

NORTHLAND COLLEGE

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

School Directory

Ministry Number:

9

Principal:

Duane Allen

School Address:

62 Mangakahia Road, Kaikohe 0440

School Postal Address:

PO Box 261 Kaikohe

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admin@northlandcollege.school.nz

Members of the Board

Name	Position	How Position Gained	Term Expired/ Expires
Kohi Woodman	Presiding Member	MOE Appointed	May-22
Duane Allen	Principal ex Officio		
Kelly Yakas	Parent Representative	MOE Appointed	May-22
Elodie Vujcich	Parent Representative	Co-opted	May-22
Keith Wihongi	Parent Representative	Runanga Rep	May-22
Justin Blaikie	Parent Representative	MOE Appointed	May-22
Margaret Giesbers	Staff Representative	Staff Representative	May-22
Puawai Woodman	Student Representative	Student Representative	Dec-21

NORTHLAND COLLEGE

Annual Report - For the year ended 31 December 2021

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Northland College

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.

Kohi Woodman

Full Name of Presiding Member



Signature of Presiding Member

31.05.2022

Date:

Duane Allen

Full Name of Principal



Signature of Principal

31.05.2022

Date:

Northland College

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Revenue				
Government Grants	2	6,441,854	6,032,395	6,381,752
Locally Raised Funds	3	899,113	903,446	821,449
Interest Income		595	300	357
School House	4	17,540	18,720	13,940
		7,359,102	6,954,861	7,217,498
Expenses				
Locally Raised Funds	3	599,067	501,800	510,929
School House	4	3,535	7,800	2,973
Learning Resources	5	3,449,604	3,218,609	3,500,203
Administration	6	839,980	521,387	538,632
Finance		8,012	12,000	9,260
Property	7	1,905,850	2,301,139	2,296,707
Depreciation	12	181,027	170,951	190,181
Loss on Disposal of Property, Plant and Equipment		-	-	1,819
		6,987,075	6,733,686	7,050,704
Net Surplus / (Deficit) for the year		372,027	221,175	166,794
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		372,027	221,175	166,794

The above Statement of Comprehensive Revenue and Expense should be read in conjunction with the accompanying

Northland College

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Equity at 1 January		2,064,432	2,064,432	1,867,168
Total comprehensive revenue and expense for the year		372,027	221,175	166,794
Capital Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		23,951	-	-
Increase/(decrease) in Investment Share Valuation		(59,370)	49,466	30,470
Equity at 31 December		2,401,040	2,335,073	2,064,432
Retained Earnings		2,401,040	2,335,073	2,064,432
Reserves		-	-	-
Equity at 31 December		2,401,040	2,335,073	2,064,432

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.

Northland College

Statement of Financial Position

As at 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Current Assets				
Cash and Cash Equivalents	8	1,323,939	1,105,175	710,937
Accounts Receivable	9	344,682	251,294	256,125
GST Receivable		-	(2,813)	17,711
Prepayments		85,659	-	-
		1,754,280	1,353,656	984,773
Current Liabilities				
GST Payable		13,572	10,758	1,503
Accounts Payable	13	411,253	277,000	405,850
Borrowings	14	-	-	1,012
Revenue Received in Advance	15	4,540	4,540	125,659
Finance Lease Liability	17	23,552	23,553	48,304
Funds held for Capital Works Projects	18	640,159	140,000	137,492
		1,093,076	455,851	719,820
Working Capital Surplus/(Deficit)		661,204	897,805	264,953
Non-current Assets				
Livestock	10	551,375	491,194	491,194
Investments	11	366,690	451,576	426,061
Property, Plant and Equipment	12	997,735	611,072	958,825
		1,915,800	1,553,842	1,876,080
Non-current Liabilities				
Provision for Cyclical Maintenance	16	135,390	76,000	57,000
		175,964	116,574	76,601
Net Assets		2,401,040	2,335,073	2,064,432
Equity		2,401,040	2,335,073	2,064,432

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



31.05.2022

Date:



31.05.2022

Date:

Northland College

Statement of Cash Flows

For the year ended 31 December 2021

	Note	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Cash flows from Operating Activities				
Government Grants		1,890,318	2,744,534	1,906,658
Locally Raised Funds		790,135	907,986	822,782
School House		17,540	18,720	13,940
Goods and Services Tax (net)		29,780	13,571	(23,930)
Payments to Employees		(800,812)	(882,849)	(902,976)
Payments to Suppliers		(1,572,265)	(1,792,614)	(1,384,076)
Interest Paid		(8,012)	(12,000)	(9,260)
Interest Received		595	300	357
Net cash from/(to) Operating Activities		347,279	997,648	423,495
Cash flows from Investing Activities				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		-	58,379	-
Purchase of Property Plant & Equipment (and Intangibles)		(220,356)	(691,578)	(227,097)
Purchase of Investments		-	-	-
Proceeds from Sale of Investments		-	(25,515)	-
Net cash from/(to) Investing Activities		(220,356)	(658,714)	(227,097)
Cash flows from Financing Activities				
Finance Lease Payments		(15,576)	(84,697)	7,759
Loans Received/ Repayment of Loans		(1,012)	-	471
Funds Administered on Behalf of Third Parties		502,666	140,000	47,686
Net cash from/(to) Financing Activities		486,078	55,303	55,916
Net increase/(decrease) in cash and cash equivalents		613,001	394,237	252,314
Cash and cash equivalents at the beginning of the year	8	710,938	710,938	458,623
Cash and cash equivalents at the end of the year	8	1,323,939	1,105,175	710,937

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.

Northland College

Notes to the Financial Statements

For the year ended 31 December 2021

1. Statement of Accounting Policies

a) Reporting Entity

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

b) Basis of Preparation

Reporting Period

The financial 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.

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.

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

Useful lives of property, plant and equipment

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment as disclosed in the significant accounting policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 12.

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 Crown and managed by the Ministry of Education on behalf of the Crown. 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. The School's use of the land and buildings as occupant is based on a property occupancy document as gazetted by the Ministry. The expense is based on an assumed market rental yield on the value of land and buildings as used for rating purposes.

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

Other Grants

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) Inventories

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

i) Investments

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

j) Property, Plant and Equipment

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

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

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

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

Finance Leases

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

Depreciation

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

The estimated useful lives of the assets are:

Building improvements to Crown Owned Assets	10–75 years
Board Owned Buildings	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	Term of Lease
Library resources	12.5% Diminishing value

k) 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.

l) 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.

m) 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

n) Revenue Received in Advance

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

o) Provision for Cyclical Maintenance

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

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

p) 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.

q) Borrowings

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

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

r) 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.

s) 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	1,558,110	1,588,616	1,597,677
Teachers' Salaries Grants	2,634,893	2,200,000	2,484,394
Use of Land and Buildings Grants	1,552,556	1,992,091	1,992,091
Other MoE Grants	285,554	188,346	244,248
Healthy Lunches in Schools	346,386	-	-
Other Government Grants	64,355	63,342	63,342
	<u>6,441,854</u>	<u>6,032,395</u>	<u>6,381,752</u>

The school has opted in to the donations scheme for this year. Total amount received was \$40,650.

3. Locally Raised Funds

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

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Revenue			
Donations	680	-	744
Fees for Extra Curricular Activities	122,887	127,546	148,730
Farm Income	750,390	750,000	561,464
Fundraising & Community Grants	800	4,000	47,005
Other Revenue	24,356	21,900	63,506
	<u>899,113</u>	<u>903,446</u>	<u>821,449</u>
Expenses			
Extra Curricular Activities Costs	20,776	29,000	43,894
Farm Expenses	577,650	470,000	462,643
Fundraising and Community Grant Costs	641	2,800	4,392
	<u>599,067</u>	<u>501,800</u>	<u>510,929</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>300,046</u>	<u>401,646</u>	<u>310,520</u>

4. School House Revenue and Expenses

	2021 Actual Number	2021 Budget (Unaudited) Number	2020 Actual Number
Revenue			
School House	17,540	18,720	13,940
	<u>17,540</u>	<u>18,720</u>	<u>13,940</u>
Expenses			
Property	3,535	7,800	2,973
Employee Benefit - Salaries	-	-	-
	<u>3,535</u>	<u>7,800</u>	<u>2,973</u>
<i>Surplus/ (Deficit) for the year School House</i>	<u>14,005</u>	<u>10,920</u>	<u>10,967</u>

5. Learning Resources

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Curricular	204,744	340,801	287,204
Information and Communication Technology	79,583	71,942	77,652
Library Resources	5,699	4,000	6,319
Employee Benefits - Salaries	3,142,278	2,774,866	3,111,627
Staff Development	17,300	27,000	17,401
	<u>3,449,604</u>	<u>3,218,609</u>	<u>3,500,203</u>

6. Administration

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Audit Fee	12,554	10,794	11,109
Board Fees	4,145	3,000	4,640
Board Expenses	5,114	5,000	2,963
Healthy Lunches in Schools	346,386	-	-
Communication	4,162	6,000	5,564
Consumables	10,761	18,300	20,149
Operating Lease	78,286	79,050	78,245
Legal Fees	9,240	3,000	3,875
Other	47,761	64,360	77,059
Employee Benefits - Salaries	309,429	312,983	315,547
Insurance	7,470	8,900	7,268
Service Providers, Contractors and Consultancy	4,672	10,000	12,213
	<u>839,980</u>	<u>521,387</u>	<u>538,632</u>

7. Property

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Caretaking and Cleaning Consumables	200	1,090	1,030
Property Maintenance	190,500	193,358	190,500
Cyclical Maintenance Provision	78,390	19,000	19,000
Grounds	980	500	1,184
Heat, Light and Water	67,438	83,600	73,599
Rates	6,401	6,500	6,325
Repairs and Maintenance	9,385	5,000	9,543
Use of Land and Buildings	1,552,556	1,992,091	1,992,091
Security	-	-	2,105
Employee Benefits - Salaries	-	-	1,330
	<u>1,905,850</u>	<u>2,301,139</u>	<u>2,296,707</u>

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 reporting purposes.

8. Cash and Cash Equivalents

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Bank Accounts	122,347	107,382	87,012
Short-term Bank Deposits	1,201,592	997,793	623,926
Cash and cash equivalents for Statement of Cash Flows	<u>1,323,939</u>	<u>1,105,175</u>	<u>710,938</u>

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

Of the \$1,323,939 Cash and Cash Equivalents, \$640,159 is held by the School on behalf of the Ministry of Education. These funds have been provided for the Ministry as part of the school's 5 Year Agreement funding for upgrades to the school's buildings. The funds are required to be spent in 2021 on Crown owned school buildings.

9. Accounts Receivable

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Receivables	3,346	-	15,487
Receivables Farm	58,294	58,294	41,690
Banking Staffing Underuse	78,475	-	5,305
Teacher Salaries Grant Receivable	204,567	193,000	193,643
	<u>344,682</u>	<u>251,294</u>	<u>256,125</u>
Receivables from Exchange Transactions	3,346	-	15,487
Receivables from Non-Exchange Transactions	341,336	251,294	240,638
	<u>344,682</u>	<u>251,294</u>	<u>256,125</u>

10. Livestock

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Dairy Cows	387,000	351,799	351,799
Rising 2 year Heifers	98,650	84,600	84,600
Rising 1 year Heifers	58,725	44,375	44,375
Bulls	7,000	10,420	10,420
	<u>551,375</u>	<u>491,194</u>	<u>491,194</u>

11. Investments

The School's investment activities are classified as follows:

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
Non-current Asset			
Fonterra	336,368	25,515	399,570
Balance Agri Nutrients	29,160	976	25,515
KIC Co-operative	1,162	426,061	976
Total Investments	<u>366,690</u>	<u>452,552</u>	<u>426,061</u>

12. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2021	\$	\$	\$	\$	\$	\$
Buildings	276,642	80,000			(33,194)	323,448
Furniture and Equipment	270,738	38,204			(26,743)	282,199
Information and Communication Technology	19,003	41,309			(16,225)	44,087
Motor Vehicles	92,331	21,995	(2,219)		(11,265)	100,842
Plant and Equipment	229,879	20,106	(6,831)		(43,513)	199,641
Leased Assets	67,208	27,373			(49,709)	44,872
Library Resources	3,024				(378)	2,646
Balance at 31 December 2021	958,825	228,987	(9,050)	-	(181,027)	997,735

The net carrying value of equipment held under a finance lease is \$44,872 (2020: \$67,209)

	2021 Cost or Valuation	2021 Accumulated Depreciation	2021 Net Book Value	2020 Cost or Valuation	2020 Accumulated Depreciation	2020 Net Book Value
	\$	\$	\$	\$	\$	\$
Buildings	903,857	(580,409)	323,448	823,857	(547,215)	276,642
Furniture and Equipment	397,797	(115,596)	282,199	359,592	(88,854)	270,738
Information and Communication Technology	126,212	(82,125)	44,087	84,903	(65,900)	19,003
Motor Vehicles	170,487	(69,644)	100,843	152,139	(59,808)	92,331
Plant and Equipment	486,308	(286,668)	199,640	497,013	(267,134)	229,879
Leased Assets	148,824	(103,952)	44,872	150,670	(83,462)	67,208
Library Resources	123,742	(121,096)	2,646	123,742	(120,718)	3,024
Balance at 31 December	2,357,227	(1,359,490)	997,735	2,191,916	(1,233,091)	958,825

13. Accounts Payable

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Creditors	32,248	30,000	106,355
Creditors - Farm	66,397	30,000	29,395
Accruals	27,092	19,000	11,510
Employee Entitlements - Salaries	277,663	190,000	251,315
Employee Entitlements - Leave Accrual	7,853	8,000	7,275
	411,253	277,000	405,850
 Payables for Exchange Transactions	 411,253	 277,000	 405,850
	411,253	277,000	405,850

The carrying value of payables approximates their fair value.

14. Borrowings

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Loans due in one year	-	-	1,012
	-	-	1,012

The school has borrowings at 31 December 2021 of \$Nil (31 December 2020 \$1,012).

15. Revenue Received in Advance

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Other revenue in Advance	4,540	4,540	125,659
	4,540	4,540	125,659

16. Provision for Cyclical Maintenance

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Provision at the Start of the Year	57,000	57,000	38,000
Increase/ (decrease) to the Provision During the Year	19,000	19,000	19,000
Provision at the End of the Year	76,000	76,000	57,000
Cyclical Maintenance - Term	135,390	76,000	57,000
	135,390	76,000	57,000

17. 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	23,552	23,552	48,304
Later than One Year and no Later than Five Years	40,574	40,574	19,601
	64,126	64,126	67,905
Represented by			
Finance lease liability - Current	23,552	23,552	48,304
Finance lease liability - Term	40,574	40,574	19,601
	64,126	64,126	67,905

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

18. Funds Held for Capital Works Projects

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

	2021	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions \$	Closing Balances \$
MOE Property Projects	<i>Completed</i>	8,676				8,676
Caretaker Shed	<i>Completed</i>	42,918	423	(43,341)		-
Drainage Works	<i>In progress</i>	-	58,500	(2,442)		56,058
Block Upgrades	<i>In progress</i>	16,834	196,725	(25,636)		187,923
Electrcal Works	<i>In progress</i>	-	16,650	(928)		15,722
Airconditioning	<i>Completed</i>	41,075	4,762	(45,837)		-
Bore Water	<i>Completed</i>	(6,777)	7,897	(1,120)		-
Roofing	<i>In progress</i>	-	20,680	(7,310)		13,370
Basketball Court Cover	<i>In progress</i>	40,399	374,315	(90,880)		323,834
Pool Sheds	<i>In progress</i>	-	-	(2,193)		(2,193)
Visitor Toilets	<i>In progress</i>	-	20,200	(7,240)		12,960
Door Replacement	<i>In progress</i>	-	70,262	(46,453)		23,809
Totals		137,492	776,047	(273,380)	-	640,159

Represented by:

Funds Held on Behalf of the Ministry of Education	642,352
Funds Due from the Ministry of Education	(2,193)
	640,159

	2020	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions \$	Closing Balances \$
MOE Property Projects		8,676	-	-	-	8,676
Boundary Fencing		35,751	-	(36,943)	-	(1,192)
Caretaker Shed		45,380	-	(2,462)	-	42,918
Block Upgrades		-	20,044	(3,210)	-	16,834
Emergency Water Tanks		-	53,745	(58,186)	-	(4,441)
Airconditioning		-	42,863	(1,788)	-	41,075
Bore Water		-	27,000	(33,777)	-	(6,777)
Basketball Court Cover		-	46,789	(6,390)	-	40,399
Totals		89,807	190,441	(142,756)	-	137,492

19. 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 funds were spent on employee benefit expenses, administration and property management expenses, student resources and accreditation.

20. 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.

21. Remuneration

Key management personnel compensation

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

	2021 Actual \$	2020 Actual \$
<i>Board Members</i>		
Remuneration	4,145	4,640
Full-time equivalent members	0.18	0.16
<i>Leadership Team</i>		
Remuneration	509,769	500,409
Full-time equivalent members	6	6
Total key management personnel remuneration	513,914	505,049

There are 7 members of the Board excluding the Principal. The Board had held 12 full meetings of the Board in the year. The Board also has 4 Finance Committee members that meet quarterly. 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 1

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

	2021 Actual \$000	2020 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	150-160	150-160
Benefits and Other Emoluments	4-5	4-5
Termination Benefits	-	-

Other Employees

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

Remuneration \$000	2021 FTE Number	2020 FTE Number
100-110	5.00	4.00
	5.00	4.00

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

23. Contingencies

There is a contingent liability in regards to the emission trading scheme of approximately \$2,676,808 (31 December 2020: \$1,469,314).

The Board was notified of a claim of \$10,000 alleging a breach of contract. The Board has not recognised this matter in the financial statements because the likelihood of the claim surfacing is not probable as there is no substance to the matter.

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.

24. Commitments

(a) Capital Commitments

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

- (a) \$65,000 contract for Drainage to be completed in 2022, which will be fully funded by the Ministry of Education. \$58,500 has been received of which \$2,442 has been spent on the project to date; and
- (b) \$363,726 contract to have the Learning Areas Block upgraded which will be fully funded by the Ministry. \$216,769 has been received of which \$28,846 has been spent on the project to balance date. This project has been approved by the Ministry; and
- (c) \$18,500 contract for Electrical Works which will be fully funded by the Ministry \$16,650 has been received of which \$928 has been spent on the project to balance date. This project has been approved by the Ministry.
- (d) \$206,800 contract for Roofing Works which will be fully funded by the Ministry. \$20,680 has been received of which \$7,310 has been spent on the project to balance date. This project has been approved by the Ministry.
- (e) \$467,893 contract for Basketball Court Cover and Netball Fence which will be fully funded by the Ministry. \$421,104 has been received of which \$97,270 has been spent on the project to balance date. This project has been approved by the Ministry.
- (f) \$34,000 contract for Pool Change Shed which will be fully funded by the Ministry. \$Nil has been received and \$2,193 has been spent on the project to balance date. This project has been approved by the Ministry.
- (g) \$226,741 contract for Visitors Toilets which will be fully funded by the Ministry. \$20,200 has been received and \$7,240 has been spent on the project to balance date. This project has been approved by the Ministry.
- (h) \$70,262 contract for Door Replacement which will be fully funded by the Ministry. \$70,262 has been received and \$46,453 has been spent on the project to balance date. This project has been approved by the Ministry.

(Capital commitments at 31 December 2020: \$715,958)

(b) Operating Commitments

As at 31 December 2021 the Board has entered into the following contracts:

- (a) operating lease of a EFTPOS Machine;
- (b) operating lease of vans;
- (c) operating lease of photocopiers

	2021 Actual \$	2020 Actual \$
No later than One Year	72,802	73,576
Later than One Year and No Later than Five Years	65,487	138,288
	<u>138,289</u>	<u>211,864</u>

25. 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

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Cash and Cash Equivalents	1,323,939	1,105,175	710,938
Receivables	344,682	251,294	256,125
Investments - Term Deposits	336,368	25,515	399,570
Total Financial assets measured at amortised cost	<u>2,004,989</u>	<u>1,381,984</u>	<u>1,366,633</u>

Financial liabilities measured at amortised cost

Payables	411,253	277,000	405,850
Borrowings - Loans	-	-	1,012
Finance Leases	64,126	64,127	67,905
Total Financial Liabilities Measured at Amortised Cost	<u>475,379</u>	<u>341,127</u>	<u>474,767</u>

26. Events After Balance Date

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

27. Comparatives

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

28. 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.

2021

ANALYSIS OF VARIANCE

Focus One

NCEA Level 1 – 50% - Numeracy 80%, Literacy 70%
NCEA Level 2 – 60%
NCEA Level 3 – 65%

Focus Two

Attendance – 80% across all year levels.

Focus Three

To build the capacity of teachers to collaborate with each other to design and deliver engaging teaching and learning programmes.

Focus Four

Provide opportunities for our whānau to engage with us and inform our strategic planning in both formal and informal ways.

For all focus areas – to implement a pedagogy of relations to support attendance, engagement and achievement.

Focus One

ACTIONS	WHO?	WHEN?	SUCCESS
1. Work with HoLs to set clear targets that support improvement across NCEA levels 1, 2 and 3.	SLT	Ongoing	HoLs have, in conjunction with the relevant teaching staff, reviewed their programmes, adjusted accordingly and set targets for 2021.
2. Work with SAF to support literacy.	Tumuaki	Ongoing	Two dedicated TAs appointed to support the Toe by Toe programme.
3. Develop sound literacy / numeracy practices.	LLs supported by SLT	Ongoing	All teachers collaborating in Kōtuitui (integrated) programmes feel confident about literacy and numeracy practices.

Baseline Data

% Pass rate	2016	2017	2018	2019	2020	2021 target / actual
Literacy	66.7	73.8	65.8	61.3	66.7	70 / 75
<ul style="list-style-type: none"> - Literacy pass rates continue to be some thing that we can be reasonably happy with. Annual target for 2022 reviewed and set at 80%. - We have re-commenced our work with our SAF team and are working towards strategies for junior and senior school. 						
Numeracy	63.3	62.3	62.0	69.4	76.5	80 / 55.7
<ul style="list-style-type: none"> - Overall down on past years. While we recognise the impact that Covid has had on our overall achievement in certain areas this remains a disappointing outcome as we structure our Year 11 course to maximize the possibility of students achieving numeracy through compulsory Mathematics and Science. - In 2022 we will continue with the Math/Science approach but have developed a process whereby we aim to identify those senior students who are yet to achieve numeracy earlier in the year. 						

<ul style="list-style-type: none"> - 2022 also sees the establishment of a whānau that is focused on at-risk students in terms of numeracy and literacy. Once literacy and numeracy is achieved students are reintegrated into other whānau. 						
NCEA 1	50.0	44.3	30.4	29.0	31.4	50 / 48
<ul style="list-style-type: none"> - Level 1 results remain poor. Our initial results against national average was 28%. Our reported result here is 48% as within 2-weeks of students returning our DP and PN had done work with students we had identified prior, and supported them to successfully achieve Level 1 NCEA. - This continues to be a key focus area not only in terms of achievement but also in terms of retention, engagement and attendance. 						
NCEA 2	65.2	78.3	48.0	61.1	44.4	60 / 59.5
<ul style="list-style-type: none"> - Pleasing overall within the context of year 2 of Covid and the target set. - Engagement the biggest challenge with senior year groups as many students because essential workers overnight in some respects and did not re-engage. 						
NCEA 3	26.5	46.0	36.6	27.6	52.6	65 / 46.4
<ul style="list-style-type: none"> - The key identifier in terms of the impact that Covid-19 had on engagement and retention of senior students. - Many Year 13s, already having eyes on the horizon of completing their schooling, disengaged. Anecdotally this was about finding work or simply seeing other opportunities and/or students who were already at risk of disengaging simply did so following lock down(s). 						

For all focus areas – to implement a pedagogy of relations to support attendance, engagement and achievement.

Focus Two

ACTIONS	WHO?	WHEN?	SUCCESS
1. Appoint dedicated support staff to focus on attendance.	Tumuaki	Term One	Additional funding from MoE provided for employment of support staff to contact ākonga/whānau, identify barriers to attendance and bring ākonga to kura wherever practicable.
2. Use attendance data to inform our implementation of PB4L at NC.	AP	Ongoing	Kaiako understand their role in supporting attendance of students.
3. Develop a Rautaki Ako (learning plan) template for each year level.	SLT	Ongoing	Kaiako, ākonga and whānau confidently understand the purpose of RA and how to use this to track and support learning.
4. Work effectively with outside agencies to improve attendance.	Tumuaki / AP	Ongoing	Rockon and Awhi Hui successfully identify at-risk students. Clear plans in place to support ākonga, whānau and NC.

Baseline Data

School-wide	2017	2018	2019	2020	2021 (target) / actual
	53.6%	65.6%	77.1%	65.5%	80% / 68.6%
<p>- Chronic non-attendance continues to be our biggest challenge.</p> <p>- 2021 showed that the most impactful strategy we have is to resource an attendance officer on site. We were unable to have long-term success in terms of actually employing an attendance officer but when they were on site and focused on contacting our whānau the positive effect was immediate and noticeable. Conversely, when they were not on site and active in this role the opposite occurred.</p>					

- The nationwide aspirational goal of 90% attendance has been set for 2022.
- We continue to aim to resource an attendance officer on site.
- AP is continuing to run regular PLD for staff to ensure there is clarity in terms of staff shared-responsibility for following up, contacting home and recording attendance accurately.
- Establishing a new, fixed-term role (Kaiaarataki), to focus on academic mentoring for targeted students.

For all focus areas – to implement a pedagogy of relations to support attendance, engagement and achievement.

Focus Three

ACTIONS	WHO?	WHEN?	SUCCESS
1. To Co-construct NC's PGC with staff.	Tumuaki	Term One	QTP document completed; Te reo Māori, tikanga Māori and professional learning goals set; methodology for cycle of inquiry set.
2. Senior leaders work regularly with Hols and kaiako to support with planning of units, lessons and lesson delivery.	SLT	Ongoing	Development of pedagogy of relations is visible in planning and authentic in execution.
3. Develop a Ngāpuhi-rich curriculum	KA within-school leads	Ongoing	All teachers confidently include elements of Ngāpuhitanga / Te Tū o Ngāpuhi in their planning and practice.
<ul style="list-style-type: none"> - Relationships First remains a school-wide PLD commitment for the next two years minimum. Impact coaches are being trained and our aim is for observations to begin Term 3. - SAF work has re-commenced. 2x SAF – 1 junior school and 1 senior school. Aiming to draw in all of the strands we have – RF, PB4L, SAF, PGC – in order to develop the 'NC way' rather than have the perception that these are separate PLD initiatives and end when facilitators leave or resourcing ceases. - Developing more robust relationship with RTLs to support the above. 			

For all focus areas – to implement a pedagogy of relations to support attendance, engagement and achievement.

Focus Four

ACTIONS	WHO?	WHEN?	SUCCESS
1. Hui ō-kawa (formal).	BoT / Tumuaki	Ongoing	Learning conversations throughout the year to update whānau on progress of their child/ren; consultation hui with whānau.
2. Hui ō-paki (informal)	BoT / Tumuaki	Ongoing	Celebration of learning events throughout the year – informal conversations with whānau as part of a general networking strategy.
3. Attend Takiwā hui	Tumuaki	Ongoing	Take kaupapa to these hui for input/feedback. Attend to strengthen our relationship with whānau, hapū and iwi.
4. Attend TRAlon hui	Tumuaki	Tbc	Attend TRAlon to gather input/feedback from the Rūnanga.
<ul style="list-style-type: none"> - Continuing to develop relationships with community through Takiwā (regional hapū) hui. - Whānau NCEA evening planned (NZQA to facilitate). - Preparing for BoT elections in September this year. - Google docs used as a platform to get feedback from our community. 			

Supporting information

School Organisation and Structures	schooldocs.co.nz - self-review plan
Blue Sky Thinking (ELT & BoT)	Ranginui



**NORTHLAND
COLLEGE**

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Kiwisport Funding for the year end
31 December 2021

The Ministry of Education Kiwisport funding received was
\$6,495.72 + GST. This was spent on sports tournaments, sports
trips and sports activities days.

Signed by Principal

Duane Allen

Northland College

INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF NORTHLAND COLLEGE'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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 20, 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 31 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 of Trustees 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.

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Directors: Dale Adamson, 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.

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'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 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 21-29, but does not include the financial statements, and our auditor's report thereon.

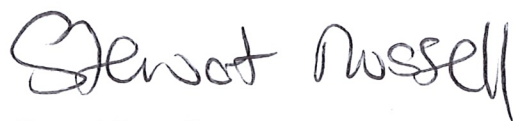
Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

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.



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