

ST MARY'S SCHOOL (MILTON)

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

School Directory

Ministry Number:	3831
Principal:	Diane Hayes
School Address:	7 Chaucer St, Milton
School Postal Address:	7 Chaucer St, Milton 9220
School Phone:	03 417 8585
School Email:	office@saint-marys.school.nz

Members of the Board of Trustees

Name	Position	How Position Gained	Term Expires
Joe Herbert	Chair Person	Re- elected	April 2019
Diane Hayes	Principal	ex Officio	
Fr Chris O'Neill	Proprietors Rep	Appointed - January 2018	
Annie Scott	Parent Rep	Re-elected	April 2019
Kelli Divers	Parent Rep	Re-elected	April 2019
Peter Tiffany	Parent Rep	Elected	April 2019
Tony Mallon	Parent Rep	Re-elected	April 2019
Tony Nicol	Parent Rep	Re-elected	April 2019
Brett Fraser	Parent Rep	Elected	April 2019
Gaynor Hayes	Parent Rep	Elected	April 2019
Ellen Devaney	Staff Rep	Appointed	

Accountant / Service Provider:	Shand Thomson Ltd Balclutha
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ST MARY'S SCHOOL (MILTON)

Annual Report - For the year ended 31 December 2018

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St Mary's School (Milton)

Statement of Responsibility

For the year ended 31 December 2018

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 2018 fairly reflects the financial position and operations of the school.

The School's 2018 financial statements are authorised for issue by the Board.

Joseph Herbert

Full Name of Board Chairperson

Diane Mary Hayes

Full Name of Principal

[Signature]

Signature of Board Chairperson

[Signature]

Signature of Principal

31/5/19

Date:

31/5/19

Date:

St Mary's School (Milton)**Statement of Comprehensive Revenue and Expense**

For the year ended 31 December 2018

	Notes	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Revenue				
Government Grants	2	564,447	542,911	535,465
Locally Raised Funds	3	34,554	44,800	22,352
Use of Land and Buildings Integrated		72,240	72,240	72,240
Interest Earned		1,206	2,000	1,549
		672,447	661,951	631,606
Expenses				
Locally Raised Funds	3	12,308	20,000	7,788
Learning Resources	4	487,166	471,577	431,148
Administration	5	55,167	56,500	51,363
Finance		391	-	131
Property	6	128,193	135,440	114,707
Depreciation	7	29,687	13,300	28,439
Loss on Disposal of Property, Plant and Equipment		73	-	46
		712,985	696,817	633,622
Net Surplus / (Deficit) for the year		(40,538)	(34,866)	(2,016)
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		(40,538)	(34,866)	(2,016)

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

St Mary's School (Milton)

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2018

	Actual 2018 \$	Budget (Unaudited) 2018 \$	Actual 2017 \$
Balance at 1 January	191,888	191,888	193,904
Total comprehensive revenue and expense for the year	(40,538)	(34,866)	(2,016)
Equity at 31 December	151,350	157,022	191,888
Retained Earnings	151,350	157,022	191,888
Equity at 31 December	151,350	157,022	191,888

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

St Mary's School (Milton)

Statement of Financial Position

As at 31 December 2018

	Notes	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Current Assets				
Cash and Cash Equivalents	8	52,183	65,178	73,245
Accounts Receivable	9	18,116	22,262	22,262
Prepayments		1,639	1,442	1,442
Investments	10	46,469	45,238	45,238
		<u>118,407</u>	<u>134,120</u>	<u>142,187</u>
Current Liabilities				
GST Payable		4,835	3,151	2,248
Accounts Payable	12	20,128	29,469	29,469
Provision for Cyclical Maintenance	13	26,775	2,180	2,180
Finance Lease Liability - Current Portion	14	7,650	5,858	5,858
		<u>59,388</u>	<u>40,658</u>	<u>39,755</u>
Working Capital Surplus/(Deficit)		59,019	93,462	102,432
Non-current Assets				
Property, Plant and Equipment	11	105,806	113,456	125,255
Non-current Liabilities				
Provision for Cyclical Maintenance	13	3,600	30,287	21,787
Finance Lease Liability	14	9,875	19,609	14,013
		<u>13,475</u>	<u>49,896</u>	<u>35,800</u>
Net Assets		<u>151,350</u>	<u>157,022</u>	<u>191,887</u>
Equity		<u>151,350</u>	<u>157,022</u>	<u>191,888</u>

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

St Mary's School (Milton)

Statement of Cash Flows

For the year ended 31 December 2018

		2018	2018	2017
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
		\$	\$	\$
Cash flows from Operating Activities				
Government Grants		182,070	167,884	160,840
Locally Raised Funds		34,089	44,800	22,352
Goods and Services Tax (net)		2,590	907	1,297
Payments to Employees		(117,532)	(103,080)	(64,110)
Payments to Suppliers		(107,332)	(124,670)	(103,797)
Cyclical Maintenance Payments in the year		(2,180)	-	-
Interest Paid		(391)	-	(131)
Interest Received		1,513	2,000	1,521
Net cash from / (to) the Operating Activities		(7,173)	(12,159)	17,972
Cash flows from Investing Activities				
Proceeds from Sale of PPE (and Intangibles)		(73)	-	-
Purchase of PPE (and Intangibles)		(7,612)	(1,504)	(21,700)
Purchase of Investments		(1,231)	-	(1,187)
Net cash from / (to) the Investing Activities		(8,916)	(1,504)	(22,886)
Cash flows from Financing Activities				
Finance Lease Payments		(4,973)	5,596	(8,138)
Net cash from Financing Activities		(4,973)	5,596	(8,138)
Net increase/(decrease) in cash and cash equivalents		(21,062)	(8,067)	(13,051)
Cash and cash equivalents at the beginning of the year	8	73,245	73,245	86,296
Cash and cash equivalents at the end of the year	8	52,183	65,178	73,245

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 Cash Flow Statement should be read in conjunction with the accompanying notes.

St Mary's School (Milton)

Notes to the Financial Statements

For the year ended 31 December 2018

1. Statement of Accounting Policies

a) Reporting Entity

St Mary's School (Milton) (the School) is a Crown entity as specified in the Crown Entities Act 2004 and a school as described in the Education Act 1989. The Board of Trustees (the Board) is of the view that the School is a public benefit entity for financial reporting purposes.

b) Basis of Preparation

Reporting Period

The financial reports have been prepared for the period 1 January 2018 to 31 December 2018 and in accordance with the requirements of the Public Finance Act 1989.

Basis of Preparation

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

Financial Reporting Standards Applied

The Education Act 1989 requires the School, as a Crown entity, to prepare financial statements in accordance with generally accepted accounting practice. The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand, applying Public Sector Public Benefit Entity (PBE) Standards Reduced Disclosure Regime as appropriate to public benefit entities that qualify for Tier 2 reporting. The school is considered a Public Benefit Entity as it meets the criteria specified as "having a primary objective to provide goods and/or services for community or social benefit and where any equity has been provided with a view to supporting that primary objective rather than for financial return to equity holders".

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

Useful lives of property, plant and equipment

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

Critical Judgements in applying accounting policies

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

Classification of leases

The School reviews the details of lease agreements at the end of each reporting date. The School believes the classification of each lease as either operation or finance is appropriate and reflects the nature of the agreement in place. Finance leases are disclosed at note 14.

Recognition of grants

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

c) Revenue Recognition**Government Grants**

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

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

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

Other Grants

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

Grants for the use of land and buildings are also 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 Proprietor. Use of land and building grants are recorded as income in the period the school uses the land and building.

Donations, Gifts and Bequests

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

Interest Revenue

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

d) Use of Land and Buildings Expense

The property from which the School operates is owned by the Proprietor. The expense is based on an assumed market rental yield on the land and buildings as used for rating purposes. This is a non-cash expense that is offset by a non-cash grant from the Proprietor.

e) Operating Lease Payments

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

f) Finance Lease Payments

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

g) Cash and Cash Equivalents

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

h) Accounts Receivable

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

i) Investments

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

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

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

The School has met the requirements of Schedule 6 para 28 of the Education Act 1989 in relation to the acquisition of investment securities.

j) Property, Plant and Equipment

Land and buildings owned by the Proprietors 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 Proprietors are recorded at cost, less accumulated depreciation and impairment losses.

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

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

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

Leased Assets

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

Depreciation

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

The estimated useful lives of the assets are:

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

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

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

m) Provision for Cyclical Maintenance

The property from which the school operates is owned by the Proprietor. The Board is responsible for maintaining the land, building 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 provisions for cyclical maintenance represents the obligations the Board has to the Proprietor and is based on the Board's ten year property plan (10YPP).

n) Financial Assets and Liabilities

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

Investments that are shares are categorised as "available for sale" for accounting purposes in accordance with financial reporting standards.

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

o) 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.

p) Budget Figures

The budget figures are extracted from the School budget that was approved by the Board at the start of the year.

q) 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

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operational grants	161,803	151,847	151,535
Teachers' salaries grants	382,376	375,027	368,105
Other MoE Grants	20,268	16,037	15,825
	564,447	542,911	535,465

3. Locally Raised Funds

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

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Revenue			
Donations	23,884	20,000	8,038
Activities	6,759	16,500	8,089
Trading	1,627	7,800	3,433
Fundraising	2,284	500	2,792
	34,554	44,800	22,352
Expenses			
Activities	11,034	20,000	6,958
Trading	730	-	-
Fundraising costs	544	-	830
	12,308	20,000	7,788
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	22,246	24,800	14,564

4. Learning Resources

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	12,869	14,600	12,989
Equipment repairs	43	2,300	985
Information and communication technology	4,250	2,000	2,837
Extra-curricular activities	8,444	2,070	9,211
Library resources	1,112	500	458
Employee benefits - salaries	453,741	443,107	398,122
Staff development	6,707	7,000	6,546
	487,166	471,577	431,148

5. Administration

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	3,165	2,800	3,029
Board of Trustees Expenses	529	300	-
Communication	3,252	3,800	3,906
Consumables	1,266	4,800	3,966
Operating Lease	4,470	8,500	(68)
Other	14,082	8,300	14,216
Employee Benefits - Salaries	22,365	20,000	19,821
Insurance	1,591	3,000	1,624
Service Providers, Contractors and Consultancy	4,447	5,000	4,870
	<u>55,167</u>	<u>56,500</u>	<u>51,363</u>

6. Property

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	5,339	3,500	4,666
Cyclical Maintenance Expense	8,588	8,500	517
Grounds	2,953	3,000	2,147
Heat, Light and Water	15,564	15,000	14,282
Rates	2,034	2,000	1,973
Repairs and Maintenance	5,710	15,700	4,171
Use of Land and Buildings	72,240	72,240	72,240
Security	191	500	582
Employee Benefits - Salaries	15,574	15,000	14,130
	<u>128,193</u>	<u>135,440</u>	<u>114,707</u>

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

7. Depreciation

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Furniture and Equipment	10,342	5,966	9,607
Information and Communication Technology	11,704	4,314	11,773
Leased Assets	6,557	2,490	5,976
Library Resources	1,084	530	1,083
	<u>29,687</u>	<u>13,300</u>	<u>28,439</u>

8. Cash and Cash Equivalents

	2018	2018 Budget	2017
	Actual	(Unaudited)	Actual
	\$	\$	\$
Bank Current Account	16,074	12,392	12,391
Bank Call Account	36,109	52,786	60,854
Cash and cash equivalents for Cash Flow Statement	<u>52,183</u>	<u>65,178</u>	<u>73,245</u>

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

9. Accounts Receivable

	2018	2018 Budget	2017
	Actual	(Unaudited)	Actual
	\$	\$	\$
Receivables	464	-	-
Interest Receivable	3	310	310
Teacher Salaries Grant Receivable	17,649	21,952	21,952
	<u>18,116</u>	<u>22,262</u>	<u>22,262</u>
Receivables from Exchange Transactions	467	310	310
Receivables from Non-Exchange Transactions	17,649	21,952	21,952
	<u>18,116</u>	<u>22,262</u>	<u>22,262</u>

10. Investments

The School's investment activities are classified as follows:

	2018	2018 Budget	2017
	Actual	(Unaudited)	Actual
	\$	\$	\$
Current Asset			
Short-term Bank Deposits	46,469	45,238	45,238

11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2018	\$	\$	\$	\$	\$	\$
Furniture and Equipment	59,024	5,484	-	-	(10,342)	54,166
Information and Communication	37,523	1,043	-	-	(11,704)	26,862
Leased Assets	21,124	2,627	-	-	(6,557)	17,194
Library Resources	7,584	1,157	-	(73)	(1,084)	7,584
Balance at 31 December 2018	<u>125,255</u>	<u>10,311</u>	<u>-</u>	<u>(73)</u>	<u>(29,687)</u>	<u>105,806</u>

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2018	\$	\$	\$
Furniture and Equipment	189,225	(135,059)	54,166
Information and Communication	123,840	(96,978)	26,862
Leased Assets	33,821	(16,627)	17,194
Library Resources	26,096	(18,512)	7,584
Balance at 31 December 2018	372,982	(267,176)	105,806

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2017	\$	\$	\$	\$	\$	\$
Furniture and Equipment	55,272	13,359	-	-	(9,607)	59,024
Information and Communication Technology	43,565	5,731	-	-	(11,773)	37,523
Leased Assets	24,404	2,696	-	-	(5,976)	21,124
Library Resources	6,103	2,610	-	(46)	(1,083)	7,584
Balance at 31 December 2017	129,344	24,396	-	(46)	(28,439)	125,255

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2017	\$	\$	\$
Furniture and Equipment	183,741	(124,717)	59,024
Information and Communication Technology	122,797	(85,274)	37,523
Leased Assets	31,195	(10,071)	21,124
Library Resources	25,180	(17,596)	7,584
Balance at 31 December 2017	362,913	(237,658)	125,255

12. Accounts Payable

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Operating creditors	10,097	6,907	6,907
Banking staffing overuse	(8,610)	-	-
Employee Entitlements - salaries	17,649	21,952	21,952
Employee Entitlements - leave accrual	992	610	610
	20,128	29,469	29,469
Payables for Exchange Transactions	20,128	29,469	29,469
	20,128	29,469	29,469

The carrying value of payables approximates their fair value.

13. Provision for Cyclical Maintenance

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Provision at the Start of the Year	23,967	23,967	23,450
Increase/ (decrease) to the Provision During the Year	10,125	8,500	517
Use of the Provision During the Year	(2,180)	-	-
Adjustment to the Provision	(1,537)	-	(8,063)
Provision at the End of the Year	30,375	32,467	15,904
Cyclical Maintenance - Current	26,775	2,180	2,180
Cyclical Maintenance - Term	3,600	30,287	21,787
	30,375	32,467	23,967

14. Finance Lease Liability

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

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
No Later than One Year	8,772	6,036	6,036
Later than One Year and no Later than Five Years	11,168	16,785	16,785
	19,940	22,821	22,821

15. 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.

The Proprietor of the School (Catholic Diocese of Dunedin) is a related party of the Board because the proprietor appoints representatives to the Board, giving the proprietor significant influence over the Board. Any services or contributions between the Board and Proprietor have been disclosed appropriately, if the proprietor collects fund on behalf of the school (or vice versa) the amounts are disclosed.

The Proprietor provides land and buildings free of charge for use by the Board as noted in Note 1(c). The estimated value of this use during the current period is included in the Statement of Comprehensive Revenue and Expense as "Use of land and buildings".

16. Remuneration

Key management personnel compensation

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

	2018 Actual \$	2017 Actual \$
<i>Board Members</i>		
Remuneration	-	-
Full-time equivalent members	0.05	0.20
<i>Leadership Team</i>		
Remuneration	112,212	112,247
Full-time equivalent members	1.00	1.00
Total key management personnel remuneration	112,212	112,247
Total full-time equivalent personnel	1.05	1.20

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:

	2018 Actual \$000	2017 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	100 - 110	100 - 110
Benefits and Other Emoluments	3 - 4	3 - 4
Termination Benefits	-	-

Other Employees

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

Remuneration \$000	2018 FTE Number	2017 FTE Number
100 - 110	0.00	0.00
110 - 120	0.00	0.00
	0.00	0.00

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

17. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2018 (Contingent liabilities and assets at 31 December 2017: 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 has commenced a review of the schools sector payroll to ensure compliance with the Holidays Act 2003. The initial phase of this review has identified areas of non-compliance, however the potential impact on any specific school or individual and any associated historical liability will not be known until further detailed analysis has been completed.

To the extent that any obligation cannot reasonably be quantified at 31 December 2018, a contingent liability for the school may exist.

18. 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.

19. Financial Instruments

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

Loans and receivables

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Cash and Cash Equivalents	52,183	65,178	73,245
Receivables	18,116	22,262	22,262
Investments - Term Deposits	46,469	45,238	45,238
Total Loans and Receivables	116,768	132,678	140,745

Financial liabilities measured at amortised cost

Payables	20,128	29,469	29,469
Finance Leases	17,525	25,467	19,871
Total Financial Liabilities Measured at Amortised Cost	37,653	54,936	49,340

20. Events After Balance Date

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

21. Comparatives

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

ANALYSIS OF VARIANCE REPORTING

SCHOOL NAME	ST MARY'S SCHOOL	SCHOOL NUMBER - 3831
FOCUS: WRITING 2018		
Strategic Aim: CURRICULUM & STUDENT ACHIEVEMENT Strategic Goal 2: All students are able to access the NZ Curriculum through the provision of high quality learning programmes, as evidenced by progress and achievement in relation to the National Standards in Writing Strategic Goal 3: Students with special learning needs are supported in their learning so that they can progress in relation to the NZC and fully participate in and contribute to the school and their community		
Annual Aim: - Annual targets will be identified, based on analysed data, to effect and sustain improvement in writing. The number of students achieving at or above expected levels in Writing will increase. - The progress of identified students and groups of students including Maori, will be tracked and regularly reviewed. - Teachers will encourage children to take responsibility & ownership for their own learning by supporting students to set their own learning goals and know what to do to achieve them. - Students make progress, achieve and experience success against goals developed in Individual Education Plans. - Teachers develop communication between home & school to support student learning & well-being.		
TARGET 1: To continue to maintain momentum and place emphasis in writing so that by the end of the year, 90% of the students will be working at or above the expected level for their year. TARGET 2: By the end of the current year, an identified, cohort of students will make gains and/or accelerated progress and will be achieving at or above expected levels appropriate to their year level.		
BASELINE DATA: We are a Decile 4 school – drawing from a wide range of families. We are constantly striving to have all of our children learn to write well. Analysis of school-wide writing data - (Overall Teacher Judgement against the National Standards) in November 2017 identified that 82% of the children were working at or above the National Standard for their year level - with 59% achieving at and 23% achieving above. To maintain and strive to improve this achievement result, Target 1 involved all of the children – ie - (Y1 to Y6) – because in order to maintain momentum across the school, writing must be taught well, intervention must occur as soon as problems are detected and additional teaching must take precedence. Data identified that there was a group of children who were achieving BELOW the expected level for their year group. Target 2 supported this cohort of children.		
Actions (what did we do?)	Outcomes (what happened?)	Reasons for the variance (why did it happen?)
Reviewed assessment data with staff and determined the particular learning needs of target children. Targeted children were monitored closely in the classroom. Homework tasks consolidated classwork, and additional tuition was provided for those who required it. The Principal also worked with other identified groups of children to aide progress. Resources were purchased to aid teachers in the writing process. Children are learning a wide variety of genre through the implementation of the Sheena Cameron programme which alongside the Words Alive programme has enhanced our children's writing considerably. Teachers attended PD in writing offered by the COL. We have received PD in writing through Science, with Dr Kate Rice. The children have learned how to annotate diagrams, labelling, note taking, describing, explaining, writing trends and statements, how to elaborate initial ideas, make progressions, and form language conclusions. The children learned to research using chrome books and were able to use google docs. Teachers provided the children with a variety of educational experiences to enrich and improve children's understanding of the world. One of the outcomes of implementing these experiences, is that the children are provided with the opportunity to both develop writing skills & enhance vocabulary & understanding. Teachers moderated together when assessing writing, and whilst doing so, deepened their own knowledge of the writing process. Evidence from this provides us with information on progress and achievement and forms the basis for additional teaching if required. Children at St M – want to write – they are motivated and interested in the process. End of Year data was analysed to inform progress and planning for 2019.	The analysis of the end of year National Standards data revealed the following: Target 1 – 75% of our children are progressing and achieving in line with expected levels in WRITING with 42 % achieving AT, and 33% achieving ABOVE the National Standard. Target 2 Of the 6 targeted children – 1 has made gains and is now writing above, 3 have made gains & are writing 1 stage below. 1 child has regressed & is writing 3 stages below, 1 has made no progress this year.	3 of the children have made progress during the year & 2 will be targeted next year for acceleration so that they will be working at the expected level for their age. 1 child has made gains within the stage he is writing at – he will also be targeted. Of the remaining child, he/she has varying degrees of learning needs which impact on learning outcomes. His classification will be looked at for next year. Children have benefited from a variety of supports- ie - Sounds Alive, teacher and teacher aide support.
Evaluation (where to next?) We will continue to support these children – focusing on the writing process and implementing Sheena Cameron units and writing through Science to achieve an enhanced result. Planning for next year: We wish to continue to maintain momentum and place emphasis in writing so that by the end of the year, 90% of the students will be working at or above the appropriate stage for their year level. There is a group of children who have been identified as working below expected levels. We will be working with them to encourage gains so that by the end of next year, this identified, cohort of students will make accelerated progress and will be achieving at or above the expected levels appropriate to their year group. Long term plans will be devised to ensure coverage of several types of genre using the Sheena Cameron resource, Words Alive and Writing through Science. We are also in a Kahui Ako (CoL) where writing is an achievement objective. This will ensure on-going meaningful PD for 2018.		

SCHOOL NAME	ST MARY'S SCHOOL	SCHOOL NUMBER - 3831
FOCUS: READING 2018		
Strategic Aim: CURRICULUM AND STUDENT ACHIEVEMENT		
Strategic Goal 2: All students are able to access the NZ Curriculum through the provision of high quality learning programmes, as evidenced by progress and achievement in relation to expected levels in Reading. Strategic Goal 3: Students with special learning needs are supported in their learning so that they can progress in relation to the NZC and fully participate in and contribute to the school and their community.		
Annual Aim: -Annual targets will be identified, based on analysed data, to effect and sustain improvement in Reading. The number of students achieving at or above the National Standards in Reading will increase. -The progress of identified students and groups of students including Maori, will be tracked and regularly reviewed. -Whanau are engaged in supporting their children's learning. -Teachers will encourage children to take responsibility for their own learning by supporting students to set their own learning goals and know what to do to achieve them. -Students make progress, achieve and experience success against goals developed in Individual Education Plans. -Teachers develop communication between home & school to support student learning & well-being.		
Targets: TARGET 1: Continue to maintain momentum and place emphasis in reading so that by the end of the year, 95% of the students will be working at or above the appropriate National Standard for their year level. This includes focusing on comprehension, fluency, phrasing, with an emphasis on retell, and encourage acceleration for all children. TARGET 2: TARGET 2: By the end of the current year, 2 identified students who are achieving below will make gains and will be achieving AT the appropriate level. By the end of the current year, an identified, cohort of 8 students who are achieving AT , will continue to maintain progress appropriate to their year level. By the end of the current year, 2 identified students will make accelerated progress and will be achieving ABOVE the appropriate level. TARGET 3: By the end of the current year those children supported with Individual Educational programmes, will achieve their individual targets in Reading, progressing them toward the National Standard expectations.		
BASELINE DATA: We are a Decile 4 school – drawing from a wide range of families. We are constantly striving to have all of our children learn to READ well. Analysis of school-wide reading data – (Overall Teacher Judgement against the National Standards) in November 2017 identified that 93% of our children are progressing and achieving in line with the National Standards in READING with 63.9% achieving above, and 29.6% achieving at. We wanted to be able to maintain and strive to improve this achievement result, so Target 1 involved all of the children – ie - (Y1 to Y6) - because in order to maintain momentum across the school, READING must be taught well, intervention must occur as soon as problems are detected and additional teaching must take precedence. Data from 2017 also identified that there were 2 children who were working below expected levels, there was also an identified cohort of 7 students who were working AT the NS who were targeted to ensure that progress was maintained, 2 further children were targeted to make accelerated progress - Target 2 supported these children. Data also identified children supported on IEPs. These children have had continuous intervention. Target 3 supported this cohort of children. These children were targeted for 2018.		
Actions (what did we do?)	Outcomes (what happened?)	Reasons for the variance (why did it happen?)
Reviewed assessment data with staff and determined the particular learning needs of target children. Reading groups were formed according to needs and goals were set. Identified children were assisted with learning through entry into the "Individual Needs Programme". This included targeting of individual and groups of children with Principal, RT:Literacy, Reading Recovery and Teacher Aide assistance. Progress was monitored at staff meetings and ideas for acceleration/maintaining were continually discussed. Because of the emphasis we place on reading, most of the children at St Mary's continue to have excellent decoding and comprehension skills. Our reading focus again this year, has been to continue to develop comprehension in reading and we have continued to use the PROBE Reading Kit to teach inferential, reorganizational and evaluative reading comprehension at Year 4 – 6 level. We have also used Nelson Literacy Kits – 3,4,5,6 at Y4-6 level.	Analysis of the end of year National Standards data revealed the following: Target 1 – Almost Achieved. 90% of our children are progressing and achieving in line with the National Standards in READING with 57% achieving above, and 33% achieving at the National Standard. Target 2	Target 2 - The 2 children who are working below the NS have had a significant amount of additional tuition over the years. One is has made slight gains, the other has been working with RT:Literacy. The 2 children mentioned in Target 3 have made gains
		We will continue to support all children – but will focus on those individuals who need additional support to reach targets – progressing them towards expected levels.

<p>Of the 2 targeted children who were achieving below expected levels, 1 has made accelerated progress and is reading above, the other has made slight gains and is reading 10 months below. Of the 7 targeted children who were working AT maintaining expected levels, 2 have made gains (6 months), 4 have maintained progress and 1 child is reading below (6 months).</p> <p>Of the 2 targeted children who were reading AT expected levels, they are both still reading within AT but have both made 6 month gains as well.</p> <p>Target 3 3% of children have special needs and although they have made gains, are achieving well below the National Standards appropriate for their year level in Reading.</p>	<p>within their level. They have varying degrees of learning needs which impact on learning outcomes. The children have benefited from a variety of supports ie –Individual Needs programme, RT:Literacy, teacher and teacher aide support.</p>
<p>We purchased additional reading material to enhance reading programmes and to capture the interest of students. – (National Geographic reading books). We purchased additional library books.</p> <p>We continued to provide children with a rich variety of learning experiences to enrich understanding and enhance vocabulary using theme as a vehicle for reading literacy.</p> <p>Reading/Language programmes were operated concurrently throughout the school so that children can be catered for by moving between multi- level classrooms.</p> <p>Teachers continually monitored the progress of all children. On-going evidence provided teachers with information on progress and achievement and formed the basis for entry into additional programmes if required.</p> <p>Through the use of teaching systems, children were made aware of where they are in relation to the National Standards – keeping them focused and aspiring to succeed.</p> <p>Results from a variety of methods, were collated, analysed and OTJ's were used to make a decision about achievement in relation to expected levels.</p> <p>Reading was assessed and moderated in November 2017, July 2018 and November 2018.</p> <p>End of Year data will be analysed to inform progress and planning for 2019.</p>	<p>Planning for next year: We will continue to offer support to the children who are achieving below. We will continue to provide additional learning for the children who are achieving at to ensure maintenance. We will continue to extend the children who are achieving above. We will target both a group of children achieving AT and the children who are operating below.</p>

SCHOOL NAME	ST MARY'S SCHOOL	SCHOOL NUMBER - 3831
FOCUS: MATHEMATICS & STATISTICS 2018		
Strategic Aim: CURRICULUM AND STUDENT ACHIEVEMENT Strategic Goal 2: All students are able to access the NZ Curriculum through the provision of high quality learning programmes, as evidenced by progress and achievement in relation to expected levels. Strategic Goal 4: Students with special learning needs are supported in their learning so that they can progress in relation to the NZC and fully participate in and contribute to the school and their community.		
Annual Aim: - Annual targets will be identified, based on analysed data, to effect and sustain improvement in Mathematics. The number of students achieving at or above expected levels in Mathematics will increase. Targeted groups show accelerated progress over the year. -The progress of identified students and groups of students including Maori, will be tracked and regularly reviewed. -Teachers will encourage children to take responsibility for their own learning by supporting students to set their own learning goals and know what to do to achieve them. - Students make progress, achieve and experience success against goals developed in Individual Education Plans. -Teachers develop communication between home & school to support student learning & well-being.		
Targets: TARGET 1: To continue to maintain momentum and place emphasis on Mathematics so that by the end of the current year, 90% of the students will be working at or above the appropriate National Standard for their year level. TARGET 2: By the end of the current year, a specific cohort of students (5) who are working below (in Numeracy) will make accelerated progress and will be achieving at or above appropriate to their year level. A further cohort of children (3), who are achieving AT will make accelerated progress and be achieving ABOVE. By the end of the current year, an identified, cohort of 7 students who are achieving AT, will continue to maintain progress appropriate to their year level.		
BASELINE DATA: Baseline data: We are a Decile 4 school – drawing from a wide range of families. We are constantly striving to have all of our children learn to be numerate. Analysis of school-wide MATHEMATICS & STATISTICS data - (Overall Teacher Judgement against the National Standards) in November 2017 identified that 82% of the children were working at or above the National Standard for their year level. To maintain and strive to improve this achievement result, Target 1 had to involve all of the children – ie - (Y1 to Y6) - because in order to maintain momentum across the school, MATHEMATICS & STATISTICS must be taught well, intervention must occur as soon as problems are detected and additional teaching must take precedence. Data also identified that there was a cohort of children who were achieving below the National Standards for their year level and a cohort who were achieving AT but could possibly be accelerated.		
Actions (what did we do?)	Outcomes (what happened?)	Reasons for the variance (why did it happen?)
Reviewed assessment data with staff and determined the particular learning needs of target children. Mathematics groups were formed according to needs and goals were set. On-going evidence provided teachers with information on progress and achievement and formed the basis for entry into additional programmes if required. Identified children were assisted with learning through entry into the "Individual Needs Programme". This included targeting of individual and groups of children with Teacher Aide assistance. A Targeted Learning Programme was implemented for children who are struggling with concepts at Stage 4/5. This programme is designed to build confidence and is an adjunct to normal Numeracy programmes. Individual programmes were written for children needing support. A Teacher's Aide is employed to work with groups and individuals in and out of the classroom. Numeracy equipment and games and apps were purchased. All children were signed up and given their own account with E-ako. They are able to use this at home and at school. With the purchase of an i-pad/chrome book for each individual, the senior children have access to Maths Buddy and the junior children have access to maths games, basic facts and pattern apps.	The analysis of the end of year National Standards data revealed the following: Target 1 71% of our children are progressing and achieving in line with expected levels in MATHEMATICS & STATISTICS - with 31 % achieving above, and 40% achieving at the National Standard. Target 2 Of the targeted cohort of children who were achieving below expected levels in Numeracy, 1 child is achieving AT, 4 have made gains but are still achieving BELOW.	Three of the at-risk children who continue to be below expected levels require consistent, focussed effective, intense teaching to achieve (R3). The children who are still below in the targeted group have made gains within his/her level. Two of these children will be targeted again in 2019. Two of the targeted AT children will be targeted again next year to ensure that
		We will continue to support our children – focusing on individual and group targets – progressing them towards achieving at and above expected levels.

<p>Mathematics programmes were operated concurrently throughout the school so that children were able to be catered for by moving between multi-level classrooms.</p> <p>Through the use of teaching systems, children were made aware of where they are in relation to the National Standards – keeping them focused and aspiring to succeed.</p> <p>Teachers were involved in Teacher led Numeracy Lead Teacher sessions.</p> <p>Teachers continually monitored the progress of all children.</p> <p>A group of children were entered into the ALIM programme.</p> <p>Results from a variety of methods, were collated, analysed and OTJ's were used to make a decision about achievement using the National Standards as a sign post.</p> <p>Mathematics and Statistics was assessed and moderated in November 2016, July 2017 and November 2017.</p> <p>End of Year data was analysed to inform progress and planning for 2017.</p>	<p><i>Of a further cohort of targeted children who were achieving AT expected levels – 3/3 are achieving ABOVE.</i></p> <p><i>Out of a further 7 At-risk children – 3 are AT, 1 is ABOVE & 3 are below expected levels.</i></p>	<p>they maintain current progress.</p>
<p>Planning for next year:</p> <p>We will continue to offer support to the children who are achieving below. We will continue to provide additional learning for the children who are achieving at. We will form a Stage 3 Numeracy group & the Principal will teach these children. This will ensure that classes are smaller in the junior end of the school. We will continue to extend the children who are achieving above. We will be offering R4 children the opportunity to learn Mathematics through Science. We will target a group of children achieving below, ensure that a further group of children maintain progress and accelerate a group of children achieving at to above. We will be utilising e-learning to assist and enhance the children's understanding of mathematical concepts.</p>		

St Mary's School (Milton)

Kiwisport

For the Year ended 31 December 2018

Kiwisport is a Government funding initiative to support student participation in organised sport. In 2018, the school received total Kiwisport funding of \$1,069. The funding was spent on a South Otago District Sports Activator. Although there was no notable increase in the number of students participating in organised sport, the skill level of those students already involved in sport has notably increased. (2017, \$1,174 spent on a South Otago District Sports Activator).



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INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF ST MARY'S SCHOOL (MILTON)'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

The Auditor-General is the auditor of St Mary's School (Milton) (the School). The Auditor-General has appointed me, G N Thomas, using the staff and resources of BDO Invercargill, to carry out the audit of the financial statements of the School on his behalf.

Opinion

We have audited the financial statements of the School on pages 2 to 16, that comprise the statement of financial position as at 31 December 2018, 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 2018; 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 31st May 2019. This is the date at which our opinion is expressed.

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

Basis for our opinion

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

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

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

Responsibilities of the Board of Trustees for the financial statements

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

In preparing the financial statements, the Board of Trustees is responsible on behalf of the School for assessing the School's ability to continue as a going concern. The Board of Trustees is also responsible for disclosing, as applicable, matters related to going concern and using the going



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concern basis of accounting, unless there is an intention to close or merge the School, or there is no realistic alternative but to do so.

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

Responsibilities of the auditor for the audit of the financial statements

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

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

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

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

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

- We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Trustees.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Trustees and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the School to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We assess the risk of material misstatement arising from the Novopay payroll system, which may still contain errors. As a result, we carried out procedures to minimise the risk of material errors arising from the system that, in our judgement, would likely influence readers' overall understanding of the financial statements.



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

Our responsibilities arises from the Public Audit Act 2001.

Other information

The Board of Trustees is responsible for the other information. The other information comprises the analysis of variance, kiwisport paragraph and BOT listing included on pages 17 to 22 and the title page respectively, but does not include the financial statements, and our auditor's report thereon.

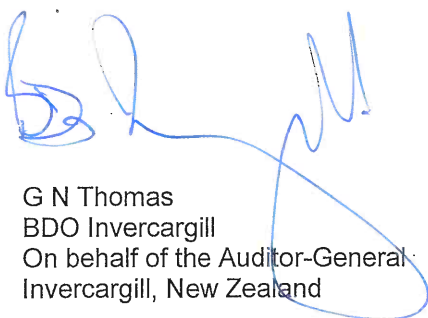
Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

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

Independence

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

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



G N Thomas
BDO Invercargill
On behalf of the Auditor-General
Invercargill, New Zealand