

TAUPO-NUI-A-TIA COLLEGE

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

School Directory

Ministry Number: 167
Principal: Peter Moyle
School Address: 122 Spa Rd, Taupo 3330
School Postal Address: PO Box 549, Taupo 3351
School Phone: 07-376-1100
School Email: mail@taupocollege.ac.nz

Members of the Board of Trustees

Name	Position	How Position Gained	Occupation	Term Expired/ Expires
Kevin Insley	Chair Person	Elected	Electrician	Nov-23
Peter Moyle	Principal	ex Officio	Principal	n/a
Michelle Barnett	Parent Rep	Co-opted	Accountant	Jun-22
Craig Stephenson	Parent Rep	Co-opted	Project Manager	Nov-23
Karl Bishop	Parent Rep	Elected	Manager	Jun-22
Richard Boyd	Parent Rep	Elected	Electrician	Jun-22
Lorraine Kerr	Parent Rep	Elected	NZSTA Nat President	Jun-22
Sharon Griffin	Parent Rep	Co-opted	Teacher Aide	Apr-20
Kelly Owen	Parent Rep	Co-opted	Accountant	Nov-20
Maria Heaslip	Staff Rep	Elected	Teacher	Jun-22
Hanna Kilmister	Student Rep	Elected	Student	Sep-20
Jono Park	Student Rep	Elected	Student	Sep-21

Accountant / Service Provider: Internal

TAUPO-NUI-A-TIA COLLEGE

Annual Report - For the year ended 31 December 2020

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Taupo-nui-a-Tia College

Statement of Responsibility

For the year ended 31 December 2020

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 2020 fairly reflects the financial position and operations of the school.

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

Kevin Insley

Full Name of Board Chairperson

[Signature]

Signature of Board Chairperson

31/5/21

Date:

PETER MOUW

Full Name of Principal

[Signature]

Signature of Principal

31/05/21

Date:

Taupo-nui-a-Tia College

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2020

	Notes	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Revenue				
Government Grants	2	11,576,800	10,500,239	10,419,663
Locally Raised Funds	3	953,921	1,029,967	1,300,898
Interest income		19,527	29,189	36,223
Gain on Sale of Property, Plant and Equipment		2,700	-	-
International Students	4	234,649	215,651	343,305
		<u>12,787,597</u>	<u>11,775,046</u>	<u>12,100,089</u>
Expenses				
Locally Raised Funds	3	698,652	633,144	900,975
International Students	4	118,522	123,646	179,206
Learning Resources	5	8,116,871	7,461,421	7,575,956
Administration	6	685,072	808,056	747,733
Finance		28,913	30,718	38,942
Property	7	2,487,609	2,414,005	2,476,737
Depreciation	8	317,222	297,097	292,918
Loss on Disposal of Property, Plant and Equipment		-	-	1,146
		<u>12,452,861</u>	<u>11,768,087</u>	<u>12,213,613</u>
Net Surplus / (Deficit) for the year		334,736	6,959	(113,524)
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u><u>334,736</u></u>	<u><u>6,959</u></u>	<u><u>(113,524)</u></u>

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

Taupo-nui-a-Tia College

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2020

	Notes	Actual 2020 \$	Budget (Unaudited) 2020 \$	Actual 2019 \$
Balance at 1 January		<u>2,611,741</u>	<u>2,901,254</u>	<u>2,725,265</u>
Total comprehensive revenue and expense for the year		334,736	6,959	(113,524)
Capital Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		24,037	-	-
Equity at 31 December	27	<u>2,970,514</u>	<u>2,908,213</u>	<u>2,611,741</u>
Retained Earnings		2,970,514	2,908,213	2,611,741
Reserves		-	-	-
Equity at 31 December		<u>2,970,514</u>	<u>2,908,213</u>	<u>2,611,741</u>

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

Taupo-nui-a-Tia College

Statement of Financial Position

As at 31 December 2020

	Notes	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Current Assets				
Cash and Cash Equivalents	9	927,478	430,000	377,041
Accounts Receivable	10	608,824	655,000	654,009
GST Receivable		88,196	70,000	66,933
Prepayments		-	-	419
Inventories	11	31,552	50,500	52,509
Investments	12	762,117	740,000	739,038
		<u>2,418,167</u>	<u>1,945,500</u>	<u>1,889,949</u>
Current Liabilities				
Accounts Payable	14	883,543	725,000	769,897
Revenue Received in Advance	15	219,635	140,000	448,580
Provision for Cyclical Maintenance	16	27,000	36,000	36,000
Painting Contract Liability - Current Portion	17	62,781	60,000	60,841
Finance Lease Liability - Current Portion	18	73,047	80,000	70,517
Funds held in Trust	19	26,574	20,000	21,912
Funds held for Capital Works Projects	20	120,133	(75,213)	(188,215)
Funds held on behalf of TTNG Cluster	21	3,410	1,500	1,526
		<u>1,416,123</u>	<u>987,287</u>	<u>1,221,058</u>
Working Capital Surplus/(Deficit)		1,002,044	958,213	668,891
Non-current Assets				
Property, Plant and Equipment	13	2,218,850	2,220,000	2,258,054
		<u>2,218,850</u>	<u>2,220,000</u>	<u>2,258,054</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	16	185,200	150,000	154,500
Painting Contract Liability	17	51,232	50,000	91,215
Finance Lease Liability	18	13,948	70,000	69,489
		<u>250,380</u>	<u>270,000</u>	<u>315,204</u>
Net Assets		<u>2,970,514</u>	<u>2,908,213</u>	<u>2,611,741</u>
Equity	27	<u>2,970,514</u>	<u>2,908,213</u>	<u>2,611,741</u>

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

Taupo-nui-a-Tia College

Statement of Cash Flows

For the year ended 31 December 2020

	Note	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Cash flows from Operating Activities				
Government Grants		2,938,607	5,601,493	2,492,806
Locally Raised Funds		1,126,333	949,967	1,254,137
International Students		(17,082)	285,651	455,432
Goods and Services Tax (net)		(21,265)	(70,000)	24,426
Funds Administered on Behalf of Third Parties		6,546	21,500	12,742
Payments to Employees		(1,487,040)	(1,600,377)	(1,581,481)
Payments to Suppliers		(1,935,336)	(1,811,695)	(2,337,320)
Cyclical Maintenance Payments in the year		-	132,300	(71)
Interest Paid		(28,913)	(30,718)	(38,942)
Interest Received		25,649	24,189	30,780
Net cash from/(to) Operating Activities		607,499	3,502,310	312,509
Cash flows from Investing Activities				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		2,700	145,235	(1,147)
Purchase of Property Plant & Equipment (and Intangibles)		(264,298)	(2,412,332)	(171,138)
Purchase of Investments		(23,079)	(740,000)	-
Proceeds from Sale of Investments		-	-	-
Net cash from/(to) Investing Activities		(284,677)	(3,007,097)	(172,285)
Cash flows from Financing Activities				
Furniture and Equipment Grant		24,037	-	-
Finance Lease Payments		(66,733)	(100,000)	(44,345)
Painting contract payments		(38,043)	110,000	(38,044)
Loans Received/ Repayment of Loans		-	-	-
Funds Held for Capital Works Projects		308,348	(75,213)	(523,603)
Net cash from/(to) Financing Activities		227,609	(65,213)	(605,992)
Net increase/(decrease) in cash and cash equivalents		550,431	430,000	(465,768)
Cash and cash equivalents at the beginning of the year	9	377,041	-	842,807
Cash and cash equivalents at the end of the year	9	927,472	430,000	377,039

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.

Taupo-nui-a-Tia College

Notes to the Financial Statements

For the year ended 31 December 2020

1. Statement of Accounting Policies

a) Reporting Entity

Taupo-nui-a-Tia 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 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 2020 to 31 December 2020 and in accordance with the requirements of the Public Finance Act 1989.

Basis of Preparation

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

Financial Reporting Standards Applied

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

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

Cyclical maintenance

A school recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's long term maintenance plan which is prepared as part of its 10 Year Property Planning process. During the year, the Board assesses the reasonableness of its 10 Year Property Plan on which the provision is based. Cyclical maintenance is disclosed at note 16.

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 13.

Critical Judgements in applying accounting policies

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

Classification of leases

Determining whether a lease is a finance lease or an operating lease requires judgement as to whether the lease transfers substantially all the risks and rewards of ownership to the school. Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant, and equipment, whereas for an operating lease no such asset is recognised.

Recognition of grants

The School reviews the grants monies received at the end of each reporting period and whether any require a provision to 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.

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.

Grants for the use of land and buildings are also 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 Proprietor. Use of land and building grants are recorded as income in the period the school uses the land and building.

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

Short-term receivables are recorded at the amount due, less an allowance for 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.

i) 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.

j) 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.

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.

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 to Crown Owned Assets	50 years
Furniture and equipment	5 - 10 years
Information and communication technology	5 years
Motor vehicles	5 years
Landscaping	20 years
Works of Art	100 years
Leased assets held under a Finance Lease	3-5 years
Library resources	12.5% Diminishing value

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 or licensing of software are recognised as an expense in the Statement of Comprehensive Revenue and Expense when incurred.

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

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

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. 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, and also annual leave earned, by non teaching staff, to but not yet taken at balance date.

Long-term employee entitlements

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

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

o) Revenue Received in Advance

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

The School holds sufficient funds to enable the refund of unearned fees in relation to international students, should the School be unable to provide the services to which they relate. (If this statement is incorrect please delete)

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 Revenue and Expense.

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

q) Shared Funds

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

r) 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).

s) Financial Instruments

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

Investments that are shares are categorised as 'financial assets at fair value through other comprehensive revenue and expense' for accounting purposes in accordance with financial reporting standards.

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

s) Borrowings

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

Borrowings include but are not limited to bank overdrafts, operating leases, finance leases, painting contracts and term loans.

t) 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.

u) Budget Figures

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

v) Services received in-kind

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

2. Government Grants

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operational Grants	2,485,406	2,359,828	2,169,044
Teachers' Salaries Grants	6,708,784	6,000,000	6,070,777
Use of Land and Buildings Grants	1,883,665	1,800,000	1,856,080
Other MoE Grants	391,491	262,410	247,140
Other Government Grants	107,454	78,001	76,622
	<u>11,576,800</u>	<u>10,500,239</u>	<u>10,419,663</u>

The school has opted in to the donations scheme for this year. Total amount received was \$153,200.

Other MOE Grants total includes additional COVID-19 funding totalling \$90,000 for the year ended 31 December 2020.

3. Locally Raised Funds

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

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Revenue			
Donations	5,007	257	51,165
Activities	491,415	519,237	612,141
Trading	200,725	246,621	315,288
Fundraising	27,749	60,488	64,867
Other Revenue	229,025	203,364	257,437
	<u>953,921</u>	<u>1,029,967</u>	<u>1,300,898</u>
Expenses			
Activities	468,681	439,059	631,953
Trading	223,513	191,621	267,846
Fundraising (Costs of Raising Funds)	6,458	2,464	1,176
	<u>698,652</u>	<u>633,144</u>	<u>900,975</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>255,269</u>	<u>396,823</u>	<u>399,923</u>

4. International Student Revenue and Expenses

	2020	2020	2019
	Actual	Budget	Actual
	Number	(Unaudited)	Number
	Number	Number	Number
International Student Roll	16	20	21
	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Revenue			
International Student Fees	234,649	215,651	343,305
Expenses			
Advertising	3,128	3,742	5,424
Commissions	15,612	34,612	50,165
Recruitment	2,729	13,089	18,970
International Student Levy	8,160	7,973	11,555
Employee Benefit - Salaries	71,170	42,823	62,066
Other Expenses	17,723	21,407	31,026
	<u>118,522</u>	<u>123,646</u>	<u>179,206</u>
<i>Surplus/ (Deficit) for the year International Students</i>	<u><u>116,127</u></u>	<u><u>92,005</u></u>	<u><u>164,099</u></u>

5. Learning Resources

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	403,705	407,255	419,928
Equipment Repairs	8,138	9,675	8,065
Information and Communication Technology	133,744	115,116	168,607
General	37,546	48,604	62,479
Library Resources	9,894	24,813	7,771
Employee Benefits - Salaries	7,505,172	6,832,026	6,883,205
Staff Development	18,672	23,932	25,901
	<u>8,116,871</u>	<u>7,461,421</u>	<u>7,575,956</u>

6. Administration

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	5,789	6,292	5,583
Board of Trustees Fees	6,760	4,500	4,415
Board of Trustees Expenses	18,144	14,758	10,640
Communication	17,827	21,626	33,389
Consumables	118,441	71,572	72,279
Operating Lease	2,141	2,245	2,694
Other	33,192	19,972	31,908
Employee Benefits - Salaries	452,780	640,702	564,594
Insurance	29,998	26,389	22,231
	<u>685,072</u>	<u>808,056</u>	<u>747,733</u>

7. Property

	2020	2020	2019
	Actual	Budget	Actual
	(Unaudited)	(Unaudited)	(Unaudited)
	\$	\$	\$
Caretaking and Cleaning Consumables	167,362	167,248	140,620
Consultancy and Contract Services	35,041	32,176	54,492
Cyclical Maintenance Provision	21,700	53,700	53,770
Grounds	29,858	30,103	42,883
Heat, Light and Water	131,319	103,322	137,762
Rates	12,757	12,757	12,677
Repairs and Maintenance	67,537	72,887	65,396
Use of Land and Buildings	1,883,665	1,800,000	1,856,080
Security	11,341	11,986	10,823
Employee Benefits - Salaries	127,029	129,826	102,234
	<u>2,487,609</u>	<u>2,414,005</u>	<u>2,476,737</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.

8. Depreciation

	2020	2020	2019
	Actual	Budget	Actual
	(Unaudited)	(Unaudited)	(Unaudited)
	\$	\$	\$
Buildings - School	33,321	33,740	33,265
Landscaping	21,691	22,000	21,691
Furniture and Equipment	107,199	100,633	99,217
Information and Communication Technology	59,358	55,422	54,642
Motor Vehicles	13,345	4,765	4,698
Works of Art	1,334	1,353	1,334
Leased Assets	70,189	68,418	67,456
Library Resources	10,785	10,766	10,615
	<u>317,222</u>	<u>297,097</u>	<u>292,918</u>

9. Cash and Cash Equivalents

	2020	2020 Budget	2019
	Actual	(Unaudited)	Actual
	\$	\$	\$
Bank Current Account	71,984	30,000	29,951
Short-term Bank Deposits	855,494	400,000	347,090
Cash and cash equivalents for Statement of Cash Flows	<u>927,478</u>	<u>430,000</u>	<u>377,041</u>

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

The following notes should be used where applicable:

Of the \$927,478 Cash and Cash Equivalents, \$307,676 is held by the School on behalf of the Ministry of Education. These funds are required to be spent in 2021 on Crown owned school buildings under the School's Five Year Property Plan.

Of the \$927,478 Cash and Cash Equivalents, \$3,410 is held by the School on behalf of the Taupo Transport Network Group. See note 21 for details of how the funding received for the cluster has been spent in the year.

10. Accounts Receivable

	2020	2020 Budget	2019
	Actual	(Unaudited)	Actual
	\$	\$	\$
Receivables	12,478	150,000	162,104
Receivables from the Ministry of Education	45,744	-	-
Interest Receivable	1,316	5,000	7,439
Teacher Salaries Grant Receivable	549,286	500,000	484,466
	<u>608,824</u>	<u>655,000</u>	<u>654,009</u>
Receivables from Exchange Transactions	13,794	155,000	169,543
Receivables from Non-Exchange Transactions	595,030	500,000	484,466
	<u>608,824</u>	<u>655,000</u>	<u>654,009</u>

11. Inventories

	2020	2020 Budget	2019
	Actual	(Unaudited)	Actual
	\$	\$	\$
Stationery	6,327	5,500	5,786
School Uniforms	25,225	45,000	46,723
	<u>31,552</u>	<u>50,500</u>	<u>52,509</u>

12. Investments

The School's investment activities are classified as follows:

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Current Asset			
Short-term Bank Deposits	762,117	740,000	739,038
Total Investments	762,117	740,000	739,038

13. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Depreciation \$	Total (NBV) \$
2020					
Land	-			-	-
Buildings	1,104,122	33,932		(33,321)	1,104,733
Landscaping	329,952			(21,691)	308,261
Furniture and Equipment	423,491	61,957		(107,199)	378,249
Information and Communication Technology	114,481	52,834		(59,358)	107,957
Motor Vehicles	5,689	93,881		(13,345)	86,225
Works of Art	92,180			(1,334)	90,846
Leased Assets	113,655	22,603		(70,189)	66,069
Library Resources	74,484	17,327	(4,514)	(10,785)	76,512
Balance at 31 December 2020	2,258,054	282,534	(4,514)	(317,222)	2,218,852

The net carrying value of equipment held under a finance lease is **\$66,069 (2019: \$113,655)**

	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$
2020			
Land	-	-	-
Buildings	1,694,452	(589,720)	1,104,732
Landscaping	461,414	(153,153)	308,261
Furniture and Equipment	1,147,252	(769,003)	378,249
Information and Communication Technology	762,658	(654,702)	107,956
Motor Vehicles	190,990	(104,765)	86,225
Works of Art	131,700	(40,854)	90,846
Leased Assets	255,023	(188,954)	66,069
Library Resources	201,648	(125,136)	76,512
Balance at 31 December 2020	4,845,137	(2,626,287)	2,218,850

	Opening Balance (NBV)	Additions	Disposals	Depreciation	Total (NBV)
	\$	\$	\$	\$	\$
2019					
Land	-	-	-	-	-
Buildings	1,137,387	-	-	(33,265)	1,104,122
Landscaping	351,643	-	-	(21,691)	329,952
Furniture and Equipment	412,401	112,322	(2,015)	(99,217)	423,491
Information and Communication Technology	138,619	30,504	-	(54,642)	114,481
Motor Vehicles	10,387	-	-	(4,698)	5,689
Works of Art	93,514	-	-	(1,334)	92,180
Leased Assets	129,520	51,591	-	(67,456)	113,655
Library Resources	72,765	15,081	(2,747)	(10,615)	74,484
Balance at 31 December 2019	2,346,236	209,498	(4,762)	(292,918)	2,258,054

	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$
2019			
Land	-	-	-
Buildings	1,660,521	(556,399)	1,104,122
Building Improvements	461,414	(131,462)	329,952
Furniture and Equipment	1,085,294	(661,803)	423,491
Information and Communication Technology	709,825	(595,344)	114,481
Motor Vehicles	139,427	(133,738)	5,689
Textbooks	131,700	(39,520)	92,180
Leased Assets	241,301	(127,646)	113,655
Library Resources	196,213	(121,729)	74,484
Balance at 31 December 2019	4,625,695	(2,367,641)	2,258,054

14. Accounts Payable

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operating Creditors	277,662	180,000	189,163
Accruals	460	-	460
Employee Entitlements - Salaries	555,247	500,000	538,674
Employee Entitlements - Leave Accrual	50,174	45,000	41,600
	<u>883,543</u>	<u>725,000</u>	<u>769,897</u>
Payables for Exchange Transactions	883,543	725,000	769,897
	<u>883,543</u>	<u>725,000</u>	<u>769,897</u>

The carrying value of payables approximates their fair value.

15. Revenue Received in Advance

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
International Student Fees	135,311	70,000	387,043
Other	84,324	70,000	61,537
	<u>219,635</u>	<u>140,000</u>	<u>448,580</u>

16. Provision for Cyclical Maintenance

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Provision at the Start of the Year	190,500	190,500	136,800
Increase/ (decrease) to the Provision During the Year	21,700	53,700	53,770
Use of the Provision During the Year	-	-	(70)
Provision at the End of the Year	<u>212,200</u>	<u>244,200</u>	<u>190,500</u>
Cyclical Maintenance - Current	27,000	36,000	36,000
Cyclical Maintenance - Term	185,200	150,000	154,500
	<u>212,200</u>	<u>186,000</u>	<u>190,500</u>

17. Painting Contract Liability

	2020 Actual	2020 Budget	2019 Actual
	\$	\$	\$
Current Liability	62,781	60,000	60,841
Non Current Liability	51,232	50,000	91,215
	<u>114,013</u>	<u>110,000</u>	<u>152,056</u>

In 2017 the Board signed an agreement with Scheduled Maintenance Services Ltd (the contractor) for an agreed programme of work covering an eight year period. The programme provides for an exterior repaint of the Ministry owned buildings in 2017, with regular maintenance in subsequent years. The agreement has an annual commitment of \$62,781. The liability is the best estimate of the actual amount of work performed by the contractor for which the contractor has not been paid at balance sheet date. The liability has not been adjusted for inflation and the effect of the time value of money.

18. Finance Lease Liability

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

	2020 Actual	2020 Budget (Unaudited)	2019 Actual
	\$	\$	\$
No Later than One Year	73,047	80,000	70,517
Later than One Year and no Later than Five Years	13,948	70,000	69,489
	<u>86,995</u>	<u>150,000</u>	<u>140,006</u>

19. Funds held in Trust

	2020 Actual	2020 Budget	2019 Actual
	\$	\$	\$
Funds Held in Trust on Behalf of Third Parties - Current	26,574	20,000	21,912
	<u>26,574</u>	<u>20,000</u>	<u>21,912</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.

20. Funds Held for Capital Works Projects

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

	2020	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions \$	Closing Balances \$
Music Block	<i>completed</i>	(114,135)	107,865	(27,661)	33,931	-
Bulk and Location	<i>in progress</i>	(10,713)	-	-	-	(10,713)
LSC Space	<i>in progress</i>	-	125,793	(50,900)	-	74,893
LSPM Project	<i>in progress</i>	-	147,730	(20,638)	-	127,092
Roll Growth Classrooms	<i>in progress</i>	-	288,126	(188,361)	-	99,765
SIP A1 upgrade	<i>in progress</i>	-	-	(950)	-	(950)
SIP Heat pumps	<i>in progress</i>	-	23,147	(17,221)	-	5,926
Roofing	<i>in progress</i>	14,410	-	(33,919)	-	(19,509)
Security Cameras	<i>in progress</i>	78,594	6,250	(84,844)	-	-
Carpet	<i>in progress</i>	(72,871)	-	-	-	(72,871)
Netball Courts	<i>in progress</i>	(83,500)	-	-	-	(83,500)
Totals		(188,215)	698,911	(424,494)	33,931	120,133

Represented by:

Funds Held on Behalf of the Ministry of Education

307,676

Funds Due from the Ministry of Education

187,543

120,133

	2019	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions \$	Closing Balances \$
Music Block	<i>in progress</i>	483,789	308,754	(906,679)	-	(114,135)
Bulk and Location	<i>in progress</i>	(10,713)	-	-	-	(10,713)
Roofing	<i>in progress</i>	-	21,000	(6,590)	-	14,410
Security Cameras	<i>in progress</i>	-	82,723	(4,130)	-	78,594
Carpet	<i>in progress</i>	(541,088)	-	(18,682)	-	(72,871)
Netball Courts	<i>in progress</i>	(83,500)	-	-	-	(83,500)
Totals		(151,512)	412,477	(936,081)	-	(188,215)

21. Funds Held on Behalf of Cluster / Transport Network

Taupo-nui-a-Tia College is the lead school and holds funds on behalf of the cluster, a group of schools funded by the Ministry.

	2020 Actual \$	2020 Budget \$	2019 Actual \$
Funds Held at Beginning of the Year	1,526		1,617
Funds Received from Cluster Members	44,859		62,900
Funds Received from Interest	475		1,561
Funds Received from MoE	1,304,199		1,327,674
Funds Spent on Behalf of the Cluster	(1,161,098)		(1,241,015)
Distribution of Funds			
Lake Taupo Christian School	(4,085)		(3,312)
Marotiri School	(14,943)		(12,112)
Rangitaiki School	(7,387)		(5,988)
St Patricks Taupo	(22,554)		(18,281)
Tauhara College	(5,391)		(4,370)
Tauhara Primary	(168)		(136)
Taupo Intermediate	(48,205)		(39,073)
Taupo Primary	(12,592)		(10,207)
Taupo-Nui-A-Tia College	(43,503)		(35,262)
Tirohanga School	(3,041)		(2,465)
Waipahihi School	(578)		(469)
Wairakei School	(24,102)		(19,537)
Funds Held at Year End	3,410	1,500	1,526
These assets and liabilities form part of the school's assets and liabilities and are presented on the school's statement of financial position.			
Current Assets			
Cash at bank	3,410	1,500	1,526
Equity	3,410	1,500	1,526

22. 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.

23. Remuneration

Key management personnel compensation

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

	2020 Actual \$	2019 Actual \$
<i>Board Members</i>		
Remuneration	6,760	4,415
Full-time equivalent members	0.46	0.46
<i>Leadership Team</i>		
Remuneration	1,396,628	1,409,284
Full-time equivalent members	12	13
Total key management personnel remuneration	<u>1,403,388</u>	<u>1,413,699</u>
Total full-time equivalent personnel	<u>12.46</u>	<u>13.46</u>

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:

	2020 Actual \$000	2019 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments		
Benefits and Other Emoluments	210 -220	200 - 210
Termination Benefits	4 - 5	4 - 5

Other Employees

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

Remuneration \$000	2020 FTE Number	2019 FTE Number
100- 110	6.00	3.00
120 - 130	2.00	0.00
130 - 140	0.00	1.00
140 - 150	1.00	0.00
	<hr/> <hr/>	<hr/> <hr/>
	9.00	4.00

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

25. Contingencies

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

Holidays Act Compliance – schools payroll

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

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

To the extent that any obligation cannot reasonably be quantified at 31 December 2020, a contingent liability for the school may exist.

26. Commitments

(a) Capital Commitments

As at 31 December 2020 the Board has entered into contract agreements for capital works as follows:

- (a) \$125,793 contract for refurbishing the Learning Support Coordinators space to be completed in **2020**, which will be fully funded by the Ministry of Education. \$125,793 has been received of which \$50,900 has been spent on the project to date; and
- (b) \$147,730 contract to have Learning Support Property Modifications throughout the College to be completed in 2020. This project is fully funded by the Ministry and \$147,730 has been received of which \$20,638 has been spent on the project to balance date. This project has been approved by the Ministry; and
- (c) \$288,126 contract to build a new classroom block on Rimu class as agent for the Ministry of Education. The project is fully funded by the Ministry and \$288,126 has been received of which \$188,361 has been spent on the project to balance date. This project has been approved by the Ministry.
- (d) \$23,147 contract to supply heatpumps to 4 classrooms as agent for the Ministry of Education. The project is fully funded by the Ministry and \$23,147 has been received of which \$17,221 has been spent on the project to balance date. This project has been approved by the Ministry.

(Capital commitments at 31 December 2019: \$93,004)

(b) Operating Commitments

As at 31 December 2020 the Board has entered into the following contracts:

(a) Painting Contract;

	2020 Actual \$	2019 Actual \$
No later than One Year	62,781	60,841
Later than One Year and No Later than Five Years	51,232	91,215
Later than Five Years		
	<u>114,013</u>	<u>152,056</u>

27. 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.

28. Financial Instruments

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

Financial assets measured at amortised cost

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Cash and Cash Equivalents	927,478	430,000	377,041
Receivables	608,824	655,000	654,009
Investments - Term Deposits	762,117	740,000	739,038
Total Financial assets measured at amortised cost	<u>2,298,419</u>	<u>1,825,000</u>	<u>1,770,088</u>

Financial liabilities measured at amortised cost

Payables	883,543	725,000	769,897
Borrowings - Loans	-	-	-
Finance Leases	86,995	150,000	140,006
Painting Contract Liability	114,013	110,000	152,056
Total Financial Liabilities Measured at Amortised Cost	<u>1,084,551</u>	<u>985,000</u>	<u>1,061,959</u>

29. Events After Balance Date

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

Taupo-nui-a-Tia College

Kiwisport

Kiwisport is a Government funding initiative to support students' participation in organised sport. In 2020, the school received total Kiwisport funding of \$25,891.70 (excluding GST) (2019 \$24,849.39). The funding was spent on sporting endeavours.

INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF TAUPO-NUI-A-TIA COLLEGE'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

The Auditor-General is the auditor of Taupo-Nui-A-Tia College (the College). The Auditor-General has appointed me, Geoff Potter, using the staff and resources of BDO Wellington Limited, to carry out the audit of the financial statements of the College on his behalf.

Opinion

We have audited the financial statements of the College on pages 2 to 25, that comprise the statement of financial position as at 31 December 2020, the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion the financial statements of the School:

- present fairly, in all material respects:
 - its financial position as at 31 December 2020; and
 - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Sector Public Benefit Entity Standards Reduced Disclosure Regime as applicable to entities that qualify as tier 2.

Our audit was completed on 31 May 2021. This is the date at which our opinion is expressed.

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

Basis for our opinion

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

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

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

Responsibilities of the Board for the financial statements

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

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

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

Responsibilities of the auditor for the audit of the financial statements

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

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

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

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

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

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

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

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Board of Trustees is responsible for the other information. The other information comprises the Analysis of Variance, Board of Trustees Listing and Kiwisport 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: *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.

A handwritten signature in blue ink, appearing to read 'Geoff Potter', written over a light blue horizontal line.

Geoff Potter
BDO WELLINGTON LIMITED
On behalf of the Auditor-General
Wellington, New Zealand