

# HILLPARK SCHOOL

## ANNUAL REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2018

#### School Directory

**Ministry Number:** 1312

**Principal:** Gavin Beere

**School Address:** 57 Grande Vue Road, Manurewa, Manukau

**School Postal Address:** 57 Grande Vue Road, Manurewa, Auckland, 2102

**School Phone:** 09 267 6252

**School Email:** info@hillpark.school.nz

#### Members of the Board of Trustees

<b>Name</b>	<b>Position</b>	<b>How Position Gained</b>	<b>Term Expires/ Expired</b>
David Mose	Chairperson	Elected	May 2019
Gavin Beere	Principal	ex Officio	
Lagi Puletiu	Parent Rep	Elected	May 2019
Cindy Munro	Parent Rep	Elected	May 2019
Tania Mills	Parent Rep	Elected	May 2019
Roxanne Mason	Parent Rep	Elected	May 2019
Ratima Rolleston	Parent Rep	Co-opted	May 2019
Emma Ritzema-Bain	Staff Rep	Elected	May 2019

**Accountant / Service Provider:** Education Services Ltd

# HILLPARK SCHOOL

Annual Report - For the year ended 31 December 2018

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# Hillpark 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.

*Ratina Ralleston*

Full Name of Board Chairperson

*R. Ralleston*

Signature of Board Chairperson

*30/05/2019*

Date:

*Gavin George Beere*

Full Name of Principal

*G. G. Beere*

Signature of Principal

*30/05/2019.*

Date:

**Hillpark School**  
**Statement of Comprehensive Revenue and Expense**  
For the year ended 31 December 2018

	Notes	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
<b>Revenue</b>				
Government Grants	2	3,519,346	3,361,014	3,573,536
Locally Raised Funds	3	234,668	354,250	206,308
Interest Earned		3,167	6,000	5,791
Gain on Sale of Property, Plant and Equipment		191	-	-
		<u>3,757,372</u>	<u>3,721,264</u>	<u>3,785,635</u>
<b>Expenses</b>				
Locally Raised Funds	3	136,713	176,250	109,953
Learning Resources	4	2,205,534	2,284,468	2,297,469
Administration	5	206,314	216,592	201,359
Finance Costs		3,897	1,860	2,122
Property	6	1,154,106	953,580	1,166,366
Depreciation	7	103,211	87,601	102,314
		<u>3,809,775</u>	<u>3,720,351</u>	<u>3,879,583</u>
<b>Net Surplus / (Deficit)</b>		(52,403)	913	(93,948)
Other Comprehensive Revenue and Expenses		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<u>(52,403)</u>	<u>913</u>	<u>(93,948)</u>

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

**Hillpark School**  
**Statement of Changes in Net Assets/Equity**  
For the year ended 31 December 2018

	Actual 2018 \$	Budget (Unaudited) 2018 \$	Actual 2017 \$
<b>Balance at 1 January</b>	<u>346,910</u>	<u>440,923</u>	<u>440,858</u>
Total comprehensive revenue and expense for the year	(52,403)	913	(93,948)
Capital Contributions from the Ministry of Education			
<b>Equity at 31 December</b>	<u>294,507</u>	<u>441,836</u>	<u>346,910</u>
Retained Earnings	294,507	441,836	346,910
<b>Equity at 31 December</b>	<u>294,507</u>	<u>441,836</u>	<u>346,910</u>

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

**Hillpark School**  
**Statement of Financial Position**  
As at 31 December 2018

	Notes	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
<b>Current Assets</b>				
Cash and Cash Equivalents	8	122,536	219,409	110,933
Accounts Receivable	9	133,558	156,504	124,764
GST Receivable		8,977	14,909	20,652
Prepayments		11,271	10,266	16,726
Inventories	10	1,685	2,184	1,876
Investments	11	10,000	50,000	-
		<u>288,027</u>	<u>453,272</u>	<u>274,951</u>
<b>Current Liabilities</b>				
Accounts Payable	13	181,889	179,891	160,073
Provision for Cyclical Maintenance	14	33,588	-	-
Finance Lease Liability - Current Portion	15	31,179	15,369	15,369
Funds held for Capital Works Projects	16	15,137	-	4,075
		<u>261,793</u>	<u>195,260</u>	<u>179,517</u>
<b>Working Capital Surplus/(Deficit)</b>		26,234	258,012	95,434
<b>Non-current Assets</b>				
Property, Plant and Equipment	12	409,009	344,424	395,876
		<u>409,009</u>	<u>344,424</u>	<u>395,876</u>
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	14	114,444	156,136	123,989
Finance Lease Liability	15	26,292	4,464	20,411
		<u>140,736</u>	<u>160,600</u>	<u>144,400</u>
<b>Net Assets</b>		<u>294,507</u>	<u>441,836</u>	<u>346,910</u>
<b>Equity</b>		<u>294,507</u>	<u>441,836</u>	<u>346,910</u>

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

**Hillpark School**  
**Statement of Cash Flows**  
For the year ended 31 December 2018

		2018	2018	2017
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
<b>Cash flows from Operating Activities</b>				
Government Grants		729,550	771,588	804,746
Locally Raised Funds		233,825	351,750	206,061
Goods and Services Tax (net)		11,675	-	(5,743)
Payments to Employees		(388,726)	(390,033)	(388,175)
Payments to Suppliers		(502,157)	(561,894)	(578,510)
Cyclical Maintenance Payments in the year		-	-	(11,500)
Interest Paid		(3,897)	(1,860)	(2,122)
Interest Received		3,091	6,000	6,018
Net cash from / (to) the Operating Activities		83,361	175,551	30,775
<b>Cash flows from Investing Activities</b>				
Purchase of PPE (and Intangibles)		(50,324)	(64,000)	(81,934)
Purchase of Investments		(10,000)	(50,000)	-
Net cash from / (to) the Investing Activities		(60,324)	(114,000)	(81,934)
<b>Cash flows from Financing Activities</b>				
Finance Lease Payments		(24,460)	(15,947)	(10,360)
Funds Held for Capital Works Projects		13,026	-	(1,353)
Net cash from Financing Activities		(11,434)	(15,947)	(11,713)
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>11,603</b>	<b>45,604</b>	<b>(62,872)</b>
Cash and cash equivalents at the beginning of the year	8	110,933	173,805	173,805
<b>Cash and cash equivalents at the end of the year</b>	<b>8</b>	<b>122,536</b>	<b>219,409</b>	<b>110,933</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 excluded.

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

# Hillpark School

## Notes to the Financial Statements

### For the year ended 31 December 2018

#### 1. Statement of Accounting Policies

##### a) Reporting Entity

Hillpark 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 12.

#### ***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 15.

#### *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.

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	20-40 years
Building Improvements	10-20 years
Furniture and Equipment	5-20 years
Information and Communication Technology	3-15 years
Library Resources	8 years

Leased assets are depreciated over the life of the lease.

### **l) Impairment of property, plant, and equipment**

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.

### **m) Accounts Payable**

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

#### **n) Employee Entitlements**

##### *Short-term employee entitlements*

Employee 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.

#### **o) Revenue Received in Advance**

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

#### **p) 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).

#### **q) 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.

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.

#### **r) 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.

#### **s) Budget Figures**

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

#### **t) 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 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Operational grants	660,091	684,588	673,606
Teachers' salaries grants	1,897,260	1,899,800	1,915,973
Use of Land and Buildings grants	884,483	686,737	878,540
Resource teachers learning and behaviour grants	-	-	1,700
Other MoE Grants	74,586	84,889	98,148
Other government grants	2,926	5,000	5,569
	<b>3,519,346</b>	<b>3,361,014</b>	<b>3,573,536</b>

## 3. Locally Raised Funds

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

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
<b>Revenue</b>			
Donations	43,146	72,000	40,479
Bequests & Grants	12,300	-	-
Activities	74,739	155,250	56,863
Trading	-	2,500	17
Fundraising	9,534	21,500	9,049
Childcare	94,949	103,000	99,900
	<b>234,668</b>	<b>354,250</b>	<b>206,308</b>
<b>Expenses</b>			
Activities	75,059	120,750	36,215
Trading	191	2,000	1,033
Fundraising costs	3,569	-	4,486
Childcare	57,894	53,500	68,219
	<b>136,713</b>	<b>176,250</b>	<b>109,953</b>
<i>Surplus for the year Locally raised funds</i>	<b>97,955</b>	<b>178,000</b>	<b>96,355</b>

## 4. Learning Resources

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Curricular	66,256	92,657	92,760
Library resources	2,335	3,724	1,845
Employee benefits - salaries	2,098,005	2,110,062	2,132,097
Staff development	33,600	66,525	61,991
Minor Equipment / R&m	5,338	11,500	8,776
	<b>2,205,534</b>	<b>2,284,468</b>	<b>2,297,469</b>

## 5. Administration

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Audit Fee	6,028	5,852	5,852
Board of Trustees Fees	3,045	7,005	4,275
Board of Trustees Expenses	6,855	10,175	13,013
Communication	10,861	12,400	11,850
Consumables	25,251	25,800	26,935
Operating Lease	6,454	3,554	12,382
Other	11,495	19,850	18,712
Employee Benefits - Salaries	114,310	112,771	90,162
Insurance	8,695	8,085	9,046
Service Providers, Contractors and Consultancy	13,320	11,100	9,132
	<b>206,314</b>	<b>216,592</b>	<b>201,359</b>

## 6. Property

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	63,783	62,250	61,974
Cyclical Maintenance Expense	24,043	24,043	25,539
Grounds	3,176	4,500	2,383
Heat, Light and Water	43,805	38,000	46,950
Repairs and Maintenance	44,112	61,550	62,786
Use of Land and Buildings	884,483	686,737	878,540
Security	18,595	9,500	17,971
Employee Benefits - Salaries	72,109	67,000	70,223
	<u>1,154,106</u>	<u>953,580</u>	<u>1,166,366</u>

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

## 7. Depreciation

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Buildings	4,767	4,081	4,767
Building Improvements	2,911	3,936	4,597
Furniture and Equipment	40,630	35,434	41,384
Information and Communication Technology	28,989	23,111	26,993
Leased Assets	24,875	10,077	11,770
Library Resources	1,039	10,962	12,803
	<u>103,211</u>	<u>87,601</u>	<u>102,314</u>

## 8. Cash and Cash Equivalents

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Cash on Hand	200	-	200
Bank Current Account	119,787	168,607	108,199
Bank Call Account	2,549	50,802	2,534
Cash equivalents for Cash Flow Statement	<u>122,536</u>	<u>219,409</u>	<u>110,933</u>

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

Of the \$122,536 Cash and Cash Equivalents, \$16,149 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	3,483	2,568	3,036
Receivables from the Ministry of Education	-	34,214	-
Interest Receivable	76	227	-
Teacher Salaries Grant Receivable	129,999	119,495	121,728
	<u>133,558</u>	<u>156,504</u>	<u>124,764</u>
Receivables from Exchange Transactions	3,559	2,795	3,036
Receivables from Non-Exchange Transactions	129,999	153,709	121,728
	<u>133,558</u>	<u>156,504</u>	<u>124,764</u>

**10. Inventories**

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Stationery	1,685	2,184	1,876
	<u>1,685</u>	<u>2,184</u>	<u>1,876</u>

**11. Investments**

The School's investment activities are classified as follows:

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Current Asset			
Short-term Bank Deposits	10,000	50,000	-

## 12. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2018	\$	\$	\$	\$	\$	\$
Buildings	36,768	-	-	-	(4,767)	32,001
Building Improvements	6,764	37,566	-	-	(2,911)	41,419
Furniture and Equipment	239,432	19,260	-	-	(40,630)	218,062
Information and Communication Technology	70,008	10,362	-	-	(28,989)	51,381
Leased Assets	37,340	49,585	(429)	-	(24,875)	61,621
Library Resources	5,564	-	-	-	(1,039)	4,525
<b>Balance at 31 December 2018</b>	<b>395,876</b>	<b>116,773</b>	<b>(429)</b>	<b>-</b>	<b>(103,211)</b>	<b>409,009</b>

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2018	\$	\$	\$
Buildings	144,001	(112,000)	32,001
Building Improvements	132,437	(91,018)	41,419
Furniture and Equipment	917,818	(699,756)	218,062
Information and Communication Technology	319,555	(268,174)	51,381
Leased Assets	98,148	(36,527)	61,621
Library Resources	116,140	(111,615)	4,525
<b>Balance at 31 December 2018</b>	<b>1,728,099</b>	<b>(1,319,090)</b>	<b>409,009</b>

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2017	\$	\$	\$	\$	\$	\$
Buildings	41,535	-	-	-	(4,767)	36,768
Building Improvements	11,361	-	-	-	(4,597)	6,764
Furniture and Equipment	237,180	43,636	-	-	(41,384)	239,432
Information and Communication Technology	64,970	32,031	-	-	(26,993)	70,008
Leased Assets	7,398	41,712	-	-	(11,770)	37,340
Library Resources	18,247	120	-	-	(12,803)	5,564
<b>Balance at 31 December 2017</b>	<b>380,691</b>	<b>117,499</b>	<b>-</b>	<b>-</b>	<b>(102,314)</b>	<b>395,876</b>

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2017	\$	\$	\$
Buildings	144,001	(107,233)	36,768
Building Improvements	94,871	(88,107)	6,764
Furniture and Equipment	898,558	(659,126)	239,432
Information and Communication Technology	309,194	(239,186)	70,008
Leased Assets	50,276	(12,936)	37,340
Library Resources	116,140	(110,576)	5,564
<b>Balance at 31 December 2017</b>	<b>1,613,040</b>	<b>(1,217,164)</b>	<b>395,876</b>



### 13. Accounts Payable

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Operating creditors	25,787	39,399	29,167
Accruals	4,528	3,865	3,902
Capital accruals for PPE items	16,864	-	-
Employee Entitlements - salaries	129,999	119,495	121,728
Employee Entitlements - leave accrual	4,711	17,132	5,276
	<u>181,889</u>	<u>179,891</u>	<u>160,073</u>
Payables for Exchange Transactions	181,889	179,891	160,073
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	<u>181,889</u>	<u>179,891</u>	<u>160,073</u>

The carrying value of payables approximates their fair value.

### 14. Provision for Cyclical Maintenance

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Provision at the Start of the Year	123,989	132,093	109,950
Increase to the Provision During the Year	24,043	24,043	25,539
Use of the Provision During the Year	-	-	(11,500)
Provision at the End of the Year	<u>148,032</u>	<u>156,136</u>	<u>123,989</u>
Cyclical Maintenance - Current	33,588	-	-
Cyclical Maintenance - Term	114,444	156,136	123,989
	<u>148,032</u>	<u>156,136</u>	<u>123,989</u>

### 15. Finance Lease Liability

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

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
No Later than One Year	32,621	15,369	16,542
Later than One Year and no Later than Five Years	26,828	4,464	20,956
	<u>59,449</u>	<u>19,833</u>	<u>37,498</u>

## 16. 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
		\$	\$	\$		\$
Roof Replacement Block2,3,4,5,16 & Shed	<i>completed</i>	5,087	14,208	19,295	-	-
ILE Conversion	<i>in progress</i>	(1,012)	-	-	-	(1,012)
Block 1 A & 2 Toilet and Block 5 Relocatable Upgrade	<i>in progress</i>	-	67,000	50,851	-	16,149
<b>Totals</b>		<b>4,075</b>	<b>81,208</b>	<b>70,146</b>	<b>-</b>	<b>15,137</b>

### Represented by:

Funds Held on Behalf of the Ministry of Education	16,149
Funds Due from the Ministry of Education	(1,012)
	<b>15,137</b>

	2017	Opening Balances	Receipts from MoE	Payments	BOT Contribution/ (Write-off to R&M)	Closing Balances
		\$	\$	\$		\$
Hall Lighting Replacement	<i>completed</i>	(270)	670	400	-	-
Boundary Fencing	<i>completed</i>	-	32,392	32,392	-	-
Warm Water Provision	<i>completed</i>	-	10,012	10,012	-	-
Roof Replacement Block2,3,4,5,16 & Shed	<i>in progress</i>	-	111,150	106,063	-	5,087
ILE Conversion	<i>in progress</i>	-	-	1,012	-	(1,012)
<b>Totals</b>		<b>(270)</b>	<b>154,224</b>	<b>149,879</b>	<b>-</b>	<b>4,075</b>

## 17. Related Party Transactions

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

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and 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.

## 18. 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	3,045	4,275
Full-time equivalent members	0.07	0.07
<i>Leadership Team</i>		
Remuneration	447,698	449,443
Full-time equivalent members	4.00	4.00
Total key management personnel remuneration	450,743	453,718
Total full-time equivalent personnel	4.07	4.07

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:		
Salary and Other Payments	140 - 150	140 - 150
Benefits and Other Emoluments	18 - 19	17 - 18
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	1.00	1.00
	1.00	1.00

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

## 19. Compensation and Other Benefits Upon Leaving

The total value of compensation or other benefits paid or payable to persons who ceased to be 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	-	-

## 20. 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.

## 21. Commitments

### (a) Capital Commitments

There are no capital commitments as at 31 December 2018 (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	705	3,554
Later than One Year and No Later than Five Years	-	705
Later than Five Years	-	-
	<u>705</u>	<u>4,259</u>

## 22. 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.

## 23. 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	122,536	219,409	110,933
Receivables	133,558	156,504	124,764
Investments - Term Deposits	10,000	50,000	-
Total Loans and Receivables	<u>266,094</u>	<u>425,913</u>	<u>235,697</u>

### Financial liabilities measured at amortised cost

Payables	181,889	179,891	160,073
Finance Leases	57,471	19,833	35,780
Total Financial Liabilities Measured at Amortised Cost	<u>239,360</u>	<u>199,724</u>	<u>195,853</u>

## 24. Events After Balance Date

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

## 25. Comparatives

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

# Analysis of Variance Reporting



<b>School Name:</b>	Hillpark School	<b>School Number:</b> 1312
<b>Strategic Aim:</b>	Aspire, Grow, Achieve – Kia Mataara, Ka Tipu, Ka Taea	
<b>Annual Aim:</b>	To enact the above for all students under the strategic goals of student achievement, community engagement, pedagogical and andragogical excellence, and cultural competence.	
<b>Target:</b>	<p>Mathematics Targets Global: 76% of students at or above global expectations in relation to National Standards. End of 2017 = 73.3% End of 2018 77.1%</p> <p>Specific: To accelerate the progress of the; 17% of Year 5 boys well below or below in maths. 18 % (15 students) below in mathematics 26% (9 children) of Year 3 Asian students below in maths</p> <p><b>IMSACT: To accelerate the progress of the 44% (8 children) of Year 4 Maori children below in maths</b></p> <p><b>IPSACT: These are included in the main target and will be monitored separately</b></p> <p>Reading Targets Global: 80% at or above global expectations in relation to national standards. End of 2017 = 73.3% End of 2018 77.1% Specific: To accelerate the progress of the; 20% (12 students) of Year of Year 5 below in reading. : 31% (14 students) of Year 6 below in reading : 42% (12 children) of Year 1 and 2 Asian students below in reading</p>	

	<p><b>IMSACT:</b> To accelerate the progress of the 60% (6 children) of Year 3 Maori children below in reading</p> <p><b>IPSACT:</b> To accelerate the progress of the 70% (5 children) of Year 3 Pasifika boys below in reading</p> <p>Writing Targets  Global: 75% of the general cohort at or above global expectations in relation to national standards. End of 2017= 68%  End of = 2018 70.3%</p> <p>Specific: To accelerate the progress of the;  : 30% (14 students) of Year 5 boys in writing  : 30% (15 children) of Year 6 boys in writing  : 42% (11 children) of Year 1 and 2 Asian students</p> <p><b>IMSACT:</b> To accelerate the progress of the 50% (5 children) of Year 3 Maori children below in writing</p> <p><b>IPSACT:</b> To accelerate the progress of the; 71% (5 children) of Year 3 Pasifika boys below in writing  : 57% (4 children) of Year 4 Pasifika boys below in writing</p>
<p><b>Baseline Data:</b></p>	<p>Maths end of 2017  All Year 4 children who are Below and Well Below (50%)</p> <p>Reading end of 2017  All boys who are Below and Well Below (36%)</p> <p>Writing end of 2017  All boys who are Below and Well Below (49%)</p>

<b>Actions</b> <i>What did we do?</i>	<b>Outcomes</b> <i>What happened?</i>	<b>Reasons for the variance</b> <i>Why did it happen?</i>	<b>Evaluation</b> <i>Where to next?</i>
<p>Janet PL continued - we started to differentiate our PL as we now have a huge range of capabilities across our staff.</p> <p>Data wall – accountability for teachers but also visible for everyone involved with our children. Connected to /used for appraisal discussions with Principal. Teaching as Inquiry questions linked directly to focus children’s needs</p> <p>Case study of focus students- minuted team meeting conversations based around focus children and their data, teaching strategies tried</p> <p>Mid-year Ignite talks – teachers prepared a talk about the progress of two students, one who had made accelerated progress (was now AT expectation), and ones who had not made accelerated progress (had not met the mid-year expectation). They shared evidence of their teaching as Inquiry teaching intervention, what worked, what didn’t work. Included discussion around different timepoint data collection. Teachers</p>	<p><b>Mathematics Targets</b></p> <p><b>Global: 80% of students at or above global expectations in relation to national standards</b></p> <p>End of 2018 =80.2% at or above</p> <p><b>Specific Target: To accelerate the progress of</b></p> <p><b>-the 17% (14 children) of Year 5 boys below in maths</b> 5 of the 14 Year 5 boys made accelerated progress to AT. The others made progress as shown by eastTtle scores however not enough to be AT by the end of the year. Many of these children had additional needs including ESOL, severe attendance issues and specific learning needs making it hard for accelerated progress.</p> <p><b>-the 18% (15 children) of Year 6 boys below in maths</b> 11 of the 15 Year 6 boys made accelerated progress from Below to At. The 4 boys who remained at Below all had additional needs such as severe attendance issues, death of a parent and specific learning needs. It is worth noting that 3 boys who were Well Below at the end of 2017 made accelerated progress to be Below at the end of 2018.</p>	<p>Reasons for variance are consistent across reading, writing and mathematics and where this varies it will be noted. There is overall improvement in global %ages in all areas.</p> <p>While not all target group focus students progressed to ‘at’ many went from ‘well below’ to ‘below’ therefore making significant progress.</p> <p>Some children will not make regular progress as has been documented in previous reports, the numbers of children with significant learning / personal needs has dramatically increased in recent years.</p> <p>Teachers have participated in deep professional learning and had a greater monitoring and implementing initiative role in 2017 and the positive results can be attributed to this.</p> <p>The actions planned all had a significant impact on outcomes.</p>	<p>Growing Assessment Capable Learners is our overarching goal – move to Linc-Ed SMS to enable this better.</p> <p>We will continue to differentiate our PL, with Janet, for our teachers and with a specific focus on growing the capabilities of our team leaders. We have collected data (Assessment for Learning Leadership Capabilities Matrices) which show us where our gaps are.</p> <p>Consolidate the use of team specific Visual Representation of child-speak Literacy Learning Progressions in Writing (to start with)</p> <p>The number of children starting at Hillpark School with English as a second language has again increased dramatically. We intend to continue upskill our teacher aides and teachers, with a focus on oral language and ask RTLB.</p> <p>More PL and consistent use of the Switch on to Spelling programme needs to happen, the raw data shows us that this will make a difference.</p>

planned and shared where to next?  
 As a staff we decided to have an extra 'check-in' for our focus students in 2017. The teachers created an interim interim OTJ at the end of Term 3 to gain a picture of how much progress our focus students had made. The Executive Team (SLT) moderated these end of Term 3 OTJs.

We repeated this in 2018.

**-the 26% (9 children) of Year 3 Asian children below in maths** 2 out of the 9 Asian children below in maths made accelerated progress from below to at, one child left our school. The other 6 children remained at Below, however all of these children made progress in at least one stage in GLOSS assessment.

IMSACT:

**To accelerate the progress of**

**-the 44% (8 children) of Year 4 Maori children below in maths** 4 of the 8 Maori children below in maths made accelerated progress to be At by the end of the year.

**IPSACT: These are included in the main target and will be monitored separately** At the end of 2018 69.6% of Pasifika children were At or Above compared to 64.2% the previous year

**Reading Targets**

**Global: 80% at or above global expectations in relation to national standards**

**End of 2017 = 73.3% End of 2018 77.1%**

**Specific Target: To accelerate the progress of**

The extenuating circumstance that led to improvement was a Term 3 stocktake mention in the actions column.

The significant improvement in writing is due to the work of senior staff and our mentor Janet McCarroll establishing a high level of assessment for Learning practice across the school.

This has produced teachers who reflect deeply on their practice and adjust it to meet children's needs.

Continue working with SAF Te Iwango to develop culturally responsive pedagogy to further raise achievement for our Maori and Pasifika children and further refine our achievement targets for these groups. Students With The Most Potential.



-the 20% (12 children) of Year 5 children below in reading

none of these children made accelerated progress from Below to At. Most of these children showed improvement their raw scores in easTTle reading, however not enough to be AT by the end of the year. 6 of these children had attendance issues and 3 received extra learning support as they have ongoing learning difficulties.

-the 31% (14 children) of Year 6 boys below in reading

3 of the 14 year 6 boys below in reading made accelerated progress from Below to At. 3 of these boys left our school before the end of the year. The remaining boys, showed improvement their raw scores in easTTle reading, however not enough to be AT by the end of the year. These children all received extra help with their learning, within school or from outside agencies such as RTLB.

-the 42% (12 children) of Year 1 and 2 Asian children below in reading

Of the 12 Asian children below in reading, only 4 remained Below. The other children all left our school. The 4 children that remained below all have English as a second language and are expected to continue to make

progress towards At, as their English improves.

**IMSACT: To accelerate the progress of**

**-the 60% (6 children) of Year 3 Maori children below in reading**

Of the 6 Year 3 Maori children below in reading, 5 made accelerated progress to be At the expected level and 1 child left our school.

**IPSACT: To accelerate the progress of**

**-the 70% (5 children) of Year 3 Pasifika boys below in reading**

Of the 5 Year 3 Pasifika boys below in reading, 1 child made accelerated progress to be At. Of the 3 that remained Below attendance is a huge concern and truancy service is involved. 1 child moved from being Below the expected level to Well Below, this child had 42 days (8 school weeks) absent, the truancy service is involved.

**Writing Target**

**Global: 75% of the general cohort at or above global expectations in relation to national standards up from 68%**

End of 2017 68% End of 2018 70.3%

**Specific Target: To accelerate the progress of -the 30% (14 children) of Year 5 boys below in writing**

Of the 10 (not 14) Year 5 boys below in writing 3 left our school, 1 child made accelerated progress to be At, 6 boys remained Below. These boys made progress as shown by eastTtle scores however not enough to be AT by the end of the year.

**-the 30% (15 children) of Year 6 boys below in writing**

Of the 12 (not 15) Year 6 boys below in writing, 1 left our school, 5 boys remained below the expected level. These boys all made progress as shown by eastTtle scores however not enough to be AT by the end of the year. 6 boys made accelerated progress to be At by the end of the year.

**-the 39% (14 children) of Year 1 and 2 boys below in writing**

Of the 14 Year 1 and Year 2 children below in writing, 6 boys left our school, 7 boys remained Below although their eastTtle scores improved, it was not enough to be At by the end of the year. All of these boys received extra

learning, Behaviour or ESOL support.

**-the 42% (11 children) of Year 1 and 2 Asian children below in writing**

Of the 10 Year 1 and Year 2 Asian children below in writing 6 children left our school. The other 4 children remained at Below the expected level. All 4 of these children speak English as a second language and all made progress as shown by easTTle scores, however not enough to be AT by the end of the year.

**IMSACT: To accelerate the progress of**

**-the 50% (5 children) of Year 3 Maori children below in writing**

Of the 5 Year 3 Maori children below in writing, 2 left our school and 3 made accelerated progress from Below to At expectation.

**-the 43% (3 children) of Year 4 Maori boys below in writing**

Of the 3 Year 4 Maori boys below in writing, 1 child left our school, 1 remained at Below and 1 is now Well Below. Both these boys have significant learning needs and will continue to need extra assistance and targeted teaching.

**IPSACT: To accelerate the progress of**

**-the 71% (5 children) of Year 3 Pasifika boys below in writing**

These are the same 5 boys as in reading. Of the 5 Year 3 Pasifika boys below in writing, 1 child made accelerated progress to be At. Of the 3 that remained Below, attendance is a huge concern and truancy service is involved. 1 child moved from being Below the expected level to Well Below, this child had 42 days (8 school weeks) absent, the truancy service is involved.

**-the 57% (4 children) of Year 4 Pasifika boys below in writing**

Of the 4 Year 4 Pasifika boys below in writing, 1 left our school, 1 made accelerated progress to AT and 2 remain at Below expectation. 1 of these children has attendance issues.

#### Planning for next year:

I line with the focus on Maori and Pacific achievement in the charter we are continuing to work with a SAF from MOE to strengthen whanau relationships with the school to enable parents to be greater partners in their children's learning.

We will also change our focus to Reading as staff voice has indicated this is necessary in terms of professional knowledge and practice.



**KIWISPORTS FUNDING REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2018**

Kiwisports is a Government funding initiative to support students' participation in organised sports.

In 2018 the school received \$6,883 (excluding GST) in Kiwisport funds.

The funding was spent on the following;

- Subsidising the Footsteps Dance Programme
- Fees for students entering Manurewa Principals' Association Sports Events
- Fees to pay for supervision of such events
- Cost of referees for school netball teams
- Bus transport costs.

**INDEPENDENT AUDITOR'S REPORT  
TO THE READERS OF HILLPARK SCHOOL'S FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

The Auditor-General is the auditor of Hillpark School (the School). The Auditor-General has appointed me, Wayne Monteith, using the staff and resources of BDO Auckland, 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 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 Equity (PBE) Standards Reduced Disclosure Regime.

Our audit was completed on 30 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.

### **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 Trustees listing, Analysis of Variance and KiwiSport Funding Report, 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.



**Wayne Monteith**  
BDO Auckland  
On behalf of the Auditor-General  
Auckland, New Zealand