

# OTAGO GIRLS HIGH SCHOOL



## ANNUAL REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2019

Ministry Number: 378  
Principal: Linda Miller  
School Address: 41 Tennyson Street, Dunedin Central, Dunedin  
School Postal Address: 41 Tennyson Street, Dunedin Central, Dunedin  
School Phone: 03 474 0496  
School Email: [oghsadmin@otago girls.school.nz](mailto:oghsadmin@otago girls.school.nz)

#### Members of the Board of Trustees

Name	Position	How Position Gained	Occupation	Term Expired/ Expres
Lyn Hurring	Chair Person	Elected May 2019	Accountant	May-21
Linda Miller	Princlpal ex Officio			
Rowena Monson	Parent Rep	Co-Opted May 2019	Accountant	May-21
Shane de la Harpe	Parent Rep	Elected May 2019	Industrial Chr	May-21
Tony Gomez	Parent Rep	Elected May 2019	Sports Coord	May-21
Phil Marsh	Parent Rep	Elected May 2019	Regional	May-21
Mau White	Parent Rep	Elected May 2019	Administrator	May-21
Ann Bixley	Parent Rep	Elected May 2019	Governance .	May-21
Melinda Broek	Parent Rep	Elected May 2019	Barrister	May-21
Simon Pickard	Staff Rep	Elected May 2019		May-21
Student Rep	Annie Sansom	Elected Nov 2019		Dec-20

# OTAGO GIRLS HIGH SCHOOL

Annual Report - For the year ended 31 December 2019

## Index

<b>Page</b>	<b>Statement</b>
<u>1</u>	Statement of Responsibility
<u>2</u>	Statement of Comprehensive Revenue and Expense
<u>3</u>	Statement of Changes in Net Assets/Equity
<u>4</u>	Statement of Financial Position
<u>5</u>	Statement of Cash Flows
<u>6</u>	Statement of Accounting Policies
<u>11</u>	Notes to the Financial Statements
	<b>Other Information</b>
	Analysis of Variance (Including Kiwisport Note)

# Otago Girls High School

## Statement of Responsibility

For the year ended 31 December 2019

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

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

It is the opinion of the Board and management that the annual financial statements for the financial year ended 31 December 2019 fairly reflects the financial position and operations of the school.

The School's 2019 financial statements are authorised for issue by the Board.

Wynette Gail Hurring  
Full Name of Board Chairperson

Linda Jean Miller  
Full Name of Principal

[Signature]  
Signature of Board Chairperson

[Signature]  
Signature of Principal

28 May 2020  
Date:

28 May 2020.  
Date:

**Otago Girls High School**  
**Statement of Comprehensive Revenue and Expense**  
For the year ended 31 December 2019

	Notes	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
<b>Revenue</b>				
Government Grants	2	7,229,814	7,081,038	7,130,973
Locally Raised Funds	3	1,074,037	364,000	1,043,182
Interest Earned		91,562	135,000	119,378
International Students	4	667,084	577,500	691,587
		<u>9,062,497</u>	<u>8,157,538</u>	<u>8,985,120</u>
<b>Expenses</b>				
Locally Raised Funds	3	858,244	274,800	774,859
International Students	4	248,593	215,000	246,693
Learning Resources	5	5,836,141	5,688,476	5,728,635
Administration	6	534,814	496,240	482,072
Finance Costs		4,474	-	5,649
Property	7	1,590,084	1,409,868	1,559,629
Depreciation	8	145,975	125,000	133,039
Loss on Disposal of Property, Plant and Equipment		5,039	-	21,459
		<u>9,223,364</u>	<u>8,209,384</u>	<u>8,952,035</u>
<b>Net Surplus / (Deficit)</b>		(160,867)	(51,846)	33,085
Other Comprehensive Revenue and Expenses		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<u>(160,867)</u>	<u>(51,846)</u>	<u>33,085</u>

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

**Otago Girls High School**  
**Statement of Changes in Net Assets/Equity**

For the year ended 31 December 2019

	Actual 2019 \$	Budget (Unaudited) 2019 \$	Actual 2018 \$
<b>Balance at 1 January</b>	3,400,192	3,400,192	3,367,107
Total comprehensive revenue and expense for the year	(160,867)	(51,846)	33,085
Furniture and Equipment Grant	25,634	-	-
Movement in Reserves	6,856	-	-
<b>Equity at 31 December</b>	<b>3,271,815</b>	<b>3,348,346</b>	<b>3,400,192</b>
Retained Earnings	3,271,815	3,348,346	3,400,192
<b>Equity at 31 December</b>	<b>3,271,815</b>	<b>3,348,346</b>	<b>3,400,192</b>

**Reserved Equity**

Reserved equity comprises funds that have been received by the School for a specific purpose. The School guarantees to hold sufficient monies to enable the funds to be used for their intended purpose at any time. Those funds arose from bequests from ex-girls and ex-principals. These funds are held for use on outdoor activities, library, prize giving and school disadvantaged as required by terms of the bequests. The school is not required to repay these funds.

	Actual 2019 \$	Budget (Unaudited) 2019 \$	Actual 2018 \$
<b>Reserves</b>			
Opening Balances	478,771	478,771	475,962
Transferred to Current Liabilities	-	-	-
Movement for the year	6,856	-	2,809
<b>Closing Balance</b>	<b>485,627</b>	<b>478,771</b>	<b>478,771</b>

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

**Otago Girls High School**  
**Statement of Financial Position**  
As at 31 December 2019

	Notes	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
<b>Current Assets</b>				
Cash and Cash Equivalents	9	379,546	319,105	245,951
Accounts Receivable	10	456,945	448,345	448,345
Prepayments		81,710	32,567	32,567
Inventories	11	46,152	42,400	52,022
Investments	12	2,457,097	2,989,000	2,989,280
Funds owing for Capital Works Projects	19	-	63,362	63,362
		<u>3,421,450</u>	<u>3,894,779</u>	<u>3,831,527</u>
<b>Current Liabilities</b>				
GST Payable		9,519	20,130	20,130
Accounts Payable	14	453,829	408,826	416,998
Revenue Received in Advance	15	949,901	950,000	955,549
Provision for Cyclical Maintenance	16	45,000	9,334	9,334
Finance Lease Liability - Current Portion	17	28,663	24,395	24,395
Funds held in Trust	18	20,500	118,547	118,547
Funds held for Capital Works Projects	19	44,301	76,167	76,167
Funds Held on Behalf of Cluster	20	20,182	14,533	2,536
		<u>1,571,895</u>	<u>1,621,932</u>	<u>1,623,656</u>
<b>Working Capital Surplus/(Deficit)</b>		<b>1,849,555</b>	<b>2,272,847</b>	<b>2,207,871</b>
<b>Non-current Assets</b>				
Property, Plant and Equipment	13	1,630,859	1,339,860	1,464,860
		<u>1,630,859</u>	<u>1,339,860</u>	<u>1,464,860</u>
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	16	196,321	241,229	241,229
Finance Lease Liability	17	12,278	31,310	31,310
		<u>208,599</u>	<u>272,539</u>	<u>272,539</u>
<b>Net Assets</b>		<u><u>3,271,815</u></u>	<u><u>3,340,168</u></u>	<u><u>3,400,192</u></u>
<b>Equity</b>		<u><u>3,271,815</u></u>	<u><u>3,348,346</u></u>	<u><u>3,400,192</u></u>

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

**Otago Girls High School**  
**Statement of Cash Flows**  
For the year ended 31 December 2019

		2019	2019	2018
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
<b>Cash flows from Operating Activities</b>				
Movement in Reserves		6,856	-	
Government Grants		1,551,987	1,649,470	1,568,144
Locally Raised Funds		1,105,249	364,000	990,568
International Students		637,809	577,500	567,196
Goods and Services Tax (net)		(10,614)	-	(18,160)
Payments to Employees		(1,416,202)	(1,201,000)	(1,371,338)
Payments to Suppliers		(1,966,413)	(1,409,816)	(1,872,585)
Cyclical Maintenance Payments in the Year		(42,498)	(42,000)	(34,053)
Interest Received		94,759	135,000	112,339
Net cash from / (to) the Operating Activities		(39,067)	73,154	(57,889)
<b>Cash flows from Investing Activities</b>				
Purchase of PPE (and Intangibles)		(307,769)	-	(180,159)
Purchase of Investments		252,011	-	(16,415)
Proceeds from Sale of Investments		280,172	-	280,172
Net cash from / (to) the Investing Activities		224,414	-	83,598
<b>Cash flows from Financing Activities</b>				
Furniture and Equipment Grant		25,634	-	-
Finance Lease Payments		(28,482)	-	(715)
Funds Held for Capital Works Projects		31,497	-	(24,885)
Funds Administered on Behalf of Third Parties		(80,401)	-	(105,090)
Net cash from Financing Activities		(51,752)	-	(130,690)
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>133,595</b>	<b>73,154</b>	<b>(104,981)</b>
Cash and cash equivalents at the beginning of the year	9	245,951	350,932	350,932
<b>Cash and cash equivalents at the end of the year</b>	<b>9</b>	<b>379,546</b>	<b>424,086</b>	<b>245,951</b>

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

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

# Otago Girls High School

## Notes to the Financial Statements

### 1. Statement of Accounting Policies

For the year ended 31 December 2019

#### 1.1. Reporting Entity

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

#### 1.2. Basis of Preparation

##### *Reporting Period*

The financial reports have been prepared for the period 1 January 2019 to 31 December 2019 and in accordance with the requirements of the Public Finance Act 1989.

##### *Basis of Preparation*

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

##### *Financial Reporting Standards Applied*

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

##### *PBE Accounting Standards Reduced Disclosure Regime*

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

##### *Measurement Base*

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

##### *Presentation Currency*

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

##### *Specific Accounting Policies*

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

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

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

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

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

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment as disclosed in the Significant Accounting Policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 13.

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

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



#### *Classification of leases*

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

#### *Recognition of grants*

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

### **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 they relate to. The grants are not received in cash by the School and are paid directly to teachers by the Ministry of Education.

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

#### **Other Grants**

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

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

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

#### **Interest Revenue**

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

### **1.4. Use of Land and Buildings Expense**

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

### **1.5. 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.

### **1.6. 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.

### **1.7. 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.

### **1.8. Accounts Receivable**

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

### **1.9. Inventories**

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

### **1.10. Investments**

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

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

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

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

### **1.11. Property, Plant and Equipment**

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

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

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

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

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

### **Leased Assets**

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

## Depreciation

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

The estimated useful lives of the assets are:

Building improvements to Crown Owned Assets	10–75 years
Furniture and equipment	10–15 years
Information and communication technology	4–5 years
Motor vehicles	5 years
Textbooks	3 years
Leased Assets	3–4 years
Library resources	12.5% Diminishing value

### 1.12. Impairment of property, plant and equipment and intangible assets

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

#### *Non cash generating assets*

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

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

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

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

### 1.13. 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.

### 1.14. Employment Entitlements

#### *Short-term employee entitlements*

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

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

#### *Long-term employee entitlements*

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

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

#### **1.15. Revenue Received in Advance**

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

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

#### **1.16. 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.

#### **1.17. Provision for Cyclical Maintenance**

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

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

#### **1.18. Financial Assets and Liabilities**

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

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

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

#### **1.19. 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.

#### **1.20. Budget Figures**

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

#### **1.21. 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

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operational grants	1,465,106	1,561,030	1,462,360
Teachers' salaries grants	4,577,650	4,500,000	4,497,376
Use of Land and Buildings grants	1,100,179	931,568	1,065,455
Other MoE Grants	53,546	55,000	70,351
Other government grants	33,333	33,440	35,431
	<u>7,229,814</u>	<u>7,081,038</u>	<u>7,130,973</u>

## 3. Locally Raised Funds

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

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
<b>Revenue</b>			
Donations	132,550	100,000	139,668
Other revenue	98,093	55,000	138,446
Transport Revenue	-	-	-
Trading	206,695	192,000	191,743
Revenue Local Funds	636,699	17,000	573,325
	<u>1,074,037</u>	<u>364,000</u>	<u>1,043,182</u>
<b>Expenses</b>			
Activities	613,898	62,300	550,008
Trading	207,348	180,000	185,238
Transport (local)	-	-	-
Other Expenses	36,998	32,500	39,613
	<u>858,244</u>	<u>274,800</u>	<u>774,859</u>
<i>Surplus for the year Locally raised funds</i>	<u>215,793</u>	<u>89,200</u>	<u>268,323</u>

During the year 37 students went to Japan, France and Germany on Immersion experience trips. These trips were fully funded by the students via contributions and fundraising efforts undertaken by the students.

## 4. International Student Revenue and Expenses

	2019	2019	2018
	Actual	Budget	Actual
	Number	(Unaudited)	Number
International Student Roll	45	40	52
	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
<b>Revenue</b>			
International student fees	667,084	577,500	691,587
<b>Expenses</b>			
Commissions	73,760	65,000	69,666
Recruitment	36,886	40,000	45,210
International student levy	8,580	15,000	11,115
Employee Benefit - Salaries	79,652	70,000	63,659
Other Expenses	49,715	25,000	57,043
	<u>248,593</u>	<u>215,000</u>	<u>246,693</u>
<i>Surplus for the year International Students</i>	<u>418,491</u>	<u>362,500</u>	<u>444,894</u>

During the year International Marketing staff undertook 7 trips to Asia and Europe. These trips were fully funded from international student fees.

#### 5. Learning Resources

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Curricular	314,554	297,880	288,368
Equipment repairs	18,788	82,400	25,146
Information and communication technology	31,374	87,696	43,625
Extra-curricular activities	23,729	14,500	20,950
Library resources	5,171	4,500	5,805
Employee benefits - salaries	5,372,094	5,111,000	5,283,288
Staff development	70,431	86,000	61,453
	<u>5,836,141</u>	<u>5,688,476</u>	<u>5,728,635</u>

During the year 4 staff travelled internationally for professional development. All travel was funded by the Board of Trustees.

#### 6. Administration

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Audit Fee	5,860	5,860	5,512
Board of Trustees Fees	6,770	10,000	7,065
Board of Trustees Expenses	50,391	34,000	37,107
Communication	23,059	23,000	23,747
Consumables	2,392	5,000	4,592
Operating Lease	27,851	40,000	27,584
Other	80,495	38,380	52,604
Employee Benefits - Salaries	314,734	310,000	299,615
Insurance	23,262	25,000	24,246
Service Providers, Contractors and Consultancy	-	5,000	-
	<u>534,814</u>	<u>496,240</u>	<u>482,072</u>

#### 7. Property

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Caretaking and Cleaning Consumables	26,867	20,000	26,518
Cyclical Maintenance Provision	33,256	42,000	38,649
Adjustment to the Provision	-	-	26,875
Grounds	12,463	3,000	8,332
Heat, Light and Water	93,897	102,800	98,777
Rates	41,612	36,000	38,619
Repairs and Maintenance	40,560	59,500	36,188
Use of Land and Buildings	1,100,179	931,568	1,065,455
Security	3,583	5,000	3,691
Employee Benefits - Salaries	237,667	210,000	216,525
	<u>1,590,084</u>	<u>1,409,868</u>	<u>1,559,629</u>

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

## 8. Depreciation of Property, Plant and Equipment

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Buildings	18,209	18,000	17,703
Building Improvements	8,512	9,000	8,446
Furniture and Equipment	41,372	25,000	49,371
Information and Communication Technology	21,063	35,000	10,482
Motor Vehicles	22,737	14,000	20,362
Leased Assets	27,199	19,000	19,783
Library Resources	6,883	5,000	6,892
	<u>145,975</u>	<u>125,000</u>	<u>133,039</u>

## 9. Cash and Cash Equivalents

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Cash on Hand	250	300	295
Bank Current Account	127,551	102,063	28,914
Bank Call Account	251,745	216,742	216,742
Cash equivalents and bank overdraft for Cash Flow Statement	<u>379,546</u>	<u>319,105</u>	<u>245,951</u>

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

Of the \$379,546 Cash and Cash Equivalents, \$76,167 is held by the School on behalf of the Ministry of Education. These funds are required to be spent on Crown owned school buildings under the School's Five Year Property Plan.

Of the \$379,546 Cash and Cash Equivalents, \$15,142 is held by the School on behalf of the Asian Language cluster. See note 20 for details of how the funding received for the cluster has been spent in the year.

Of the \$379,546 Cash and Cash Equivalents, \$20,500 are funds held in trust.

## 10. Accounts Receivable

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Receivables	118,652	126,237	126,237
Interest Receivable	25,505	28,702	28,702
Teacher Salaries Grant Receivable	312,788	293,406	293,406
	<u>456,945</u>	<u>448,345</u>	<u>448,345</u>
Receivables from Exchange Transactions	144,157	154,939	154,939
Receivables from Non-Exchange Transactions	312,788	293,406	293,406
	<u>456,945</u>	<u>448,345</u>	<u>448,345</u>

## 11. Inventories

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Stationery	342	-	-
School Uniforms	43,664	40,000	-
Canteen	2,146	2,400	52,022
	<u>46,152</u>	<u>42,400</u>	<u>52,022</u>

## 12. Investments

The School's investment activities are classified as follows:

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Current Asset			
Short-term Bank Deposits	2,457,097	2,989,000	2,989,280
Non-current Asset			
Long-term Bank Deposits	-	-	-
Shares	-	-	-

The carrying value of long term deposits longer than 12 months approximates their fair value at 31 December 2019.

## 13. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2019						
Buildings	635,218	194,585	-	-	(18,209)	811,595
Building Improvements	308,707	-	-	-	(8,512)	300,195
Furniture and Equipment	311,329	68,547	(886)	-	(41,372)	337,618
Information and Communication	38,414	16,025	(679)	-	(21,063)	32,697
Motor Vehicles	73,573	9,187	-	-	(22,737)	60,023
Leased Assets	56,084	12,244	(579)	-	(27,199)	40,550
Library Resources	41,535	18,123	(4,593)	-	(6,883)	48,181
Balance at 31 December 2019	<u>1,464,860</u>	<u>318,711</u>	<u>(6,737)</u>	<u>-</u>	<u>(145,975)</u>	<u>1,630,859</u>

	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
2019			
Buildings	1,105,005	(293,410)	811,595
Building Improvements	425,589	(125,394)	300,195
Furniture and Equipment	1,800,712	(1,463,094)	337,618
Information and Communication	606,266	(573,569)	32,697
Motor Vehicles	144,761	(84,738)	60,023
Leased Assets	92,599	(52,049)	40,550
Library Resources	106,756	(58,575)	48,181
Balance at 31 December 2019	<u>4,281,688</u>	<u>(2,650,829)</u>	<u>1,630,859</u>

The net carrying value of equipment held under a finance lease is \$40,550 \$ (2018: \$56,084)



	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
	\$	\$	\$	\$	\$	\$
<b>2018</b>						
Buildings	612,921	40,000	-	-	(17,703)	635,218
Building Improvements	317,153	-	-	-	(8,446)	308,707
Furniture and Equipment	305,223	55,477	-	-	(49,371)	311,329
Information and Communication	43,986	4,910	-	-	(10,482)	38,414
Motor Vehicles	71,264	22,671	-	-	(20,362)	73,573
Leased Assets	21,019	68,004	(13,156)	-	(19,783)	56,084
Library Resources	39,019	17,737	(8,329)	-	(6,892)	41,535
<b>Balance at 31 December 2018</b>	<b>1,410,585</b>	<b>208,799</b>	<b>(21,485)</b>	<b>-</b>	<b>(133,039)</b>	<b>1,464,860</b>

	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$
<b>2018</b>			
Buildings	910,420	(275,202)	635,218
Building Improvements	425,589	(116,882)	308,707
Furniture and Equipment	1,739,331	(1,428,002)	311,329
Information and Communication	606,877	(568,463)	38,414
Motor Vehicles	160,525	(86,952)	73,573
Leased Assets	83,355	(27,271)	56,084
Library Resources	93,227	(51,692)	41,535
<b>Balance at 31 December 2018</b>	<b>4,019,324</b>	<b>(2,554,464)</b>	<b>1,464,860</b>

#### 14. Accounts Payable

	2019 Actual	2019 Budget (Unaudited)	2018 Actual
	\$	\$	\$
Operating creditors	90,300	73,693	93,963
Accruals	6,950	(3,867)	(3,867)
Employee Entitlements - salaries	312,788	313,000	300,216
Employee Entitlements - leave accrual	43,791	26,000	26,686
	<b>453,829</b>	<b>408,826</b>	<b>416,998</b>
Payables for Exchange Transactions	453,829	408,826	416,998
	<b>453,829</b>	<b>408,826</b>	<b>416,998</b>

The carrying value of payables approximates their fair value.

#### 15. Revenue Received in Advance

	2019 Actual	2019 Budget (Unaudited)	2018 Actual
	\$	\$	\$
International Student Fees	901,834	950,000	926,647
Hostel Fees	24,440	-	28,902
Other	23,627	-	-
	<b>949,901</b>	<b>950,000</b>	<b>955,549</b>

**16. Provision for Cyclical Maintenance**

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Provision at the Start of the Year	250,563	250,563	219,092
Increase to the Provision During the Year	35,758	-	38,649
Adjustment to the Provision	-	-	26,875
Use of the Provision During the Year	(45,000)	-	(34,053)
Provision at the End of the Year	<u>241,321</u>	<u>250,563</u>	<u>250,563</u>
Cyclical Maintenance - Current	45,000	9,334	9,334
Cyclical Maintenance - Term	196,321	241,229	241,229
	<u>241,321</u>	<u>250,563</u>	<u>250,563</u>

**17. Finance Lease Liability**

The School has entered into a number of finance lease agreements for computers. Minimum lease payments payable: \_\_\_\_\_

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
No Later than One Year	28,663	28,782	28,782
Later than One Year and no Later than Five Years	12,278	33,600	33,600
Later than Five Years	-	-	-
	<u>40,941</u>	<u>62,382</u>	<u>62,382</u>

**18. Funds Held in Trust**

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Funds Held in Trust on Behalf of Third Parties - Current	20,500	118,547	118,547
Funds Held in Trust on Behalf of Third Parties - Non-current	-	-	-
	<u>20,500</u>	<u>118,547</u>	<u>118,547</u>

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

**19. Funds Held for Capital Works**

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

	2019	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution/ (Write-off to R&M)	Closing Balances \$
Capital Works - LED Lighting	In progress	(53,464)	54,303	4,665	-	(3,826)
Dalrymple Block Roofing Project	In progress	9,258	-	-	-	9,258
Boiler Project	In progress	(9,898)	35,710	25,012	-	800
Hall Weatherproofing	In progress	2,672	-	-	-	2,672
Dalrymple Floor covering	In progress	2,627	-	-	-	2,627
Staff/Careers/Admin Upgrade	In progress	61,610	333	29,173	-	32,770
<b>Totals</b>		<b>12,805</b>	<b>90,346</b>	<b>58,850</b>	<b>-</b>	<b>44,301</b>

**Represented By:**

Funds Held on Behalf of the Ministry of Education	48,127
Funds Due from the Ministry of Education	<u>(3,826)</u>
	<u>44,301</u>

	2018	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution/ (Write-off to R&M)	Closing Balances \$
Capital Works- Music Suite	Completed	49,898	-	49,898	-	-
Capital Works - LED Lighting	In progress	(10,285)	-	43,179	-	(53,464)
Dalrymple Block Roofing Project	In progress	9,258	-	-	-	9,258
Capital Works - Roofing Project	Completed	258	-	258	-	-
Capital Works - WASNUP	Completed	(7,889)	7,889	-	-	-
Gym Flood	Completed	2,869	-	2,869	-	-
Capital Works Project - Boiler	In progress	(6,445)	7,245	10,698	-	(9,898)
ICT Room Laptop Fire	Completed	24	-	24	-	-
Hall Weatherproofing Project	In progress	-	2,672	-	-	2,672
Dalrymple Floor coverings	In progress	-	2,627	-	-	2,627
Staff/Careers/Admin Upgrade	In progress	-	80,000	18,390	-	61,610
<b>Totals</b>		<b>37,688</b>	<b>100,433</b>	<b>106,926</b>	<b>-</b>	<b>12,805</b>

**Represented By:**

Funds Held on Behalf of the Ministry of Education	76,167
Funds Due from the Ministry of Education	<u>(63,362)</u>
	<u>12,805</u>

**20. Funds Held of Behalf of Cluster**

	2019 Actual \$	2019 Budget \$	2018 Actual \$
Funds Held at Beginning of the Year	2,536	2,536	3,062
Funds Received from Cluster Members	342	-	33,114
Funds Received from MoE	85,605	10,819	-
Funds Spent on Behalf of the Cluster	(68,301)	1,178	(33,640)
<b>Funds Held at Year End</b>	<b>20,182</b>	<b>14,533</b>	<b>2,536</b>

## 21. 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.

## 22. Remuneration

### Key management personnel compensation

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

	2019 Actual \$	2018 Actual \$
<i>Board Members</i>		
Remuneration	6,770	7,065
Full-time equivalent members	0.40	0.46
<i>Leadership Team</i>		
Remuneration	571,903	400,711
Full-time equivalent members	4.00	4.00
Total key management personnel remuneration	578,673	407,776
Total full-time equivalent personnel	4.40	4.46

The full time equivalent for Board members has been determined based on attendance at Board meetings, Committee meetings and for other obligations of the Board, such as stand downs and suspensions, plus the estimated time for Board members to prepare for meetings.

### Principal

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

	2019 Actual \$	2018 Actual \$
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	150 - 170	170 - 180
Benefits and Other Emoluments	0 - 10	0 - 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 \$	2019 FTE Number	2018 FTE Number
110 - 120	-	-
100 - 110	1.00	1.00
	1.00	1.00

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

### 23. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2019 (Contingent liabilities and assets at 31 December 2018: nil).

#### Holidays Act Compliance – schools payroll

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

The Ministry has commenced a review of the schools sector payroll to ensure compliance with the Holidays Act 2003. The initial phase of this review has identified areas of non-compliance, however the potential impact on any specific school or individual and any associated historical liability will not be known until further detailed analysis has been completed.

To the extent that any obligation cannot reasonably be quantified at 31 December 2019, a contingent liability for the school may exist.

### 24. Commitments

#### (a) Capital Commitments

As at 31 December 2019 the Board has not entered into any contract agreements for capital works.

(Capital commitments at 31 December 2018: nil)

#### (b) Operating Commitments

As at 31 December 2019 the Board has not entered into any operating contracts:

(a) operating lease of a photocopier;

No later than One Year  
Later than One Year and No Later than Five Years  
Later than Five Years

2019 Actual \$	2018 Actual \$
25,692	-
-	-
-	-
<u>25,692</u>	<u>-</u>

13964.  
5396

### 25. Managing Capital

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

## 26. Financial Instruments

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

### Loans and Receivables

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Cash and Cash Equivalents	379,546	319,105	245,951
Receivables	456,945	448,345	448,345
Investments - Term Deposits	2,457,097	2,989,000	2,989,280
Total Loans and Receivables	<u>3,293,588</u>	<u>3,756,450</u>	<u>3,683,575</u>

### Financial liabilities measured at amortised cost

Payables	453,829	408,826	416,998
Finance Leases	40,941	55,705	55,705
Total Financial Liabilities Measured at Amortised Cost	<u>494,770</u>	<u>464,531</u>	<u>472,703</u>

## 27. Events after Balance Date

On March 11, 2020 the World Health Organisation declared the outbreak of COVID-19 (a novel Coronavirus) a pandemic. Two weeks later, on 26 March, New Zealand increased its COVID-19 alert to level 4 and a nationwide lockdown commenced. As part of this lockdown all schools were closed. Subsequently all schools and kura reopened on the 18th of May 2020.

At the date of issuing the financial statements, the school has been able to absorb some of the impact from the nation wide lockdown as it was decided to start the annual Easter School holidays early. In the periods the school is open for tuition, the school has switched to alternative methods of delivering the curriculum, so students can learn remotely. At this time the full financial impact of the COVID-19 pandemic is not able to be determined. The school will continue to receive funding from the Ministry of Education, even while closed. However, economic uncertainties have arisen which are likely to negatively affect the operations and services of the school. We describe below the possible effects on the school that we have identified, resulting from the COVID-19 pandemic.

A reduction in locally raised funds revenue because the schools ability to undertake fund raising events in the community and/or collect donations or other contributions from parents, may be compromised. Costs already incurred arranging future events may not be recoverable.

Additional costs incurred developing alternative methods of delivering curriculum to students, so that they can learn remotely.

A reduction in revention from student fees and charges from International students and/or Board of Trustee boarding facilities, including the potential loss of current and prospective students due to the disruption and/or pressures created by COVID-19.



## INDEPENDENT AUDITOR'S REPORT

### TO THE READERS OF OTAGO GIRLS' HIGH SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

The Auditor-General is the auditor of Otago Girls' High School (the School). The Auditor-General has appointed me, Mike Hawken, 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 2 to 20, that comprise the statement of financial position as at 31 December 2019, 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 2019; 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 28 May 2020. This is the date at which our opinion is expressed.

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

#### Emphasis of Matter – COVID-19

Without modifying our opinion, we draw attention to the disclosures in note 27 on page 20 which outline the possible effects of the Alert Level 4 lockdown as a result of the COVID-19 pandemic.

#### Basis for our opinion

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

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

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

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

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

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

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

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

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

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

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

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

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

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



# Deloitte.

related to events or conditions that may cast significant doubt on the School's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the School to cease to continue as a going concern.

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

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

Our responsibilities arise from the Public Audit Act 2001.

## **Other information**

The Board of Trustees is responsible for the other information. The other information comprises the information included on pages accompanying the financial statements, and our auditor's report thereon.

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

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

## **Independence**

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

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



Mike Hawken  
Deloitte Limited  
On behalf of the Auditor-General  
Dunedin, New Zealand  
28 May 2020