

UHY Haines Norton (Auckland) Limited

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02 June 2023

The Board of Trustees
C/- The Chairperson
Manurewa West School
McKean Avenue,
Manurewa 2102

Dear Chairperson

Audit of Manurewa West School's Financial Statements for the Year Ended 31 December 2022

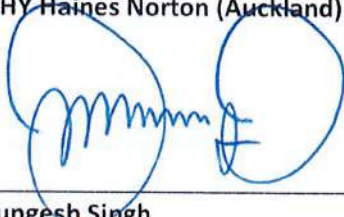
We have completed our audit of Manurewa West School's financial statements for the year ended 31 December 2022.

We enclose a copy of the audited financial statements for the year ended 31 December 2022.

Please ensure that the audited financial statements are lodged appropriately with the Ministry of Education.

We thank you for your instruction. Please do not hesitate to contact us should you have any queries.

Yours sincerely
UHY Haines Norton (Auckland) Limited



Sungesh Singh
Director – Audit and Assurance Services
sungeshs@uhyhn.co.nz
Direct Dial: (09) 839 2184

Encl.

INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF MANUREWA WEST SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

The Auditor-General is the auditor of Manurewa West School (the School). The Auditor-General has appointed me, Sungesh Singh using the staff and resources of UHY Haines Norton (Auckland) Limited, to carry out the audit of the financial statements of the School on his behalf.

Opinion

We have audited the financial statements of the School on pages 2 to 20, that comprise the statement of financial position as at 31 December 2022, the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion the financial statements of the School:

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

Our audit was completed on 6/6/23. This is the date at which our opinion is expressed.

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

Basis for our opinion

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

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

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

Responsibilities of the Board for the financial statements

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

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

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

Responsibilities of the auditor for the audit of the financial statements

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

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

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

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

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

- We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the School to cease to continue as a going concern.
- We evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We assess the risk of material misstatement arising from the school's 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 are responsible for the other information. The other information comprises of the Statement of Responsibility, the Kiwisport Report, Analysis of Variance, Good Employer Statement and the Members of the Board, but does not include the financial statements, and our auditor's report thereon.

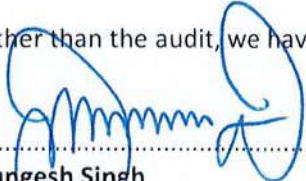
Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

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 (Revised): *Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board.

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


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Sungesh Singh
UHY Haines Norton (Auckland) Limited
On behalf of the Auditor-General
Auckland, New Zealand

MANUREWA WEST SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

School Directory

Ministry Number:	1356
Principal:	Kogie Naidoo
School Address:	Mckean Avenue, Manurewa
School Postal Address:	31 Mckean Avenue, Manurewa, Manukau, 2102
School Phone:	09 266 8631
School Email:	admin@manurewawest.school.nz

Accountant / Service Provider:



MANUREWA WEST SCHOOL

Annual Report - For the year ended 31 December 2022

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Manurewa West School

Statement of Responsibility

For the year ended 31 December 2022

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

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

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

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

Raewyn Helen Fox
Full Name of Presiding Member *Winter*

[Signature]
Signature of Presiding Member

1/6/23
Date:

Kogie Naidoo
Full Name of Principal

[Signature]
Signature of Principal

1/6/2023
Date:

Manurewa West School
Statement of Comprehensive Revenue and Expense
For the year ended 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Revenue				
Government Grants	2	5,138,454	4,599,887	4,784,046
Locally Raised Funds	3	60,589	55,000	56,236
Interest Income		13,961	10,000	3,906
Gain on Sale of Property, Plant and Equipment		-	-	76,425
		<u>5,213,004</u>	<u>4,664,887</u>	<u>4,920,613</u>
Expenses				
Locally Raised Funds	3	7,737	500	11,416
Learning Resources	4	2,933,674	3,012,013	3,087,156
Administration	5	771,117	268,334	577,467
Finance		26,879	22,729	34,046
Property	6	1,120,376	1,360,458	1,017,015
Loss on Disposal of Property, Plant and Equipment	11	527	-	7,705
		<u>4,860,310</u>	<u>4,664,034</u>	<u>4,734,805</u>
Net Surplus / (Deficit) for the year		352,694	853	185,808
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>352,694</u>	<u>853</u>	<u>185,808</u>

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

Manurewa West School
Statement of Changes in Net Assets/Equity
For the year ended 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Equity at 1 January		2,558,111	2,323,703	2,380,529
Total comprehensive revenue and expense for the year		352,694	853	185,808
Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		18,102	-	-
Contribution to Capital Works		-	-	(8,226)
Equity at 31 December		2,928,907	2,324,556	2,558,111
Accumulated comprehensive revenue and expense		2,928,907	2,324,556	2,558,111
Equity at 31 December		2,928,907	2,324,556	2,558,111

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.

Manurewa West School
Statement of Financial Position
As at 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Current Assets				
Cash and Cash Equivalents	7	560,948	118,080	336,027
Accounts Receivable	8	355,257	229,075	183,984
GST Receivable		19,482	46,060	23,529
Prepayments		31,448	29,086	25,238
Inventories	9	1,735	-	2,291
Investments	10	750,964	740,160	743,684
Funds Receivable for Capital Works Projects	16	72,768	-	35,135
		<u>1,792,602</u>	<u>1,162,461</u>	<u>1,349,888</u>
Current Liabilities				
Accounts Payable	12	204,484	319,084	273,963
Revenue Received in Advance	13	39,076	22,258	-
Provision for Cyclical Maintenance	14	7,200	54,295	15,471
Finance Lease Liability	15	71,159	65,721	64,090
Funds held for Capital Works Projects	16	23,936	-	23,936
		<u>345,855</u>	<u>461,358</u>	<u>377,460</u>
Working Capital Surplus/(Deficit)		<u>1,446,747</u>	<u>701,103</u>	<u>972,428</u>
Non-current Assets				
Property, Plant and Equipment	11	1,695,454	1,676,932	1,825,368
		<u>1,695,454</u>	<u>1,676,932</u>	<u>1,825,368</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	14	68,330	27,979	23,560
Finance Lease Liability	15	144,964	25,500	216,125
		<u>213,294</u>	<u>53,479</u>	<u>239,685</u>
Net Assets		<u>2,928,907</u>	<u>2,324,556</u>	<u>2,558,111</u>
Equity		<u>2,928,907</u>	<u>2,324,556</u>	<u>2,558,111</u>

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

Manurewa West School
Statement of Cash Flows
For the year ended 31 December 2022

		2022	2022	2021
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Cash flows from Operating Activities				
Government Grants		1,381,582	1,319,471	1,468,609
Locally Raised Funds		100,147	55,000	55,754
Goods and Services Tax (net)		4,047	-	22,531
Payments to Employees		(507,773)	(539,500)	(594,609)
Payments to Suppliers		(475,523)	(751,845)	(551,630)
Interest Paid		(26,879)	(22,729)	(34,046)
Interest Received		10,734	10,000	3,902
Net cash from/(to) Operating Activities		486,335	70,397	370,511
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(175,516)	(157,000)	(262,641)
Purchase of Investments		(7,282)	-	(3,524)
Net cash from/(to) Investing Activities		(182,798)	(157,000)	(266,165)
Cash flows from Financing Activities				
Furniture and Equipment Grant		18,102	-	-
Owners Contributions		-	-	(8,226)
Finance Lease Payments		(59,085)	(82,949)	(66,820)
Funds Administered on Behalf of Third Parties		(37,633)	-	19,095
Net cash from/(to) Financing Activities		(78,616)	(82,949)	(55,951)
Net increase/(decrease) in cash and cash equivalents		224,921	(169,552)	48,395
Cash and cash equivalents at the beginning of the year	7	336,027	287,632	287,632
Cash and cash equivalents at the end of the year	7	560,948	118,080	336,027

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.

Manurewa West School

Notes to the Financial Statements

For the year ended 31 December 2022

1. Statement of Accounting Policies

a) Reporting Entity

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

b) Basis of Preparation

Reporting Period

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

Basis of Preparation

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

Financial Reporting Standards Applied

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

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

Cyclical maintenance

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

Useful lives of property, plant and equipment

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

Critical Judgements in applying accounting policies

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

Classification of leases

Determining whether a lease is a finance lease or an operating lease requires judgement as to whether the lease transfers substantially all the risks and rewards of ownership to the school. A lease is classified as a finance lease if it transfers substantially all risks and rewards incidental to ownership of an underlying asset to the lessee. In contrast, an operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset to the lessee. Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant, and equipment, whereas for an operating lease no such asset is recognised. Finance lease liability disclosures are contained in note 15. Future operating lease commitments are disclosed in note 21b.

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

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 trivial.

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 are depreciated over their estimated useful lives on a straight line 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	20-40 years
Buildings	20 years
Furniture and Equipment	5-20 years
Information and Communication Technology	3-5 years
Library Resources	8 years
Leased assets held under a Finance Lease	Term of Lease

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 a comparison to recent market transactions.

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.

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, annual leave earned, by non teaching staff, to but not yet taken at balance date.

Long-term employee entitlements

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

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

o) Revenue Received in Advance

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

The School holds sufficient funds to enable the refund of unearned fees in relation to 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. In instances where the school is determined to be the principal for providing the service related to the Shared Funds (such as the RTLB programme), all income and expenditure related to the provision of the service is 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 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.

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

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Government Grants - Ministry of Education	1,817,804	1,319,471	1,734,411
Teachers' Salaries Grants	2,448,839	2,155,895	2,274,628
Use of Land and Buildings Grants	866,628	1,124,521	775,007
Other Government Grants	5,183	-	-
	<u>5,138,454</u>	<u>4,599,887</u>	<u>4,784,046</u>

The school has opted in to the donations scheme for this year. Total amount received was \$73,800.

3. Locally Raised Funds

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

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Revenue			
Donations & Bequests	-	-	2,030
Fees for Extra Curricular Activities	7,276	14,000	7,244
Trading	1,440	1,500	1,030
Fundraising & Community Grants	51,873	39,500	45,932
	<u>60,589</u>	<u>55,000</u>	<u>56,236</u>
Expenses			
Trading	556	500	446
Fundraising & Community Grant Costs	7,181	-	10,970
	<u>7,737</u>	<u>500</u>	<u>11,416</u>
<i>Surplus for the year Locally raised funds</i>	<u>52,852</u>	<u>54,500</u>	<u>44,820</u>

4. Learning Resources

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Curricular	130,845	197,680	122,614
Library Resources	171	2,200	228
Employee Benefits - Salaries	2,503,206	2,510,895	2,636,250
Staff Development	26,582	46,500	25,630
Depreciation	272,870	254,738	302,434
	<u>2,933,674</u>	<u>3,012,013</u>	<u>3,087,156</u>

5. Administration

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Audit Fee	9,664	8,034	9,450
Board Fees	3,985	5,000	4,890
Board Expenses	15,922	16,500	7,268
Communication	4,713	7,000	4,732
Consumables	35,788	36,000	36,705
Operating Lease	-	-	45
Other	44,894	61,800	57,725
Employee Benefits - Salaries	105,679	102,000	113,581
Insurance	14,849	16,000	12,950
Service Providers, Contractors and Consultancy	16,650	16,000	15,156
Healthy School Lunch Programme	518,973	-	314,965
	<u>771,117</u>	<u>268,334</u>	<u>577,467</u>

6. Property

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Caretaking and Cleaning Consumables	76,301	77,500	82,102
Cyclical Maintenance Provision	36,499	13,176	15,016
Grounds	6,931	10,500	10,576
Heat, Light and Water	32,169	32,000	28,890
Repairs and Maintenance	26,772	20,261	22,250
Use of Land and Buildings	866,628	1,124,521	775,007
Security	5,351	8,000	7,360
Employee Benefits - Salaries	68,602	70,000	73,644
Vehicle	1,123	4,500	2,170
	<u>1,120,376</u>	<u>1,360,458</u>	<u>1,017,015</u>

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

7. Cash and Cash Equivalents

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Bank Accounts	560,948	118,080	336,027
Cash and cash equivalents for Statement of Cash Flows	<u>560,948</u>	<u>118,080</u>	<u>336,027</u>

Of the \$560,948 Cash and Cash Equivalents \$23,936 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 2023 on Crown owned school buildings.

8. Accounts Receivable

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Receivables	-	155	2,112
Receivables from the Ministry of Education	2,092	-	-
Banking Staffing Underuse	175,176	66,371	-
Interest Receivable	4,164	933	937
Teacher Salaries Grant Receivable	173,825	161,616	180,935
	<u>355,257</u>	<u>229,075</u>	<u>183,984</u>
Receivables from Exchange Transactions	4,164	1,088	3,049
Receivables from Non-Exchange Transactions	351,093	227,987	180,935
	<u>355,257</u>	<u>229,075</u>	<u>183,984</u>

9. Inventories

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Uniforms	1,735	-	2,291
	<u>1,735</u>	<u>-</u>	<u>2,291</u>

10. Investments

The School's investment activities are classified as follows:

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Current Asset			
Short-term Bank Deposits	750,964	740,160	743,684
Total Investments	<u>750,964</u>	<u>740,160</u>	<u>743,684</u>

11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2022	\$	\$	\$	\$	\$	\$
Buildings	398,320	-	-	-	(40,752)	357,568
Building Improvements	172,330	-	-	-	(13,862)	158,468
Furniture and Equipment	831,297	44,241	(527)	-	(82,240)	792,771
Information and Communication Technology	135,113	99,242	-	-	(54,022)	180,333
Motor Vehicles	11,637	-	-	-	(8,663)	2,974
Leased Assets	271,756	-	-	-	(71,806)	199,950
Library Resources	4,915	-	-	-	(1,525)	3,390
Balance at 31 December 2022	1,825,368	143,483	(527)	-	(272,870)	1,695,454

The net carrying value of equipment held under a finance lease is \$199,950 (2021: \$271,756)

Restrictions

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.

	2022	2022	2022	2021	2021	2021
	Cost or Valuation	Accumulated Depreciation	Net Book Value	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$	\$	\$	\$
Buildings	1,178,348	(820,780)	357,568	1,178,348	(780,028)	398,320
Building Improvements	240,728	(82,260)	158,468	240,728	(68,398)	172,330
Furniture and Equipment	1,353,499	(560,728)	792,771	1,367,085	(535,788)	831,297
Information and Communication Technology	583,607	(403,274)	180,333	574,861	(439,748)	135,113
Motor Vehicles	52,085	(49,111)	2,974	52,085	(40,448)	11,637
Leased Assets	335,033	(135,083)	199,950	335,033	(63,277)	271,756
Library Resources	22,206	(18,816)	3,390	78,567	(73,652)	4,915
Balance at 31 December	3,765,506	(2,070,052)	1,695,454	3,826,707	(2,001,339)	1,825,368

12. Accounts Payable

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Creditors	11,376	44,837	65,840
Accruals	8,034	67,220	6,170
Employee Entitlements - Salaries	173,825	161,616	180,935
Employee Entitlements - Leave Accrual	10,605	44,767	20,374
Staff Social Club	644	644	644
	<u>204,484</u>	<u>319,084</u>	<u>273,963</u>
Payables for Exchange Transactions	204,485	319,084	273,963
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	<u>204,485</u>	<u>319,084</u>	<u>273,963</u>

The carrying value of payables approximates their fair value.

13. Revenue Received in Advance

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
MoE Income in Advance	-	22,258	-
Other Revenue In Advance	39,076	-	-
	<u>39,076</u>	<u>22,258</u>	<u>-</u>

14. Provision for Cyclical Maintenance

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Provision at the Start of the Year	39,031	69,098	72,885
Increase to the Provision During the Year	23,601	13,176	12,999
Use of the Provision During the Year	-	-	(48,870)
Other Adjustments	12,898	-	2,017
Provision at the End of the Year	<u>75,530</u>	<u>82,274</u>	<u>39,031</u>
Cyclical Maintenance - Current	7,200	54,295	15,471
Cyclical Maintenance - Non current	68,330	27,979	23,560
	<u>75,530</u>	<u>82,274</u>	<u>39,031</u>

Per the cyclical maintenance schedule the school is next expected to undertake painting works during 2023. This plan is based on the schools 10 Year Property plan / painting quotes.

15. Finance Lease Liability

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

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
No Later than One Year	90,164	65,721	90,969
Later than One Year and no Later than Five Years	160,808	25,500	250,973
Future Finance Charges	(34,849)	-	(61,727)
	216,123	91,221	280,215
Represented by			
Finance lease liability - Current	71,159	65,721	64,090
Finance lease liability - Non current	144,964	25,500	216,125
	216,123	91,221	280,215

16. Funds Held (Owed) 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 projects is included under cash and cash equivalents in note 7.

	2022	Project No.	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions	Closing Balances \$
Shade Project		225148	(35,135)	35,135	-	-	-
LSC Office Space		219127	23,936	-	-	-	23,936
Partial replacement of Boundary Fencing		233688	-	-	(72,768)	-	(72,768)
Totals			(11,199)	35,135	(72,768)	-	(48,832)

Represented by:

Funds Held on Behalf of the Ministry of Education	23,936
Funds Receivable from the Ministry of Education	(72,768)

	2021	Project No.	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions	Closing Balances \$
Shade Project		225148	(31,027)	327,211	(331,319)	-	(35,135)
Autex Carpet and Vinyl Rm 13-15 5YA		227658	733	9,714	(18,673)	8,226	-
LSC Office Space		219127	-	23,936	-	-	23,936
Totals			(30,294)	360,861	(349,992)	8,226	(11,199)

Represented by:

Funds Held on Behalf of the Ministry of Education	23,936
Funds Receivable from the Ministry of Education	(35,135)

17. 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 conditions 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.

18. Remuneration

Key management personnel compensation

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

	2022 Actual \$	2021 Actual \$
<i>Board Members</i>		
Remuneration	3,985	4,890
<i>Leadership Team</i>		
Remuneration	524,767	499,198
Full-time equivalent members	4.00	4.00
Total key management personnel remuneration	528,752	504,088

There are 6 members of the Board excluding the Principal. The Board had held 11 full meetings of the Board in the year. The Board also has Finance (6 members) and Property (6 members) that met 11 times. As well as these regular meetings, including preparation time, the Presiding Member and other Board members have also been involved in ad hoc meetings.

Principal

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

	2022 Actual \$000	2021 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	150 - 160	150 - 160
Benefits and Other Emoluments	4 - 5	4 - 5
Termination Benefits	-	-

Other Employees

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

Remuneration \$000	2022 FTE Number	2021 FTE Number
100 - 110	-	1.00
110 - 120	1.00	1.00
120 - 130	2.00	1.00
	3.00	3.00

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

19. Compensation and Other Benefits Upon Leaving

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

	2022 Actual	2021 Actual
Total	-	-
Number of People	-	-

20. Contingencies

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

Holidays Act Compliance – schools payroll

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

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

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

21. Commitments

(a) Capital Commitments

As at 31 December 2022 the Board has entered into contract agreements for capital works as follows:

\$26,999 contract for the LSC Office Space as agent for the Ministry of Education. This project is fully funded by the Ministry and \$23,936 has been received of which \$0 has been spent on the project to balance date. This project has been approved by the Ministry; and

Contract for the Partial replacement of Boundary Fencing as agent for the Ministry of Education. This project is fully funded by the Ministry and \$0 has been received of which \$72,768 has been spent on the project to balance date. This project has been approved by the Ministry.

(Capital commitments as at 31 December 2021:

\$351,351 contract for the Shade Project as agent for the Ministry of Education. This project is fully funded by the Ministry and \$327,211 has been received of which \$362,346 has been spent on the project to balance date. This project has been approved by the Ministry; and

\$26,999 contract for the LSC Office Space as agent for the Ministry of Education. This project is fully funded by the Ministry and \$23,936 has been received of which \$0 has been spent on the project to balance date. This project has been approved by the Ministry.)

(b) Operating Commitments

There are no operating commitments as at 31 December 2022 (Operating commitments at 31 December 2021: nil).

22. Financial Instruments

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

Financial assets measured at amortised cost

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Cash and Cash Equivalents	560,948	118,080	336,027
Receivables	355,257	229,075	183,984
Investments - Term Deposits	750,964	740,160	743,684
Total Financial assets measured at amortised cost	1,667,169	1,087,315	1,263,695

Financial liabilities measured at amortised cost

Payables	204,484	319,084	273,963
Finance Leases	216,123	91,221	280,215
Total Financial Liabilities Measured at Amortised Cost	420,607	410,305	554,178

23. Events After Balance Date

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

24. Comparatives

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

Manurewa West School

Members of the Board

Name	Position	How Position Gained	Term Expired/ Expires
Carla Hayes	Presiding Member	Elected	Sep 2025
Kogie Naidoo	Principal	ex Officio	
Raewyn Winter	Parent Representative	Elected	Sep 2025
Bir Singh Doad	Parent Representative	Elected	Sep 2025
Jerome Tairi	Parent Representative	Elected	Sep 2025
Isabelle Apulu	Parent Representative	Elected	Sep 2025
Chad Evans	Parent Representative	Elected	Sep 2022
Tumama Tautu	Parent Representative	Elected	Sep 2022
Shea Bowden	Staff Representative	Elected	Sep 2025

Manurewa West School

Kiwisport

Kiwisport is a Government funding initiative to support students' participation in organised sport. In 2022, the school received total Kiwisport funding of \$6,318 (excluding GST). The funding was spent on sporting endeavours.

Statement of Compliance with Employment Policy

For the year ended 31st December 2022 the Manurewa West School Board:

- Has developed and implemented personnel policies, within policy and procedural frameworks to ensure the fair and proper treatment of employees in all aspects of their employment
- Has reviewed its compliance against both its personnel policy and procedures and can report that it meets all requirements and identified best practice.
- Is a good employer and complies with the conditions contained in the employment contracts of all staff employed by the Board.
- Ensures all employees and applicants for employment are treated according to their skills, qualifications and abilities, without bias or discrimination.
- Meets all Equal Employment Opportunities requirements.

MANUREWA WEST SCHOOL

MANAGEMENT LETTER TO THE BOARD OF TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

DATED: 31 MAY 2023



LIAISON

Sungesh Singh

UHY Haines Norton (Auckland) Limited

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1. PURPOSE OF THIS REPORT AND AUDIT SCOPE

1.1 Overview

This report has been prepared for discussion with the Board and the management of Manurewa West School (“the School”) and includes:

- Audit focus areas;
- A summary of audit differences identified; and
- Areas to bring to the attention of the Board.

1.2 Acknowledgement

We can confirm that we were not restricted, in any way from being able to perform our audit and we were provided access to all information when requested.

We would like to express our thanks to Kogie Naidoo and Lei-Ana Kingi, for their co-operation and assistance provided to us during the course of the audit.

1.3 Disclaimer

This report has been prepared for the Board and the management of the School only. It should not be quoted or referred to, in whole or in part, without our prior written consent. No warranty is given to, and no liability will be accepted from, any party other than the School.

1.4 Scope of the Audit

We have conducted an independent audit of the financial statements for the year ended 31 December 2022 in order to express an opinion on it to the members of the School.

Our audit has been conducted in accordance with the Auditing Standards (<http://oag.govt.nz/2011/auditing-standards/index.htm>) published by the Auditor-General, which incorporates the International Standards on Auditing (New Zealand).

They require that we comply with ethical requirements, and plan and perform the audit to give reasonable assurance about whether the Board’s financial statements are free from material misstatement. The Auditing Standards also require us to be alert for issues of effectiveness and efficiency, waste and a lack of probity or financial prudence.

The scope of our audit was in accordance with the terms of our engagement letter dated 19 March 2023.

2. OVERVIEW OF THE AUDIT ENGAGEMENT

2.1 Status of the Audit

The audit work is complete except for the following list of matters which are required prior to completion of the audit:

- Completion of our subsequent events review to the date of signing of the audit report;
- Receipt of signed management representation letter; and
- Formal adoption of the financial statements by the Board.

We expect to sign an unmodified audit report after the above matters are completed.

2.2 UHY Haines Norton (Auckland) Limited Audit Deliverables

We will provide the following deliverables on completion of our audit:

- Independent audit opinion; and
- The School's audited financial statements.

2.3 Focus Areas for the Audit

During our planning procedures and risk identification process, we identified a number of focus areas for the audit and accordingly, we designed appropriate audit procedures to identify any errors and reduce the level of material misstatement to an acceptably low level.

Our risk areas and procedures performed are included below:

- Local Raised Funds – Fraud risk, completeness;
- Accuracy and Occurrence of Payroll; and
- Management of override of controls.

3. MATTERS ARISING FROM THE AUDIT

3.1 Introduction

During our audit procedures, we placed particular focus on the areas listed in section 2.3. No significant matters arose in relation to these areas. Other findings are detailed in **Appendix A**.

3.2 Summary of adjustments posted as a result of the audit

All audit adjustments that arose during the audit that are material to the financial statements either individually or in aggregate were recorded in the school's financial statements for the year ended 31 December 2022, in consultation with Kogie Naidoo and Lei-Ana Kingi.

4. SPECIFIC REPORTING TO THE BOARD

4.1 Responsibility for the Prevention and Detection of Fraud

The primary responsibility for the prevention and detection of fraud rests with both the Board of the School and the management. It is important that the management, with the oversight of the Board, place a strong emphasis on fraud prevention, which may reduce opportunities for fraud to take place, and fraud deterrence, which could persuade individuals not to commit fraud because of the likelihood of detection and punishment.

This involves a commitment to creating a culture of honesty and ethical behaviour which can be reinforced by an active oversight by the Board. Oversight by the Board includes considering the potential for override of controls or other inappropriate influence over the financial reporting process, maintaining adequate accounting records, proper application of accounting policies and the safeguarding of the assets of the School.

4.2 Going Concern

As part of our audit, we have assessed the conclusions reached by management concerning the application of the going concern assumption.

It was concluded that the governance team and the management correctly applied the going concern assumption to the financial statements for the year ended 31 December 2022.

4.3 Appropriateness of Accounting Policies

We consider the board has fulfilled their responsibilities for preparing and presenting the financial statements as required by the Education Training Act 2020 and, in particular, that the financial statements comply with generally accepted accounting practice and fairly reflect the financial position of the School as at 31 December 2022.

4.4 Disagreements with Management

There have been no significant disagreements with management during the course of the audit.

4.5 Financial Statement Disclosures

We conclude that the financial statements of the School have been prepared in accordance with with Public Benefit Entity Standards Reduced Disclosure Regime. We have not noted any significant risks or exposures that are required to be separately disclosed in the financial statements.

5. INDEPENDENCE

5.1 Overview

Our audit services are subject to UHY Haines Norton (Auckland) Limited's and the profession's strict rules and policies regarding auditor independence.

We enforce these rules and policies in order to maintain objectivity and to be free of conflicts of interest when discharging our professional responsibilities.

5.2 Declaration

We confirm that, to the best of our knowledge and belief, that the engagement team, and others in the firm as appropriate, the firm, and when applicable, network firms are independent having regard to UHY Haines Norton (Auckland) Limited's policies, professional rules and relevant statutory requirements regarding auditor independence. We, therefore, confirm that there have been no contraventions of the independence requirements of either the Financial Reporting Act or professional standards.

APPENDIX A – AUDIT OBSERVATIONS & INTERNAL CONTROL DEFICENCIES

OBSERVATIONS FROM OUR FIELDWORK

GOOD ADMINISTRATION/ACCOUNTING SYSTEM

We take this opportunity to comment on the efficient and well-controlled nature of your team's administration and accounting function. This is a credit to the people involved as well as the disciplines put in place by your Board. As your auditors, we appreciate your openness to external advice and congratulate your school for your good efforts in ensuring the efficient and effective operation of this important part of your School.

TIMING OF DRAFT FINANCIAL STATEMENTS

We congratulate your school on the prompt preparation of the current year's financial statements. We also appreciated the effective and efficient communication in response to our audit queries from the School Principal, Kogie Naidoo and the School Administrator Lei-Ana Kingi.

APPROVAL OF ANNUAL FINANCIAL STATEMENTS BY THE BOARD

We noted that the Board did not formally approve the annual financial statements during previous audits.

To ensure a clear accountability trail exists for approving financial statements, we recommend that the financial statements be formally approved by your Board and that you record the passing of the resolution in your minutes.

MANAGEMENT COMMENTS:

LET US HELP YOU ACHIEVE FURTHER BUSINESS SUCCESS

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