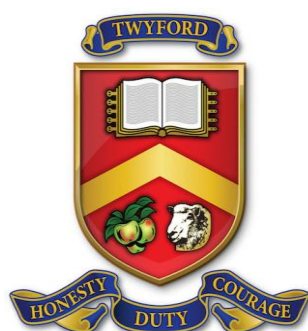


TWYFORD SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022



School Directory

Ministry Number: 2711
Principal: Sam Hocking
School Address: 142 Twyford Road
School Postal Address: R D 5, Hastings
School Phone: 06 879 7667
School Email: admin@twyford.school.nz

Members of the Board

Name	Position	How Position Gained	Term Expired/ Expires
Brian Cope	Presiding Member	Elected	2024
Sam Hocking	Principal ex Officio	Appointed	
Paul Griffiths	Member	Elected	2024
Tanya Jackson	Member	Elected	2024
Andrew Barnett	Member	Elected	2024
Anna Lyall	Member	Elected	2024
Nixon Eagle	Member of Staff	Elected	2024

Accountant / Service Provider: Eclipse Solutions 4 Schools Ltd

TWYFORD SCHOOL

Annual Report - For the year ended 31 December 2022

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Twyford School

Statement of Responsibility

For the year ended 31 December 2022

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

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

It is the opinion of the Board and management that the annual financial statements for the financial year ended 31 December 2022 fairly reflects the financial position and operations of the school.

The School's 2022 financial statements are authorised for issue by the Board.

Brian Phillip Cope
Full Name of Presiding Member

[Signature]
Signature of Presiding Member

17 May 2023

Date: _____

Sam Hocking
Full Name of Principal

[Signature]
Signature of Principal

17 May 2023

Date: _____

Twyford School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Revenue				
Government Grants	2	1,504,720	1,396,663	1,418,368
Locally Raised Funds	3	53,076	43,400	51,325
Interest Income		3,211	2,000	909
Other Revenue		480	-	460
Total Revenue		1,561,487	1,442,063	1,471,062
Expenses				
Locally Raised Funds	3	36,916	23,200	18,351
Learning Resources	4	1,115,019	1,093,720	1,092,845
Administration	5	96,414	84,618	102,775
Finance		908	908	1,425
Property	6	244,188	232,479	235,196
		1,493,445	1,434,925	1,450,592
Net Surplus / (Deficit) for the Year		68,042	7,138	20,470
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		68,042	7,138	20,470

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

Twyford School

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Equity at 1 January		518,857	520,000	494,976
Total Comprehensive Revenue and Expense for the Year		68,042	7,138	20,470
Contributions from the Ministry of Education		-	-	3,411
Contribution - Furniture and Equipment Grant		-	-	-
Equity at 31 December		586,899	527,138	518,857
Accumulated Comprehensive Revenue and Expense		586,899	527,138	518,857
Reserves		-	-	-
Equity at 31 December		586,899	527,138	518,857

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.

Twyford School

Statement of Financial Position

As at 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Current Assets				
Cash and Cash Equivalents	7	320,332	264,000	308,104
Accounts Receivable	8	83,463	77,000	72,020
GST Receivable		6,868	9,571	12,649
Prepayments		7,886	5,000	4,363
Inventories	9	10,504	10,000	15,123
Investments	10	63,686	84,000	83,600
Funds Receivable for Capital Works Projects	16	17,680	-	-
		510,419	449,571	495,859
Current Liabilities				
Accounts Payable	12	107,640	99,000	96,921
Revenue Received in Advance	13	762	2,000	6,156
Provision for Cyclical Maintenance	14	12,422	17,994	33,356
Finance Lease Liability	15	6,851	7,000	7,404
Funds Held for Capital Works Projects	16	-	-	52,251
		127,675	125,994	196,088
Working Capital Surplus/(Deficit)		382,744	323,577	299,771
Non-current Assets				
Property, Plant and Equipment	11	247,076	250,000	258,985
		247,076	250,000	258,985
Non-current Liabilities				
Provision for Cyclical Maintenance	14	40,439	40,439	33,210
Finance Lease Liability	15	2,482	6,000	6,689
		42,921	46,439	39,899
Net Assets		586,899	527,138	518,857
Equity		586,899	527,138	518,857

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

Twyford School

Statement of Cash Flows

For the year ended 31 December 2022

	Note	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Cash Flows from Operating Activities				
Government Grants		400,724	388,068	382,271
Locally Raised Funds		50,961	44,400	44,926
Goods and Services Tax (net)		5,781	(4,081)	(3,532)
Payments to Employees		(149,890)	(141,107)	(172,048)
Payments to Suppliers		(222,320)	(195,372)	(177,739)
Interest Paid		(908)	(908)	(1,425)
Interest Received		2,950	2,000	1,085
Net Cash from/(to) Operating Activities		87,298	93,000	73,538
Cash Flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(20,293)	(20,000)	(2,121)
Purchase of Investments		19,914	16,000	(850)
Net Cash from/(to) Investing Activities		(379)	(4,000)	(2,971)
Cash flows from Financing Activities				
Furniture and Equipment Grant		-	-	3,411
Finance Lease Payments		(4,760)	(7,000)	(24,603)
Funds Administered on Behalf of Third Parties		(69,931)	-	62,719
Net Cash from/(to) Financing Activities		(74,691)	(7,000)	41,527
Net increase/(decrease) in cash and cash equivalents		12,228	82,000	112,094
Cash and Cash Equivalents at the Beginning of the Year	7	308,104	182,000	196,010
Cash and Cash Equivalents at the End of the Year	7	320,332	264,000	308,104

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.

Twyford School

Notes to the Financial Statements

For the year ended 31 December 2022

1. Statement of Accounting Policies

a) Reporting Entity

Twyford School (the School) is a Crown entity as specified in the Crown Entities Act 2004 and a school as described in the Education and Training Act 2020. The Board is of the view that the School is a public benefit entity for financial reporting purposes.

b) Basis of Preparation

Reporting Period

The financial statements have been prepared for the period 1 January 2022 to 31 December 2022 and in accordance with the requirements of the Education and Training Act 2020.

Basis of Preparation

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

Financial Reporting Standards Applied

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

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

Cyclical maintenance

A school recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's best estimate of the cost of painting the school and when the school is required to be painted, based on an assessment of the school's condition. During the year, the Board assesses the reasonableness of its painting maintenance plan on which the provision is based. Cyclical maintenance is disclosed at note 14.

Useful lives of property, plant and equipment

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment as disclosed in the significant accounting policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 11.

Critical Judgements in applying accounting policies

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

Classification of leases

Determining whether a lease is a finance lease or an operating lease requires judgement as to whether the lease transfers substantially all the risks and rewards of ownership to the school. A lease is classified as a finance lease if it transfers substantially all risks and rewards incidental to ownership of an underlying asset to the lessee. In contrast, an operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset to the lessee. Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant, and equipment, whereas for an operating lease no such asset is recognised. Finance lease liability disclosures are contained in note 15.

Recognition of grants

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

c) Revenue Recognition

Government Grants

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

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

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

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

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

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

Other Grants where conditions exist

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

Donations, Gifts and Bequests

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

Interest Revenue

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

d) 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.

e) 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.

f) Accounts Receivable

Short-term receivables are recorded at the amount due, less an allowance for expected 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.

g) Inventories

Inventories are consumable items held for sale and comprised 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.

h) 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.

i) Property, Plant and Equipment

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

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

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

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

Finance Leases

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

Depreciation

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

The estimated useful lives of the assets are:

Land & Building Improvements	50 years
Furniture and Equipment	5–10 years
Information and Communication Technology	3–5 years
Leased Assets Held under a Finance Lease	Term of Lease
Library Resources	12.5% Diminishing value

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

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

Non cash generating assets

Property, plant, and equipment and intangible assets held at cost that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If such indication exists, the School estimates the asset's recoverable service amount. 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. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable service amount since the last impairment loss was recognised.

k) 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.

l) Employee Entitlements*Short-term employee entitlements*

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

m) Funds held for Capital works

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

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

n) 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 is a reasonable estimate, based on the school's best estimate of the cost of painting the school and when the school is required to be painted, based on an assessment of the school's condition.

The schools carries out painting maintenance of the whole school over a 7 to 10 year period, the economic outflow of this is dependent on the plan established by the school to meet this obligation and is detailed in the notes and disclosures of these accounts.

o) Financial Instruments

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

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

p) 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.

q) Budget Figures

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

r) 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

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Government Grants - Ministry of Education	409,601	361,138	382,843
Teachers' Salaries Grants	918,516	892,055	892,055
Use of Land and Buildings Grants	173,071	143,470	143,470
Other Government Grants	3,532	-	-
	<u>1,504,720</u>	<u>1,396,663</u>	<u>1,418,368</u>

The school has opted in to the donations scheme for this year. Total amount received was \$24,600.

3. Locally Raised Funds

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

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Revenue			
Donations & Bequests	18,032	19,000	26,477
Curriculum related Activities - Purchase of goods and services	417	900	652
Fees for Extra Curricular Activities	7,024	7,000	5,583
Trading	18,613	16,000	14,974
Fundraising & Community Grants	7,026	500	1,030
Other Revenue	1,964	-	2,609
	<u>53,076</u>	<u>43,400</u>	<u>51,325</u>
Expenses			
Extra Curricular Activities Costs	9,092	8,000	6,123
Trading	27,824	15,200	12,228
	<u>36,916</u>	<u>23,200</u>	<u>18,351</u>
<i>Surplus/ (Deficit) for the Year Locally Raised Funds</i>	<u>16,160</u>	<u>20,200</u>	<u>32,974</u>

4. Learning Resources

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Curricular	51,605	47,950	41,082
Equipment Repairs	1,052	800	605
Information and Communication Technology	996	2,000	-
Library Resources	864	1,000	750
Employee Benefits - Salaries	1,021,503	995,170	1,011,622
Staff Development	6,797	6,800	2,479
Depreciation	32,202	40,000	36,307
	<u>1,115,019</u>	<u>1,093,720</u>	<u>1,092,845</u>

5. Administration

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Audit Fee	5,647	5,647	5,482
Board Fees	3,130	2,835	3,130
Board Expenses	5,339	5,900	6,845
Communication	2,854	4,000	3,101
Consumables	8,524	7,500	13,528
Other	14,575	10,900	6,060
Employee Benefits - Salaries	46,083	37,992	54,781
Insurance	3,306	2,900	2,482
Service Providers, Contractors and Consultancy	6,956	6,944	7,366
	<u>96,414</u>	<u>84,618</u>	<u>102,775</u>

6. Property

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Caretaking and Cleaning Consumables	3,010	3,500	4,243
Consultancy and Contract Services	41,475	39,263	38,832
Cyclical Maintenance Provision	(5,705)	11,046	25,465
Grounds	2,928	2,200	1,937
Heat, Light and Water	12,230	16,000	8,916
Repairs and Maintenance	14,201	15,000	10,379
Use of Land and Buildings	173,071	143,470	143,470
Security	2,978	2,000	1,954
	<u>244,188</u>	<u>232,479</u>	<u>235,196</u>

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

7. Cash and Cash Equivalents

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Bank Accounts	320,332	264,000	308,104
Cash and cash equivalents for Statement of Cash Flows	<u>320,332</u>	<u>264,000</u>	<u>308,104</u>

8. Accounts Receivable

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Receivables	3,831	-	2,130
Receivables from the Ministry of Education	4,472	-	-
Interest Receivable	422	-	161
Teacher Salaries Grant Receivable	74,738	77,000	69,729
	<u>83,463</u>	<u>77,000</u>	<u>72,020</u>
Receivables from Exchange Transactions	4,253	-	2,291
Receivables from Non-Exchange Transactions	79,210	77,000	69,729
	<u>83,463</u>	<u>77,000</u>	<u>72,020</u>

9. Inventories

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Stationery	1,435	1,000	1,501
School Uniforms	9,069	9,000	13,622
	<u>10,504</u>	<u>10,000</u>	<u>15,123</u>

10. Investments

The School's investment activities are classified as follows:

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Current Asset			
Short-term Bank Deposits	63,686	84,000	83,600
Total Investments	<u>63,686</u>	<u>84,000</u>	<u>83,600</u>

11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2022	\$	\$	\$	\$	\$	\$
Land & Building Improvements	168,036	-	(1)	-	(5,188)	162,847
Furniture & Equipment	53,327	14,679	-	-	(12,171)	55,835
Information & Communication Technology	8,365	1,133	-	-	(6,249)	3,249
Leased Assets	12,386	1,792	-	-	(6,457)	7,721
Library Resources	16,871	2,690	-	-	(2,137)	17,424
Balance at 31 December 2022	258,985	20,294	(1)	-	(32,202)	247,076

The net carrying value of furniture and equipment held under a finance lease is \$7,721 (2021: \$12,386)

Restrictions

There are no restrictions over the title of the school's property, plant and equipment, nor are any property, plant and equipment pledged as security for liabilities.

	2022	2022	2022	2021	2021	2021
	Cost or Valuation	Accumulated Depreciation	Net Book Value	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$	\$	\$	\$
Land & Building Improvements	259,422	(96,575)	162,847	259,422	(91,386)	168,036
Furniture & Equipment	306,807	(250,972)	55,835	306,616	(253,289)	53,327
Information & Communication Technology	129,242	(125,993)	3,249	130,105	(121,740)	8,365
Leased Assets	20,360	(12,639)	7,721	32,155	(19,769)	12,386
Library Resources	75,671	(58,247)	17,424	72,981	(56,110)	16,871
Balance at 31 December	791,502	(544,426)	247,076	801,279	(542,294)	258,985

12. Accounts Payable

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Creditors	26,394	17,000	17,453
Accruals	6,508	5,000	5,482
Banking Staffing Overuse	-	-	3,437
Employee Entitlements - Salaries	74,738	77,000	69,729
Employee Entitlements - Leave Accrual	-	-	820
	107,640	99,000	96,921
Payables for Exchange Transactions	107,640	99,000	96,921
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	107,640	99,000	96,921

The carrying value of payables approximates their fair value.

13. Revenue Received in Advance

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Grants in Advance - Ministry of Education	-	-	4,500
Other Revenue in Advance	762	2,000	1,656
	<u>762</u>	<u>2,000</u>	<u>6,156</u>

14. Provision for Cyclical Maintenance

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Provision at the Start of the Year	66,566	66,566	41,101
Increase to the Provision During the Year	(5,705)	11,046	25,465
Use of the Provision During the Year	(8,000)	(19,179)	-
Provision at the End of the Year	<u>52,861</u>	<u>58,433</u>	<u>66,566</u>
Cyclical Maintenance - Current	12,422	17,994	33,356
Cyclical Maintenance - Non current	40,439	40,439	33,210
	<u>52,861</u>	<u>58,433</u>	<u>66,566</u>

The schools cyclical maintenance schedule details annual painting to be undertaken, the costs associated to this annual work will vary dependent on the requirements during the year. This plan is based on the schools 10 Year Property plan / Property consultant review.

15. Finance Lease Liability

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

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
No Later than One Year	6,851	7,000	7,404
Later than One Year and no Later than Five Years	2,955	6,500	7,976
Future Finance Charges	(473)	(500)	(1,287)
	<u>9,333</u>	<u>13,000</u>	<u>14,093</u>
Represented by			
Finance Lease Liability - Current	6,851	7,000	7,404
Finance Lease Liability - Non current	2,482	6,000	6,689
	<u>9,333</u>	<u>13,000</u>	<u>14,093</u>

16. Funds Held for Capital Works Projects

During the year the School received and applied funding from the Ministry of Education for the following capital works projects. The amount of cash held on behalf of the Ministry for capital works project is included under cash and cash equivalents in note 9.

2022	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions \$	Closing Balances \$
Court Refurbishment & Admin Block - 221112	(9,343)	5,978	3,365	-	-
SIP L Admin Re Purposing - 221115	61,594	-	(79,274)	-	(17,680)
Totals	52,251	5,978	(75,909)	-	(17,680)

Represented by:

Funds Held on Behalf of the Ministry of Education	-
Funds Receivable from the Ministry of Education	(17,680)

2021	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions \$	Closing Balances \$
Blocks D & E ILE Upgrade - 212015	(6,728)	52,905	(46,177)	-	-
Fire Alarm Upgrade - 212013	(910)	1,350	(440)	-	-
Court Refurbishment & Admin Block - 221112	(2,830)	51,237	(57,750)	-	(9,343)
SIP L Admin Re Purposing - 221115	-	61,594	-	-	61,594
Totals	(10,468)	167,086	(104,367)	-	52,251

Represented by:

Funds Held on Behalf of the Ministry of Education	61,594
Funds Receivable from the Ministry of Education	(9,343)

17. Related Party Transactions

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

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

18. Remuneration

Key management personnel compensation

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

	2022 Actual \$	2021 Actual \$
<i>Board Members</i>		
Remuneration	3,130	3,130
<i>Leadership Team</i>		
Remuneration	366,552	361,843
Full-time equivalent members	3.00	3.00
Total key management personnel remuneration	<u>369,682</u>	<u>364,973</u>

There are 6 members of the Board excluding the Principal. The Board had held 8 full meetings of the Board in the year. As well as these regular meetings, including preparation time, the Presiding member and other Board members have also been involved in ad hoc meetings to consider student welfare matters including stand downs, suspensions, and other disciplinary matters.

Principal

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

	2022 Actual \$000	2021 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	150 - 160	140 - 150
Benefits and Other Emoluments	4 - 5	4 - 5
Termination Benefits	-	-

Other Employees

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

Remuneration \$000	2022 FTE Number	2021 FTE Number
100 - 110	2.00	2.00
	<u>2.00</u>	<u>2.00</u>

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

19. Compensation and Other Benefits Upon Leaving

The total value of compensation or other benefits paid or payable to persons who ceased to be board members, committee members, or employees during the financial year in relation to that cessation and number of persons to whom all or part of that total was payable was as follows:

	2022 Actual	2021 Actual
Total	-	-
Number of People	-	-

20. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2022 (Contingent liabilities and assets at 31 December 2021: nil).

There is a contingent asset for the possible repayment from the Ministry of Education for under spending the School's banking staffing entitlement during 2022. The Ministry has yet to decide how much it will pay to the School. We cannot reliably measure the cash repayment, but the amount we have underspent as at 31 December is approximately \$25,526. We will record the amount we receive as revenue in the 2023 financial year.

Holidays Act Compliance – schools payroll

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

The Ministry's review of the schools sector payroll to ensure compliance with the Holidays Act 2003 is ongoing. 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 2022, a contingent liability for the school may exist.

21. Commitments

(a) Capital Commitments

As at 31 December 2022 the Board has entered into contract agreements for capital works as follows:

(a) \$79,853 contract for SIP - L: Admin Re Purposing as agent for the Ministry of Education. The project is fully funded by the Ministry and \$61,594 has been received of which \$79,275 has been spent on the project to balance date. This project has been approved by the Ministry.

(Capital commitments at 31 December 2021: \$81,458)

(b) Operating Commitments

As at 31 December 2022 the Board has not entered into any contracts.

22. Financial Instruments

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

Financial Assets Measured at Amortised Cost

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Cash and Cash Equivalents	320,332	264,000	308,104
Receivables	83,463	77,000	72,020
Investments - Term Deposits	63,686	84,000	83,600
Total Financial Assets Measured at Amortised Cost	467,481	425,000	463,724

Financial Liabilities Measured at Amortised Cost

Payables	107,640	99,000	96,921
Finance Leases	9,333	13,000	14,093
Total Financial Liabilities Measured at Amortised Cost	116,973	112,000	111,014

23. Events After Balance Date

During February 2023 the North Island of New Zealand was struck by several extreme weather events which resulted in widespread flooding, road closures, slips, and prolonged power and water outages for many communities in the Northland, Auckland, Coromandel, Bay of Plenty, Gisborne, and Hawkes Bay/Tairāwhiti regions.

While many schools were able to reopen soon after the extreme weather events, some schools have remained closed for a prolonged period.

The damage caused by extreme weather events in the Hawkes Bay/Tairāwhiti and the full financial impact has not yet been determined. The school continued to receive funding from the Ministry of Education, even while closed. However, economic uncertainties have arisen which are likely to negatively affect the operations and services of the school. We have identified the following possible effects on the school.

- Resulting damage for the weather events has placed significant uncertainty over the board's ability to assess its cyclical maintenance provision. As such the cyclical maintenance provision has been frozen until the extent of the damage has been verified.
- Additional costs incurred repairing and replacing school equipment not covered by insurance.

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

24. Comparatives

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

Twyford School

Kiwisport Report

For the year ended 31 December 2022

During the year the Board was the recipient of additional Government funding for specific purposes:

Kiwisport is a Government funded initiative to support students' participation in organised sport. In 2022 the school received total Kiwisport funding of \$2,553 (excluding GST). The funding was put towards a range of sports equipment to resource the school to support and initiate student participation in a variety of sports.

The number of students participating in organised sport continues to be at excellent levels.

Personnel Policy Compliance (s73 and s74 Public Service Act 2020)

For the year ended 31 December 2022

The Twyford School Board of Trustees:

- 1 Has developed and implemented personnel and industrial policies, within policy and procedural frameworks set by the Government from time to time, which promote high levels of staff performance, use educational resources effectively and recognise the needs of students;
- 2 Has reviewed its compliance against both its personnel policy and procedures and Education Review Office Board assurance Statement Personnel (Section 4) and can report that it meets all requirements and identified best practice;
- 3 Is a good employer as defined by the Public Service Act 2020 and complies with the conditions contained in the employment contracts applying to teaching and non-teaching staff;
- 4 Ensures all employees and applicants for employment are treated according to their skills, qualifications, abilities and aptitudes, without bias or discrimination;
- 5 Meets all EEO requirements.

END OF YEAR DATA ANALYSIS 2022

Reading

Compared to the end of 2021 achievement has decreased by 3% to 74%. This is a 3% decrease from mid-year. Māori achievement has decreased by 12% to 62%. Our 2022 end of year achievement is in line with our Term 1 projection. Our target for 2022 was to increase overall achievement by 3% to 80%. We did not meet this target.

Writing

Compared to the end of 2021 achievement has decreased by 4% to 79%. This is a 2% decrease from mid-year. Māori achievement has decreased by 2% to 79%. Our 2022 end of year achievement is in line with our Term 1 projection. This is a 9% gain from mid-year. Our target for 2022 was to increase overall achievement by 2% to 85%. We did not meet this target.

Maths

Compared to the end of 2021 achievement has decreased by 5% to 76%. This is a 1% decrease from mid-year. Māori achievement has decreased by 11% to 76%. This is a 4% gain from mid-year. Our 2022 end of year achievement is a 2% increase from our Term 1 projection. Our target for 2022 was to increase overall achievement by 4% to 85%. We did not meet this target.

NOTE:

When comparing years, it is important to consider the nature of this exercise as we are not comparing the same group of children. Each year our year 8 students and some year 6 students leave Twyford. Likewise a new cohort of year 1 children arrive, along with other new students across the years. Students also join our school after mid year. With the size of our school, one or two children can have a big impact on percentages.

Whole School			
Meeting or Exceeding Expectations	Reading	Writing	Maths
2019 Mid	79%	71%	71%
2019 EOY	82%	76%	75%
2020 Mid	75%	76%	78%
2020 EOY	80%	80%	83%
2021 Mid	75%	78%	76%
2021 EOY	77%	83%	81%
2022 Mid	77%	81%	77%
2022 EOY	74%	79%	76%

Māori			
Meeting or Exceeding Expectations	Reading	Writing	Maths
2019 Mid	85%	74%	62%
2019 EOY	88%	84%	72%
2020 Mid	88%	88%	88%
2020 EOY	85%	88%	88%
2021 Mid	76%	72%	83%
2021 EOY	74%	81%	87%
2022 Mid (30 students)	77%	83%	83%
2022 EOY (29 students)	62%	79%	76%

Boys			
Meeting or Exceeding Expectations	Reading	Writing	Maths
2019 Mid	76%	65%	74%
2019 EOY	83%	71%	78%
2020 Mid	71%	76%	76%
2020 EOY	76%	72%	83%
2021 Mid	74%	74%	84%
2021 EOY	78%	78%	86%

2022 Mid	76%	74%	81%
2022 EOY	70%	66%	83%

Girls			
Meeting or Exceeding Expectations	Reading	Writing	Maths
2019 Mid	81%	79%	67%
2019 EOY	80%	81%	73%
2020 Mid	80%	82%	79%
2020 EOY	83%	90%	82%
2021 Mid	75%	82%	67%
2021 EOY	77%	88%	74%
2022 Mid	79%	90%	71%
2022 EOY	79%	92%	68%

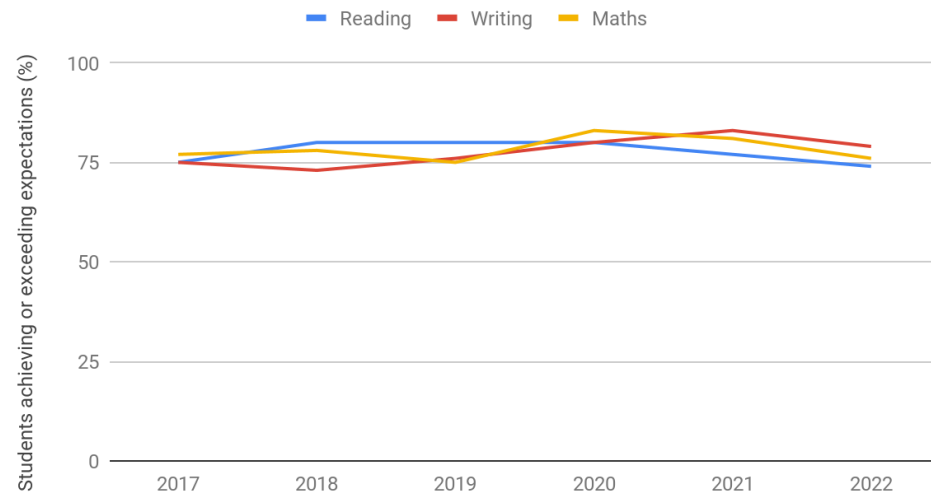
Māori Boys			
Meeting or Exceeding Expectations	Reading	Writing	Maths
2019 Mid	86%	71%	64%
2019 EOY	92%	85%	77%
2020 Mid	89%	89%	89%
2020 EOY	82%	91%	91%
2021 Mid	58%	50%	83%
2021 EOY	58%	58%	92%

2022 Mid (12 students)	67%	67%	92%
2022 EOY (11 students)	55%	55%	100%

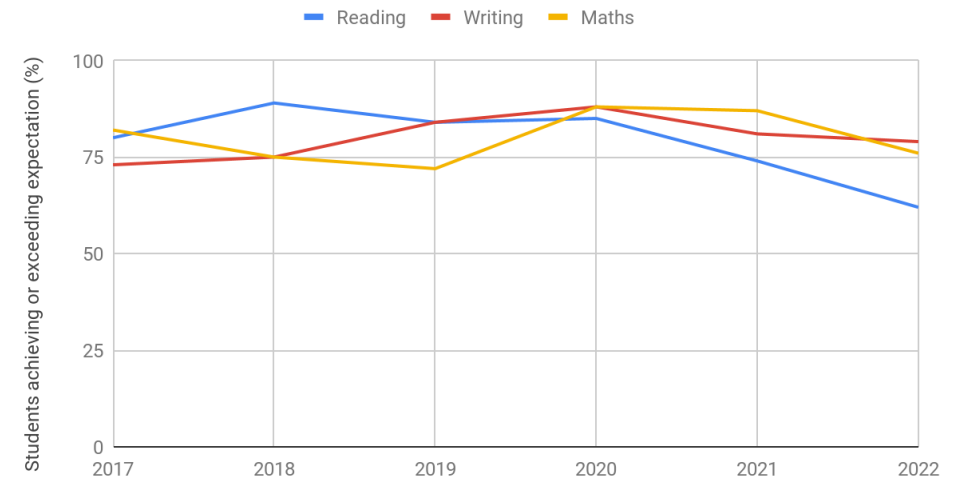
Māori Girls			
Meeting or Exceeding Expectations	Reading	Writing	Maths
2019 Mid	85%	75%	60%
2019 EOY	84%	84%	68%
2020 Mid	88%	88%	88%
2020 EOY	87%	87%	87%
2021 Mid	88%	88%	82%
2021 EOY	84%	95%	84%
2022 Mid (18 students)	83%	94%	78%
2022 EOY (18 students)	67%	94%	61%

NOTE: Twyford School has five Pasifika students - Four are meeting or exceeding expectations for reading & writing. Four are not yet meeting expectations for mathematics.

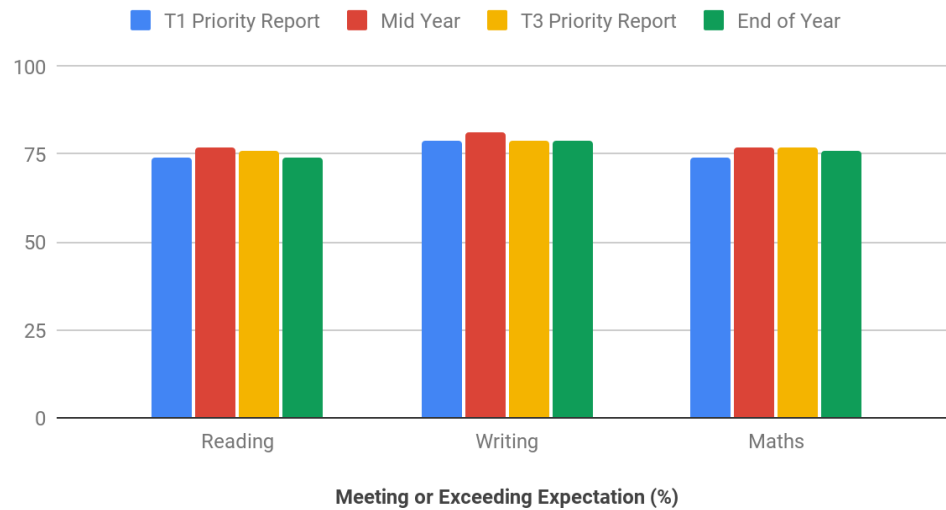
Overall Student Achievement by Year



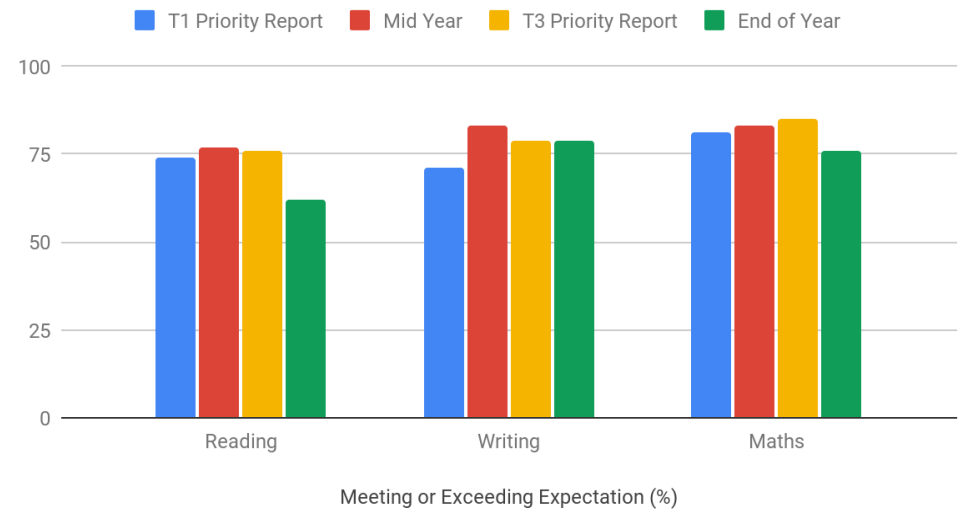
Māori Achievement by Year



Tracking Overall Achievement 2022



Tracking Māori Achievement 2022



DIGGING DEEPER

ANALYSIS- Is the impact of illness during the whole year and 3 years interrupted learning finally having an impact???

Reading

- 87% of year 4 students and 89% of year 5 students are meeting curriculum expectations.
- 88% of year 5 boys are meeting curriculum expectations.
- 91% of year 1 girls, 100% of year 4 girls and 90% of year 5 girls are meeting curriculum expectations.
- Areas for focus - Boys, especially years 1 and 3. Year 8 boys significant but leaving for high school.
- Areas for focus - Girls currently in years 6 and 7.
- Areas for focus - Māori currently in years 2, 6 and 7.
- Compared to previous years, Years 1 and 2 are both achieving higher than 2020 and 2021.

Writing

- 85% of year 2 students, 84% of year 3 students, 83% of year 4 students and 86% of year 6 students are meeting curriculum expectations.
- 86% of year 2 boys, 92% of year 3 boys, are meeting curriculum expectations.
- 91% of year 1 girls, 83% of year 2 girls, 100% of year 4 girls, 90% of year 5 girls, 94% of year 6 girls and 100% of year 7 & 8 girls are meeting curriculum expectations.
- Areas for focus - Boys, especially years 1, 4, 6, & 7. Year 8 boys significant but leaving for high school (28% of boys not achieving)
- Areas for focus - Although Māori boys achieved 55%, of the 5 students not meeting expectations 3 are in year 8.

Maths

- 96% of year 1 students, 85% of year 2 students, 87% of year 4 students and 84% of year 7 students are meeting curriculum expectations.
- 92% of year 1 boys, 100% of year 2 boys, 92% of year 3 boys, 83% of year 6 boys and 88% of year 7 boys are meeting curriculum expectations.
- 100% of year 1 girls, 100% of year 4 girls and 82% of year 7 girls are meeting curriculum expectations.
- Areas for focus - Girls, especially years 3, 5 & 6.
- Areas for focus - Māori girls in years 6 and 7.
- Areas for focus - Boys in year 5

We have many tamariki who are achieving more than 12 months ahead of the expected levels.

Reading 32% are above across the school
29% of boys

35% of girls

31% of Māori

18% of Māori boys

39% of Māori girls

Girls and Māori girls' achievement are both outstripping the schoolwide data in terms of achieving 12 months ahead of expected levels.

Writing

13% are above across the school

10% of boys

18% of girls

21% of Māori

18% of Māori boys

22% of Māori girls

Girls, Māori boys, Māori girls and overall Māori achievement are all outstripping the schoolwide data in terms of achieving 12 months ahead of expected levels.

Maths

24% are above across the school

33% of boys

15% of girls

24% of Māori

36% of Māori boys

17% of Māori girls

Boys and Māori boys' achievement are both outstripping the schoolwide data in terms of achieving 12 months ahead of expected levels.

Māori achievement and overall school achievement are in line.

WHERE TO NOW...

Reading

- Target groups - current year 1 & 3 boys.
- Target groups - current year 6 & 7 girls
- Target groups - current year 2, 6 & 7 Māori
- Enrichment used for targeted remedial teaching.
- Reading recovery will impact 10 children over the course of 2023.(We have an increased allocation for 2023 only.)

- EEL - Our Reading Recovery teacher has also been allocated 1 slot daily to work with ELL learners. This comprises a small group who have not as yet succeeded with BSLA having 30 mins daily extra daily. These children will be aged from 5.years 6 months to 6:00 years of age.
- BSLA will continue for those children starting school and until they reach Mahuri Level where traditional readers will be integrated with the BSLA reading program.
- TIL focus will be Maori children's reading progress- especially our Maori boys.

Writing

- School wide focus on teaching boys' writing.
- Target groups - current year 1, 4, 6, & 7 boys.
- Enrichment used for targeted remedial teaching.
- TIL focus area will be Maori Boys' writing.

Maths

- School wide focus on teaching of girls' maths.
- Target groups - current year 3, 5 & 6 girls
- Target groups - current year 6 & 7 Māori girls
- Target group - current year 5 boys
- Enrichment used for targeted remedial teaching.
- Continued implementation of 2021 senior school maths inquiry focused on procedural maths, column addition type strategies and basic facts acquisition.

INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF TWYFORD SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

The Auditor-General is the auditor of Twyford School (the School). The Auditor-General has appointed me, Philip Pinckney, using the staff and resources of Baker Tilly Staples Rodway Audit Limited, to carry out the audit of the financial statements of the School on his behalf.

Opinion

We have audited the financial statements of the School on pages 2 to 18, that comprise the statement of financial position as at 31 December 2022, 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 2022; and
 - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Sector – Public Benefit Entity Standards, Reduced Disclosure Regime.

Our audit was completed on 17 May 2023. 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.

Emphasis of Matter – Extent of damage from extreme weather events is yet to be determined

Without modifying our opinion we draw attention to note 23 on page 18, which outlines that extreme weather events in Hawke's Bay, which occurred after 31 December 2022, caused significant damage and disruption to the school/kura. The financial impact of the damage is yet to be determined, but the Board expects these costs to be significant.

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 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 obtained at the date of our report is the Analysis of Variance, the Kiwisport statement, list of trustees, Statement of Compliance with Employment Policy and Statement of Responsibility, 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.



Philip Pinckney
Baker Tilly Staples Rodway Audit Limited
On behalf of the Auditor-General
Hastings, New Zealand