

HASTINGS GIRLS' HIGH SCHOOL

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

School Address:	508 Pakowhai Rd, Frimley, Hastings
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HASTINGS GIRLS' HIGH SCHOOL

Financial Statements - For the year ended 31 December 2017

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Hastings Girls' High School

Statement of Responsibility

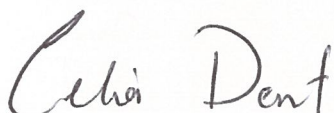
For the year ended 31 December 2017

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 2017 fairly reflects the financial position and operations of the school.

The School's 2017 financial statements are authorised for issue by the Board.




Full Name of Board Chairperson



Signature of Board Chairperson

8 May 2018

Date:



Full Name of Principal


Signature of Principal

8 May 2018

Date:

Hastings Girls' High School
Statement of Comprehensive Revenue and Expense
For the year ended 31 December 2017

	Notes	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Revenue				
Government Grants	2	7,173,500	7,133,000	7,092,707
Locally Raised Funds	3	563,968	340,200	581,166
Interest Earned		91,856	66,000	86,123
International Students	4	133,107	147,900	165,975
Other Revenue		-	-	-
		<u>7,962,431</u>	<u>7,687,100</u>	<u>7,925,971</u>
Expenses				
Locally Raised Funds	3	248,032	247,000	225,506
International Students	4	54,857	74,000	65,119
Learning Resources	5	5,287,747	5,465,350	5,426,063
Administration	6	400,001	441,900	390,789
Finance		2,492	-	756
Property	7	1,615,691	1,547,300	1,416,626
Depreciation	8	246,168	280,000	254,742
Loss on Disposal of Property, Plant and Equipment		4,533	-	14,206
Loss on Uncollectable Accounts Receivable		42,913	-	38,082
		<u>7,902,434</u>	<u>8,055,550</u>	<u>7,831,889</u>
Net Surplus / (Deficit) for the year		59,997	(368,450)	94,082
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u><u>59,997</u></u>	<u><u>(368,450)</u></u>	<u><u>94,082</u></u>

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



Hastings Girls' High School
Statement of Changes in Net Assets/Equity
For the year ended 31 December 2017

	Actual 2017 \$	Budget (Unaudited) 2017 \$	Actual 2016 \$
Balance at 1 January	<u>3,578,629</u>	<u>3,578,629</u>	<u>3,489,457</u>
Total comprehensive revenue and expense for the year	59,997	(368,450)	94,082
Capital Contributions from the Ministry of Education			
Contribution - Furniture and Equipment Grant		-	-
Transfer to Reserve			(4,910)
Equity at 31 December	<u>3,638,626</u>	<u>3,210,179</u>	<u>3,578,629</u>
Retained Earnings	3,638,626	3,210,179	3,578,629
Travers Support Fund	7,383	7,000	4,688
Equity at 31 December	<u>3,646,009</u>	<u>3,217,179</u>	<u>3,583,317</u>

The above Statement of Changes in Net Assets/Equity should be read in conjunction with the accompanying notes.



Hastings Girls' High School

Statement of Financial Position

As at 31 December 2017

	Notes	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Current Assets				
Cash and Cash Equivalents	9	554,819	1,192,179	671,074
Accounts Receivable	10	323,614	302,000	296,343
GST Receivable		48,012	5,000	-
Prepayments		27,366	20,000	20,423
Work in Progress		321,284	-	30,761
Inventories	11	86,079	74,000	85,402
Investments	12	1,906,748	1,250,000	2,239,850
		<u>3,267,922</u>	<u>2,843,179</u>	<u>3,343,853</u>
Current Liabilities				
GST Payable		-	-	2,485
Accounts Payable	14	393,313	468,000	482,065
Revenue Received in Advance	15	104,398	84,000	77,437
Provision for Cyclical Maintenance	16	20,118	20,000	58,562
Finance Lease Liability - Current Portion	17	14,755	10,000	8,284
Funds held in Trust	18	140,380	170,000	150,610
Funds held for Capital Works Projects	19	41,141	40,000	167,091
		<u>714,105</u>	<u>792,000</u>	<u>946,534</u>
Working Capital Surplus/(Deficit)		2,553,817	2,051,179	2,397,319
Non-current Assets				
Property, Plant and Equipment	13	1,363,531	1,406,000	1,382,946
		<u>1,363,531</u>	<u>1,406,000</u>	<u>1,382,946</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	16	261,067	220,000	182,885
Finance Lease Liability	17	10,272	20,000	14,063
		<u>271,339</u>	<u>240,000</u>	<u>196,948</u>
Net Assets		<u><u>3,646,009</u></u>	<u><u>3,217,179</u></u>	<u><u>3,583,317</u></u>
Equity		<u><u>3,654,009</u></u>	<u><u>3,217,179</u></u>	<u><u>3,583,317</u></u>

The above Statement of Financial Position should be read in conjunction with the accompanying notes.



Hastings Girls' High School Statement of Cash Flows

For the year ended 31 December 2017

		2017	2017	2016
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
		\$	\$	\$
Cash flows from Operating Activities				
Government Grants		1,839,599	2,115,450	1,793,236
Locally Raised Funds		516,566	342,200	542,419
International Students		157,148	227,900	104,989
Goods and Services Tax (net)		(50,497)	-	36,256
Payments to Employees		(873,812)	(930,200)	(778,044)
Payments to Suppliers		(1,460,200)	(1,315,350)	(1,266,462)
Cyclical Maintenance Payments in the year		-	190,000	-
Interest Paid		(2,492)	-	(756)
Interest Received		79,788	46,000	94,504
Net cash from / (to) the Operating Activities		206,100	676,000	526,142
Cash flows from Investing Activities				
Proceeds from Sale of PPE (and Intangibles)		(4,538)	130,000	(30,305)
Purchase of PPE (and Intangibles)		(511,920)	(701,000)	(343,758)
Purchase of Investments		333,102	(1,250,000)	(150,091)
Proceeds from Sale of Investments		-	-	-
Net cash from / (to) the Investing Activities		(183,356)	(1,821,000)	(524,154)
Cash flows from Financing Activities				
Furniture and Equipment Grant		-	-	-
Finance Lease Payments		(10,747)	30,000	(2,733)
Painting contract payments		-	-	-
Loans Received/ Repayment of Loans		-	-	-
Funds Administered on Behalf of Third Parties		(10,230)	170,000	100,795
Funds Held for Capital Works Projects		(118,023)	40,000	-
Net cash from Financing Activities		(139,000)	240,000	98,062
Net increase/(decrease) in cash and cash equivalents		(116,256)	(905,000)	100,050
Cash and cash equivalents at the beginning of the year	9	671,075	123,334	571,025
Cash and cash equivalents at the end of the year	9	554,819	(781,666)	671,075

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.



Hastings Girls' High School

Notes to the Financial Statements

1. Statement of Accounting Policies

For the year ended 31 December 2017

a) Reporting Entity

Hastings Girls' High School (the School) is a Crown entity as specified in the Crown Entities Act 2004 and a school as described in the Education Act 1989. 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 2017 to 31 December 2017 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 Act 1989 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 13.

Critical Judgements in applying accounting policies

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

Classification of leases

The School reviews the details of lease agreements at the end of each reporting date. The School believes the classification of each lease as either operation or finance is appropriate and reflects the nature of the agreement in place. Finance leases are disclosed at note 17.

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.

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.

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

Accounts Receivable represents items that the School has issued invoices for or accrued for, but has not received payment for at year end. Receivables are initially recorded at fair value and subsequently recorded at the amount the School realistically expects to receive. A receivable is considered uncollectable where there is objective evidence the School will not be able to collect all amounts due. The amount that is uncollectable (the provision for uncollectibility) is the difference between the amount due and the present value of the amounts expected to be collected.

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 for periods exceeding 90 days are classified as investments and are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance. After initial recognition bank term deposits are measured at amortised cost using the effective interest method less impairment.

Investments that are shares are categorised as "available for sale" for accounting purposes in accordance with financial reporting standards. Share investments are recognised initially by the School at fair value plus transaction costs. At balance date the School has assessed whether there is any evidence that an investment is impaired. Any impairment, gains or losses are recognised in the Statement of Comprehensive Revenue and Expense.

After initial recognition bank term deposits are measured at amortised cost using the effective interest method less impairment.

After initial recognition any investments categorised as available for sale are measured at their fair value without any deduction for transaction costs the school may incur on sale or other disposal.

The School has met the requirements under section 73 of the Education Act 1989 in relation to the acquisition of securities.

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.

Property, plant and equipment acquired with individual values under \$1,000 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense.

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.

Leased Assets

Leases where the School assumes substantially all the risks and rewards of ownership are classified as finance leases. The assets acquired by way of finance lease are measured at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease, less accumulated depreciation and impairment losses. Leased assets and corresponding liability are recognised in the Statement of Financial Position and leased assets are depreciated over the period the School is expected to benefit from their use or over the term of the lease.



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 – Crown	10–50 years
Furniture and equipment	3–10 years
Information and communication technology	3–20 years
Motor vehicles	5 years
Textbooks	5 years
Leased assets held under a Finance Lease	3 years
Library resources	12.5% Diminishing value

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

Hastings Girl's High 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, annual leave earned to but not yet taken at balance date.

p) Revenue Received in Advance

Revenue received in advance relates to fees received from international, 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. The School holds sufficient funds to enable the funds to be used for their intended purpose at any time.



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 Assets and Liabilities

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 "loans and receivables" 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.

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 at the start of the year.

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

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Operational grants	1,645,397	1,649,000	1,653,220
Teachers' salaries grants	4,209,143	4,416,000	4,347,586
Use of Land and Buildings grants	1,110,246	970,000	898,027
Resource teachers learning and behaviour grants	18,531	15,000	18,470
Other MoE Grants	111,958	25,000	99,724
Other government grants	78,225	58,000	75,680
	<u>7,173,500</u>	<u>7,133,000</u>	<u>7,092,707</u>

3. Locally Raised Funds

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

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Revenue			
Donations	34,148	20,000	34,391
Trading	231,167	230,000	233,576
Activities	236,803	90,200	251,536
Curriculum Recoveries	61,850	-	61,663
	<u>563,968</u>	<u>340,200</u>	<u>581,166</u>
Expenses			
Activities	21,619	35,000	20,020
Trading	226,413	212,000	205,486
	<u>248,032</u>	<u>247,000</u>	<u>225,506</u>
<i>Surplus for the year Locally raised funds</i>	<u>315,936</u>	<u>93,200</u>	<u>355,660</u>

4. International Student Revenue and Expenses

	2017 Actual Number	2017 Budget (Unaudited) Number	2016 Actual Number
International Student Roll	12	13	15
	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Revenue			
International student fees	133,107	147,900	165,975
Expenses			
Advertising	2,223	3,000	151
Commissions	12,891	18,000	19,952
International student levy	3,737	5,000	3,893
Employee Benefit - Salaries	30,403	30,000	30,136
Other Expenses	5,603	18,000	10,987
	<u>54,857</u>	<u>74,000</u>	<u>65,119</u>
<i>Surplus for the year International Students'</i>	<u>78,250</u>	<u>73,900</u>	<u>100,856</u>

5. Learning Resources

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	294,190	295,500	308,747
Equipment repairs	2,733	-	4,730
Information and communication technology	44,715	53,000	44,172
Extra-curricular activities	201,741	86,750	213,663
Library resources	5,117	14,000	4,172
Employee benefits - salaries	4,611,698	4,865,200	4,733,095
Resource/attached teacher costs	95,159	131,400	97,912
Staff development	32,394	19,500	19,572
	<u>5,287,747</u>	<u>5,465,350</u>	<u>5,426,063</u>

6. Administration

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	8,040	8,000	7,920
Board of Trustees Fees	4,380	4,000	4,010
Board of Trustees Expenses	16,319	11,500	16,334
Communication	14,502	17,500	16,748
Consumables	51,905	50,000	45,955
Operating Lease	8,266	26,000	19,416
Legal Fees	-	2,000	-
Other	72,009	83,400	61,907
Employee Benefits - Salaries	200,477	214,000	198,366
Insurance	20,446	22,000	17,031
Service Providers, Contractors and Consultancy	3,657	3,500	3,102
	<u>400,001</u>	<u>441,900</u>	<u>390,789</u>

7. Property

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	15,386	18,000	16,153
Consultancy and Contract Services	11,024	10,000	8,590
Cyclical Maintenance Expense	39,738	50,000	82,936
Grounds	36,996	42,400	17,941
Heat, Light and Water	83,112	90,000	80,445
Rates	1,896	3,500	1,857
Repairs and Maintenance	72,204	89,400	59,208
Use of Land and Buildings	1,110,246	970,000	898,027
Security	5,779	7,000	5,649
Employee Benefits - Salaries	239,310	267,000	245,820
	<u>1,615,691</u>	<u>1,547,300</u>	<u>1,416,626</u>

The use of land and buildings figure represents 8% of the school's total property value. This is used as a 'proxy' for the market rental of the property. Property values are established as part of the nation-wide revaluation exercise that is conducted every 30 June for the Ministry of Education's year-end reporting purposes.

8. Depreciation

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Buildings	6,141	7,000	6,141
Building Improvements	12,273	14,000	10,361
Furniture and Equipment	116,622	130,000	118,289
Information and Communication Technology	75,636	103,000	90,982
Motor Vehicles	10,326	10,000	10,838
Textbooks	7,946	8,000	9,423
Leased Assets	11,530	3,000	3,051
Library Resources	5,694	5,000	5,657
	<u>246,168</u>	<u>280,000</u>	<u>254,742</u>

9. Cash and Cash Equivalents

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Cash on Hand	200	200	200
Bank Current Account	125,945	20,000	33,870
Bank Call Account	28,674	500,000	637,004
Short-term Bank Deposits	400,000	671,979	-
Cash equivalents and bank overdraft for Cash Flow Statement	<u>554,819</u>	<u>1,192,179</u>	<u>671,074</u>

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

The following notes should be used where applicable:

Of the \$554,819 Cash and Cash Equivalents, \$49,068 is held by the School on behalf of the Ministry of Education. These funds are required to be spent in 2018 on Crown owned school buildings under the School's Five Year Property Plan.

10. Accounts Receivable

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Receivables	58,770	40,000	40,353
Receivables from the Ministry of Education	-	-	-
Provision for Uncollectibility	(42,913)	(38,000)	(38,082)
Interest Receivable	37,125	20,000	25,057
Teacher Salaries Grant Receivable	270,632	280,000	269,015
	<u>323,614</u>	<u>302,000</u>	<u>296,343</u>
Receivables from Exchange Transactions	52,982	22,000	27,328
Receivables from Non-Exchange Transactions	270,632	280,000	269,015
	<u>323,614</u>	<u>302,000</u>	<u>296,343</u>

11. Inventories

	2017	2017	2016
	Actual	Budget	Actual
	\$	(Unaudited)	\$
School Uniforms	77,224	70,000	79,609
Stationery	8,855	4,000	5,793
	<u>86,079</u>	<u>74,000</u>	<u>85,402</u>



12. Investments

The School's investment activities are classified as follows:

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Current Asset			
Short-term Bank Deposits	1,906,748	1,250,000	2,239,850
Non-current Asset			
Long-term Bank Deposits	-	-	-

13. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2017						
Buildings	269,589	-	-	-	(6,141)	263,448
Building Improvements	398,196	-	-	-	(12,273)	385,923
Furniture and Equipment	530,217	76,911	-	-	(116,622)	490,506
Information and Communication	77,260	113,018	-	-	(75,636)	114,642
Motor Vehicles	26,994	13,770	-	-	(10,326)	30,438
Textbooks	19,063	3,678	-	-	(7,946)	14,795
Leased Assets	22,028	13,427	-	-	(11,530)	23,925
Library Resources	39,599	10,487	(4,538)	-	(5,694)	39,854
Balance at 31 December 2017	1,382,946	231,291	(4,538)	-	(246,168)	1,363,531

	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
2017			
Buildings	307,064	(43,616)	263,448
Building Improvements	666,001	(280,082)	385,919
Furniture and Equipment	1,801,280	(1,310,769)	490,511
Information and Communication	781,347	(666,710)	114,637
Motor Vehicles	171,455	(141,017)	30,438
Textbooks	99,884	(85,086)	14,798
Leased Assets	38,507	(14,581)	23,926
Library Resources	118,705	(78,851)	39,854
Balance at 31 December 2017	3,984,243	(2,620,712)	1,363,531

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2016						
Buildings	275,730	-	-	-	(6,141)	269,589
Building Improvements	200,300	208,258	-	-	(10,361)	398,196
Furniture and Equipment	576,714	78,839	(7,049)	-	(118,289)	530,217
Information and Communication Technology	114,141	54,123	(22)	-	(90,982)	77,260
Motor Vehicles	13,745	24,087	-	-	(10,838)	26,994
Textbooks	22,467	6,019	-	-	(9,423)	19,063
Leased Assets	-	25,079	-	-	(3,051)	22,028
Library Resources	42,464	9,927	(7,135)	-	(5,657)	39,599
Balance at 31 December 2016	1,245,561	406,332	(14,206)	-	(254,742)	1,382,946

The following note can be used for each class of asset that are held under a finance lease:

The net carrying value of equipment held under a finance lease is \$23,926 (2016: \$22,029)

2016	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
Buildings	307,064	(37,475)	269,589
Building Improvements	665,998	(267,802)	398,196
Furniture and Equipment	1,737,721	(1,207,504)	530,217
Information and Communication Technology	681,145	(603,890)	77,255
Motor Vehicles	157,686	(130,691)	26,995
Textbooks	96,206	(77,140)	19,066
Leased Assets	25,080	(3,051)	22,029
Library Resources	122,212	(82,613)	39,599
Balance at 31 December 2016	3,793,112	(2,410,166)	1,382,946

14. Accounts Payable

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Operating creditors	85,997	150,000	158,064
Accruals	8,040	8,000	7,920
Capital accruals for PPE items	-	-	2,843
Banking staffing overuse	-	-	14,512
Employee Entitlements - salaries	270,632	280,000	269,015
Employee Entitlements - leave accrual	28,644	30,000	29,711
	<u>393,313</u>	<u>468,000</u>	<u>482,065</u>
Payables for Exchange Transactions	391,468	468,000	482,065
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	1,845	-	-
Payables for Non-exchange Transactions - Other			
	<u>393,313</u>	<u>468,000</u>	<u>482,065</u>

The carrying value of payables approximates their fair value.

15. Revenue Received in Advance

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Grants in Advance - Ministry of Education	-	-	-
International Student Fees	98,348	80,000	74,307
Other	6,050	4,000	3,130
	<u>104,398</u>	<u>84,000</u>	<u>77,437</u>



16. Provision for Cyclical Maintenance

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Provision at the Start of the Year	241,447	241,447	161,706
Increase to the Provision During the Year	39,738	50,000	82,936
Adjustment to the Provision	-	-	-
Use of the Provision During the Year	-	(51,447)	(3,195)
Provision at the End of the Year	281,185	240,000	241,447
Cyclical Maintenance - Current	20,118	20,000	58,562
Cyclical Maintenance - Term	261,067	220,000	182,885
	281,185	240,000	241,447

17. Finance Lease Liability

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

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
No Later than One Year	14,755	4,500	8,284
Later than One Year and no Later than Five Years	10,272	10,000	14,063
Later than Five Years	-	-	-
	25,027	14,500	22,347

18. Funds held in Trust

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Funds Held in Trust on Behalf of Third Parties - Current	140,380	170,000	150,610
Funds Held in Trust on Behalf of Third Parties - Non-current	-	-	-
	140,380	170,000	150,610

These funds are held in trust for students and therefore these are not included in the Statement of Comprehensive Revenue and Expense.

19. Funds Held for Capital Works Projects

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

	2017	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution/ (Write-off to R&M)	Closing Balances \$
Hall & Stage upgrade	<i>in progress</i>	20,620	-	1,737	-	18,883
40's Block Upgrade	<i>in progress</i>	144,641	504,839	619,295	-	30,185
Front Entry	<i>completed</i>	1,830	-	1,830	-	-
Fire System Upgrade	<i>in progress</i>	-	-	7,927	-	(7,927)
Totals		167,091	504,839	630,789	-	41,141

Represented by:

Funds Held on Behalf of the Ministry of Education	49,068
Funds Due from the Ministry of Education	7,927
	41,141

	2016	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution/ (Write-off to R&M)	Closing Balances \$
Hall & Stage upgrade	<i>in progress</i>	20,620	-	-	-	20,620
40's Block Upgrade	<i>in progress</i>	(5,791)	662,000	511,568	-	144,641
Front Entry	<i>in progress</i>	-	40,510	38,680	-	1,830
Totals		14,829	702,510	550,248	-	167,091

20. Related Party Transactions

The School is a controlled entity of the Crown, and the Crown provides the major source of revenue to the school. The school enters into transactions with other entities also controlled by the Crown, such as government departments, state-owned enterprises and other Crown entities. Transactions with these entities are not disclosed as they occur on terms and conditions no more or less favourable than those that it is reasonable to expect the school would have adopted if dealing with that entity at arm's length.

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and condition no more or less favourable than those that it is reasonable to expect the school would have adopted in dealing with the party at arm's length in the same circumstances. Further, transactions with other government agencies (for example, Government departments and Crown entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.

21. Remuneration*Key management personnel compensation*

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

	2017 Actual \$	2016 Actual \$
<i>Board Members</i>		
Remuneration	4,380	4,010
Full-time equivalent members	0.15	0.23
<i>Leadership Team</i>		
Remuneration	1,164,848	1,242,290
Full-time equivalent members	12	13
Total key management personnel remuneration	1,169,228	1,246,300
Total full-time equivalent personnel	12.15	13.23

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:

	2017 Actual \$000	2016 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	150-160	150-160
Benefits and Other Emoluments	4-5	14-15
Termination Benefits	-	-

Other Employees

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

	Remuneration \$000	2017 FTE Number	2016 FTE Number
Management	100-110	1.00	0.00
	110-115	1.00	1.00
		<u>2.00</u>	<u>1.00</u>

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

22. 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:

	2017 Actual \$20,000	2016 Actual
Total		
Number of People	1	-

23. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at **31 December 2017** (Contingent liabilities and assets at **31 December 2016**: nil).

24. Commitments

(a) Capital Commitments

As at 31 December 2017 the Board has entered into contract agreements for capital works as follows:

(a) \$1,102,372 contract for 40's block upgrade to be completed in **2018**, which will be fully funded by the Ministry of Education. \$1,206,839 has been received of which \$1,176,653 has been spent on the project to date; and

(b) \$702,625 contract to have the Gymnasium extended. This project is fully funded by the Board of Trustees of which \$321,284 has been spent on the project to balance date. This project has been approved by the Ministry.

Capital commitments at 31 December 2016 - \$1,102,372



(b) Operating Commitments

As at 31 December 2017 the Board has entered into the following contracts:

(a) TELA laptop leases for teachers;

	2017 Actual \$	2016 Actual \$
No later than One Year	975	2,187
Later than One Year and No Later than Five Years	-	975
Later than Five Years	-	-
	<u>975</u>	<u>3,162</u>

25. 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.

26. Financial Instruments

The carrying amount of financial assets and liabilities in each of the financial instrument categories are as follows:

Loans and receivables

	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Cash and Cash Equivalents	554,819	1,192,179	671,074
Receivables	323,614	302,000	296,343
Investments - Term Deposits	1,906,748	1,250,000	2,239,850
Total Loans and Receivables	<u>2,785,181</u>	<u>2,744,179</u>	<u>3,207,267</u>

Financial liabilities measured at amortised cost

Payables	393,313	468,000	482,065
Finance Leases	25,027	30,000	22,347
Total Financial Liabilities Measured at Amortised Cost	<u>418,340</u>	<u>498,000</u>	<u>504,412</u>

27. Events After Balance Date

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





Kiwisport

Hastings Girls' High School was pleased to receive Kiwisport funding to support students' participation.

Of the \$17,810.54 received, we paid \$22,743.56 as wages to the Sports Co-ordinator.

We also spent \$2,521.03 on transport costs to sports activities and tournaments and \$3,283.56 on sports uniforms.

PRINCIPAL: MRS CATHERINE BENTLEY

Pakowhai Road, PO Box 2441, Stortford Lodge, Hastings 4153

Tel: (06) 873 1133 Fax: (06) 876 7820 Email: admin@hastingsgirls.com www.hastingsgirls.com

HASTINGS GIRLS' HIGH SCHOOL

Annual Strategic Plan 2017

This section establishes for the relevant year the board's aims, objectives, directions, priorities and targets for intended student outcomes, the school's performance, and use of resources. It sets targets for the key activities and achievement of objectives for the year. *Education Act Sec 61 (3) (c)*. The charter must include the board's aims, objectives, directions, priorities, and targets for (a) student achievement, including the assessment of students against any national standard published under section 60A(1)(ba). *Education Act Sec 61 (4) (a)*.

	Aims	Objectives that are Priorities for our Direction	Targets 2017
Student Outcomes	<ul style="list-style-type: none"> To provide all students with a balanced, well-rounded programme that is based on the New Zealand curriculum and is responsive to the unique needs of our community. 	<ul style="list-style-type: none"> To constantly revise programmes to ensure that they remain relevant and engaging to our students while providing them with the necessary knowledge and skills to cope well with New Zealand's qualification system. 	<ul style="list-style-type: none"> That the school meet the better public service target of 85% of all school leavers gaining Level 2 for all ethnicities. That Year 10 students will have increased one level score (from their Year 9 entry score) in Maths, Reading Comprehension and Vocabulary by the beginning of their Year 10. That students can identify at least 3 occasions per term where formal written feedback has been received on ways in which their achievement can be improved.
School Performance	<ul style="list-style-type: none"> To provide an education which ensures that our students are well placed to achieve NCEA success and make successful transitions to the future. 	<ul style="list-style-type: none"> To be well placed to make evidence based decisions on curriculum structure and teaching. 	<ul style="list-style-type: none"> Use 'Traffic Lights' as a teacher tool to track individual student performance in each class and to analyse effectiveness of both course content and delivery.
Use of Resources	<ul style="list-style-type: none"> To provide quality human and material resources needed for students to benefit from a balanced well-rounded curriculum according to their identified abilities and needs. 	<ul style="list-style-type: none"> To target resources to maximise student achievement. 	<ul style="list-style-type: none"> To resource gymnasium extension. To resource engaging 'extra' courses. To continue the development of our Professional Learning Groups to resource their initiatives eg: Fiafia evening and revised Parent Interviews.

Achievement Targets 2017

Analysis of Variance

Annual Achievement Target 1

Strategic Goal: To ensure that the school meets the better public service target of 85% of all school leavers gaining Level 2 for all ethnicities.

Department: All leavers

Year Level: Level 2

Curriculum/Essential Skill: All

Target Population: 2017 school

Historical Position	Achievement Target	2017 Achievement Results		Explanation of Variation	
Actions		Person(s) Responsible	Board Support	Completion	Evidence & Monitoring
While we haven't previously met the better public service target for the school as a whole, it is not the same for all ethnicities.	To ensure that the school meets the better public service target of 85% of all school leavers gaining level 2 for all ethnicities.	Of the 252 students that left our school last year, 12.6% failed to gain L2 Of the 12.6%, 3% were from Years 9 and 10, with approximately 3.5% coming from each of the senior year cohorts. Ethnically of the 12.6% - 52% were Maori 24% were Pacifica 24% were European		<ul style="list-style-type: none"> - 2018 AKINA group programme to target student engagement, attendance and achievement. 'Through knowing 'her story' and supporting her in learning today, our girl will be best prepared for her tomorrow'. - A number left to go (or return) overseas or left our school to attend another school or recognized course. Students in this category were not included in the final Leavers without L.2 	<ul style="list-style-type: none"> - Revised school interview process with electronic booking systems
Changed Parent Interview format	Maori Achievement committee	To provide food and to release staff from teaching		Term 2	

Historical Position	Achievement Target	2017 Achievement Results	Explanation of Variation
Pasifika Fiafia	Pasifika committee	To provide food	<ul style="list-style-type: none"> - Personalised invites to students identified as at risk of not achieving - KAMAR portal and student log in - Access to electronic reports - Targeted PD around the shape of an effective interview
Placing students in appropriate courses	Deans		<ul style="list-style-type: none"> - Community consultation to gather parent voice around the junior curriculum
Subject tutorials	HOD's		<ul style="list-style-type: none"> - Conversations around PAT data and the progress of Pasifika students
Study Skills seminar	Deans	Board to resource	<ul style="list-style-type: none"> - Introducing performance standards for Pasifika students
Regular print out of credits gained	Deans	Board to resource colour printing	<ul style="list-style-type: none"> - Credit update for students
Extra courses arranged	Principal & Deans	Resource extra courses	<ul style="list-style-type: none"> - Working party to investigate additional courses (EIT), Year 12 Dean - course in promoting Maori engagement - Investing in resourcing

Achievement Targets 2017 Analysis of Variance

Annual Achievement Target 2

Strategic Goal: That Year 10 students will have increased 3 – 5 percentile points (from their Year 9 entry score) in Reading Comprehension, Reading Vocabulary and Maths by the beginning of Year 10
Department: All **Year Level: 9 2017** **Curriculum/Essential Skill: All** **Target Population: Year 9 2017**

Historical Position	Achievement Target	2017 Achievement Results	Explanation of Variation
<p>historically the results have been very mixed and we have been disappointed when students have not moved whole tanines. We now see that our goals were unachievable.</p>		<p>Mathematics – A Scale Score increase of 5.0 across the cohort. Reading Comprehension – A Scale Score increase of 5.9 across the cohort.</p>	<ul style="list-style-type: none"> - Numeracy PD to be provided by Team Solutions for whole maths department in 2018. - COL targets set for both literacy and numeracy with substantial funding in 2018 COL in school col roles for both literacy and numeracy appointed - Ongoing PD for planned for using Key competencies - Targeted actions for priority learners in Year 9 2018 – specialist staff for both numeracy and literacy, timetabling into one learning space, shared planning and resourcing - Increased understanding of differentiation and how to plan to meet the specific needs of the students using NZC curriculum levels.
Actions	Person(s) Responsible	Board Support	Completion
			Evidence & Monitoring

Historical Position	Achievement Target	2017 Achievement Results	Explanation of Variation
<p>Best results collated and published in easy to access form. All staff are informed as to how to use these results.</p>	<p>Assistant Principal</p>	<p>Test analysis and delivery costs associated with NZCER service</p>	<p>- More regular targeted staff PD to promote good pedagogy around literacy and numeracy in Years 9 & 10</p>
<p>Readily available age appropriate material from the English Department and library.</p>	<p>TIC Junior English Librarian</p>	<p>Purchase of up to date resources</p>	<p>- Health Check by Lara Meyer (ACER)</p>
<p>Accelerated Reading Programme and inter-class reading competition.</p>	<p>TIC Junior English</p>	<p>Purchase of new quizzes with supporting books</p>	<p>- Closer analysis of PAT data, highlighting the enormity of the challenge ahead, particularly literacy with priority learners. School wide PD on data analysis</p>
<p>Subject specific vocabulary lists.</p>	<p>HOD's</p>	<p>Purchase of display materials</p>	<p>- Development of a targeted action plan engaging a facilitator to deliver PD for school wide literacy</p>
<p>Literacy committee made up of representatives from all departments.</p>	<p>TIC Literacy</p>	<p>Purchase of up to date resources</p>	<p>- Trialling a key competency based approach in delivery and assessment to raise student engagement</p>
<p>Year 9 Literacy & Numeracy groups for those needing support.</p>	<p>Assistant Principal</p>		<p>-</p>

Achievement Targets 2017 Annual Achievement Target 3

Strategic Goal: That students can identify at least 3 occasions per term where formal feedback has been received on ways in which their achievement can be improved.

Department: All

Population: Whole school

Year Level: 9-13

Curriculum/Essential Skill: Self-management

Target

Historical Position	Achievement Target	2017 Achievement Results	Explanation of Variation
<p>We have always been good at providing informal feedback but have been less proficient in formalising this into evidence based feed-forward.</p>	<p>Formal feedback was gathered. Staff awareness of importance and value of feedback noted.</p>		<ul style="list-style-type: none"> - Traffic light system will not be used in 2018. Decision based on difficulty in accessing data easily and the accuracy of predictions which often fell short of teacher expectation. Staff moving towards using PAT, Running records and CEN and NCEA data as an alternative. - AKINA pastoral structure will provide structured feedback for all students. PD for staff and students
<p>Inform staff of goal. Staff develop regular tests or milestones.</p>	<p>Person(s) Responsible Deputy Principal Department/Staff member</p>	<p>Board Support</p>	<p>Evidence & Monitoring</p> <ul style="list-style-type: none"> - A school wide acceptance of the need to have regular and ongoing, specific feedback - We currently have a few teachers who are highly skilled in delivering targeted feedback

<p>Students receive classroom feedback specifically highlighting areas of strength or weakness and actions they may take to improve performance in class.</p>	<p>Class Teacher</p>			<ul style="list-style-type: none"> - PD for whole staff in term 3 - Monitoring of traffic light use and ongoing encouragement in terms of self-directed learning
<p>Staff ask for written feedback on teaching strategies or content at least once per term.</p>	<p>Class Teacher/Students</p>			
<p>Students are made aware of performance expectations (Traffic Lights) and their performance profile.</p>	<p>Class Teacher</p>		<p>Term 2</p>	<ul style="list-style-type: none"> - Evidence gathered from all staff - Student voice on the effectiveness of the feedback indicated that there was a wide range of ways to give effective feedback
<p>Final reporting focusses on achievement and specific remedial actions rather than behaviour or attitude.</p>			<p>Term 3</p>	<ul style="list-style-type: none"> - Presentation to staff on findings and examples of which type of feedback students felt was useful

Hastings Girl's High School Members of the Board of Trustees

Name	Position	How position on Board gained	Occupation	Term expires
Celia Dent	Parent rep, Chairperson	Re-elected April 2016	Lecturer	March 2019
Graeme Hunt	Deputy Chairperson	Co-opted April 2016	Supervisor	March 2019
Bryan Grapes	Parent rep	Re-elected April 2016	Orchardist	March 2019
Alieta Uelese	Parent rep	Co-opted April 2010		March 2019
Ira Te Au	Co-opted	Co-opted April 2013	Kaumatua	March 2019
Hannah Smith	Co-opted	Co-opted April 2016	H&S Adviser	March 2019
Grant Russell	Co-opted	Co-opted Sept 2017		March 2020
Jacqui Davis	Co-opted	Co-opted Sept 2017		March 2020
Alan Powdrell	Staff rep	Re-elected April 2016	Teacher	March 2019
Francisca Saldivia-Greville	Student rep	Appointed Sept 2016	Student	Sept 2017
Priscilla McLintock	Student Rep	Appointed 2017	Student	Sept 2018
Geraldine Travers	Principal	Appointed Principal	Principal	Apr 2017
Catherine Bentley	Principal	Appointed Principal	Principal	Sept 2018



INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF HASTINGS GIRLS HIGH SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

The Auditor-General is the auditor of Hastings Girls High School (the School). The Auditor-General has appointed me, Maxwell John Dixon, using the staff and resources of PricewaterhouseCoopers, 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 19, that comprise the statement of financial position as at 31 December 2017, 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 2017; 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 Benefit Entity Standards Reduced Disclosure Regime issued in New Zealand (PBE Standards RDR).

Our audit was completed on 8 May 2018. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Board of Trustees and our responsibilities relating to the financial statements, we comment on other information, and we explain our independence.

Basis for our opinion

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

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

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



Responsibilities of the Board of Trustees for the financial statements

The Board of Trustees is responsible on behalf of the School for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand. The Board of Trustees is responsible for such internal control as it determines is necessary to enable it to prepare financial statements that are free from material misstatement, whether due to fraud or error.

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

The Board of Trustees' responsibilities arise from the Education Act 1989.

Responsibilities of the auditor for the audit of the financial statements

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

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

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

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

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

- We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Trustees.



- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Trustees and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the School to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We assess the risk of material misstatement arising from the Novopay payroll system, which may still contain errors. As a result, we carried out procedures to minimise the risk of material errors arising from the system that, in our judgement, would likely influence readers' overall understanding of the financial statements.

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

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Board of Trustees is responsible for the other information. The other information comprises the information included within the Analysis of Variance, Kiwisport, and the Members of the Board of Trustees which form part of the Annual Report, but does not include the financial statements, and our auditor's report thereon.

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

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



Independence

We are independent of the School in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1 (Revised): *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.

A handwritten signature in blue ink, appearing to read 'M. J. Dixon'.

Maxwell John Dixon
PricewaterhouseCoopers
On behalf of the Auditor-General
Napier, New Zealand