

# ST JOSEPHS SCHOOL (BALCLUTHA)

## ANNUAL REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### School Directory

**Ministry Number:** 3826

**Principal:** Annette O'Mahony

**School Address:** 18 Stewart St, Balclutha

**School Postal Address:** 18 Stewart St, Balclutha 9230

**School Phone:** 03 418 2548

**School Email:** [office@stjosephs.school.nz](mailto:office@stjosephs.school.nz)

#### Members of the Board

<b>Name</b>	<b>Position</b>	<b>How Position Gained</b>	<b>Term Expired/ Expires</b>
Ben Cameron	Presiding Member / Parent Representative	Elected	May 2022
Annette O'Mahony	Principal	ex Officio	
Laura Irwin	Secretary / Parent Representative	Re-Elected/Elected	May 2022
Trish Breen	Parent Representative	Re-Elected	May 2022
Craig McCrosite	Parent Representative	Re-Elected	May 2022
John Thornley	Treasurer / Parent Representative	Through Selection 2020	May 2022
Tracey Murray	Treasurer / Proprietors Representative	Resigned December 2021	
Father Chris O'Neill	Proprietors Representative	Appointed	
Glenn May	Proprietors Representative	Appointed	
Maria Hill	Proprietors Representative	Appointed	
Rowena Miller	Staff Representative	Appointed start Term 2 2021	
Anna Grant	Staff Representative	Resigned end Term 1 2021	

#### **Accountant / Service Provider:**

Shand Thomson Ltd Balclutha

# ST JOSEPHS SCHOOL (BALCLUTHA)

## ANNUAL REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### Index

Page	Statement
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#### Financial Statements

<a href="#">1</a>	Statement of Responsibility
<a href="#">2</a>	Statement of Comprehensive Revenue and Expense
<a href="#">3</a>	Statement of Changes in Net Assets/Equity
<a href="#">4</a>	Statement of Financial Position
<a href="#">5</a>	Statement of Cash Flows
<a href="#">6 - 9</a>	Statement of Accounting Policies
<a href="#">10 - 17</a>	Notes to the Financial Statements

#### Other Information

<a href="#">18 - 23</a>	Analysis of Variance
<a href="#">24</a>	Kiwisport
	Independent Auditor's Report

# St Josephs School (Balclutha)

## Statement of Responsibility

For the year ended 31 December 2021

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 2021 fairly reflects the financial position and operations of the school.

The School's 2021 financial statements are authorised for issue by the Board.

BENJAMIN JAMES CAMERON

Full Name of Presiding Member

B. Cameron

Signature of Presiding Member

25/5/22

Date:

Annette O'Mahony

Full Name of Principal

A. O'Mahony

Signature of Principal

25/5/22

Date:

# St Josephs School (Balclutha)

## Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
<b>Revenue</b>				
Government Grants	2	570,123	166,262	531,880
Locally Raised Funds	3	17,215	-	9,446
Use of Proprietor's Land and Buildings		65,250	-	104,400
Interest Income		1,102	2,000	1,475
		<u>653,690</u>	<u>168,262</u>	<u>647,201</u>
<b>Expenses</b>				
Locally Raised Funds	3	7,883	2,500	6,546
Learning Resources	4	439,155	66,290	420,625
Administration	5	51,201	50,650	52,233
Property	6	96,661	33,550	131,852
Depreciation	10	15,243	6,500	18,160
Loss on Disposal of Property, Plant and Equipment		-	-	55
Loss on Uncollectable Accounts Receivable		(11)	-	16
Amortisation of Intangible Assets		-	-	220
		<u>610,132</u>	<u>159,490</u>	<u>629,707</u>
<b>Net Surplus / (Deficit) for the year</b>		<b>43,558</b>	<b>8,772</b>	<b>17,494</b>
Other Comprehensive Revenue and Expense		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<u><u>43,558</u></u>	<u><u>8,772</u></u>	<u><u>17,494</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.

# St Josephs School (Balclutha)

## Statement of Changes in Net Assets/Equity

For the year ended 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
<b>Equity at 1 January</b>		185,722	185,722	166,679
Total comprehensive revenue and expense for the year		43,558	8,772	17,494
Capital Contributions from the Ministry of Education Contribution - Furniture and Equipment Grant		-	1,549	1,549
<b>Equity at 31 December</b>		229,280	196,043	185,722
Retained Earnings		229,280	196,043	185,722
<b>Equity at 31 December</b>		229,280	196,043	185,722

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.

# St Josephs School (Balclutha)

## Statement of Financial Position

As at 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
<b>Current Assets</b>				
Cash and Cash Equivalents	7	122,582	90,153	94,840
Accounts Receivable	8	45,936	27,039	27,039
Prepayments		3,409	2,820	2,820
Investments	9	58,622	57,816	57,816
		<u>230,549</u>	<u>177,828</u>	<u>182,515</u>
<b>Current Liabilities</b>				
GST Payable		7,404	8,140	8,151
Accounts Payable	11	39,936	38,393	38,393
Provision for Cyclical Maintenance	12	3,750	3,750	3,750
Finance Lease Liability	13	6,106	5,860	5,860
		<u>57,196</u>	<u>56,143</u>	<u>56,154</u>
<b>Working Capital Surplus/(Deficit)</b>		<b>173,353</b>	<b>121,685</b>	<b>126,361</b>
<b>Non-current Assets</b>				
Property, Plant and Equipment	10	62,880	86,053	71,055
		<u>62,880</u>	<u>86,053</u>	<u>71,055</u>
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	12	2,730	1,365	1,365
Finance Lease Liability	13	4,223	10,330	10,329
		<u>6,953</u>	<u>11,695</u>	<u>11,694</u>
<b>Net Assets</b>		<b><u>229,280</u></b>	<b><u>196,043</u></b>	<b><u>185,722</u></b>
<b>Equity</b>		<b><u>229,280</u></b>	<b><u>196,043</u></b>	<b><u>185,722</u></b>

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

# St Josephs School (Balclutha)

## Statement of Cash Flows

For the year ended 31 December 2021

	Note	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
<b>Cash flows from Operating Activities</b>				
Government Grants		180,392	167,803	191,275
Locally Raised Funds		17,423	-	11,405
Goods and Services Tax (net)		(744)	-	4,944
Payments to Employees		(70,608)	(67,780)	(84,205)
Payments to Suppliers		(86,182)	(85,210)	(81,011)
Interest Received		1,195	2,000	1,696
Net cash from Operating Activities		41,476	16,813	44,104
<b>Cash flows from Investing Activities</b>				
Purchase of Property Plant & Equipment		(7,068)	(21,500)	(6,255)
Purchase of Investments		(806)	-	(1,603)
Net cash to Investing Activities		(7,874)	(21,500)	(7,858)
<b>Cash flows from Financing Activities</b>				
Furniture and Equipment Grant		-	-	1,549
Finance Lease Payments		(5,860)	-	(4,982)
Net cash to Financing Activities		(5,860)	-	(3,433)
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>27,742</b>	<b>(4,687)</b>	<b>32,813</b>
Cash and cash equivalents at the beginning of the year	7	94,840	94,840	62,027
<b>Cash and cash equivalents at the end of the year</b>	7	<b>122,582</b>	<b>90,153</b>	<b>94,840</b>

The statement of cash flows records only those cash flows directly within the control of the School. This means centrally funded teachers' salaries and the use of land and buildings grant and expense have been excluded.

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

# St Josephs School (Balclutha)

## Notes to the Financial Statements

### For the year ended 31 December 2021

#### 1. Statement of Accounting Policies

##### a) Reporting Entity

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

##### b) Basis of Preparation

###### *Reporting Period*

The financial reports have been prepared for the period 1 January 2021 to 31 December 2021 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 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 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. 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.

The property from which the School operates is owned by the Proprietor. Grants for the use of land and buildings are also not received in cash by the school however they equate to the deemed expense for using the land and buildings. This expense is based on an assumed market rental yield on the 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**

Other grants are recorded as revenue when the School has the rights to the funding, unless there are unfulfilled conditions attached to the grant, in which case the amount relating to the unfulfilled conditions is recognised as a liability and released to revenue as the conditions are fulfilled.

### **Donations, Gifts and Bequests**

Donations, gifts and bequests are recorded as revenue when their receipt is formally acknowledged by the School.

### **Interest Revenue**

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

## **d) Operating Lease Payments**

Payments made under operating leases are recognised in the Statement of Comprehensive Revenue and Expense on a straight line basis over the term of the lease.

## **e) Finance Lease Payments**

Finance lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term on an effective interest basis.

## **f) Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, bank balances, deposits held at call with banks, and other short term highly liquid investments with original maturities of 90 days or less, and bank overdrafts. The carrying amount of cash and cash equivalents represent fair value.

## **g) Accounts Receivable**

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

## **h) 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.

### **i) Property, Plant and Equipment**

Land and buildings owned by the Proprietor 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 Proprietor 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:

Furniture and equipment	5–15 years
Information and communication technology	4–5 years
Leased assets held under a Finance Lease	3-12 years
Library resources	12.5% Diminishing value

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

The school does not hold any cash generating assets. Assets are considered cash generating where their primary objective is to generate a commercial return.

#### *Non cash generating assets*

Property, plant, and equipment 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.

### **k) 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.

## **l) Employee Entitlements**

### *Short-term employee entitlements*

Employee entitlements that are expected to be settled within 12 months after the end of the reporting period in which the employees provide the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned, by non teaching staff, to but not yet taken at balance date.

### *Long-term employee entitlements*

Employee benefits that are not expected to be settled wholly before twelve 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

## **m) Provision for Cyclical Maintenance**

The property from which the school operates is owned by the Proprietor. The Board is responsible for maintaining the land, buildings and other facilities on the School site in a state of good order and repair.

Cyclical maintenance, which involves painting the interior and exterior of the School, makes up the most significant part of the Board's responsibilities outside day-to-day maintenance. The provision is a reasonable estimate, based on an up to date 10 Year Property Plan (10YPP) or another appropriate source of evidence.

## **n) 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.

## **o) 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 operating leases and finance leases.

## **p) 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.

## **q) Budget Figures**

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

## **u) 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

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Operational Grants	161,072	149,892	150,543
Teachers' Salaries Grants	372,281	-	340,605
Other MoE Grants	35,667	16,370	39,363
Other Government Grants	1,103	-	1,369
	<u>570,123</u>	<u>166,262</u>	<u>531,880</u>

The school has opted in to the donations scheme for this year. Total amount received was \$8,100.

## 3. Locally Raised Funds

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

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
<b>Revenue</b>			
Donations & Bequests	7,188	-	6,481
Curriculum related Activities - Purchase of goods and services	6,113	-	-
Fees for Extra Curricular Activities	3,710	-	1,326
Trading	204	-	1,600
Fundraising & Community Grants	-	-	39
	<u>17,215</u>	<u>-</u>	<u>9,446</u>
<b>Expenses</b>			
Extra Curricular Activities Costs	5,359	1,500	5,169
Trading	2,506	1,000	1,377
Fundraising and Community Grant Costs	18	-	-
	<u>7,883</u>	<u>2,500</u>	<u>6,546</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>9,332</u>	<u>(2,500)</u>	<u>2,900</u>

## 4. Learning Resources

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Curricular	24,619	14,010	19,348
Library Resources	-	1,200	-
Employee Benefits - Salaries	409,114	41,780	396,423
Staff Development	5,422	9,300	4,854
	<u>439,155</u>	<u>66,290</u>	<u>420,625</u>

## 5. Administration

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Audit Fee	4,435	3,300	3,335
Board Fees	3,825	5,700	4,285
Board Expenses	737	600	927
Communication	2,766	2,400	2,289
Consumables	2,132	7,300	2,432
Operating Lease	54	1,200	375
Other	7,899	3,300	7,131
Employee Benefits - Salaries	19,910	18,000	23,946
Insurance	3,073	3,100	3,253
Service Providers, Contractors and Consultancy	6,370	5,750	4,260
	51,201	50,650	52,233

## 6. Property

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Caretaking and Cleaning Consumables	1,922	1,400	2,656
Cyclical Maintenance Provision	1,365	-	(1,718)
Grounds	2,761	3,000	2,652
Heat, Light and Water	8,663	10,500	9,045
Rates	2,290	2,150	2,171
Repairs and Maintenance	1,905	7,500	1,420
Use of Land and Buildings	65,250	-	104,400
Security	1,000	1,000	598
Employee Benefits - Salaries	11,505	8,000	10,628
	96,661	33,550	131,852

In 2021, the Ministry of Education revised the notional rent rate from 8% to 5% to align it with the Government Capital Charge rate. This is considered to be a reasonable proxy for the market rental yield on the value of land and buildings used by schools. Accordingly in 2021, the use of land and buildings figure represents 5% of the school's total property value. Property values are established as part of the nation-wide revaluation exercise that is conducted every 30 June for the Ministry of Education's year-end.

## 7. Cash and Cash Equivalents

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Bank Accounts	122,582	90,153	94,840
Cash and cash equivalents for Statement of Cash Flows	122,582	90,153	94,840

## 8. Accounts Receivable

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Receivables	338	623	623
Provision for uncollectable debts	-	(88)	(88)
Interest Receivable	321	414	414
Banking Staffing Underuse	17,450	-	-
Teacher Salaries Grant Receivable	27,827	26,090	26,090
	<u>45,936</u>	<u>27,039</u>	<u>27,039</u>
Receivables from Exchange Transactions	659	949	949
Receivables from Non-Exchange Transactions	45,277	26,090	26,090
	<u>45,936</u>	<u>27,039</u>	<u>27,039</u>

## 9. Investments

The School's investment activities are classified as follows:

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Current Asset			
Short-term Bank Deposits	58,622	57,816	57,816
	<u>58,622</u>	<u>57,816</u>	<u>57,816</u>
Total Investments	<u>58,622</u>	<u>57,816</u>	<u>57,816</u>

## 10. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
<b>2021</b>						
Furniture and Equipment	47,674	3,146	-	-	(6,570)	<b>44,250</b>
Information and Communication Technology	7,758	2,264	-	-	(2,954)	<b>7,068</b>
Leased Assets	9,150	-	-	-	(4,703)	<b>4,447</b>
Library Resources	6,473	1,658	-	-	(1,016)	<b>7,115</b>
<b>Balance at 31 December 2021</b>	<u>71,055</u>	<u>7,068</u>	<u>-</u>	<u>-</u>	<u>(15,243)</u>	<u><b>62,880</b></u>

The net carrying value of equipment held under a finance lease is \$4,447 (2020: \$9,150)

	2021 Cost or Valuation \$	2021 Accumulated Depreciation \$	2021 Net Book Value \$	2020 Cost or Valuation \$	2020 Accumulated Depreciation \$	2020 Net Book Value \$
Furniture and Equipment	103,619	(59,369)	<b>44,250</b>	100,473	(52,799)	<b>47,674</b>
Information and Communication Technology	53,759	(46,691)	<b>7,068</b>	51,495	(43,737)	<b>7,758</b>
Leased Assets	28,506	(24,059)	<b>4,447</b>	28,506	(19,356)	<b>9,150</b>
Library Resources	21,962	(14,847)	<b>7,115</b>	20,304	(13,831)	<b>6,473</b>
<b>Balance at 31 December</b>	<u>207,846</u>	<u>(144,966)</u>	<u><b>62,880</b></u>	<u>200,778</u>	<u>(129,723)</u>	<u><b>71,055</b></u>

## 11. Accounts Payable

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Creditors	3,144	1,501	1,501
Accruals	7,573	7,050	7,050
Employee Entitlements - Salaries	28,166	28,811	28,811
Employee Entitlements - Leave Accrual	1,053	1,031	1,031
	<u>39,936</u>	<u>38,393</u>	<u>38,393</u>
Payables for Exchange Transactions	39,936	38,393	38,393
	<u>39,936</u>	<u>38,393</u>	<u>38,393</u>

The carrying value of payables approximates their fair value.

## 12. Provision for Cyclical Maintenance

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Provision at the Start of the Year	5,115	5,115	6,834
Increase/ (decrease) to the Provision During the Year	1,365	-	(1,719)
Provision at the End of the Year	<u>6,480</u>	<u>5,115</u>	<u>5,115</u>
Cyclical Maintenance - Current	3,750	3,750	3,750
Cyclical Maintenance - Term	2,730	1,365	1,365
	<u>6,480</u>	<u>5,115</u>	<u>5,115</u>

## 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:

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
No Later than One Year	8,615	8,892	8,892
Later than One Year and no Later than Five Years	5,417	14,032	14,032
Future Finance Charges	(3,703)	(6,734)	(6,735)
	<u>10,329</u>	<u>16,190</u>	<u>16,189</u>
<b>Represented by</b>			
Finance lease liability - Current	6,106	5,860	5,860
Finance lease liability - Term	4,223	10,330	10,329
	<u>10,329</u>	<u>16,190</u>	<u>16,189</u>

## 14. 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.

The Proprietor of the School (Catholic Diocese of Dunedin) is a related party of the Board because the proprietor appoints representatives to the Board, giving the proprietor significant influence over the Board. Any services or contributions between the Board and Proprietor have been disclosed appropriately, if the proprietor collects fund on behalf of the school (or vice versa) the amounts are disclosed.

The Proprietor provides land and buildings free of charge for use by the Board as noted in Note 1(c). The estimated value of this use during the current period is included in the Statement of Comprehensive Revenue and Expense as 'Use of Land and Buildings'.

Tracey Murray was a Trustee of the Board (resigned December 2021) and an associate partner at Shand Thomson Ltd. During the year the School contracted Shand Thomson Ltd to prepare monthly cash reports, the 2021 annual report and provide the School with its cashbook software. The total value of all transactions for the year was \$5,899 (2020: \$6,510), of which \$1,093 is outstanding at balance date (2020: \$1,820).

Glenn May is a Trustee of the Board and a shareholder and director of Southern Plumbing Ltd. During the year the School contracted Southern Plumbing Ltd to undertake plumbing repair work at the School. The total value of all transactions for the year was \$470 (2020: \$351), of which none is outstanding at balance date (2020: nil).

## 15. Remuneration

### *Key management personnel compensation*

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

	<b>2021 Actual \$</b>	<b>2020 Actual \$</b>
<i>Board Members</i>		
Remuneration	3,825	4,285
<i>Leadership Team</i>		
Remuneration	272,673	233,215
Full-time equivalent members	3	3
Total key management personnel remuneration	<u>276,498</u>	<u>237,500</u>

There are 10 members of the Board excluding the Principal. The Board had held 9 full meetings of the Board in the year. As well as these regular meetings, including preparation time, the Chair 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:

	<b>2021</b>	<b>2020</b>
	<b>Actual</b>	<b>Actual</b>
	<b>\$000</b>	<b>\$000</b>
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	110-120	110-120
Benefits and Other Emoluments	3-4	3-4

### Other Employees

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

Remuneration	2021	2020
\$000	FTE Number	FTE Number
100-110	0.00	0.00
110-120	0.00	0.00
	0.00	0.00
	0.00	0.00

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

## 16. Compensation and Other Benefits Upon Leaving

The total value of compensation or other benefits paid or payable to persons who ceased to be board members, committee members, or employees during the financial year in relation to that cessation and number of persons to whom all or part of that total was payable was as follows:

	<b>2021</b>	<b>2020</b>
	<b>Actual</b>	<b>Actual</b>
Total	-	-
Number of People	-	-

## 17. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2021 (Contingent liabilities and assets at 31 December 2020: 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 2021, a contingent liability for the school may exist.

## 18. Commitments

### (a) Capital Commitments

As at 31 December 2021 the Board has entered into contract agreements for capital works as follows:

(Capital commitments at 31 December 2020: \$nil)

## (b) Operating Commitments

As at 31 December 2021 the Board has no capital commitments.

(a) operating lease of service portion of the photocopier;

	<b>2021</b> <b>Actual</b> \$	<b>2020</b> <b>Actual</b> \$
No later than One Year	1,635	1,635
Later than One Year and No Later than Five Years	1,227	2,862
	<u>2,862</u>	<u>4,497</u>

## 19. 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

	<b>2021</b> <b>Actual</b> \$	<b>2021</b> <b>Budget</b> <b>(Unaudited)</b> \$	<b>2020</b> <b>Actual</b> \$
Cash and Cash Equivalents	122,582	90,153	94,840
Receivables	45,936	27,039	27,039
Investments - Term Deposits	58,622	57,816	57,816
Total Financial assets measured at amortised cost	<u>227,140</u>	<u>175,008</u>	<u>179,695</u>

### Financial liabilities measured at amortised cost

Payables	39,936	38,393	38,393
Finance Leases	10,329	16,190	16,189
Total Financial Liabilities Measured at Amortised Cost	<u>50,265</u>	<u>54,583</u>	<u>54,582</u>

## 20. Events After Balance Date

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

## 21. Comparatives

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

## **22. COVID 19 Pandemic on going implications**

### **Impact of Covid-19**

During 2021 the country moved between alert levels. During February and March 2021 Auckland was placed into alert levels 3 and 2 and other parts of the country moved into alert level 2.

Towards the end of June 2021, the Wellington region was placed into alert level 2 for one week.

Towards the end of August 2021, the entire country moved to alert level 4, with a move to alert level 3 and 2 for everyone outside the Auckland region three weeks later. While Auckland has remained in alert level 3 for a prolonged period of time the Northland and Waikato regions have also returned to alert level 3 restrictions during this period.

### **Impact on operations**

Schools have been required to continue adapting to remote and online learning practices when physical attendance is unable to occur in alert level 4 and 3. Schools continue to receive funding from the Te Tāhuhu o te Mātauranga | Ministry to Education, even while closed.

However, the ongoing interruptions resulting from the moves in alert levels have impacted schools in various ways which potentially will negatively affect the operations and services of the school. We describe below the possible effects on the school that we have identified, resulting from the ongoing impacts of the COVID-19 alert level changes.

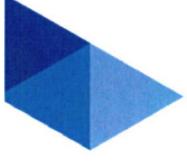
### **Reduction in locally raised funds**

Under alert levels 4,3, and 2 the school's ability to undertake fund raising events in the community and/ or collect donations or other contributions from parents, may have been compromised. Costs already incurred arranging future events may not be recoverable.

### **Increased Remote learning additional costs**

Under alert levels 4 and 3 ensuring that students have the ability to undertake remote or distance learning often incurs additional costs in the supply of materials and devices to students to enable alternative methods of curriculum delivery.

# Analysis of Variance Reporting



<p><b>School Name:</b></p>	<p>St Joseph's Balclutha</p>
<p><b>School Number:</b></p>	<p>3826</p>
<p><b>Strategic Aim: 2021</b></p>	<p><b>Strategic Goal 1</b> Continue to commit to ongoing learning in all aspects of Catholic Special Character so that individuals deepen their personal relationship with Christ. The BOT to continue to support the Principal and teachers to work towards qualifications in Religious Education. Continue to work with the new bridging document in the Religious Education programme. Staff to look at the new Religious Education Curriculum and work together on planning one unit of work. Continue to foster good working relationships with the parish. To encourage and support students for reception of the Sacraments including Baptism.</p> <p><b>Strategic Goal 2</b> For all students to be fully engaged in their learning by enabling all students to access the New Zealand Curriculum as evidenced by progress and achievement in Reading, Writing and Maths. To lift the achievement in Writing and Maths so that all children are working within their curriculum level. Look at Reading assessment across all levels so that teachers will have a clearer understanding of assessment practices and use of results.</p> <p><b>Digital Technology</b> Look at the digital technology curriculum and work through the future focus group in South Otago to build capabilities to support children's progress through their curriculum level</p> <p><b>Strategic Goal 3</b> To develop a future focus approach to learning that will help children focus on their learning at each level. This child centre learning can be around, Play based learning, Inquiry learning, Project base learning and Student Agency. To continue using our self-review framework and timetable including national priorities.</p> <p><b>Strategic Goal 4</b> To develop a careers programme for the Year 7 and Year 8 students To continue with the St Vincent de Paul programme in the school</p>

	<p>To develop and maintain a practical commitment to achieving positive bi-cultural relationships with Maori and a practical commitment to developing a resilient multi-cultural society</p>
<p><b>Annual Aim:</b></p>	<p><b>Writing</b> The 9 students working Below expectation at the end of 2000 will have made on year's progress at their level and working towards or at the Curriculum at the end of 2021.</p> <p><b>Mathematics</b> The 6 students identified in 2020 as working below expectations will make at least one year's progress at their level towards being at the Mathematics Standard at the end of 2021.</p> <p><b>Reading</b> The School will focus on improving students assessment in Reading so that all teachers will have a better understanding of assessment. The 5 students working below the expected level for Reading will make progress at their level by the end of 2021.</p>
<p><b>Target:</b></p>	<p><b>Writing</b> These children are to make one year's progress ensuring they move from Below to At or Above the expected level. All children who were below the expected level in 2020 will make accelerated progress of more than one year by November 2021</p> <p><b>Maths</b> These children are to make one year's progress ensuring they move from Below to at or Above the expected level. All children who were below the expected level in 2020 will make accelerated progress of more than one year by November 2021. We will also continue with our focus in Basic Facts across the whole school.</p> <p><b>Reading</b> We would like to develop a Reading Assessment programme based on the School Journals for use across all levels of the school. The 5 children who are working below are to make one year's progress ensuring they move from Below to At or Above the expected level.</p>
<p><b>Baseline Data:</b></p>	<p><b>Writing</b> St Joseph's School data in December showed 9 children working Below the school's expected level for Writing. 5 Students were boys and 4 students were girls. 5 students have English as a second language and were getting extra support to help with their understanding of English through the ESOL programme at school. 4 students are Pakeha.</p>

There is a mixture of abilities within the group. These students formed a Target Group to ensure that they made progress over time. A number of these students arrived at our school with no English.

### **Maths**

Our school data in December 2020 showed 6 children were Below the expected level for Maths. These students got extra support throughout the year. 3 students have English as a second language and 3 student's are Pakeha. There were 2 boys and 4 girls in this group. There was a mixture of year groups and abilities.

### **Reading**

There were 5 students working Below the expected level for Reading. 4 students have English as a second language and 1 student is Pakeha. There were 4 boys and 1 girl in this group. These students were all in Year 2 and Year 3.

<b>Actions</b> <i>What did we do?</i>	<b>Outcomes</b> <i>What happened?</i>	<b>Reasons for the variance</b> <i>Why did it happen?</i>	<b>Evaluation</b> <i>Where to next?</i>
<p><b>Writing</b></p> <p>Children were assessed at the beginning of 2021 using e-asttle assessment and draft writing. This information was reported to the Principal. Baseline data was collected and children working below were put into Target groups to be monitored twice a term and reported on each term.</p> <p>The students that were identified received extra support from the classroom teacher, teacher aides within the classroom programme.</p> <p>Goals and expectations were set for the students and clear guidelines were set for each student.</p> <p>Regular monitoring meetings were organised to discuss progress of all students and Target Group students especially in areas of concern. Week 5 and end of each term.</p> <p>The Principal reported to the BOT at the end of each Term, 3 times in 2021 as some assessment was not completed because of Covid-19.</p>	<p>5 student have English as a second language. 3 of these students have achieved the expected level. The 2 other students are making progress at their levels 1 is still working well below. We have continued with the ESOL programme into the school and this is helping the students.</p> <p>The 3 remanding children have all made progress. 2 are working at their expected level and the other student left the school at the beginning of Term 4.</p> <p>We reported to the BOT at the end of Term 1, Term 2 and Term 4. There were no surprises at the end of the year.</p> <p>We have 1 catch up meeting in the middle of each term and we discuss student achievement at the end of each term. Teachers change practice to work with children. Next steps were shared and goals were set.</p> <p>All children's writing was moderated three times during the year.</p>	<p>1 student moved to another school.</p> <p>All other students below have English as a second language. These children are getting extra support through our ESOL programme. All are making progress.</p> <p>Covid-19 did not affect the results at the end of the year.</p>	<p>Continue with our Writing moderation and reporting to the BOT each term. I would like to add samples of good writing and for the staff to identify why they are an example of good writing.</p> <p>Ongoing teacher and student needs. Time to reflect on teaching and learning at staff meetings and share what is going well in each classroom.</p> <p>Continue attending literacy professional development when available. There are some excellent on - line courses we can be attending.</p> <p>Buying teacher resources to help with the writing process.</p> <p>Teachers to inquiry into their teaching styles and see where the gaps are.</p> <p>All teachers to introduce a whole school phonic programme into each classroom where we teach spelling for 20 minutes each day. This Structure Literacy programme will become part of our professional development for 2022</p>

<p>Teachers worked with parents and students during Interviews and goals were set.</p>	<p>3 students have English as a second language and can find this a barrier to their learning. 1 student is working at their expected level. The other 2 students have made good progress but are still working below.</p> <p>The other 3 students have made good progress and are just working at their expected level for Maths. For them to achieve in this curriculum areas they will need continued support through the coming years.</p> <p>1 student has moved from Below to At but will continue to get extra support in 2022</p>	<p>and all teachers will have access to the platform.</p>
<p><b>Maths</b> Children assessed and baseline data collected and reported to the Principal.</p> <p>Teachers to identify students who need priority support and targeted instructions to accelerate their progress.</p>	<p>The student that has not achieved has English as a second language and this can be a barrier to their learning. This student has had extra support through the school and with our ESOL funding. They have moved within their level but they still have work to do.</p>	<p>Professional development organised through the school.</p> <p>Continue with Maths bags so children can take these home and work with them with their families. This seemed to have been missed in 2021 and I would like to see them used again in 2022 as the focus can make a difference.</p>
<p>Professional development provided by the lead teacher of Maths.</p> <p>Teachers planned programmes together after long term planning meeting.</p> <p>We reviewed current practices Regular monitoring meetings. Children still working with the new online maths programme which has helped with children's learning and progress.</p> <p>The Teacher aide worked with groups in the classroom. This was organised by the classroom teacher.</p> <p>Worked with parents to support children's needs and next learning steps.</p>	<p>Organise focus staff meetings where we talk about what are the good things happening in each classroom. We can learn from each other.</p> <p>Revise the Maths Curriculum delivery plan</p> <p>Organise observations in each classroom by the lead teacher for Maths and the Principal.</p>	

One – one sessions during mid year reporting.  
 Children working below the expected curriculum level to receive extra support with the classroom teacher

**Planning for next year:**

- Professional Development in Reading when available
- Work with the new developed Reading assessment plan
- Working with structure literacy in each classroom each day for 20 minutes
- Review the Reading Curriculum delivery plan (finish off plan. We started this last year)
- Continue with Inquiry learning and develop this through our Religious Education Programme
- Target groups of students for Reading, Writing and Maths
- Continue using Reading Assessment and using e-asTTle for Reading assessment
- Begin to use our own Reading assessment programme using the school journals.
- A focus to move children working from Below to At and from At to Above
- Review the Social Science Curriculum Plan (This should have been done last year but we ran out of time)
- Continue working with The Community of Learners
- New signage for the school. Not completed in 2020/2021 because of Covid-19
- Introduce a Careers programme for the Year 7 & 8 students (this was not completed in 2021)
- Look at the new Religious Education Curriculum and begin to plan one area together.
- Using play base learning, Student Agency, Project Base Learning and Inquiry learning through our Inquiry process
- Rowena and Annette working together with teacher appraisals
- Continue to keep the outside of the school looking attractive
- Introduce Play Base Learning into Room Aroha
- Looking after the well-being of all students and staff

# **ST JOSEPHS SCHOOL (BALCLUTHA)**

## **KIWISPORT**

### **FOR THE YEAR ENDED 31 DECEMBER 2021**

Kiwisport is a Government funding initiative to support student participation in organised sport. In 2021, the school received total Kiwisport funding of \$926. The funding was spent on a South Otago District Sports Activator and sports equipment. Every child participated in sports this year. (2020, \$705 spent on a South Otago District Sports Activator & attendance at sporting events).



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## INDEPENDENT AUDITOR'S REPORT

### TO THE READERS OF ST JOSEPH'S SCHOOL (BALCLUTHA)'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

The Auditor-General is the auditor of St Joseph's School (Balclutha) (the School). The Auditor-General has appointed me, Aaron Higham, using the staff and resources of BDO Invercargill, to carry out the audit of the financial statements of the School on his behalf.

#### Opinion

We have audited the financial statements of the School on pages 2 to 17, that comprise the statement of financial position as at 31 December 2021, 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 2021; 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 25 May 2022. 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.



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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.



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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 arises from the Public Audit Act 2001.

#### Other information

The Board is responsible for the other information. The other information comprises the Members of the Board, Analysis of Variance and Kiwisport paragraph information included on the title page and on pages 18 to 24, 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.

Aaron Higham  
BDO Invercargill  
On behalf of the Auditor-General  
Invercargill, New Zealand