

NORTHLAND COLLEGE

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

School Directory

Ministry Number: 9

Principal: John Kendal

School Address: 62 Mangakahia Road, Kalkohe, 0445

School Postal Address: PO Box 261, Kalkohe

School Phone: 09 4013200

School Email: admin@northlandcollege.school.nz

Members of the Board of Trustees

Name	Position	How Position Gained	Occupation	Term Expired/ Expires
Owen Hoskin	CMR	MOE Elected		Nov-19
Kelly Yakas	Chairperson	MOE Elected		Jun-22
John Kendal	Principal	MOE Elected		Jun-22
Soloman Dalton	Parent Rep	Parent Elected		Jun-22
Elodie Vujcich	Trustee	Co-opted		Jun-22
Keith Wihongi	Runanga Rep	MOE Elected		Jun-22
Justin Blaikie	Trustee	MOE Elected		Jun-22
Te Rōpu Poa	Trustee	MOE Elected		Jun-22
Wendy Wright	Staff Rep	Staff Representative		Jun-22
Margaret Giesbers	Staff Rep	Staff Representative		Jun-22
Kohl Woodman	Trustee	Parent Elected		Jun-22

NORTHLAND COLLEGE

Annual Report - For the year ended 31 December 2019

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Northland College

Statement of Responsibility

For the year ended 31 December 2019

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

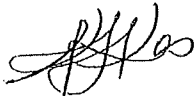
The management (including the principal and others as directed by the Board) accepts responsibility for establishing and maintaining a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of the school's financial reporting.

It is the opinion of the Board and management that the annual financial statements for the financial year ended 31 December 2019 fairly reflects the financial position and operations of the school.

The School's 2019 financial statements are authorised for issue by the Board.

Kelly Marie Yakas

Full Name of Board Chairperson



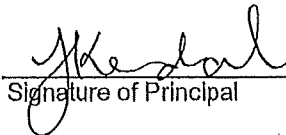
Signature of Board Chairperson

10/8/2020

Date:

John Kendal

Full Name of Principal



Signature of Principal

10/8/2020

Date:

Northland College

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2019

		2019	2019	2018
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
Revenue				
Government Grants	2	6,073,235	4,920,671	5,040,323
Locally Raised Funds	3	894,366	929,938	845,506
Interest Income		482	400	368
Gain on Sale of Property, Plant and Equipment		174	-	-
School House	4	13,420	14,300	11,880
		<u>6,981,677</u>	<u>5,865,309</u>	<u>5,898,077</u>
Expenses				
Locally Raised Funds	3	539,294	442,165	432,110
School House	4	2,010	5,000	3,100
Learning Resources	5	3,378,874	3,314,586	3,104,370
Administration	6	565,836	488,231	606,182
Finance		12,742	12,000	9,745
Property	7	2,338,870	1,351,431	1,414,316
Depreciation	8	207,685	180,039	181,901
Loss on Disposal of Property, Plant and Equipment		1,238	-	2,781
		<u>7,046,549</u>	<u>5,793,452</u>	<u>5,754,505</u>
Net Surplus / (Deficit) for the year		(64,872)	71,857	143,572
Other Comprehensive Revenue and Expenses		(50,541)	-	-
Total Comprehensive Revenue and Expense for the Year		<u>(115,413)</u>	<u>71,857</u>	<u>143,572</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.



Northland College

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2019

	Notes	Actual 2019 \$	Budget (Unaudited) 2019 \$	Actual 2018 \$
Balance at 1 January		1,973,687	1,973,687	1,692,703
Prior year adjustment		-	-	162,569
Balance as at 1 January - as previously reported		1,973,687	1,973,687	1,855,272
Total comprehensive revenue and expense for the year		(115,413)	71,857	143,572
Capital Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		12,150	12,150	-
Contribution - Debt Forgiveness		-	-	135,400
Increase/(decrease) in investment share revaluations		(3,256)	(23,770)	(160,557)
Adjustment to Accumulated surplus/(deficit) from adoption of PBE IFRS 9				
Equity at 31 December	27	1,867,168	2,033,924	1,973,687
Retained Earnings		1,867,168	2,033,924	1,970,431
Reserves		-	-	3,256
Equity at 31 December		1,867,168	2,033,924	1,973,687
Revaluation Reserve				
Opening Balance		3,256	3,256	163,813
Increase/(decrease) in investment share valuations		(3,256)	-	(160,557)
Closing Balance		-	3,256	3,256

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.

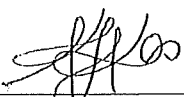
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Northland College Statement of Financial Position

As at 31 December 2019

	Notes	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Current Assets				
Cash and Cash Equivalents	9	458,623	458,463	183,905
Accounts Receivable	10	241,862	215,075	188,686
GST Receivable		-	-	41,056
Assets Under Construction		7,545	-	18,699
Prepayments		-	-	6,112
		<u>708,030</u>	<u>673,538</u>	<u>438,458</u>
Current Liabilities				
GST Payable		7,726	7,725	-
Accounts Payable	14	262,893	240,493	231,929
Borrowings - Due in one year	15	541	-	-
Revenue Received in Advance	16	138,598	26,809	20,269
Finance Lease Liability - Current Portion	18	48,310	48,310	38,665
Funds held in Trust	19	-	-	339
Funds held for Capital Works Projects	20	89,807	89,807	8,676
		<u>547,875</u>	<u>413,144</u>	<u>299,878</u>
Working Capital Surplus/(Deficit)		160,155	260,394	138,580
Non-current Assets				
Livestock	11	439,350	455,900	455,900
Investments	12	395,591	449,388	449,388
Property, Plant and Equipment	13	952,036	948,206	973,514
		<u>1,786,977</u>	<u>1,853,494</u>	<u>1,878,802</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	17	38,000	38,000	19,000
Painting Contract Liability	20	-	-	-
Finance Lease Liability	18	41,964	41,964	24,695
		<u>79,964</u>	<u>79,964</u>	<u>43,695</u>
Net Assets		<u><u>1,867,168</u></u>	<u><u>2,033,924</u></u>	<u><u>1,973,687</u></u>
Equity	27	<u><u>1,867,168</u></u>	<u><u>2,033,924</u></u>	<u><u>1,973,687</u></u>

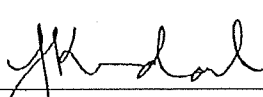
The above Statement of Financial Position should be read in conjunction with the accompanying notes which form part of these financial statements.



Signature of Board Chairperson

10/8/2020

Date:



Signature of Principal

10/8/2020

Date:



Northland College
Statement of Cash Flows
For the year ended 31 December 2019

	Note	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Cash flows from Operating Activities				
Government Grants		1,798,198	1,583,302	1,823,454
Locally Raised Funds		920,941	941,392	932,366
School House		13,420	14,300	11,880
Goods and Services Tax (net)		48,782	48,781	(12,163)
Payments to Employees		(1,055,398)	(1,020,993)	(1,069,986)
Payments to Suppliers		(1,383,245)	(1,368,999)	(1,395,342)
Interest Paid		(12,742)	(12,000)	(9,745)
Interest Received		482	400	368
Net cash from Operating Activities		330,438	186,183	280,832
Cash flows from Investing Activities				
Proceeds from Sale of PPE (and Intangibles)		10,090	127	-
Purchase of PPE (and Intangibles)		(97,791)	(66,442)	(101,652)
Purchase of Investments		-	-	(20)
Proceeds from Sale of Investments		-	-	-
Net cash from Investing Activities		(87,701)	(66,315)	(101,672)
Cash flows from Financing Activities				
Furniture and Equipment Grant		12,150	135,400	-
Finance Lease Payments		(61,502)	(61,502)	(47,970)
Painting contract payments		-	-	(25,660)
Loans Received/ Repayment of Loans		541	-	(17,518)
Funds Administered on Behalf of Third Parties		(339)	(339)	339
Funds Held for Capital Works Projects		81,131	81,131	-
Net cash from Financing Activities		31,981	154,690	(90,809)
Net increase/(decrease) in cash and cash equivalents		274,718	274,558	88,351
Cash and cash equivalents at the beginning of the year	9	183,905	183,905	95,554
Cash and cash equivalents at the end of the year	9	458,623	458,463	183,905

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

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



Northland College

Notes to the Financial Statements

For the year ended 31 December 2019

1. Statement of Accounting Policies

a) Reporting Entity

Northland College is a Crown entity as specified in the Crown Entities Act 2004 and a school as described in the Education Act 1989. The Board of Trustees (the Board) is of the view that the School is a public benefit entity for financial reporting purposes.

b) Basis of Preparation

Reporting Period

The financial reports have been prepared for the period 1 January 2019 to 31 December 2019 and in accordance with the requirements of the Public Finance Act 1989.

Basis of Preparation

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

Financial Reporting Standards Applied

The Education Act 1989 requires the School, as a Crown entity, to prepare financial statements in accordance with generally accepted accounting practice. The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand, applying Public Sector Public Benefit Entity (PBE) Standards Reduced Disclosure Regime as appropriate to public benefit entities that qualify for Tier 2 reporting. The school is considered a Public Benefit Entity as it meets the criteria specified as "having a primary objective to provide goods and/or services for community or social benefit and where any equity has been provided with a view to supporting that primary objective rather than for financial return to equity holders".

Standard early adopted

In line with the Financial Statements of the Government, the School has elected to early adopt PBE IFRS 9 Financial Instruments. PBE IFRS 9 replaces PBE IPSAS 29 Financial Instruments: Recognition and Measurement. Information about the adoption of PBE IFRS 9 is provided in Note 31.

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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



Critical Accounting Estimates And Assumptions

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

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

Useful lives of property, plant and equipment

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment as disclosed in the Significant Accounting Policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 14.

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 carryforward amounts unspent. The School believes all grants received have been appropriately recognised as a liability if required. Government grants are disclosed at note 2.

c) Revenue Recognition

Government Grants

The school receives funding from the Ministry of Education. The following are the main types of funding that the School receives;

Operational grants are recorded as revenue when the School has the rights to the funding, which is in the year that the funding is received.

Teachers salaries grants are recorded as revenue when the School has the rights to the funding in the salary period they relate to. The grants are not received in cash by the School and are paid directly to teachers by the Ministry of Education.

For Non-integrated schools only:

Use of land and buildings grants are recorded as revenue in the period the School uses the land and buildings. These are not received in cash by the School as they equate to the deemed expense for using the land and buildings which are owned by the Crown.

Other Grants

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



Donations, Gifts and Bequests

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

Interest Revenue

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

d) Use of Land and Buildings Expense

The property from which the School operates is owned by the Crown and managed by the Ministry of Education on behalf of the Crown. The School's use of the land and buildings as occupant is based on a property occupancy document as gazetted by the Ministry. The expense is based on an assumed market rental yield on the value of land and buildings as used for rating purposes. This is a non-cash expense that is offset by a non-cash grant from the Ministry.

e) Operating Lease Payments

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

f) Finance Lease Payments

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

g) Cash and Cash Equivalents

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

h) Accounts Receivable

Short-term receivables are recorded at the amount due, less an allowance for credit losses. The school applies the simplified expected credit loss model of recognising lifetime expected credit losses for receivables. In measuring expected credit losses, short-term receivables have been assessed on a collective basis as they possess shared credit risk characteristics. They have been grouped based on the days past due. Short-term receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include the debtor being in liquidation.

Prior Year Policy

Accounts Receivable represents items that the School has issued invoices for or accrued for, but has not received payment for at year end. Receivables are initially recorded at fair value and subsequently recorded at the amount the School realistically expects to receive. A receivable is considered uncollectable where there is objective evidence the School will not be able to collect all amounts due. The amount that is uncollectable (the provision for uncollectibility) is the difference between the amount due and the present value of the amounts expected to be collected.

i) Livestock

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



j) Investments

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

Prior Year Policy

Bank term deposits for periods exceeding 90 days are classified as investments and are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance. After initial recognition bank term deposits are measured at amortised cost using the effective interest method less impairment.

Investments that are shares are categorised as "available for sale" for accounting purposes in accordance with financial reporting standards. Share investments are recognised initially by the School at fair value plus transaction costs. At balance date the School has assessed whether there is any evidence that an investment is impaired. Any impairment, gains or losses are recognised in the Statement of Comprehensive Revenue and Expense.

After initial recognition any investments categorised as available for sale are measured at their fair value without any deduction for transaction costs the school may incur on sale or other disposal.

k) Property, Plant and Equipment

Land and buildings owned by the Crown are excluded from these financial statements. The Board's use of the land and buildings as 'occupant' is based on a property occupancy document.

Improvements to buildings owned by the Crown are recorded at cost, less accumulated depreciation and impairment losses.

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

Property, plant and equipment acquired with individual values under \$1,000 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense.

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

Finance Leases

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

Depreciation

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

The estimated useful lives of the assets are:

Building Improvements to Crown Owned Assets	10–75 years
Furniture and equipment	10–15 years
Information and communication technology	4–5 years
Motor vehicles	5 years
Textbooks	3 years
Leased assets held under a Finance Lease	4 years
Library resources	12.5% Diminishing value



l) Intangible Assets

Software costs

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

Computer software licences with individual values under \$1,000 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense when incurred.

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

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

m) Impairment of property, plant, and equipment and intangible assets

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

Non cash generating assets

Property, plant, and equipment and intangible assets held at cost that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable service amount. The recoverable service amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

If an asset's carrying amount exceeds its recoverable service amount, the asset is regarded as impaired and the carrying amount is written down to the recoverable amount. The total impairment loss is recognised in the surplus or deficit.

The reversal of an impairment loss is recognised in the surplus or deficit.

n) 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.

o) Employee Entitlements

Short-term employee entitlements

Employee benefits that are due to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date, annual leave earned to but not yet taken at balance date.



p) Revenue Received in Advance

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

The School holds sufficient funds to enable the refund of unearned fees in relation to grants received, should the School be unable to provide the services to which they relate.

q) Funds Held in Trust

Funds are held in trust where they have been received by the School for a specified purpose, or are being held on behalf of a third party and these transactions are not recorded in the Statement of Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose at any time.

r) Provision for Cyclical Maintenance

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

Cyclical maintenance, which involves painting the interior and exterior of the School, makes up the most significant part of the Board's responsibilities outside day-to-day maintenance. The provision for cyclical maintenance represents the obligation the Board has to the Ministry and is based on the Board's ten year property plan (10YPP).

s) Financial Assets and Liabilities

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

Investments that are shares are categorised as "available for sale" 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.

t) 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.

Grants determined by the Minister of Education for operational activities includes all items (core components) included in the Operational Funding notice.

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



u) 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.

v) Budget Figures

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

w) 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

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Operational Grants	1,479,888	1,530,059	1,599,755
Teachers' Salaries Grants	2,323,646	2,165,000	2,182,948
Use of Land and Buildings Grants	1,992,091	1,044,048	1,044,045
Resource Teachers Learning and Behaviour Grants	3,420	5,000	5,883
Other MoE Grants	219,746	111,000	142,128
Other Government Grants	54,444	65,564	65,564
	<u>6,073,235</u>	<u>4,920,671</u>	<u>5,040,323</u>

3. Locally Raised Funds

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

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Revenue			
Donations	560	500	551
Sponsorship Income	11,667	15,000	8,034
Activities	219,951	328,110	258,512
Farm	585,349	540,928	540,928
Fundraising	18,311	8,000	1,410
Other Revenue	58,528	37,400	36,071
	<u>894,366</u>	<u>929,938</u>	<u>845,506</u>
Expenses			
Activities	37,948	42,000	31,945
Farm Expenses	498,329	400,165	400,165
Fundraising (Costs of Raising Funds)	3,017	-	-
	<u>539,294</u>	<u>442,165</u>	<u>432,110</u>
Surplus/ (Deficit) for the year Locally raised funds	<u><u>355,072</u></u>	<u><u>487,773</u></u>	<u><u>413,396</u></u>

4. School House Revenue and Expenses

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Revenue			
School House	13,420	14,300	11,880
	<u>13,420</u>	<u>14,300</u>	<u>11,880</u>
Expenses			
Property	2,010	5,000	3,100
	<u>2,010</u>	<u>5,000</u>	<u>3,100</u>
Surplus/ (Deficit) for the year Hostel	<u><u>11,410</u></u>	<u><u>9,300</u></u>	<u><u>8,780</u></u>

5. Learning Resources

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	311,833	470,878	311,763
Equipment Repairs	769	-	-
Information and Communication Technology	70,651	65,394	57,210
Library Resources	5,027	1,000	754
Employee Benefits - Salaries	2,965,048	2,757,814	2,717,059
Staff Development	25,546	19,500	17,584
	<u>3,378,874</u>	<u>3,314,586</u>	<u>3,104,370</u>

6. Administration

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	10,479	10,479	10,574
Board of Trustees Fees	4,125	3,000	3,815
Board of Trustees Expenses	5,364	5,000	4,605
Intervention Costs & Expenses	29,181	-	39,990
Communication	6,128	6,500	5,369
Consumables	25,478	19,300	18,127
Operating Lease	74,555	77,112	68,440
Legal Fees	1,364	-	581
Other	102,421	62,700	128,050
Employee Benefits - Salaries	280,723	287,140	303,100
Insurance	6,623	7,000	6,496
Service Providers, Contractors and Consultancy	19,395	10,000	17,035
	<u>565,836</u>	<u>488,231</u>	<u>606,182</u>

7. Property

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	9,208	10,800	11,143
Consultancy and Contract Services	26,458	-	19,608
Cyclical Maintenance Provision	19,000	19,000	19,000
Grounds	8,722	6,000	5,614
Heat, Light and Water	94,005	73,500	80,109
Rates	5,723	6,000	5,508
Repairs and Maintenance	39,989	39,000	57,758
Use of Land and Buildings	1,992,091	1,044,048	1,044,045
Security	7,357	9,000	25,625
Employee Benefits - Salaries	136,317	144,083	145,906
	<u>2,338,870</u>	<u>1,351,431</u>	<u>1,414,316</u>



8. Depreciation

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Buildings - School & Farm	31,952	31,952	30,540
Furniture and Equipment	23,281	20,000	22,186
Plant and Equipment	40,533	37,225	32,640
Information and Communication Technology	35,729	30,000	35,378
Motor Vehicles	9,740	9,613	11,873
Leased Assets	62,057	47,249	48,365
Library Resources	4,393	4,000	919
	<u>207,685</u>	<u>180,039</u>	<u>181,901</u>

9. Cash and Cash Equivalents

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Cash on Hand	160	-	-
Bank Current Account	63,544	63,544	20,214
Bank Call Account	394,919	394,919	163,691
Short-term Bank Deposits	-	-	-
Bank Overdraft	-	-	-
	<u>458,623</u>	<u>458,463</u>	<u>183,905</u>

Cash and cash equivalents for Cash Flow Statement

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

The following notes should be used where applicable:

Of the \$458,623 Cash and Cash Equivalents, \$107,137 is held by the School on behalf of the Ministry of Education. These funds are required to be spent in 2020 on Crown owned school buildings under the School's Five Year Property Plan.

10. Accounts Receivable

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Receivables	29,758	23,590	28,504
Receivables - Farm	42,476	28,474	28,474
Banking Staffing Underuse	6,617	-	-
Teacher Salaries Grant Receivable	163,011	163,011	131,708
	<u>241,862</u>	<u>215,075</u>	<u>188,686</u>
Receivables from Exchange Transactions	29,758	23,590	28,504
Receivables from Non-Exchange Transactions	212,104	191,485	160,182
	<u>241,862</u>	<u>215,075</u>	<u>188,686</u>

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11. Livestock

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Dairy Cows	327,250	330,200	330,200
Rising 2yr Heifers	79,550	86,950	86,950
Rising 1yr Heifers	32,550	38,750	38,750
	<u>439,350</u>	<u>455,900</u>	<u>455,900</u>

12. Investments

The School's investment activities are classified as follows:

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Current Asset			
Short-term Bank Deposits	-	-	-
Non-current Asset			
Fonterra	369,466	423,290	423,290
Balance Agri Nutrients	25,515	25,515	25,515
KIC Co-operative	610	583	583
Total Investments	<u>395,591</u>	<u>449,388</u>	<u>449,388</u>

13. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2019						
Land	-	-	-	-	-	-
Buildings	272,925	46,849	-	-	(31,952)	287,822
Furniture and Equipment	287,975	12,681	-	-	(23,281)	277,375
Plant and Equipment	232,896	44,380	(7,182)	-	(40,533)	229,561
Information and Communication	60,344	1,060	-	-	(35,729)	25,675
Motor Vehicles	50,406	-	-	-	(9,740)	40,666
Textbooks	-	-	-	-	-	-
Leased Assets	61,122	88,416	-	-	(62,057)	87,481
Library Resources	7,849	-	-	-	(4,393)	3,456
Balance at 31 December 2019	<u>973,517</u>	<u>193,386</u>	<u>(7,182)</u>	<u>-</u>	<u>(207,685)</u>	<u>952,036</u>

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	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
2019			
Land	-	-	-
Buildings	801,477	(514,355)	287,122
Furniture and Equipment	342,623	(65,246)	277,377
Plant and Equipment	462,171	(231,912)	230,259
Information and Communication	142,430	(116,755)	25,675
Motor Vehicles	89,162	(48,496)	40,666
Textbooks	-	-	-
Leased Assets	180,798	(93,317)	87,481
Library Resources	123,742	(120,286)	3,456
Balance at 31 December 2019	<u>2,142,403</u>	<u>(1,190,367)</u>	<u>952,036</u>

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2018						
Land	-	-	-	-	-	-
Buildings	301,702	1,763	-	-	(30,540)	272,925
Furniture and Equipment	305,056	5,104	-	-	(22,186)	287,974
Plant and Equipment	190,601	75,387	(452)	-	(32,640)	232,896
Information and Communication					(35,378)	60,344
Technology	82,905	15,146	(2,329)	-		
Motor Vehicles	62,279	-	-	-	(11,873)	50,406
Leased Assets	80,268	29,218	-	-	(48,365)	61,121
Library Resources	4,514	4,255	-	-	(919)	7,850
Balance at 31 December 2018	<u>1,027,325</u>	<u>130,873</u>	<u>(2,781)</u>	<u>-</u>	<u>(181,901)</u>	<u>973,516</u>

	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
2018			
Land	-	-	-
Buildings	752,541	(482,402)	270,139
Furniture and Equipment	329,941	(41,966)	287,975
Plant and Equipment	439,908	(204,229)	235,679
Information and Communication Technology	141,370	(81,026)	60,344
Motor Vehicles	89,162	(38,756)	50,406
Textbooks	-	-	-
Leased Assets	170,224	(109,102)	61,122
Library Resources	123,742	(115,893)	7,849
Balance at 31 December 2018	<u>2,046,888</u>	<u>(1,073,374)</u>	<u>973,514</u>

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14. Accounts Payable

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operating Creditors	40,244	38,238	64,021
Operating Creditors - Farm	35,824	15,430	15,430
Capital Accruals for PPE items	-	-	-
Banking Staffing Overuse	-	-	-
Employee Entitlements - Salaries	163,011	163,011	131,708
Employee Entitlements - Leave Accrual	23,814	23,814	20,770
	<u>262,893</u>	<u>240,493</u>	<u>231,929</u>

Payables for Exchange Transactions

262,893	240,493	231,929
<u>262,893</u>	<u>240,493</u>	<u>231,929</u>

The carrying value of payables approximates their fair value.

15. Borrowings

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Due in One Year	541	-	-
Due Beyond One Year	-	-	-
	<u>541</u>	<u>-</u>	<u>-</u>

The school has borrowings at 31 December 2019 of \$541 (31 December 2018 \$nil). This loan is from Spark Mobile for the a mobile phone purchased. The loan is unsecured, interest free and the loan is payable over 24 months.

16. Revenue Received in Advance

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Grants in Advance - Ministry of Education	90,500	-	-
Other	48,098	26,809	20,269
	<u>138,598</u>	<u>26,809</u>	<u>20,269</u>



17. Provision for Cyclical Maintenance

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Provision at the Start of the Year	19,000	19,000	19,000
Increase/ (decrease) to the Provision During the Year	(19,000)	19,000	19,000
Use of the Provision During the Year	-	-	-
Provision at the End of the Year	-	38,000	38,000
Cyclical Maintenance - Current	-	-	-
Cyclical Maintenance - Term	38,000	38,000	19,000
	38,000	38,000	19,000

18. Finance Lease Liability

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

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
No Later than One Year	48,308	48,308	38,665
Later than One Year and no Later than Five Years	41,964	41,964	24,695
Later than Five Years	-	-	-
	90,272	90,272	63,360

19. Funds held in Trust

	2019 Actual \$	2019 Budget \$	2018 Actual \$
Funds Held in Trust on Behalf of Third Parties - Current	-	-	339
Funds Held in Trust on Behalf of Third Parties - Non-current	-	-	-
	-	-	339

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

20. Funds Held for Capital Works Projects

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

	2019	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions	Closing Balances \$
MOE Property Projects <i>in progress</i>		8,676	361,499	(280,368)	-	89,807
Totals		8,676	361,499	(280,368)	-	89,807

Represented by:

Funds Held on Behalf of the Ministry of Education

89,807

89,807

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	2018	Opening Balances \$	Receipts from MoE \$	Payments \$		Closing Balances \$
MOE Property Projects	<i>in progress</i>	8,676	-	-	-	8,676
Totals		8,676	-	-	-	8,676

21. Funds Held for Teen Parent Unit

The school's Teen Parent Unit is a separate business unit of the school in accordance with the agreement with the Ministry of Education. The revenue and expenditure is included in the school's Statement of Revenue and Expense. During the year the school received \$156,188 (2018: 142,113) and \$158,716 (2018: 140,988) were spent on employee benefit expenses, administration, travel, curriculum resources and property management expenses.

22. Related Party Transactions

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

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

23. Remuneration

Key management personnel compensation

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

	2019 Actual \$	2018 Actual \$
<i>Board Members</i>		
Remuneration	4,125	3,815
Full-time equivalent members	0.16	0.16
<i>Leadership Team</i>		
Remuneration	560,931	506,775
Full-time equivalent members	6	6
Total key management personnel remuneration	565,056	510,590
Total full-time equivalent personnel	6.16	6.16

The full time equivalent for Board members has been determined based on attendance at Board meetings, Committee meetings and for other obligations of the Board, such as stand downs and suspensions, plus the estimated time for Board members to prepare for meetings.

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Principal

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

	2019 Actual \$000	2018 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	140 - 150	60 - 70
Benefits and Other Emoluments	4 - 5	2 - 3
Termination Benefits	-	75,000

Other Employees

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

Remuneration \$000	2019 FTE Number	2018 FTE Number
103	1.00	1.00
	1.00	1.00

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

24. Compensation and Other Benefits Upon Leaving

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

	2019 Actual \$	2018 Actual \$
Total	32,570.00	75,000.00
Number of People	3	1

25. Contingencies

There is a contingent liability in regards to the Emmissions Trading Scheme of approximately \$1,040,634. If the board does not replant and get an exemption, and no contingent assets as at 31 December 2019 (Contingent liabilities and assets at 31 December 2018: \$976,925).

Holidays Act Compliance – schools payroll

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

The Ministry has commenced a review of the schools sector payroll to ensure compliance with the Holidays Act 2003. The initial phase of this review has identified areas of non-compliance. The Ministry has recognised an estimated provision based on the analysis of sample data, which may not be wholly representative of the total dataset for Teacher and Support Staff Entitlements. A more accurate estimate will be possible after further analysis of non-compliance has been completed, and this work is ongoing. Final calculations and potential impact on any specific individual will not be known until further detailed analysis has been completed.

To the extent that any obligation cannot reasonably be quantified at 31 December 2019, a contingent liability for the school may exist.

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26. Commitments

(a) Capital Commitments

As at 31 December 2019 the Board has entered into contract agreements for capital works as follows:

(a) \$361,498.50 contract for Boundary Fencing and Caretaker Shed to be completed in 2020, which will be fully funded by the Ministry of Education. \$361,498.50 has been received of which \$280,367.65 has been spent on the project to date.

(Capital commitments at 31 December 2018: \$449,291)

(b) Operating Commitments

As at 31 December 2019 the Board has entered into the following contracts:

(a) operating lease of a EFTPOS Machine;

	2019 Actual \$	2018 Actual \$
No later than One Year	74,555	66,242
Later than One Year and No Later than Five Years	53,245	42,964
Later than Five Years	-	-
	<u>127,800</u>	<u>109,206</u>

27. Managing Capital

The School's capital is its equity and comprises capital contributions from the Ministry of Education for property, plant and equipment and accumulated surpluses and deficits. The School does not actively manage capital but attempts to ensure that income exceeds spending in most years. Although deficits can arise as planned in particular years, they are offset by planned surpluses in previous years or ensuing years.

28. Financial Instruments

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

Financial assets measured at amortised cost (2018: Loans and receivables)

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Cash and Cash Equivalents	458,623	458,463	183,905
Receivables	241,862	215,075	188,686
Investments - Term Deposits	369,466	423,290	423,290
Total Financial assets measured at amortised cost	<u>1,069,951</u>	<u>1,096,828</u>	<u>795,881</u>

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Financial liabilities measured at amortised cost

Payables	262,893	240,493	231,929
Borrowings - Loans	541	-	-
Finance Leases	90,274	90,274	63,360
Total Financial Liabilities Measured at Amortised Cost	353,708	330,767	295,289

29. Events After Balance Date

On March 11, 2020, the World Health Organisation declared the outbreak of COVID-19 (a novel Coronavirus) a pandemic. Two weeks later, on 26 March, New Zealand increase its' COVID-19 alert level to level 4 and a nationwide lockdown commenced. As part of this lockdown all schools were closed. While the disruption is currently expected to be temporary, there is a level of uncertainty around the duration of the closure. At the date of issuing the financial statements, the school has been able to absorb the majority of the impact from the nationwide lockdown as it was decided to start the annual Easter School holidays early. In the periods the school is open for tuition, the school has switched to alternative methods of delivering the curriculum, so students can learn remotely. At this time the full financial impact of the COVID-19 pandemic is not able to be determined, but it is not expected to be significant to the school. The school will continue to receive funding from the Ministry of Education, even while closed.

30. Comparatives

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

31. Adoption of PBE IFRS 9 Financial Instruments

In accordance with the transitional provisions of PBE IFRS 9, the school has elected not to restate the information for previous years to comply with PBE IFRS 9. Adjustments arising from the adoption of PBE IFRS 9 are recognised in opening equity at 1 January 2019. Accounting policies have been updated to comply with PBE IFRS 9. The main updates are:

- Note 8 Receivables: This policy has been updated to reflect that the impairment of short-term receivables is now determined by applying an expected credit loss model.

- Note 9 Investments:

Term deposits: This policy has been updated to explain that a loss allowance for expected credit losses is recognised only if the estimated loss allowance is not trivial.

32. Breach of 31 May reporting deadline due to COVID-19

The Annual Report for 2019 was not filed by reporting deadline of 31 May 2020 due to COVID-19

33. Breach of Section 89(2) of Education Act 1989

The Board has failed to comply with Section 89(2) of the Education Act 1989 in that, unless authorised by the Secretary not to do so, every Board shall use the payroll service for the calculation of payment of salaries and wages of all employees of the Board who are in the Education Service (within meaning of the State Sector Act 1988)

INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF NORTHLAND COLLEGE'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

The Auditor-General is the auditor of Northland College (the School). The Auditor-General has appointed me, Stewart Russell, using the staff and resources of PKF Francis Aickin Ltd, 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 23, that comprise the statement of financial position as at 31 December 2019, 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 2019; 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 PBE Accounting Standards (PBE IPSAS) Reduced Disclosure Regime as appropriate to public benefit entities that qualify for Tier 2 reporting.

Breach of authority to acquire securities

Without modifying our opinion, we draw attention to the fact that the Board did not comply with section 73 of the Education Act 1989 in that the Board acquired securities (shares in Fonterra, Ballance and LIC), not authorised by that section, of \$395,591 without the authority of the Ministers of Education and Finance. These shares have been owned for many years and authority is being sought of the Ministry.

Our audit was completed on 10 August 2020. This is the date at which our opinion is expressed.

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

Emphasis of Matter – COVID-19

Without modifying our opinion, we draw attention to the disclosures in note 26 on page 21 which outline the possible effects of the Alert Level 4 lockdown as a result of the COVID-19 pandemic.

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.

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Directors: Dale Adamson, CA; Eddie Aickin, BCom, CA; Stewart Russell, CA

PKF Francis Aickin Limited is a member firm of the PKF International Limited and PKF New Zealand Limited family of legally independent firms and does not accept any responsibility or liability for the actions or inactions on the part of any other individual member or correspondent firm or firms.

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

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

Responsibilities of the Board of Trustees for the financial statements

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

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

The Board of Trustees' responsibilities arise from the Education Act 1989.

Responsibilities of the auditor for the audit of the financial statements

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

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

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

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

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

- We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Trustees.

- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Trustees and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report.

However, future events or conditions may cause the School to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We assess the risk of material misstatement arising from the Novopay payroll system, which may still contain errors. As a result, we carried out procedures to minimise the risk of material errors arising from the system that, in our judgement, would likely influence readers' overall understanding of the financial statements.

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

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Board of Trustees is responsible for the other information. The other information comprises the information included on pages 27 to 219, but does not include the financial statements, and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

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

Independence

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

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



Stewart Russell
PKF Francis Aickin Ltd
On behalf of the Auditor-General
Kaitiaki, New Zealand



**NORTHLAND
COLLEGE**

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school.nz

Kiwisport Funding for the year end
31 December 2019

The Ministry of Education Kiwisport funding received was
\$6,034.50 + GST. This was spent on sports coordinator, field
sports equipment and sports trips.

Signed by Principal

John Kendal

Northland College