

ARIA SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

School Directory

Ministry Number: 1687

Principal: Pamela Voyce

School Address: Barclay Road, Aria

School Postal Address: Barclay Road RD 1, Aria, 3979

School Phone: 07 877 7857

School Email: office@aria.school.nz

Members of the Board of Trustees

Name	Position	How Position Gained	Term Expires/ Expired
Bevan Brown	Chairperson	Appointed	Jul 2021
Pam Voyce	Principal	ex Officio	
Steve Bodger	Parent Rep	Elected	Sep 2020
Natasha Richardson	Parent Rep	Co-opted	Jun 2021
John Roper	Parent Rep	Co-opted	Jul 2020
Richard Newton	Parent Rep	Co-opted	Mar 2020
Catherine Terry	Parent Rep	Appointed	Jul 2021
Nicole Hurley	Parent Rep	Appointed	Jul 2021
Fraser Darke	Parent Rep	Co-opted	Nov 2020
Sarah O'Connor	Staff Rep	Appointed	Apr 2020
Ana Wiseman	Staff Rep	Appointed	Jun 2021

Accountant / Service Provider: Education Services Ltd

ARIA SCHOOL

Annual Report - For the year ended 31 December 2020

Index

Page	Statement
	Financial Statements
1	Statement of Responsibility
2	Statement of Comprehensive Revenue and Expense
3	Statement of Changes in Net Assets/Equity
4	Statement of Financial Position
5	Statement of Cash Flows
6 - 21	Notes to the Financial Statements
	Other Information
	Analysis of Variance
	Kiwisport

Aria School

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.

Bevan Richard Brown

Full Name of Board Chairperson




Signature of Board Chairperson

10/5/2021

Date:

Pamela Jean Voyce

Full Name of Principal



Signature of Principal

10-05-2021

Date:

Aria School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2020

	Notes	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Revenue				
Government Grants	2	616,238	550,430	547,409
Locally Raised Funds	3	68,556	48,255	57,753
Interest income		797	450	936
Gain on Sale of Property, Plant and Equipment		-	-	109
		<u>685,591</u>	<u>599,135</u>	<u>606,207</u>
Expenses				
Locally Raised Funds	3	10,817	21,490	19,348
Learning Resources	4	405,101	365,671	361,038
Administration	5	56,075	55,527	56,725
Finance		1,025	1,100	1,162
Property	6	143,028	128,849	144,539
Depreciation	7	17,490	15,658	17,280
Transport		5,117	10,000	8,040
		<u>638,653</u>	<u>598,295</u>	<u>608,132</u>
Net Surplus / (Deficit) for the year		46,938	840	(1,925)
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>46,938</u>	<u>840</u>	<u>(1,925)</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.



Aria School
Statement of Changes in Net Assets/Equity

For the year ended 31 December 2020

	Notes	Actual 2020 \$	Budget (Unaudited) 2020 \$	Actual 2019 \$
Balance at 1 January		179,932	160,578	171,857
Total comprehensive revenue and expense for the year		46,938	840	(1,925)
Capital Contributions from the Ministry of Education				
Mapiu Dispersal Funding		19,818	-	10,000
Equity at 31 December	23	246,688	161,418	179,932
Retained Earnings		246,688	161,418	179,932
Equity at 31 December		246,688	161,418	179,932

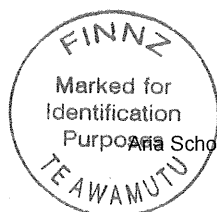
The above Statement of Changes in Net Assets/Equity should be read in conjunction with the accompanying notes which form part of these financial statements.



Aria School
Statement of Financial Position
As at 31 December 2020

	Notes	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Current Assets				
Cash and Cash Equivalents	8	162,723	48,086	32,519
Accounts Receivable	9	27,569	27,743	21,515
GST Receivable		-	2,282	6,751
Prepayments		919	684	1,168
Inventories	10	5,326	1,087	1,462
Investments	11	25,422	24,097	-
Funds owed for Capital Works Projects	17	-	-	4,949
		<u>221,959</u>	<u>103,979</u>	<u>68,364</u>
Current Liabilities				
GST Payable		3,868	-	-
Accounts Payable	13	44,923	47,084	32,366
Revenue Received in Advance	14	977	805	889
Provision for Cyclical Maintenance		-	-	-
Finance Lease Liability - Current Portion	16	4,446	3,170	4,037
Funds held for Capital Works Projects	17	44,724	-	-
		<u>98,938</u>	<u>51,059</u>	<u>37,292</u>
Working Capital Surplus/(Deficit)		123,021	52,920	31,072
Non-current Assets				
Investments (more than 12 months)	11	-	-	25,422
Property, Plant and Equipment	12	144,986	133,337	146,753
		<u>144,986</u>	<u>133,337</u>	<u>172,175</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	15	17,150	17,150	14,700
Finance Lease Liability	16	4,169	7,689	8,615
		<u>21,319</u>	<u>24,839</u>	<u>23,315</u>
Net Assets		<u><u>246,688</u></u>	<u><u>161,418</u></u>	<u><u>179,932</u></u>
Equity		<u><u>246,688</u></u>	<u><u>161,418</u></u>	<u><u>179,932</u></u>

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



Aria School
Statement of Cash Flows
For the year ended 31 December 2020

		2020	2020	2019
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
		\$	\$	\$
Cash flows from Operating Activities				
Government Grants		205,746	163,370	149,095
Locally Raised Funds		66,352	43,255	57,884
Goods and Services Tax (net)		10,619	-	(4,469)
Payments to Employees		(109,570)	(94,550)	(95,612)
Payments to Suppliers		(92,227)	(70,896)	(94,385)
Interest Paid		(1,025)	(1,100)	(1,162)
Interest Received		134	450	956
Net cash from/(to) Operating Activities		80,029	40,529	12,307
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(15,724)	(8,000)	(8,356)
Purchase of Investments		-	-	(1,325)
Net cash from/(to) Investing Activities		(15,724)	(8,000)	(9,681)
Cash flows from Financing Activities				
Owners Contributions		19,818	-	10,000
Finance Lease Payments		(3,592)	(12,860)	(3,575)
Funds Held for Capital Works Projects		49,673	-	(4,949)
Net cash from/(to) Financing Activities		65,899	(12,860)	1,476
Net increase/(decrease) in cash and cash equivalents		130,204	19,669	4,102
Cash and cash equivalents at the beginning of the year	8	32,519	28,417	28,417
Cash and cash equivalents at the end of the year	8	162,723	48,086	32,519

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.



Aria School

Notes to the Financial Statements

For the year ended 31 December 2020

1. Statement of Accounting Policies

a) Reporting Entity

Aria 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 of Trustees (the Board) is of the view that the School is a public benefit entity for financial reporting purposes.

b) Basis of Preparation

Reporting Period

The financial reports have been prepared for the period 1 January 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

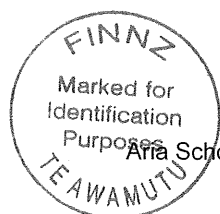
The financial statements are prepared on the historical cost basis unless otherwise noted in a specific accounting policy.

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.

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 15.

Useful lives of property, plant and equipment

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

Critical Judgements in applying accounting policies

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

Classification of leases

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

Recognition of grants

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

c) Revenue Recognition

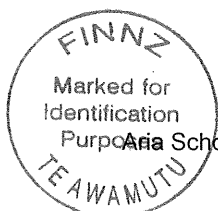
Government Grants

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

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

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

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



Other Grants

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

Donations, Gifts and Bequests

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

Interest Revenue

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

d) Use of Land and Buildings Expense

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

e) Operating Lease Payments

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

f) Finance Lease Payments

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

g) Cash and Cash Equivalents

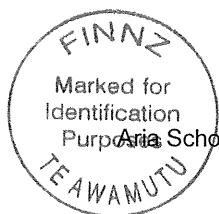
Cash and cash equivalents include cash on hand, bank balances, deposits held at call with banks, and other short term highly liquid investments with original maturities of 90 days or less, and bank overdrafts. The carrying amount of cash and cash equivalents represent fair value.

h) Accounts Receivable

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

i) Inventories

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



j) Investments

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

k) Property, Plant and Equipment

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

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

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

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 are depreciated over their estimated useful lives on a straight line basis. Depreciation of all assets is reported in the Statement of Comprehensive Revenue and Expense.

The estimated useful lives of the assets are:

Buildings	20-50 years
Building Improvements	20-50 years
Furniture and Equipment	5-10 years
Information and Communication	4-5 years
Motor Vehicles	5 years
Library Resources	8 years
Leased assets held under a Finance Lease	Term of Lease



l) Intangible Assets

Software costs

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

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

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

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

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

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

Non cash generating assets

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

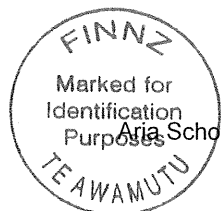
Value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

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

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

n) Accounts Payable

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



o) Employee Entitlements

Short-term employee entitlements

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

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

Long-term employee entitlements

Employee benefits that are due to be settled beyond 12 months after the end of the period in which the employee renders the related service, such as long service leave and retirement gratuities, have been calculated on an actuarial basis. The calculations are based on:

- likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement, and contractual entitlement information; and
- the present value of the estimated future cash flows.

p) 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.

q) Funds Held in Trust

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

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

r) Shared Funds

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

s) 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.

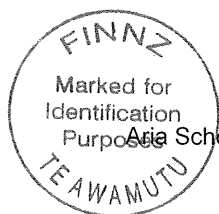
Cyclical maintenance, which involves painting the interior and exterior of the School, makes up the most significant part of the Board's responsibilities outside day-to-day maintenance. The provision for cyclical maintenance represents the obligation the Board has to the Ministry and is based on the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

t) Financial Instruments

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

Investments that are shares are categorised as 'financial assets at fair value through other comprehensive revenue and expense' for accounting purposes in accordance with financial reporting standards.

The School's financial liabilities comprise accounts payable, borrowings, finance lease liability, and painting contract liability. All of these financial liabilities are categorised as 'financial liabilities measured at amortised cost' for accounting purposes in accordance with financial reporting standards.



u) Borrowings

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

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

v) 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.

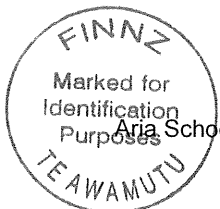
Commitments and contingencies are disclosed exclusive of GST.

w) Budget Figures

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

x) 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	151,005	132,500	118,791
Teachers' Salaries Grants	321,126	299,851	295,479
Use of Land and Buildings Grants	92,001	87,209	100,872
Other MoE Grants	52,106	30,870	32,267
	<u>616,238</u>	<u>550,430</u>	<u>547,409</u>

The school has opted in to the donations scheme for this year. Total amount received was \$7,350.

3. Locally Raised Funds

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

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Revenue			
Donations	38,869	32,000	33,683
Bequests & Grants	3,500	1,000	1,000
Activities	6,509	11,755	13,204
Trading	10,347	3,500	4,666
Fundraising	1,731	-	-
School House	7,600	-	5,200
	<u>68,556</u>	<u>48,255</u>	<u>57,753</u>
Expenses			
Activities	4,025	12,590	14,008
Trading	3,542	3,900	4,058
Fundraising (Costs of Raising Funds)	1,731	-	-
School House	1,519	5,000	1,282
	<u>10,817</u>	<u>21,490</u>	<u>19,348</u>
<i>Surplus for the year Locally raised funds</i>	<u>57,739</u>	<u>26,765</u>	<u>38,405</u>

4. Learning Resources

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Curricular	17,938	10,720	12,493
Library Resources	140	250	15
Employee Benefits - Salaries	381,606	350,401	343,569
Staff Development	3,681	1,800	1,626
Ict	1,736	2,500	3,335
	<u>405,101</u>	<u>365,671</u>	<u>361,038</u>



5. Administration

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Audit Fee	3,877	3,877	3,938
Board of Trustees Fees	2,670	3,790	4,345
Board of Trustees Expenses	3,390	1,000	2,533
Communication	1,658	1,800	2,348
Consumables	3,375	3,300	3,532
Other	5,599	6,460	4,633
Employee Benefits - Salaries	30,162	30,000	30,121
Insurance	484	-	475
Service Providers, Contractors and Consultancy	4,860	5,300	4,800
	<u>56,075</u>	<u>55,527</u>	<u>56,725</u>

6. Property

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Caretaking and Cleaning Consumables	3,830	3,200	3,465
Cyclical Maintenance Expense	2,450	2,450	2,450
Grounds	8,636	7,800	9,867
Heat, Light and Water	9,734	9,200	10,065
Rates	232	230	231
Repairs and Maintenance	7,583	4,760	2,986
Use of Land and Buildings	92,001	87,209	100,872
Employee Benefits - Salaries	18,562	14,000	14,603
	<u>143,028</u>	<u>128,849</u>	<u>144,539</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

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Buildings	2,176	1,973	2,177
Building Improvements	2,862	2,558	2,823
Furniture and Equipment	3,999	3,536	3,903
Information and Communication Technology	3,541	2,424	2,675
Leased Assets	4,149	3,736	4,123
Library Resources	763	1,431	1,579
	<u>17,490</u>	<u>15,658</u>	<u>17,280</u>



8. Cash and Cash Equivalents

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Bank Current Account	112,409	33,924	21,288
Bank Call Account	50,314	14,162	11,231
Cash and cash equivalents for Statement of Cash Flows	<u>162,723</u>	<u>48,086</u>	<u>32,519</u>

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

Of the \$162,723 Cash and Cash Equivalents \$44,724 is held by the School on behalf of the Ministry of Education. These funds are required to be spent in 2021 on Crown owned school buildings under the School's Five Year Property Plan.

9. Accounts Receivable

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Receivables	2,292	-	-
Banking Staffing Underuse	3,328	1,208	4,589
Interest Receivable	755	569	92
Teacher Salaries Grant Receivable	21,194	25,966	16,834
	<u>27,569</u>	<u>27,743</u>	<u>21,515</u>

Receivables from Exchange Transactions	3,047	569	92
Receivables from Non-Exchange Transactions	24,522	27,174	21,423
	<u>27,569</u>	<u>27,743</u>	<u>21,515</u>

10. Inventories

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Stationery	415	396	400
Uniforms	906	638	671
Canteen	305	53	391
Livestock	3,700	-	-
	<u>5,326</u>	<u>1,087</u>	<u>1,462</u>

11. Investments

The School's investment activities are classified as follows:

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Current Asset			
Short-term Bank Deposits	25,422	24,097	-
Non-current Asset			
Long-term Bank Deposits	-	-	25,422
Total Investments	<u>25,422</u>	<u>24,097</u>	<u>25,422</u>



12. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2020	\$	\$	\$	\$	\$	\$
Buildings	60,444	-	-	-	(2,176)	58,268
Building Improvements	49,463	2,769	-	-	(2,862)	49,370
Furniture and Equipment	17,475	782	-	-	(3,999)	14,258
Information and Communication Tech	4,215	11,302	-	-	(3,541)	11,976
Leased Assets	11,665	-	-	-	(4,149)	7,516
Library Resources	3,491	870	-	-	(763)	3,598
Balance at 31 December 2020	146,753	15,723	-	-	(17,490)	144,986

The net carrying value of equipment held under a finance lease is \$7,516 (2019: \$11,665)

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2020	\$	\$	\$
Buildings	87,058	(28,790)	58,268
Building Improvements	115,699	(66,329)	49,370
Furniture and Equipment	137,378	(123,120)	14,258
Information and Communication	46,096	(34,120)	11,976
Leased Assets	16,957	(9,441)	7,516
Library Resources	38,153	(34,555)	3,598
Balance at 31 December 2020	441,341	(296,355)	144,986

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2019	\$	\$	\$	\$	\$	\$
Buildings	62,621	-	-	-	(2,177)	60,444
Building Improvements	52,286	-	-	-	(2,823)	49,463
Furniture and Equipment	18,575	3,180	(377)	-	(3,903)	17,475
Information and Communication Tech	4,668	2,222	-	-	(2,675)	4,215
Leased Assets	10,095	5,693	-	-	(4,123)	11,665
Library Resources	4,250	820	-	-	(1,579)	3,491
Balance at 31 December 2019	152,495	11,915	(377)	-	(17,280)	146,753

The net carrying value of equipment held under a finance lease is \$11,665 (2018: \$10,095)

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2019	\$	\$	\$
Buildings	87,058	(26,614)	60,444
Building Improvements	112,929	(63,466)	49,463
Furniture and Equipment	136,596	(119,121)	17,475
Information and Communication	34,794	(30,579)	4,215
Leased Assets	16,957	(5,292)	11,665
Library Resources	37,283	(33,792)	3,491
Balance at 31 December 2019	425,617	(278,864)	146,753



13. Accounts Payable

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Operating Creditors	9,263	5,747	4,140
Accruals	3,877	3,480	3,764
Banking Staffing Overuse	-	6,050	-
Employee Entitlements - Salaries	21,194	25,966	16,834
Employee Entitlements - Leave Accrual	10,589	5,841	7,628
	<u>44,923</u>	<u>47,084</u>	<u>32,366</u>
Payables for Exchange Transactions	44,923	47,084	32,366
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	<u>44,923</u>	<u>47,084</u>	<u>32,366</u>

The carrying value of payables approximates their fair value.

14. Revenue Received in Advance

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Income in Advance	-	805	-
Other	977	-	889
	<u>977</u>	<u>805</u>	<u>889</u>

15. Provision for Cyclical Maintenance

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Provision at the Start of the Year	14,700	14,700	12,250
Increase to the Provision During the Year	2,450	2,450	2,450
Provision at the End of the Year	<u>17,150</u>	<u>17,150</u>	<u>14,700</u>
Cyclical Maintenance - Current	-	-	-
Cyclical Maintenance - Term	17,150	17,150	14,700
	<u>17,150</u>	<u>17,150</u>	<u>14,700</u>

16. 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	5,062	3,170	4,697
Later than One Year and no Later than Five Years	4,379	7,689	9,183
	<u>9,441</u>	<u>10,859</u>	<u>13,880</u>



17. Funds Held (Owed) for Capital Works Projects

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 Contribution/ (Write-off to R&M)	Closing Balances \$
Covered Deck & Door Upgrade	<i>completed</i>	(4,949)	8,548	(3,599)	-	-
Heatpumps	<i>completed</i>	-	9,640	(9,640)	-	-
SIP -Library Alteration	<i>in progress</i>	-	44,724	-	-	44,724
Totals		<u>(4,949)</u>	<u>62,912</u>	<u>(13,239)</u>	<u>-</u>	<u>44,724</u>

Represented by:

Funds Held on Behalf of the Ministry of Education	44,724
Funds Due from the Ministry of Education	-
	<u>44,724</u>

	2019	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution/ (Write-off to R&M)	Closing Balances \$
Covered Deck & Door Upgrade	<i>in progress</i>	-	115,278	(120,227)	-	(4,949)
Totals		<u>-</u>	<u>115,278</u>	<u>(120,227)</u>	<u>-</u>	<u>(4,949)</u>

18. 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.



19. Remuneration

Key management personnel compensation

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

	2020 Actual \$	2019 Actual \$
<i>Board Members</i>		
Remuneration	2,670	4,345
Full-time equivalent members	0.20	0.17
<i>Leadership Team</i>		
Remuneration	119,912	112,185
Full-time equivalent members	1.00	1.00
Total key management personnel remuneration	122,582	116,530
Total full-time equivalent personnel	1.20	1.17

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	110 - 120	100 - 110
Benefits and Other Emoluments	3 - 4	2 - 3
Termination Benefits	-	-

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	-	-
	0.00	0.00

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

20. 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	-	-

21. 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.

22. Commitments

(a) Capital Commitments

As at 31 December 2020 the Board has entered into contract agreements for capital works as follows:

\$49,693 contract for the SIP -Library Alteration as agent for the Ministry of Education. This project is fully funded by the Ministry and \$44,724 has been received of which \$0 has been spent on the project to balance date. This project has been approved by the Ministry.

Capital commitments as at 31 December 2019: Nil

(b) Operating Commitments

There are no operating commitments as at 31 December 2020 (Operating commitments at 31 December 2019: nil).

23. 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.

24. 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	162,723	48,086	32,519
Receivables	27,569	27,743	21,515
Investments - Term Deposits	25,422	24,097	25,422
Total Financial assets measured at amortised cost	<u>215,714</u>	<u>99,926</u>	<u>79,456</u>

Financial liabilities measured at amortised cost

Payables	44,923	47,084	32,366
Finance Leases	8,615	10,859	12,652
Total Financial Liabilities Measured at Amortised Cost	<u>53,538</u>	<u>57,943</u>	<u>45,018</u>



25. Events After Balance Date

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

26. Comparatives

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



Aria School

Kiwisport

Kiwisport is a Government funding initiative to support students' participation in organised sport. In 2020, the school received total Kiwisport funding of \$732 (excluding GST). The funding was spent on sporting endeavours.

School name: **Aria Primary**

School number: **1687**

Strategic Aim: All students are able to access The New Zealand Curriculum as evidenced by achievement in relation to the NZ Curriculum levels.

Annual Aim: To accelerate the rate of progress for all students deemed at risk of not achieving at the appropriate level for **Reading**.

To increase the number of students achieving at or above the appropriate level for **Reading** to 85% across the school.

Achievement Target 2:

- **All 9 students who were below the standard at the end of 2019 will make more than one year's progress by the end of 2020.**
- **To improve oral language across the school.**
- **To improve the understanding and use of vocabulary across the school.**
- **To increase the teachers' knowledge and skills for teaching Reading.**

Baseline Data:

- Analysis of school wide reading data in November confirmed a growing concern at the decreasing vocabulary knowledge across the school. The weakness is linked to the declining levels of good oral language across the school.
- No particular year group stood out as a target group. A group of 9 students across all year groups has been selected as our target group. Composition 4 Maori, 4 NZ European, 1 Bosnian / 7 male, 2 female / 4 x year 1, 1 x year 2, 1 x year 3, 2 x year 5 and 1 x year 6.

Analysis of the data indicates:

- Overall achievement levels improved from 55% (23/42) at SOY to 85% (39/46) at or above EOY 2020.
- Boys' achievement levels improved from 17.6% (3) at SOY to 68% (13) at EOY 2020.
- Girls' achievement levels improved from 52% (13) at SOY to 89% (25) at EOY 2020.
- Most Priority Students are making the accelerated progress that they need to. 3 students not making accelerated progress are making good progress (OTJs) appropriate for their learning disability i.e. dyslexia and hearing issues diagnosed.
- Our students are still not reading regularly at home. More fluency practice at school is required and home support must be encouraged more strongly.
- Our Buddy Reading (room 1/3) and other reading support/practice programmes need to continue in 2021.

Actions (what did we do?)	Outcomes (what happened?)	Reasons for the variance (why did it happen?)	Evaluation (where to next?)
<p>Reviewed all existing documentation.</p> <p>Assessed regularly during year using Running Records, STAR, AsTTle / Exemplars, OTJs etc.</p> <p>Set and regularly monitored goals for all students, especially Priority Students.</p> <p>On-going Professional Development for all staff as available. Many on-line webinars during Lock Down.</p> <p>Focused staff meeting sessions – priority students' progress assessed weekly.</p> <p>Teacher Aide support in all classrooms.</p> <p>Distance, on-line learning developed through Lock Down and beyond.</p> <p>Teachers' skills in above continued to be developed.</p> <p>Collated data and decided on 2021 development.</p>	<p>Used "Oral Language Book "and "The Reading Book" as a teaching reference.</p> <p>Shared and evaluated reading successes regularly during staff meetings.</p> <p>Teachers' knowledge and skills for teaching reading improved.</p> <p>Room 1 / 3 Buddy Reading programme successful. Many students including all priority students read at least 2 x day with a senior student.</p> <p>All target students made significant progress with 5 reaching the appropriate level by the end of 2020.</p> <p>3 students remained just below the appropriate level and 1 student remained well below.</p> <p>Across the school achievement reached 85% (39 / 46) at or above the appropriate level.</p>	<p>Our ESOL students are now achieving at or close to their expected year level.</p> <p>All new students who enrolled this year, and 3 out of 7 New Entrants arrived with significant learning issues.</p> <p>All teachers embraced the reading focus and worked hard to improve their skills in teaching reading.</p> <p>More regular discussion / reflection / teacher inquiry at staff meetings proved beneficial.</p> <p>Our Teacher Aide continued to upskill herself resulting in more effective Intervention Programmes.</p> <p>Lock Down happened and our learning programmes had to change. Not all families embraced the on-line learning programmes (around 50%).</p>	<p>Student goals need to be more specific and clearly understood. Priority students' progress needs to be measured at least each term to ensure that programmes are successful and progress is being accelerated at appropriate rate to meet EOY goals.</p> <p>Classroom teachers and Teacher Aides need to meet and evaluate Intervention Programmes more regularly.</p> <p>Continue to discuss Priority Students' progress at each staff meeting.</p> <p>Continue with regular PD at staff meetings developing self-reflection.</p> <p>Continue Buddy Reading daily.</p> <p>Introduce Decodable Readers as prescribed by Learning Matters / Science of Reading PD.</p> <p>Use Sarah's Science of Reading PD as focus for staff meeting PD.</p> <p>Targeted reading groups with Teacher or Teacher Aides – refer Intervention programmes 2021. Follow ALL and School Action Plan for Literacy Achievement.</p> <p>Develop use of <i>The Oral Language Book</i> as reference (Sheena Cameron/Louise Dempsey).</p> <p>Continue to explore PaCT Writing Framework to assist with moderation MY and EOY.</p>
<p>Planning for 2021:</p> <p>Timetabling Intervention groups at Dec 2021 planning day. Use Teacher Aide hours effectively (see T/Aide Intervention Programme)</p> <p>Review the Literacy Programme (Reading) – what does reading look like at our school?</p> <p>Set goals for learning (next steps) for Priority students not achieving at standard (EOY 2020 data). Goal review dates set at least once/term.</p> <p>Continue to explore ways of developing vocabulary (Learning Matters PD).</p>			

Analysis of variance reporting

School name: **Aria Primary**

School number: **1687**

Strategic Aim: All students are able to access The New Zealand Curriculum as evidenced by achievement in relation to NZ Curriculum levels.

Annual Aim: To raise the rate of progress for all students deemed at risk of not achieving at the appropriate level for **Writing**.

To increase the number of students achieving at or above the appropriate level for **Writing** to 85% across the school.

Achievement Target 1:

- **All 14 students who were below the standard at the end of 2019 will make more than one year's progress in Writing by the end of 2020.**
- **To improve the standards (content) of Writing (including the surface features of spelling and punctuation) and proofreading.**
- **To focus on improving spelling and building usable vocabulary.**
- **To increase the teachers' knowledge and skills for teaching Writing.**

Baseline Data:

- Analysis of school wide writing data in November identified ongoing concerns in spelling, and vocabulary development.
- A group of 14 students across all year groups has been selected as our target group. 6 out of 13 (43%) are in year 5. Composition 8 Maori, 4 NZ European / 2 Boshnian. 9 male, 5 female / 2 x yr 1, 1 x yr 2, 2 x yr 3, 1 x yr 4, **6 x yr 5**, 2 x yr 6.

Analysis of the data indicates:

- Overall achievement levels remained similar at 76% (28) in 2019 and 72% (33) at or above in 2020.
- Boys' achievement levels dropped from 71% (12) in 2019 to 56% (10) at or above in 2020.
- Girls' achievement levels improved from - 80% (16) in 2019 to 82% (23) at or above in 2020.
- Writing intervention programmes, particularly ALL are addressing the specific needs of our low achieving students.
- Our students are not reluctant writers, they continue to lack the skills required to be good writers, specifically vocab, spelling, proofreading, and editing.
- Our spelling / vocab development programmes need to be a continued focus in 2021.

Actions (what did we do?)	Outcomes (what happened?)	Reasons for the variance (why did it happen?)	Evaluation (where to next?)
<p>Reviewed all existing documentation.</p> <p>Set target groups for ALL intervention (Sarah, Ana and Pam). Assessed target students every 3 weeks. Attended ALL feedback days until Lock Down then via Zoom.</p> <p>Assessed whole school twice during year using AsTTle / Exemplar, OTJs.</p> <p>On-going Professional Development for all staff. Relevant webinars pre and during Lock Down.</p> <p>Focused staff meeting sessions.</p> <p>Writing groups (ability and specific needs based) continued in class.</p> <p>Caroline Foss ex SENCO – PPC employed to work with target groups Room1 and 2. Extensive testing completed to analyse specific needs.</p> <p>Students were more involved in their own goal setting using the “Child speak Writing Progressions”.</p> <p>Collated data and decided on 2021 development.</p> <p>Decided on continuation of ALL into 2021 for two staff.</p>	<p>Used “The Writing Book” and “Oral Language Book “as our teaching references.</p> <p>Shared and evaluated writing successes regularly during staff meetings e.g. lesson plans – why did they work?</p> <p>Teachers’ knowledge and skills for teaching writing improved.</p> <p>ALL. Target students were monitored more regularly than other students so progress was clear and changes could be made in a more timely fashion.</p> <p>After Sarah left, Ana and Pam met regularly to discuss target student progress and needs.</p>	<p>New entrants have significant language and behavioural deficits.</p> <p>All teachers embraced the ALL writing focus and worked hard to improve their skills in teaching writing.</p> <p>Some students identified own goals and focused on these more clearly than in the past.</p> <p>More regular discussion / reflection / teacher inquiry at staff meetings proved beneficial.</p> <p>Individual Teacher Inquiries based on literacy teaching within each classroom resulted in greater scrutiny of our teaching practices.</p> <p>Some students with dyslexia or other learning or behavioural needs made pleasing progress however are most likely to remain in the below statistics.</p>	<p>Student goals need to be more specific and clearly understood.</p> <p>Priority students’ progress needs to be measured 2-3 times / term to ensure that programmes are successful and progress is being accelerated at appropriate rate to meet EOY goals.</p> <p>Continue with ALL for 2 staff members.</p> <p>Continue to discuss Priority Students’ progress at each staff meeting.</p> <p>Students need to have a checklist of relevant writing progressions (in child speak) so that they can check their own progress and use them well.</p> <p>Continue with regular PD at staff meetings developing self-reflection.</p> <p>Attend PD with Sheena Cameron and Louise Dempsey based on “The Writing Book” text via zoom.</p> <p>Relevant webinars (full staff) as available.</p> <p>Targeted writing groups with Teacher Aides focusing on yesterday’s writing – accurate proof-reading, editing and vocab development focus to continue.</p> <p>Develop use of <i>The Oral Language Book</i> as reference (Sheena Cameron/Louise Dempsey).</p> <p>Continue to explore use of PaCT Writing Framework to assist with moderation.</p>
<p>Planning for 2021: Timetabling writing groups at Dec 2020 planning day. Select term 1 students in advance. Use Teacher Aide hours more effectively (see T/Aide Intervention Programme)</p> <p>Discuss the <i>Writing Progressions</i> checklists in child speak – so that staff understand them and can clearly explain them to students (edit or simplify as necessary).</p> <p>Review the <i>Literacy Programme (Writing)</i> – what does writing look like at our school? Refer 2021 Literacy Action Plan.</p> <p>Set goals for learning (next steps) for Priority students not achieving at appropriate level.</p> <p>Continue to explore ways of improving spelling programmes and developing vocabulary (review Learning Matters PD).</p>			

INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF ARIA SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

The Auditor-General is the auditor of Aria School (the School). The Auditor-General has appointed me, Jonathan Hurst, using the staff and resources of Finnz Audit Limited, to carry out the audit of the financial statements of the School on his behalf.

Opinion

We have audited the financial statements of the School on pages 2 to 21 that comprise the statement of financial position as at 31 December 2020, the statement of comprehensive revenue & expense, statement of changes in net assets/equity, and statement of cashflows 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
 - financial performance and cashflows for the year then ended; and
 -
- comply with generally accepted accounting practice in New Zealand in accordance with Public Sector - Public Benefit Entity (PBE) Standards, Reduced Disclosure Regime.

Our audit was completed on 12th 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 of Trustees is responsible for the other information. The other information comprises the Analysis of Variance Report, Kiwisport Note, and Trustee list, 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.



Jonathan Hurst
Finnz Audit Limited
On behalf of the Auditor-General
Te Awamutu, New Zealand