

# COLWILL SCHOOL MASSEY

## ANNUAL REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2018

#### School Directory

<b>Ministry Number:</b>	1254
<b>Principal:</b>	Rob Taylor
<b>School Address:</b>	Kintara Drive, Massey, Auckland 0614
<b>School Postal Address:</b>	Kintara Drive, Massey, Auckland 0614
<b>School Phone:</b>	09 833 6081
<b>School Email:</b>	office@colwill.school.nz

#### Members of the Board of Trustees

<b>Name</b>	<b>How Position Gained</b>	<b>Position</b>	<b>Term Expires</b>
Sharon Dennis	Co-opted	Chair Person	May-19
Rob Taylor	Current	Principal	Current
Ellie Cope	Co-opted	Parent Rep	May-19
Shane Henderson	Co-opted	Parent Rep	May-19
Lutila Kalolo	Elected	Parent Rep	May-19
Eddie Mitchell	Elected	Parent Rep	May-19
Maggie Scally	Elected	Parent Rep	May-19
Elizabeth Tafua	Elected	Parent Rep	May-19
Jacqueline Oades	Elected	Staff Rep	May-19

#### Service Provider:

Leading Edge Services (2017) Ltd, PO Box 20496, Glen Eden, Auckland

# COLWILL SCHOOL MASSEY

Annual Report - For the year ended 31 December 2018

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# Colwill School Massey

## Statement of Responsibility

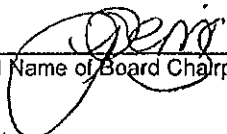
For the year ended 31 December 2018

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.

  
Full Name of Board Chairperson

  
Signature of Board Chairperson

30 / 5 / 19  
Date:

  
Full Name of Principal

  
Signature of Principal

30 / 5 / 19  
Date:

**Colwill School Massey**

**Statement of Comprehensive Revenue and Expense**

For the year ended 31 December 2018

	Notes	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
<b>Revenue</b>				
Government Grants	2	2,257,358	2,023,064	2,330,744
Locally Raised Funds	3	76,981	134,150	90,963
Interest Earned		7,505	8,000	9,123
International Students	4	-	-	2,751
		<u>2,341,844</u>	<u>2,165,214</u>	<u>2,433,581</u>
<b>Expenses</b>				
Locally Raised Funds	3	47,630	57,050	73,917
International Students	4	-	-	475
Learning Resources	5	1,301,122	1,272,980	1,232,338
Administration	6	144,500	140,950	176,908
Finance		1,843	2,500	2,614
Property	7	894,885	633,624	878,175
Depreciation	8	66,099	58,000	67,979
Loss on Disposal of Property, Plant and Equipment		985	-	1,470
		<u>2,457,064</u>	<u>2,165,104</u>	<u>2,433,876</u>
<b>Net Surplus / (Deficit) for the year</b>		<b>(115,220)</b>	<b>110</b>	<b>(295)</b>
Other Comprehensive Revenue and Expenses		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<b><u>(115,220)</u></b>	<b><u>110</u></b>	<b><u>(295)</u></b>

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

**Colwill School Massey**  
**Statement of Changes in Net Assets/Equity**  
For the year ended 31 December 2018

	Actual 2018 \$	Budget (Unaudited) 2018 \$	Actual 2017 \$
<b>Balance at 1 January</b>	<u>544,591</u>	<u>544,594</u>	<u>544,886</u>
Total comprehensive revenue and expense for the year	(115,220)	110	(295)
Capital Contributions from the Ministry of Education			
Contribution - Furniture and Equipment Grant	3,423	-	-
<b>Equity at 31 December</b>	<u>432,794</u>	<u>544,704</u>	<u>544,591</u>
Retained Earnings	432,794	544,704	544,591
Reserves	-	-	-
<b>Equity at 31 December</b>	<u>432,794</u>	<u>544,704</u>	<u>544,591</u>

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

**Colwill School Massey**  
**Statement of Financial Position**  
As at 31 December 2018

	Notes	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
<b>Current Assets</b>				
Cash and Cash Equivalents	9	240,226	300,440	170,925
Accounts Receivable	10	73,796	88,485	88,485
Funds due for Capital Works Projects	19	37,719		
GST Receivable		9,950	6,014	6,014
Prepayments		1,350	1,350	1,350
Inventories	11	475	1,675	1,675
Investments	12	-	-	152,904
		<u>363,516</u>	<u>397,964</u>	<u>421,353</u>
<b>Current Liabilities</b>				
Accounts Payable	14	171,161	138,027	138,028
Revenue Received in Advance	15	22,420	17,702	17,702
Finance Lease Liability - Current Portion	17	7,341	11,846	11,846
Funds held in Trust	18	3,800	-	-
Funds held for Capital Works Projects	19	-	3,706	3,706
		<u>204,722</u>	<u>171,281</u>	<u>171,282</u>
<b>Working Capital Surplus/(Deficit)</b>		158,794	226,683	250,071
<b>Non-current Assets</b>				
Property, Plant and Equipment	13	293,123	340,740	317,239
		<u>293,123</u>	<u>340,740</u>	<u>317,239</u>
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	16	10,531	8,775	8,775
Finance Lease Liability	17	8,592	13,944	13,944
		<u>19,123</u>	<u>22,719</u>	<u>22,719</u>
<b>Net Assets</b>		<u>432,794</u>	<u>544,704</u>	<u>544,591</u>
<b>Equity</b>		<u>432,794</u>	<u>544,704</u>	<u>544,591</u>

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

**Colwill School Massey**  
**Statement of Cash Flows**  
For the year ended 31 December 2018

		2018	2018	2017
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
<b>Cash flows from Operating Activities</b>				
Government Grants		614,759	552,654	604,146
Locally Raised Funds		104,754	133,369	95,154
International Students		2,100	-	2,751
Goods and Services Tax (net)		(3,936)	(4,057)	(4,057)
Payments to Employees		(375,609)	(360,385)	(333,078)
Payments to Suppliers		(343,885)	(225,970)	(242,959)
Cyclical Maintenance Payments in the year		-	(745)	(19,672)
Interest Paid		(1,843)	(2,500)	(2,614)
Interest Received		7,083	8,347	9,470
<b>Net cash from / (to) the Operating Activities</b>		<b>3,423</b>	<b>100,713</b>	<b>109,141</b>
<b>Cash flows from Investing Activities</b>				
Proceeds from Sale of PPE		-	-	3,530
Purchase of PPE		(42,968)	(62,905)	(56,625)
Purchase of Investments		-	-	(5,677)
Proceeds from Sale of Investments		152,904	172,228	-
<b>Net cash from / (to) the Investing Activities</b>		<b>109,936</b>	<b>109,323</b>	<b>(58,772)</b>
<b>Cash flows from Financing Activities</b>				
Furniture and Equipment Grant		3,423	-	-
Finance Lease Payments		(9,857)	-	(7,080)
Funds Administered on Behalf of Third Parties		3,800	-	-
Funds Held for Capital Works Projects		(41,426)	3,706	3,706
<b>Net cash from Financing Activities</b>		<b>(44,060)</b>	<b>3,706</b>	<b>(3,374)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>69,299</b>	<b>213,742</b>	<b>46,995</b>
Cash and cash equivalents at the beginning of the year	9	170,927	86,698	123,929
<b>Cash and cash equivalents at the end of the year</b>	<b>9</b>	<b>240,226</b>	<b>300,440</b>	<b>170,925</b>

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.

# Colwill School Massey

## Notes to the Financial Statements

### For the year ended 31 December 2018

#### 1. Statement of Accounting Policies

##### a) Reporting Entity

Colwill School Massey (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 13.



### ***Critical Judgements in applying accounting policies***

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

#### ***Classification of leases***

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

#### ***Recognition of grants***

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

### **c) Revenue Recognition**

#### ***Government Grants***

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

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

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

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

#### ***Other Grants***

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

#### ***Donations, Gifts and Bequests***

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

#### ***Interest Revenue***

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

### **d) Use of Land and Buildings Expense**

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

### **e) Operating Lease Payments**

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

### **f) Finance Lease Payments**

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

### **g) Cash and Cash Equivalents**

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

#### **h) Accounts Receivable**

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

#### **i) Inventories**

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

#### **j) Investments**

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

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

After initial recognition 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.

#### **k) Property, Plant and Equipment**

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

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

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

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

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

#### **Leased Assets**

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

### **Depreciation**

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

The estimated useful lives of the assets are:

Building improvements to Crown Owned Assets	40 years
Furniture and equipment	10 years
Information and communication technology	4 years
Leased assets held under a Finance Lease	3-5 years
Library resources	12.5% Diminishing value

### **l) Intangible Assets**

#### *Software costs*

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

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

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

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

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

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

#### *Non cash generating assets*

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

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

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

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

### **n) Accounts Payable**

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

#### **o) Employee Entitlements**

##### *Short-term employee entitlements*

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

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

##### *Long-term employee entitlements*

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

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

#### **p) Revenue Received in Advance**

Revenue received in advance relates to fees received from international students and grants received where there are unfulfilled obligations for the School to provide services in the future. The fees are recorded as revenue as the obligations are fulfilled and the fees earned.

The School holds sufficient funds to enable the refund of unearned fees in relation to international students, should the School be unable to provide the services to which they relate.

#### **q) Funds Held in Trust**

Funds are held in trust where they have been received by the School for a specified purpose, or are being held on behalf of a third party and these transactions are not recorded in the Statement of Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose at any time.

#### **r) Shared Funds**

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

#### **s) Provision for Cyclical Maintenance**

The property from which the School operates is owned by the Crown, and is vested in the Ministry. The Ministry has gazetted a property occupancy document that sets out the Board's property maintenance responsibilities. The Board is responsible for maintaining the land, buildings and other facilities on the School site in a state of good order and repair.

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

#### **t) Financial 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.

**u) Borrowings**

Borrowings are recognised at the amount borrowed. Borrowings are classified as current liabilities unless the School has an unconditional right to defer settlement of the liability for at least 12 months after the balance date.

**v) Goods and Services Tax (GST)**

The financial statements have been prepared on a GST exclusive basis, with the exception of accounts receivable and accounts payable which are stated as GST inclusive.

The net amount of GST paid to, or received from, the IRD, including the GST relating to investing and financing activities, is classified as a net operating cash flow in the statements of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

**w) Budget Figures**

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

**x) Services received in-kind**

From time to time the School receives services in-kind, including the time of volunteers. The School has elected not to recognise services received in kind in the Statement of Comprehensive Revenue and Expense.

## 2. Government Grants

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Operational grants	410,398	426,026	428,528
Teachers' salaries grants	963,829	990,514	1,034,235
Use of Land and Buildings grants	683,743	480,024	687,390
Resource teachers learning and behaviour grants	79,039	19,000	41,311
Other MoE Grants	91,907	106,500	127,855
Other government grants	28,442	1,000	11,425
	<b>2,257,358</b>	<b>2,023,064</b>	<b>2,330,744</b>

## 3. Locally Raised Funds

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

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
<b>Revenue</b>			
Donations	11,831	83,500	37,569
Activities	10,484	9,850	7,205
Trading	21,991	21,500	21,991
Fundraising	29,005	16,800	19,452
Other Revenue	3,670	2,500	4,746
	<b>76,981</b>	<b>134,150</b>	<b>90,963</b>
<b>Expenses</b>			
Activities	12,950	16,350	11,424
Trading	13,846	10,000	9,641
Fundraising costs	424	2,500	1,230
Other Expenses	20,410	28,200	51,622
	<b>47,630</b>	<b>57,050</b>	<b>73,917</b>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<b>29,351</b>	<b>77,100</b>	<b>17,046</b>

## 4. International Student Revenue and Expenses

	2018 Actual Number	2018 Budget (Unaudited) Number	2017 Actual Number
International Student Roll			1
<b>Revenue</b>			
International student fees	-	-	2,751
<b>Expenses</b>			
International student levy	-	-	103
Other Expenses	-	-	372
	<b>-</b>	<b>-</b>	<b>475</b>
<i>Surplus/ (Deficit) for the year International Students'</i>	<b>-</b>	<b>-</b>	<b>2,276</b>

## 5. Learning Resources

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Curricular	36,936	34,026	24,961
Equipment repairs	2,816	1,500	-
Library resources	888	1,250	851
Employee benefits - salaries	1,250,819	1,224,204	1,196,969
Staff development	9,663	12,000	9,557
	<u>1,301,122</u>	<u>1,272,980</u>	<u>1,232,338</u>

## 6. Administration

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Audit Fee	6,340	6,220	6,210
Board of Trustees Fees	2,855	3,240	2,820
Board of Trustees Expenses	3,704	4,150	26,918
Communication	4,339	4,750	4,738
Consumables	10,003	10,400	9,776
Other	17,370	14,450	18,182
Employee Benefits - Salaries	79,872	79,500	97,000
Insurance	2,202	2,340	2,357
Service Providers, Contractors and Consultancy	17,815	15,900	8,907
	<u>144,500</u>	<u>140,950</u>	<u>176,908</u>

## 7. Property

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Caretaking and Cleaning Consumables	41,331	43,900	14,910
Cyclical Maintenance Expense	1,756	2,500	21,427
Grounds	26,070	11,600	11,835
Heat, Light and Water	49,375	41,500	52,533
Rates	-	100	-
Repairs and Maintenance	19,157	11,000	18,299
Use of Land and Buildings	683,743	480,024	687,390
Security	6,126	5,000	7,633
Employee Benefits - Salaries	67,327	38,000	64,148
	<u>894,885</u>	<u>633,624</u>	<u>878,175</u>

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

## 8. Depreciation

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Building Improvements	3,156	2,770	3,156
Furniture and Equipment	19,496	17,107	37,103
Information and Communication Technology	29,060	25,499	13,560
Leased Assets	13,165	11,551	12,659
Library Resources	1,222	1,073	1,501
	<u>66,099</u>	<u>58,000</u>	<u>67,979</u>

## 9. Cash and Cash Equivalents

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Cash on Hand	250	250	250
Bank Current Account	159,976	147,286	169,944
Bank Call Account	-	-	731
Short-term Bank Deposits	80,000	152,904	-
Cash and cash equivalents for Cash Flow Statement	<u>240,226</u>	<u>300,440</u>	<u>170,925</u>

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

## 10. Accounts Receivable

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Receivables	-	30,128	25,155
Receivables from the Ministry of Education	-	-	4,973
Interest Receivable	588	166	166
Teacher Salaries Grant Receivable	73,208	58,191	58,191
	<u>73,796</u>	<u>88,485</u>	<u>88,485</u>
Receivables from Exchange Transactions	588	30,294	25,321
Receivables from Non-Exchange Transactions	73,208	58,191	63,164
	<u>73,796</u>	<u>88,485</u>	<u>88,485</u>

## 11. Inventories

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Stationery	475	1,675	1,675
	<u>475</u>	<u>1,675</u>	<u>1,675</u>



## 12. Investments

The School's investment activities are classified as follows:

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Current Asset			
Short-term Bank Deposits	-	-	152,904
Non-current Asset			
Long-term Bank Deposits	-	-	-

## 13. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
<b>2018</b>						
Building Improvements	114,684				(3,156)	111,528
Furniture and Equipment	110,608	32,965	(258)		(19,496)	123,819
Information and Communication Technology	55,453	7,764			(29,060)	34,157
Leased Assets	25,988	2,239			(13,165)	15,062
Library Resources	10,506	-	(727)		(1,222)	8,557
<b>Balance at 31 December 2018</b>	<b>317,239</b>	<b>42,968</b>	<b>(985)</b>	<b>-</b>	<b>(66,099)</b>	<b>293,123</b>

	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
<b>2018</b>			
Building Improvements	126,254	(14,727)	111,527
Furniture and Equipment	419,579	(305,324)	114,255
Information and Communication Technology	152,889	(109,167)	43,722
Leased Assets	48,663	(33,600)	15,063
Library Resources	64,686	(56,130)	8,556
<b>Balance at 31 December 2018</b>	<b>812,071</b>	<b>(518,948)</b>	<b>293,123</b>

2017	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
Building Improvements	117,840	-	-	-	(3,156)	114,684
Furniture and Equipment	145,189	2,522	-	-	(37,103)	110,608
Information and Communication Technology	26,798	42,215	-	-	(13,560)	55,453
Leased Assets	32,229	13,680	(7,261)	-	(12,659)	25,989
Library Resources	12,240	-	(234)	-	(1,501)	10,505
<b>Balance at 31 December 2017</b>	<b>334,296</b>	<b>58,417</b>	<b>(7,495)</b>	<b>-</b>	<b>(67,979)</b>	<b>317,239</b>

2017	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
Land	-	-	-
Buildings	-	-	-
Building Improvements	126,254	(11,570)	114,684
Furniture and Equipment	387,870	(277,262)	110,608
Information and Communication Technology	155,409	(99,956)	55,453
Leased Assets	47,450	(21,462)	25,988
Library Resources	69,495	(58,989)	10,506
<b>Balance at 31 December 2017</b>	<b>786,478</b>	<b>(469,239)</b>	<b>317,239</b>

#### 14. Accounts Payable

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Operating creditors	8,746	49,342	49,342
Accruals	6,342	6,210	6,210
Banking staffing overuse	74,195	-	-
Employee Entitlements - salaries	81,878	82,475	72,064
Employee Entitlements - leave accrual	-	-	10,412
	<b>171,161</b>	<b>138,027</b>	<b>138,028</b>
Payables for Exchange Transactions	171,161	138,027	138,028
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	<b>171,161</b>	<b>138,027</b>	<b>138,028</b>

The carrying value of payables approximates their fair value.

#### 15. Revenue Received in Advance

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
International Student Fees	2,100	-	-
Other	20,320	17,702	17,702
	<b>22,420</b>	<b>17,702</b>	<b>17,702</b>

**16. Provision for Cyclical Maintenance**

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Provision at the Start of the Year	8,775	8,775	7,020
Increase/ (decrease) to the Provision During the Year	1,756	-	1,755
Use of the Provision During the Year		-	-
<b>Provision at the End of the Year</b>	<b>10,531</b>	<b>8,775</b>	<b>8,775</b>
Cyclical Maintenance - Current	-	-	-
Cyclical Maintenance - Term	10,531	8,775	8,775
	<b>10,531</b>	<b>8,775</b>	<b>8,775</b>

**17. Finance Lease Liability**

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

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
No Later than One Year	8,445	11,846	11,846
Later than One Year and no Later than Five Years	9,581	13,944	13,944
Later than Five Years	-	-	-
	<b>18,026</b>	<b>25,790</b>	<b>25,790</b>

**18. Funds held in Trust**

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Funds Held in Trust on Behalf of Third Parties - Current	3,800	-	-
Funds Held in Trust on Behalf of Third Parties - Non-current	-	-	-
	<b>3,800</b>	<b>-</b>	<b>-</b>

These funds relate to arrangements where the school is acting as an agent. These amounts are not revenue or expenditure of the school and therefore are not included in the Statement of Comprehensive Revenue and Expense.

## 19. Funds Held for Capital Works Projects

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

	2018	Opening Balances \$	Receipts from MoE \$	Payments \$		Closing Balances \$
Water Damage	<i>in progress</i>	3,706	(2,170)	-	-	1,536
Reading Recovery Centre	<i>in progress</i>		39,856	53,570		(13,714)
Toilet Block Upgrade	<i>in progress</i>		10,539	16,146		(5,607)
Window Replacement	<i>in progress</i>		38,375	47,294		(8,919)
Security Re-key School	<i>completed</i>		6,527	6,527		-
Fencing	<i>in progress</i>		9,687	19,089		(9,402)
Electrical Upgrade	<i>in progress</i>		15,284	16,897		(1,613)
Totals		3,706	118,098	159,523	-	(37,719)

### Represented by:

Funds Held on Behalf of the Ministry of Education

Funds Due from the Ministry of Education

37,719

(37,719)

	2017	Opening Balances \$	Receipts from MoE \$	Payments \$		Closing Balances \$
Water Damage project	<i>in progress</i>	-	19,634	15,928	-	3,706
Totals		-	19,634	15,928	-	3,706

## 20. Related Party Transactions

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

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

## 21. Remuneration

### Key management personnel compensation

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

	2018 Actual \$	2017 Actual \$
<i>Board Members</i>		
Remuneration	2,855	2,820
Full-time equivalent members	0.05	0.14
<i>Leadership Team</i>		
Remuneration	222,628	314,328
Full-time equivalent members	2	3
<b>Total key management personnel remuneration</b>	<b>225,483</b>	<b>317,148</b>
<b>Total full-time equivalent personnel</b>	<b>2.05</b>	<b>3.14</b>

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
<b>Salaries and Other Short-term Employee Benefits:</b>		
Salary and Other Payments	130 - 140	130 - 140
Benefits and Other Emoluments	-	-
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
nil		
	0.00	0.00

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

## 22. Compensation and Other Benefits Upon Leaving

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

	2018 Actual	2017 Actual
Total	nil	\$15,000
Number of People		1

### 23. 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.

### 24. Commitments

#### (a) Capital Commitments

As at 31 December 2018 the Board has entered into no contract agreements for capital works.

(Capital commitments at 31 December 2017: nil)

#### (b) Operating Commitments

As at 31 December 2018 the Board has entered into the following contracts:

	2018 Actual \$	2017 Actual \$
No later than One Year		
Later than One Year and No Later than Five Years		
Later than Five Years		
	<hr/> <hr/>	<hr/> <hr/>

## 25. Managing Capital

The School's capital is its equity and comprises capital contributions from the Ministry of Education for property, plant and equipment and accumulated surpluses and deficits. The School does not actively manage capital but attempts to ensure that income exceeds spending in most years. Although deficits can arise as planned in particular years, they are offset by planned surpluses in previous years or ensuing years.

## 26. Financial Instruments

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

### Loans and receivables

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Cash and Cash Equivalents	240,226	300,440	170,925
Receivables	73,796	88,485	88,485
Investments - Term Deposits	-	-	152,904
<b>Total Loans and Receivables</b>	<b>314,022</b>	<b>388,925</b>	<b>412,314</b>

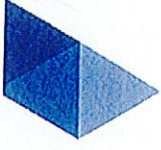
### Financial liabilities measured at amortised cost

Payables	171,161	138,027	138,028
Finance Leases	15,933	25,790	25,790
<b>Total Financial Liabilities Measured at Amortised Cost</b>	<b>187,094</b>	<b>163,817</b>	<b>163,818</b>

## 27. Events After Balance Date

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

# Analysis of Variance Reporting

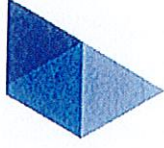


<b>School Name:</b>	Colwill School Massey	<b>School Number:</b> 1254
<b>Strategic Aim:</b>	All students are able to access the New Zealand Curriculum as evidenced by achievement in relation to Curriculum levels	
<b>Annual Aim:</b>	To increase the number of students achieving at or above expected curriculum level for Writing	
<b>Target:</b>	<ol style="list-style-type: none"> <li>1. By the end of 2018 all Pacific Island students who are below expected curriculum level will make more than one year of progress and be at or above the expected curriculum level</li> <li>2. By the end of 2018 all Maori students who are below the expected curriculum level will make more than one year of progress and be at or above the expected curriculum level</li> </ol>	
<b>Baseline Data:</b>	<p>Baseline data: Analysis of school wide data for 2017 in mathematics identified particular concern in the following areas, Pacific Island and Maori students</p> <p>School data showed that ...</p> <p>57.5% of Maori students were below or well below the national standard (2017)</p> <p>58.5% of Pacific Island students were below or well below the national standard (2017)</p>	



<b>Actions</b> <i>What did we do?</i>	<b>Outcomes</b> <i>What happened?</i>	<b>Reasons for the variance</b> <i>Why did it happen?</i>	<b>Evaluation</b> <i>Where to next?</i>
<p>ALL was targeting Literacy both reading and writing. Focus students were identified in each classroom and monitored closely.</p> <p>Reading recovery which also includes lifting achievement in writing was available for 6 year olds who were below or well below standard.</p>	<p>2017- 58.5% of Maori students were below or well below the national standard</p> <p>2018- 60.4% of Maori students were below or well below the national standard</p> <p><i>Decrease in achievement by 1.9%</i></p> <p>2017-57.5% of Pacific Island students were below or well below the national standard</p> <p>2018- 57.6% of Pacific Island students were below or well below the national standard</p> <p><i>Decrease in achievement of 0.1%</i></p>	<p>Classes had to be split into other classes on many occasions due to reliever shortages. This does not provide targeted teaching for all students.</p> <p>Due to a shortage of teaching staff available we had to take on staff that were unable to make a difference in student learning where skilled teaching is required.</p> <p>12 applications of ICS declined. As a result students in need are not getting any one on one time to increase achievement.</p>	<p>We have been allocated hours for ALL through Vision literacy for 2019. There will be a focus on literacy, especially writing both in class and extra PD sessions for teachers.</p> <p>We have also found a correlation between increased art, music and cultural practices having a positive effect on student achievement. This will also be a focus for our teaching as inquiry this year.</p>
<p><b>Planning for next year:</b></p>			
<p>Plan use of 100 ALL hours with mentor Release for team leaders around observations and mentoring etc</p>			

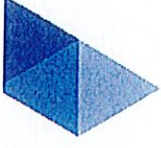
# Analysis of Variance Reporting



<b>School Name:</b>	Colwill School Massey	<b>School Number:</b>	1254
<b>Strategic Aim:</b>	All students are able to access the New Zealand Curriculum as evidenced by achievement in relation to Curriculum levels		
<b>Annual Aim:</b>	To increase the number of students achieving at or above expected curriculum level for Mathematics		
<b>Target:</b>	<ol style="list-style-type: none"> <li>By the end of 2018 all Pacific Island students who are below expected curriculum level will make more than one year of progress and be at or above the expected curriculum level</li> <li>By the end of 2018 all Maori students who are below the expected curriculum level will make more than one year of progress and be at or above the expected curriculum level</li> </ol>		
<b>Baseline Data:</b>	<p>Baseline data: Analysis of school wide data for 2017 in mathematics identified particular concern in the following areas, Pacific Island and Maori students</p> <p>School data showed that ...</p> <p>41% of Maori students were below or well below the national standard (2017)</p> <p>43.6% of Pacific Island students were below or well below the national standard (2017)</p>		

<b>Actions</b> <i>What did we do?</i>	<b>Outcomes</b> <i>What happened?</i>	<b>Reasons for the variance</b> <i>Why did it happen?</i>	<b>Evaluation</b> <i>Where to next?</i>
<p>Continued to implement DMIC school wide which meant that year 0-2 teachers were training. New staff were also given PD in DMIC. This was followed up by mentoring within the classroom by our DMIC provider once or twice a term depending on identified needs.</p> <p>MST (Maths Specialist Teacher) Provided external support (withdrawal groups) for groups of students identified as below or well below in maths.</p>	<p>2017- 41% of Maori students were below or well below the national standard</p> <p>2018- 54.2% of Maori students were below or well below the national standard</p> <p><i>Decrease in achievement of 13.2%</i></p> <p>2017- 43.6% of Pacific Island students were below or well below the national standard</p> <p>2018- 58.5% of Pacific Island students were below or well below the national standard</p> <p><i>Decrease in achievement by 14.9%</i></p>	<p>Classes had to be split into other classes on many occasions due to reliever shortages. This does not provide targeted teaching for all students.</p> <p>New teachers were becoming familiar with the DMIC process, however this does not teach students strategy and this is where there is a decline in student achievement</p> <p>The MST programme was targeting years 5-8 however was only able to take on 12 students in the withdrawal time and was therefore unable to gain full coverage of the students in need.</p> <p>Due to a shortage of teaching staff available we had to take on staff that were unable to make a difference in student learning where skilled teaching is required.</p>	<p>We have been allocated hours for DMIC to continue in the school. This is to change format and have our team leaders getting PD on how to be coaches and they will be running the DMIC programme within the school including in class support.</p> <p>We have also found a correlation between increased art, music and cultural practices having a positive effect on student achievement. This will also be a focus for our teaching as inquiry this year.</p>
<p><b>Planning for next year:</b></p> <p>Apply for DMIC hours for PD and in class support for existing staff and new teachers. Team Leaders will be in school DMIC coaches and do observations on and support staff in implementing this programme</p>			

# Analysis of Variance Reporting



<b>School Name:</b>	Colwill School Massey	<b>School Number:</b>	1254
<b>Strategic Aim:</b>	All students are able to access the New Zealand Curriculum as evidenced by achievement in relation to Curriculum levels		
<b>Annual Aim:</b>	To increase the number of students achieving at or above expected curriculum level for Reading		
<b>Target:</b>	<ol style="list-style-type: none"> <li>By the end of 2018 all Pacific Island students who are below expected curriculum level will make more than one year of progress and be at or above the expected curriculum level</li> <li>By the end of 2018 all Maori students who are below the expected curriculum level will make more than one year of progress and be at or above the expected curriculum level</li> </ol>		
<b>Baseline Data:</b>	<p>Baseline data: Analysis of school wide data for 2017 in reading identified particular concern in the following areas, Pacific Island and Maori students</p> <p>School data showed that ...</p> <p>41.2% of Maori students were below or well below the national standard (2017)</p> <p>43.6% of Pacific Island students were below or well below the national standard (2017)</p> <p>Whole school data showed 40.3% below or well below National standard.</p>		

<b>Actions</b> <i>What did we do?</i>	<b>Outcomes</b> <i>What happened?</i>	<b>Reasons for the variance</b> <i>Why did it happen?</i>	<b>Evaluation</b> <i>Where to next?</i>
<p>Continued to implement ALL school wide which meant that year 0-2 teachers were training. New staff were also given PD in . This was followed up by mentoring within the classroom by our ALL mentor and team leaders provider once or twice a term depending on identified needs.</p> <p>Focus students were identified and monitored</p> <p>Reading Recovery for those 6 year olds who were below or well below the national standard in reading</p>	<p>2017- 41% of Maori students were below or well below the national standard</p> <p>2018- 35.4% of Maori students were below or well below the national standard</p> <p><i>Increase in achievement of 5.4%</i></p> <p>2017- 43.6% of Pacific Island students were below or well below the national standard</p> <p>2018- 53.5% of Pacific Island students were below or well below the national standard</p> <p><i>Decrease in achievement by 9.9%</i></p>	<p>Classes had to be split into other classes on many occasions due to reliever shortages. This does not provide targeted teaching for all students.</p> <p>The ALL programme was targeting 12 students in the withdrawal time and was therefore unable to gain full coverage of the students in need.</p> <p>Due to a shortage of teaching staff available we had to take on staff that were unable to make a difference in student learning where skilled teaching is required.</p>	<p>We have been allocated 100 hours of ALL mentor time for 2019. Our mentor will be working with leadership on leadership skills through literacy and will also be providing some intense PD training sessions throughout the year with teaching staff.</p> <p>Maori students have been immersed in Kapa Haka this year with some strong leaders as mentors. This has led to a rise on confidence in our Maori students.</p> <p>We have also found a correlation between increased art, music and cultural practices having a positive effect on student achievement. This will also be a focus for our teaching as inquiry this year.</p>
<p><b>Planning for next year:</b></p> <p>Apply for ALL hours for PD and in class support for existing staff and new teachers. Team Leaders will be in school ALL coaches and do observations on and support staff in implementing this programme</p>			

# Colwill School Massey

## KiwiSport Note

Kiwisport is a Government funding initiative to support students' participation in organised sport. In 2018, the school received total Kiwisport funding of \$2,927 (excluding GST). The funding was spent on providing buses for the Year 3/4 students to go to swimming lessons. The number of students participating in organised sport increased by 1% of the school roll

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## Independent Auditor's Report

### To the readers of Colwill School Massey's Financial statements For the year ended 31 December 2018

The Auditor-General is the auditor of Colwill School Massey (the School). The Auditor-General has appointed me, Jason Stinchcombe, using the staff and resources of RSM Hayes Audit, to carry out the audit of the financial statements of the School on his behalf.

#### Opinion

We have audited the financial statements of the School on pages 2 to 21, that comprise the statement of financial position as at 31 December 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 (PBE) Standards Reduced Disclosure Regime.

Our audit was completed on 31 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 of opinion

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

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

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

## **Responsibilities of the Board of Trustees for the financial statements**

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

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

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

## **Responsibilities of the auditor for the audit of the financial statements**

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

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

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

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

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

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



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

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

Our responsibilities arise from the Public Audit Act 2001.

### **Other information**

The Board of Trustees is responsible for the other information. The other information includes the statement of responsibility, board member list, analysis of variance and kiwisport report, but does not include the financial statements, and our auditor's report thereon.

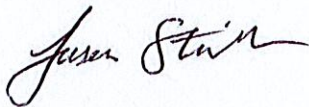
Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

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

### **Independence**

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

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

A handwritten signature in black ink, appearing to read 'Jason Stinchcombe'.

**Jason Stinchcombe**  
RSM Hayes Audit  
On behalf of the Auditor-General  
Auckland, New Zealand