

TE AUTE COLLEGE

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

School Directory

Ministry Number: 232

Acting Principal: Rachel Kingi

School Address: 100 State Highway 2, Pukehou, Central Hawkes Bay

School Postal Address: Private Bag 6030, Napier, 4142

School Phone: 06 856 8016

School Email: admin@teaute.school.nz

Members of the Board

Name	Position	How Position Gained	Term Expired/ Expires
Paul Howison	Commissioner	Statutory Appointment	
Rachel Kingi	Acting Principal ex Officio		
Richard Schumacher	Acting Principal ex Officio		August 2022

Accountant / Service Provider: Eclypse Solutions 4 Schools Limited

TE AUTE COLLEGE

Annual Report - For the year ended 31 December 2022

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Te Aute College

Statement of Responsibility

For the year ended 31 December 2022

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


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

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

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

Paul William Howison
Full Name of Presiding Member
Commissioner

Rachel King
Full Name of Principal


Signature of Presiding Member


Signature of Principal

31/05/2023
Date:

31/05/2023
Date:

Te Aute College

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Revenue				
Government Grants	2	1,735,048	1,587,018	1,648,257
Locally Raised Funds	3	229,480	135,500	148,561
Use of Proprietor's Land and Buildings		68,138	109,021	68,138
Interest Income		1,415	-	214
Gain on Sale of Property, Plant and Equipment		6,522	-	1,739
Hostel		-	-	-
Other Revenue		-	-	-
Total Revenue		2,040,603	1,831,539	1,866,909
Expenses				
Locally Raised Funds	3	139,303	57,300	89,477
Hostel		-	-	-
Learning Resources	4	1,223,081	1,220,219	1,199,955
Administration	5	247,726	200,355	267,248
Finance		2,357	2,000	2,065
Property	6	345,525	348,688	320,415
Other Expenses	7	2,977	2,977	6,602
Loss on Disposal of Property, Plant and Equipment		-	-	-
		1,960,969	1,831,539	1,885,762
Net Surplus / (Deficit) for the year		79,634	-	(18,853)
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		79,634	-	(18,853)

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

Te Aute College

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Equity at 1 January		331,925	331,925	348,375
Total comprehensive revenue and expense for the year		79,634	-	(18,853)
Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		3,891	3,891	2,403
Equity at 31 December		415,450	335,816	331,925

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

Te Aute College

Statement of Financial Position

As at 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Current Assets				
Cash and Cash Equivalents	8	209,630	137,899	150,874
Accounts Receivable	9	107,580	132,993	157,603
GST Receivable		-	-	3,282
Prepayments		4,218	5,000	16,279
Inventories	10	66,548	60,000	53,188
Investments	11	40,000	50,000	-
		<u>427,976</u>	<u>385,892</u>	<u>381,226</u>
Current Liabilities				
GST Payable		5,913	-	-
Accounts Payable	14	160,476	162,938	215,804
Revenue Received in Advance	15	31,787	20,000	20,175
Provision for Cyclical Maintenance	16	76,698	76,698	69,366
Finance Lease Liability	17	18,244	18,244	21,706
Funds Held in Trust	18	36,795	30,000	19,652
		<u>329,913</u>	<u>307,880</u>	<u>346,703</u>
Working Capital Surplus/(Deficit)		98,063	78,012	34,523
Non-current Assets				
Accounts Receivable	9	49,946	-	44,349
Equitable Leasehold Interest	11	25,174	25,174	28,151
Property, Plant and Equipment	13	278,666	264,623	265,547
		<u>353,786</u>	<u>289,797</u>	<u>338,047</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	16	26,925	22,519	17,984
Finance Lease Liability	17	9,474	9,474	22,661
		<u>36,399</u>	<u>31,993</u>	<u>40,645</u>
Net Assets		<u><u>415,450</u></u>	<u><u>335,816</u></u>	<u><u>331,925</u></u>
Equity		<u><u>415,450</u></u>	<u><u>335,816</u></u>	<u><u>331,925</u></u>

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

Te Aute College

Statement of Cash Flows

For the year ended 31 December 2022

	Note	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Cash flows from Operating Activities				
Government Grants		699,780	631,152	693,332
Locally Raised Funds		289,839	203,812	171,855
Goods and Services Tax (net)		9,195	3,282	(17,413)
Payments to Employees		(412,554)	(394,729)	(415,183)
Payments to Suppliers		(409,904)	(344,193)	(326,737)
Interest Paid		(2,357)	(2,000)	(2,066)
Interest Received		1,303	-	213
Net cash from/(to) Operating Activities		175,302	97,324	104,001
Cash flows from Investing Activities				
Proceeds from Sale of Property Plant & Equipment		6,522	-	1,739
Purchase of Property Plant & Equipment		(92,761)	(63,197)	(93,762)
Purchase of Investments		(37,023)	(50,000)	-
Proceeds from Sale of Investments		-	2,977	-
Net cash from/(to) Investing Activities		(123,262)	(110,220)	(92,023)
Cash flows from Financing Activities				
Furniture and Equipment Grant		3,891	3,891	241
Finance Lease Payments		(14,318)	(14,318)	(8,079)
Funds Administered on Behalf of Third Parties		17,143	10,348	(51,575)
Net cash from/(to) Financing Activities		6,716	(79)	(59,413)
Net increase/(decrease) in cash and cash equivalents		58,756	(12,975)	(47,435)
Cash and cash equivalents at the beginning of the year	8	150,874	150,874	198,309
Cash and cash equivalents at the end of the year	8	209,630	137,899	150,874

The Statement of Cash Flows records only those cash flows directly within the control of the School. This means centrally funded teachers' salaries and the use of land and buildings grant and expense have been excluded.

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

Te Aute College

Notes to the Financial Statements

For the year ended 31 December 2022

1. Statement of Accounting Policies

a) Reporting Entity

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

b) Basis of Preparation

Reporting Period

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

Basis of Preparation

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

Financial Reporting Standards Applied

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

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

Cyclical maintenance

A school recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's best estimate of the cost of painting the school and when the school is required to be painted, based on an assessment of the school's condition. During the year, the Board assesses the reasonableness of its painting maintenance plan on which the provision is based. Cyclical maintenance is disclosed at note 16.

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

Determining whether a lease is a finance lease or an operating lease requires judgement as to whether the lease transfers substantially all the risks and rewards of ownership to the school. A lease is classified as a finance lease if it transfers substantially all risks and rewards incidental to ownership of an underlying asset to the lessee. In contrast, an operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset to the lessee. Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant, and equipment, whereas for an operating lease no such asset is recognised. Finance lease liability disclosures are contained in note 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 carry forward amounts unspent. The School believes all grants received have been appropriately recognised as a liability if required. Government grants are disclosed at note 2.

c) Revenue Recognition

Government Grants

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

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

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

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

Other Grants where conditions exist

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

Donations, Gifts and Bequests

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

Interest Revenue

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

d) Finance Lease Payments

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

e) Cash and Cash Equivalents

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

f) Accounts Receivable

Short-term receivables are recorded at the amount due, less an allowance for expected credit losses (uncollectable debts). The schools receivables are largely made up of funding from the Ministry of Education, therefore the level of uncollectable debts is not considered to be material. However, short-term receivables are written off when there is no reasonable expectation of recovery.

g) Inventories

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

h) Investments

Bank term deposits are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance. A loss allowance for expected credit losses is recognised if the estimated loss allowance is not trivial.

i) Property, Plant and Equipment

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

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

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

Finance Leases

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

Depreciation

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

The estimated useful lives of the assets are:

Furniture and Equipment	5–20 years
Information and Communication Technology	3–10 years
Textbooks	12.5% Diminishing value
Leased Assets held under a Finance Lease	3-5 years
Library Resources	12.5% Diminishing value

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

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

Non cash generating assets

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

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

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

The reversal of an impairment loss is recognised in the surplus or deficit. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable service amount since the last impairment loss was recognised.

k) Accounts Payable

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



l) Employee Entitlements

Short-term employee entitlements

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

Long-term employee entitlements

Employee benefits that are not expected to be settled wholly before 12 months after the end of the reporting period in which the employee provides the related service, such as retirement and long service leave, have been calculated on an actuarial basis.

The calculations are based on the likely future entitlements accruing to employees, based on years of service, years to entitlement, the likelihood that employees will reach the point of entitlement, and contractual entitlement information, and the present value of the estimated future cash flows. Remeasurements are recognised in surplus or deficit in the period in which they arise.

m) Revenue Received in Advance

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

n) 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.

o) Provision for Cyclical Maintenance

The property from which the school operates is owned by the Proprietor. The Board is responsible for maintaining the land, buildings and other facilities on the School site in a state of good order and repair.

Cyclical maintenance, which involves painting the interior and exterior of the School, makes up the most significant part of the Board's responsibilities outside day-to-day maintenance. The provision is a reasonable estimate, based on the school's best estimate of the cost of painting the school and when the school is required to be painted, based on an assessment of the school's condition.

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

p) Financial Instruments

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

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

q) 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.

r) Budget Figures

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

s) Services received in-kind

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

2. Government Grants

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Government Grants - Ministry of Education	723,365	631,152	732,526
Teachers' Salaries Grants	991,710	955,866	913,284
Other Government Grants	19,973	-	2,447
	<u>1,735,048</u>	<u>1,587,018</u>	<u>1,648,257</u>

The school has opted in to the donations scheme for this year. Total amount received was \$12,150.

3. Locally Raised Funds

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

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
Revenue	\$	\$	\$
Donations & Bequests	3,275	-	4,353
Curriculum Related Activities - Purchase of Goods and Services	-	-	71
Fees for Extra Curricular Activities	42,789	20,500	34,654
Trading	21,331	-	37,255
Fundraising and Community Grants	49,687	-	-
Other Revenue	112,398	115,000	72,228
	<u>229,480</u>	<u>135,500</u>	<u>148,561</u>
Expenses			
Extra Curricular Activities Costs	93,173	33,800	38,482
Trading	19,085	-	28,286
Other Locally Raised Funds Expenditure	27,045	23,500	22,709
	<u>139,303</u>	<u>57,300</u>	<u>89,477</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>90,177</u>	<u>78,200</u>	<u>59,084</u>

4. Learning Resources

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Curricular	13,832	49,450	35,890
Equipment Repairs	697	3,500	3,992
Information and Communication Technology	195	-	-
Employee Benefits - Salaries	1,133,233	1,105,456	1,094,770
Staff Development	790	3,000	3,834
Depreciation	74,334	58,813	61,469
	<u>1,223,081</u>	<u>1,220,219</u>	<u>1,199,955</u>

5. Administration

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Audit Fee	7,000	9,880	9,880
Board Fees	220	-	165
Board Expenses	(12,522)	4,500	21,371
Intervention Costs & Expenses	38,877	-	41,641
Communication	4,944	6,500	6,576
Consumables	31,389	33,275	32,540
Operating Lease	-	4,500	4,370
Other	12,490	13,180	7,572
Employee Benefits - Salaries	153,855	116,000	131,358
Insurance	461	520	775
Service Providers, Contractors and Consultancy	11,012	12,000	11,000
	<u>247,726</u>	<u>200,355</u>	<u>267,248</u>

6. Property

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Caretaking and Cleaning Consumables	16,254	10,000	11,840
Consultancy and Contract Services	20,586	-	-
Cyclical Maintenance Provision	16,273	11,867	10,691
Grounds	20,807	13,100	16,648
Heat, Light and Water	50,219	43,500	42,722
Rates	3,489	3,700	3,308
Repairs and Maintenance	24,389	20,000	27,202
Use of Land and Buildings	68,138	109,021	68,138
Security	333	500	-
Employee Benefits - Salaries	125,037	137,000	139,866
	<u>345,525</u>	<u>348,688</u>	<u>320,415</u>

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

7. Other Expenses

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
Loss on Uncollectable Accounts Receivable	-	-	3,625
Amortisation of Intangible Assets	2,977	2,977	2,977
	<u>2,977</u>	<u>2,977</u>	<u>6,602</u>

8. Cash and Cash Equivalents

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Bank Accounts	169,630	137,899	150,874
Short-term Bank Deposits	40,000	-	-
Cash and Cash Equivalents for Statement of Cash Flows	<u>209,630</u>	<u>137,899</u>	<u>150,874</u>

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

Of the \$169,630 Cash and Cash Equivalents, \$36,795 is held by the School on behalf of students of which \$32,890 is for scholarships and \$3,905 is for future sports trips as disclosed in note 18.

9. Accounts Receivable

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Receivables	69,740	50,000	118,487
Receivables from the Ministry of Education	4,681	-	-
Interest Receivable	112	-	-
Teacher Salaries Grant Receivable	82,993	82,993	83,465
	<u>157,526</u>	<u>132,993</u>	<u>201,952</u>
<i>Current Asset</i>			
Receivables from Exchange Transactions	19,906	50,000	74,138
Receivables from Non-Exchange Transactions	87,674	82,993	83,465
	<u>107,580</u>	<u>132,993</u>	<u>157,603</u>
<i>Non-Current Asset</i>			
Receivables from Exchange Transactions	49,946	-	44,349
	<u>157,526</u>	<u>132,993</u>	<u>201,952</u>

10. Inventories

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
School Uniforms	66,548	60,000	53,188
	<u>66,548</u>	<u>60,000</u>	<u>53,188</u>

11. Investments

The School's investment activities are classified as follows:

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Current Asset			
Short-term Bank Deposits	40,000	50,000	-
Total Investments	<u>40,000</u>	<u>50,000</u>	<u>-</u>



12. Equitable Leasehold Interest

An equitable leasehold interest recognises an interest in an asset without transferring ownership or creating a charge over the asset. This equitable leasehold interest represents the board's interest in capital works assets owned by the proprietor but paid for in whole or in part by the Board of Trustees, either from Government funding or from community raised funds.

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
The major capital works assets included in the equitable leasehold interest are:	\$	\$	\$
Building Improvements	25,174	25,174	28,151
Total Equitable Leasehold Interest	<u>25,174</u>	<u>25,174</u>	<u>28,151</u>

13. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2022						
Furniture and Equipment	218,711	82,086	-	-	(50,484)	250,313
Information and Communication Technology	1,990	1,715	-	-	(1,295)	2,410
Textbooks	1,318	-	-	-	(165)	1,153
Leased Assets	43,337	3,652	-	-	(22,366)	24,623
Library Resources	191	-	-	-	(24)	167
Balance at 31 December 2022	<u>265,547</u>	<u>87,453</u>	<u>-</u>	<u>-</u>	<u>(74,334)</u>	<u>278,666</u>

	2022 Cost or Valuation \$	2022 Accumulated Depreciation \$	2022 Net Book Value \$	2021 Cost or Valuation \$	2021 Accumulated Depreciation \$	2021 Net Book Value \$
Furniture and Equipment	779,521	(529,208)	250,313	720,579	(501,868)	218,711
Information and Communication T	31,683	(29,273)	2,410	29,968	(27,978)	1,990
Textbooks	4,428	(3,275)	1,153	4,428	(3,110)	1,318
Leased Assets	72,237	(47,614)	24,623	74,568	(31,231)	43,337
Library Resources	63,982	(63,815)	167	63,982	(63,791)	191
Balance at 31 December	<u>951,851</u>	<u>(673,185)</u>	<u>278,666</u>	<u>893,525</u>	<u>(627,978)</u>	<u>265,547</u>

14. Accounts Payable

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Creditors	28,665	34,406	61,817
Accruals	13,279	10,000	42,844
Banking Staffing Overuse	-	-	-
Employee Entitlements - Salaries	83,928	83,928	80,188
Employee Entitlements - Leave Accrual	34,604	34,604	30,955
	<u>160,476</u>	<u>162,938</u>	<u>215,804</u>
 Payables for Exchange Transactions	 160,476	 162,938	 215,804
	<u>160,476</u>	<u>162,938</u>	<u>215,804</u>

The carrying value of payables approximates their fair value.

15. Revenue Received in Advance

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Other revenue in Advance	31,787	20,000	20,175
	<u>31,787</u>	<u>20,000</u>	<u>20,175</u>

16. Provision for Cyclical Maintenance

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Provision at the Start of the Year	87,350	87,350	105,659
Increase to the Provision During the Year	16,273	11,867	10,691
Use of the Provision During the Year	-	-	(29,000)
Provision at the End of the Year	<u>103,623</u>	<u>99,217</u>	<u>87,350</u>
Cyclical Maintenance - Current	76,698	76,698	69,366
Cyclical Maintenance - Non Current	26,925	22,519	17,984
	<u>103,623</u>	<u>99,217</u>	<u>87,350</u>

The schools cyclical maintenance schedule details annual painting to be undertaken, the costs associated to this annual work will vary dependent on the requirements during the year. This plan is based on the schools estimate of painting costs.

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:

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
No Later than One Year	18,244	18,244	21,706
Later than One Year and no Later than Five Years	11,313	11,313	26,248
Later than Five Years	(1,839)	(1,839)	(3,587)
	<u>27,718</u>	<u>27,718</u>	<u>44,367</u>
Represented by			
Finance lease liability - Current	18,244	18,244	21,706
Finance lease liability - Non Current	9,474	9,474	22,661
	<u>27,718</u>	<u>27,718</u>	<u>44,367</u>

18. Funds held in Trust

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Funds Held in Trust on Behalf of Third Parties - Current	36,795	30,000	19,652
	<u>36,795</u>	<u>30,000</u>	<u>19,652</u>

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

19. 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 Te Aute Trust Board is not a related party of the School Board because the school has a Commissioner. Therefore the proprietor does not have significant influence as there is no School Board for the proprietor to appoint representatives to.

20. Remuneration

Key management personnel compensation

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

	2022 Actual \$	2021 Actual \$
<i>Board Members</i>		
Remuneration	220	165
<i>Leadership Team</i>		
Remuneration	249,071	256,757
Full-time equivalent members	2	2
Total key management personnel remuneration	249,291	256,922

Principal 1

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

	2022 Actual \$000	2021 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	0 - 0	130 - 140
Benefits and Other Emoluments	0 - 0	3 - 4
Termination Benefits	-	-

Acting Principal 1

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

	2022 Actual \$000	2021 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	80 - 90	0 - 0
Benefits and Other Emoluments	1 - 2	0 - 0
Termination Benefits	-	-

Acting Principal 2

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

	2022 Actual \$000	2021 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	50 - 60	0 - 0
Benefits and Other Emoluments	1 - 2	-
Termination Benefits	-	-

Other Employees

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

Remuneration \$000	2022 FTE Number	2021 FTE Number
100 - 110	4	-
120 - 130	-	1
	4	1

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

21. Compensation and Other Benefits Upon Leaving

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

	2022 Actual	2021 Actual
Total	\$0	\$17,274
Number of People	-	1

22. Contingencies

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

Holidays Act Compliance – schools payroll

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

The Ministry's review of the schools sector payroll to ensure compliance with the Holidays Act 2003 is ongoing. Final calculations and potential impact on any specific individual will not be known until further detailed analysis and solutions have been completed.

To the extent that any obligation cannot reasonably be quantified at 31 December 2022, a contingent liability for the school may exist.

23. Commitments

(a) Capital Commitments

As at 31 December 2022 the Board does not have any Capital Commitments.

(Capital Commitments at 31 December 2021: nil)

(b) Operating Commitments

As at 31 December 2022 the Board did not have any Operating Commitments.

(Operating Commitments at 31 December 2021: nil)

24. Financial Instruments

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

Financial Assets Measured at Amortised Cost

	2022 Actual	2022 Budget (Unaudited)	2021 Actual
	\$	\$	\$
Cash and Cash Equivalents	209,630	137,899	150,874
Receivables	157,526	132,993	201,952
Investments - Term Deposits	40,000	50,000	-
Total Financial Assets Measured at Amortised Cost	<u>407,156</u>	<u>320,892</u>	<u>352,826</u>

Financial Liabilities Measured at Amortised Cost

Payables	160,476	162,938	215,804
Finance Leases	27,718	27,718	44,367
Total Financial Liabilities Measured at Amortised Cost	<u>188,194</u>	<u>190,656</u>	<u>260,171</u>

25. Events After Balance Date

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

26. Comparatives

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

Te Aute College

Kiwisport Report

For the year ended 31 December 2022

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

Kiwisport is a Government funded initiative to support students' participation in organised sport. In 2022 the school received total Kiwisport funding of \$1,057 (excluding GST). The funding was spent on sports fees and equipment.

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

Te Aute College

Statement of Compliance with Employment Policy

For the year ended 31 December 2022

For the year ended 31st December 2022 the Te Aute College:

- Has developed and implemented personnel policies, within policy and procedural frameworks to
- Has reviewed its compliance against both its personnel policy and procedures and can report that it
- Is a good employer and complies with the conditions contained in the employment contracts of all
- Ensures all employees and applicants for employment are treated according to their skills,
- Meets all Equal Employment Opportunities requirements

Te Aute College (#232)

Analysis of Variance 2022



Te Aute College

School number: 232

Focus:

Te Aute College exemplifies a school designed to meet the challenges of a changing world. It marks the chosen site of a creative village, an experimental marae community college in Māori education, of a sacred place given to God.

Te Aute College, an educational institution from which will be sent our young men, academically qualified, strong in knowledge and practice of Māoritanga, with an insight into the Christian conception of being an influence for good among their fellows during their lifetime...

Motto: Kia mataara, e tū i runga i te whakapono, **whakatangata kia kaha**. Kia meatia ā koutou mea katoa i runga i te aroha. *“Watch ye, stand fast in the faith, quit ye like men be strong. Let all that you do be done in love.”*

Strategic Aim:

- Quality student outcomes

Annual Aim:

- Raise achievement in junior literacy and numeracy
- Raise achievement in NCEA
- The Mihinare will be seen, heard and felt within the school

Achievement Targets 2022:

Junior Students

- By the end of the year raise the average Literacy and Numeracy e-Asttle results for Year 9 and 10 **by 3 or more steps** (e.g. From 3p to 4p)

Senior Students Achievement Targets:

- At least 85% of Year 11 and 12 students achieve NCEA Level 1 or 2 as appropriate (or equivalent)
- At least 20% of Year 11 and 12 students who achieve NCEA gain merit or excellence endorsements.
- At least 75% of Year 13 students achieve NCEA Level 3 (or equivalent).
- At least 20% of Year 13 students who achieve NCEA gain merit or excellence endorsements.

Student Welfare

In the W@S survey more than 90% of Year 9 & 10 students will respond positively.

- At least 90% of Year 9 & 10 students feel safe at school and enjoy their experience at TAC

Baseline data:

- In February 2022 e-Asttle reading data was collected for Year 9 &10 students.
 - Year 9 average = 3B
 - Year 10 average = 4A
- In February 2022 e-Asttle mathematics data was collected for Year 9 &10 students.
 - Year 9 average = 3B
 - Year 10 average = 3P
- NCEA 2022 Year 11,12, 13 NCEA achievement = 92%
- New students enter Te Aute with different levels of knowledge of our special character. There is a wide range, from no knowledge of te reo me ngā tikanga or the Mihinare to those who are steeped in them both.

Summary 2022

2022 started well with a wonderful powhiri and wananga and Waitangi celebration. New students and their whānau participated in a wananga before being welcomed into the school. This wananga achieved 3 important things;

1. The new students started to form relationships and bond with each other.
2. The new whānau also bonded with each other.
3. The student, whānau and school relationship started on a positive note which was evident throughout the rest of the year.

In term 1 acting Principal Richard Schumacher was appointed for two terms. The next acting principal, Rachel Kingi started part way through term 3.

In term 3 there was an East Coast Rugby tour which included the majority of the school. On return the students focused on achieving their NCEA Credits.

NCEA results are positive with a 92% pass rate from levels 1, 2, & 3. We will be working on improving Merit and Excellence achievements.

Trades Academy is a prominent learning pathway for our students with the majority of students attending EIT in 2022.

Actions (what did we do?)	Outcomes (what happened?)	Reasons for the variance (why did it happen?)	Evaluation (where to next?)
<ul style="list-style-type: none"> E-Asttle testing was carried out at the beginning of 2022 to ascertain baseline data. E-Asttle testing at end of 2022 for Year 9 & 10s to ascertain progress. Targeted programmes for individual students based on their vocational pathways and learning needs. Digital Learning platforms and hard copy resources were utilised during and after COVID lockdown. Year 10s given opportunity to sit NCEA credits. Teachers worked with individual NCEA students to ensure 	<ul style="list-style-type: none"> E-Asttle results; <u>Reading</u> Y9 finished the year at 4B (3 sub-level increase) Y10 moved to 4P (1 sub-levels increase) <u>Maths</u> Y9 finished the year at 3A (1 sub-level increase) Y10 finished the year at 3P(1 sub-level increase) NCEA results 2022 Level 1 – 87% Level 2 – 100% Level 3 – 89% Endorsed L1: 27% Merit Endorsed L3: 11% Exc So: Achieved 4/6 Targets Y9 Reading and Y11, 12, 13 NCEA. Merit endorsements for Y11 & 12. Did not achieve 3 sub levels in Y10 Reading, Y9 & Y10 Maths. Did not achieve 20% Merit or Excellence endorsements. 	<ul style="list-style-type: none"> E-Asttle results showed that overall students made progress and some students improved by up to 4 or 5 steps The e-AsTTle norms for both Reading and Mathematics indicate an expected improvement of 1 sub-level from T1 to T4 in both Years 9 and 10. The College attained this improvement in Year 9 for both disciplines and in Year 10 for Mathematics The Year 9 Reading accelerated by 3 sub-levels. Year 9 and 10 attainment rates are not 'accelerant' the entry point at the beginning of Year 9 shows a mean reading level running at 	<ul style="list-style-type: none"> Focus on student health and wellbeing (Oranga Ake) across all aspects of the college. Ongoing PD for staff linked to the special character of Te Aute with the aim of developing the character and motivation of students and to raise academic outcomes. . Continue the collaboration between junior and senior school programmes to better prepare students for NCEA. Continue to provide additional support for students with learning needs. Encourage staff to engage in personal development in Te Reo and Tikanga Māori with <ul style="list-style-type: none"> - Regular slots at staff PD - MOE digital course

<p>they were given the best opportunity to pass.</p> <ul style="list-style-type: none"> ● Students attended chapel, chapel practices and Te Reo classes regularly. ● The school values are discussed with the boys often and in many different forums. 	<ul style="list-style-type: none"> ● Staff and students engaged in use of Digital Platforms as a learning medium. ● Visitors can “see and hear” the school’s Special Character when onsite. Chapel and powhiri, are points where our Special Character are particularly evident. There is room however, for te reo to be used throughout the whole school community on many more occasions. 	<p>3A -this is top end Year 6 levels.</p>	<p>- Other learning opportunities.</p> <ul style="list-style-type: none"> ● Te Reo compulsory up to Year 12. May be some boys at NCEA Level 1 & 2 who take Te Reo but not as a NCEA subject. ● Continue to support boys new to NCEA by developing individual programmes for them. Some programmes may involve; <ul style="list-style-type: none"> ○ Two years to pass NCEA Level 2 ○ Capitalising on some boys ability to gain literacy credits through Te Reo ○ Vocational Pathways at Trades Academy ○ Forming partnerships with other providers and industries

Planning for 2023:

- Continue to whakamana (Validate) our Special Character, through Oranga Ake.
- Continue the collaboration between all teachers
 - between senior school teachers to develop units of bodies of work which can apply to several learning areas
 - between junior and senior staff to identify foundation skills, relevant to the Te Aute context, to promote students' ability to be successful in NCEA.
- PLD for staff –
 - Te Reo Māori me ngā Tikanga
 - Evidence based inquiry – Junior school in particular
 - Localised Curriculum
 - Curriculum Design
 - Trauma care training
 - Continue to develop connections with whānau, hapū and iwi
 - Strengthening Literacy, Numeracy and Te Reo Māori facilitation skills across all staff
 - Empowering teachers in reflective practice and behaviour re-alignment
- Professional Growth Cycle –
 - Regular teaching observations and feedback meetings
 - Align with Standards for Teaching profession
- Strengthen internal evaluation by:
 - Ensuring all college activities are well planned, evaluated and reviewed to contribute to continual improvement.
 - Regular lesson observations and feedback to teachers.
 - Reviewing policies and procedures through SchoolDocs.
 - Using good evidence as a basis of decision making.

INDEPENDENT AUDITOR'S REPORT
TO THE READERS OF TE AUTE COLLEGE'S FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

The Auditor-General is the auditor of Te Aute College (the School). The Auditor-General has appointed me, Glenn Fan-Robertson, using the staff and resources of BDO Hawke's Bay, to carry out the audit of the financial statements of the School on his behalf.

Opinion

We have audited the financial statements of the School on pages 2 to 18, that comprise the Statement of Financial Position as at 31 December 2022, the Statement of Comprehensive Revenue and Expense, Statement of Changes in Net Assets/Equity and Statement of Cash Flows for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion the financial statements of the School:

- present fairly, in all material respects:
 - its financial position as at 31 December 2022; and
 - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Sector Public Benefit Entity Standards Reduced Disclosure Regime as applicable to entities that qualify as tier 2.

Our audit was completed on 31 May 2023. This is the date at which our opinion is expressed.

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

Basis for our opinion

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

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

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

Responsibilities of the Board for the financial statements

The Board is responsible on behalf of the School for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand.

The Board is responsible for such internal control as it determines is necessary to enable it to prepare financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Responsibilities of the auditor for the audit of the financial statements

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

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

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

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

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

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

to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the School to cease to continue as a going concern.

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

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

Our responsibilities arises from the Public Audit Act 2001.

Other information

The Board is responsible for the other information. The other information comprises the Statement of Responsibility, Members of the Board, Kiwisport Statement, Personnel Policy Compliance, and Analysis of Variance, but does not include the financial statements, and our auditor's report thereon.

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

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

Independence

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

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



Glenn Fan-Robertson
BDO Hawke's Bay
On behalf of the Auditor-General
Hawke's Bay, New Zealand