

# WAIHI COLLEGE

## ANNUAL REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### School Directory

**Ministry Number:** 114

**Principal:** Alistair Cochrane

**School Address:** Kensington Road

**School Postal Address:** P O Box 72, Waihi, 3641

**School Phone:** 07 863 8349

**School Email:** [accounts@waihicol.school.nz](mailto:accounts@waihicol.school.nz)

**Accountant / Service Provider:**

**Education  Services.**  
*Dedicated to your school*

# WAIHI COLLEGE

Annual Report - For the year ended 31 December 2022

## Index

Page	Statement
------	-----------

	<b>Financial Statements</b>
--	-----------------------------

1	Statement of Responsibility
2	Statement of Comprehensive Revenue and Expense
3	Statement of Changes in Net Assets/Equity
4	Statement of Financial Position
5	Statement of Cash Flows
6 - 20	Notes to the Financial Statements
	<b>Other Information</b>
	Members of the Board
	Kiwisport / Statement of Compliance with Employment Policy
	Analysis of Variance

# Waihi College

## Statement of Responsibility

For the year ended 31 December 2022

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

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

It is the opinion of the Board and management that the annual financial statements for the financial year ended 31 December 2022 fairly reflects the financial position and operations of the school.

The School's 2022 financial statements are authorised for issue by the Board.

*Scott Anthony Spier*

Full Name of Presiding Member

*Alistair Dennis Browne Cochrane*

Full Name of Principal

*Spier*

Signature of Presiding Member

*Alistair Cochrane*

Signature of Principal

*01/06/23*

Date:

*01.06.23*

Date:

**Waihi College**

**Statement of Comprehensive Revenue and Expense**

For the year ended 31 December 2022

		2022	2022	2021
	Notes	Actual \$	Budget (Unaudited) \$	Actual \$
<b>Revenue</b>				
Government Grants	2	8,753,279	8,030,405	8,401,972
Locally Raised Funds	3	384,651	261,860	351,441
Interest Income		16,181	4,000	5,312
Gain on Sale of Property, Plant and Equipment		-	-	325
		9,154,111	8,296,265	8,759,050
<b>Expenses</b>				
Locally Raised Funds	3	141,933	122,749	240,208
Learning Resources	4	6,084,639	5,906,343	6,182,389
Administration	5	1,197,169	425,117	901,393
Finance		2,616	1,614	2,926
Property	6	1,677,934	1,883,604	1,519,480
Loss on Disposal of Property, Plant and Equipment	11	8,940	-	2,584
		9,113,231	8,339,427	8,848,980
<b>Net Surplus / (Deficit) for the year</b>		40,880	(43,162)	(89,930)
Other Comprehensive Revenue and Expense		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		40,880	(43,162)	(89,930)

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

**Waihi College**

**Statement of Changes in Net Assets/Equity**

For the year ended 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
<b>Equity at 1 January</b>		1,430,471	1,402,846	1,520,401
Total comprehensive revenue and expense for the year		40,880	(43,162)	(89,930)
Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		1,875	-	-
<b>Equity at 31 December</b>		1,473,226	1,359,684	1,430,471
Accumulated comprehensive revenue and expense		1,473,226	1,359,684	1,430,471
<b>Equity at 31 December</b>		1,473,226	1,359,684	1,430,471

The above Statement of Changes in Net Assets/Equity should be read in conjunction with the accompanying notes which form part of these financial statements.

**Waihi College**  
**Statement of Financial Position**  
As at 31 December 2022

		2022	2022	2021
	Notes	Actual \$	Budget (Unaudited) \$	Actual \$
<b>Current Assets</b>				
Cash and Cash Equivalents	7	521,358	162,661	611,992
Accounts Receivable	8	361,188	394,397	434,927
GST Receivable		45,364	8,765	19,404
Prepayments		37,292	24,346	26,535
Inventories	9	16,074	15,803	5,822
Investments	10	549,081	875,046	549,499
Funds Receivable for Capital Works Projects	18	70,720	-	89,574
		1,601,077	1,481,018	1,737,753
<b>Current Liabilities</b>				
Accounts Payable	12	533,064	542,357	789,984
Borrowings	13	33,480	33,480	33,480
Revenue Received in Advance	14	193,440	135,991	45,380
Provision for Cyclical Maintenance	15	-	57,143	-
Finance Lease Liability	16	46,036	76,819	52,896
Funds held in Trust	17	100,160	-	10,000
Funds held for Capital Works Projects	18	44,840	-	241,228
		951,020	845,790	1,172,968
<b>Working Capital Surplus/(Deficit)</b>		650,057	635,228	564,785
<b>Non-current Assets</b>				
Investments (more than 12 months)	10	11,532	11,532	1,532
Property, Plant and Equipment	11	1,077,935	961,628	1,141,158
		1,089,467	973,160	1,142,690
<b>Non-current Liabilities</b>				
Borrowings - Due beyond one year	13	8,370	75,330	41,850
Provision for Cyclical Maintenance	15	219,131	101,645	193,384
Finance Lease Liability	16	38,797	71,729	41,770
		266,298	248,704	277,004
<b>Net Assets</b>		1,473,226	1,359,684	1,430,471
<b>Equity</b>		1,473,226	1,359,684	1,430,471

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

**Waihi College**

**Statement of Cash Flows**

For the year ended 31 December 2022

	Note	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
<b>Cash flows from Operating Activities</b>				
Government Grants		2,336,418	2,035,319	2,248,282
Locally Raised Funds		565,400	102,180	307,112
International Students		31,613	-	(101,223)
Goods and Services Tax (net)		(25,960)	-	(10,639)
Payments to Employees		(1,607,107)	4,187,990	(1,354,905)
Payments to Suppliers		(982,244)	(6,048,198)	(977,334)
Interest Paid		(2,616)	(1,614)	(2,926)
Interest Received		16,181	4,000	8,226
Net cash from/(to) Operating Activities		331,685	279,677	116,593
<b>Cash flows from Investing Activities</b>				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		-	-	782
Purchase of Property Plant & Equipment (and Intangibles)		(147,681)	(100,600)	(168,152)
Purchase of Investments		(9,580)	-	(14,671)
Proceeds from Sale of Investments		-	-	340,217
Net cash from/(to) Investing Activities		(157,261)	(100,600)	158,176
<b>Cash flows from Financing Activities</b>				
Furniture and Equipment Grant		1,875	-	-
Finance Lease Payments		(52,769)	(85,404)	(68,411)
Loans Received		(33,480)	(33,480)	(33,480)
Funds Administered on Behalf of Third Parties		(180,684)	-	336,646
Net cash from/(to) Financing Activities		(265,058)	(118,884)	234,755
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(90,634)</b>	<b>60,193</b>	<b>509,524</b>
Cash and cash equivalents at the beginning of the year	7	611,992	102,468	102,468
<b>Cash and cash equivalents at the end of the year</b>	<b>7</b>	<b>521,358</b>	<b>162,661</b>	<b>611,992</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 Statement of Cash Flows should be read in conjunction with the accompanying notes which form part of these financial statements.

# **Waihi College**

## **Notes to the Financial Statements**

### **For the year ended 31 December 2022**

#### **1. Statement of Accounting Policies**

##### **a) Reporting Entity**

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

##### **b) Basis of Preparation**

###### **Reporting Period**

The financial statements have been prepared for the period 1 January 2022 to 31 December 2022 and in accordance with the requirements of the Education and Training Act 2020.

###### **Basis of Preparation**

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

###### **Financial Reporting Standards Applied**

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

###### **PBE Accounting Standards Reduced Disclosure Regime**

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

###### **Measurement Base**

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

###### **Presentation Currency**

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

###### **Specific Accounting Policies**

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

###### **Critical Accounting Estimates And Assumptions**

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

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

###### **Cyclical maintenance**

A school recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's best estimate of the cost of painting the school and when the school is required to be painted, based on an assessment of the school's condition. During the year, the Board assesses the reasonableness of its painting maintenance plan on which the provision is based. Cyclical maintenance is disclosed at note 15.



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

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

#### **Critical Judgements in applying accounting policies**

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

##### *Classification of leases*

Determining whether a lease is a finance lease or an operating lease requires judgement as to whether the lease transfers substantially all the risks and rewards of ownership to the school. A lease is classified as a finance lease if it transfers substantially all risks and rewards incidental to ownership of an underlying asset to the lessee. In contrast, an operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset to the lessee. Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant, and equipment, whereas for an operating lease no such asset is recognised. Finance lease liability disclosures are contained in note 16. Future operating lease commitments are disclosed in note 23b.

##### *Recognition of grants*

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

### **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.

Other Ministry Grants for directly funded programs are recorded as revenue when the School has the rights to the funding in the period they relate to. The grants are not received in cash by the School and are paid directly by the Ministry of Education.

The property from which the School operates is owned by the Crown and managed by the Ministry of Education on behalf of the Crown. Grants for the use of land and buildings are not received in cash by the School as they equate to the deemed expense for using the land and buildings which are owned by the Crown. The School's use of the land and buildings as occupant is based on a property occupancy document as gazetted by the Ministry. The expense is based on an assumed market rental yield on the value of land and buildings as used for rating purposes.

This is a non-cash revenue that is offset by a non-cash expense. The use of land and buildings grants and associated expenditure are recorded in the period the School uses the land and buildings.

#### **Other Grants where conditions exist**

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 recognised as an asset and revenue when the right to receive funding or the asset has been established unless there is an obligation to return funds if conditions are not met. If conditions are not met funding is recognised as revenue in advance and recognised as revenue when conditions are satisfied.

### **Interest Revenue**

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

### **d) 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.

### **e) 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.

### **f) 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.

### **g) Accounts Receivable**

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

### **h) Inventories**

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

### **i) Investments**

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

### **j) 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 (funded by the Board) to buildings owned by the Crown or directly by the board are recorded at cost, less accumulated depreciation and impairment losses.

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

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

### **Finance Leases**

A finance lease transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred. At the start of the lease term, finance leases are recognised as assets and liabilities in the Statement of Financial Position at the lower of the fair value of the leased asset or the present value of the minimum lease payments. The finance charge is charged to the surplus or deficit over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability. The amount recognised as an asset is depreciated over its useful life. If there is no reasonable certainty whether the school will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

### **Depreciation**

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

The estimated useful lives of the assets are:

Building Improvements	18-40 years
Furniture and Equipment	5-15 years
Information and Communication Technology	5 years
Motor Vehicles	5 years
Textbooks	4 years
Library Resources	12.5% DV
Leased assets held under a Finance Lease	Term of Lease

### **k) Intangible Assets**

#### *Software costs*

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

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

### **l) 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. If such indication exists, the School estimates the asset's recoverable service amount. 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.

In determining fair value less costs to sell the school engages an independent valuer to assess market value based on the best available information. The valuation is based on a comparison to recent market transactions.

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. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable service amount since the last impairment loss was recognised.

### **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 entitlements that are expected to be settled within 12 months after the end of the reporting period in which the employees provide 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, by non teaching staff, to but not yet taken at balance date.

##### *Long-term employee entitlements*

Employee benefits that are not expected to be settled wholly before 12 months after the end of the reporting period in which the employee provides the related service, such as retirement and long service leave, have been calculated on an actuarial basis.

The calculations are based on the likely future entitlements accruing to employees, based on years of service, years to entitlement, the likelihood that employees will reach the point of entitlement, and contractual entitlement information, and the present value of the estimated future cash flows. Remeasurements are recognised in surplus or deficit in the period in which they arise.

#### **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 students, should the School be unable to provide the services to which they relate.

#### **p) Funds Held in Trust**

Funds are held in trust where they have been received by the School for a specified purpose, or are being held on behalf of a third party and these transactions are not recorded in the Statement of Comprehensive Revenue and Expense.

The School holds sufficient funds to enable the funds to be used for their intended purpose at any time.

#### **q) Funds held for Capital works**

The school directly receives funding from the Ministry of Education for capital works projects that are included in the School five year capital works agreement. These funds are held on behalf and for a specified purpose as such these transactions are not recorded in the Statement of Comprehensive Revenue and Expense.

The School holds sufficient funds to enable the funds to be used for their intended purpose at any time.

#### **r) Shared Funds**

Shared Funds are held on behalf of a cluster of participating schools as agreed with the Ministry of Education. In instances where funds are outside of the School's control, these amounts are not recorded in the Statement of Comprehensive Revenue and Expense. In instances where the school is determined to be the principal for providing the service related to the Shared Funds (such as the RTLB programme), all income and expenditure related to the provision of the service is recorded in the Statement of Comprehensive Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose.

#### **s) Provision for Cyclical Maintenance**

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

Cyclical maintenance, which involves painting the interior and exterior of the School, makes up the most significant part of the Board's responsibilities outside day-to-day maintenance. The provision is a reasonable estimate, based on the school's best estimate of the cost of painting the school and when the school is required to be painted, based on an assessment of the school's condition.

The school carries out painting maintenance of the whole school over a 7 to 10 year period, the economic outflow of this is dependent on the plan established by the school to meet this obligation and is detailed in the notes and disclosures of these accounts.

#### **t) Financial Instruments**

The School's financial assets comprise cash and cash equivalents, accounts receivable, and investments. All of these financial assets, except for investments that are shares, are initially recognised at fair value and subsequently measured at amortised cost, using the effective interest method.

Investments that are shares are categorised as 'financial assets at fair value through other comprehensive revenue and expense' for accounting purposes in accordance with financial reporting standards. On initial recognition of an equity investment that is not held for trading, the School may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive revenue and expense. This election has been made for investments that are shares. Subsequent to initial recognition, these assets are measured at fair value. Dividends are recognised as income in surplus or deficit unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in other comprehensive revenue and expense and are never reclassified to surplus or deficit.

The School's financial liabilities comprise accounts payable, borrowings, finance lease liability, and painting contract liability. Financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and any gain or loss on derecognition are recognised in surplus or deficit.

#### **u) Borrowings**

Borrowings on normal commercial terms are initially recognised at the amount borrowed plus transaction costs. Interest due on the borrowings is subsequently accrued and added to the borrowings balance. Borrowings are classified as current liabilities unless the school has an unconditional right to defer settlement of the liability for at least 12 months after balance date.

#### **v) Goods and Services Tax (GST)**

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

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

Commitments and contingencies are disclosed exclusive of GST.

#### **w) Budget Figures**

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

#### **x) Services received in-kind**

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

## 2. Government Grants

Government Grants - Ministry of Education  
Teachers' Salaries Grants  
Use of Land and Buildings Grants  
Other Government Grants

2022	2022	2021
Actual	Budget	Actual
\$	(Unaudited)	\$
3,166,909	2,068,090	2,760,789
4,250,566	4,389,016	4,417,829
1,265,153	1,504,622	1,154,677
70,651	68,677	68,677
<b>8,753,279</b>	<b>8,030,405</b>	<b>8,401,972</b>

The school has opted in to the donations scheme for this year. Total amount received was \$94,650.

## 3. Locally Raised Funds

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

### Revenue

Donations & Bequests  
Fees for Extra Curricular Activities  
Trading  
Fundraising & Community Grants  
Other Revenue  
International Students  
Learning Support Teacher Aides

2022	2022	2021
Actual	Budget	Actual
\$	(Unaudited)	\$
68,919	31,000	-
67,198	23,680	89,471
5,464	7,000	40,445
67,195	47,500	71,080
131,146	103,600	142,373
31,613	-	-
13,116	49,080	8,072
<b>384,651</b>	<b>261,860</b>	<b>351,441</b>

### Expenses

Extra Curricular Activities Costs  
Trading  
Fundraising & Community Grant Costs  
Other Locally Raised Funds Expenditure  
International Students - Student Recruitment  
International Students - Employee Benefit - Salaries  
International Students - Other Expenses  
Learning Support Teacher Aides

96,000	63,599	100,098
271	2,000	45,011
3,316	40,000	617
3,475	6,000	16,999
2,161	-	34,983
21,144	-	23,414
23	1,650	2,064
15,543	9,500	17,022
<b>141,933</b>	<b>122,749</b>	<b>240,208</b>
<b>242,718</b>	<b>139,111</b>	<b>111,233</b>

Surplus for the year Locally raised funds

During the year the School hosted 0 International students (2021:0)

#### 4. Learning Resources

	2022	2022 Budget	2021
	Actual	(Unaudited)	Actual
	\$	\$	\$
Curricular	338,098	284,399	341,977
Information and Communication Technology	121,620	106,000	106,538
Library Resources	4,284	5,200	4,379
Employee Benefits - Salaries	5,274,224	5,154,244	5,403,655
Staff Development	17,755	16,500	7,760
Depreciation	267,551	235,000	285,574
Learning Leaders	6,428	10,000	135
Consumables	388	38,000	-
Star	45,656	45,000	25,278
Equipment Repairs	5,328	8,000	3,302
Alternative Education	3,307	4,000	3,791
	<b>6,084,639</b>	<b>5,906,343</b>	<b>6,182,389</b>

#### 5. Administration

	2022	2022 Budget	2021
	Actual	(Unaudited)	Actual
	\$	\$	\$
Audit Fee	9,280	9,500	10,140
Board Fees	2,954	3,500	3,016
Board Expenses	40,330	31,500	33,934
Communication	13,540	8,200	8,003
Consumables	12,180	16,900	12,401
Other	49,320	52,000	25,216
Employee Benefits - Salaries	311,211	239,826	243,770
Insurance	18,287	18,607	16,365
Service Providers, Contractors and Consultancy	25,800	24,000	25,800
Healthy School Lunch Programme	704,199	-	520,378
Principal's Accounts	10,068	21,084	2,370
	<b>1,197,169</b>	<b>425,117</b>	<b>901,393</b>

#### 6. Property

	2022	2022 Budget	2021
	Actual	(Unaudited)	Actual
	\$	\$	\$
Caretaking and Cleaning Consumables	21,353	19,000	22,399
Cyclical Maintenance Provision	25,747	33,356	32,858
Grounds	14,362	24,000	18,953
Heat, Light and Water	54,415	50,000	52,737
Rates	12,526	20,000	21,668
Repairs and Maintenance	40,966	31,000	16,979
Use of Land and Buildings	1,265,153	1,504,622	1,154,677
Security	1,403	600	461
Employee Benefits - Salaries	242,009	201,026	198,748
	<b>1,677,934</b>	<b>1,883,604</b>	<b>1,519,480</b>

The use of land and buildings figure represents 5% of the school's total property value. Property values are established as part of the nation-wide revaluation exercise that is conducted every 30 June for the Ministry of Education's year-end reporting purposes.

## 7. Cash and Cash Equivalents

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Bank Accounts	521,358	162,661	611,992
Cash and cash equivalents for Statement of Cash Flows	<u>521,358</u>	<u>162,661</u>	<u>611,992</u>

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

## 8. Accounts Receivable

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Receivables	-	2,155	64,302
Receivables from the Ministry of Education	5,588	-	(31,579)
Interest Receivable	-	2,914	-
Teacher Salaries Grant Receivable	355,600	389,328	402,204
	<u>361,188</u>	<u>394,397</u>	<u>434,927</u>
Receivables from Exchange Transactions	-	5,069	64,302
Receivables from Non-Exchange Transactions	361,188	389,328	370,625
	<u>361,188</u>	<u>394,397</u>	<u>434,927</u>

## 9. Inventories

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Stationery	7,774	5,758	5,822
Canteen	-	995	-
Livestock	8,300	9,050	-
	<u>16,074</u>	<u>15,803</u>	<u>5,822</u>

## 10. Investments

The School's investment activities are classified as follows:

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Current Asset			
Short-term Bank Deposits	549,081	875,046	549,499
Non-current Asset			
Long-term Bank Deposits	10,000	11,532	-
Shares	1,532	-	1,532
Total Investments	<u>560,613</u>	<u>886,578</u>	<u>551,031</u>



## 11. Property, Plant and Equipment

2022	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
Land	30,000	-	-	-	-	30,000
Building Improvements	469,121	-	-	-	(20,927)	448,194
Furniture and Equipment	300,863	102,948	-	-	(77,995)	325,816
Information and Communication Technology	138,253	49,442	-	-	(83,753)	103,942
Motor Vehicles	52,026	-	-	-	(10,579)	41,447
Leased Assets	99,666	54,730	(709)	-	(67,100)	86,587
Library Resources	51,229	6,450	(8,533)	-	(7,197)	41,949
<b>Balance at 31 December 2022</b>	<b>1,141,158</b>	<b>213,570</b>	<b>(9,242)</b>	<b>-</b>	<b>(267,551)</b>	<b>1,077,935</b>

The net carrying value of equipment held under a finance lease is \$86,587 (2021: \$99,666)

### Restrictions

There are no restrictions over the title of the school's property, plant and equipment, nor are any property, plant and equipment pledged as security for liabilities.

	2022 Cost or Valuation \$	2022 Accumulated Depreciation \$	2022 Net Book Value \$	2021 Cost or Valuation \$	2021 Accumulated Depreciation \$	2021 Net Book Value \$
Land	30,000	-	30,000	30,000	-	30,000
Building Improvements	786,214	(338,020)	448,194	786,214	(317,093)	469,121
Furniture and Equipment	1,679,061	(1,353,245)	325,816	1,576,112	(1,275,249)	300,863
Information and Communication Technology	790,618	(686,676)	103,942	741,176	(602,923)	138,253
Motor Vehicles	181,432	(139,985)	41,447	181,432	(129,406)	52,026
Textbooks	40,237	(40,237)	-	40,237	(40,237)	-
Leased Assets	207,214	(120,627)	86,587	253,003	(153,337)	99,666
Library Resources	87,632	(45,683)	41,949	168,445	(117,216)	51,229
<b>Balance at 31 December</b>	<b>3,802,408</b>	<b>(2,724,473)</b>	<b>1,077,935</b>	<b>3,776,619</b>	<b>(2,635,461)</b>	<b>1,141,158</b>

## 12. Accounts Payable

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Creditors	155,909	88,866	257,715
Accruals	8,130	8,691	10,316
Banking Staffing Overuse	-	34,900	103,442
Employee Entitlements - Salaries	355,600	389,334	402,210
Employee Entitlements - Leave Accrual	13,425	20,566	16,301
	<b>533,064</b>	<b>542,357</b>	<b>789,984</b>
Payables for Exchange Transactions	533,064	542,357	789,984
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	<b>533,064</b>	<b>542,357</b>	<b>789,984</b>

The carrying value of payables approximates their fair value.



### 13. Borrowings

Loans due in one year  
Loans due after one year

2022	2022	2021
Actual	Budget (Unaudited)	Actual
\$	\$	\$
33,480	33,480	33,480
8,370	75,330	41,850
41,850	108,810	75,330

### 14. Revenue Received in Advance

Laptop Bonds  
Grants in Advance  
Income In Advance  
International Students In Advance

2022	2022	2021
Actual	Budget (Unaudited)	Actual
\$	\$	\$
507	-	1,410
39,528	-	-
16,337	-	22,414
137,068	135,991	21,556
193,440	135,991	45,380

### 15. Provision for Cyclical Maintenance

Provision at the Start of the Year  
Increase to the Provision During the Year  
Use of the Provision During the Year  
Other Adjustments  
Provision at the End of the Year

2022	2022	2021
Actual	Budget (Unaudited)	Actual
\$	\$	\$
193,384	125,432	171,526
31,626	33,356	32,250
-	-	(11,000)
(5,879)	-	608
219,131	158,788	193,384
-	57,143	-
219,131	101,645	193,384
219,131	158,788	193,384

Cyclical Maintenance - Current  
Cyclical Maintenance - Non current

Per the cyclical maintenance schedule the school is next expected to undertake painting works during 2023. This plan is based on the schools 10 Year Property plan / painting quotes.

### 16. Finance Lease Liability

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

No Later than One Year  
Later than One Year and no Later than Five Years  
Future Finance Charges

2022	2022	2021
Actual	Budget (Unaudited)	Actual
\$	\$	\$
48,445	76,819	55,383
40,256	71,729	43,051
(3,868)	-	(3,768)
84,833	148,548	94,666
46,036	76,819	52,896
38,797	71,729	41,770
84,833	148,548	94,666

#### Represented by

Finance lease liability - Current  
Finance lease liability - Non current



## 17. Funds held in Trust

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
Funds Held in Trust on Behalf of Third Parties - Current	\$ 100,160	\$ -	\$ 10,000
Funds Held in Trust on Behalf of Third Parties - Non-current	-	-	-
	<u>100,160</u>	<u>-</u>	<u>10,000</u>

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

## 18. Funds Held (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. The amount of cash held on behalf of the Ministry for capital works projects is included under cash and cash equivalents in note 7.

2022	Project No.	Opening Balances	Receipts from MoE	Payments	Board Contributions	Closing Balances
		\$	\$	\$		\$
LSC Building Project	218568	(79,573)	97,984	(18,411)	-	-
SPDIS Staff Outdoor Area	228846	20,676	(15,365)	(5,311)	-	-
SPDIS Security Cameras	229693	(4,001)	4,001	-	-	-
Roofing and Internal Upgrade	228423	8,235	95,898	(104,133)	-	-
Plumbing and Drainage	228424	-	47,340	(2,500)	-	44,840
Boiler Upgrade & Heater Replacements	228425	(6,000)	3,152	2,848	-	-
F,C,M,BG,E Electrical	228426	9,440	4,582	(14,022)	-	-
Toilet Block	228427	202,877	172,000	(431,005)	-	(56,128)
F Block Development	228428	-	69,900	(75,622)	-	(5,722)
Gym Ceiling	237309	-	-	(8,870)	-	(8,870)
Totals		<u>151,654</u>	<u>479,492</u>	<u>(657,026)</u>	<u>-</u>	<u>(25,880)</u>

### Represented by:

Funds Held on Behalf of the Ministry of Education  
Funds Receivable from the Ministry of Education

44,840  
(70,720)

2021	Project No.	Opening Balances	Receipts from MoE	Payments	Board Contributions	Closing Balances
		\$	\$	\$		\$
LSC Building Project	218568	67,216	-	(146,789)	-	(79,573)
SPDIS Staff Outdoor Area	228846	-	40,500	(19,824)	-	20,676
SPDIS Security Cameras	229693	-	15,831	(19,832)	-	(4,001)
S.I.P Shelter	228429	-	174,345	(174,345)	-	-
Roofing and Internal Upgrade	228423	-	300,000	(291,765)	-	8,235
Boiler Upgrade & Heater Replacements	228425	-	48,298	(54,298)	-	(6,000)
F,C,M,BG,E Electrical	228426	-	55,000	(45,560)	-	9,440
Toilet Block	228427	-	246,500	(43,623)	-	202,877
Totals		<u>67,216</u>	<u>880,474</u>	<u>(796,036)</u>	<u>-</u>	<u>151,654</u>

### Represented by:

Funds Held on Behalf of the Ministry of Education  
Funds Receivable from the Ministry of Education

241,228  
(89,574)



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

## 20. Remuneration

### Key management personnel compensation

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

	2022 Actual \$	2021 Actual \$
<i>Board Members</i>		
Remuneration	2,954	3,016
<i>Leadership Team</i>		
Remuneration	1,431,934	1,514,306
Full-time equivalent members	13.15	14.00
Total key management personnel remuneration	<u>1,434,888</u>	<u>1,517,322</u>

There are 7 members of the Board excluding the Principal. The Board had held 7 full meetings of the Board in the year. The Board also has Finance (0 members) and Property (0 members) that met 0 and 0 times respectively. As well as these regular meetings, including preparation time, the Presiding Member and other Board members have also been involved in ad hoc meetings to consider student welfare matters including stand downs, suspensions, and other disciplinary matters.

### Principal 1

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

	2022 Actual \$000	2021 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	170 - 180	170 - 180
Benefits and Other Emoluments	5 - 6	5 - 6
Termination Benefits	-	-

### Other Employees

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

Remuneration \$000	2022 FTE Number	2021 FTE Number
100 - 110	4.00	9.00
110 - 120	2.00	1.00
120 - 130	3.00	2.00
	<u>9.00</u>	<u>12.00</u>

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

## 21. Compensation and Other Benefits Upon Leaving

The total value of compensation or other benefits paid or payable to persons who ceased to be board members, committee members, 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:

	2022 Actual	2021 Actual
Total	-	-
Number of People	-	-

## 22. Contingencies

There are no contingent liabilities and no contingent assets (except as noted below) as at 31 December 2022 (Contingent liabilities and assets at 31 December 2021: nil).

The Ministry of Education provided additional funding for both the Support Staff in Schools' Collective Agreement (CA) Settlement and the Teacher Aide Pay Equity Settlement. The School has not been notified of the final wash up calculation relating to 31 December 2022. The final calculations impact on the financial statements is unable to be determined at the date of reporting .

### Holidays Act Compliance – schools payroll

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

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

To the extent that any obligation cannot reasonably be quantified at 31 December 2022 a contingent liability for the school may exist.

## 23. Commitments

### (a) Capital Commitments

As at 31 December 2022 the Board has entered into contract agreements for capital works as follows:

\$0 contract for the Plumbing and Drainage as agent for the Ministry of Education. This project is fully funded by the Ministry and \$47,340 has been received of which \$2,500 has been spent on the project to balance date. This project has been approved by the Ministry; and

\$468,697 contract for the Toilet Block as agent for the Ministry of Education. This project is fully funded by the Ministry and \$418,500 has been received of which \$474,628 has been spent on the project to balance date. This project has been approved by the Ministry; and

\$0 contract for the F Block Development as agent for the Ministry of Education. This project is fully funded by the Ministry and \$69,900 has been received of which \$75,622 has been spent on the project to balance date. This project has been approved by the Ministry; and

\$0 contract for the Gym Ceiling as agent for the Ministry of Education. This project is fully funded by the Ministry and \$0 has been received of which \$8,870 has been spent on the project to balance date. This project has been approved by the Ministry.



(Capital commitments as at 31 December 2021:

\$195,615 contract for the LSC Building Project as agent for the Ministry of Education. This project is fully funded by the Ministry and \$74,026 has been received of which \$153,599 has been spent on the project to balance date. This project has been approved by the Ministry; and

\$45,608 contract for the SPDIS Staff Outdoor Area as agent for the Ministry of Education. This project is fully funded by the Ministry and \$40,500 has been received of which \$19,824 has been spent on the project to balance date. This project has been approved by the Ministry; and

\$25,000 contract for the SPDIS Security Cameras as agent for the Ministry of Education. This project is fully funded by the Ministry and \$15,831 has been received of which \$19,832 has been spent on the project to balance date. This project has been approved by the Ministry; and

\$398,842 contract for the Roofing and Internal Upgrade as agent for the Ministry of Education. This project is fully funded by the Ministry and \$300,000 has been received of which \$291,765 has been spent on the project to balance date. This project has been approved by the Ministry; and

\$63,467 contract for the Boiler Upgrade & Heater Replacements as agent for the Ministry of Education. This project is fully funded by the Ministry and \$48,298 has been received of which \$54,298 has been spent on the project to balance date. This project has been approved by the Ministry; and

\$133,045 contract for the F,C,M,BG,E Electrical as agent for the Ministry of Education. This project is fully funded by the Ministry and \$55,000 has been received of which \$45,560 has been spent on the project to balance date. This project has been approved by the Ministry; and

\$468,697 contract for the Toilet Block as agent for the Ministry of Education. This project is fully funded by the Ministry and \$246,500 has been received of which \$43,623 has been spent on the project to balance date. This project has been approved by the Ministry.)

## (b) Operating Commitments

There are no operating commitments as at 31 December 2022 (Operating commitments at 31 December 2021: nil).

## 24. Financial Instruments

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

### Financial assets measured at amortised cost

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Cash and Cash Equivalents	521,358	162,661	611,992
Receivables	361,188	394,397	434,927
Investments - Term Deposits	560,613	886,578	551,031
Total Financial assets measured at amortised cost	1,443,159	1,443,636	1,597,950

### Financial liabilities measured at amortised cost

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Payables	533,064	542,357	789,984
Finance Leases	84,833	148,548	94,666
Total Financial Liabilities Measured at Amortised Cost	659,747	799,715	959,980

## 25. Events After Balance Date

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

## 26. Comparatives

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

## Waihi College

### Members of the Board

<b>Name</b>	<b>Position</b>	<b>How Position Gained</b>	<b>Term Expired/ Expires</b>
Austin Rattray	Presiding Member	Elected	Jun 2025
Alistair Cochrane	Principal	ex Officio	
Scott Spicer	Parent Representative	Elected	Jun 2025
Alexandra Baker	Parent Representative	Elected	Sep 2022
Jennifer Koopu	Parent Representative	Elected	Sep 2022
Lisa North	Parent Representative	Co-opted	Sep 2022
Logan Phillips	Parent Representative	Elected	Jun 2025
Catherine Sole	Parent Representative	Elected	Jun 2025
Mathew Carden-Scott	Parent Representative	Elected	Jun 2025
Dot Carter	Staff Representative	Elected	Jun 2025
Tyla Millar	Student Representative	Elected	Sep 2022
Farish O'Flaherty	Student Representative	Elected	Sep 2023

## **Waihi College**

## **Kiwisport**

Kiwisport is a Government funding initiative to support students' participation in organised sport. In 2022, the school received total Kiwisport funding of \$11,828 (excluding GST). The funding was spent on sporting endeavours.

## **Statement of Compliance with Employment Policy**

For the year ended 31st December 2022 the Waihi College Board:

- Has developed and implemented personnel policies, within policy and procedural frameworks to ensure the fair and proper treatment of employees in all aspects of their employment
- Has reviewed its compliance against both its personnel policy and procedures and can report that it meets all requirements and identified best practice.
- Is a good employer and complies with the conditions contained in the employment contracts of all staff employed by the Board.
- Ensures all employees and applicants for employment are treated according to their skills, qualifications and abilities, without bias or discrimination.
- Meets all Equal Employment Opportunities requirements.



## INDEPENDENT AUDITOR'S REPORT

### TO THE READERS OF WAIHI COLLEGE'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

The Auditor-General is the auditor of Waihi College (the School). The Auditor-General has appointed me, Fraser Lellman, using the staff and resources of BDO Tauranga, 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 22, that comprise the statement of financial position as at 31 December 2022, 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 2022; 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 Benefit Entity Standards Reduced Disclosure Regime as applicable to entities that qualify as Tier 2.

Our audit was completed on 16 June 2023. This is the date at which our opinion is expressed.

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

#### Basis for our opinion

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

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

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

#### Responsibilities of the Board for the financial statements

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

In preparing the financial statements, the Board is responsible on behalf of the School for assessing the School's ability to continue as a going concern.

The Board is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to close or merge the School, or there is no realistic alternative but to do so.

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

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

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

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

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

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

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

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

errors arising from the system that, in our judgement, would likely influence readers' overall understanding of the financial statements.

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

Our responsibilities arise from the Public Audit Act 2001.

### **Other information**

The Board is responsible for the other information. The other information comprises the Analysis of Variance, Board of Trustees Listing, Kiwisport Report and Good Employer Statement, but does not include the financial statements, and our auditor's report thereon.

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

### **Independence**

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

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



Fraser Lellman  
BDO Tauranga  
On behalf of the Auditor-General  
Tauranga, New Zealand