

Bairds Mainfreight Primary School

Annual Report for the year ended 31 December 2020

Ministry Number:	1218
Principal:	Alan Lyth
School Address:	12-16 Edward Avenue, Otara, Manukau
School Postal Address:	12-16 Edward Avenue, Otara, Manukau
School Phone:	09-2748271
School Email:	rexpennalligen@bmps.school.nz
Service Provider:	Edtech Financial Services Ltd

Bairds Mainfreight Primary School

Members of the Board of Trustees

For the year ended 31 December 2020

Name	Position	How position on Board gained	Occupation	Term expired/expires
Martin Kaipo	Chairman	Elected May 2019	Bus Driver	May-22
Alan Lyth	Principal	Appointed 2009	Principal	
Mele Faumuina	Parent Rep	Elected May 2019	ECE Teacher	May-22
Teariki Ngaau	Parent Rep	Elected May 2019	Police Officer	May-22
Ani Tangimataiti	Parent Rep	Elected May 2019		May-22
Natasha Smith	Parent Rep	Elected May 2019	Sign Language Interpreter	May-22
Michelle Peters	Staff Rep	Elected May 2019	Teacher	May-22

Bairds Mainfreight Primary 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 - 18	Notes to the Financial Statements
	Other Information
19-23	Analysis of Variance
24-25	Kiwisport
26-28	Audit Report

Bairds Mainfreight Primary 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.

MARTIN KAIPU

Full Name of Board Chairperson

Kiana Mirae Ngarami

Full Name of Principal

[Signature]

Signature of Board Chairperson

[Signature]

Signature of Principal

04/06/21

Date:

04.06.21

Date:

Bairds Mainfreight Primary School**Statement of Comprehensive Revenue and Expense**

For the year ended 31 December 2020

		2020	2020	2019
	Notes	Actual	Budget (Unaudited)	Actual
		\$	\$	\$
Revenue				
Government Grants	2	4,236,826	4,218,961	3,984,777
Locally Raised Funds	3	135,917	61,000	99,967
Interest Income		41,402	37,700	55,270
		4,414,145	4,317,661	4,140,014
Expenses				
Locally Raised Funds	3	41,335	34,000	88,906
Learning Resources	4	2,360,128	2,715,156	2,342,658
Administration	5	195,796	229,875	189,932
Finance		2,512	2,000	2,241
Property	6	1,102,848	1,000,861	954,588
Depreciation	7	209,750	248,000	229,953
Loss on Disposal of Property, Plant and Equipment		6,827	-	6,433
		3,919,196	4,229,892	3,814,711
Net Surplus / (Deficit) for the year		494,949	87,769	325,303
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		494,949	87,769	325,303

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

Bairds Mainfreight Primary School
Statement of Changes in Net Assets/Equity
For the year ended 31 December 2020

		2020	2020	2019
	Notes	Actual \$	Budget (Unaudited) \$	Actual \$
Balance at 1 January		<u>3,725,735</u>	<u>3,725,735</u>	<u>3,400,432</u>
Total comprehensive revenue and expense for the year		494,949	87,769	325,303
Capital Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		11,273		
Equity at 31 December	23	<u>4,231,957</u>	<u>3,813,504</u>	<u>3,725,735</u>
Retained Earnings		4,231,957	3,813,504	3,725,735
Equity at 31 December		<u>4,231,957</u>	<u>3,813,504</u>	<u>3,725,735</u>

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

Bairds Mainfreight Primary School

Statement of Financial Position

As at 31 December 2020

		2020	2020	2019
	Notes	Actual	Budget (Unaudited)	Actual
		\$	\$	\$
Current Assets				
Cash and Cash Equivalents	8	645,512	586,493	388,020
Accounts Receivable	9	264,529	152,000	201,387
GST Receivable		57,888	18,000	17,708
Prepayments		23,356	3,000	2,439
Inventories	10	18,317	24,000	23,070
Investments	11	1,653,881	1,464,000	1,614,455
		<u>2,663,483</u>	<u>2,247,493</u>	<u>2,247,079</u>
Current Liabilities				
Accounts Payable	13	260,249	195,000	192,692
Revenue Received in Advance	14	13,685	12,000	12,023
Provision for Cyclical Maintenance	15	91,522	122,119	114,400
Finance Lease Liability - Current Portion	16	12,074	9,413	12,295
Funds Held for Capital Works Projects	17	-	-	1,864
		<u>377,530</u>	<u>338,532</u>	<u>333,274</u>
Working Capital Surplus/(Deficit)		<u>2,285,953</u>	<u>1,908,961</u>	<u>1,913,805</u>
Non-current Assets				
Property, Plant and Equipment	12	1,983,026	1,917,269	1,837,269
		<u>1,983,026</u>	<u>1,917,269</u>	<u>1,837,269</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	15	20,000	800	4,000
Finance Lease Liability	16	17,022	11,926	21,339
		<u>37,022</u>	<u>12,726</u>	<u>25,339</u>
Net Assets		<u>4,231,957</u>	<u>3,813,504</u>	<u>3,725,735</u>
Equity	23	<u>4,231,957</u>	<u>3,813,504</u>	<u>3,725,735</u>

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

Bairds Mainfreight Primary School

Statement of Cash Flows

For the year ended 31 December 2020

	Note	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Cash flows from Operating Activities				
Government Grants		1,171,013	1,296,143	1,098,218
Locally Raised Funds		117,080	60,977	109,020
Goods and Services Tax (net)		(40,180)	(292)	(21,775)
Payments to Employees		(275,772)	(481,136)	(314,877)
Payments to Suppliers		(330,936)	(520,703)	(387,970)
Cyclical Maintenance Payments in the year		(37,174)	-	-
Interest Paid		(2,512)	(2,000)	(2,241)
Interest Received		45,217	37,188	64,382
Net cash from/(to) Operating Activities		646,736	390,177	544,757
Cash flows from Investing Activities				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		-	-	705
Purchase of Property Plant & Equipment (and Intangibles)		(353,843)	(387,252)	(358,766)
Purchase of Investments		(39,426)	-	(207,886)
Proceeds from Sale of Investments		-	150,455	-
Net cash from/(to) Investing Activities		(393,269)	(236,797)	(565,947)
Cash flows from Financing Activities				
Furniture and Equipment Grant		11,273	-	-
Finance Lease Payments		(5,384)	46,957	(4,149)
Funds Held for Capital Works Projects		(1,864)	(1,864)	(71,564)
Net cash from/(to) Financing Activities		4,025	45,093	(75,713)
Net increase/(decrease) in cash and cash equivalents		257,492	198,473	(96,903)
Cash and cash equivalents at the beginning of the year	8	388,020	388,020	484,923
Cash and cash equivalents at the end of the year	8	645,512	586,493	388,020

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.

Bairds Mainfreight Primary School

Notes to the Financial Statements

For the year ended 31 December 2020

1. Statement of Accounting Policies

Reporting Entity

Bairds Mainfreight Primary 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.

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 of 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.

Bairds Mainfreight Primary School

Notes to the Financial Statements (cont.)

For the year ended 31 December 2020

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.

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.

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.

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.

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.

Notes to the Financial Statements (cont.)

For the year ended 31 December 2020

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.

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.

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.

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.

Property, Plant and Equipment

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

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

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

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

Finance Leases

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

Depreciation

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

The estimated useful lives of the assets are:

Buildings - School	10-75 years
Furniture and equipment	10-15 years
Information and communication technology	4-5 years
Leased assets held under a Finance Lease	3 years
Library resources	12.5% Diminishing value

Bairds Mainfreight Primary School

Notes to the Financial Statements (cont.)

For the year ended 31 December 2020

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).

Financial Instruments

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

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

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

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 Statement of Cash Flows.

Commitments and contingencies are disclosed exclusive of GST.

Budget Figures

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

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.

Bairds Mainfreight Primary School

Notes to the Financial Statements (cont.)

For the year ended 31 December 2020

2 Government Grants

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operational Grants	1,130,372	1,154,850	1,044,520
Teachers' Salaries Grants	2,149,519	2,200,000	2,055,686
Use of Land and Buildings Grants	867,796	773,111	773,111
Resource Teachers Learning and Behaviour Grants	1,050	-	3,439
Other MoE Grants	88,089	91,000	104,412
Other Government Grants	-	-	3,609
	4,236,826	4,218,961	3,984,777

The School has opted in to the donations scheme for this year. Total amount received was \$72,300.

Other MOE Grants total includes additional COVID-19 funding totalling \$8,375 for the year ended 31 December 2020.

3 Locally Raised Funds

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

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Revenue			
Donations	295	-	6,272
Activities	18,524	18,500	52,140
Trading	32,833	32,000	29,003
Fundraising	84,265	10,500	12,552
	135,917	61,000	99,967
Expenses			
Activities	-	-	54,092
Trading	31,759	28,000	28,165
Fundraising (Costs of Raising Funds)	9,576	6,000	6,649
	41,335	34,000	88,906
	94,582	27,000	11,061

Surplus/ (Deficit) for the year Locally Raised Funds

4 Learning Resources

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	90,915	154,066	92,352
Equipment Repairs	-	1,400	-
Information and Communication Technology	15,145	23,240	20,092
Employee Benefits - Salaries	2,243,080	2,483,200	2,202,384
Staff Development	10,988	53,250	27,830
	2,360,128	2,715,156	2,342,658

Bairds Mainfreight Primary School

Notes to the Financial Statements (cont.)

For the year ended 31 December 2020

5 Administration

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	5,853	6,731	5,683
Board of Trustees Fees	2,745	5,100	3,040
Board of Trustees Expenses	11,026	19,634	20,904
Communication	8,041	9,200	5,512
Consumables	4,289	7,000	5,887
Other	11,986	16,250	10,093
Employee Benefits - Salaries	136,133	149,300	123,123
Insurance	8,583	8,920	8,694
Service Providers, Contractors and Consultancy	7,140	7,140	6,996
	<u>195,796</u>	<u>229,875</u>	<u>189,932</u>

6 Property

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	15,317	16,350	12,982
Consultancy and Contract Services	57,784	60,000	54,904
Cyclical Maintenance Expense	30,296	16,000	(1,334)
Grounds	532	3,000	394
Heat, Light and Water	29,388	38,000	34,253
Repairs and Maintenance	50,106	39,400	27,453
Use of Land and Buildings	867,796	773,111	773,111
Security	5,551	6,000	5,910
Employee Benefits - Salaries	46,078	49,000	46,915
	<u>1,102,848</u>	<u>1,000,861</u>	<u>954,588</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 nationwide revaluation exercise that is conducted every 30 June for the Ministry of Education's year end reporting purposes.

7 Depreciation

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Buildings - School	42,490	33,890	36,405
Land & Building Improvements	1,455	-	-
Furniture and Equipment	75,957	86,930	73,539
Information and Communication Technology	75,634	114,080	106,557
Leased Assets	13,014	10,570	11,355
Library Resources	1,200	2,530	2,097
	<u>209,750</u>	<u>248,000</u>	<u>229,953</u>

Bairds Mainfreight Primary School

Notes to the Financial Statements (cont.)

For the year ended 31 December 2020

8 Cash and Cash Equivalents

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Cash on Hand	300	300	300
Bank Current Account	391,623	434,893	387,507
Bank Call Account	214	300	213
Short-term Bank Deposits	253,375	151,000	-
Cash and cash equivalents for Statement of Cash Flows	645,512	586,493	388,020

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

9 Accounts Receivable

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Receivables	20,499	-	-
Receivables from the Ministry of Education	-	-	40,645
Interest Receivable	5,673	10,000	9,488
Bank Staffing Underuse	91,146	-	9,648
Teacher Salaries Grant Receivable	147,211	142,000	141,606
	264,529	152,000	201,387
Receivables from Exchange Transactions	26,172	10,000	9,488
Receivables from Non-Exchange Transactions	238,357	142,000	191,899
	264,529	152,000	201,387

10 Inventories

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Stationery	2,154	2,000	1,412
School Uniforms	16,163	22,000	21,658
	18,317	24,000	23,070

11 Investments

The School's investment activities are classified as follows:

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Current Asset			
Short-term Bank Deposits	1,653,881	1,464,000	1,614,455
Total Investments	1,653,881	1,464,000	1,614,455

Notes to the Financial Statements (cont.)

For the year ended 31 December 2020

12 Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
	\$	\$	\$	\$	\$	\$
2020						
Buildings	1,186,648	-	-	-	(42,490)	1,144,158
Land & Building Improvements	-	229,615	-	-	(1,455)	228,160
Furniture and Equipment	494,566	84,799	-	-	(75,957)	503,408
Information and Communication Technology	108,515	37,678	-	-	(75,634)	70,559
Leased Assets	32,862	8,491	-	-	(13,014)	28,339
Library Resources	14,678	1,751	(6,827)	-	(1,200)	8,402
Balance at 31 December 2020	1,837,269	362,334	(6,827)	-	(209,750)	1,983,026

	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$
2020			
Buildings	1,439,248	(295,090)	1,144,158
Land & Building Improvements	229,615	(1,455)	228,160
Furniture and Equipment	1,357,452	(854,044)	503,408
Information and Communication Technology	671,516	(600,957)	70,559
Leased Assets	67,743	(39,404)	28,339
Library Resources	19,226	(10,824)	8,402
Balance at 31 December 2020	3,784,800	(1,801,774)	1,983,026

The net carrying value of equipment held under a finance lease is \$28,339 (2019: \$32,862).

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
	\$	\$	\$	\$	\$	\$
2019						
Buildings	979,678	243,375	-	-	(36,405)	1,186,648
Land & Building Improvements	-	-	-	-	(73,539)	494,566
Furniture and Equipment	507,902	60,203	-	-	(106,557)	108,515
Information and Communication Technology	164,629	50,443	-	-	(11,355)	32,862
Leased Assets	15,156	29,731	(670)	-	(2,097)	14,678
Library Resources	19,181	4,062	(6,468)	-	(229,953)	1,837,269
Balance at 31 December 2019	1,686,546	387,814	(7,138)	-	(229,953)	1,837,269

	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$
2019			
Buildings	1,439,248	(252,600)	1,186,648
Land & Building Improvements	-	-	494,566
Furniture and Equipment	1,272,653	(778,087)	108,515
Information and Communication Technology	633,837	(525,322)	32,862
Leased Assets	59,252	(26,390)	14,678
Library Resources	32,671	(17,993)	14,678
Balance at 31 December 2019	3,437,661	(1,600,392)	1,837,269

The net carrying value of equipment held under a finance lease is \$32,862 (2018: \$15,156).

Bairds Mainfreight Primary School

Notes to the Financial Statements (cont.)

For the year ended 31 December 2020

13 Accounts Payable

Operating Creditors
Accruals
Employee Entitlements - Salaries
Employee Entitlements - Leave Accrual

Payables for Exchange Transactions

The carrying value of payables approximates their fair value.

2020	2020	2019
Actual	Budget	Actual
\$	(Unaudited)	\$
108,101	46,000	45,367
3,301	5,000	4,083
146,988	142,000	141,383
1,859	2,000	1,859
260,249	195,000	192,692
260,249	195,000	192,692

14 Revenue Received in Advance

Other

2020	2020	2019
Actual	Budget	Actual
\$	(Unaudited)	\$
13,685	12,000	12,023
13,685	12,000	12,023

15 Provision for Cyclical Maintenance

Provision at the Start of the Year
Increase/(decrease) to the Provision During the Year
Use of the Provision During the Year
Provision at the End of the Year

Cyclical Maintenance - Current
Cyclical Maintenance - Term

2020	2020	2019
Actual	Budget	Actual
\$	(Unaudited)	\$
118,400	118,400	119,734
30,296	16,000	(1,334)
(37,174)	(11,481)	-
111,522	122,919	118,400
91,522	122,119	114,400
20,000	800	4,000
111,522	122,919	118,400

16 Finance Lease Liability

The school has entered into 2 finance lease agreements for TELA laptop Leases.
Minimum lease payments payable (includes interest portion):

No Later than One Year
Later than One Year and no Later than Five Years

2020	2020	2019
Actual	Budget	Actual
\$	(Unaudited)	\$
14,002	9,413	14,600
18,348	11,926	23,617
32,350	21,339	38,217

Notes to the Financial Statements (cont.)

For the year ended 31 December 2020

17 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:

	2020	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution/ (Write-off to R&M)	Closing Balances \$
Reroofing Block 1 & 5	Completed	1,864	-	1,864	-	-
Totals		1,864	-	1,864	-	-

	2019	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution/ (Write-off to R&M)	Closing Balances \$
Reroofing Block 1 & 5	In progress	3,413	-	1,549	-	1,864
Block 1 & 3 Classroom Refurbishment	Completed	70,015	202,420	515,810	243,375	-
Totals		73,428	202,420	517,359	243,375	1,864

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.

Bairds Mainfreight Primary School

Notes to the Financial Statements (cont.)

For the year ended 31 December 2020

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	2,745	3,040
Full-time equivalent members	0.05	0.05
<i>Leadership Team</i>		
Remuneration	498,965	477,673
Full-time equivalent members	4.00	4.00
Total key management personnel remuneration	501,710	480,713
Total full-time equivalent personnel	4.05	4.05

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

Principal

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

	2020 Actual \$000	2019 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	150-160	150-160
Benefits and Other Emoluments	0-5	1-2
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
120-130	1	-
110-120	1	2
100-110	1	-
	3	2

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

20 Compensation and Other Benefits Upon Leaving

There were no compensation or other benefits paid or payable to persons upon leaving.

21 Contingencies

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

(Contingent liabilities and assets as 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.

Notes to the Financial Statements (cont.)

For the year ended 31 December 2020

22 Commitments

(a) Capital Commitments

As at 31 December 2020 the Board has entered into no contract agreements for capital works.

(Capital commitments as 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:

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Financial assets measured at amortised cost			
Cash and Cash Equivalents	645,512	586,493	388,020
Receivables	264,529	152,000	201,387
Investments - Term Deposits	1,653,881	1,464,000	1,614,455
Total Financial assets measured at amortised cost	2,563,922	2,202,493	2,203,862
Financial liabilities measured at amortised cost			
Payables	260,249	195,000	192,692
Finance Leases	29,096	21,339	33,634
Total Financial Liabilities Measured at Amortised Cost	289,345	216,339	226,326

25 Events After Balance Date

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

Analysis of Variance 2020

Target 1 – Domain – Learning/Student Achievement in Written Language – 2020				
Strategic Goal: Improve written language outcomes for the working towards students in each class- (See the selection process in Baseline Data section below), and to review the assessment process for written language to include e-asTTle				
Annual goal: Accelerate progress of working towards children in each class who are performing just below expectations in written language.		Annual Target: At least 2 children per class of the working towards children will be achieving at expectation by the end of 2020		
Baseline data: Selection process: Each teacher will use the data collected in term 4 2019 or testing at the start of 2020, for newly enrolled children, to identify the children who are performing just below expectation in writing. These children will be listed on the working towards section of their google doc and the teacher will focus on these children in order to accelerate their progress in written language. The identified children will be monitored and when they have reached the level required they will be replaced by other possibly newly enrolled children who meet the criteria. (Alternately children who are performing just at their expected levels but who are in danger of not maintaining that level, may be selected.				
Key improvement strategies				
When	What	Who	Progress indicator	
On-going throughout 2020	PLD based on the new writing Book by Louise Dempsey.	Whole staff	<ul style="list-style-type: none">Improved written language levelsImproved quality of teaching and learning in writingInspired and inspiring teachers	
On-going throughout 2020	Whole school PLD based on the PLD led by Louise Dempsey	Whole staff	<ul style="list-style-type: none">Teachers will have a better knowledge of the steps and progressions in writingTeachers will embed the modified BMPS writing pedagogy	
On-going throughout 2020	Modified writing programmes within syndicates / classrooms	All teachers	<ul style="list-style-type: none">Motivated students keen to write and making accelerated progressImproved writing achievement results	
Monitoring: Feedback within syndicate meetings Teacher reflections, moderations and OTJ Regular monitoring of working towards by management				
Resourcing: Resource purchases \$2500 PLD with Louise Dempsey \$6500				

Variance Statement Writing:

The 2020 school year in NZ was hugely impacted by the Covid 19 Pandemic. There is documented evidence that this impact was even greater in low decile schools with children failing to return to school following the initial lockdown and again after the high alerts in Auckland. BMPS was not immune from those impacts and in fact had a number (less than 20) of children who never returned to school and were finally referred to NETS. In spite of the poor or non-attendance, our amazing teaching team worked hard with the children who were at school and had pleasing levels of success with their target children. When the children were absent they were all provided with 3 learning packs from their teachers at their own levels and additionally they had online learning provided through Google Classrooms and regular class or group Zoom Meetings.

Of the 24 selected target children across team Tui and Team Kahu one quarter made the progress that was expected of them and 4 made slightly accelerated. The remaining targets made little or no progress or even regressed. 4 of the others left the school (transience or Covid related) and 2 disappeared completely. These children were replaced according to our process but there was too little time left to make a significant difference.

In spite of Covid we were still able to hold the PLD with Louise Dempsey and this along with the in-school PLD on Clarity made a significant difference to the teachers pedagogy, expectations and the achievements of the children.

Target 2 – Domain – Learning/Student Achievement in Mathematics – 2020

Strategic Goal: Improve mathematics outcomes for students in every class. (See the selection process in Baseline Data section below). and to review the assessment process for mathematics to include e-asTTle			
Annual goal: Accelerate progress of working towards children in each class who are performing below expectations in mathematics		Annual Target: At least 2 children per class of the working towards children will be achieving at expectation by the end of 2020	
Baseline data: Selection process: Each teacher will use the data collected in term 4 2019 or testing at the start of 2020, for newly enrolled children, to identify the children who are performing just below expectation in mathematics. These children will be listed on the working towards section of their google doc and the teacher will focus on these children in order to accelerate their progress in written language. The identified children will be monitored and when they have reached the level required they will be replaced by other possibly newly enrolled children who meet the criteria. Alternately children who are performing just at their expected levels but who are in danger of not maintaining that level, may be selected.			
Key improvement strategies			
When	What	Who	Progress indicator
On-going throughout 2020	Mathematics inquiry undertaken by each team. This PLD and all class teaching programmes will have a very deliberately renewed focus on knowledge and clarity rather than strategies. Observation of and sharing excellence in Maths Pedagogy Modified mathematics programmes in classrooms Team and individual mathematics inquiries,	All staff	<ul style="list-style-type: none">Increased involvement and sharing from and by all staff membersImproved mathematics assessment resultsImproved quality of teaching and learningInspired and inspiring teachers
On-going throughout 2020		All staff	<ul style="list-style-type: none">Motivated students making accelerated progress in MathsImproved overall Maths progress results
Monitoring: Feedback within teacher and syndicate meetings Teacher reflections, moderations and OTJ Regular monitoring of target children by management			
Resourcing: As all of this change will be handled in school there will be no costs outside of the budgeted expenditure for Maths			

Variance Statement Mathematics:

As stated above the 2020 school year in NZ was hugely impacted by the Covid 19 Pandemic.

In spite of the poor or non-attendance, our amazing teaching team worked hard with the children who were at school and had pleasing levels of success with their maths target children. When the children were absent they were all provided with 3 learning packs from their teachers at their own levels and additionally they had online learning provided through Google Classrooms and regular class or group Zoom Meetings.

Of the 24 selected target children across team Tui and Team Kahu one third made the progress that was expected of them and one quarter made slightly accelerated progress 5 failed to make progress 2 or regressed. the other 2 left the school (transience or Covid related) progress and disappeared completely. These children were replaced according to our process but there was too little time left to make a significant difference.

In spite of Covid we were still able to hold the PLD with Louise Dempsey and this along with the in-school PLD on Clarity made a significant difference to the teachers pedagogy, expectations and the achievements of the children.

Target 3 – Domain – Learning/Student Achievement in Reading -2020			
Strategic Goal: Improve reading outcomes for targeted students in each class. (See the selection process in Baseline Data section below).			
Annual goal: Accelerate progress of children in each class who are performing just below expectation in reading.		Annual Target: At least 2 children per class of the working towards children will be achieving at expectation by the end of 2020	
Baseline data: Selection process: Each teacher will use the data collected in term 4 2019 or testing at the start of 2020, for newly enrolled children, to identify the children who are performing just below expectation in reading. These children will be listed on the working towards section of their google doc and the teacher will focus on these children in order to accelerate their progress in written language. The identified children will be monitored and when they have reached the level required they will be replaced by other possibly newly enrolled children who meet the criteria. Alternately children who are performing just at their expected levels but who are in danger of not maintaining that level, may be selected.			
Key improvement strategies			
When	What	Who	Progress indicator
On-going throughout 2020	In school PLD, sharing of ideas and planned interventions	All staff	<ul style="list-style-type: none">Improved quality of teaching and learning in readingInspired and inspiring teachers
On-going throughout 2020	Innovative reading programmes in classrooms	Teachers and all children	<ul style="list-style-type: none">Students inspired to read and making accelerated progressImproved reading assessment results
Monitoring: Feedback within syndicate meetings Teacher reflections, moderations and OTJ Regular monitoring of target children by management			
Resourcing: As all of this change will be handled in school there will be no costs outside of the budgeted expenditure for Reading / English			

Variance Statement Reading:

As stated above the 2020 school year in NZ was hugely impacted by the Covid 19 Pandemic.

In spite of the poor or non-attendance, our amazing teaching team worked hard with the children who were at school and had pleasing levels of success with their at risk in reading target children. When the children were absent they were all provided with 3 learning packs from their teachers at their own levels and additionally they had online learning provided through Google Classrooms and regular class or group Zoom Meetings.

Of the 24 selected target children across team Tui and Team Kahu one third made the progress that was expected of them and one third made somewhat accelerated progress 4 failed to make progress 2 or regressed. the other 2 left the school (transience or Covid related) progress and disappeared completely. These children were replaced according to our process but there was too little time left to make a significant difference.

In spite of Covid we were still able to hold the PLD with Louise Dempsey and this along with the in-school PLD on Clarity made a significant difference to the teachers pedagogy, expectations and the achievements of the children.

Target 4 – Domain – Student engagement – 2020			
Strategic Goal: Improved attendance rates across the whole school.			
Annual goal: Accelerate student achievement by focusing on improved attendance		Annual Target: Improve overall annual attendance rates from the mid to high 80's to over 92% by 2021	
Baseline data: Due to a less than satisfactory service being provided by our attendance service providers' attendance rates overall did not improve during 2019.			
Key improvement strategies			
When	What	Who	Progress indicator
On enrolment	Discuss importance of daily attendance with new parents	Principal	Improved attendance of Year 1 students
On-going throughout 2020- 2021	Review the effectiveness of truancy providers – Strive This review will start as early as possible in 2020	Principal and SAO	Improved attendance rates
Term 2	Review the effectiveness of the changes that Strive have made with staff changes as well as processing.	Principal, Val and SAO	Improved communication with parents through Text-stream
Termly	Parent meetings, Hui and Whanau Time sessions	Principal, teachers.	Improved communication with parents
Monitoring: Weekly syndicate meeting teachers notify attendance concerns to the principal who will then work with the School Attendance Officer (SAO) and other agencies/providers to contact the parents with the view to improving the child's attendance.			
Resourcing: Text-stream \$2500			

Variance Statement Student Engagement:

As stated above the 2020 school year in NZ was hugely impacted by the Covid 19 Pandemic.

Our attendance rates were the lowest that they have been in the past 10 years and student face to face engagement was consequently less than ever before. We also had a small number of children who never actually returned to BMPS and were subsequently removed from our roll and referred to NETS. I expect that some of these children may yet turn up at BMPS when the 2021 school year commences.

One major positive arising from the Covid Pandemic was greater / stronger engagement with many of the families through the work in Google Classroom and other types of on-line learning. The regular Zoom meetings for children in each class added to the parent involvement, in many cases these involved the parents sitting in with the children in their home settings.

The "What" activities happened as outlined below;

Discuss importance of daily attendance with new parents: All new parents met with the principal at the time of enrolment and he stressed the importance of attendance in order for the children to reach their potential.

Review the effectiveness of truancy providers – Strive (This review will start as early as possible in 2020) A meeting was held early in term 1 with Levene Grant from Strive and one of her attendance staff and from the discussion it seemed likely that there would be an improvement in service. Unfortunately this did not eventuate and the school is still unsatisfied with the work of Strive.

Review the effectiveness of the changes that Strive have made with staff changes as well as processing. In spite of the time spent meeting with Strive there has been no improvement in the service that they have provided during 2020. This is partly due to the details in the Strive contract with the MOE. The contract allows children to be removed from the Strive workload after just 10 days and there is no follow up for persistent poor attenders without endless referrals.

Parent meetings, Hui and Whanau Time sessions Due to Covid 19 the plans for meeting with parents through the Principal's Hui and the Whanau Time initiative were both deferred. For the majority of the year we only allowed parents on site for enrolments and purchases.



Bairds Mainfreight Primary School

KiwiSport

Report 2020

- To increase the number of school-aged children participating in organised sport.
- Increase the availability and accessibility of sport opportunities for all school-aged children.
- Support children in developing skills that will enable them to participate effectively in sport.

Our goals for 2020 were:

to provide sports opportunities for all of our children from Y1-Y6, with a focus on our Y1-4 group

to increase the number of children taking part in sport

to introduce new sports to our children

to develop staff skills in sport, so that they can coach more sport in our school.

to enter all inter-school competitions, to give our children the experience of training as a team, and learning new skills and for the experience of winning and losing

to enter all invitational sports competitions, to give our children the experience of training as a team, and learning new skills and for the experience of winning and losing

to continue the concept of training squads so that greater numbers of children are able to experience team culture and the development of team related skills.

What actually happened?

These goals did not take into account that COVID-19 and lockdowns would become the 'norm' in New Zealand. This had the biggest impact on inter-school sports competitions. The only competition that took place during 2020 was cricket.

KiwiSport Funding this year was used to pay CM Sport. This allowed for in-school coaching for our year one and two tamariki. The focus for this was fundamental skills, which grow confidence and skill.

The funding also paid for a BMPS 'have a go' day for the whole school which introduced most of our children to a range of different sports.



Principal: Alan Lyth

Contact: office@bmpps.school.nz



Bairds Mainfreight Primary School

This year we were fortunate to get a bike track built by AT. After lockdowns and with a focus of getting our children active, we used approximately \$15 000 to buy bikes. Some of the money came from the KiwiSport budget.

What Were the Outcomes?

All children have been part of bikes in schools learning.

All children have had the opportunity to learn about different sports through the 'have a go' day.

Year 1-2 children have received coaching terms 2-4.



INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF BAIRDS MAINFREIGHT PRIMARY SCHOOL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

The Auditor-General is the auditor of Bairds Mainfreight Primary School (the School). The Auditor-General has appointed me, Blair Stanley, using the staff and resources of BDO Auckland, 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 18, that comprise the statement of financial position as at 31 December 2020, the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion the financial statements of the School:

- present fairly, in all material respects:
 - its financial position as at 31 December 2020; and
 - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Sector Public Benefit Entity Standards Reduced Disclosure Regime as applicable to entities that qualify as tier 2.

Our audit was completed on 4 June 2021. This is the date at which our opinion is expressed.

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

Basis for our opinion

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

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

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

Responsibilities of the Board for the financial statements

The Board is responsible on behalf of the School for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand. The Board of Trustees is responsible for such internal control as it determines is necessary to enable it to

prepare financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Responsibilities of the auditor for the audit of the financial statements

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

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

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

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

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

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

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

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

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Board is responsible for the other information. The other information comprises the information included on pages 19 to 25, 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.



Blair Stanley
BDO Auckland
On behalf of the Auditor-General
Auckland, New Zealand