



# Lincoln High School

Te Kura Tuarua o Waihora

## ANNUAL FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2023

**School Directory**

<b>Ministry Number:</b>	347
<b>Principal:</b>	Adrian Fastier
<b>School Address:</b>	25 Boundary Road, Lincoln, Canterbury 7608
<b>School Postal Address:</b>	PO Box 69138, Lincoln 7640
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# LINCOLN HIGH SCHOOL

Annual Financial Statements - For the year ended 31 December 2023

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# Lincoln High School

## Statement of Responsibility

For the year ended 31 December 2023

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 2023 fairly reflects the financial position and operations of the School.

The School's 2023 financial statements are authorised for issue by the Board.

Ben Olijkan

Full Name of Presiding Member

Adrian Fastier

Full Name of Principal

Date:

29 May 2024

Date:

29.5 2024

# Lincoln High School Members of the Board

For the year ended 31 December 2023

<b>Name</b>	<b>Position</b>	<b>How Position Gained</b>	<b>Term Expired/ Expires</b>
Nicky Hiku	Presiding Member	Elected	2025
Kathy Paterson	Principal	ex Officio	April 2024
Adrian Fastier	Principal	ex Officio	
Ben Olijkan	Parent Representative Deputy Presiding Member	Co-opted	Dec 2023
Barry Donaldson	Parent Representative	Elected	2025
Andrew Marshall	Parent Representative	Co-opted	Dec 2023
Brad Macdonald	Parent Representative	Elected	2025
Steve Rosling	Parent Representative	Elected	2025
Adam Gard'ner	Parent Representative	Elected	2025
Shantal Jones	Staff Representative	Elected	2025
Sonya Li-McHenry	Student Representative	Elected	Sep 2023
Ivy Ding	Student Representative	Elected	Sep 2024

**Lincoln High School**  
**Statement of Comprehensive Revenue and Expense**  
For the year ended 31 December 2023

		2023	2023	2022
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
<b>Revenue</b>				
Government Grants	2	15,369,505	14,235,761	13,542,102
Locally Raised Funds	3	1,661,217	1,486,871	1,192,550
Interest		191,114	120,000	65,619
<b>Total Revenue</b>		<b>17,221,836</b>	<b>15,842,632</b>	<b>14,800,271</b>
<b>Expenses</b>				
Locally Raised Funds	3	1,028,717	1,031,695	720,432
Learning Resources	4	12,121,887	11,222,255	10,983,649
Administration	5	644,260	589,147	551,452
Interest		8,999	-	12,326
Property	6	3,307,226	3,399,683	2,530,577
Loss on Disposal of Property, Plant and Equipment		950	-	4,522
<b>Total Expense</b>		<b>17,112,039</b>	<b>16,242,780</b>	<b>14,802,958</b>
<b>Net Surplus for the year</b>		<b>109,797</b>	<b>(400,148)</b>	<b>(2,687)</b>
Other Comprehensive Revenue and Expense		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<b>109,797</b>	<b>(400,148)</b>	<b>(2,687)</b>

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

**Lincoln High School**  
**Statement of Changes in Net Assets/Equity**  
For the year ended 31 December 2023

	Notes	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
<b>Equity at 1 January</b>		4,731,365	4,731,365	4,612,890
Total comprehensive revenue and expense for the year		109,797	(400,148)	(2,687)
Contribution - Furniture and Equipment Grant (Distributions to) Ministry of Education		-	-	122,106 (944)
<b>Equity at 31 December</b>		4,841,162	4,331,217	4,731,365
Accumulated comprehensive revenue and expense		4,841,162	4,331,217	4,731,365
<b>Equity at 31 December</b>		4,841,162	4,331,217	4,731,365

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.

# Lincoln High School

## Statement of Financial Position

As at 31 December 2023

		2023	2023	2022
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
<b>Current Assets</b>				
Cash and Cash Equivalents	7	814,300	1,253,009	1,664,593
Accounts Receivable	8	939,734	800,239	800,239
GST Receivable		23,888	27,287	27,287
Prepayments		50,669	46,714	46,714
Inventories	9	103,215	47,896	47,896
Investments	10	3,777,861	1,950,000	1,950,000
Funds Receivable for Capital Works Projects	17	23,560	8,766	8,766
		<u>5,733,227</u>	<u>4,133,911</u>	<u>4,545,495</u>
<b>Current Liabilities</b>				
Accounts Payable	12	1,452,295	976,834	976,834
Revenue Received in Advance	13	443,839	278,059	278,059
Provision for Cyclical Maintenance	14	-	60,806	63,055
Finance Lease Liability	15	61,265	76,086	76,086
Funds held in Trust	16	327,378	226,535	226,535
Funds held for Capital Works Projects	17	19,228	30,251	30,251
Funds Held on Behalf of the ECE Nga Matapuna o Nga Pakihi	18	11,097	11,097	11,097
Funds Held on Behalf of the Nga Matapuna o Nga Pakihi Kahui	19	5,424	9,172	9,172
Funds Held on Behalf of the COL Nga Matapuna o Nga Pakihi	20	28,760	29,807	29,807
Funds Held on Behalf of the Selwyn School 1st XV rugby	21	23,388	41,901	41,901
		<u>2,372,674</u>	<u>1,740,548</u>	<u>1,742,797</u>
<b>Working Capital Surplus</b>		<b>3,360,553</b>	<b>2,393,363</b>	<b>2,802,698</b>
<b>Non-current Assets</b>				
Investments	10	10,000	324,383	324,383
Property, Plant and Equipment	11	1,872,439	2,001,864	1,930,756
		<u>1,882,439</u>	<u>2,326,247</u>	<u>2,255,139</u>
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	14	369,276	312,853	250,932
Finance Lease Liability	15	32,554	75,540	75,540
		<u>401,830</u>	<u>388,393</u>	<u>326,472</u>
<b>Net Assets</b>		<u><u>4,841,162</u></u>	<u><u>4,331,217</u></u>	<u><u>4,731,365</u></u>
<b>Equity</b>		<u><u>4,841,162</u></u>	<u><u>4,331,217</u></u>	<u><u>4,731,365</u></u>

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

# Lincoln High School

## Statement of Cash Flows

For the year ended 31 December 2023

		2023	2023	2022
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
<b>Cash flows from Operating Activities</b>				
Government Grants		3,315,508	3,175,578	3,064,771
Locally Raised Funds		1,290,388	1,235,472	968,459
International Students		525,168	251,399	281,174
Goods and Services Tax (net)		3,399	-	15,127
Payments to Employees		(2,055,498)	(2,010,777)	(1,970,604)
Payments to Suppliers		(2,289,884)	(2,719,786)	(2,069,167)
Interest Paid		(8,999)	-	-
Interest Received		172,351	120,000	59,520
Net cash from Operating Activities		952,433	51,886	349,280
<b>Cash flows from Investing Activities</b>				
Purchase of Property Plant & Equipment		(274,141)	(463,470)	(180,831)
Purchase of Investments		(1,513,478)	-	-
Proceeds from Sale of Investments		-	-	450,536
Net cash (to)/from Investing Activities		(1,787,619)	(463,470)	269,705
<b>Cash flows from Financing Activities</b>				
Furniture and Equipment Grant		-	-	122,106
(Distributions to) Ministry of Education		-	-	(944)
Finance Lease Payments		(51,984)	-	(55,752)
Funds Administered on Behalf of Other Parties		36,877	-	54,711
Net cash (to)/from Financing Activities		(15,107)	-	120,121
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(850,293)</b>	<b>(411,584)</b>	<b>739,106</b>
Cash and cash equivalents at the beginning of the year	7	1,664,593	1,664,593	925,487
<b>Cash and cash equivalents at the end of the year</b>	<b>7</b>	<b>814,300</b>	<b>1,253,009</b>	<b>1,664,593</b>

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



# Lincoln High School

## Notes to the Financial Statements

### For the year ended 31 December 2023

#### 1. Statement of Accounting Policies

##### 1.1. Reporting Entity

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

##### 1.2. Basis of Preparation

###### *Reporting Period*

The financial statements have been prepared for the period 1 January 2023 to 31 December 2023 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 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 whole dollar.

###### *Specific Accounting Policies*

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

###### *Critical Accounting Estimates And Assumptions*

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

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

###### *Cyclical Maintenance*

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

###### *Useful lives of property, plant and equipment*

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

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

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

#### **Classification of leases**

Determining whether a lease is a finance lease or an operating lease requires judgement as to whether the lease transfers substantially all the risks and rewards of ownership to the school. A lease is classified as a finance lease if it transfers substantially all risks and rewards incidental to ownership of an underlying asset to the lessee. In contrast, an operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset to the lessee.

Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant, and equipment, whereas for an operating lease no such asset is recognised. Finance lease liability disclosures are contained in note 15. Future operating lease commitments are disclosed in note 26b.

#### **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.

### **1.3. 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 to which they relate. 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 programmes are recorded as revenue when the School has the rights to the funding in the period to which they relate. The grants are not received in cash by the School and are paid directly by the Ministry of Education.

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

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

#### **Other Grants where conditions exist**

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

### **1.4. 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.

### 1.5. 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.

### 1.6. 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.

### 1.7. Accounts Receivable

Short-term receivables are recorded at the amount due, less an allowance for expected credit losses (uncollectable debts). The school's 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.

### 1.8. Inventories

Inventories are consumable items held for sale and comprised of 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.

### 1.9. 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.

### 1.10. Property, Plant and Equipment

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

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

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

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

### Finance Leases

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

### Depreciation

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

The estimated useful lives of the assets are:

Building improvements	10-20 years
Furniture and equipment	5-10 years
Information and communication technology	3-5 years
Motor vehicles	5 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value

### **1.11. 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 as 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.

In determining fair value less costs to sell the school engages an independent valuer to assess market value based on the best available 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.

### **1.12. 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.

### **1.13. 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, 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.

### **1.14. Revenue Received in Advance**

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

### **1.15. 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 Comprehensive Revenue and Expense.

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

### **1.16. Funds held for Capital Works**

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

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

#### **1.17. Shared Funds**

Shared Funds are held on behalf of a cluster of participating schools as agreed with the Ministry of Education. In instances where funds are outside of the School's control, these amounts are not recorded in the Statement of Comprehensive Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose.

#### **1.18. 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 of the School, makes up the most significant part of the Board's responsibilities outside the 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 School carries out painting maintenance of the whole school over a variety of periods in accordance with the conditional assessment of each area of the school. 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.

#### **1.19. 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.

#### **1.20. 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.

#### **1.21. Budget Figures**

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

#### **1.22. 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

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Government Grants - Ministry of Education	3,325,330	3,109,397	3,208,570
Teachers' Salaries Grants	9,680,743	8,654,499	8,549,041
Use of Land and Buildings Grants	2,307,025	2,421,311	1,729,554
Other Government Grants	56,407	50,554	54,937
	<u>15,369,505</u>	<u>14,235,761</u>	<u>13,542,102</u>

## 3. Locally Raised Funds

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

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
<b>Revenue</b>			
Donations & Bequests	177,153	231,114	217,112
Curriculum related Activities - Purchase of goods and services	95,917	128,772	60,805
Fees for Extra Curricular Activities	587,513	587,586	402,528
Trading	266,413	275,000	251,788
Fundraising & Community Grants	2,090	2,000	14,206
Other Revenue	130,536	11,000	17,445
International Student Fees	401,595	251,399	228,666
	<u>1,661,217</u>	<u>1,486,871</u>	<u>1,192,550</u>
<b>Expenses</b>			
Extra Curricular Activities Costs	543,896	554,186	383,558
Trading	234,294	224,350	229,474
Fundraising & Community Grant Costs	-	-	3,549
International Student - Employee Benefit - Salaries	158,320	157,000	77,729
International Student - Other Expenses	92,207	96,159	26,122
	<u>1,028,717</u>	<u>1,031,695</u>	<u>720,432</u>
<i>Surplus for the year Locally raised funds</i>	<u>632,500</u>	<u>455,176</u>	<u>472,118</u>

During the year the School hosted 15 International students (2022:11)

In 2023, 29 students and 4 staff went to Nepal in association with World Challenge Expeditions Pty Ltd. This was an educational trip and the cost was \$342,200 which was self funded by students including fundraising.

## 4. Learning Resources

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	444,596	595,466	406,445
Equipment Repairs	720	900	677
Information and Communication Technology	239,443	243,607	232,152
Library Resources	5,559	5,800	5,442
Employee Benefits - Salaries	11,061,259	9,937,149	10,008,721
Depreciation	355,144	417,333	319,901
Staff Development	15,166	22,000	10,311
	<u>12,121,887</u>	<u>11,222,255</u>	<u>10,983,649</u>

## 5. Administration

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	11,511	11,808	11,469
Board Fees	4,395	4,600	3,635
Board Expenses	2,754	6,300	15,793
Communication	7,627	9,300	7,903
Consumables	5,330	9,000	8,133
Operating Lease	1,523	1,500	1,507
Legal Fees	650	2,200	650
Other	124,513	101,439	62,006
Employee Benefits - Salaries	413,422	382,500	389,738
Insurance	64,713	52,500	43,442
Service Providers, Contractors and Consultancy	7,822	8,000	7,176
	<u>644,260</u>	<u>589,147</u>	<u>551,452</u>

## 6. Property

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	44,455	48,500	38,281
Consultancy and Contract Services	236,398	230,000	222,805
Cyclical Maintenance	58,351	59,672	28,418
Adjustment to the Provision- Other Adjustments	(3,062)	-	-
Grounds	63,405	39,800	42,090
Heat, Light and Water	209,029	241,000	213,139
Rates	10,203	10,200	9,789
Repairs and Maintenance	189,465	173,200	95,491
Use of Land and Buildings	2,307,025	2,421,311	1,729,554
Security	2,586	3,000	2,525
Employee Benefits - Salaries	189,371	173,000	148,485
	<u>3,307,226</u>	<u>3,399,683</u>	<u>2,530,577</u>

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

## 7. Cash and Cash Equivalents

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Bank Accounts	814,300	1,253,009	1,664,593
Cash and Cash Equivalents for Statement of Cash Flows	<u>814,300</u>	<u>1,253,009</u>	<u>1,664,593</u>

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

Of the \$814,300 Cash and Cash Equivalents, \$19,228 is held by the School on behalf of the Ministry of Education. These funds have been provided by the Ministry as part of the school's 5 Year Agreement funding for upgrades to the school's buildings. The funds are required to be spent in 2024 on Crown owned school buildings. See note 17.

Of the \$814,300 Cash and Cash Equivalents, \$20,693 of unspent grant funding is held by the School. This funding is subject to conditions which specify how the grant is required to be spent. If these conditions are not met, the funds will need to be returned.

Of the \$814,300 Cash and Cash Equivalents, \$327,378 is held in trust by the School. See note 16 for details of funds held in trust.

Of the \$814,300 Cash and Cash Equivalents, \$11,097 is held by the School on behalf of the ECE Kahui Ako cluster. See note 18 for details of how the funding received for the cluster has been spent in the year.

Of the \$814,300 Cash and Cash Equivalents, \$5,424 is held by the School on behalf of the Lincoln Schools cluster. See note 19 for details of how the funding received for the cluster has been spent in the year.

Of the \$814,300 Cash and Cash Equivalents, \$23,388 is held by the School on behalf of the Selwyn School 1st XV Rugby cluster. See note 21 for details of how the funding received for the cluster has been spent in the year.

Of the \$814,300 Cash and Cash Equivalents, \$28,760 is held by the School on behalf of the COL cluster. See note 20 for details of how the funding received for the cluster has been spent in the year.

## 8. Accounts Receivable

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Receivables	3,887	13,139	13,139
Receivables from the Ministry of Education	71,413	6,019	6,019
Interest Receivable	29,132	10,369	10,369
Banking Staffing Underuse	-	15,627	15,627
Teacher Salaries Grant Receivable	835,302	755,085	755,085
	<u>939,734</u>	<u>800,239</u>	<u>800,239</u>
Receivables from Exchange Transactions	33,019	23,508	23,508
Receivables from Non-Exchange Transactions	906,715	776,731	776,731
	<u>939,734</u>	<u>800,239</u>	<u>800,239</u>

## 9. Inventories

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
	\$	\$	\$
School Uniforms	103,215	47,896	47,896
	<u>103,215</u>	<u>47,896</u>	<u>47,896</u>

## 10. Investments

The School's investment activities are classified as follows:

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
	\$	\$	\$
Current Asset			
Short-term Bank Deposits	3,777,861	1,950,000	1,950,000
Non-current Asset			
Long-term Bank Deposits	10,000	324,383	324,383
Total Investments	<u>3,787,861</u>	<u>2,274,383</u>	<u>2,274,383</u>

## 11. Property, Plant and Equipment

	Opening	Additions	Disposals	Impairment	Depreciation	Total (NBV)
	Balance (NBV)					
	\$	\$	\$	\$	\$	\$
<b>2023</b>						
Building Improvements	1,050,982	8,495	-	-	(51,163)	1,008,314
Furniture and Equipment	333,127	32,113	-	-	(64,602)	300,638
Information and Communication Technology	282,487	228,774	-	-	(137,031)	374,230
Motor Vehicles	71,849	-	-	-	(14,628)	57,221
Leased Assets	150,049	23,636	-	-	(81,961)	91,724
Library Resources	42,262	4,888	(1,079)	-	(5,759)	40,312
<b>Balance at 31 December 2023</b>	<u>1,930,756</u>	<u>297,906</u>	<u>(1,079)</u>	<u>-</u>	<u>(355,144)</u>	<u>1,872,439</u>

The net carrying value of equipment held under a finance lease is \$91,724 (2022: \$150,049)

### Restrictions

With the exception of the contractual restrictions relating to the above noted finance leases, there are no other restrictions over the title of the school's property, plant and equipment, nor are any property, plant and equipment pledged as security for liabilities.

	2023	2023	2023	2022	2022	2022
	Cost or	Accumulated	Net Book	Cost or	Accumulated	Net Book
	Valuation	Depreciation	Value	Valuation	Depreciation	Value
	\$	\$	\$	\$	\$	\$
Building Improvements	1,412,990	(404,676)	1,008,314	1,404,495	(353,513)	1,050,982
Furniture and Equipment	1,286,924	(986,286)	300,638	1,255,585	(922,458)	333,127
Information and Communication Technology	1,097,739	(723,509)	374,230	868,965	(586,478)	282,487
Motor Vehicles	194,050	(136,829)	57,221	194,050	(122,201)	71,849
Leased Assets	248,486	(156,762)	91,724	281,747	(131,698)	150,049
Library Resources	199,188	(158,876)	40,312	199,395	(157,133)	42,262
<b>Balance at 31 December</b>	<u>4,439,377</u>	<u>(2,566,938)</u>	<u>1,872,439</u>	<u>4,204,237</u>	<u>(2,273,481)</u>	<u>1,930,756</u>

## 12. Accounts Payable

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
	\$	\$	\$
Creditors	403,576	90,469	90,469
Accruals	47,007	29,556	29,556
Banking Staffing Overuse	30,028	-	-
Employee Entitlements - Salaries	930,544	801,122	801,122
Employee Entitlements - Leave Accrual	41,140	55,687	55,687
	<u>1,452,295</u>	<u>976,834</u>	<u>976,834</u>
Payables for Exchange Transactions	1,452,295	976,834	976,834
	<u>1,452,295</u>	<u>976,834</u>	<u>976,834</u>

The carrying value of payables approximates their fair value.



### 13. Revenue Received in Advance

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
	\$	\$	\$
Grants in Advance - Ministry of Education	20,693	-	-
International Student Fees in Advance	317,357	193,784	193,784
Other Revenue in Advance	105,789	84,275	84,275
	<u>443,839</u>	<u>278,059</u>	<u>278,059</u>

### 14. Provision for Cyclical Maintenance

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
	\$	\$	\$
Provision at the Start of the Year	313,987	313,987	285,569
Increase to the Provision During the Year	58,351	59,672	59,672
Other Adjustments	(3,062)	-	(31,254)
Provision at the End of the Year	<u>369,276</u>	<u>373,659</u>	<u>313,987</u>
Cyclical Maintenance - Current	-	60,806	63,055
Cyclical Maintenance - non current	<u>369,276</u>	<u>312,853</u>	<u>250,932</u>
	<u>369,276</u>	<u>373,659</u>	<u>313,987</u>

### 15. Finance Lease Liability

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

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
	\$	\$	\$
No Later than One Year	65,641	83,726	83,726
Later than One Year and no Later than Five Years	33,691	79,022	79,022
Future Finance Charges	(5,513)	(11,122)	(11,122)
	<u>93,819</u>	<u>151,626</u>	<u>151,626</u>
<b>Represented by:</b>			
Finance lease liability - Current	61,265	76,086	76,086
Finance Lease Liability - Non current	<u>32,554</u>	<u>75,540</u>	<u>75,540</u>
	<u>93,819</u>	<u>151,626</u>	<u>151,626</u>

### 16. Funds Held in Trust

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
	\$	\$	\$
Funds Held in Trust on Behalf of Third Parties - Current	<u>327,378</u>	<u>226,535</u>	<u>226,535</u>
	<u>327,378</u>	<u>226,535</u>	<u>226,535</u>

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

### 17. Funds Held for Capital Works Projects

During the year the School received and applied funding from the Ministry of Education for the following capital works projects. The amount of cash held on behalf of the Ministry for capital works project is included under cash and cash equivalents in note 7.

2023	Opening Balances	Receipts from MoE	Payments	Board Contributions	Closing Balances
	\$	\$	\$	\$	\$
MOE - Pool Tank Membrane	(2,521)	4,321	(1,800)	-	-
MOE - J Block Relocation	(6,244)	6,283	(39)	-	-
MOE - Gym Lighting & Heating	30,251	-	(52,780)	-	(22,529)
MOE - 5YA - Master Plan	-	43,361	(43,361)	-	-
MOE - 5YA - Boiler Heating Replacement	-	249,814	(249,814)	-	-
MOE - 5YA - Gutter & Spouting	-	9,013	(10,015)	-	(1,002)
MOE - 5YA - Emergency Relief Fund	-	6,415	(9,948)	3,533	-
MOE - 5YA - North Belt Landscaping	-	20,583	(20,374)	-	209
MOE - 5YA - Gym Floor Refurbishment	-	16,456	(16,485)	-	(29)
MOE - 5YA - Bell/PA upgrade	-	113,504	(94,485)	-	19,019
MOE - Skylight Replacement	(1)	1	-	-	-
<b>Totals</b>	<b>21,485</b>	<b>469,751</b>	<b>(499,101)</b>	<b>3,533</b>	<b>(4,332)</b>

**Represented by:**

Funds Held on Behalf of the Ministry of Education	19,228
Funds Receivable from the Ministry of Education	(23,560)

2022	Opening Balances	Receipts from MoE	Payments	Board Contributions	Closing Balances
	\$	\$	\$	\$	\$
MOE 5YA Gym 1 Wall Repairs	(69,414)	68,953	461	-	-
MOE - SIP E Block	30,578	62,894	(93,472)	-	-
MOE - SIP Outdoor Education Shed	(5,715)	4,866	(95)	944	-
MOE - Car Parking	(2,400)	-	2,400	-	-
MOE - SIP Gym LED Upgrade	2,700	-	(2,700)	-	-
MOE - J Block Divider	(3,180)	5,355	(2,175)	-	-
MOE - K Block Toilets	6,879	-	(6,879)	-	-
MOE - Ring Main Project	(5,850)	13,866	(8,016)	-	-
MOE - Field Irrigation	34,203	10,800	(45,003)	-	-
MOE - Pool Tank Membrane	-	29,842	(32,363)	-	(2,521)
MOE - Skylight Replacement	-	13,970	(13,971)	-	(1)
MOE - J Block Relocation	-	21,883	(28,127)	-	(6,244)
MOE - Gym Lighting & Heating	-	30,251	-	-	30,251
<b>Totals</b>	<b>(12,199)</b>	<b>262,680</b>	<b>(229,940)</b>	<b>944</b>	<b>21,485</b>

**Represented by:**

Funds Held on Behalf of the Ministry of Education	30,251
Funds Receivable from the Ministry of Education	(8,766)

### 18. Funds Held on Behalf of the ECE Nga Matapuna o Nga Pakihi Kahui Ako Cluster

Lincoln High School has been appointed by the Kahui Ako to hold and manage the funds on behalf of the Nga Matapuna o Nga Pakihi Kahui Ako, a group of schools funded by the Ministry of Education to share professional support.

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Funds Held at Beginning of the Year	11,097	11,097	11,844
Funds Spent on Behalf of the Cluster	-	-	(747)
Funds Held at Year End	<u>11,097</u>	<u>11,097</u>	<u>11,097</u>

### 19. Funds Held on Behalf of the Nga Matapuna o Nga Pakihi Kahui Ako Cluster

Lincoln High School has been appointed by the Kahui Ako to hold and manage the funds on behalf of the Nga Matapuna o Nga Pakihi Kahui Ako, a group of schools funded by the Ministry of Education to share professional support.

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Funds Held at Beginning of the Year	9,172	9,172	13,431
Funds Received from Ministry of Education	-	-	-
Funds Spent on Behalf of the Cluster	(3,748)	-	(4,259)
Funds Held at Year End	<u>5,424</u>	<u>9,172</u>	<u>9,172</u>

## 20. Funds Held on Behalf of the COL Nga Matapuna o Nga Pakihi Kahui Ako Cluster

Lincoln High School has been appointed by the Kahui Ako to hold and manage the funds on behalf of the Nga Matapuna o Nga Pakihi Kahui Ako, a group of schools funded by the Ministry of Education to share professional support.

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Funds Held at Beginning of the Year	29,807	29,807	29,874
Funds Received from Cluster Members	8,561	-	15,435
Funds Spent on Behalf of the Cluster	(9,608)	-	(15,502)
Funds Held at Year End	<u>28,760</u>	<u>29,807</u>	<u>29,807</u>

## 21. Funds Held on Behalf of the Selwyn School 1st XV rugby Cluster

Lincoln High School holds funds on behalf of the Selwyn Schools 1st XV Cluster, a group of schools formed to ensure that the Selwyn Schools 1st XV is the Premier Under 18 team in the Ellesmere Rugby subunion, and all players attending a school within the Ellesmere sub-union have a pathway to 1st XV rugby in the Miles Toyota Championship. The main source of funding is sponsorship.

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Funds Held at Beginning of the Year	41,901	41,901	8,732
Funds Received from Sponsorship	7,662	-	72,780
Funds Received from other Sources	16,322	-	18,409
Funds Spent on Behalf of the Cluster	(42,497)	-	(58,020)
Funds Held at Year End	<u>23,388</u>	<u>41,901</u>	<u>41,901</u>

## 22. 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.

## 23. Remuneration

### Key management personnel compensation

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

	2023 Actual \$	2022 Actual \$
<i>Board Members</i>		
Remuneration	4,395	3,635
<i>Leadership Team</i>		
Remuneration	938,158	912,287
Full-time equivalent members	6.00	6.00
Total key management personnel remuneration	<u>942,553</u>	<u>915,922</u>

There are 9 members of the Board excluding the Principal. The Board had held 8 full meetings of the Board in the year. The Board also has Finance (3 members) and Property (4 members) that meet monthly and quarterly respectively. As well as these regular meetings, including preparation time, the Presiding member and other Board members have also been involved in ad hoc meetings to consider student welfare matters including stand downs, suspensions, and other disciplinary matters.

*Principal*

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

	2023 Actual \$000	2022 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	240 - 250	230 - 240
Benefits and Other Emoluments	5 - 10	5 - 10
Termination Benefits	0 - 0	0 - 0

*Other Employees*

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

Remuneration \$000	2023 FTE Number	2022 FTE Number
100 - 110	22.00	16.00
110 - 120	18.00	6.00
120 - 130	7.00	3.00
130 - 140	4.00	1.00
140 - 150	1.00	-
	<u>52.00</u>	<u>26.00</u>

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

**24. 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 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:

	2023 Actual	2022 Actual
Total	\$ 10,000	\$ -
Number of People	1	-

**25. Contingencies**

There are no contingent liabilities and no contingent assets except as noted below as at 31 December 2023 (Contingent liabilities and assets at 31 December 2022: 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 continues to review the schools sector payroll to ensure compliance with the Holidays Act 2003. An initial remediation payment has been made to some current school employees. The Ministry is continuing to perform detailed analysis to finalise calculations and the potential impacts of specific individuals, as such this is expected to resolve the liability for school boards.

**Pay Equity Settlement Wash Up amounts**

In 2023 the Ministry of Education provided additional funding for non-teaching collective and pay equity agreements. The School is yet to receive a final wash up that adjusts the estimated quarterly instalments for the actual eligible staff members employed in 2023. The Ministry is in the process of determining wash up payments or receipts for the year ended 31 December 2023 however as at the reporting date this amount had not been calculated and therefore is not recorded in these financial statements.

**26. Commitments**

**(a) Capital Commitments**

At 31 December 2023, the Board had capital commitments of \$47,531 (2022:nil) as a result of entering the following contracts:

Contract Name	Contract Amount	Spend To Date	Remaining Capital Commitment
	\$	\$	\$
MOE - 5YA - Gym Floor Refurbishment	19,885	16,485	3,400
MOE - 5YA - Bell/PA upgrade	138,616	94,485	44,131
<b>Total</b>	<b>158,501</b>	<b>110,970</b>	<b>47,531</b>

**(b) Operating Commitments**

As at 31 December 2023 the Board has not entered into any operating contracts.

(Operating commitments at 31 December 2022: nil)

## 27. 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

	2023	2023	2022
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Cash and Cash Equivalents	814,300	1,253,009	1,664,593
Receivables	939,734	800,239	800,239
Investments - Term Deposits	3,787,861	2,274,383	2,274,383
Total Financial assets measured at amortised cost	<u>5,541,895</u>	<u>4,327,631</u>	<u>4,739,215</u>

### Financial liabilities measured at amortised cost

Payables	1,452,295	976,834	976,834
Finance Leases	93,819	151,626	151,626
Total Financial liabilities measured at amortised Cost	<u>1,546,114</u>	<u>1,128,460</u>	<u>1,128,460</u>

## 28. Events After Balance Date

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

## 29. Comparatives

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



## INDEPENDENT AUDITOR'S REPORT

### TO THE READERS OF LINCOLN HIGH SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

The Auditor-General is the auditor of Lincoln High School (the School). The Auditor-General has appointed me, Anthony Smith, using the staff and resources of Deloitte Limited, to carry out the audit of the financial statements of the School on his behalf.

#### Opinion

We have audited the financial statements of the School on pages 3 to 19, that comprise the statement of financial position as at 31 December 2023, 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 2023 and
  - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Sector – Public Benefit Entity Standards, Reduced Disclosure Regime.

Our audit was completed on 29 May 2024. 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 arise from section 134 of the Education and Training Act 2020.

#### **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 information including List of Board of Trustees, Statement of Responsibility, Statement of Variance, KiwiSport Report and Statement of Compliance with Employment Policy, 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 (including International Independence Standards) (New Zealand) (PES 1)* issued by the New Zealand Auditing and Assurance Standards Board.

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

**Anthony Smith**  
Partner  
for Deloitte Limited  
On behalf of the Auditor-General  
Christchurch, New Zealand