



ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

School Directory

Ministry Number: 3194

Principal: John Armstrong

School Address: 56a William Street, Richmond, Nelson 7020

School Phone: 03 544 8904

School Email: office@henley.school.nz

HENLEY SCHOOL

Annual Report - For the year ended 31 December 2021

Index

Page	Statement
------	-----------

Financial Statements

1	Statement of Responsibility
2	Members of the Board
3	Statement of Comprehensive Revenue and Expense
4	Statement of Changes in Net Assets/Equity
5	Statement of Financial Position
6	Statement of Cash Flows
7 - 17	Notes to the Financial Statements

Other Information

Analysis of Variance

Kiwisport

Independent Auditor's Report

Henley School

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.

Kirstie Emma Van Houtte

Full Name of Presiding Member

John Gordon Armstrong

Full Name of Principal

[Signature]

Signature of Presiding Member

[Signature]

Signature of Principal

31/05/2022

Date:

31/05/2022

Date:

Henley School

Members of the Board

For the year ended 31 December 2021

Name	Position	How Position Gained	Term Expired/ Expires
John Armstrong	Principal ex Officio		
Andrew Elliot	Parent Representative	Elected	Sep 2022
Adrian Laing	Parent Representative	Elected	Sep 2022
Kirstie Van Houtte	Parent Representative	Elected	Sep 2022
Anna Rutherford	Parent Representative	Selected	Sep 2022
Matthew Clarke	Parent Representative	Selected	Sep 2022
Natalie Doty	Staff Representative	Elected	Sep 2022

Henley School

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	4,295,544	4,182,352	4,125,246
Locally Raised Funds	3	86,281	79,640	92,415
Interest Income		378	1,250	615
		<u>4,382,203</u>	<u>4,263,242</u>	<u>4,218,276</u>
Expenses				
Locally Raised Funds	3	45,665	38,200	56,085
Learning Resources	4	3,057,431	3,004,730	2,829,777
Administration	5	171,161	175,900	169,193
Finance		2,165	-	2,756
Property	6	967,119	953,467	1,031,304
Depreciation	9	85,476	55,000	87,120
Loss on Disposal of Property, Plant and Equipment		397	-	166
		<u>4,329,414</u>	<u>4,227,297</u>	<u>4,176,401</u>
Net Surplus / (Deficit) for the year		52,789	35,945	41,875
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>52,789</u>	<u>35,945</u>	<u>41,875</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.

Henley School

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		466,525	466,525	424,650
Total comprehensive revenue and expense for the year		52,789	35,945	41,875
Capital Contributions from the Ministry of Education Contribution - Furniture and Equipment Grant		7,410	-	-
Equity at 31 December		526,724	502,470	466,525
Retained Earnings		526,724	502,470	466,525
Equity at 31 December		526,724	502,470	466,525

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.

Henley School

Statement of Financial Position

As at 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Current Assets				
Cash and Cash Equivalents	7	381,701	340,598	279,652
Accounts Receivable	8	207,751	291,909	291,909
GST Receivable		14,309	-	-
Prepayments		16,057	3,712	3,712
		<u>619,818</u>	<u>636,219</u>	<u>575,273</u>
Current Liabilities				
GST Payable		-	2,231	2,231
Accounts Payable	10	273,460	271,533	271,533
Revenue Received in Advance	11	6,522	-	-
Provision for Cyclical Maintenance	12	7,852	6,823	6,823
Painting Contract Liability	13	26,401	26,401	26,401
Finance Lease Liability	14	12,088	34,421	34,421
Funds held for Capital Works Projects	15	34,585	77,807	77,807
		<u>360,908</u>	<u>419,216</u>	<u>419,216</u>
Working Capital Surplus/(Deficit)		258,910	217,003	156,057
Non-current Assets				
Property, Plant and Equipment	9	344,674	373,597	398,598
		<u>344,674</u>	<u>373,597</u>	<u>398,598</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	12	66,900	50,075	50,075
Painting Contract Liability	13	6,635	24,488	24,488
Finance Lease Liability	14	3,325	13,567	13,567
		<u>76,860</u>	<u>88,130</u>	<u>88,130</u>
Net Assets		<u>526,724</u>	<u>502,470</u>	<u>466,525</u>
Equity		<u>526,724</u>	<u>502,470</u>	<u>466,525</u>

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



Henley School

Statement of Cash Flows

For the year ended 31 December 2021

		2021	2021	2020
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Cash flows from Operating Activities				
Government Grants		982,377	867,285	959,758
Locally Raised Funds		220,669	79,640	92,398
Goods and Services Tax (net)		(16,540)	-	21,506
Payments to Employees		(575,006)	(455,300)	(523,972)
Payments to Suppliers		(398,502)	(401,930)	(359,855)
Interest Received		378	1,250	615
Net cash from/(to) Operating Activities		213,376	90,945	190,450
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(29,778)	(29,999)	(25,058)
Net cash (to)/from Investing Activities		(29,778)	(29,999)	(25,058)
Cash flows from Financing Activities				
Furniture and Equipment Grant		7,410	-	-
Finance Lease Payments		(27,884)	-	(17,492)
Painting Contract Payments		(17,853)	-	(17,916)
Funds Administered on Behalf of Third Parties		(43,222)	-	154,457
Net cash (to)/from Financing Activities		(81,549)	-	119,049
Net increase/(decrease) in cash and cash equivalents		102,049	60,946	284,441
Cash and cash equivalents at the beginning of the year	7	279,652	279,652	(4,789)
Cash and cash equivalents at the end of the year	7	381,701	340,598	279,652

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.

Henley School

Notes to the Financial Statements

For the year ended 31 December 2021

1. Statement of Accounting Policies

1.1. Reporting Entity

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

1.2. Basis of Preparation

Reporting Period

The financial reports have been prepared for the period 1 January 2021 to 31 December 2021 and in accordance with the requirements of the Education and Training Act 2020.

Basis of Preparation

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

Financial Reporting Standards Applied

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

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

Cyclical Maintenance

A school recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's long term maintenance plan which is prepared as part of its 10 Year Property Planning process. During the year, the Board assesses the reasonableness of its 10 Year Property Plan on which the provision is based. Cyclical maintenance is disclosed at note 12.

Useful lives of property, plant and equipment

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment as disclosed in the significant accounting policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and disclosed at note 9.



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.

1.3. Revenue Recognition

Government Grants

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

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

Teachers Salaries Grants are recorded as revenue when the School has the rights to the funding in the salary period 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.

1.4. Operating Lease Payments

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

1.5. Finance Lease Payments

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

1.6. Cash and Cash Equivalents

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

1.7. Accounts Receivable

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



1.8. Investments

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

1.9. Property, Plant and Equipment

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

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

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

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

Finance Leases

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

Depreciation

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

The estimated useful lives of the assets are:

Building improvements to Crown Owned Assets	50 years
Furniture and equipment	7-20 years
Information and communication technology	5-10 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value

1.10. Impairment of property, plant and equipment

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.



1.11. Accounts Payable

Accounts Payable represents liabilities for goods and services provided to the School prior to the end of the financial year which are unpaid. Accounts Payable are recorded at the amount of cash required to settle those liabilities. The amounts are unsecured and are usually paid within 30 days of recognition.

1.12. Employee Entitlements

Short-term employee entitlements

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

Long-term employee entitlements

Employee benefits that are 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.

1.13. Revenue Received in Advance

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

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

1.14. Funds Held in Trust

Funds are held in trust where they have been received by the School for a specified purpose, or are being held on behalf of a third party and these transactions are not recorded in the Statement of Revenue and Expense.

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

1.15. Shared Funds

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

1.16. 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.

1.17. 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, painting contract liability and finance lease liability. All of these financial liabilities are categorised as 'financial liabilities measured at amortised cost' for accounting purposes in accordance with financial reporting standards.

1.18. 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.

1.19. Goods and Services Tax (GST)

The financial statements have been prepared on a GST exclusive basis, with the exception of accounts receivable and accounts payable which are stated as GST inclusive.

The net amount of GST paid to, or received from, the IRD, including the GST relating to investing and financing activities, is classified as a net operating cash flow in the statements of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

1.20. Budget Figures

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

1.21. 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	837,473	717,304	779,786
Teachers' Salaries Grants	2,588,735	2,602,200	2,383,059
Use of Land and Buildings Grants	712,867	712,867	773,188
Other MoE Grants	119,025	130,521	162,354
Other Government Grants	37,444	19,460	26,859
	<u>4,295,544</u>	<u>4,182,352</u>	<u>4,125,246</u>

The School has not opted in to the donations scheme for this year.

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 & Bequests	21,577	21,300	26,911
Fees for Extra Curricular Activities	48,489	14,900	49,501
Trading	12,161	29,000	8,390
Fundraising & Community Grants	679	8,440	4,879
Other Revenue	3,375	6,000	2,734
	<u>86,281</u>	<u>79,640</u>	<u>92,415</u>
Expenses			
Extra Curricular Activities Costs	39,674	14,900	52,154
Trading	4,684	23,200	3,767
Fundraising & Community Grant Costs	1,307	100	164
	<u>45,665</u>	<u>38,200</u>	<u>56,085</u>
<i>Surplus / (Deficit) for the year Locally raised funds</i>	<u>40,616</u>	<u>41,440</u>	<u>36,330</u>

4. Learning Resources

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Curricular	33,216	41,730	32,534
Equipment Repairs	2,562	6,000	4,934
Information and Communication Technology	360	7,000	834
Library Resources	994	4,000	828
Employee Benefits - Salaries	3,008,986	2,927,700	2,785,858
Staff Development	11,313	18,300	4,789
	<u>3,057,431</u>	<u>3,004,730</u>	<u>2,829,777</u>

5. Administration

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Audit Fee	4,713	3,000	3,713
Board Fees	3,680	3,800	3,680
Board Expenses	-	7,900	1,162
Intervention Costs	1,012	-	-
Communication	12,689	13,600	14,887
Consumables	28,766	54,000	30,466
Other	3,458	3,100	3,872
Employee Benefits - Salaries	106,625	84,000	101,721
Insurance	5,388	1,000	4,930
Service Providers, Contractors and Consultancy	4,830	5,500	4,762
	<u>171,161</u>	<u>175,900</u>	<u>169,193</u>

6. Property

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	12,418	11,800	11,358
Consultancy and Contract Services	50,557	49,000	48,669
Cyclical Maintenance Provision	26,041	-	26,041
Grounds	15,779	16,500	16,184
Heat, Light and Water	27,876	30,000	28,161
Rates	10,080	11,000	10,756
Repairs and Maintenance	52,328	76,500	64,662
Use of Land and Buildings	712,867	712,867	773,188
Employee Benefits - Salaries	59,173	45,800	52,285
	<u>967,119</u>	<u>953,467</u>	<u>1,031,304</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.

7. Cash and Cash Equivalents

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Bank Accounts	381,701	160,598	99,652
Short-term Bank Deposits	-	180,000	180,000
Cash and cash equivalents for Statement of Cash Flows	<u>381,701</u>	<u>340,598</u>	<u>279,652</u>

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

Of the \$381,701 Cash and Cash Equivalents, \$34,585 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 2022 on Crown owned school buildings.

8. Accounts Receivable

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Receivables	-	127,866	127,866
Receivables from the Ministry of Education	2,500	-	-
Teacher Salaries Grant Receivable	205,251	164,043	164,043
	<u>207,751</u>	<u>291,909</u>	<u>291,909</u>
Receivables from Exchange Transactions	-	127,866	127,866
Receivables from Non-Exchange Transactions	207,751	164,043	164,043
	<u>207,751</u>	<u>291,909</u>	<u>291,909</u>

9. Property, Plant and Equipment

	Opening					Total (NBV)
	Balance (NBV)	Additions	Disposals	Impairment	Depreciation	
	\$	\$	\$	\$	\$	\$
2021						
Building Improvements	150,130	9,935	-	-	(2,946)	157,119
Furniture and Equipment	163,905	9,247	-	-	(35,110)	138,042
Information and Communication Technology	30,170	7,231	-	-	(11,609)	25,792
Leased Assets	48,282	2,171	-	-	(34,676)	15,777
Library Resources	6,111	3,365	(397)	-	(1,135)	7,944
Balance at 31 December 2021	<u>398,598</u>	<u>31,949</u>	<u>(397)</u>	<u>-</u>	<u>(85,476)</u>	<u>344,674</u>

The net carrying value of equipment held under a finance lease is \$15,777 (2020: \$48,282)

	2021	2021	2021	2020	2020	2020
	Cost or	Accumulated	Net Book	Cost or	Accumulated	Net Book
	Valuation	Depreciation	Value	Valuation	Depreciation	Value
	\$	\$	\$	\$	\$	\$
Building Improvements	303,924	(146,805)	157,119	290,339	(140,209)	150,130
Furniture and Equipment	507,743	(369,701)	138,042	502,935	(339,030)	163,905
Information and Communication Technology	161,920	(136,128)	25,792	154,690	(124,520)	30,170
Leased Assets	40,601	(24,824)	15,777	133,196	(84,914)	48,282
Library Resources	85,630	(77,686)	7,944	87,977	(81,866)	6,111
Balance at 31 December	<u>1,099,818</u>	<u>(755,144)</u>	<u>344,674</u>	<u>1,169,137</u>	<u>(770,539)</u>	<u>398,598</u>

10. Accounts Payable

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Creditors	5,608	57,892	57,892
Accruals	4,713	2,753	2,753
Banking Staffing Overuse	14,676	-	-
Employee Entitlements - Salaries	231,017	194,047	194,047
Employee Entitlements - Leave Accrual	17,446	16,841	16,841
	<u>273,460</u>	<u>271,533</u>	<u>271,533</u>
Payables for Exchange Transactions	273,460	271,533	271,533
	<u>273,460</u>	<u>271,533</u>	<u>271,533</u>

The carrying value of payables approximates their fair value.

11. Revenue Received in Advance

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Other Revenue in Advance	6,522	-	-
	<u>6,522</u>	<u>-</u>	<u>-</u>

12. Provision for Cyclical Maintenance

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Provision at the Start of the Year	56,898	56,898	38,982
Increase/ (decrease) to the Provision During the Year	3,597	-	26,041
Adjustment to the Provision	22,444	-	-
Use of the Provision During the Year	(8,187)	-	(8,125)
Provision at the End of the Year	<u>74,752</u>	<u>56,898</u>	<u>56,898</u>
Cyclical Maintenance - Current	7,852	6,823	6,823
Cyclical Maintenance - Term	66,900	50,075	50,075
	<u>74,752</u>	<u>56,898</u>	<u>56,898</u>

13. Painting Contract Liability

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Due within one year	26,401	26,401	26,401
Due after one year	6,635	24,488	24,488
	<u>33,036</u>	<u>50,889</u>	<u>50,889</u>

In 2018 the Board signed an agreement with Programmed Maintenance Services Ltd (the contractor) for an agreed programme of work covering a six year period. The programme provides for an interior and exterior repaint of the Ministry owned buildings, with regular maintenance in subsequent years. The agreement has an annual commitment of \$26,041. The liability is the best estimate of the actual amount of work performed by the contractor for which the contractor has not been paid at balance sheet date. The liability has not been adjusted for inflation and the effect of the time value of money.

14. 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	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
No Later than One Year	13,029	36,496	36,496
Later than One Year and no Later than Five Years	3,489	14,451	14,451
Future Finance Charges	(1,105)	(2,959)	(2,959)
	<u>15,413</u>	<u>47,988</u>	<u>47,988</u>
Represented by:			
Finance lease liability - Current	12,088	34,421	34,421
Finance lease liability - Term	3,325	13,567	13,567
	<u>15,413</u>	<u>47,988</u>	<u>47,988</u>

15. 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:

2021	Opening Balances	Receipts from MoE	Payments	Board Contributions	Closing Balances
	\$	\$	\$	\$	\$
Rooms 5-8 Toilet Upgrade - Project 212809	53,590	-	(53,590)	-	-
SIP Pool Filtration Plan - Project 222155	(330)	753	(423)	-	-
SIP Security System - Project 223115	900	8,985	(9,885)	-	-
SIP Playground Astro Turf - Project 223789	23,647	14,134	(37,781)	-	-
ILE Rooms 3-4 Upgrade - Project 229612	-	159,331	(124,746)	-	34,585
Totals	77,807	183,203	(226,425)	-	34,585

Represented by:

Funds Held on Behalf of the Ministry of Education

34,585
34,585

2020	Opening Balances	Receipts from MoE	Payments	Board Contributions	Closing Balances
	\$	\$	\$	\$	\$
Rooms 5-8 Toilet Upgrade - Project 212809	(139,823)	469,072	(275,659)	-	53,590
SIP Pool Filtration Plan - Project 222155	-	10,834	(11,164)	-	(330)
SIP Re-Roof Rooms 1 - Tui - Project 223055	-	109,592	(109,592)	-	-
SIP Security System - Project 223115	-	22,478	(21,578)	-	900
SIP Playground Astro Turf - Project 223789	-	79,140	(55,493)	-	23,647
Totals	(139,823)	691,116	(473,486)	-	77,807

16. 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.

17. Remuneration

Key management personnel compensation

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

	2021 Actual	2020 Actual
	\$	\$
<i>Board Members</i>		
Remuneration	3,680	3,680
<i>Leadership Team</i>		
Remuneration	378,468	366,314
Full-time equivalent members	3.00	3.00
Total key management personnel remuneration	382,148	369,994

There are 6 members of the Board excluding the Principal. The Board had held 8 full meetings of the Board in the year. As well as these regular meetings, including preparation time, the Chair and other Board members have also been involved in ad hoc meetings to consider student welfare matters including stand downs, suspensions, and other disciplinary matters.

Principal

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

	2021 Actual	2020 Actual
	\$000	\$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	150-160	150-160
Benefits and Other Emoluments	0-5	0-5
Termination Benefits	0 - 0	0 - 0



Other Employees

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

Remuneration \$000	2021 FTE Number	2020 FTE Number
100 -110	2.00	2.00
110 -120	1.00	-
	<u>3.00</u>	<u>2.00</u>

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

18. 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:

	2021 Actual	2020 Actual
Total	\$ -	\$ -
Number of People	-	-

19. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2021 (Contingent liabilities and assets at 31 December 2020: nil).

Holidays Act Compliance – schools payroll

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

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

To the extent that any obligation cannot reasonably be quantified at 31 December 2021, a contingent liability for the school may exist.

20. Commitments

(a) Capital Commitments

As at 31 December 2021 the Board has entered into the following contract agreements for capital works.

(a) \$160,000 contract for ILE Rooms 3-4 Upgrade to be completed in 2022, which will be fully funded by the Ministry of Education. \$159,331 has been received of which \$124,746 has been spent on the project to date. This project has been approved by the Ministry.

(Capital commitments in relation to Ministry projects at 31 December 2020: \$77,807)

(b) Operating Commitments

As at 31 December 2021 the Board has not entered into any operating contracts.

(Operating commitments at 31 December 2020: nil)

21. 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	\$ 381,701	\$ 340,598	\$ 279,652
Receivables	207,751	291,909	291,909
Total Financial assets measured at amortised cost	<u>589,452</u>	<u>632,507</u>	<u>571,561</u>

Financial liabilities measured at amortised cost

Payables	273,460	271,533	271,533
Finance Leases	15,413	47,988	47,988
Painting Contract Liability	33,036	50,889	50,889
Total Financial liabilities measured at amortised Cost	<u>321,909</u>	<u>370,410</u>	<u>370,410</u>



22. Events After Balance Date

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

23. Comparatives

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

24. COVID 19 Pandemic on going implications

Impact of Covid-19

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

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

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

Impact on operations

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

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

Reduction in locally raised funds

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

Increased Remote learning additional costs

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

Analysis of Variance Reporting



School Name:	Henley	School Number:	3194
---------------------	---------------	-----------------------	-------------

Strategic Aim:	In collaboration, the BOT and staff will provide the highest possible learning outcomes for our students.																																			
Annual Aim:	To increase the number of students achieving at their expected year level for Writing .																																			
Target:	In 2021 we were targeting all our students who were currently below the standard in Writing , in particular our Māori students, with the goal of accelerating their progress to move them to achieving at standard.																																			
Baseline Data:	<p>At the beginning of 2021 Writing was still our area of greatest need in relation to students achieving at the expected year level. As it stands, 97 boys (including Māori) were underachieving compared to 56 girls (including Māori). Maori students compared to non- Māori students show that they were achieving at a similar rate (75% of our Māori students were achieving at the expected year level compared to 74% of all students).</p> <table border="1"> <thead> <tr> <th>2021 Beginning of the Year</th> <th>All Other Boys</th> <th>All Other Girls</th> <th>Māori</th> <th>Totals</th> </tr> </thead> <tbody> <tr> <td>Year 2</td> <td>17</td> <td>12</td> <td>5 boys, 4 girls</td> <td>38</td> </tr> <tr> <td>Year 3</td> <td>21</td> <td>10</td> <td>1 boy, 1 girls</td> <td>33</td> </tr> <tr> <td>Year 4</td> <td>21</td> <td>17</td> <td>2 boys, 3 girls</td> <td>43</td> </tr> <tr> <td>Year 5</td> <td>17</td> <td>6</td> <td>2 boys, 0 girls</td> <td>25</td> </tr> <tr> <td>Year 6</td> <td>9</td> <td>2</td> <td>2 boys, 1 girl</td> <td>14</td> </tr> <tr> <td>Totals</td> <td>85</td> <td>47</td> <td>21 (12 boys, 9 girls)</td> <td>153</td> </tr> </tbody> </table>	2021 Beginning of the Year	All Other Boys	All Other Girls	Māori	Totals	Year 2	17	12	5 boys, 4 girls	38	Year 3	21	10	1 boy, 1 girls	33	Year 4	21	17	2 boys, 3 girls	43	Year 5	17	6	2 boys, 0 girls	25	Year 6	9	2	2 boys, 1 girl	14	Totals	85	47	21 (12 boys, 9 girls)	153
2021 Beginning of the Year	All Other Boys	All Other Girls	Māori	Totals																																
Year 2	17	12	5 boys, 4 girls	38																																
Year 3	21	10	1 boy, 1 girls	33																																
Year 4	21	17	2 boys, 3 girls	43																																
Year 5	17	6	2 boys, 0 girls	25																																
Year 6	9	2	2 boys, 1 girl	14																																
Totals	85	47	21 (12 boys, 9 girls)	153																																

	2021 End of the Year	All Other Boys	All Other Girls	Māori	Totals
	Year 2	15	9	3 boys, 4 girls	31
	Year 3	25	18	1 boy, 1 girl	45
	Year 4	17	12	3 boys, 3 girls	35
	Year 5	22	9	2 boys, 1 girl	34
	Year 6	8	1	2 boys, 1 girl	12
	Totals	87	49	21 (11 boys, 1 girls)	157

Summary at end of 2021:

At the end of 2021 the achievement data including years 2-6 shows that Writing is still our area of greatest need in relation to students achieving at the expected year level. As it stands, 98 boys (including Māori) are underachieving compared to 50 girls (including Māori). From years 1-6, Māori students compared to non-Māori students show that they are achieving at a lower rate (54% of our Māori students are achieving at the expected year level compared to 71% of all students).

Actions <i>What did we do?</i>	Outcomes <i>What happened?</i>	Reasons for the variance <i>Why did it happen?</i>	Evaluation <i>Where to next?</i>
<ul style="list-style-type: none"> • Across syndicate and school moderation of writing levels and student achievement • Tracked identified students using the Literacy Learning Progressions • Compiled a 'Priority Students' list for each class • Ran daily literacy programmes (terms 2-4) for targeted students using resources provided by the Covid fund. This meant teacher ratio of 1-5 for an hour per day • Provided a number of support programmes for our identified students requiring support, e.g. Forbes Robinson, Reading Recovery, Early Words, SPELD, ESOL, Phonics • Where possible, provided extra support to individuals or small groups using trained support staff 	<ul style="list-style-type: none"> • Many teachers reported that their targeted students had an improved attitude to writing and were more willing to undertake the writing process • At the end of 2021 it shows there are 157 students not achieving at the expected level. This number is almost the same as at the beginning of the year • By the end of year, 71% of our students, from year 2-6, were achieving at or above the expected curriculum level for Writing 	<ul style="list-style-type: none"> • Focused teaching of the at-risk students • Regular teacher conferencing • Ensuring that the struggling writers had sufficient scaffolding • Close monitoring of identified targeted children • Additional support from teacher aides for some of the targeted students • Utilising the available support programmes for Literacy (Forbes Robinson Reading, E.S.O.L Groups, Phonics Programme) • The effect of a Covid 19 related school closure, online learning and time to settle back into routines after this disruption 	<ul style="list-style-type: none"> • Utilise our involvement in the Kāhui Ako/Community of Learners to share best practise • Continue to target groups of students who are considered to best benefit from additional resources and those who have made improvements but are at risk of falling back • Continue to refine and apply strategies used in 2021 • Apply digital learning strategies to engage and activities covering variety of learning styles • Continue to focus on Māori underachievement in Literacy • Continue to focus on Boys underachievement in Literacy • Engage and consult with parents and caregivers early in the year and more regularly throughout the year
Planning for next year: 2022			
<p>Continue to focus on the students in the 'Working Towards, Approaching and Well Below' categories and use the Literacy Learning Progressions to monitor and set goals for all our students. Continue to focus on the needs of our identified Māori students along with boys who are underachieving and establish targets and goals to lift their achievement. Support Waimea Kāhui Ako/Community of Learners initiatives to raise achievement. Continue to utilise effective support programmes and initiatives for individual students, groups and whole class.</p>			

School Name:	Henley	School Number:	3194
---------------------	---------------	-----------------------	-------------

Strategic Aim In collaboration, the BOT and staff will provide the highest possible learning outcomes for our students.

Annual Aim: To reduce the number of negative behaviour incidents by taking part in our second year of the MOE Positive Behaviour for Learning (School Wide) programme.

Target: Decrease the number of schoolwide behaviour incidents by 20 percent (50 incidents)

Baseline Data: The end of year data for 2020 showed that we had 7 stand downs, 7 Red Book entries, 73 Orange Book entries and 168 Yellow Book entries. The majority of recorded behaviour incidents were committed by boys (90 percent v 10 percent for girls). Predominant year level for behaviour incidents is Year 5 students (2021 year 6 students).

2020 End of the year data	Stand downs	Red Book Incidents	Orange Book Incidents	Yellow Book Incidents	2020 End of the year totals	
Year 1	0	0	11	35	Year 1	46
Year 2	0	0	6	28	Year 2	34
Year 3	1	0	3	9	Year 3	13
Year 4	2	0	7	33	Year 4	42
Year 5	3	2	26	35	Year 5	66
Year 6	1	3	20	25	Year 6	49
Totals	7 Incidents (6 boys, 1 girl)	7 Incidents (all boys)	73 Incidents (33 boys, 1 girl)	165 Incidents (144 boys, 21 girls)	Total	250

2021 End of the year data	Stand downs	Red Book Incidents	Orange Book Incidents	Restorative Conversations	2021 End of the year totals	
Year 1	0	1	1	16	Year 1	18
Year 2	0	0	0	27	Year 2	27
Year 3	0	0	6	12	Year 3	18
Year 4	0	0	6	15	Year 4	21
Year 5	1	0	3	11	Year 5	15
Year 6	2	0	6	14	Year 6	22
Totals	3 Incidents (3 boys)	1 Incident (1 boy)	22 Incidents (22 boys)	95 Conversations (81 boys, 14 girls)	Total	121

Summary at end of 2021:

At the end of 2021, there had been a significant decrease in the number of Behaviour Book incidents recorded compared to 2020. In 2021, Stand downs were more than halved, there was only 1 Red Book (very serious behaviours) incident, Orange Book, (serious incidents) were down from 73 to 22 and Yellow Book (less serious incidents) were down from 165 to 95. Note that our Yellow Book was discontinued in 2021 and replaced with Restorative Conversations as part of the PB4L programme. Overall reduction in behaviour incidents by 48 percent (target 20 percent).

Actions <i>What did we do?</i>	Outcomes <i>What happened?</i>	Reasons for the variance <i>Why did it happen?</i>	Evaluation <i>Where to next?</i>
<ul style="list-style-type: none"> At the beginning of 2021 Henley School became a PB4L School We appointed a PB4L Team, attended Leaders Workshops and held training sessions for our whole staff throughout the year Data was gathered to guide our programme development We developed a consistent, schoolwide acknowledgement system that reflects culturally responsive practice Informed parents/whanau about the programme Teachers explicitly taught the values and behaviour expectations 	<ul style="list-style-type: none"> Staff were upskilled in positive reinforcement and to take a reflective, problem-solving approach to their own and student behaviour Staff worked on developing mutually respectful relationships with the tamariki and modelling the desired behaviours A decrease in negative behaviours across the school Students and staff became more aware of the Henley School Values and what they 'look like' in different areas of the school 	<ul style="list-style-type: none"> Whole staff training and buy in (Everyone, Everyday, Everywhere) A consistent and collaborative PB4L approach by all staff A deeper understanding by staff of why these behaviours may be occurring Using preventive strategies to create an environment that supports positive social and learning behaviour Supportive and informative leadership from the PB4L Lead Teachers Involving the students in creating the expectations of behaviour in the classroom and playground 	<ul style="list-style-type: none"> Undergo our second year in the PB4L programme Continue with the same, effective team leaders Further embed the programme in our school's culture

Planning for next year: 2022

Continue to develop our internal capability through Tier 1 PB4L professional development opportunities for our staff in 2022. Continue to develop and reinforce our High 5 values and positive behaviour management approach.



John Armstrong - Principal
BCom, BSc, BA (Hons), MA,
Dip Teaching, Dip Educational Management



**HENLEY SCHOOL
KIWISPORT
2021**

Students participated in organised sport. In 2021 the school received Kiwisport funding of \$7,410.37. The funding was spent on sports equipment and employing a Sports Co-ordinator.

INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF HENLEY SCHOOL (NELSON)'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

The Auditor-General is the auditor of Henley School (Nelson) (the School). The Auditor-General has appointed me, Michael Lee, using the staff and resources of Crowe, to carry out the audit of the financial statements of the School on his behalf.

Opinion

We have audited the financial statements of the School on pages 3 to 17, that comprise the Statement of Financial Position as at 31 December 2021, the Statement of Comprehensive Revenue and Expense, Statement of Changes in Net Assets/Equity and Cash Flow Statement 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 and our responsibilities relating to the financial statements, we comment on other information, and we explain our independence.

Basis for our opinion

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

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

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

Responsibilities of the Board for the financial statements

The Board is responsible on behalf of the School for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand.

The Board is responsible for such internal control as it determines is necessary to enable it to prepare financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Responsibilities of the auditor for the audit of the financial statements

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

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

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

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

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

- We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to

the date of our auditor's report. However, future events or conditions may cause the School to cease to continue as a going concern.

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

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

Our responsibilities arises from the Public Audit Act 2001.

Other information

The Board is responsible for the other information. The other information comprises the Analysis of Variance and Kiwisport Report, but does not include the financial statements, and our auditor's report thereon.

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

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

Independence

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

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



Michael Lee
Crowe New Zealand Audit Partnership
On behalf of the Auditor-General
Nelson, New Zealand