

# DONOVAN PRIMARY



## ANNUAL REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2020

School Directory

Ministry Number:	2119
Principal:	Peter Hopwood
School Address:	200 Drury Lane, Waikiwi, Invercargill
School Postal Address:	200 Drury Lane, Grasmere, Invercargill, 9810
School Phone:	03 215 9664
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# DONOVAN PRIMARY

Annual Report - For the year ended 31 December 2020

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# Donovan Primary

## Statement of Responsibility

For the year ended 31 December 2020

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

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

It is the opinion of the Board and management that the annual financial statements for the financial year ended 31 December 2020 fairly reflects the financial position and operations of the School.

The School's 2020 financial statements are authorised for issue by the Board.

Jill May Wilkinson  
Full Name of Board Chairperson

Peter Joseph Hopwood  
Full Name of Principal

JM Wilkinson  
Signature of Board Chairperson

P Hopwood  
Signature of Principal

31/05/21  
Date:

31/5/21  
Date:

# Donovan Primary

## Members of the Board of Trustees

For the year ended 31 December 2020

<b>Name</b>	<b>Position</b>	<b>How Position Gained</b>	<b>Held Until</b>
Jill Wilkinson	Chairperson	Elected	Jun 2022
Peter Hopwood	Principal	ex Officio	
Aaron Kerr	Parent Rep	Elected	Jun 2022
Scott Forbes	Parent Rep	Elected	Jun 2022
Tristan Duffell	Parent Rep	Elected	Jun 2022
Karen Hargest	Parent Rep	Elected	Jun 2022
Karen Leadley	Staff Rep	Elected	Jun 2022

**Donovan Primary**  
**Statement of Comprehensive Revenue and Expense**  
For the year ended 31 December 2020

		2020	2020	2019
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
<b>Revenue</b>				
Government Grants	2	3,472,357	2,739,280	3,290,224
Locally Raised Funds	3	75,832	118,700	93,507
Interest Income		18,385	15,000	24,543
		<u>3,566,574</u>	<u>2,872,980</u>	<u>3,408,274</u>
<b>Expenses</b>				
Locally Raised Funds	3	30,560	32,800	38,864
Learning Resources	4	2,249,390	1,630,838	2,204,928
Administration	5	158,834	152,937	158,822
Finance		1,687	-	2,137
Property	6	934,695	849,358	900,670
Depreciation	7	96,798	98,500	91,061
Loss on Disposal of Property, Plant and Equipment		1,619	-	3,054
		<u>3,473,583</u>	<u>2,764,433</u>	<u>3,399,536</u>
<b>Net Surplus / (Deficit) for the year</b>		92,991	108,547	8,738
Other Comprehensive Revenue and Expenses		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<u>92,991</u>	<u>108,547</u>	<u>8,738</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.

**Donovan Primary**  
**Statement of Changes in Net Assets/Equity**

For the year ended 31 December 2020

	Notes	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
<b>Balance at 1 January</b>		<u>1,356,248</u>	<u>1,356,248</u>	<u>1,430,394</u>
Total comprehensive revenue and expense for the year		92,991	108,547	8,738
Capital Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		14,109	-	-
Contribution From Board		-	-	(82,884)
<b>Equity at 31 December</b>	22	<u>1,463,348</u>	<u>1,464,795</u>	<u>1,356,248</u>
Retained Earnings		1,463,348	1,464,795	1,356,248
<b>Equity at 31 December</b>		<u>1,463,348</u>	<u>1,464,795</u>	<u>1,356,248</u>

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.

# Donovan Primary

## Statement of Financial Position

As at 31 December 2020

		2020	2020	2019
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
<b>Current Assets</b>				
Cash and Cash Equivalents	8	220,062	583,730	376,683
Accounts Receivable	9	157,241	144,567	144,567
GST Receivable		8,341	12,892	12,892
Prepayments		11,797	5,533	5,533
Investments	10	722,745	620,351	620,351
Funds owing for Capital Works Projects	16	-	6,370	6,370
		<u>1,120,186</u>	<u>1,373,443</u>	<u>1,166,396</u>
<b>Current Liabilities</b>				
Accounts Payable	12	203,449	209,760	209,760
Revenue Received in Advance	13	4,137	4,192	4,192
Provision for Cyclical Maintenance	14	55,714	25,536	25,536
Finance Lease Liability - Current Portion	15	11,798	18,220	18,220
Funds held for Capital Works Projects	16	-	194,388	194,388
		<u>275,098</u>	<u>452,096</u>	<u>452,096</u>
<b>Working Capital Surplus/(Deficit)</b>		845,088	921,347	714,300
<b>Non-current Assets</b>				
Property, Plant and Equipment	11	697,435	596,391	694,891
		<u>697,435</u>	<u>596,391</u>	<u>694,891</u>
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	14	65,511	27,480	27,480
Finance Lease Liability	15	13,664	25,463	25,463
		<u>79,175</u>	<u>52,943</u>	<u>52,943</u>
<b>Net Assets</b>		<u>1,463,348</u>	<u>1,464,795</u>	<u>1,356,248</u>
<b>Equity</b>	22	<u>1,463,348</u>	<u>1,464,795</u>	<u>1,356,248</u>

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

**Donovan Primary**  
**Statement of Cash Flows**  
For the year ended 31 December 2020

		2020	2020	2019
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
		\$	\$	\$
<b>Cash flows from Operating Activities</b>				
Government Grants		868,701	644,529	723,953
Locally Raised Funds		75,777	118,700	105,444
Goods and Services Tax (net)		4,551	-	(6,972)
Payments to Employees		(440,830)	(288,700)	(434,336)
Payments to Suppliers		(294,475)	(282,482)	(182,099)
Interest Received		22,937	15,000	27,749
Net cash from/(to) Operating Activities		236,661	207,047	233,739
<b>Cash flows from Investing Activities</b>				
Purchase of Property Plant & Equipment (and Intangibles)		(100,961)	-	(35,211)
Purchase of Investments		(102,394)	-	-
Net cash from/(to) Investing Activities		(203,355)	-	(35,211)
<b>Cash flows from Financing Activities</b>				
Furniture and Equipment Grant		14,109	-	-
Capital Works - Contribution from Board		-	-	(82,884)
Finance Lease Payments		(16,018)	-	(14,545)
Funds held for Capital Works Projects		(188,018)	-	105,135
Net cash from/(to) Financing Activities		(189,927)	-	7,706
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(156,621)</b>	<b>207,047</b>	<b>206,234</b>
Cash and cash equivalents at the beginning of the year	8	376,683	376,683	170,449
<b>Cash and cash equivalents at the end of the year</b>	<b>8</b>	<b>220,062</b>	<b>583,730</b>	<b>376,683</b>

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

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





# Donovan Primary

## Notes to the Financial Statements

For the year ended 31 December 2020

### 1. Statement of Accounting Policies

#### 1.1. Reporting Entity

Donovan Primary (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 of Trustees (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 2020 to 31 December 2020 and in accordance with the requirements of the Public Finance Act 1989.

##### **Basis of Preparation**

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

##### **Financial Reporting Standards Applied**

The Education 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.

##### **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 11.

##### **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 14.

### **Critical Judgements in applying accounting policies**

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

#### *Classification of leases*

Determining whether a lease is a finance lease or an operating lease requires judgement as to whether the lease transfers substantially all the risks and rewards of ownership to the school. Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant, and equipment, whereas for an operating lease no such asset is recognised.

#### *Recognition of grants*

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

### **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.

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

#### **Other Grants**

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

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

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

#### **Interest Revenue**

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

### **1.4. Use of Land and Buildings Expense**

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

### **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	10–20 years
Furniture and equipment	2–50 years
Information and communication technology	4–5 years
Leased assets held under a Finance Lease	3–5 years
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 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. Employment 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.

### **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. Provision for Cyclical Maintenance**

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

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

### **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 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, 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.

### **1.16. 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 finance leases.

### **1.17. 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.

### **1.18. Budget Figures**

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

### **1.19. 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

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Operational Grants	731,991	592,729	587,827
Teachers' Salaries Grants	1,908,780	1,400,000	1,887,864
Use of Land and Buildings Grants	668,651	668,651	688,064
Other MoE Grants	156,446	77,900	123,050
Other Government Grants	6,489	-	3,419
	<u>3,472,357</u>	<u>2,739,280</u>	<u>3,290,224</u>

The School has opted in to the donations scheme for this year. Total amount received was \$63,900.

Other MOE Grants total includes additional COVID-19 funding totalling \$33,552 for the year ended 31 December 2020.

## 3. Locally Raised Funds

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

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
<b>Revenue</b>			
Donations	24,284	78,000	21,669
Fundraising	7,870	-	14,606
Bequests & Grants	12,337	12,000	12,771
Other Revenue	4,428	(3,100)	11,262
Trading	4,399	4,000	3,493
Activities	22,514	27,800	29,706
	<u>75,832</u>	<u>118,700</u>	<u>93,507</u>
<b>Expenses</b>			
Activities	20,386	28,800	24,290
Trading	3,233	4,000	2,970
Fundraising (Costs of Raising Funds)	6,941	-	11,604
	<u>30,560</u>	<u>32,800</u>	<u>38,864</u>
<i>Surplus for the year Locally raised funds</i>	<u>45,272</u>	<u>85,900</u>	<u>54,643</u>

## 4. Learning Resources

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Curricular	44,593	66,138	40,831
Information and Communication Technology	8,044	6,800	11,749
Library Resources	1,622	6,800	2,707
Employee Benefits - Salaries	2,185,245	1,540,300	2,143,373
Staff Development	9,886	10,800	6,268
	<u>2,249,390</u>	<u>1,630,838</u>	<u>2,204,928</u>

## 5. Administration

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Audit Fee	4,590	5,124	4,456
Board of Trustees Fees	4,675	5,355	5,690
Board of Trustees Expenses	2,383	4,600	8,108
Communication	3,029	4,000	3,561
Consumables	12,844	13,800	14,608
Operating Lease	8,039	8,000	19,520
Other	10,012	11,060	11,767
Employee Benefits - Salaries	97,798	92,500	81,321
Insurance	4,990	6,000	4,911
Service Providers, Contractors and Consultancy	10,474	2,498	4,880
	<u>158,834</u>	<u>152,937</u>	<u>158,822</u>

## 6. Property

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Caretaking and Cleaning Consumables	21,547	21,000	20,270
Cyclical Maintenance Provision	68,209	-	21,084
Grounds	16,977	12,900	11,878
Heat, Light and Water	29,342	26,000	28,876
Rates	4,434	3,900	4,012
Repairs and Maintenance	30,500	33,407	42,098
Use of Land and Buildings	668,651	668,651	688,064
Security	1,361	1,500	1,452
Employee Benefits - Salaries	93,674	82,000	82,936
	<u>934,695</u>	<u>849,358</u>	<u>900,670</u>

The Use of Land and Buildings figure represents 8% 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. Depreciation of Property, Plant and Equipment

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Building Improvements	37,180	40,000	36,613
Furniture and Equipment	18,746	20,000	20,390
Information and Communication Technology	20,405	20,000	18,908
Leased Assets	17,873	15,000	12,583
Library Resources	2,594	3,500	2,567
	<u>96,798</u>	<u>98,500</u>	<u>91,061</u>

## 8. Cash and Cash Equivalents

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Bank Current Account	26,760	583,730	20,890
Bank Call Account	193,302	-	355,793
Cash and cash equivalents for Statement of Cash Flows	<u>220,062</u>	<u>583,730</u>	<u>376,683</u>

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

## 9. Accounts Receivable

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Receivables from the Ministry of Education	-	3,765	3,765
Interest Receivable	2,494	7,046	7,046
Teacher Salaries Grant Receivable	154,747	133,756	133,756
	<u>157,241</u>	<u>144,567</u>	<u>144,567</u>
Receivables from Exchange Transactions	2,494	7,046	7,046
Receivables from Non-Exchange Transactions	154,747	137,521	137,521
	<u>157,241</u>	<u>144,567</u>	<u>144,567</u>

## 10. Investments

The School's investment activities are classified as follows:

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Current Asset			
Short-term Bank Deposits	722,745	620,351	620,351
Total Investments	<u>722,745</u>	<u>620,351</u>	<u>620,351</u>

## 11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
	\$	\$	\$	\$	\$	\$
<b>2020</b>						
Building Improvements	442,425	46,146	-	-	(37,180)	<b>451,391</b>
Furniture and Equipment	140,598	27,447	(49)	-	(18,746)	<b>149,250</b>
Information and Communication Technology	49,545	23,011	-	-	(20,405)	<b>52,151</b>
Leased Assets	44,356	-	-	-	(17,873)	<b>26,483</b>
Library Resources	17,967	4,357	(1,570)	-	(2,594)	<b>18,160</b>
<b>Balance at 31 December 2020</b>	<b>694,891</b>	<b>100,961</b>	<b>(1,619)</b>	<b>-</b>	<b>(96,798)</b>	<b>697,435</b>

	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$
<b>2020</b>			
Building Improvements	674,374	(222,983)	<b>451,391</b>
Furniture and Equipment	411,934	(262,684)	<b>149,250</b>
Information and Communication Technology	315,701	(263,550)	<b>52,151</b>
Leased Assets	60,248	(33,765)	<b>26,483</b>
Library Resources	53,701	(35,541)	<b>18,160</b>
<b>Balance at 31 December 2020</b>	<b>1,515,958</b>	<b>(818,523)</b>	<b>697,435</b>

The net carrying value of equipment held under a finance lease is \$26,483 (2019: \$44,356)

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
	\$	\$	\$	\$	\$	\$
<b>2019</b>						
Building Improvements	475,230	3,808	-	-	(36,613)	<b>442,425</b>
Furniture and Equipment	142,250	18,738	-	-	(20,390)	<b>140,598</b>
Information and Communication Technology	60,389	8,064	-	-	(18,908)	<b>49,545</b>
Leased Assets	22,539	34,400	-	-	(12,583)	<b>44,356</b>
Library Resources	18,987	4,600	(3,053)	-	(2,567)	<b>17,967</b>
<b>Balance at 31 December 2019</b>	<b>719,395</b>	<b>69,610</b>	<b>(3,053)</b>	<b>-</b>	<b>(91,061)</b>	<b>694,891</b>

	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$
<b>2019</b>			
Building Improvements	628,228	(185,803)	<b>442,425</b>
Furniture and Equipment	385,368	(244,770)	<b>140,598</b>
Information and Communication Technology	292,690	(243,145)	<b>49,545</b>
Leased Assets	60,248	(15,892)	<b>44,356</b>
Library Resources	54,069	(36,102)	<b>17,967</b>
<b>Balance at 31 December 2019</b>	<b>1,420,603</b>	<b>(725,712)</b>	<b>694,891</b>

## 12. Accounts Payable

	2020 Actual	2020 Budget (Unaudited)	2019 Actual
	\$	\$	\$
Operating creditors	7,954	37,354	37,354
Accruals	5,065	3,974	3,974
Banking staffing overuse	25,570	26,100	26,100
Employee Entitlements - salaries	154,746	133,756	133,756
Employee Entitlements - leave accrual	10,114	8,576	8,576
	<b>203,449</b>	<b>209,760</b>	<b>209,760</b>
Payables for Exchange Transactions	203,449	209,760	209,760
	<b>203,449</b>	<b>209,760</b>	<b>209,760</b>

The carrying value of payables approximates their fair value.





### 13. Revenue Received in Advance

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Other	4,137	4,192	4,192
	<u>4,137</u>	<u>4,192</u>	<u>4,192</u>

### 14. Provision for Cyclical Maintenance

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Provision at the Start of the Year	53,016	53,016	31,932
Increase to the Provision During the Year	20,173	-	21,084
Adjustment to the Provision	48,036	-	-
Provision at the End of the Year	<u>121,225</u>	<u>53,016</u>	<u>53,016</u>
Cyclical Maintenance - Current	55,714	25,536	25,536
Cyclical Maintenance - Term	65,511	27,480	27,480
	<u>121,225</u>	<u>53,016</u>	<u>53,016</u>

### 15. Finance Lease Liability

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

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
No Later than One Year	12,405	19,906	19,906
Later than One Year and no Later than Five Years	13,908	26,612	26,612
	<u>26,313</u>	<u>46,518</u>	<u>46,518</u>

### 16. Funds Held for Capital Works

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

	2020	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions \$	Closing Balances \$
Carpet Replacement	Completed	(6,370)	7,890	(1,520)	-	-
Fencing Project	Completed	194,388	7,142	(201,530)	-	-
Totals		<u>188,018</u>	<u>15,032</u>	<u>(203,050)</u>	<u>-</u>	<u>-</u>

	2019	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions \$	Closing Balances \$
Carpet Replacement	In Progress	-	46,000	(52,370)	-	(6,370)
C Block (2 Classrooms)	Completed	-	-	(82,884)	82,884	-
Fencing Project	In Progress	-	212,000	(17,612)	-	194,388
Totals		<u>-</u>	<u>258,000</u>	<u>(152,866)</u>	<u>82,884</u>	<u>188,018</u>

### 17. 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.



## 18. Remuneration

### Key management personnel compensation

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

	2020 Actual \$	2019 Actual \$
<i>Board Members</i>		
Remuneration	4,675	5,690
Full-time equivalent members	0.10	0.17
<i>Leadership Team</i>		
Remuneration	365,773	346,959
Full-time equivalent members	3.00	3.00
Total key management personnel remuneration	370,448	352,649
Total full-time equivalent personnel	3.10	3.17

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

### Principal

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

	2020 Actual \$000	2019 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	150 - 160	140 - 150
Benefits and Other Emoluments	4 - 5	3 - 4
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	2020 FTE Number	2019 FTE Number
100 -110	3.00	1.00
	3.00	1.00

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

## 19. 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:

	2020 Actual \$	2019 Actual \$
Total	-	-
Number of People	-	-

## 20. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2020 (Contingent liabilities and assets at 31 December 2019: nil).

### Holidays Act Compliance – Schools payroll

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

The Ministry's review of the schools sector payroll to ensure compliance with the Holidays Act 2003 is ongoing. The current phase of this review is to design potential solutions for any compliance breaches discovered in the initial phase of the Programme. 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 2020, a contingent liability for the school may exist.

## 21. Commitments

### (a) Capital Commitments

As at 31 December 2020 the Board has not entered into any contract agreements for capital works.

(Capital commitments at 31 December 2019: \$nil)

### (b) Operating Commitments

As at 31 December 2020 the Board has not entered into any operating contracts.

(Operating commitments at 31 December 2019: \$188,018)

## 22. Managing Capital

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

## 23. 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

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Cash and Cash Equivalents	220,062	583,730	376,683
Receivables	157,241	144,567	144,567
Investments - Term Deposits	722,745	620,351	620,351
Total Financial assets measured at amortised cost	<u>1,100,048</u>	<u>1,348,648</u>	<u>1,141,601</u>

### Financial liabilities measured at amortised cost

Payables	203,449	209,760	209,760
Finance Leases	25,462	43,683	43,683
Total Financial liabilities measured at amortised Cost	<u>228,911</u>	<u>253,443</u>	<u>253,443</u>

## 24. Events After Balance Date

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



## Kiwisport Statement for Annual Report

Kiwisport is a Government funding initiative to support participation in organised sport. In 2020 Donovan Primary received \$6385.00. Covid 19 cancelled our scheduled sports initiatives and swimming. We did assist 15 children to attend camp in November, at a total cost of \$450.00.

It was decided to carry the remaining funding over to 2021.



**Donovan**  
P R I M A R Y

## **STATEMENT OF VARIANCE 2020**

# ACTION PLAN FOR MANAGEMENT 2020

AREA	PRIORITY/PROCESS	WHO	WHEN	OUTCOME	MONITORING AND EVALUATING IMPACT
Well being	<p>Social Worker Provision at School.</p> <p>Introduce Second Steps Programme</p>	<p>BOT and Management.</p> <p>All staff</p>	Term 1 / 4	<p>We have faster and effective help for complex children.</p> <p>We increase the emotional stamina of our learners.</p>	<p><b>This year has been a very unusual year around Well Being with Covid. It has put a spotlight on Well Being for everyone in our Donovan Community. We have formed a Well Being Focus Group with stakeholders in our community and from our staff to help us know what we need to or could do to be proactive in all things to do with promoting the culture of well- being. Our work around resilience has grown into the work around Second Steps. We haven't got as far as we had hoped with Covid but we are slowly getting back on track and continuing the progressions through the programme as the staff learn the progressions of the lessons and how to incorporate the resources into their whole classroom timetable and the actions which take place in their classroom environment.</b></p> <p><b>We have started a School Counselling Programme on Monday Mornings which is proving most successful at this early stage of evaluating its effectiveness.</b></p>
Engagement	<p>To promote and strengthen positive play in all areas with all children.</p> <p>To engage complex learners in real learning opportunities.</p> <p>Train two Reading Recovery Teachers</p>	<p>All staff</p> <p>All staff</p> <p>Team Leaders</p>	<p>Term 1 / 4</p> <p>Term 1 / 4</p>	<p>We have well balanced, healthy citizens for the future.</p> <p>We have a curriculum that meets the needs of diverse and complex learners.</p> <p>Greater skill base in our junior team of teachers.</p>	<p><b>We have successfully trained two teachers in Reading Recovery which will strengthen our teacher practice in the Year One area of the school.</b></p> <p><b>To engage learners we have planned to work on our LTP and Event Calendar, this work has been slow but will need to continue into 2021 due to our LTP being changed so markedly and so quickly this year. Our work on Writing progressions also needs to be re started due to delays.</b></p> <p><b>We installed new fitness -equipment but this also has only just been installed due to factory hold ups. This is going to be a great part of creating positive play.</b></p>
Achievement	<p>Implement Digital Curriculum and engage learning in different ways.</p> <p>To raise achievement in focused target groups.</p>	<p>All staff</p> <p>All staff</p>	<p>Term 1 / 4</p> <p>Term 1 / 4</p>	<p>We have children engaging in new learning and ready for digital learning in their future.</p> <p>We have increased the capacity of staff and the learners</p>	<p><b>We have worked through some areas of the school in developing ALIM this year. We are having more success with ALIM becoming a normal go to tool for teachers especially in the Year 3/6 area. We need to continue to strengthen this across our Junior School.</b></p> <p><b>We started well with The digital Curriculum with Facilitators working with staff. This work now needs to be embedded into the thinking of teachers.</b></p>



# ACTION PLAN FOR GOVERNANCE 2020

AREA	PRIORITY/PROCESS	WHO	WHEN	OUTCOME	MONITORING AND EVALUATING IMPACT
<b>Effective Governance</b>	To involve BOT in forming 2020 strategic plan. Look at STA Conference for all BOT members as a bonding experience BOT to continue work in refining their roles and using their experience Induction of Deputy Chairperson Continue training for BOT in finance and property.	All Bot	Term 1/4	To have all BOT well trained and effective in their roles. BOT to be more involved in Strategic Planning	<b>The BOT have been involved in having discussions around the needs of the BOT and what we would like to achieve as a school and a BOT.</b> <b>Training has not been very successful as many opportunities have been cancelled or not held in our city. We have approached STA to do some personal training with our own BOT.</b>
<b>Consult</b>	BOT to review effectiveness of sport coordinator role and job specifications BOT to work with community re our charter goals BOT to involve community in strategic direction BOT to implement initiatives around staff well being BOT To Survey Students around culture of school. BOT TO Consult re:- Local Curriculum.	BOT Staff Rep Chairperson	T1/4	BOT to be well informed to help guide their Strategic Thinking.	<b>Staff Rep has been reviewing the role of the Sports Co Ordinator and we will continue and may even increase the idea to create some afternoon slots.</b> <b>BOT has implemented 2 initiatives around Well Being. One being a Well Being Focus Group with stakeholders from staff and community.</b> <b>The second one being to start an In-School counselling service in Term 4. At this early stage it is proving to be very needed and well worth the process to start this.</b>
<b>Evaluative Priorities</b>	Evaluative framework should be part of culture of BOT actions Systems of checking progress on goals should be soundly in place Systems and routines for reporting achievement to BOT should be soundly in place	All Bot Principal	T1/4	BOT to be evaluative in their receiving of information and reports.	<b>This hasn't been as we hoped with our Md Year Data being all based on OTJ's after the long time learners were out of school. But we continue to use process and hope to embed it even deeper as time moves on.</b>
<b>Environment</b>	Replace outdated landscaping Completion of Block C learning environment Follow external painting plan	BOT	T4	To have projects completed	<b>Bik C is in the 5YA but won't be tendered to next year. But with the new monies ( SIF) we have completed the staffroom and moving towards the staff toilets and Admin Office upgrade.</b> <b>Landscaping has been moved to tree maintenance in back field south side. We need a lot of thinning.</b>

# PRIORITY COHORT TRACKING

Year 2 Maths

Year 3 Boys Maths

Year 2 Maths Students

In 2019 we're not doing as well as could have been predicted. 17 out of 69 (25%) were still at early Level 1. We would want to see more 'at' level 1. Of these 17 students, (64%) of them were males. We want to monitor the 2020 Year 2 maths learners to create faster progression through Level 1

There is a higher percentage of boys represented in being 'slightly below' expected Curriculum level. We need to monitor the boys and check data termly for this group. Teachers need to be focussed on raising the boy's achievement and engagement around Curriculum Level 2 Maths.



## Report on Year 2 Maths Priority Cohort

Teachers were aware of the high percentage of Year 2 students from 2019 that were achieving below or well below the expected maths curriculum level. At the beginning of the year it was proposed that the Year 2 teachers be part of the 2020 ALiM project. After discussion and a syndicate meeting it was decided not to go ahead with this action but for the teachers to work at creating urgency through a faster progression through Level 1. The teachers continued to encourage the use of materials in their class programme, with a focus on number knowledge in numeracy.

The Year 2 teachers maintained their class programme, they supported each other and shared resources and ideas. The Maths curriculum lead teacher was available to give assistance if and when required.

The teachers took away a lot of ideas from a staff meeting taken by Averil Lee, Maths Facilitator. Many of these ideas were put into classroom practise.

The results for Year 2 maths shows a lift from 25% achieving below or well below in 2019 to 17.5% achieving below in 2020. There are no students at well below in the 2020 Year 2 maths data. There has also been an increase of 22% of Year 2 students in 2020 achieving above the expected maths curriculum level.

## Report on Year 3 Boys Maths Priority Cohort

It was noticed from 2019 data, that of the students who were going to be in Year 3 in 2020 who were achieving below or well below in Maths, 64% of them were boys.

Teachers identified the students in their class who were not achieving at the expected curriculum level in Maths and took these students for extra focused teaching after lunch 4 days a week. As the school has been part of the ALiM or ALL project for 5 years this practice is embedded in each of the Senior and Middle Syndicate's teachers' class programme.

Each individual classroom teacher had a different focus in their teaching group which was based on the needs of the students in that group. Teaching groups changed as the needs of the students changed, with students joining the group or being moved from the group.

Of the students who were achieving below or well below as Year 2 students in 2019, 11 were boys and 6 were girls.

From the 2020 data 3 boys and 3 girls are now achieving at the expected curriculum level. 1 student has remained at the same level but all other 10 students (3 girls and 7 boys) have moved up a level even though they are still below the expected curriculum level. Of these 10 students, 3 are ORS and 3 others are receiving extra support in other curriculum areas (RTLit, RTLb, Reading Recovery)

There is still a larger number of boys achieving below the expected curriculum level and their progress will continue to be monitored in 2021 as Year 4 students.



## INDEPENDENT AUDITOR'S REPORT

### TO THE READERS OF DONOVAN PRIMARY SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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

#### Opinion

We have audited the financial statements of the School on pages 3 to 16, that comprise the statement of financial position as at 31 December 2020, the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion the financial statements of the School:

- present fairly, in all material respects:
  - its financial position as at 31 December 2020; 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 as applicable to entities that qualify as tier 2.

Our audit was completed on 31 May 2021. 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 of Trustees is responsible for such internal control as it determines is necessary to enable it to prepare financial statements that are free from material misstatement, whether due to fraud or error.

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

We communicate with the Board 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 information included on page 2 and on pages 17 to 22, but does not include the financial statements, and our auditor's report thereon.

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

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

#### Independence

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

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



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