

TAURANGA BOYS COLLEGE

ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

School Directory

Ministry Number: 121

Principal: Mr Andrew Turner

School Address: 664 Cameron Road, Tauranga 3112

School Postal Address: 664 Cameron Road, Tauranga 3112

School Phone: 07 5784029

School Email: tbc@tbc.school.nz

Members of the Board:

Name	Position	How Position Gained		Term Expired/ Expires
Mr Andrew Turner	Principal		ex Officio	
Ms Nikki Iuli	Parent Rep		Elected	Nov-23
Mr Robert Dunne	Parent Rep		Elected	Jun-25
Mr Charl Louw	Parent Rep		Elected	Jun-25
Mr Charles Palmer	Parent Rep		Elected	Jun-25
Mr Darryl McConnell	Parent Rep		Elected	Jun-25
Mr Rob Warner	Staff Rep		Elected	Jun-22
Mr Jordan Evison	Staff Rep		Elected	Jun-25

TAURANGA BOYS COLLEGE

Annual Financial Statements - For the year ended 31 December 2023

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Tauranga Boys College

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.

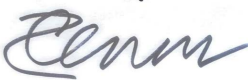
The management (including the Principal and others, as directed by the Board) accepts responsibility for establishing and maintaining a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of the school's financial reporting.

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.

Robert Dunne

Full Name of Presiding Member



Signature of Presiding Member

30 May 2024

Date:

Andrew Turner

Full Name of Principal



Signature of Principal

30 May 2024

Date:

Tauranga Boys College

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2023

	Notes	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Revenue				
Government Grants	2	22,958,859	20,388,600	20,787,138
Locally Raised Funds	3	4,262,250	2,107,500	2,632,432
Interest Income		254,819	81,000	57,765
Gain on Sale of Property, Plant and Equipment		4,196	-	35,362
Other Revenue		66,963	-	26,316
Total Revenue		27,547,087	22,577,100	23,539,013
Expense				
Locally Raised Funds	3	2,531,632	784,700	1,561,006
Learning Resources	4	17,488,092	15,848,500	15,803,666
Administration	5	2,980,894	2,595,000	2,368,648
Interest		35,230	39,000	35,831
Property	6	3,749,861	3,269,200	3,180,738
Other Expenses	7	3,204	-	(2,009)
Loss on Disposal of Property, Plant and Equipment		22,726	-	-
Total Expense		26,811,639	22,536,400	22,947,880
Net Surplus / (Deficit) for the year		735,448	40,700	591,133
Total Comprehensive Revenue and Expense for the Year		735,448	40,700	591,133

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



Tauranga Boys College

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2023

	Notes	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Equity at 1 January		5,899,433	5,262,703	5,222,005
Total comprehensive revenue and expense for the year		735,448	40,700	591,133
Contribution - Furniture and Equipment Grant		160,000	-	86,297
Equity at 31 December		6,794,881	5,303,403	5,899,435
Accumulated comprehensive revenue and expense		6,794,881	5,303,403	5,899,434
Equity at 31 December		6,794,881	5,303,403	5,899,434

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.



Tauranga Boys College

Statement of Financial Position

As at 31 December 2023

	Notes	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Current Assets				
Cash and Cash Equivalents	8	518,721	403,403	4,565,811
Accounts Receivable	9	1,673,909	1,000,000	1,407,388
GST Receivable		132,647	50,000	18,438
Prepayments		175,499	200,000	70,681
Inventories	10	373,856	150,000	222,925
Investments		4,110,228	4,000,000	235,000
Funds Receivable for Capital Works Projects	19	327,153	-	97,511
		<u>7,312,012</u>	<u>5,803,403</u>	<u>6,617,754</u>
Current Liabilities				
Accounts Payable	14	2,168,694	1,850,000	1,918,174
Revenue Received in Advance	15	1,177,163	1,000,000	816,740
Provision for Cyclical Maintenance	16	289,323	500,000	648,480
Finance Lease Liability	17	93,380	100,000	167,149
Funds held in Trust	18	924,049	750,000	705,029
Funds held for Capital Works Projects	19	215,957	500,000	584,744
Funds held on behalf of School Cluster	20	-	-	64,317
		<u>4,868,566</u>	<u>4,700,000</u>	<u>4,904,633</u>
Working Capital Surplus/(Deficit)		2,443,446	1,103,403	1,713,121
Non-current Assets				
Property, Plant and Equipment	12	4,675,009	4,600,000	3,912,076
Work in Progress	13	79,334	-	638,019
		<u>4,754,343</u>	<u>4,600,000</u>	<u>4,550,095</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	16	345,744	200,000	228,406
Finance Lease Liability	17	57,164	150,000	135,376
		<u>402,908</u>	<u>350,000</u>	<u>363,782</u>
Net Assets		<u><u>6,794,881</u></u>	<u><u>5,353,403</u></u>	<u><u>5,899,434</u></u>
Equity		<u><u>6,794,881</u></u>	<u><u>5,303,403</u></u>	<u><u>5,899,436</u></u>

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



Tauranga Boys College

Statement of Cash Flows

For the year ended 31 December 2023

	Note	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Cash flows from Operating Activities				
Government Grants		5,967,473	11,151,303	5,698,973
Locally Raised Funds		3,438,772	341,300	2,292,942
International Students		1,173,291	1,766,200	677,144
Goods and Services Tax (net)		(114,212)	(50,000)	66,996
Payments to Employees		(3,376,433)	(3,049,100)	(2,798,504)
Payments to Suppliers		(5,859,971)	(1,958,300)	(4,629,622)
Interest Paid		(35,230)	(39,000)	(35,831)
Interest Received		157,147	81,000	66,651
Net cash from/(to) Operating Activities		1,350,837	8,243,403	1,338,747
Cash flows from Investing Activities				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		(18,530)	-	35,362
Purchase of Property Plant & Equipment (and Intangibles)		(1,318,757)	(5,390,000)	(461,213)
Purchase of Investments		(3,765,228)	(4,000,000)	2,304,846
Net cash from/(to) Investing Activities		(5,102,515)	(9,390,000)	1,878,994
Cash flows from Financing Activities				
Furniture and Equipment Grant		160,000	-	86,297
Finance Lease Payments		(131,329)	250,000	(83,847)
Funds Administered on Behalf of Other Parties		(214,084)	1,300,000	827,197
Net cash from/(to) Financing Activities		(185,413)	1,550,000	829,646
Net increase/(decrease) in cash and cash equivalents		(3,937,091)	403,403	4,047,387
Cash and cash equivalents at the beginning of the year	8	4,455,812	-	518,424
Cash and cash equivalents at the end of the year	8	518,721	403,403	4,565,811

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.



Tauranga Boys College

Notes to the Financial Statements

For the year ended 31 December 2023

1. Statement of Accounting Policies

a) Reporting Entity

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

b) Basis of Preparation

Reporting Period

The financial statements have been prepared for the period 1 January 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 expense threshold of \$30 million per year. All relevant reduced disclosure concessions have been taken.

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

The following disclosures are examples of critical accounting estimates:

Cyclical maintenance

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

Useful lives of property, plant and equipment

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment, as disclosed in the significant accounting policies, are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 12.



Critical Judgements in applying accounting policies

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

Classification of leases

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

Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant, and equipment, whereas for an operating lease no such asset is recognised. Finance lease liability disclosures are contained in note 17.

Recognition of grants

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

c) Revenue Recognition

Government Grants

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

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

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

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

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 released to revenue as the conditions are fulfilled.

Donations, Gifts and Bequests

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

Interest Revenue

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

d) 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.

e) 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.



f) 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.

g) Accounts Receivable

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

h) Inventories

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

i) 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 material.

j) 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	10–75 years
Board Owned Buildings	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 held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value

k) Intangible Assets

Software costs

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

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

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

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

Non cash generating assets

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

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

In determining fair value less costs to sell, the School engages an independent valuer to assess market value based on the best available information. The valuation is based on [details of the valuer's approach to determining market value (i.e. what valuation techniques have been employed, comparison to recent market transaction etc.)].

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 surplus or deficit.

The reversal of an impairment loss is recognised in 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.

m) 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.

n) 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 and 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.

o) Revenue Received in Advance

Revenue received in advance relates to fees received from [international students] 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 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.

p) 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.

q) 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.



r) 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.

s) Provision for Cyclical Maintenance

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

Cyclical maintenance, which involves painting the interior and exterior of the School, makes up the most significant part of the Board's responsibilities outside day-to-day maintenance. The provision 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 7 to 10 year period. The economic outflow of this is dependent on the plan established by the school to meet this obligation and is detailed in the notes and disclosures of these accounts.

t) 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.

Investments that are shares are categorised as 'financial assets at fair value through other comprehensive revenue and expense' for accounting purposes in accordance with financial reporting standards. On initial recognition of an equity investment that is not held for trading, the School may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive revenue and expense. This election has been made for investments that are shares. Subsequent to initial recognition, these assets are measured at fair value. Dividends are recognised as income in surplus or deficit unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in other comprehensive revenue and expense and are never reclassified to surplus or deficit.

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.

u) Borrowings

Borrowings on normal commercial terms are initially recognised at the amount borrowed plus transaction costs. Interest due on the borrowings is subsequently accrued and added to the borrowings balance. Borrowings are classified as current liabilities unless the school has an unconditional right to defer settlement of the liability for at least 12 months after balance date.

v) Goods and Services Tax (GST)

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

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

Commitments and contingencies are disclosed exclusive of GST.

w) Budget Figures

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

x) Services received in-kind

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



2. Government Grants

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Government Grants - Ministry of Education	5,920,555	5,733,600	5,690,070
Teachers' Salaries Grants	14,351,920	12,500,000	12,993,917
Use of Land and Buildings Grants	2,294,382	2,000,000	1,953,012
Other Government Grants	392,002	155,000	150,139
	<u>22,958,859</u>	<u>20,388,600</u>	<u>20,787,138</u>

3. Locally Raised Funds

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

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Revenue			
Donations & Bequests	573,899	540,800	427,307
Curriculum related Activities - Purchase of goods and services	174,296	72,000	158,773
Fees for Extra Curricular Activities	1,172,283	-	1,059,515
Fees for Extra Curricular Trip - Digital Technology trip to USA	404,312	-	-
Fees for Extra Curricular Trip - Languages trip to Japan	125,694	-	-
Trading	404,097	314,000	289,576
Fundraising & Community Grants	525	-	476
Other Revenue	468,602	414,500	399,580
International Student Fees	938,542	766,200	297,205
	<u>4,262,250</u>	<u>2,107,500</u>	<u>2,632,432</u>
Expense			
Extra Curricular Activities Costs	1,040,086	-	951,212
Extra Curricular Trip Costs - Digital Technology trip to USA	404,312	-	-
Extra Curricular Trip Costs - Languages trip to Japan	123,840	-	-
Trading	384,120	262,800	248,451
Other Locally Raised Funds Expenditure	1,386	-	2,337
International Student - Student Recruitment	109,498	108,100	74,524
International Student - Employee Benefits - Salaries	263,046	256,600	188,194
International Student - Other Expenses	205,344	157,200	96,288
	<u>2,531,632</u>	<u>784,700</u>	<u>1,561,006</u>
<i>Surplus/ (Deficit) for the year Locally Raised Funds</i>	<u>1,730,618</u>	<u>1,322,800</u>	<u>1,071,426</u>

During the year ended December 2023, 20 students and 2 staff members undertook a language and culture tour to Japan at a cost of \$6000 per student (\$120000). The trip included visits to the main centres of Tokyo, Osaka, Kyoto, and Hiroshima in order to view and experience significant cultural, historical and natural attractions. Students also visited a boys' secondary school and homestayd with students while attending school. This tour enabled the students to experience a completely different culture, enabling greater intercultural understanding, invaluable language practice and use, and knowledge of history, religion, and other cultural aspects.



During the year ended December 2023 the Digital Technologies Department ran a very successful trip to San Francisco, Seattle, Portland and Los Angeles at a cost of \$414,688. We took a group of 40 students, four parents and five teachers. We visited many amazing historical and current digital technologies locations with the highlights being guided tours of Google and Nike. We all know the impact that digital technologies are having on the way we live. We want to incorporate activities that encourage our students to be creators of digital technology, not just users. This trip was a great way to see the entire technology process in action, from plans and concepts through to models, prototypes and the eventual outcome. Silicon Valley and Seattle are the birthplaces of some of the most significant companies in Digital Technology and therefore a place for inspiration for those that visit. Silicon Valley serves as the global center for high technology, venture capital, innovation, and social media. The area is now the home to many of the world's largest high-tech corporations, including the headquarters of 39 businesses in the Fortune 1000, and thousands of start-up companies. This tour was funded through locally raised funds.

4. Learning Resources

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Curricular	1,988,177	1,939,300	1,574,546
Information and Communication Technology	90,463	100,000	76,831
Library Resources	37,947	12,000	19,047
Employee Benefits - Salaries	14,766,177	12,975,000	13,464,024
Staff Development	33,125	32,200	27,404
Depreciation	572,203	790,000	641,814
	<u>17,488,092</u>	<u>15,848,500</u>	<u>15,803,666</u>

5. Administration

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Audit Fees	12,000	12,000	12,680
Board Fees	3,886	5,000	3,585
Board Expenses	7,950	5,000	29,595
Communication	18,850	20,000	18,996
Consumables	26,766	25,000	24,303
Operating Leases	21,963	21,000	20,934
Legal Fees	5,555	30,000	41,569
Other	287,466	162,000	142,377
Employee Benefits - Salaries	2,326,248	2,090,300	1,845,075
Insurance	84,080	67,200	56,908
Service Providers, Contractors and Consultancy	186,130	157,500	172,626
	<u>2,980,894</u>	<u>2,595,000</u>	<u>2,368,648</u>



6. Property

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Caretaking and Cleaning Consumables	41,556	45,000	40,366
Consultancy and Contract Services	313,254	301,000	288,553
Cyclical Maintenance Provision	83,466	70,000	75,003
Grounds	106,719	100,000	104,403
Heat, Light and Water	228,953	240,000	214,006
Rates	42,126	41,000	37,672
Repairs and Maintenance	195,615	130,000	117,082
Use of Land and Buildings	2,294,382	2,000,000	1,953,012
Security	26,227	15,000	11,294
Employee Benefits - Salaries	417,563	327,200	339,347
	<u>3,749,861</u>	<u>3,269,200</u>	<u>3,180,738</u>

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

7. Other Expense

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
Transport	3,204	-	(2,009)
	<u>3,204</u>	<u>-</u>	<u>(2,009)</u>

8. Cash and Cash Equivalents

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Bank Accounts	518,721	403,403	4,177,991
Short-term Bank Deposits	-	-	387,820
Cash and cash equivalents for Statement of Cash Flows	<u>518,721</u>	<u>403,403</u>	<u>4,565,811</u>

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

The following notes should be used where applicable:

Of the \$518,721 Cash and Cash Equivalents, \$355,897 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.



9. Accounts Receivable

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Receivables	344,841	1,000,000	267,268
Receivables from the Ministry of Education	78,411	-	-
Interest Receivable	102,666	-	4,994
Teacher Salaries Grant Receivable	1,147,991	-	1,135,126
	<u>1,673,909</u>	<u>1,000,000</u>	<u>1,407,388</u>
Receivables from Exchange Transactions	447,507	1,000,000	272,262
Receivables from Non-Exchange Transactions	1,226,402	-	1,135,126
	<u>1,673,909</u>	<u>1,000,000</u>	<u>1,407,388</u>

10. Inventories

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Stationery	28,265	-	13,147
School Uniforms	345,591	150,000	209,778
Canteen	-	-	-
	<u>373,856</u>	<u>150,000</u>	<u>222,925</u>

11. Investments

The School's investment activities are classified as follows:

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Current Asset			
Short-term Bank Deposits	4,110,228	4,000,000	235,000
Total Investments	<u>4,110,228</u>	<u>4,000,000</u>	<u>235,000</u>



12. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2023	\$	\$	\$	\$	\$	\$
Buildings	2,603,019	720,988	(18,325)	-	(128,709)	3,176,973
Furniture and Equipment	787,162	516,278	(3,369)	-	(260,440)	1,039,632
Information and Communication Technology	134,433	105,004	(1,031)	-	(73,048)	165,358
Motor Vehicles	116,567	7,850	-	-	(31,338)	93,080
Textbooks	7,420	-	-	-	(5,104)	2,316
Leased Assets	175,119	16,379	-	-	(62,520)	128,979
Library Resources	88,356	-	(8,638)	-	(11,046)	68,672
Balance at 31 December 2023	3,912,076	1,366,500	(31,363)	-	(572,203)	4,675,010

	2023	2023	2023	2022	2022	2022
	Cost or Valuation	Accumulated Depreciation	Net Book Value	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$	\$	\$	\$
Buildings	5,021,550	(1,844,577)	3,176,973	4,390,360	(1,787,341)	2,603,019
Furniture and Equipment	4,905,230	(3,865,599)	1,039,632	4,577,491	(3,790,329)	787,162
Information and Communication Technology	930,902	(765,544)	165,358	894,958	(760,525)	134,433
Motor Vehicles	324,595	(231,515)	93,080	342,745	(226,178)	116,567
Textbooks	16,974	(14,658)	2,316	37,578	(30,158)	7,420
Leased Assets	581,861	(452,882)	128,979	1,420,201	(1,245,082)	175,119
Library Resources	181,196	(112,525)	68,672	200,416	(112,060)	88,356
Balance at 31 December 2023	11,962,308	(7,287,299)	4,675,009	11,863,749	(7,951,673)	3,912,076

13. Work in Progress

	2023 Actual	2023 Budget	2022 Actual
	\$	\$	\$
Aronui entrance and carving	63,743	-	-
Volleyball court	14,091	-	-
School house garage conversion	1,500	-	-
	79,334	-	-

14. Accounts Payable

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Creditors	639,820	1,750,000	554,497
Accruals	119,926	-	12,274
Employee Entitlements - Salaries	1,272,531	-	1,249,035
Employee Entitlements - Leave Accrual	136,417	100,000	102,368
	2,168,694	1,850,000	1,918,174
Payables for Exchange Transactions	2,168,694	1,850,000	1,918,174
	2,168,694	1,850,000	1,918,174



The carrying value of payables approximates their fair value.

15. Revenue Received in Advance

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
International Student Fees in Advance	845,862	1,000,000	611,113
Other revenue in Advance	331,301	-	205,627
	<u>1,177,163</u>	<u>1,000,000</u>	<u>816,740</u>

16. Provision for Cyclical Maintenance

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Provision at the Start of the Year	876,886	-	1,150,377
Increase to the Provision During the Year	83,466	70,000	75,003
Use of the Provision During the Year	(325,285)	-	(348,494)
Provision at the End of the Year	<u>635,067</u>	<u>70,000</u>	<u>876,886</u>
Cyclical Maintenance - Current	289,323	500,000	648,480
Cyclical Maintenance - Non current	345,744	200,000	228,406
	<u>635,067</u>	<u>700,000</u>	<u>876,886</u>

The schools cyclical maintenance schedule details annual painting to be undertaken. The costs associated with this annual work will vary depending on the requirements during the year. This plan is based on the schools 10 Year Property plan, painting quotes and an assessment from our Property Manager as to when painting work will be undertaken.

17. Finance Lease Liability

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

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
No Later than One Year	93,380		169,824
Later than One Year and no Later than Five Years	57,164		130,242
	<u>150,544</u>	<u>-</u>	<u>300,066</u>
Represented by			
Finance lease liability - Current	93,380		167,149
Finance lease liability - Non current	57,164		135,376
	<u>150,544</u>	<u>-</u>	<u>302,525</u>

18. Funds held in Trust

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Funds Held in Trust on Behalf of Third Parties - Current	924,049	750,000	705,029
Funds Held in Trust on Behalf of Third Parties - Non-current	-	-	-
	<u>924,049</u>	<u>750,000</u>	<u>705,029</u>

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



19. 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 8.

		2023	Opening Balances \$	Receipts from MOE \$	Payments \$	Board Contributions \$	Closing Balances \$
LED Lighting and acoustics	<i>In Progress</i>		32,885	-	-		32,885
Music Block	<i>In Progress</i>		(43,013)	250,000	(399,830)		(192,843)
Rugby Change Rooms	<i>In Progress</i>		49,563	-	-		49,563
Fire system upgrade	<i>Completed</i>		(10,445)	14,575	(15,825)		(11,695)
Decks	<i>In Progress</i>		20,000	-	-		20,000
Weathertightness	<i>In Progress</i>		(3,687)	-	(417)		(4,105)
Floor Coverings	<i>In Progress</i>		228,383	2,450	(117,324)		113,510
Special Needs Mods	<i>In Progress</i>		135,049	-	(166,037)		(30,989)
K Block Toilets	<i>Completed</i>		76,733	-	(119,704)		(42,971)
Roof Replacement and Remediation	<i>Completed</i>		41,827	5,347	(47,174)		(0)
T Block Refurb	<i>Completed</i>		(40,061)	-	-		(40,061)
Boiler Replacement	<i>In Progress</i>		-	-	(4,490)		(4,490)
Totals			487,232	272,373	(870,801)	-	(111,197)

Represented by:

Funds Held on Behalf of the Ministry of Education	215,957
Funds Receivable from the Ministry of Education	(327,153)

		2022	Opening Balances \$	Receipts from MOE \$	Payments \$	Board Contributions \$	Closing Balances \$
LED Lighting and acoustics	<i>In Progress</i>		45,462	-	(12,578)	-	32,885
Music Block	<i>In Progress</i>		24,557	-	(67,570)	-	(43,013)
Nelson Block	<i>Completed</i>		3,531	-	(3,531)	-	0
Rugby Change Rooms	<i>In Progress</i>		49,563	-	-	-	49,563
Fire system upgrade	<i>Completed</i>		305	-	-	-	305
Decks	<i>In Progress</i>		20,000	-	-	-	20,000
Weathertightness	<i>In Progress</i>		(3,687)	-	-	-	(3,687)
Floor Coverings	<i>In Progress</i>		(3,125)	422,312	(190,803)	-	228,383
Special Needs Mods	<i>In Progress</i>		(1,500)	156,124	(19,576)	-	135,049
K Block Toilets	<i>In Progress</i>			91,942	(15,209)	-	76,733
Roof Replacement and Remediation	<i>In Progress</i>			47,775	(5,948)	-	41,827
T Block Refurb	<i>In Progress</i>		(18,963)	-	(21,098)	-	(40,061)
Fire Alarms	<i>In Progress</i>			-	(10,750)	-	(10,750)
Totals			116,142	718,153	(347,063)	-	487,232

Represented by:

Funds Held on Behalf of the Ministry of Education	584,744
Funds Receivable from the Ministry of Education	(97,511)



20. Funds Held on Behalf of Cluster / Transport Network

Tauranga Boys College was the lead school funded by the Ministry of Education to provide administration services to its cluster of schools.

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Funds Held at Beginning of the Year	64,317		57,731
Funds Received from Cluster Members	77,041		60,993
Funds Received from MOE			7,750
Total funds received	77,041	-	68,743
Funds Spent on Behalf of the Cluster	98,617		62,157
Funds remaining	(21,576)	-	6,586
Distribution of Funds Green Park School	42,741		
Funds Held at Year End	-	-	64,317

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 Board members, Principal, Deputy Principals and Heads of Departments.

	2023 Actual \$	2022 Actual \$
<i>Board Members</i> Remuneration	3,886	3,585
<i>Leadership Team</i> Remuneration Full-time equivalent members	3,098,302 25	3,491,164 32
Total key management personnel remuneration	3,102,188	3,494,749

There are seven members of the Board excluding the Principal. The Board has held eight full meetings of the Board in the year. The Board also has Finance (5 members) and Property (4 members) committees 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 1

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	220 - 230	110 - 120
Benefits and Other Emoluments	-	15 - 20
Termination Benefits	-	-

Principal 2

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	-	110 - 120
Benefits and Other Emoluments	-	5 - 10
Termination Benefits	-	-

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	37	29
110 - 120	24	12
120 - 130	11	1
130 - 140	2	2
140 - 150	3	0
150 - 160	1	1
	78	45

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 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.

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

24. Commitments

(a) Capital Commitments

At 31 December 2023, the Board had capital commitments of \$348,034 (2022:\$0) as a result of entering the following contracts:

Contract Name	Contract Amount	Spend To Date	Remaining Capital Commitment
	\$	\$	\$
Music Block Extension	723,169	502,843	220,326
School House Garage Conversion	127,708	-	127,708
Total	850,877	502,843	348,034

25. 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 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Cash and Cash Equivalents	518,721	403,403	4,565,811
Receivables	1,673,909	1,000,000	1,407,388
Investments - Term Deposits	4,110,228	4,000,000	235,000
Total financial assets measured at amortised cost	<u>6,302,858</u>	<u>5,403,403</u>	<u>6,208,199</u>

Financial liabilities measured at amortised cost

Payables	2,168,694	1,850,000	1,918,174
Finance Leases	150,544	250,000	302,525
Painting Contract Liability	-	-	-
Total financial liabilities measured at amortised cost	<u>2,319,238</u>	<u>2,100,000</u>	<u>2,220,699</u>

26. Events After Balance Date

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



INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF TAURANGA BOYS COLLEGE'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

The Auditor-General is the auditor of Tauranga Boys College (the School). The Auditor-General has appointed me, Donna Taylor, using the staff and resources of BDO Tauranga, 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 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 Benefit Entity Standards Reduced Disclosure Regime as applicable to entities that qualify as Tier 2.

Our audit was completed on 30 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 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 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 Edpay payroll system, which may still contain errors. As a result, we carried out procedures to minimise the risk of material

errors arising from the system that, in our judgement, would likely influence readers' overall understanding of the financial statements.

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

Our responsibilities arises from the Public Audit Act 2001.

Other information

The Board is responsible for the other information. The other information comprises the Statement of Responsibility, Members of the Board Listing, Statement of Variance, Kiwisport Report, Report on how the school has given effect to Te Tiriti o Waitangi, Evaluation of the School's Students' Progress and Achievement, and the 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* issued by the New Zealand Auditing and Assurance Standards Board.

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



Donna Taylor
BDO Tauranga
On behalf of the Auditor-General
Tauranga, New Zealand