

# **SOUTHLAND GIRLS' HIGH SCHOOL**

## **ANNUAL FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 31 DECEMBER 2024**

#### **School Directory**

<b>Ministry Number:</b>	405
<b>Principal:</b>	Yvonne Browning
<b>School Address:</b>	328 Tweed Street, Invercargill 9812
<b>School Postal Address:</b>	328 Tweed Street, Invercargill 9812
<b>School Phone:</b>	03 211 6030
<b>School Email:</b>	excellence@southlandgirls.school.nz
<b>Accountant/Service Provider:</b>	Karen Botting (In-House)

#### **Members of the Board :**

<b>Name</b>	<b>Position</b>	<b>How Position Gained</b>	<b>Term Expired/Expires</b>
Aaron McKenzie	Presiding Member, Parent Representative	Elected September 2022	August 2025
Kelly Tagg	Deputy Presiding Member, Parent Representative	Elected September 2022	August 2025
Yvonne Browning	Principal	Appointed March 2003	
Liz Henry	Parent Representative	Elected September 2022	August 2025
Michelle Mitchell	Parent Representative	Elected September 2022	August 2025
Tarl Barnes	Parent Representative	Co-opted July 2023	June 2025
Nigel Finnerty	Parent Representative	Casual Vacancy replacement August 2023	August 2025
Marama Davis	Staff Representative	Elected February 2023	August 2025
Lucy Sparrow	Student Representative	Elected September 2023	September 2024
Tyla Robinson	Student Representative	Elected September 2024	September 2025

# **SOUTHLAND GIRLS' HIGH SCHOOL**

Annual Financial Statements - For the year ending 31 December 2024

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# Southland Girls' High School

## Statement of Responsibility

For the year ending 31 December 2024


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 2024 fairly reflects the financial position and operations of the school.


The School's 2024 financial statements are authorised for issue by the Board.

Aaron McKenzie  
Full Name of Presiding Member

  
Signature of Presiding Member

3/6/2025  
Date

Yvonne Brown  
Full Name of Principal

  
Signature of Principal

3/6/25  
Date

**Southland Girls' High School**  
**Statement of Comprehensive Revenue and Expense**  
For the year ended 31 December 2024

		2024	2024	2023
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
<b>Revenue</b>				
Government grants	2	11,367,915	10,950,514	11,027,408
Locally Raised Funds	3	1,760,370	1,002,506	1,180,708
Interest		107,148	66,000	68,692
Hostel	4	1,055,922	1,027,719	946,238
Gain on Disposal of Property, Plant and Equipment		11,675	-	-
<b>Total Revenue</b>		14,303,030	13,046,739	13,223,046
<b>Expenses</b>				
Locally Raised Funds	3	1,191,520	658,628	805,717
Hostel	4	1,148,090	1,019,601	941,261
Learning resources	5	8,882,263	8,758,787	8,662,611
Administration	6	772,385	729,696	752,131
Interest		10,103	13,043	11,947
Property	7	2,030,205	1,769,056	2,021,758
Loss on Disposal of Property, Plant and Equipment		30,094	-	9,936
<b>Total Expense</b>		14,064,660	12,948,811	13,205,361
	11			
<b>Net Surplus for the year</b>		238,370	97,928	17,685
Other Comprehensive Revenue and Expenses				
<b>Total Comprehensive Revenue and Expense for the Year</b>		238,370	97,928	17,685

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

**Southland Girls' High School**  
**Statement of Changes in Net Assets/Equity**  
For the year ended 31 December 2024

	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
<b>Equity at 1 January</b>	1,859,767	1,859,767	1,887,550
Total comprehensive revenue and expense for the year	238,370	97,928	(17,178)
Contribution - Furniture and Equipment Grant	79,177	187,080	(10,605)
<b>Equity at 31 December</b>	2,177,314	2,144,775	1,859,767
Accumulated comprehensive revenue and expense	2,184,485	2,179,638	1,894,630
Reserves - Dorothy Grantham Camp Fund & Maori Initiative Fund			
Opening balance	(34,863)	(34,863)	-
Surplus for the year	27,692	-	(34,863)
Closing balance	(7,171)	(34,863)	(34,863)
<b>Equity at 31 December 2024</b>	2,177,314	2,144,775	1,859,767

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.

# Southland Girls' High School

## Statement of Financial Position

As at 31 December 2024

		2024	2024	2023
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
		\$	\$	\$
<b>Current Assets</b>				
Cash and cash equivalents	8	424,909	1,026,475	1,122,339
Accounts receivable	9	756,403	1,116,224	694,883
GST Receivable		20,872	-	-
Prepayments		99,839	83,355	83,652
Inventories	10	79,856	56,516	69,384
Investments	11	1,280,735	1,027,976	810,757
Funds Receivable for Capital Works Projects	19	20,452	-	50,409
		2,683,066	3,310,546	2,831,424
<b>Current Liabilities</b>				
Accounts payable	13	1,033,922	1,063,345	1,057,479
GST Payable		-	13,042	13,045
Revenue Received in Advance	14	489,060	978,188	601,171
Provision for cyclical maintenance	15	14,837	75,218	45,342
Borrowings	16	79,349	36,306	69,532
Finance Lease liability	17	39,659	42,035	42,035
Funds held in Trust	18	330,200	392,082	400,255
Funds held for Capital Works Projects	19	60,642	158,909	209,318
Funds held on behalf of Refugee Cluster	20	3,100	3,100	3,100
		2,050,770	2,762,225	2,441,277
<b>Working Capital Surplus</b>		632,296	548,321	390,147
<b>Non-current Assets</b>				
Investments	11	1,731	3,067	3,067
Property, plant and equipment	12	1,854,073	1,865,699	1,738,880
		1,855,804	1,868,766	1,741,947
<b>Non-current Liabilities</b>				
Provision for cyclical maintenance	15	182,202	234,544	248,303
Borrowings	16	64,737	-	-
Finance Lease liability	17	63,848	24,024	24,024
Funds held in Trust	18	-	13,744	-
		310,787	272,312	272,327
<b>Net Assets</b>		2,177,314	2,144,775	1,859,767
<b>Equity</b>		2,177,314	2,144,775	1,859,767

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

# Southland Girls' High School

## Statement of Cash Flows

For the year ended 31 December 2024

		2024	2024	2023
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
<b>Cash flows from Operating Activities</b>				
Government Grants		3,127,664	2,989,201	2,855,347
Locally Raised Funds		1,299,766	249,404	1,026,375
Hostel		1,066,456	1,399,655	974,626
International Students		317,104	338,329	384,706
Goods and Services Tax (net)		(33,917)	-	56,321
Payments to Employees		(2,535,214)	(2,415,738)	(2,268,443)
Payments to Suppliers		(3,149,841)	(2,200,856)	(2,289,560)
Interest Paid		(10,103)	(13,043)	(11,947)
Interest Received		101,823	67,524	36,260
Net cash from / (to) the Operating Activities		183,739	414,477	763,685
<b>Cash flows from Investing Activities</b>				
Proceeds from Sale of Property Plant & Equipment		11,675	-	-
Purchase of Property Plant & Equipment		(351,039)	(383,134)	(356,829)
Purchase of Investments		(468,642)	(217,219)	(328,865)
Net cash from / (to) the Investing Activities		(808,006)	(600,353)	(685,694)
<b>Cash flows from Financing Activities</b>				
Furniture and Equipment Grant		79,177	187,080	(10,605)
Finance Lease Payments		-	-	(15,509)
Repayment of Loans		-	(88,895)	(85,544)
Funds Administered on Behalf of Other Parties		(152,340)	(8,173)	242,116
Net cash from Financing Activities		(73,163)	90,012	130,458
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(697,430)</b>	<b>(95,864)</b>	<b>208,449</b>
Cash and cash equivalents at the beginning of the year	8	1,122,339	1,122,339	913,890
<b>Cash and cash equivalents at the end of the year</b>	<b>8</b>	<b>424,909</b>	<b>1,026,474</b>	<b>1,122,339</b>

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

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

# Southland Girls' High School

## Notes to the Financial Statements

For the year ended 31 December 2024

### 1. Statement of Accounting Policies

#### a) Reporting Entity

Southland Girls' High 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 2024 to 31 December 2024 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 \$33 million per year. All relevant reduced disclosure concessions have been taken.

##### **Measurement Base**

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

##### **Presentation Currency**

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

##### **Specific Accounting Policies**

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

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

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

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

### *Cyclical maintenance*

A school recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's best estimate of the cost of painting the school and when the school is required to be painted, based on an assessment of the school's condition. During the year, the Board assesses the reasonableness of its painting maintenance plan on which the provision is based. Cyclical maintenance is disclosed at note 15.

### *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. Future operating lease commitments are disclosed in note 23(b).

#### *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 three months 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 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. Thus the fair value of the inventory is determined based on the cost at time of purchase. The 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 not 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	10–50 years
Furniture & Equipment	3–20 years
Information and Communication Technology	3–10 years
Motor Vehicles	10 years
Library Resources	8 years
Leased Assets	3–4 years
Hostel	3–50 years

### **k) Impairment of property, plant, and equipment**

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

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

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

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

### **l) 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.

#### **m) Employee Entitlements**

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

Employee benefits that are due to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned to but not yet taken at balance date.

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

Employee benefits that are 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. The school has paid retirement leave after balance date. There may be other staff in a similar situation.

#### **n) Revenue Received in Advance**

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

#### **o) 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

#### **p) 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 Revenue and Expense.

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

#### **q) 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 Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose.

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

**s) 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, 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.

**t) 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.

**u) 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.

**v) Budget Figures**

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

**w) 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

	2024	2024 Budget (Unaudited)	2023
	Actual \$	\$	Actual \$
Government Grants - Ministry of Education	3,009,505	2,800,566	2,650,835
Teachers' salaries grant	6,779,034	6,922,072	6,922,072
Use of land and buildings grant	1,430,344	1,059,876	1,300,209
Other Government Grants	149,032	168,000	154,292
	<u>11,367,915</u>	<u>10,950,514</u>	<u>11,027,408</u>

## 3. Locally Raised Funds

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

	2024	2024 Budget (Unaudited)	2023
	Actual \$	\$	Actual \$
<b>Revenue</b>			
Donations and Bequests	46,804	55,260	46,548
Fees for Extra Curricular Activities	1,014,246	299,890	580,570
Fundraising and Community Grants	40,263	16,000	-
Trading	286,565	316,000	299,760
Other revenue	4,805	6,850	4,700
International Student Fees	367,687	308,506	249,130
	<u>1,760,370</u>	<u>1,002,506</u>	<u>1,180,708</u>
<b>Expenses</b>			
Extra Curricular Activities Costs	598,965	95,280	261,330
Fundraising and Community Grant Costs	3,483	-	-
Trading	284,725	311,850	295,969
International Student - Employee Benefit - Salaries	150,699	125,000	77,855
International Student - Other Expenses	153,648	126,498	170,563
	<u>1,191,520</u>	<u>658,628</u>	<u>805,717</u>
<b>Surplus for the year Locally Raised Funds</b>	<u>568,850</u>	<u>343,878</u>	<u>374,991</u>

### International students

During the year the School hosted 20.77 full year equivalent international students (2024:15.14 full year equivalent) and 34 short stay students.

During the year the Principal & Director of International Students travelled to Hong Kong, China and Thailand at a cost of \$50,729 for the purpose of recruiting new students for the school. The travel was funded from international student fees revenue and International Student Department cash reserves.

## 4. Hostel Revenue and Expenses

	2024	2024 Budget (Unaudited)	2023
	Actual \$	\$	Actual \$
<b>Revenue</b>			
Hostel Fees	1,014,520	1,004,979	880,316
Other Revenue	41,402	22,740	65,922
	<u>1,055,922</u>	<u>1,027,719</u>	<u>946,238</u>
<b>Expenses</b>			
Employee Benefit - Salaries	568,772	552,258	542,399
Depreciation	57,061	56,000	52,537
Other Hostel Expenses	522,257	411,343	346,325
	<u>1,148,090</u>	<u>1,019,601</u>	<u>941,261</u>
<b>Surplus/(deficit) for the year Hostel</b>	<u>(92,168)</u>	<u>8,118</u>	<u>4,977</u>

## 5. Learning Resources

	2024	2024	2023
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	543,908	393,273	411,063
Information and communication technology	73,820	65,000	64,539
Employee Benefits - Salaries	7,978,911	8,028,972	7,925,459
Staff development	72,067	65,000	57,202
Depreciation	208,182	200,314	198,753
Other Learning Resources	5,375	6,228	5,595
	<u>8,882,263</u>	<u>8,758,787</u>	<u>8,662,611</u>

## 6. Administration

	2024	2024	2023
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit fees	30,472	11,422	11,239
Board Fees and Expenses	3,522	13,150	12,271
Other Administration Expenses	187,873	186,200	180,807
Employee benefits - salaries	528,490	497,000	530,153
Insurance	22,028	21,924	17,661
	<u>772,385</u>	<u>729,696</u>	<u>752,131</u>

## 7. Property

	2024	2024	2023
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Consultancy and contract services	182,730	184,000	169,847
Cyclical maintenance	(37,821)	85,545	85,545
Heat, light and water	182,887	188,500	219,383
Rates	5,791	5,600	5,401
Repairs and maintenance	82,325	66,175	68,594
Use of land and buildings	1,430,344	1,059,876	1,300,209
Employee benefits - salaries	109,913	112,000	104,935
Other Property Expenses	74,036	67,360	67,844
	<u>2,030,205</u>	<u>1,769,056</u>	<u>2,021,758</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.

## 8. Cash and Cash Equivalents

	2024	2024	2023
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Cash on hand	842	-	888
Bank Accounts	398,998	1,026,475	904,232
Short-term Bank Deposits	25,069	-	217,219
Cash and cash equivalents for Statement of Cash Flows	<u>424,909</u>	<u>1,026,475</u>	<u>1,122,339</u>

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

Of the \$424,909 Cash and Cash Equivalents, \$60,642 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 and include retentions on the projects, if applicable. The funds are required to be spent in 2025 on Crown owned school buildings.

Of the \$424,909 Cash and Cash Equivalents and \$1,280,735 Short Term Bank Deposit (note 11), \$794,225 of Revenue Received in Advance is held by the School, as disclosed in note 14.

Other restrictions on cash that may require disclosure include funds held in trust and international student and hostel fees as disclosed in note 14

## 9. Accounts Receivable

	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
Receivables	76,919	552,017	132,163
Receivables from the Ministry of Education	27,880	-	20,635
Interest Receivable	9,476	2,627	4,151
Teacher Salaries Grant Receivable	642,128	561,581	537,934
	<u>756,403</u>	<u>1,116,224</u>	<u>694,883</u>
Receivables from Exchange Transactions	86,395	554,644	136,314
Receivables from Non-Exchange Transactions	642,128	561,581	537,934
	<u>728,523</u>	<u>1,116,224</u>	<u>674,248</u>

## 10. Inventories

	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
School Uniforms	74,818	52,773	65,795
Canteen	2,177	1,836	1,682
Hostel Kitchen	2,861	1,907	1,907
	<u>79,856</u>	<u>56,516</u>	<u>69,384</u>

## 11. Investments

The School's investment activities are classified as follows:

	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
Current Asset			
Short-term Bank deposits	1,280,735	1,027,976	810,757
Non-current Asset			
Shares-Foodstuffs	1,731	3,067	3,067
Total Investments	<u>1,282,466</u>	<u>1,031,043</u>	<u>813,824</u>

## 12. Property, Plant and Equipment

2024	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
Building Improvements	386,837	92,639	-	-	25,045	<b>454,430</b>
Furniture & Equipment	371,001	55,076	(3,194)	-	70,807	<b>352,076</b>
Information and Communication Technology	143,321	44,538	(3,025)	-	48,753	<b>136,080</b>
Motor Vehicles	44,375	79,774	(11,675)	-	7,231	<b>105,243</b>
Library Resources	65,433	9,795	(12,200)	-	7,879	<b>55,149</b>
Leased Assets	62,088	86,400	-	-	48,467	<b>100,021</b>
Hostel	665,825	42,310	-	-	57,062	<b>651,073</b>
<b>Balance at 31 December 2024</b>	<b>1,738,880</b>	<b>410,531</b>	<b>(30,094)</b>	<b>-</b>	<b>265,244</b>	<b>1,854,073</b>

The net carrying value of Information and Communication Technology held under finance leases is \$100,021 (2023:\$62,088).

### Restrictions

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

	2024	2024	2024	2023	2023	2023
	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
Building Improvements	812,503	(358,072)	<b>454,430</b>	739,094	(352,258)	<b>386,837</b>
Furniture & Equipment	1,353,113	(1,001,041)	<b>352,072</b>	1,378,598	(1,007,601)	<b>370,997</b>
Information and Communication Technology	567,390	(431,310)	<b>136,080</b>	532,693	(389,372)	<b>143,321</b>
Motor Vehicles	136,743	(31,501)	<b>105,242</b>	76,695	(32,320)	<b>44,375</b>
Library Resources	239,684	(184,532)	<b>55,152</b>	282,570	(217,134)	<b>65,436</b>
Leased Assets	188,123	(88,101)	<b>100,021</b>	154,739	(92,651)	<b>62,088</b>
Hostel	1,827,577	(1,176,503)	<b>651,073</b>	1,797,106	(1,131,281)	<b>665,825</b>
<b>Balance at 31 December</b>	<b>5,125,132</b>	<b>(3,271,060)</b>	<b>1,854,073</b>	<b>4,961,496</b>	<b>(3,222,618)</b>	<b>1,738,880</b>

## 13. Accounts Payable

	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
Creditors	119,998	316,688	341,041
Accruals	91,962	50,359	21,207
Employee Entitlements - Salaries	797,489	696,298	678,601
Employee Entitlements - Leave Accrual	24,473	-	16,630
	<b>1,033,922</b>	<b>1,063,345</b>	<b>1,057,479</b>
Payables for Exchange Transactions	1,006,702	1,040,345	1,029,924
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	27,220	23,000	27,555
Payables for Non-exchange Transactions - Other			
	<b>1,033,922</b>	<b>1,063,345</b>	<b>1,057,479</b>

The carrying value of payables approximates their fair value.

#### 14. Revenue Received in Advance

	2024	2024	2023
	Actual	Budget	Actual
	\$	(Unaudited)	\$
International Student Fees in Advance	215,600	296,006	266,183
Hostel Fees in Advance	30,272	391,674	19,738
Other revenue in Advance	243,188	290,508	315,250
	<u>489,060</u>	<u>978,188</u>	<u>601,171</u>

#### 15. Provision for Cyclical Maintenance

	2024	2024	2023
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Provision at the start of the year	293,645	293,645	241,326
Increase to the provision during the year	78,145	24,765	85,545
Use of the provision during the Year	(133,102)	(24,765)	(33,226)
Other Adjustment	(41,649)		
Provision at the end of the year	<u>197,039</u>	<u>293,645</u>	<u>293,645</u>
Cyclical Maintenance - Current	14,837	75,218	45,342
Cyclical Maintenance - Non Current	182,202	234,544	248,303
	<u>197,039</u>	<u>309,762</u>	<u>293,645</u>

The schools cyclical maintenance schedule details annual painting to be undertaken, the costs associated to this annual work will vary dependent on the requirements during the year. This plan is based on the schools 10 Year Property plan.

#### 16. Borrowings

	2024	2024	2023
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Painting Contract due within one year	79,349	36,306	69,532
Painting Contract due after one year	64,737	-	-
	<u>144,086</u>	<u>36,306</u>	<u>69,532</u>

In 2021 the Board signed an agreement with Programmed Maintenance Services (N.Z.) Ltd (the contractor) for an agreed programme of work covering a five year period. The programme provides for an exterior repaint of the Ministry owned buildings in 2021, with regular maintenance in subsequent years. The liability is the best estimate of the actual amount of work performed by the contractor for which the contractor has not been paid at balance sheet date. The liability has not been adjusted for inflation and the effect of the time value of money.

In 2024, the Board signed an agreement with Programmed Maintenance Services (N.Z.) Ltd (the contractor) for an agreed programme of work covering a seven year period. The programme provides for an exterior repaint of the Board owed buildings in 2024, with regular maintenance in subsequent years. The liability is the best estimate of the actual amount of work performed by the contractor for which the contractor has not been paid at balance sheet date, which is nil as at 31 December 2024. The liability has not been adjusted for inflation and the effect of the time value of money.

## 17. Finance Lease Liability

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

	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
No Later than One Year	31,135	34,503	34,503
Later than One Year and no Later than Five Years	56,726	21,281	21,281
Future Finance Charges	15,646	10,275	10,275
	<u>103,507</u>	<u>66,059</u>	<u>66,059</u>
<b>Represented by</b>			
Finance lease liability - Current	39,659	42,035	42,035
Finance lease liability - Non current	63,848	24,024	24,024
	<u>103,507</u>	<u>66,059</u>	<u>66,059</u>

## 18. Funds held in Trust

	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
Funds Held in Trust on Behalf of Third Parties - Current	330,200	392,082	400,255
Funds Held in Trust on Behalf of Third Parties - Non-current	-	13,744	-
	<u>330,200</u>	<u>405,826</u>	<u>400,255</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, and includes retentions on the projects, if applicable.

2024	Opening Balances \$	Receipts from MOE \$	Payments \$	Board Contributions \$	Closing Balances \$
Block M Music Suite Development - #225074	(49,162)	52,367	3,205	-	-
Block J Computer Suite Remodel - #231961	121,879	22,969	144,848	-	-
Translucent, Metal & Membrane Roof Replacements - #231958	18,524	-	72,976	34,000	(20,452)
Block B Science Lab Modernisation - #231962	68,915	-	8,273	-	60,642
Sundry - Stairs, Watermain & Heating - #231959	(1,247)	19,912	18,665	-	-
Totals	<u>158,909</u>	<u>95,248</u>	<u>247,967</u>	<u>34,000</u>	<u>40,190</u>

### Represented by:

Funds Held on Behalf of the Ministry of Education	60,642
Funds Receivable from the Ministry of Education	(20,452)

The Board provided \$34,000 of funding (30%) contribution to complete the gymnasium roof included in the Translucent, Metal & Membrane Roof Replacements Project. The \$34,000 was treated as an investment and is included within the School's Property, Plant & Equipment in note 12.

2023	Opening Balances \$	Receipts from MOE \$	Payments \$	Board Contributions \$	Closing Balances \$
Block M Music Suite Development - #225074	70,174	74,000	193,336	-	(49,162)
Block J Computer Suite Remodel - #231961	(13,344)	204,800	69,577	-	121,879
Translucent, Metal & Membrane Roof Replacements - #231958	-	271,350	252,826	-	18,524
Block B Science Lab Modernisation - #231962	-	69,965	1,050	-	68,915
Sundry - Stairs, Watermain & Heating - #231959	-	-	1,247	-	(1,247)
Totals	56,830	620,115	518,036	0	158,909

**Represented by:**

Funds Held on Behalf of the Ministry of Education	209,318
Funds Receivable from the Ministry of Education	(50,409)

## 20. Funds Held on Behalf of Refugee Cluster

Southland Girls' High School is the lead school funded by the Ministry to provides services to its cluster of schools.

	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
Funds Held at Beginning of the Year	3,100	-	3,100
Funds Held at Year End	3,100	-	3,100

## 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 Principal, Assistant Principals and Enwood Hostel Boarding Director.

	2024 Actual \$	2023 Actual \$
<i>Board Members</i>		
Remuneration	3,220	2,285
<i>Leadership Team</i>		
Remuneration	706,815	698,280
Full-time equivalent members	5.00	5.00
Total key management personnel remuneration	710,035	700,565

There are eight members of the Board excluding the Principal. The Board had held seven full meetings of the Board in the year. The Board also has an Enwood Hostel sub-committee (four members) that meets regularly. As well as these regular meetings, including preparation time, the Presiding member and other Board members have also been involved in ad hoc meetings to consider student welfare matters including stand downs, suspensions, and other disciplinary matters.

### Principal

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

	2024 Actual \$000	2023 Actual \$000
Salaries and other short term employee benefits:		
Salary and other payments	210 - 220	200 - 210
Benefits and other emoluments	0-6	0-6
Termination benefits	-	-

### Other Employees

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

Remuneration \$000	2024 FTE Number	2023 FTE Number
140 - 150	1	1
130 - 140	2	2
120 - 130	1	1
110 - 120	18	19
100 - 110	17	15
	39	38

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 2024 (Contingent liabilities and assets at 31 December 2023: nil).

### Holidays Act Compliance – Schools payroll

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

The Ministry continues to review the Schools Sector Payroll to ensure compliance with the Holidays Act 2003. An initial remediation payment has been made to some current school employees. The Ministry is continuing to perform detailed analysis to finalise calculations and the potential impacts of specific individuals. As such, this is expected to resolve the liability for school boards.

### *Pay Equity and Collective Agreement Funding Wash-up*

In 2024 the Ministry of Education provided additional funding for both the Support Staff in Schools' Collective Agreement (CA) Settlement and the Teacher Aide Pay Equity Settlement. At the date of signing the financial statements the School's final entitlement for the year ended 31 December 2024 has not yet been advised. The School has therefore not recognised an asset or a liability regarding this funding wash-up, which is expected to be settled in July 2025.

## **24. Commitments**

### **(a) Capital Commitments**

At 31 December 2024, the Board had capital commitments of \$702,750 (2023:\$205,578) as a result of entering the following contracts:

<b>Contract Name</b>	<b>Remaining Capital Commitment</b>
	\$
Translucent, Metal & Membrane Roof Replacements	11,380
Block B Science Lab Modernisation	691,371
<b>Total</b>	<b>702,751</b>

The Board receives funding from the Ministry of Education for Capital Works which is disclosed in note 18.

### **(b) Operating Commitments**

As at 31 December 2024 the Board has entered into no contracts (2023:nil).

## **25. Financial Instruments**

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

### **Cash and receivables**

	<b>2024</b>	<b>2024</b>	<b>2023</b>
	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>
	<b>\$</b>	<b>(Unaudited)</b>	<b>\$</b>
Cash and Cash Equivalents	424,909	1,026,475	1,122,339
Receivables	756,403	1,116,224	694,883
Investments - Term Deposits	1,280,735	1,027,976	810,757
<b>Total Cash and Receivables</b>	<b>2,462,047</b>	<b>3,170,675</b>	<b>2,627,979</b>

### **Financial liabilities measured at amortised cost**

Payables	1,006,702	1,040,345	1,029,924
Finance Leases	103,507	66,059	66,059
Borrowings - Painting Contract	144,086	36,306	69,532
<b>Total Financial Liabilities Measured at Amortised Cost</b>	<b>1,254,295</b>	<b>1,142,710</b>	<b>1,165,515</b>

## **26. Events After Balance Date**

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

## **27. Comparatives**

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

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE READERS OF SOUTHLAND GIRLS' HIGH SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024**

The Auditor-General is the auditor of Southland Girls' High School (the School). The Auditor-General has appointed me, Aaron Higham, using the staff and resources of BDO Invercargill, 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 2024, 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 2024; 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 3 June 2025. This is the date at which our opinion is expressed.

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

#### **Basis for our opinion**

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

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

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

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

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

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

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

The Board's responsibilities arise from section 134 of the Education and Training Act 2020.

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

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

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

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

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

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

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

Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the School to cease to continue as a going concern.

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

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

Our responsibilities arise from the Public Audit Act 2001.

### Other information

The Board is responsible for the other information. The other information obtained at the date of our report is the Members of the Board, Statement of Responsibility, Statement of Variance, Statement of compliance with employment policy, and Kiwisport statement, but does not include the financial statements and our auditor's report thereon.

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

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

### Independence

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

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



Aaron Higham  
BDO Invercargill  
On behalf of the Auditor-General  
Invercargill, New Zealand