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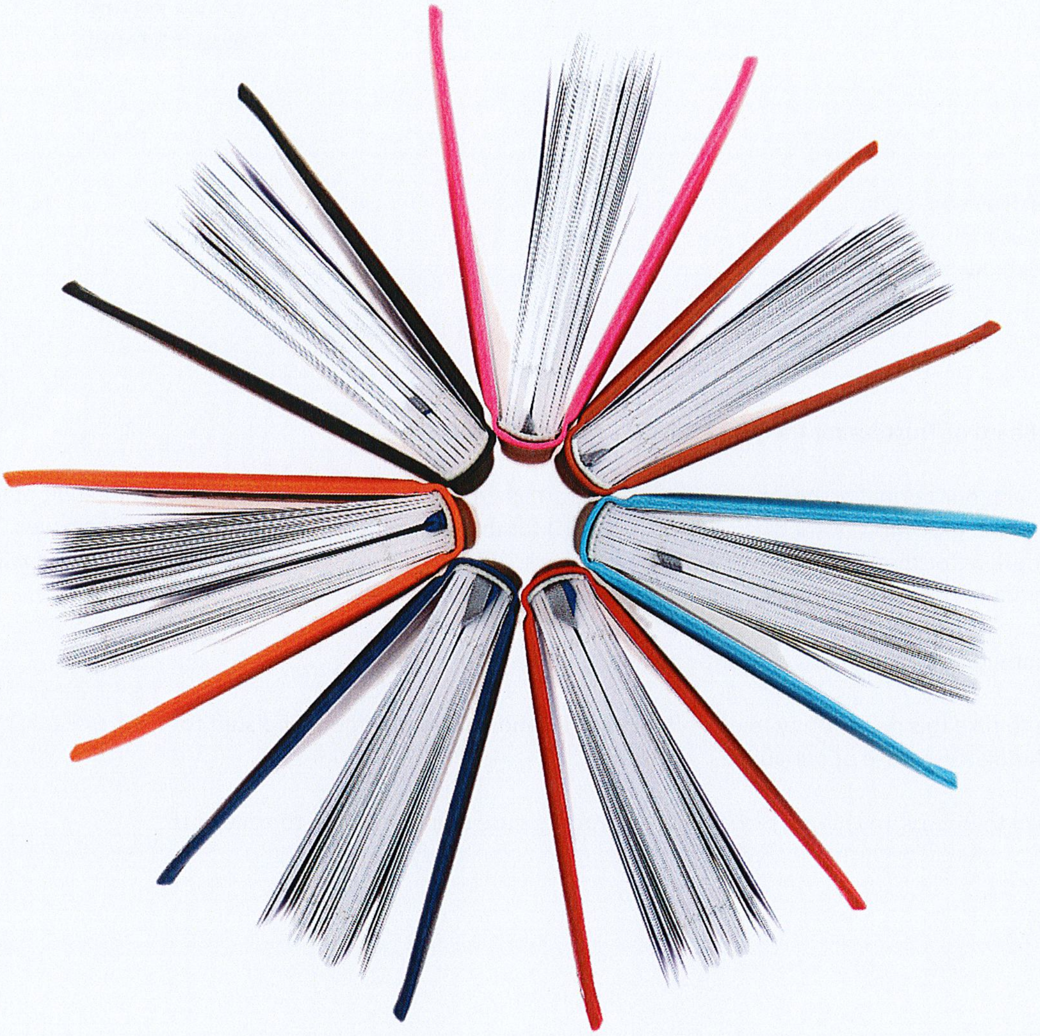

Awhitu District School

Report to the Board of Trustees
for the year ended 31 December 2023

Deloitte.

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15 May 2024

Chair, Board of Trustees
Awhitu District School
Matakawau Road, Awhitu 2684

Dear Trustees

Report to the Board of Trustees for the year ended 31 December 2023

In accordance with our normal practice, we include in the attached report all matters arising from our audit of the financial statements of Awhitu District School ("the School") for the year ended 31 December 2023 which we consider appropriate for the attention of the Board of Trustees ("the Board"). These matters have been discussed with management of the School and their comments have been included, where appropriate.

This report is intended for the Board only and should not be distributed further.

We would like to take this opportunity to extend our appreciation to management and staff for their assistance and cooperation during the course of our audit.

If you would like to discuss any matters raised in this report please do not hesitate to contact us.

Yours faithfully

B Dente

Bruno Dente
Partner
for Deloitte Limited
On behalf of the Office of the Auditor General

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1. Purpose of report and responsibility statement

This report has been prepared for Awhitu District School's Board of Trustees and is part of our ongoing discussions as auditor in accordance with our engagement letter dated 31 August 2021 and as required by New Zealand auditing standards.

This report is intended for the Board of Trustees and should not be distributed further. We do not accept any responsibility for reliance that a third party might place on this report should they obtain a copy without our consent.

This report includes only those matters that have come to our attention as a result of performing our audit procedures and which we believe are appropriate to communicate to the Board. The ultimate responsibility for the preparation of the financial statements rests with the Board of Trustees.

We are responsible for conducting an audit of Awhitu District School ("the School") for the year ended 31 December 2023 in accordance with New Zealand auditing standards issued by the New Zealand Auditing and Assurance Standards Board. Our audit is performed pursuant to the requirements of the Public Audit Act 2001, with the objective of forming and expressing an opinion on the financial statements that have been prepared by management with the oversight of the Board of Trustees. The audit of the financial statements does not relieve management or the Board of Trustees of their responsibilities.

Our audit is not designed to provide assurance as to the overall effectiveness of the School's controls but we will provide you with any recommendations on controls that we might have identified during the course of our audit work.

2. Our audit report

We have not identified any unadjusted differences or omitted financial statement disclosures that could either individually or in aggregate have a significant effect on the financial statements.

Based on the current status of our audit work, we envisage issuing an unmodified audit report.

3. Areas of focus and audit findings

Our audit procedures were focused on those areas of the School's activities that are considered to represent the significant risk areas identified during the risk assessment process undertaken during the planning stage of our engagement.

The following table summarises the significant risks and other areas that we have focussed on during our audit.

Area of focus	Our response
Responsibility of Fraud ISA (NZ) 240 *The auditor's responsibility to consider fraud in an audit of financial statements* requires us to presume there are risks of fraud in revenue recognition and in management's override of controls therefore this is a focus area for the audit. Management's override of controls is identified as a fraud risk because it represents those controls in which manipulation of the financial results could occur. The primary responsibility for the prevention and detection of fraud rests with the Board of Trustees (the 'Board').	We gained an understanding of how the Board exercise oversight of management's processes for identifying and responding to the risks of fraud and the internal control that management has established to mitigate these risks. This involved: • Inquiries with management and others within the school, as appropriate, regarding their knowledge of any actual, suspected or alleged fraud affecting the school; • Inquiries with members of the Board regarding their knowledge of any fraud, suspected fraud or allegations of fraud; and • Reviewing processes around journal entries, estimates and judgements and significant unusual business transactions. We did not identify any matters to report to the Board. We would also like to remind the Board that there are remains increasing risks of cyber-fraud and fraud through misappropriation of funds received through new funding streams, such as the healthy lunches programme. The Ministry of Education has provided guidance regarding cyber-safety and new funding streams which we encourage the School to consider.
Locally raised funds Locally raised funds are a focus area because there is a risk that not all cash received is recorded. Although schools may have a process to record cash receipts, the risk of misappropriation is high if there are limited segregation of duties.	As part of our audit procedures, we have: • Assessed the design and implementation of internal controls surrounding all material revenue streams; and • Performed testing on these balances as well as performing analytical procedures, on balances identified as material. No issues were identified in this area.

Area of focus	Our response
Payroll Payroll expense for schools is the most material expense and is a focus area due to this and historical complications with the processing of payroll. Part of the payroll process is managed centrally by EdPay. The EdPay system relies on schools checking the accuracy of the payroll transactions processed by the school, as this information is not checked centrally. As part of the audit process, we obtain reports from the Office of the Auditor General (through the audit assurance work performed by E&Y) which aided us in completing our audit of the payroll balances. Guidance to schools on controls around online activity history for Masterfile changes, such as bank account and other changes to personal details within EdPay continues to evolve. It is important that the School consider the latest guidance when it is made available. Currently, interim procedures such as taking screen shots of changes and having those approved may be performed. However, as this does not provide a list of all changes made, we do not consider this to be an effective control.	The reports provided by the Office of the Auditor General are made available to the school along with instructions on how to understand them. Consistent with our prior year audits we have inquired with the school regarding any exceptions identified as well as any differences to amounts recorded. We have performed testing on key payroll controls and substantive analytical procedures to ensure that the payroll balances were not materially misstated in the financial statements. A copy of the signed School Annual Accrual Report (SAAR) certification was received prior to completion of the audit. This certification indicated that that the payroll reports were reviewed by the Principal and Chair and allowed the school to report any errors that you did not agree with. In relation to the control around Masterfile changes, we recommend that the Board ask management for assurance that appropriate controls are in place at the school over payroll transactions, and that these controls are considered against the updated payroll guidance once it is published by EdPay. Refer to section 4 below for issues raised.
Cyclical maintenance The provision for cyclical maintenance is a significant accounting estimate in school financial statements. However it is not a complex estimate because there is a standard method for calculating the provision and the provision is required to be updated frequently. An annual review of the provision for cyclical maintenance should be undertaken to ensure the provision is reasonable and reliable.	For the school's cyclical maintenance provision, we have: • Considered if it is calculated by a Ministry Engaged Consultant, a property consultant from a Ministry-approved panel or an independent external expert; • Agreed the inputs to the provision calculation to the maintenance plan in the approved ten year property plan ('10YPP'), and checked the provision calculation for mathematical accuracy; • Carried out a reasonableness check based on whether the provision is consistent with our understanding of the school; and • Considered whether there have been any changes at the school since the 10YPP was prepared that would impact on the maintenance plan. We would encourage the Board ensures that the provision for cyclical maintenance is reviewed and approved on an annual basis.

Area of focus	Our response
Other information The Education and Training Act 2020 specifies that schools must include the following "other information" in their annual report: • information required by the Education (School Planning and Reporting) Regulations 2023 • statement of variance; • statement of responsibility; • statement of Kiwisport funding; • a report on its compliance with its policy to be a "good employer"; • evaluation of school's students' progress and achievement, and • report on how the school has given effect to Te Tiriti o Waitangi Section 597 of requires the Board to have an employment policy that complies with the principle of being a good employer. The Board must make the policy available to employees, ensure its compliance with the policy, and report on the extent of that compliance in its annual report. The annual report is the information that is attached to the financial statements.	Our audit procedures considered these matters as relevant and in accordance with OAG expectations. The annual report does not contain all the required other information and therefore does not comply with the requirements of the Education and Training Act 2020. Refer to section 4 below for the findings raised.
Requirement to prepare and disclose budget information Section 11(i) of the Education (School Planning and Reporting) Regulations 2023 requires each school to disclose budgeted figures for the statement of its revenue and expenses, the statement of its assets and liabilities (balance sheet), and the statement of its cash flows. It is important to consider the budgeted financial position of the school and its future cash flows to ensure that the Board can effectively manage its working capital and cash flows, as well as possible legislative requirements, such as borrowing limits. It is also required to disclose the budgeted amounts for these statements in the School financial statements. Not having these statements included and approved by the Board as part of the budget setting process is a breach of legislation.	As part of our procedures, we have: • Checked if the budgeted statement were made available to the Board at the start of each year for their approval; and • Checked if the approved budgeted statement were included in the financial statements of the School. We would recommend the Board to ensure that the requirement of the legislation is being met.

Area of focus	Our response
Sensitive expenditure Being a public sector entity, we are required to perform specific work on behalf of the Auditor –General around areas referred to as sensitive expenditure.	In performing the audit we looked at various areas including: • Ensuring that policies are current and were appropriately authorised; • Reviewing various expenditure by the Principal and the Board against supporting tax invoices, other documentation and relevant policies and approval guidelines; • Reviewing other sensitive areas such as travel, entertainment and credit cards against supporting tax invoices, other documentation and relevant policies and approval guidelines; • Discussing with the Principal and Chair of the Board about fraud processes and policies and knowledge of any suspected or identified fraud during the year (if applicable); • Reviewing Board and Principal remuneration against guidance and confirmations; and • Inquiring whether funding for Principal professional coaching and support or Principal wellbeing support for new Principals was received during the year. Where funding was received we will obtain the annual declaration and judgementally test a sample of items to ensure the use of the funding is reasonable and in line with guidelines. No issues identified.

4. Assessment of internal controls

Our audit approach requires us to obtain an understanding of an entity's internal controls, sufficient to identify and assess the risks of material misstatement of the financial statements whether due to fraud or error.

We remind you that our audit is not designed to express an opinion on the effectiveness of the controls operating within the School, although we have reported to management any recommendations on controls that we identified during the course of our audit work. The matters being communicated are limited to those deficiencies that we have identified during the audit and that we have concluded are of sufficient importance to merit being reported. Any of our recommendations for improvement should be assessed by you for their full commercial implications before they are implemented.

As is the case for many schools, the number of people involved in the administration and accounting functions is very limited. This brings with it an increased inherent risk that errors and omissions may occur and go undetected.

Based on the nature of the school's revenue streams, the receipt and recording of Locally Raised Funds and Donations (excluding the Donations Scheme from the Government), will likely be more susceptible to fraud. For these revenue streams there are limited audit procedures we can adopt to ensure all money that should be received is properly accounted for.

It is important that the Board is aware of these risks as it is your responsibility to ensure the School's internal controls operate effectively and that the resultant financial statements are accurate.

We have not identified any significant deficiencies in internal controls which would impact upon our ability to provide our opinion. However, we did note a number of control observations and these are detailed below.

Observations and recommendations in the current period

Observation	Recommendation	Management's Response
Review pf payroll Masterfile changes the replacement for this report was not in place until the end of March 2022. Subsequently, EdPay has made available In Observation: In October 2021, the "Novopay Online Transaction Report" was discontinued the replacement for this report was not in place until the end of March 2022. Subsequently, EdPay has made available timesheet, leave and activity history reports that can be reviewed to support payroll spend incurred. Prior to March 2022 the lack of a Masterfile change report could potentially provide an opportunity for fraud or error to go undetected. During our review of the payroll business cycle, Deloitte identified that there no evidence that the reports made available after March 2022 had been reviewed and approved by the school.	We recommend the School review the guidance on payroll controls to implement which is available on the training page of the EdPay website. This includes a checklist of best practice payroll controls - 'School internal processes and controls - payroll'. For payroll transactions incurred prior to March 2022 we recommend that the Board seek from management assurance that appropriate controls are in place at the school over payroll transactions in lieu of the "Novopay Online Transaction Report" being available	History reports are now printed off and attached to SUE fortnightly reports. All payroll entry records are copied and saved. The board will be assured that appropriate controls are in place with regards to transactions prior to March 2022. These reports are downloaded and the board have been shown this.

Observation	Recommendation	Management's Response
Compliance with the Education and Training Act 2020 The Education and Training Act 2020 specifies the "other information" that is required to be included in the annual report alongside the financial statements. We note that the evaluation and analysis of the schools students' progress and achievement report was separately included in the annual report and therefore the annual report is not compliance with the requirements of the Act	We recommend that the School separately include the evaluation and analysis of the schools students' progress and achievement report in its Annual Report.	In future, Awhitu District School will use the achievement data collected and collated in the Analysis of Variance, to report in a standalone document, to show how the students have progressed and achieved over the previous year.

5. Summary of unadjusted differences

We have not identified any uncorrected misstatements that management believe could, either individually or in aggregate, have a material effect on the financial statements for the year ended 31 December 2023.

6. Summary of omitted disclosures assessed

We have not identified any disclosure deficiencies that have not been adjusted in the financial statements for the year ended 31 December 2023.

7. Other communications

The following matters relevant to our audit of the School for the year ended 31 December 2023 are communicated in accordance with the requirements of New Zealand auditing standards.

Matter to be communicated	Response
Written representations	A copy of the representation letter to be signed on behalf of the Board has been circulated separately.
Fraud	The primary responsibility for the prevention and detection of fraud rests with the Board, including designing, implementing and maintaining internal controls over the reliability of financial reporting, effectiveness and efficiency of operations and compliance with applicable laws and regulations. As auditors, we obtain reasonable, but not absolute, assurance that the financial statements as a whole are free from material misstatement, whether caused by fraud or error. ISA (NZ) 240 The auditor's responsibility to consider fraud in an audit of financial statements requires us to obtain an understanding of how those charged with governance exercise oversight of management's processes for identifying and responding to the risks of fraud and the internal control that management has established to mitigate these risks. No matters relating to fraud, concerning either employees or management came to our attention.

Matter to be communicated	Response
	If you do suspect or become aware of any fraud, please contact the audit partner or manager to discuss further.
Accounting policies and financial reporting	There were no changes in accounting policies during the year ended 31 December 2023. We have not become aware of any significant qualitative aspects of the entity's accounting practices, including judgements about accounting policies, accounting estimates and financial statement disclosures that need to be communicated to the Board, other than those already communicated in this report.
Related parties	No significant related party matters other than those reflected in the financial statements came to our attention that, in our professional judgement, need to be communicated to the Board.
Other information	We have read the other information (the financial and non-financial information other than the financial statements) contained within the annual report to consider whether there are material inconsistences with the financial statements. No issues identified.

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AWHITU DISTRICT SCHOOL

ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

School Directory

Ministry Number:	1214
Principal:	Megan Allen
School Address:	14 Matakawau Rd, RD4, Waiuku
School Postal Address:	14 Matakawau Rd, RD4, Waiuku
School Phone:	09 235 1005
School Email:	admin@awhitu.school.nz

Members of the Board:

Name	Position	How Position Gained	Term Expired/ Expires
Cheney McGlynn	Presiding Member	Elected	Jun-25
Megan Allen	Principal ex Officio	ex Officio	Current
Kerry Torpey	Parent Representative	Elected	Jun-25
Leigh Maffey	Parent Representative	Elected	Jun-25
Nicola Hardie	Parent Representative	Elected	Jun-25
Mike Oldfield	Parent Representative	Elected	Jun-25
Lisa Pritchard	Staff Representative	Elected	Jun-25

Accountant / Service Provider: S.A.J. Services Ltd

AWHITU DISTRICT SCHOOL

Annual Financial Statements - For the year ended 31 December 2023

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	Independent Auditor's Report

Awhitu District School

Statement of Responsibility

For the year ended 31 December 2023

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

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

It is the opinion of the Board and management that the annual financial statements for the financial year ended 31 December 2023 fairly reflects the financial position and operations of the school.

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

Cheney McGlynn
Full Name of Presiding Member

Signature of Presiding Member

15/05/2024
Date:

Megan Allen
Full Name of Principal

M Allen
Signature of Principal

15th May 2024
Date:

Awhitu District School
Statement of Comprehensive Revenue and Expense
For the year ended 31 December 2023

	Notes	2023 Actual $	2023 Budget (Unaudited) $	2022 Actual $
Revenue				
Government Grants	2	1,491,355	1,063,305	1,348,930
Locally Raised Funds	3	141,595	34,350	54,041
Interest		14,250	1,500	3,092
Total Revenue		1,647,200	1,099,155	1,406,063
Expense				
Locally Raised Funds	3	52,564	19,085	24,197
Learning Resources	4	845,207	692,653	781,834
Administration	5	112,247	106,394	114,806
Interest		1,151	921	1,151
Property	6	460,853	353,202	346,142
Other Expense	7	142,484	-	63,910
Loss on Disposal of Property, Plant and Equipment		355	-	3,508
Total Expense		1,614,861	1,172,255	1,335,548
Net Surplus / (Deficit) for the year		32,339	(73,100)	70,515
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		32,339	(73,100)	70,515

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

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Awhitu District School
Statement of Changes in Net Assets/Equity
For the year ended 31 December 2023

	Notes	2023 Actual $	2023 Budget (Unaudited) $	2022 Actual $
Equity at 1 January		671,788	671,788	601,273
Total comprehensive revenue and expense for the year		32,339	(73,100)	70,515
Contribution - Furniture and Equipment Grant		11,117	-	-
Equity at 31 December		715,244	598,688	671,788
Accumulated comprehensive revenue and expense		715,244	598,688	671,788
Equity at 31 December		715,244	598,688	671,788

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.

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Awhitu District School
Statement of Financial Position
As at 31 December 2023

	Notes	2023 Actual $	2023 Budget (Unaudited) $	2022 Actual $
Current Assets				
Cash and Cash Equivalents	8	579,796	484,804	559,404
Accounts Receivable	9	64,231	12,537	68,308
GST Receivable		8,822	2,804	2,804
Prepayments		808	3,040	3,040
Inventories	10	699	761	761
Funds Receivable for Capital Works Projects	16	-	15,829	15,829
		654,356	519,775	650,146
Current Liabilities				
Accounts Payable	12	106,290	25,058	80,829
Revenue Received in Advance	13	2,037	693	693
Provision for Cyclical Maintenance	14	66,560	62,670	62,670
Finance Lease Liability	15	4,841	3,711	3,711
Funds held for Capital Works Projects	16	-	98,310	98,310
		179,728	190,442	246,213
Working Capital Surplus/(Deficit)		474,628	329,333	403,933
Non-current Assets				
Property, Plant and Equipment	11	304,412	315,732	314,232
Work in Progress		27,923	3,535	3,535
		332,335	319,267	317,767
Non-current Liabilities				
Provision for Cyclical Maintenance	14	87,597	43,339	43,339
Finance Lease Liability	15	4,122	6,573	6,573
		91,719	49,912	49,912
Net Assets		715,244	598,688	671,788
Equity		715,244	598,688	671,788

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

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Awhitu District School
Statement of Cash Flows
For the year ended 31 December 2023

	Note	2023 Actual $	2023 Budget (Unaudited) $	2022 Actual $
Cash flows from Operating Activities				
Government Grants		354,548	337,589	359,159
Locally Raised Funds		143,414	14,225	45,656
Goods and Services Tax (net)		(6,018)	(1,241)	(1,241)
Payments to Employees		(192,161)	(161,076)	(179,151)
Payments to Suppliers		(170,387)	(100,670)	(134,146)
Interest Paid		(1,151)	(921)	(1,151)
Interest Received		14,250	1,500	3,092
Net cash from/(to) Operating Activities		142,495	89,406	92,218
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(46,325)	(32,469)	(18,221)
Net cash from/(to) Investing Activities		(46,325)	(32,469)	(18,221)
Cash flows from Financing Activities				
Furniture and Equipment Grant		11,117	-	-
Finance Lease Payments		(4,412)	2,507	(4,113)
Painting Contract Payments		-	-	(12,429)
Funds Administered on Behalf of Other Parties		(82,481)	99,782	99,783
Net cash from/(to) Financing Activities		(75,776)	102,289	83,241
Net increase/(decrease) in cash and cash equivalents		20,394	159,226	157,238
Cash and cash equivalents at the beginning of the year	8	559,404	325,578	402,166
Cash and cash equivalents at the end of the year	8	579,796	484,804	559,404

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

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

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Awhitu District School
Notes to the Financial Statements
For the year ended 31 December 2023

1. Statement of Accounting Policies

a) Reporting Entity
Awhitu District 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 2023 to 31 December 2023 and in accordance with the requirements of the Education and Training Act 2020.

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

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

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

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

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

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

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

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

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.

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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 21.

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) 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.

e) 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.

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f) 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.

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

h) 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	40 years
Furniture and equipment	10 years
Information and communication technology	5 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value

i) 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.

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j) Impairment of property, plant, and equipment and Intangible assets

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

Non cash generating assets

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

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

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

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

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

k) 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.

l) Employee Entitlements

Short-term employee entitlements

Employee entitlements that are expected to be settled within 12 months after the end of the reporting period in which the employees provide the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date and annual leave earned, by non teaching staff, but not yet taken at balance date.

Long-term employee entitlements

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

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

m) Revenue Received in Advance

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

n) 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.

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

Cyclical maintenance, which involves painting the interior and exterior of the School, makes up the most significant part of the Board's responsibilities outside day-to-day maintenance. The provision is a reasonable estimate, based on the school's best estimate of the cost of painting the school and when the school is required to be painted, based on an assessment of the school's condition.

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

p) 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.

q) 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.

r) Budget Figures
The budget figures are extracted from the School budget that was approved by the Board.

s) 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.

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2. Government Grants

	2023 Actual $	2023 Budget (Unaudited) $	2022 Actual $
Government Grants - Ministry of Education	481,805	253,305	412,379
Teachers' Salaries Grants	709,369	578,263	677,514
Use of Land and Buildings Grants	291,755	231,737	256,197
Other Government Grants	8,426	-	2,840
	1,491,355	1,063,305	1,348,930

The school has opted in to the donations scheme for this year. Total amount received was $18,032.

3. Locally Raised Funds

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

	2023 Actual $	2023 Budget (Unaudited) $	2022 Actual $
Revenue			
Donations & Bequests	12,923	-	6,419
Fees for Extra Curricular Activities	18,785	9,500	15,558
Trading	444	-	1,307
Fundraising & Community Grants	109,443	24,850	30,757
	141,595	34,350	54,041
Expense			
Extra Curricular Activities Costs	26,821	19,085	22,796
Trading	269	-	1,087
Fundraising and Community Grant Costs	25,474	-	314
	52,564	19,085	24,197
Surplus/ (Deficit) for the year Locally Raised Funds	89,031	15,265	29,844

4. Learning Resources

	2023 Actual $	2023 Budget (Unaudited) $	2022 Actual $
Curricular	19,207	16,600	8,639
Equipment Repairs	196	1,500	990
Information and Communication Technology	4,401	4,540	4,323
Library Resources	570	300	251
Employee Benefits - Salaries	780,780	629,213	728,592
Staff Development	5,559	10,500	6,718
Depreciation	34,494	30,000	32,321
	845,207	692,653	781,834

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5. Administration

	2023 Actual $	2023 Budget (Unaudited) $	2022 Actual $
Audit Fees	7,152	7,152	6,944
Board Fees	2,780	2,200	2,670
Board Expenses	1,533	2,405	2,488
Communication	3,180	2,550	2,686
Consumables	5,426	7,800	6,499
Other	9,980	9,710	9,795
Employee Benefits - Salaries	72,643	66,400	74,940
Insurance	2,863	1,565	2,138
Service Providers, Contractors and Consultancy	6,690	6,612	6,646
	112,247	106,394	114,806

6. Property

	2023 Actual $	2023 Budget (Unaudited) $	2022 Actual $
Caretaking and Cleaning Consumables	6,826	6,180	4,356
Cyclical Maintenance	67,658	25,000	4,973
Grounds	16,715	17,285	24,819
Heat, Light and Water	15,583	20,500	14,702
Repairs and Maintenance	14,220	10,500	3,277
Use of Land and Buildings	291,755	231,737	256,197
Employee Benefits - Salaries	48,096	42,000	37,818
	460,853	353,202	346,142

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

7. Other Expense

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
Transport	142,484	-	63,910
	142,484	-	63,910

8. Cash and Cash Equivalents

	2023 Actual $	2023 Budget (Unaudited) $	2022 Actual $
Bank Accounts	579,796	484,804	559,404
Cash and cash equivalents for Statement of Cash Flows	579,796	484,804	559,404

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

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9. Accounts Receivable

	2023 Actual $	2023 Budget (Unaudited) $	2022 Actual $
Receivables	323	12,537	797
Receivables from the Ministry of Education	4,939	-	-
Banking Staffing Underuse	-	-	11,740
Teacher Salaries Grant Receivable	58,969	-	55,771
	64,231	12,537	68,308
Receivables from Exchange Transactions	323	12,537	797
Receivables from Non-Exchange Transactions	63,908	-	67,511
	64,231	12,537	68,308

10. Inventories

	2023 Actual $	2023 Budget (Unaudited) $	2022 Actual $
Stationery	699	761	761
	699	761	761

11. Property, Plant and Equipment

2023	Opening Balance (NBV) $	Additions $	Disposals $	Impairment $	Depreciation $	Total (NBV) $
Land	50,000	-	-	-	-	50,000
Building Improvements	176,126	-	-	-	(8,545)	167,581
Furniture and Equipment	42,757	10,355	(792)	-	(8,215)	44,105
Information and Communication Technology	24,763	11,227	(37)	-	(11,693)	24,260
Leased Assets	9,626	3,092	-	-	(4,568)	8,150
Library Resources	10,960	1,155	(326)	-	(1,473)	10,316
Balance at 31 December 2023	314,232	25,829	(1,155)	-	(34,494)	304,412

The following note can be used for each class of asset that are held under a finance lease:
The net carrying value of furniture and equipment held under a finance lease is $8,150 (2022: $9,626)

Restrictions
With the exception of the contractual restrictions related to the above noted 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.

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	2023 Cost or Valuation $	2023 Accumulated Depreciation $	2023 Net Book Value $	2022 Cost or Valuation $	2022 Accumulated Depreciation $	2022 Net Book Value $
Land	50,000	-	**50,000**	50,000	-	**50,000**
Building Improvements	341,789	(174,208)	**167,581**	341,789	(165,663)	**176,126**
Furniture and Equipment	230,527	(186,422)	**44,105**	220,971	(178,214)	**42,757**
Information and Communication Technology	90,529	(66,268)	**24,261**	80,397	(55,634)	**24,763**
Leased Assets	16,563	(8,412)	**8,151**	16,086	(6,460)	**9,626**
Library Resources	56,325	(46,011)	**10,314**	56,863	(45,903)	**10,960**
Balance at 31 December 2023	785,733	(481,321)	**304,412**	766,106	(451,874)	**314,232**

12. Accounts Payable

	2023 Actual $	2023 Budget (Unaudited) $	2022 Actual $
Creditors	36,416	11,847	11,847
Accruals	4,649	13,211	6,944
Employee Entitlements - Salaries	59,512	-	56,420
Employee Entitlements - Leave Accrual	5,713	-	5,618
	106,290	25,058	80,829
Payables for Exchange Transactions	106,290	25,058	80,829
	106,290	25,058	80,829

The carrying value of payables approximates their fair value.

13. Revenue Received in Advance

	2023 Actual $	2023 Budget (Unaudited) $	2022 Actual $
Other revenue in Advance	2,037	693	693
	2,037	693	693

14. Provision for Cyclical Maintenance

	2023 Actual $	2023 Budget (Unaudited) $	2022 Actual $
Provision at the Start of the Year	106,009	81,009	101,036
Increase to the Provision During the Year	67,658	25,000	4,973
Use of the Provision During the Year	(19,510)	-	-
Provision at the End of the Year	154,157	106,009	106,009
Cyclical Maintenance - Current	66,560	62,670	62,670
Cyclical Maintenance - Non current	87,597	43,339	43,339
	154,157	106,009	106,009

Per the cyclical maintenance schedule, the school is next expected to undertake painting works during 2024. This plan is based on the schools 10 Year Property plan.

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15. Finance Lease Liability

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

	2023 Actual $	2023 Budget (Unaudited) $	2022 Actual $
No Later than One Year	4,841	3,711	3,711
Later than One Year and no Later than Five Years	4,122	6,573	6,573
	8,963	10,284	10,284
Represented by			
Finance lease liability - Current	4,841	3,711	3,711
Finance lease liability - Non current	4,122	6,573	6,573
	8,963	10,284	10,284

16. Funds Held for Capital Works Projects

During the year the School received and applied funding from the Ministry of Education for the following capital works projects. The amount of cash held on behalf of the Ministry for capital works project is included under cash and cash equivalents in note 8.

2023	Opening Balances $	Receipts from MOE $	Payments $	Board Contributions $	Closing Balances $
Drainage Stage 1	(15,829)	18,760	(2,931)	-	-
Drainage Stage 2	98,310	-	(98,310)	-	-
Totals	82,481	18,760	(101,241)	-	-
Represented by:					
Funds Held on Behalf of the Ministry of Education					-
Funds Receivable from the Ministry of Education					-

2022	Opening Balances $	Receipts from MOE $	Payments $	Board Contributions $	Closing Balances $
Drainage Stage 1	(15,829)	-	-	-	(15,829)
Drainage Stage 2	(1,472)	99,782	-	-	98,310
Totals	(17,301)	99,782	-	-	82,481
Represented by:					
Funds Held on Behalf of the Ministry of Education					98,310
Funds Receivable from the Ministry of Education					(15,829)

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 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.

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18. Remuneration

Key management personnel compensation

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

	2023 Actual $	2022 Actual $
Board Members		
Remuneration	2,780	2,670
Leadership Team		
Remuneration	249,054	233,487
Full-time equivalent members	2	2
Total key management personnel remuneration	251,834	236,157

There are 6 members of the Board excluding the Principal. The Board has held 11 full meetings of the Board in the year. 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.

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

	2023 Actual $000	2022 Actual $000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	130 - 140	120 - 130
Benefits and Other Emoluments	0 - 5	-
Termination Benefits	-	-

Other Employees

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

Remuneration $000	2023 FTE Number	2022 FTE Number
100 - 110	2.00	0.00
110 - 120	1.00	1.00
	3.00	1.00

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:

	2023 Actual	2022 Actual
Total	-	-
Number of People	-	-

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20. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2023 (Contingent liabilities and assets at 31 December 2022: nil).

Holidays Act Compliance – Schools Payroll
The Ministry of Education performs payroll processing and payments on behalf of boards, through payroll service provider, Education Payroll Limited.

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

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

21. Commitments

(a) Capital Commitments

At 31 December 2023, the Board had no capital commitments (2022: nil).

(b) Operating Commitments

As at 31 December 2023, the Board has entered into no contracts (2022: 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

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	$	$	$
Cash and Cash Equivalents	579,796	484,804	559,404
Receivables	64,231	12,537	68,308
Total financial assets measured at amortised cost	644,027	497,341	627,712
Financial liabilities measured at amortised cost			
Payables	106,290	25,058	80,829
Finance Leases	8,963	10,284	10,284
Total financial liabilities measured at amortised cost	115,253	35,342	91,113

23. Events After Balance Date

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

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INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF AWHITU DISTRICT SCHOOL'S FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

The Auditor-General is the auditor of Awhitu District School (the School). The Auditor-General has appointed me Bruno Dente, using the staff and resources of Deloitte Limited, to carry out the audit of the financial statements of the School on his behalf.

Opinion

We have audited the financial statements of the School on pages 2 to 17, that comprise the statement of financial position as at 31 December 2023, the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion the financial statements of the School:

- present fairly, in all material respects:
  - its financial position as at 31 December 2023 and
  - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Sector – Public Benefit Entity Standards, Reduced Disclosure Regime.

Our audit was completed on 15 May 2024. This is the date at which our opinion is expressed.

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

Basis for our opinion

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

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

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

Responsibilities of the Board for the financial statements

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

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

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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

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

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

Our responsibilities arises from the Public Audit Act 2001.

Other information

The Board is responsible for the other information. The other information comprises the information including List of Board of Trustees, Statement of Responsibility, Statement of Variance, KiwiSport Report, How Awhitu District School Gives Effect to Te Tiriti o Waitangi and Statement of Compliance with Employment Policy, but does not include the financial statements, and our auditor's report thereon.

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

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

Independence

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

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

B Dente

Bruno Dente
Partner
for Deloitte Limited
On behalf of the Auditor-General
Hamilton, New Zealand

Deloitte.

INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF AWHITU DISTRICT SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

The Auditor-General is the auditor of Awhitu District School (the School). The Auditor-General has appointed me Bruno Dente, using the staff and resources of Deloitte Limited, to carry out the audit of the financial statements of the School on his behalf.

Opinion

We have audited the financial statements of the School on pages 2 to 17, that comprise the statement of financial position as at 31 December 2023, the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion the financial statements of the School:

- present fairly, in all material respects:
  - its financial position as at 31 December 2023 and
  - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Sector – Public Benefit Entity Standards, Reduced Disclosure Regime.

Our audit was completed on 15 May 2024. This is the date at which our opinion is expressed.

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

Basis for our opinion

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

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

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

Responsibilities of the Board for the financial statements

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

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

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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.

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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.

B Dente

Bruno Dente
Partner
for Deloitte Limited
On behalf of the Auditor-General
Hamilton, New Zealand