



ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

School Directory

Ministry Number:	3506
Principal:	Denise Torrey
School Address:	42 Studholme Street, Sommerfield, Christchurch
School Postal Address:	PO Box 33246, Barrington, Christchurch, 8244
School Phone:	03 332 2364
School Email:	admin@sommerfield.school.nz

SOMERFIELD TE KURA WAIREPO

Annual Report - For the year ended 31 December 2022

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Somerfield Te Kura Wairepo

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.

Stephanie Muller

Full Name of Presiding Member

DocuSigned by:
Stephanie Muller
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Signature of Presiding Member

5/14/2023

Date:

Denise Torrey

Full Name of Principal

DocuSigned by:
Denise Torrey
6382DBEA740340A

Signature of Principal

5/14/2023

Date:

Somerfield Te Kura Wairepo

Members of the Board

For the year ended 31 December 2022

Name	Position	How Position Gained	Term Expired/ Expires
Stephanie Muller	Presiding Member	Elected	Sep 2025
Denise Torrey	Principal	ex Officio	
Craig Weston	Parent Representative	Elected	Sep 2022
Mark Callaghan	Parent Representative	Elected	Sep 2022
Lucy Green	Parent Representative	Elected	Sep 2025
Nalini Meyer	Parent Representative	Elected	Sep 2022
Marty Needham	Parent Representative	Elected	Sep 2022
Cameron MacPherson	Parent Representative	Elected	Sep 2025
Tim McIntosh	Parent Representative	Elected	Sep 2025
Elizabeth Eastmure	Parent Representative	Elected	Sep 2025
Tony Steffens	Parent Representative	Elected	Sep 2025
Kellie Englefield	Staff Representative	Elected	Sep 2025

In Attendance:
Julie Bassett

Secretary

Somerfield Te Kura Wairepo

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2022

		2022	2022	2021
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Revenue				
Government Grants	2	4,104,871	3,549,477	3,855,848
Locally Raised Funds	3	137,254	174,750	144,199
Interest Income		2,322	500	1,203
		<u>4,244,447</u>	<u>3,724,727</u>	<u>4,001,250</u>
Expenses				
Locally Raised Funds	3	25,818	20,400	24,968
Learning Resources	4	2,943,160	2,643,765	3,050,153
Administration	5	246,294	264,339	205,154
Finance		3,847	1,050	4,501
Property	6	1,020,229	890,419	847,620
Loss on Disposal of Property, Plant and Equipment		1,038	-	464
		<u>4,240,386</u>	<u>3,819,973</u>	<u>4,132,860</u>
Net Surplus / (Deficit) for the year		4,061	(95,246)	(131,610)
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>4,061</u>	<u>(95,246)</u>	<u>(131,610)</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.

Somerfield Te Kura Wairepo

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Equity at 1 January		674,350	674,350	805,960
Total comprehensive revenue and expense for the year		4,061	(95,246)	(131,610)
Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		11,456	-	-
Contribution - Te Mana Tuhono		16,599	-	-
Equity at 31 December		706,466	579,104	674,350
Accumulated comprehensive revenue and expense		706,466	579,104	674,350
Equity at 31 December		706,466	579,104	674,350

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.

Somerfield Te Kura Wairepo

Statement of Financial Position

As at 31 December 2022

		2022	2022	2021
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Current Assets				
Cash and Cash Equivalents	7	68,102	99,413	-
Accounts Receivable	8	281,730	176,895	176,895
GST Receivable		-	19,913	19,913
Prepayments		14,457	11,228	11,228
Investments	9	100,000	-	170,374
		<u>464,289</u>	<u>307,449</u>	<u>378,410</u>
Current Liabilities				
Cash and Cash Equivalents - Overdraft	7	-	-	7,714
GST Payable		873	-	-
Accounts Payable	11	293,045	223,334	223,334
Finance Lease Liability	13	46,117	32,317	32,317
Funds held in Trust	14	28,378	8,320	8,320
Funds Held on Behalf of the Kahukura Cluster	16	9,093	10,189	10,189
		<u>377,506</u>	<u>274,160</u>	<u>281,874</u>
Working Capital Surplus/(Deficit)		86,783	33,289	96,536
Non-current Assets				
Property, Plant and Equipment	10	678,195	577,752	609,751
		<u>678,195</u>	<u>577,752</u>	<u>609,751</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	12	10,000	10,000	10,000
Finance Lease Liability	13	48,512	21,937	21,937
		<u>58,512</u>	<u>31,937</u>	<u>31,937</u>
Net Assets		<u>706,466</u>	<u>579,104</u>	<u>674,350</u>
Equity		<u>706,466</u>	<u>579,104</u>	<u>674,350</u>

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

Somerfield Te Kura Wairepo

Statement of Cash Flows

For the year ended 31 December 2022

		2022	2022	2021
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
		\$	\$	\$
Cash flows from Operating Activities				
Government Grants		970,353	743,946	972,146
Locally Raised Funds		114,254	174,750	144,199
Goods and Services Tax (net)		20,786	-	(16,917)
Payments to Employees		(589,737)	(379,574)	(555,633)
Payments to Suppliers		(414,535)	(531,818)	(449,920)
Interest Received		2,259	500	1,291
Net cash from/(to) Operating Activities		103,380	7,804	95,166
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(86,376)	(70,001)	(94,059)
Purchase of Investments		70,374	170,374	(43,834)
Net cash (to)/from Investing Activities		(16,002)	100,373	(137,893)
Cash flows from Financing Activities				
Furniture and Equipment Grant		11,456	-	-
Finance Lease Payments		(41,980)	(1,050)	(60,910)
Funds Administered on Behalf of Third Parties		18,962	-	18,309
Net cash (to)/from Financing Activities		(11,562)	(1,050)	(42,601)
Net increase/(decrease) in cash and cash equivalents		75,816	107,127	(85,328)
Cash and cash equivalents at the beginning of the year	7	(7,714)	(7,714)	77,614
Cash and cash equivalents at the end of the year	7	68,102	99,413	(7,714)

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.

Somerfield Te Kura Wairepo

Notes to the Financial Statements

For the year ended 31 December 2022

1. Statement of Accounting Policies

1.1. Reporting Entity

Somerfield Te Kura Wairepo (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.

1.2. 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 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 whole 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 12.

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 10.

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 13. Future operating lease commitments are disclosed in note 21b.

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.

1.3. 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 to which they relate. 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 programmes are recorded as revenue when the School has the rights to the funding in the period to which they relate. 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 recognised as 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.

1.4. 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.

1.5. 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.

1.6. 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.

1.7. Accounts Receivable

Short-term receivables are recorded at the amount due, less an allowance for expected credit losses (uncollectable debts). The school's 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.

1.8. 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.

1.9. 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 Statement of Comprehensive Revenue and Expense 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	3-50 years
Furniture and equipment	3-15 years
Information and communication technology	3-5 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value

1.10. 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 as 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.

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 Statement of Comprehensive Revenue and Expense.

The reversal of an impairment loss is recognised in the Statement of Comprehensive Revenue and Expense. 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.

1.11. 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.

1.12. 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, 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 Statement of Comprehensive Revenue and Expense in the period in which they arise.

1.13. 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.

1.14. 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.

1.15. 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.

1.16. 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 Resource Teachers of Learning & Behaviour 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.

1.17. 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 of the School, makes up the most significant part of the Board's responsibilities outside the 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 variety of periods in accordance with the conditional assessment of each area of the school. 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.

1.18. 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 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 investments' 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 the Statement of Comprehensive Revenue and Expense 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 the Statement of Comprehensive Revenue and Expense.

The School's financial liabilities comprise accounts payable, and finance lease 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 the Statement of Comprehensive Revenue and Expense.

1.19. 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.

1.20. 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.

1.21. Budget Figures

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

1.22. 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

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Government Grants - Ministry of Education	998,590	718,946	874,277
Teachers' Salaries Grants	2,293,274	2,159,606	2,377,062
Use of Land and Buildings Grants	796,217	645,925	595,730
Other Government Grants	16,790	25,000	8,779
	<u>4,104,871</u>	<u>3,549,477</u>	<u>3,855,848</u>

3. Locally Raised Funds

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

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Revenue			
Donations & Bequests	107,031	146,750	89,650
Fees for Extra Curricular Activities	13,901	16,000	28,696
Fundraising & Community Grants	872	-	2,136
Other Revenue	15,450	12,000	23,717
	<u>137,254</u>	<u>174,750</u>	<u>144,199</u>
Expenses			
Extra Curricular Activities Costs	20,816	20,400	21,707
Trading	4,601	-	1,582
Fundraising & Community Grant Costs	401	-	1,679
	<u>25,818</u>	<u>20,400</u>	<u>24,968</u>
<i>Surplus / (Deficit) for the year Locally raised funds</i>	<u>111,436</u>	<u>154,350</u>	<u>119,231</u>

4. Learning Resources

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	104,582	140,230	101,994
Equipment Repairs	6,102	10,000	6,976
Information and Communication Technology	5,938	8,855	6,373
Library Resources	216	5,500	338
Employee Benefits - Salaries	2,697,298	2,361,375	2,783,888
Staff Development	3,363	15,805	10,447
Depreciation	125,661	102,000	140,137
	<u>2,943,160</u>	<u>2,643,765</u>	<u>3,050,153</u>

5. Administration

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	5,775	6,641	5,500
Board Fees	3,875	4,500	3,270
Board Expenses	10,576	12,200	8,543
Communication	2,735	4,600	3,168
Consumables	19,053	19,250	19,497
Operating Lease	26,230	67,030	11,750
Legal Fees	1,139	500	7,089
Other	13,586	16,768	13,528
Employee Benefits - Salaries	146,125	117,300	113,852
Insurance	14,365	11,550	14,550
Service Providers, Contractors and Consultancy	2,835	4,000	4,407
	<u>246,294</u>	<u>264,339</u>	<u>205,154</u>

6. Property

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	12,292	9,500	10,431
Consultancy and Contract Services	70,500	55,000	67,524
Grounds	21,169	47,444	34,489
Heat, Light and Water	24,569	17,325	23,148
Rates	9,190	6,500	7,734
Repairs and Maintenance	18,857	40,300	55,894
Use of Land and Buildings	796,217	645,925	595,730
Security	6,275	7,920	5,957
Employee Benefits - Salaries	61,160	60,505	46,713
	<u>1,020,229</u>	<u>890,419</u>	<u>847,620</u>

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

7. Cash and Cash Equivalents

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Bank Accounts	68,102	99,413	-
Bank Overdraft	-	-	(7,714)
Cash and Cash Equivalents for Statement of Cash Flows	<u>68,102</u>	<u>99,413</u>	<u>(7,714)</u>

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

Of the \$68,102 Cash and Cash Equivalents, \$9,093 is held by the School on behalf of the Kahukura cluster. See note 16 for details of how the funding received for the cluster has been spent in the year.

8. Accounts Receivable

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Receivables	23,000	-	-
Receivables from the Ministry of Education	31,077	-	-
Interest Receivable	149	86	86
Teacher Salaries Grant Receivable	227,504	176,809	176,809
	<u>281,730</u>	<u>176,895</u>	<u>176,895</u>
Receivables from Exchange Transactions	23,149	86	86
Receivables from Non-Exchange Transactions	258,581	176,809	176,809
	<u>281,730</u>	<u>176,895</u>	<u>176,895</u>

9. Investments

The School's investment activities are classified as follows:

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Current Asset			
Short-term Bank Deposits	100,000	-	170,374
Total Investments	<u>100,000</u>	<u>-</u>	<u>170,374</u>

10. Property, Plant and Equipment

	Opening					Total (NBV)
	Balance (NBV)	Additions	Disposals	Impairment	Depreciation	
	\$	\$	\$	\$	\$	\$
2022						
Building Improvements	320,986	66,864	-	-	(16,511)	371,339
Furniture and Equipment	101,274	33,348	-	-	(27,717)	106,905
Information and Communication Technology	77,020	34,492	-	-	(31,287)	80,225
Leased Assets	55,530	86,198	-	-	(46,628)	95,100
Library Resources	25,350	3,832	(1,038)	-	(3,518)	24,626
Work in Progress	29,591	(29,591)	-	-	-	-
Balance at 31 December 2022	<u>609,751</u>	<u>195,143</u>	<u>(1,038)</u>	<u>-</u>	<u>(125,661)</u>	<u>678,195</u>

The net carrying value of equipment held under a finance lease is \$95,100 (2021: \$55,530)

Restrictions

With the exception of the contractual restrictions relating to the above noted finance leases, there are no other 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 \$
Building Improvements	600,970	(229,631)	371,339	534,105	(213,119)	320,986
Furniture and Equipment	776,036	(669,131)	106,905	742,689	(641,415)	101,274
Information and Communication Technology	266,920	(186,695)	80,225	232,428	(155,408)	77,020
Leased Assets	169,254	(74,154)	95,100	130,890	(75,360)	55,530
Library Resources	84,238	(59,612)	24,626	83,841	(58,491)	25,350
Work in Progress	-	-	-	29,591	-	29,591
Balance at 31 December	1,897,418	(1,219,223)	678,195	1,753,544	(1,143,793)	609,751

11. Accounts Payable

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Creditors	17,261	21,552	21,552
Accruals	5,775	3,750	3,750
Banking Staffing Overuse	19,500	-	-
Employee Entitlements - Salaries	239,615	187,137	187,137
Employee Entitlements - Leave Accrual	10,894	10,895	10,895
	<u>293,045</u>	<u>223,334</u>	<u>223,334</u>
Payables for Exchange Transactions	293,045	223,334	223,334
	<u>293,045</u>	<u>223,334</u>	<u>223,334</u>

The carrying value of payables approximates their fair value.

12. Provision for Cyclical Maintenance

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Provision at the Start of the Year	10,000	10,000	10,000
Provision at the End of the Year	10,000	10,000	10,000
Cyclical Maintenance - Non current	10,000	10,000	10,000
	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>

The School's cyclical maintenance schedule details annual painting & other significant cyclical maintenance work to be undertaken. The costs associated with this annual work will vary depending on the requirements during the year. This plan is based on the School's 10 Year Property plan which is prepared by a Ministry of Education appointed property consultant.

13. Finance Lease Liability

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

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
No Later than One Year	49,870	33,935	33,935
Later than One Year and no Later than Five Years	50,695	22,374	22,374
Future Finance Charges	(5,936)	(2,055)	(2,055)
	<u>94,629</u>	<u>54,254</u>	<u>54,254</u>
Represented by:			
Finance lease liability - Current	46,117	32,317	32,317
Finance lease liability - Non current	48,512	21,937	21,937
	<u>94,629</u>	<u>54,254</u>	<u>54,254</u>

14. Funds Held in Trust

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Funds Held in Trust on Behalf of Third Parties - Current	28,378	8,320	8,320
	<u>28,378</u>	<u>8,320</u>	<u>8,320</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.

15. Funds Held for Capital Works Projects

During the 2021 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 project is included under cash and cash equivalents in note 7. There are no projects in 2022.

	2021	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions \$	Closing Balances \$
Redevelopment Project		(17,989)	17,989	-	-	-
Totals		<u>(17,989)</u>	<u>17,989</u>	<u>-</u>	<u>-</u>	<u>-</u>

16. Funds Held on Behalf of the Kahukura Cluster

Somerfield Te Kura Wairepo was the lead school and holds funds on behalf of the Kahukura Cluster, a group of schools funded by the Ministry of Education to share professional support.

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Funds Held at Beginning of the Year	10,189	10,189	16,423
Funds Spent on Behalf of the Cluster	(1,096)	-	(6,234)
Funds Held at Year End	<u>9,093</u>	<u>10,189</u>	<u>10,189</u>

17. Related Party Transactions

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

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

18. Remuneration

Key management personnel compensation

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

	2022 Actual \$	2021 Actual \$
<i>Board Members</i>		
Remuneration	3,875	3,270
<i>Leadership Team</i>		
Remuneration	377,410	377,602
Full-time equivalent members	3.00	3.00
Total key management personnel remuneration	<u>381,285</u>	<u>380,872</u>

There are 7 members of the Board excluding the Principal. The Board had held 8 full meetings of the Board in the year. 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

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

	2022	2021
	Actual	Actual
	\$000	\$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	150 - 160	150 - 160
Benefits and Other Emoluments	0 - 5	0 - 5
Termination Benefits	0 - 0	0 - 0

Other Employees

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

Remuneration	2022	2021
\$000	FTE Number	FTE Number
100 - 110	5.00	3.00
	<u>5.00</u>	<u>3.00</u>

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

19. Compensation and Other Benefits Upon Leaving

The total value of compensation or other benefits paid or payable to persons who ceased to be trustees, committee 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	2021
	Actual	Actual
Total	\$ -	\$ -
Number of People	-	-

20. 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).

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.

Teacher Aide & Support Staff Settlement Wash Up

In 2022 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 Ministry is in the process of determining wash up payments for the year ended 31 December 2022 however as at the reporting date this amount had not been calculated and therefore is not recorded in these financial statements.

Christchurch Rebuild

The School has an obligation to the Ministry of Education to maintain in good order and repair at all times the land, buildings and other facilities on the School site. The school is part of the Christchurch Schools Rebuild Programme which resulted in the School's buildings being rebuilt. At the present time the school is working with the Ministry of Education to create a cyclical maintenance plan for future maintenance of the school buildings. As a result, and until such time as a plan has been developed and approved by the Ministry, the School cannot make a reliable estimate of the maintenance required on the School's buildings so no cyclical maintenance provision has been recognised, even though the school will be required to maintain the new buildings

21. Commitments

(a) Capital Commitments

As at 31 December 2022 the Board has not entered into any contract agreements for capital works.

(Capital commitments in relation to Ministry projects at 31 December 2021: nil)

(b) Operating Commitments

As at 31 December 2022 the Board has not entered into any operating contracts.

(Operating commitments at 31 December 2021: nil)

22. 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	68,102	99,413	(7,714)
Receivables	281,730	176,895	176,895
Investments - Term Deposits	100,000	-	170,374
Total Financial assets measured at amortised cost	<u>449,832</u>	<u>276,308</u>	<u>339,555</u>

Financial liabilities measured at amortised cost

Payables	293,045	223,334	223,334
Finance Leases	94,629	54,254	54,254
Total Financial liabilities measured at amortised Cost	<u>387,674</u>	<u>277,588</u>	<u>277,588</u>

23. Events After Balance Date

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

24. Comparatives

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

2022

School Name:	Somerfield te Kura Wairepo	School Number:	3506
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Strategic Aim:	VALUED OUTCOME: <i>Tamariki at Somerfield Te Kura Wairepo will continue to flourish and succeed. Whakapuāwai.</i>
Annual Aim:	<i>Tamariki at Somerfield Te Kura Wairepo will continue to flourish and succeed. Whakapuāwai.</i> Context For several years we have had an achievement target in either reading, writing or mathematics. Little progress has been made to shift the % in these targets. We are now shifting our focus to a wellbeing framework that incorporates creatives, regular physical activity as well as wellbeing strategies.
Target:	Ensure wellbeing is the foundation to improve reading, writing and mathematics outcomes
Baseline Data:	<u>Measures of Success:</u> Students <ul style="list-style-type: none">● Snapshot reflections● Show progress against key competency (SMART/Character Strengths) foci using SOLO rubrics● Improvement in reading, writing and mathematics data over time Teacher Shifts in Practice

- Incorporate more creatives in classroom programme as a result of Professional Learning and Development
- Wellbeing strategies from the framework, based on Te Whare Tapa Wha, are consistently implemented across the school
- Poutama reo trial data showing need to monitor te reo acquisition across school

Whanau

- Poutama reo trial data showing need to monitor te reo acquisition across school

- End of Year data 2020

	at/ Above 2020	at/ Above 2021	at/ Above 2022	Below/WB 2020	Below/WB 2021	Below/WB 2022
Reading	83	80	85	17	20	15
Writing	79	68	75	21	32	25
Mathematics	79	75	84	21	25	16

Actions <i>What did we do?</i>	Outcomes <i>What happened?</i>	Reasons for the variance <i>Why did it happen?</i>	Evaluation <i>Where to next?</i>
<ol style="list-style-type: none"> 1. No collaboration for the first part of the year. 2. Embedded the wellbeing framework showing all practices in place to support staff and tamariki wellbeing 3. Year 1/2 pathway with focus on structured literacy 4. PLD Yr 0- 4 teachers in Structured Literacy 5. All staff implementing The Code 6. Participated in “Just in Time Maths” PLD 7. Creativity unit of work with 0.2 specialist teacher 	<p>Improvement in reading, writing, mathematics and Spelling achievement</p> <p>Implementation of the Code across the school consistently, increased results in Peters Spelling test.</p> <p>Specialist teachers increased class teacher and student engagement in the creatives process.</p> <p>All teachers focus on student progress and achievement.</p> <p>Staff, whānau and tamariki identify biculturalism is strong at Somerfield Te Kura Wairepo. There is increased student engagement across the school.</p> <p>Wellbeing practices are weaved through all activities at Somerfield Te Kura Wairepo.</p>	<p>Professional Development in mathematics</p> <p>Pandemic hindered some of the plans for the year.</p> <p>Extra complex behaviour and neurodiverse students across all levels diverting resources from learning interventions</p> <p>More notifications from Family Harm team</p> <p>More external agencies supporting whānau</p> <p>Each ropu developed a wellbeing plan for teacher wellbeing</p> <p>Structured literacy as an intervention introduced at Y2/3</p> <p>Training of Year 1 - 4 teachers on Structured literacy</p> <p>Creatives units with focus on wellbeing with specialist teacher</p>	<p>85% all tamariki meet expectations in foundation skills of literacy and numeracy to achieve parity</p> <p>Focus on embedding The Code</p> <p>Focus on Year 1-2 pathways</p> <p>Introduce Common literacy and mathematics Strategies</p> <p>Priority groups of Maori and Pasifika - work with whānau on attendance</p> <p>Professional development Y5/6 Structured Literacy</p> <p>Mathematics professional development as part of Kahukura Cluster</p> <p>Use poutama reo tool - Kahukura strategic plan</p>

Prosocial teaching, through circle time, is built into all class programmes.

High staff morale.

Extra time given to teachers for planning and PLD

Data meeting 2 times per term with ropu leaders

School employed a social worker and two mentors (2.5FTTE)

Clarity of behaviour policies and practices -Term 3

Work towards Curriculum Refresh - Kahukura Strategic Plan

Development of expected behaviour across the different school settings ie PB4L

Fully embrace our diversity through our practices and programmes.
Goal 3 Annual plan

OUTCOMES

Data

End of Year data 2021/2022

	at/ Above 2022	at/ Above 2021	Below 2022	Below 2021
Reading	85	80	15	20
Writing	75	68	25	32
Mathematics	84	75	16	25

Reading

Strengths

- Improvement of 5% Year to year data
- Definite shifts to at and above expected levels in all Year levels.

Areas for focus

- Boys are achieving 19.3% below and well below as opposed to girls at 11.3%

To achieve parity -

- the achievement of Māori and Pasika boys . These groups are achieving below and well below other boys.
- Māori girls who are achieving 17.6% below and well below compared to other girls at 11.3%

Notable

- The Year 3 cohort were the most at risk as Year 2's in 2021 and through a number of interventions and the focus of these teachers they have been able to significantly lift the achievement of this group.

Writing

Strengths

- 7% improvement in Year to Year data
- Shifts in year 3,4,5,6 data- Year 2 was the first cohort with the change in system from structured literacy and colour wheel
- 9% decrease in children below for writing in Year 3
- Increase in the amount of children who are above for writing in Year 4

Areas for focus

- Boys in all groups achieving below and well below 33.9% compared to girls at 16.2%
- We will be exploring what it is about our practices and programmes that are impacting the boys writing achievement

Notable

- Although this is a national trend it is something we continue to find challenging. When we did the Murray Gadd professional development the focus was relentless on writing and the achievement improved.

Mathematics

Strengths

- 9% improvement in Year to Year data
- 14% increase in children above for maths and 13% decrease in children below for maths in Year 4.
- 9 % decrease in the amount of children well below in Year 3

Areas for focus

- Pasifka boys and Maori girls

Notable

- Impact of the PLD and the attitude it has had on staff in the teaching of mathematics

Planning for next year:

- A change in the behaviour expectations to give greater clarity for staff
- Continue to carry out wellbeing strategies
- Increase parity so all groups achieve 85% at or above in reading, writing, mathematics by participation in PLD and the use of Common practice Strategies and Relation Based Learning Matrix

FOUNDATION SKILLS

Mathematics

Professional Development

In 2023 the school will continue to take part in professional development with Rob Proffitt White as part of the Kahukura Cluster annual goals. This professional development is based around a “Balanced Maths” programme. Each ropu has a key person to carry out professional development at a ropu level .

In 2023 we will use the RTLB service to train the Year 5 and 6 teachers in Structured Literacy/Evidence Based Literacy so they can support our priority groups.

Common Practice Strategies have been developed based on the research of Professor Russell Bishop who maintains the need for common practices across the school to ensure parity for all learners. We have tightened up our documentation and expectations of teachers in all literacy areas and mathematics. The Associate Minister of Education has already indicated that Structured Literacy will be a significant part of the Literacy Curriculum refresh.

Reading

Professional Development

Structured Literacy reading will continue to be a focus in Year 0-2. In 2023 we will also train teachers in Year 5 and 6

Writing

Ropu leaders coaching as part of redefining their role to the Relation Based Learning Matrix with the focus on teacher practice.

The Code

We will continue to embed the implementation of the Code.

Priority Learners

All students achieving below and below below will continue to be monitored through data meetings and DP/AP oversight to provide resourcing if available - schoolwide development.

We have a new team joining Kellie and Katie on the Kahukura Cluster maths professional development to ensure further dissemination of the programme as we move towards the Curriculum Refresh.

Common Practice Strategies have been developed based on this year's work with the Maths PLD and will be implemented in 2023.

Kiwisport Funding

Kiwisport is a Government funding initiative to support students' participation in organised sport. In 2022 the school received total Kiwisport funding of \$7,116.17.

The funding was spent entirely on subsidising swimming lessons for all students, including bus transport to and from the pool for 2022.

Somerfield Te Kura Wairepo

Next review: Term 2 2024

Employer Responsibility Policy

Somerfield Te Kura Wairepo board acts as a good employer and takes all reasonable steps to build working relationships based on trust, confidence, and good faith. The board treats employees fairly and properly in all aspects of their employment as required by the Public Service Act 2020, and complies with legislation on employment and personnel matters. The board complies with the conditions contained in employment contracts for teaching and non-teaching staff.

The board ensures strong leadership by recognising the principal as the school's educational leader, the chief executive, and an employee of the board. The board:

- appoints the principal, through the **appointment committee**
- **appraises the principal**
- works transparently and positively with the principal
- ensures delegations to the principal are robust and regularly reviewed.

The board meets reporting and administrative requirements by:

- referring to the school's **Equal Employment Opportunities** policy in its annual report
- on the extent of its compliance as a good employer
- ensuring that systems are in place for keeping **employee files** safe and secure.

Support for school employees

The board:

- takes all steps, so far as is reasonably practicable, to meet its **primary duty of care** obligations to ensure good and safe working conditions for employees and responds to all reasonable concerns and requests made by employees
- considers staff **health and wellbeing (hauora)** and work-life balance, and will consider applications for **flexible working arrangements**
- ensures that all employees maintain proper standards of **integrity and conduct**, and a concern for **the safety and wellbeing of students, colleagues**, and public interest
- promotes high levels of staff performance through:
 - **performance management** and professional development (including budgeting for training and development programmes intended to enhance the abilities of individual employees)
 - acknowledgement of staff achievements
 - **salary units** and **classroom release time**.
- deals effectively and fairly with any concerns through the **concerns and complaints** and **protected disclosure** procedures.

Recruitment and appointments

The board delegates the recruitment and appointment process to the principal and senior management but may be represented in **appointment committees**. The board and delegate(s) endeavour to appoint appropriately trained and qualified staff to all teaching and non-teaching positions, and to find the best person for the position.

INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF SOMERFIELD TE KURA WAIREPO 'S FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

The Auditor-General is the auditor Somerfield Te Kura Wairepo (the School). The Auditor-General has appointed me, Michael Rondel, using the staff and resources of BDO Christchurch, 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 3 to 18, 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 Public Benefit Entity Standards Reduced Disclosure Regime.

Our audit was completed on 14 May 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 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 school 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 Statement of Responsibility, Members of the Board, Analysis of Variance, Kiwisport and the Employer Responsibility Policy, 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.



Michael Rondel,
BDO Christchurch
On behalf of the Auditor-General
Christchurch, New Zealand