyclical Maintenance

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Provision at the Start of the Year	84,820	84,820	66,175
Increase to the Provision During the Year	(6,620)	15,000	33,367
Use of the Provision During the Year	(19,451)	(820)	(14,722)
Provision at the End of the Year	<u>58,749</u>	<u>99,000</u>	<u>84,820</u>
Cyclical Maintenance - Current	17,500	15,000	-
Cyclical Maintenance - Term	41,249	84,000	84,820
	<u>58,749</u>	<u>99,000</u>	<u>84,820</u>

#### 16 Painting Contract Liability

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Current Liability	19,451	25,000	19,205
Non Current Liability	-	-	-
	<u>19,451</u>	<u>25,000</u>	<u>19,205</u>

In 2010 the Board signed an agreement with Programmed Maintenance Services Ltd (the contractor) for an agreed programme of work covering an eight year period. The programme provides for an interior and exterior repaint of the Ministry owned buildings in 2006, with regular maintenance in subsequent years. The agreement has an annual commitment of \$18,264. The liability is the best estimate of the actual amount of work performed by the contractor for which the contractor has not been paid at balance sheet date. The liability has not been adjusted for inflation and the effect of the time value of money.



## Mountview School

# Notes to the Financial Statements (cont.)

For the year ended 31 December 2017

### 17 Finance Lease Liability

The school has entered into a number of finance lease agreements for TELA leases and a copier.

Minimum lease payments payable (includes interest portion):

	2017	2017 Budget (Unaudited)	2016
	Actual		Actual
	\$	\$	\$
No Later than One Year	11,823	-	6,076
Later than One Year and no Later than Five Years	17,161	-	17,043
	<u>28,984</u>	<u>-</u>	<u>23,119</u>

### 18 Funds Held for Capital Works Projects

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

		2017	Opening Balances	Receipts from MoE	Payments	BOT Contribution/ (Write-off to R&M)	Closing Balances
			\$	\$	\$		\$
Tech Block Renovations	<i>in progress</i>		230,231	-	152,390	-	77,841
Rationalisation	<i>in progress</i>		-	92,347	7,629	-	84,718
Weathertightness	<i>in progress</i>		-	13,500	-	-	13,500
Disabled Access	<i>in progress</i>		-	9,708	-	-	9,708
MOE Special Needs Modification	<i>in progress</i>		-	66,547	47,024	-	19,523
	0	-	-	-	-	-	-
Totals			<u>230,231</u>	<u>182,102</u>	<u>207,043</u>	<u>-</u>	<u>205,290</u>

Represented by:

Funds Held on Behalf of the Ministry of Education

205,290
<u>205,290</u>

		2016	Opening Balances	Receipts from MoE	Payments	BOT Contribution/ (Write-off to R&M)	Closing Balances
			\$	\$	\$	\$	\$
Rm 2	<i>Completed</i>		(4,600)	-	-	4,600	-
Entrance Gate	<i>Completed</i>		1,164	-	1,220	56	-
Tech Block Renovations	<i>in progress</i>		(10,260)	255,964	15,473	-	230,231
Diabed Access/Special Needs	<i>Completed</i>		13,996	7,740	21,718	(18)	-
Water Supply	<i>Completed</i>		19,617	3,079	23,016	320	-
Masterkey Locking System	<i>Completed</i>		(2,045)	2,045	-	-	-
Totals			<u>17,872</u>	<u>268,828</u>	<u>61,427</u>	<u>4,958</u>	<u>230,231</u>

### 19 Related Party Transactions

The School is a controlled entity of the Crown, and the Crown provides the major source of revenue to the school. The school enters into transactions with other entities also controlled by the Crown, such as government departments, state-owned enterprises and other Crown entities. Transactions with these entities are not disclosed as they occur on terms and conditions no more or less favourable than those that it is reasonable to expect the school would have adopted if dealing with that entity at arm's length.

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and condition no more or less favourable than those that it is reasonable to expect the school would have adopted in dealing with the party at arm's length in the same circumstances. Further, transactions with other government agencies (for example, Government departments and Crown entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.

## Mountview School

# Notes to the Financial Statements (cont.)

For the year ended 31 December 2017

## 20 Remuneration

### Key management personnel compensation

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

	2017 Actual \$	2016 Actual \$
<i>Board Members</i>		
Remuneration	2,225	2,275
Full-time equivalent members	0.22	0.18
<i>Leadership Team</i>		
Remuneration	389,920	376,270
Full-time equivalent members	3.00	3.00
Total key management personnel remuneration	392,145	378,545
Total full-time equivalent personnel	3.22	3.18

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:

	2017 Actual \$000	2016 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	160 -170	150 -160
Benefits and Other Emoluments	15-20	15-20
Termination Benefits	-	-

### Other Employees

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

Remuneration \$000	2017 FTE Number	2016 FTE Number
100-110	1	1
	1.00	1.00

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

## 21 Compensation and Other Benefits Upon Leaving

There were no compensation or other benefits paid or payable to persons upon leaving.

## Notes to the Financial Statements (cont.)

For the year ended 31 December 2017

### 22 Contingencies

There are no contingent liabilities and no contingent assets as at 31 December 2017.

(Contingent liabilities and assets as at 31 December 2016: nil)

### 23 Commitments

#### (a) Capital Commitments

The Board considers there to be no contractual commitments at the above date other than those disclosed in the preceding financial statements and detailed below.

(Capital commitments as at 31 December 2016: nil)

#### (b) Operating Commitments

As at 31 December 2017 the Board has entered into the following contracts:

- operating lease of a photocopier

	2017 Actual \$	2016 Actual \$
No later than One Year	301	301
Later than One Year and No Later than Five Years	-	2,667
	<u>301</u>	<u>2,968</u>

### 24 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.

### 25 Financial Instruments

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

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
<b>Loans and Receivables</b>			
Cash and Cash Equivalents	212,669	167,592	263,726
Receivables	87,911	90,000	85,663
Investments - Term Deposits	100,060	100,000	100,000
Total Loans and Receivables	<u>400,640</u>	<u>357,592</u>	<u>449,389</u>
<b>Financial liabilities measured at amortised cost</b>			
Payables	126,795	150,000	134,231
Finance Leases	25,757	22,000	23,119
Painting Contract Liability	19,451	25,000	19,205
Total Financial Liabilities Measured at Amortised Cost	<u>172,003</u>	<u>197,000</u>	<u>176,555</u>

### 26 Events After Balance Date

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

### 27 Prior Year Comparatives

Comparative figures included in the financial statements relate to the financial year ended 31 December 2016. Where necessary these figures have been reclassified on a basis consistent with current disclosure for the year ended 31 December 2017.





**INDEPENDENT AUDITOR'S REPORT**

**TO THE READERS OF MOUNTVIEW SCHOOL'S FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

The Auditor-General is the auditor of Mountview School (the School). The Auditor-General has appointed me, David Fraser, using the staff and resources of Silks Audit Chartered Accountants Ltd, 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 18, that comprise the statement of financial position as at 31 December 2017, the statement of comprehensive revenue and expenses, 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 2017; 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 Tier 2 PBE Accounting Standards (PBE IPSAS) Reduced Disclosure Regime

Our audit was completed on 31 May 2018. This is the date at which our opinion is expressed.

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

**Basis for our opinion**

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

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

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

**Responsibilities of the Board of Trustees for the financial statements**

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

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

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

### **Responsibilities of the auditor for the audit of the financial statements**

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

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

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

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

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

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

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

Our responsibilities arises from the Public Audit Act 2001.

#### **Other information**

The Board of Trustees is responsible for the other information. The other information comprises the Board of Trustee schedule, Analysis of Variance and Kiwisport statement starting on page 22, but does not include the financial statements, and our auditor's report thereon.

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

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

#### **Independence**

We are independent of the School in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1 (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.



**David Fraser**  
**Silks Audit Chartered Accountants Ltd**  
**On behalf of the Auditor-General**  
**Whanganui, New Zealand**