

FAIRHALL SCHOOL



ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

School Directory

Ministry Number: 2839

Principal: Debbie Stanger

School Address: 384 New Renwick Road, Fairhall, Blenheim, 7272

School Phone: 03 577 8939

School Email: office@fairhall.school.nz

FAIRHALL SCHOOL

Annual Financial Statements - For the year ended 31 December 2023

Index

Page	Statement
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
	Independent Auditor's Report

Fairhall School

Statement of Responsibility

For the year ended 31 December 2023

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 2023 fairly reflects the financial position and operations of the School.

The School's 2023 financial statements are authorised for issue by the Board.

Clive Dougall

Full Name of Presiding Member

Signed by:

68C43C956EE05481

Signature of Presiding Member

26 May 2024

Date:

Debbie Stanger

Full Name of Principal

Signed by:

0E4BF2A465CDC908

Signature of Principal

26 May 2024

Date:

Fairhall School

Members of the Board

For the year ended 31 December 2023

Name	Position	How Position Gained	Term Expired/ Expires
Clive Dougall	Presiding Member	Elected	May 2025
Debbie Stanger	Principal	ex Officio	
Rachel Roundhill	Parent Representative	Elected	May 2025
Steve Ross	Parent Representative	Elected	May 2025
Sarah Bishell	Parent Representative	Elected	Nov 2026
Matt Flight	Parent Representative	Elected	Nov 2023
Anna O' Hagan	Parent Representative	Elected	Nov 2026
Micheal Stringer	Staff Representative	Elected	May 2025

Fairhall School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2023

		2023	2023	2022
	Notes	Actual \$	Budget (Unaudited) \$	Actual \$
Revenue				
Government Grants	2	1,788,368	1,502,879	1,611,671
Locally Raised Funds	3	195,732	240,209	135,220
Interest		8,701	2,500	2,594
Total Revenue		1,992,801	1,745,588	1,749,485
Expenses				
Locally Raised Funds	3	25,121	13,500	8,332
Learning Resources	4	1,385,300	1,303,914	1,260,215
Administration	5	125,421	106,910	134,781
Interest		3,650	-	3,255
Property	6	492,044	355,700	389,465
Loss on Disposal of Property, Plant and Equipment		2,503	-	19,266
Total Expense		2,034,039	1,780,024	1,815,314
Net (Deficit) for the year		(41,238)	(34,436)	(65,829)
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		(41,238)	(34,436)	(65,829)

The above Statement of Comprehensive Revenue and Expense should be read in conjunction with the accompanying notes which form part of these financial statements.

Fairhall School

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2023

Notes	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Equity at 1 January	202,944	202,944	332,231
Total comprehensive revenue and expense for the year	(41,238)	(34,436)	(65,829)
Contribution - Furniture and Equipment Grant	9,973	-	6,008
Contribution - Te Mana Tuhono	18,382	-	-
(Distributions to) Ministry of Education	-	-	(69,466)
Equity at 31 December	190,061	168,508	202,944
Accumulated comprehensive revenue and expense	190,061	168,508	202,944
Equity at 31 December	190,061	168,508	202,944

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.



Fairhall School

Statement of Financial Position

As at 31 December 2023

		2023	2023	2022
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Current Assets				
Cash and Cash Equivalents	7	56,266	35,176	44,484
Accounts Receivable	8	88,067	80,601	80,601
GST Receivable		11,921	11,342	11,342
Prepayments		14,226	26,463	26,463
Investments	9	125,008	120,093	120,093
		<u>295,488</u>	<u>273,675</u>	<u>282,983</u>
Current Liabilities				
Accounts Payable	11	156,105	147,961	147,961
Revenue Received in Advance	12	25,211	39,674	39,674
Provision for Cyclical Maintenance	13	81,000	-	-
Finance Lease Liability	14	21,231	12,672	12,672
Funds held for Capital Works Projects	15	37,222	4,019	4,019
		<u>320,769</u>	<u>204,326</u>	<u>204,326</u>
Working Capital Surplus		(25,281)	69,349	78,657
Non-current Assets				
Property, Plant and Equipment	10	274,458	189,006	214,134
		<u>274,458</u>	<u>189,006</u>	<u>214,134</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	13	11,573	71,973	71,973
Finance Lease Liability	14	47,543	17,874	17,874
		<u>59,116</u>	<u>89,847</u>	<u>89,847</u>
Net Assets		<u>190,061</u>	<u>168,508</u>	<u>202,944</u>
Equity		<u>190,061</u>	<u>168,508</u>	<u>202,944</u>

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



Fairhall School

Statement of Cash Flows

For the year ended 31 December 2023

		2023	2023	2022
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
		\$	\$	\$
Cash flows from Operating Activities				
Government Grants		365,849	329,276	395,586
Locally Raised Funds		176,927	226,760	142,090
International Students		-	13,449	11,695
Goods and Services Tax (net)		(579)	-	6,358
Payments to Employees		(255,526)	(240,801)	(278,353)
Payments to Suppliers		(269,192)	(321,620)	(392,088)
Interest Paid		(3,650)	-	-
Interest Received		8,083	2,500	2,018
Net cash from/(to) Operating Activities		21,912	9,564	(112,694)
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment		(34,348)	(18,872)	(20,836)
Purchase of Investments		(4,915)	-	(14,825)
Net cash (to) Investing Activities		(39,263)	(18,872)	(35,661)
Cash flows from Financing Activities				
Furniture and Equipment Grant		9,973	-	6,008
(Distributions to) Ministry of Education		-	-	(69,466)
Finance Lease Payments		(14,043)	-	(16,025)
Funds Administered on Behalf of Other Parties		33,203	-	(40,714)
Net cash from/(to) Financing Activities		29,133	-	(120,197)
Net increase/(decrease) in cash and cash equivalents		11,782	(9,308)	(268,552)
Cash and cash equivalents at the beginning of the year	7	44,484	44,484	313,036
Cash and cash equivalents at the end of the year	7	56,266	35,176	44,484

The Statement of Cash Flows records only those cash flows directly within the control of the School. This means centrally funded teachers' salaries, use of land and buildings grant and expense, and other notional items 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.



Fairhall School

Notes to the Financial Statements

For the year ended 31 December 2023

1. Statement of Accounting Policies

1.1. Reporting Entity

Fairhall 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 statements have been prepared for the period 1 January 2023 to 31 December 2023 and in accordance with the requirements of the Education and Training Act 2020.

Basis of Preparation

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

Financial Reporting Standards Applied

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

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

Cyclical Maintenance

A school recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's best estimate of the cost of painting the school and when the school is required to be painted, based on an assessment of the school's condition. During the year, the Board assesses the reasonableness of its painting maintenance plan on which the provision is based. Cyclical maintenance is disclosed at note 13.

Useful lives of property, plant and equipment

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment as disclosed in the significant accounting policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 10.



Critical Judgements in applying accounting policies

Management has exercised the following critical judgements in applying accounting policies:

Classification of leases

Determining whether a lease is a finance lease or an operating lease requires judgement as to whether the lease transfers substantially all the risks and rewards of ownership to the school. A lease is classified as a finance lease if it transfers substantially all risks and rewards incidental to ownership of an underlying asset to the lessee. In contrast, an operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset to the lessee.

Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant, and equipment, whereas for an operating lease no such asset is recognised. Finance lease liability disclosures are contained in note 14. Future operating lease commitments are disclosed in note 20b.

Recognition of grants

The School reviews the grants monies received at the end of each reporting period and whether any require a provision to carry forward amounts unspent. The School believes all grants received have been appropriately recognised as a liability if required. Government grants are disclosed at note 2.

1.3. Revenue Recognition

Government Grants

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

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

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

Other Ministry Grants for directly funded programmes are recorded as revenue when the School has the rights to the funding in the period to which they relate. The grants are not received in cash by the School and are paid directly by the Ministry of Education.

The property from which the School operates is owned by the Crown and managed by the Ministry of Education on behalf of the Crown. Grants for the use of land and buildings are not received in cash by the School as they equate to the deemed expense for using the land and buildings which are owned by the Crown. The School's use of the land and buildings as occupant is based on a property occupancy document as gazetted by the Ministry. The expense is based on an assumed market rental yield on the value of land and buildings as used for rating purposes.

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

Other Grants where conditions exist

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

Donations, Gifts and Bequests

Donations, gifts and bequests are recognised as an asset and revenue when the right to receive funding or the asset has been established unless there is an obligation to return funds if conditions are not met. If conditions are not met funding is recognised as revenue in advance and recognised as revenue when conditions are satisfied.

Interest Revenue

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

1.4. 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.

1.5. 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.

1.6. Accounts Receivable

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

1.7. 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.

1.8. Property, Plant and Equipment

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

Improvements funded by the Board to buildings owned by the Crown or directly by the board are recorded at cost, less accumulated depreciation and impairment losses.

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

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

Finance Leases

A finance lease transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred. At the start of the lease term, finance leases are recognised as assets and liabilities in the statement of financial position at the lower of the fair value of the leased asset or the present value of the minimum lease payments. The finance charge is charged to the 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	20-40 years
Furniture and equipment	5-10 years
Information and communication technology	4-5 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value

1.9. Impairment of property, plant and equipment

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

Non cash generating assets

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

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

In determining fair value less costs to sell the school engages an independent valuer to assess market value based on the best available information.

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

The reversal of an impairment loss is recognised in the surplus or deficit. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable service amount since the last impairment loss was recognised.

1.10. 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.

1.11. Employee Entitlements

Short-term employee entitlements

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

Long-term employee entitlements

Employee benefits that are not expected to be settled wholly before 12 months after the end of the reporting period in which the employee provides the related service, such as retirement and long service leave, have been calculated on an actuarial basis.

The calculations are based on the likely future entitlements accruing to employees, based on years of service, years to entitlement, the likelihood that employees will reach the point of entitlement, and contractual entitlement information, and the present value of the estimated future cash flows. Remeasurements are recognised in the surplus or deficit in the period in which they arise.

1.12. 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 or grants are recorded as revenue as the obligations are fulfilled and the fees or grants are 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.

1.13. Funds held for Capital Works

The school directly receives funding from the Ministry of Education for capital works projects that are included in the School five year capital works agreement. These funds are held on behalf and for a specified purpose as such these transactions are not recorded in the Statement of Comprehensive Revenue and Expense.

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

1.14. Provision for Cyclical Maintenance

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

Cyclical maintenance, which involves painting of the School, makes up the most significant part of the Board's responsibilities outside the day-to-day maintenance. The provision is a reasonable estimate, based on the school's best estimate of the cost of painting the school and when the School is required to be painted, based on an assessment of the school's condition.

The School carries out painting maintenance of the whole school over a variety of periods in accordance with the conditional assessment of each area of the school. The economic outflow of this is dependent on the plan established by the School to meet this obligation and is detailed in the notes and disclosures of these accounts.

1.15. Financial Instruments

The School's financial assets comprise cash and cash equivalents, accounts receivable, and investments. All of these financial assets, except for investments that are shares, are initially recognised at fair value and subsequently measured at amortised cost, using the effective interest method.

The School's financial liabilities comprise accounts payable, and finance lease liability. Financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and any gain or loss on derecognition are recognised in surplus or deficit.

1.16. 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.

1.17. Budget Figures

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

1.18. 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

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Government Grants - Ministry of Education	404,818	363,993	348,266
Teachers' Salaries Grants	1,017,960	888,886	921,558
Use of Land and Buildings Grants	365,590	250,000	275,013
Other Government Grants	-	-	66,834
	<u>1,788,368</u>	<u>1,502,879</u>	<u>1,611,671</u>

3. Locally Raised Funds

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

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Revenue			
Donations & Bequests	132,079	175,560	102,778
Fees for Extra Curricular Activities	23,608	21,500	19,060
Trading	2,805	5,000	3,911
Fundraising & Community Grants	18,203	21,200	6,454
Other Revenue	4,082	3,500	3,017
International Student Fees	14,955	13,449	-
	<u>195,732</u>	<u>240,209</u>	<u>135,220</u>
Expenses			
Extra Curricular Activities Costs	24,620	3,500	1,034
Trading	501	5,000	7,298
Fundraising & Community Grant Costs	-	5,000	-
	<u>25,121</u>	<u>13,500</u>	<u>8,332</u>
<i>Surplus for the year Locally raised funds</i>	<u>170,611</u>	<u>226,709</u>	<u>126,888</u>

4. Learning Resources

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	99,996	161,150	72,466
Equipment Repairs	1,343	500	581
Information and Communication Technology	6,320	16,500	127
Library Resources	408	600	-
Employee Benefits - Salaries	1,211,868	1,075,664	1,127,073
Staff Development	19,809	5,500	10,136
Depreciation	45,556	44,000	49,832
	<u>1,385,300</u>	<u>1,303,914</u>	<u>1,260,215</u>

5. Administration

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	5,788	4,500	5,513
Board Fees	3,823	3,000	2,505
Board Expenses	6,124	500	12,312
Communication	3,698	1,700	2,248
Consumables	18,696	17,700	18,789
Other	2,257	3,870	3,289
Employee Benefits - Salaries	71,338	63,740	78,177
Insurance	8,053	7,900	7,670
Service Providers, Contractors and Consultancy	5,644	4,000	4,278
	<u>125,421</u>	<u>106,910</u>	<u>134,781</u>



6. Property

	2023	2023 Budget	2022
	Actual	(Unaudited)	Actual
	\$	\$	\$
Caretaking and Cleaning Consumables	1,353	1,500	1,541
Consultancy and Contract Services	36,659	31,400	34,030
Cyclical Maintenance	20,600	14,000	20,600
Grounds	3,583	5,700	6,561
Heat, Light and Water	19,730	15,000	16,689
Rates	637	600	620
Repairs and Maintenance	17,283	12,500	10,158
Use of Land and Buildings	365,590	250,000	275,013
Employee Benefits - Salaries	26,609	25,000	24,253
	<u>492,044</u>	<u>355,700</u>	<u>389,465</u>

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

7. Cash and Cash Equivalents

	2023	2023 Budget	2022
	Actual	(Unaudited)	Actual
	\$	\$	\$
Bank Accounts	56,266	35,176	44,484
Cash and Cash Equivalents for Statement of Cash Flows	<u>56,266</u>	<u>35,176</u>	<u>44,484</u>

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

Of the \$56,266 Cash and Cash Equivalents and \$125,008 Investments, \$37,222 is held by the School on behalf of the Ministry of Education. These funds have been provided by 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 2024 on Crown owned school buildings.

Of the \$56,266 Cash and Cash Equivalents and \$125,008 Investments, \$3,290 of unspent grant funding is held by the School. This funding is subject to conditions which specify how the grant is required to be spent. If these conditions are not met, the funds will need to be returned.

Of the \$56,266 Cash and Cash Equivalents and \$125,008 Investments, \$21,921 is Other received in advance as there are unfulfilled obligations for the School to provide services in the future.

8. Accounts Receivable

	2023	2023 Budget	2022
	Actual	(Unaudited)	Actual
	\$	\$	\$
Receivables	1,052	-	-
Interest Receivable	1,453	835	835
Teacher Salaries Grant Receivable	85,562	79,766	79,766
	<u>88,067</u>	<u>80,601</u>	<u>80,601</u>
Receivables from Exchange Transactions	2,505	835	835
Receivables from Non-Exchange Transactions	85,562	79,766	79,766
	<u>88,067</u>	<u>80,601</u>	<u>80,601</u>

9. Investments

The School's investment activities are classified as follows:

	2023	2023 Budget	2022
	Actual	(Unaudited)	Actual
	\$	\$	\$
Current Asset			
Short-term Bank Deposits	125,008	120,093	120,093
Total Investments	<u>125,008</u>	<u>120,093</u>	<u>120,093</u>



10. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2023	\$	\$	\$	\$	\$	\$
Building Improvements	31,686	-	-	-	(2,108)	29,578
Furniture and Equipment	127,694	34,308	-	-	(19,900)	142,102
Information and Communication Technology	17,576	18,382	-	-	(5,069)	30,889
Leased Assets	29,859	55,653	-	-	(17,871)	67,641
Library Resources	7,319	40	(2,503)	-	(608)	4,248
Balance at 31 December 2023	214,134	108,383	(2,503)	-	(45,556)	274,458

The net carrying value of equipment held under a finance lease is \$67,641 (2022: \$29,859)

Restrictions

With the exception of the contractual restrictions relating to the above noted finance leases, there are no other restrictions over the title of the school's property, plant and equipment, nor are any property, plant and equipment pledged as security for liabilities.

	2023 Cost or Valuation	2023 Accumulated Depreciation	2023 Net Book Value	2022 Cost or Valuation	2022 Accumulated Depreciation	2022 Net Book Value
	\$	\$	\$	\$	\$	\$
Building Improvements	108,674	(79,096)	29,578	108,674	(76,988)	31,686
Furniture and Equipment	515,009	(372,907)	142,102	480,701	(353,007)	127,694
Information and Communication Technology	117,219	(86,330)	30,889	98,837	(81,261)	17,576
Leased Assets	94,581	(26,940)	67,641	54,614	(24,755)	29,859
Library Resources	21,620	(17,372)	4,248	32,797	(25,478)	7,319
Balance at 31 December	857,103	(582,645)	274,458	775,623	(561,489)	214,134

11. Accounts Payable

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Creditors	20,772	16,052	16,052
Accruals	3,939	3,763	3,763
Banking Staffing Overuse	29,867	34,717	34,717
Employee Entitlements - Salaries	96,370	91,500	91,500
Employee Entitlements - Leave Accrual	5,157	1,929	1,929
	<u>156,105</u>	<u>147,961</u>	<u>147,961</u>
Payables for Exchange Transactions	156,105	147,961	147,961
	<u>156,105</u>	<u>147,961</u>	<u>147,961</u>

The carrying value of payables approximates their fair value.

12. Revenue Received in Advance

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Grants in Advance - Ministry of Education	3,290	-	-
International Student Fees in Advance	-	14,955	14,955
Other Revenue in Advance	21,921	24,719	24,719
	<u>25,211</u>	<u>39,674</u>	<u>39,674</u>



13. Provision for Cyclical Maintenance

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Provision at the Start of the Year	71,973	71,973	51,373
Increase to the Provision During the Year	20,600	14,000	20,600
Use of the Provision During the Year	-	(14,000)	-
Provision at the End of the Year	92,573	71,973	71,973
Cyclical Maintenance - Current	81,000	-	-
Cyclical Maintenance - Non current	11,573	71,973	71,973
	92,573	71,973	71,973

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

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:

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
No Later than One Year	26,472	14,969	14,969
Later than One Year and no Later than Five Years	54,078	19,647	19,647
Future Finance Charges	(11,776)	(4,070)	(4,070)
	68,774	30,546	30,546
Represented by:			
Finance lease liability - Current	21,231	12,672	12,672
Finance lease liability - Non current	47,543	17,874	17,874
	68,774	30,546	30,546

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. The amount of cash held on behalf of the Ministry for capital works project is included under cash and cash equivalents in note 7.

2023	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions \$	Closing Balances \$
UNC: Site: Pump Upgrade - 235781	4,019	4,124	(7,243)	-	900
AMS Comb: B;C;L: Roofing replacement - 237618	-	62,062	(25,740)	-	36,322
Totals	4,019	66,186	(32,983)	-	37,222

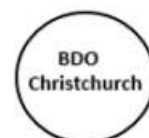
Represented by:

Funds Held on Behalf of the Ministry of Education 37,222

2022	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions \$	Closing Balances \$
SIP Combined: A;B: Roof replacement & Fire occupancy - 208797	30,528	154,961	(254,955)	69,466	-
Site: P2 Lights; Camera; Signage - 232250	14,205	-	(14,205)	-	-
UNC: Site: Pump Upgrade - 235781	-	10,114	(6,095)	-	4,019
Totals	44,733	165,075	(275,255)	69,466	4,019

Represented by:

Funds Held on Behalf of the Ministry of Education 4,019



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.

	2023 Actual \$	2022 Actual \$
<i>Board Members</i>		
Remuneration	3,823	2,505
<i>Leadership Team</i>		
Remuneration	369,463	256,642
Full-time equivalent members	3.00	2.00
Total key management personnel remuneration	373,286	259,147

There are six members of the Board excluding the Principal. The Board had held seven full meetings of the Board in the year. The Board also has Finance and Property that meet monthly and quarterly respectively. As well as these regular meetings, including preparation time, the Presiding Member and other Board members have also been involved in ad hoc meetings to consider student welfare matters including stand downs, suspensions, and other disciplinary matters.

Principal

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

	2023 Actual \$000	2022 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	140-150	130-140
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	2023 FTE Number	2022 FTE Number
100 -110	2.00	-
110 -120	1.00	1.00
	3.00	1.00

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 members, or employees during the financial year in relation to that cessation and number of persons to whom all or part of that total was payable was as follows:

	2023 Actual \$	2022 Actual \$
Total	-	-
Number of People	-	-



19. Contingencies

There are no contingent liabilities and no contingent assets except as noted below as at 31 December 2023 (Contingent liabilities and assets at 31 December 2022: 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 continues to review the schools sector payroll to ensure compliance with the Holidays Act 2003. An initial remediation payment has been made to some current school employees. The Ministry is continuing to perform detailed analysis to finalise calculations and the potential impacts of specific individuals, as such this is expected to resolve the liability for school boards.

Pay Equity Settlement Wash Up amounts

In 2023 the Ministry of Education provided additional funding for non-teaching collective and pay equity agreements. The School is yet to receive a final wash up that adjusts the estimated quarterly instalments for the actual eligible staff members employed in 2023. The Ministry is in the process of determining wash up payments or receipts for the year ended 31 December 2023 however as at the reporting date this amount had not been calculated and therefore is not recorded in these financial statements.

20. Commitments

(a) Capital Commitments

At 31 December 2023, the Board had capital commitments of \$37,221 (2022:\$nil) as a result of entering the following contracts:

Contract Name	Contract Amount	Spend To Date	Remaining Capital Commitment
	\$	\$	\$
UNC: Site: Pump Upgrade - 235781	14,238	13,339	899
AMS Comb: B;C;L: Roofing replacement - 237618	62,062	25,740	36,322
Total	76,300	39,079	37,221

(b) Operating Commitments

As at 31 December 2023 the Board has not entered into any operating contracts.

(Operating commitments at 31 December 2022: 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

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Cash and Cash Equivalents	56,266	35,176	44,484
Receivables	88,067	80,601	80,601
Investments - Term Deposits	125,008	120,093	120,093
Total Financial assets measured at amortised cost	<u>269,341</u>	<u>235,870</u>	<u>245,178</u>

Financial liabilities measured at amortised cost

Payables	156,105	147,961	147,961
Finance Leases	68,774	30,546	30,546
Total Financial liabilities measured at amortised Cost	<u>224,879</u>	<u>178,507</u>	<u>178,507</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.





Statement of Variance for Reading, Writing & Mathematics 2023

EOY Data Summary 2023

At Fairhall School we are beginning to focus on the progress students make, as well as their achievement. Our assessment criteria are now aligned with Piritahi Kahui Ako and are in line with MOE interpretations of how curriculum levels are related to year levels.

A curriculum level is condensed into 2 years, rather than covered over approximately three years as in the past, as shown in the table below.

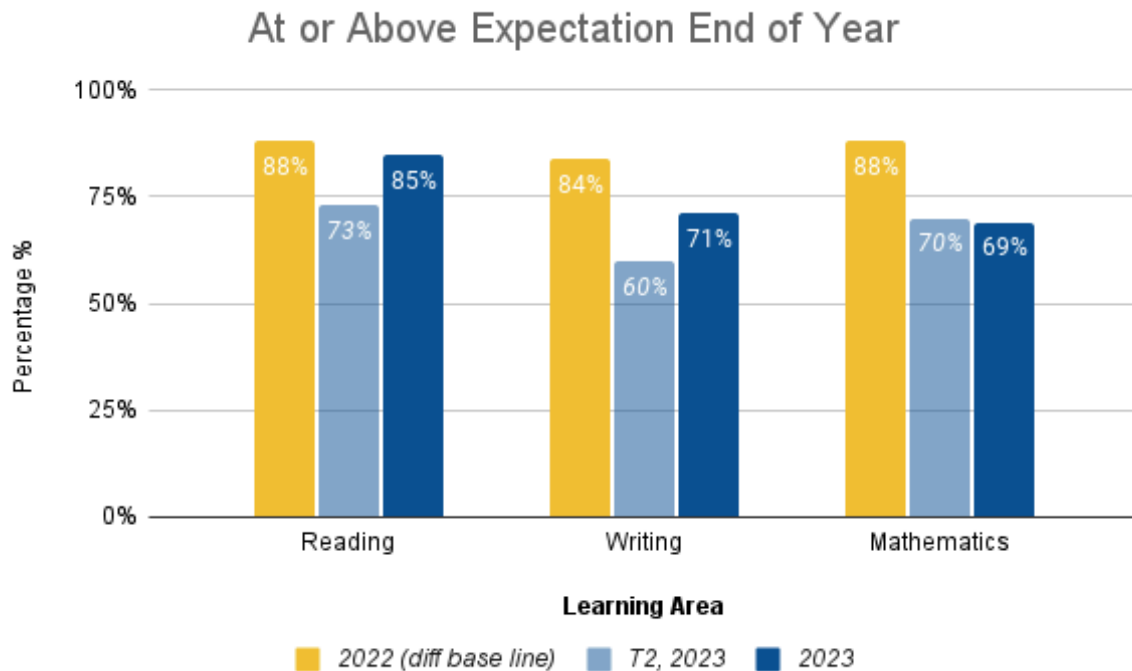
End of Year Expected Curriculum Levels (aligned to Piritahi Kahui Ako levels)							
Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
Middle Level 1	End Level 1	Middle Level 2	End Level 2	Middle Level 3	End Level 3	Middle Level 4	End Level 4

This is the first year that we have been specifically assessing against these revised “expected” levels. [Graph 1](#) below shows the results in Reading, Writing and Mathematics for this year (blue) against last year (yellow). It’s important to note that the 2022 results did *not reflect the same data measure against the Piritahi levels*, which we are now working to and will be reporting against going forward. Hence the data is down from the 2022 results.

Whole school data and analysis is shown on the tables and graphs below. It is important to focus on the shifts in progress rather than just the achievement level, and Piritahi Kahui Ako will be able to provide this analysis for us. They are in the process of gathering end-of-year data on all 21 schools and will be able to compare the end of 2022 with the end of 2023 data, as well as compare Fairhall School with other schools in Piritahi Kahui Ako. Both progress and achievement will be analysed.

At the time of gathering the data, we had a total school roll of 190 students. The data presented in [Graph 1](#) is based on 180 students in Years 1-8. The 10 students who have been excluded from the data are New Entrants or students who have been at our school for less than 6 weeks.

Graph 1



Graph 1 shows progress over one year. The 2022 data is not aligned to the Piritahi Levels. The 2023 data is measured against the Piritahi agreed levels (*Mid year data included for comparison*). The data also contains all special needs students.

Mathematics (69%) is currently our lowest-achieving area, followed by Writing (71%) and Reading (85%). All are below the expected level of 90% which has been our target for 2023.

As per our Reporting Timeline, we held Learning Conferences at the end of Term 1. We had a written Mid Year Report at the end of Term 2, followed by Learning Conferences at the start of Term 3. The End of Year written reports will be shared with whānau in the last week of term. Both reports contain information on the key competencies related to our PRIDE Value, a comprehensive General Comment, Next Steps for the mid year and a learning comment for the end of the year. Both have the current OTJ work *at level* and a graph explaining this level.

These tables give more detail across the different levels of the school.

Reading

All students

Reading Term 4 - 2023 - Student Grid

Split By: Year Level

Search:

	Well Below	Below	At	Above
0	0%	0%	100%	0%
1	0%	0%	80%	20%
2	9%	13%	61%	17%
3	10%	14%	57%	19%
4	0%	23%	19%	58%
5	0%	0%	63%	37%
6	10%	10%	67%	14%
7	14%	0%	79%	7%
8	11%	7%	50%	32%

Writing

All Students

Writing Term 4 - 2023 - Student Grid

Split By: Year Level

Search:

	Well Below	Below	At	Above
0	0%	0%	100%	0%
1	0%	0%	90%	10%
2	4%	13%	78%	4%
3	10%	24%	52%	14%
4	8%	42%	15%	35%
5	11%	11%	67%	11%
6	19%	38%	24%	19%
7	21%	0%	71%	7%
8	7%	18%	57%	18%

Mathematics

All students

Math Term 4 - 2023 - Student Grid

Split By: Year Level

Search:

	Well Below	Below	At	Above
0	0%	0%	78%	22%
1	0%	0%	70%	30%
2	0%	17%	57%	26%
3	14%	33%	33%	19%
4	15%	19%	35%	31%
5	0%	11%	78%	11%
6	14%	43%	29%	14%
7	7%	29%	57%	7%
8	17%	28%	38%	17%

Key findings for the data

Year levels

Year level	Y0	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	All Levels
% At or Above Expectation										
Reading	100%	100%	78%	76%	77%	100%	81%	86%	82%	85%
Writing	100%	100%	82%	66%	50%	78%	43%	78%	75%	71%
Mathematics	100%	100%	83%	52%	66%	89%	43%	64%	55%	69%

- Reading - all levels are achieving between 76% and 100% at or above expectation. Year 0 can only be 100% as they have not been at school long enough to be below. 100% in Year 5 seems high.
- Writing - full report targeted writing report shared with board
[FS Writing Report to the Board November 2023](#) goes into details on this area.
- Mathematics - The Y3, Y4, Y6 & Y8 data is particularly low.
- General comments
 - At all levels there are quite significant variations between achievement in the three areas of Reading, Writing and Mathematics.
 - Reading levels in Years 1-2 are higher than reading at other levels. This could be attributed to the Structured Literacy Approach (BSLA) which is a relatively new way of teaching reading to new entrants and juniors that the school has undertaken professional development on over the past two years.
 - In 2023 Mathematics will become our target area as we made the least amount of improvement in this area.

Gender

- This year we have slightly more females (96) than males (94)
- Reading - females are achieving slightly higher than males, approx 89% to 81%
- Writing - there is a significant difference in this area, females 83% to males 62%

- Mathematics - males are achieving higher 77% than females 64%.

Ethnicity

Year level	Asian (4)	Māori (16)	MELAA Middle Eastern/Latin American/African (5)	NZ Europeans (152)	Other (12)
% At or Above Expectation					
Reading	100%	82%	60%	87%	75%
Writing	75%	75%	20%	74%	50%
Mathematics	80%	69%	20%	71%	58%

- Reading - NZ European are achieving slightly higher 87% than Māori students 82%
- Writing - Here Māori are achieving slightly higher 75% to 74%, not statistically significant.
- Mathematics - Māori are achieving slightly less 69% than NZ Europeans 71%

Writing Annual Achievement Targets 2023

Refer to the [FS Writing Report to the Board November 2023](#)

Discussion for MOE Target Students 2024

Analysis of school-wide Mathematics Data from November 2023 identified some needs across a range of cohorts (see the table below). The data showed that overall 69% of students were achieving At or Above their expected Mathematics level according to the Piritahi Kahui Ako curriculum level interpretations. These interpretations are based on a curriculum level being covered in two years so the expectations are higher than in past years.

End of Year 2023							
Below or Well Below Expectations	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Number	0	4	10	9	3	12	5
%	0%	17%	47%	34%	11%	57%	45%

The table above shows that areas of most need at the end of 2023 were Y3, Y4, Y6 & Y7.

The proposed MOE Achievement Target for *next year* will be:

- ***Students achieving below their expected level for Mathematics in Years 4, 5, 7 & 8 will make accelerated progress (i.e. 2 or more sub-level shifts) by the end of 2024.***

Recommendations for 2024

In line with our data and Piritahi Kahui Ako (CoL), we will focus on our proposed strategic goals which relate to *Teaching & Learning* (student progress and achievement, strengthening teacher /leadership capability), *Hauora* (well-being), and *Cultural connections*.

As we are a Y1-8 school the core foundation areas of Reading, Writing and Mathematics will always be central to our teaching and learning programmes, and will continually be areas for development.

Next year we will focus on improving teacher capability and student progress and achievement in Mathematics. As discussed above Mathematics will be our MOE achievement target area. We will also be focusing on ensuring the Structured Literacy Programme becomes more embedded and teachers higher up the school explore how to implement this at that level. We will begin Tier 1 PB4L-SW Positive Behaviour for Learning - School-Wide and continue developing our local Fairhall School curriculum.

Compiled by Debbie Stanger

November 2023



Fairhall School

Fairhall PRIDE | Te ara ki te hiranga | Pathway to excellence

KiwiSport Funding 2023

Kiwisport is a Government funding initiative to support students' participation in organised sport. In 2023, the school received a total Kiwisport funding of \$2,754.20 (excluding GST).

The funding was spent on developing ball and game skills, purchasing sports equipment and assisting teams to participate in tournaments, including transportation of sports teams to and from venues.

The number of students participating in organised sport was between 180 and 200.

Signed:

Debbie Stanger
Tumuaki - Fairhall School

Fairhall School Compliance with Education and Training Act 2020 requirements to be a good employer for the year ending 31 December 2023.

The following questions address key aspects of compliance with a good employer policy:

Reporting on the principles of being a Good Employer	
How have you met your obligations to provide good and safe working conditions?	Yes
What is in your equal employment opportunities programme? How have you been fulfilling this programme?	<p>The board:</p> <ul style="list-style-type: none"> ● appoints a member to be the EEO officer – this role may be taken by the principal ● shows commitment to equal opportunities in all aspects of employment including recruitment, training, promotion, conditions of service, and career development ● selects the person most suited to the position in terms of skills, experience, qualifications, and aptitude ● recognises the value of diversity in staffing (for example, ethnicity, age, gender, disability, tenure, hours of work, etc.) and the employment requirements of diverse individuals/groups ● ensures that employment and personnel practices are fair and free of any bias. <p>By adhering to the practices outlined above. The Principal is the delegated EEO and is appointed annually at our Feb Board Meeting.</p> <p>Follows a fair employment process with key criteria determined before advertising the position.</p>
How do you practise an impartial selection of suitably qualified persons for an appointment?	<p>We look at the key criteria determined for the position and rate applicants accordingly. We always follow an appointment procedure and have an appointment committee to ensure procedures are correctly followed.</p>

How are you recognising, <ul style="list-style-type: none"> - The aims and aspirations of Maori, - The employment requirements of Maori, and - Greater involvement of Maori in the Education service? 	We undertake PD related to Māori aspirations including NZSTA training eg Te Tiriti o Waitangi
How have you enhanced the abilities of individual employees?	Schoolwide and individual professional development opportunities. Induction programme.
How are you recognising the employment requirements of women?	Following good practices such as hygiene products in toilets, holding positions open for maternity leave, flexible return to work options, EAP Services, etc.
How are you recognising the employment requirements of persons with disabilities?	Following good practices such as being inclusive and meeting their needs as much as possible eg ramps and disability access to all rooms, included in emergency procedures, hearing and vision aides as required, disability parking, EAP services, etc.

Good employer policies should include provisions for an Equal Employment Opportunities (EEO) programme/policy . The Ministry of Education monitors these policies:

Reporting on Equal Employment Opportunities (EEO) Programme/Policy	YES	NO
Do you operate an EEO programme/policy?	✓	
Has this policy or programme been made available to staff?	✓	
Does your EEO programme/policy include training to raise awareness of issues that may impact EEO?	✓	
Has your EEO programme/policy appointed someone to coordinate compliance with its requirements?	✓	
Does your EEO programme/policy provide for regular reporting on compliance with the policy and/or achievements under the policy?	✓	
Does your EEO programme/policy set priorities and objectives?	✓	



FAIRHALL SCHOOL

Fairhall PRIDE | Te ara ki te hiranga | Pathway to excellence

Te Tiriro o Waitangi Report 2023

Fairhall School has given effect to Te Tiriro o Waitangi through:

Using **Ngā Kawatau me ngā Tūmanakotanga o Te Tauihu** – Our Iwi Aspirations as a taonga and referring to it and using it to help guide us during decision making and planning.

Strategic planning goals and resourcing (4 Management Units) are based on Teaching & Learning, Hauora & Cultural Connections. **Data and reporting analysis** includes a breakdown of all learners based on ethnicity to ensure equitable outcomes for Māori learners vs the whole. We are an active part of the **Piritahi Kahui Ako** which has a framework based around **Ka Hikitia domains, equity, excellent, belonging, Hauora and Mauri Ora. Kapa Haka opportunities** for our whole kura along with **Te Reo** opportunities for students with our Kuia. We have **representation of Māori on our Board**. We actively **engage our whānau** with Kanohi ki te Kanohi, Matariki, Hāngi, Whānau Hui. Board attendance at a **Regional Hui** with a focus on Ka Hikitia facilitated by our Kahui Ako through Poutama Pounamu.

December 2023

INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF FAIRHALL SCHOOL SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

The Auditor-General is the auditor of Fairhall School (the School). The Auditor-General has appointed me, Warren Johnstone, using the staff and resources of BDO Christchurch, to carry out the audit of the financial statements of the School on his behalf.

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 2023, 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.

Qualified opinion

In our opinion, except for the matter described in the Basis for our qualified opinion section of our report, the financial statements of the School:

- present fairly, in all material respects:
 - its financial position as at 31 December 2023; 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 26 May 2024. This is the date at which our opinion is expressed.

The basis for our qualified 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 qualified opinion - provision for cyclical maintenance

The School has an obligation to keep the land and buildings in good order and repair. The Statement of Financial Position on page 5 includes a provision for cyclical maintenance which totals \$92,573 (2022: \$71,973.) We have not been able to obtain sufficient evidence to support the provision recorded in 2023 and 2022. There are no practical audit procedures to determine the effect of this absence of evidence.

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 arise from section 134 of the Education and Training Act 2020.

Responsibilities of the auditor for the audit of the financial statements

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

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

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

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

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

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

- We assess the risk of material misstatement arising from the school payroll system, which may still contain errors. As a result, we carried out procedures to minimise the risk of material errors arising from the system that, in our judgement, would likely influence readers' overall understanding of the financial statements.

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

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Board is responsible for the other information. The other information comprises the Statement of Responsibility, Members of the Board Listing, Report on compliance with good employer requirements, Analysis of variance, Te Tiriro o Waitangi Report and the Kiwisport Funding Report, but does not include the financial statements, and our auditor's report thereon.

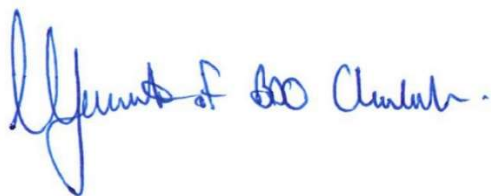
Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

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 (including International Independence Standards) (New Zealand) (PES 1) issued by the New Zealand Auditing and Assurance Standards Board.

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



Warren Johnstone,
BDO Christchurch
On behalf of the Auditor-General
Christchurch, New Zealand