

CHRISTCHURCH BOYS' HIGH SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

School Directory

Ministry Number: 327

Principal: Mr N C Hill

School Address: Straven Road Riccarton Christchurch 8041

School Postal Address: PO Box 8157 Riccarton Christchurch 8440

School Phone: 03 348 5003

School Email: enquiries@cbhs.school.nz

Members of the Board

Name	Position	How Position Gained	Term Expires
Michael Singleton	Chairperson	Elected 2022	2025
Nicholas Hill	Headmaster ex Officio		
Mark Zino	Parent Representative	Elected 2022	2025
Tim Cookson	Parent Representative	Elected 2022	2025
Analisa Elstob	Parent Representative	Elected 2022	2025
Emily Flaszynski	Parent Representative	Elected 2022	2025
Andrew Haig	Parent Representative	Co-opted 2022	2025
Nathan Mauger	Parent Representative	Co-opted 2022	2025
Alastair Drayton	Staff Representative	Elected 2022	2025
Matthew Horn	Student Representative	Elected 2022	2023

CHRISTCHURCH BOYS' HIGH SCHOOL

Annual Report - For the year ended 31 December 2022

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Christchurch Boys' High 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.

MICHAEL JAMES SINGLETON

Full Name of Chairperson



Signature of Chairperson

31 MAY 2023

Date:

NICHOLAS CHARLES MILLS

Full Name of Headmaster



Signature of Headmaster

31 MAY 2023

Date:

Christchurch Boys' High 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	12,368,244	11,801,842	12,644,864
Locally Raised Funds	3	2,929,038	2,633,343	2,929,753
Interest Income		152,807	61,000	58,184
Gain on Sale of Property, Plant and Equipment		10,341	-	64,337
Hostel	4	2,236,400	2,243,198	2,197,934
Other Revenue		-	-	-
Total Revenue		17,696,830	16,739,383	17,895,072
Expenses				
Locally Raised Funds	3	1,579,093	1,482,660	1,544,519
Hostel	4	1,892,161	2,048,989	1,862,454
Learning Resources	5	10,476,176	10,406,316	10,456,873
Administration	6	1,032,249	939,254	938,461
Finance		8,926	7,500	4,190
Property	7	2,240,546	2,136,235	2,848,736
Other Expenses		-	-	-
Loss on Disposal of Property, Plant and Equipment		33	-	32,023
		17,229,184	17,020,954	17,687,256
Net Surplus / (Deficit) for the year		467,646	(281,571)	207,816
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		467,646	(281,571)	207,816

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

Christchurch Boys' High 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		19,567,153	18,895,308	19,359,337
Total comprehensive revenue and expense for the year		467,646	(281,571)	207,816
Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		-	-	-
Equity at 31 December		20,034,799	18,613,737	19,567,153
Accumulated comprehensive revenue and expense		17,863,147	16,442,085	17,395,501
Reserves		2,171,652	2,171,652	2,171,652
Equity at 31 December		20,034,799	18,613,737	19,567,153

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.

Reserves

Building Fund

Opening Balance		294,204	294,204	294,204
Movement this year		-	-	-
Closing Balance		294,204	294,204	294,204

Insurance Proceeds Fund

Opening Balance		1,877,448	1,877,448	1,877,448
Movement this year		-	-	-
Closing Balance		1,877,448	1,877,448	1,877,448
Total Reserves		2,171,652	2,171,652	2,171,652

Reserved equity comprises funds that have been received by the School for a specific purpose. The School guarantees to hold sufficient monies to enable the funds to be used for their intended purpose at any time.

These funds arose from school building donations and insurance proceeds from earthquake claims. These funds are held for use solely on school buildings as determined by the Board of Trustees.

The School is not required to repay these funds.



Christchurch Boys' High School

Statement of Financial Position

As at 31 December 2022

	Notes	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Current Assets				
Cash and Cash Equivalents	8	802,901	694,029	949,045
Accounts Receivable	9	779,538	745,589	745,589
GST Receivable		16,387	38,534	38,534
Prepayments		68,402	107,187	107,187
Inventories	10	5,911	5,270	5,270
Investments	11	6,695,263	5,093,213	5,093,213
		<u>8,368,402</u>	<u>6,683,822</u>	<u>6,938,838</u>
Current Liabilities				
Accounts Payable	13	1,148,757	1,158,045	1,158,045
Revenue Received in Advance	14	518,540	243,904	243,904
Provision for Cyclical Maintenance	15	35,000	35,000	121,600
Finance Lease Liability	16	45,084	37,155	37,155
Funds held in Trust	17	565,257	247,537	247,537
		<u>2,312,638</u>	<u>1,721,641</u>	<u>1,808,241</u>
Working Capital Surplus/(Deficit)		6,055,764	4,962,181	5,130,597
Non-current Assets				
Investments	11	30,927	33,368	33,368
Property, Plant and Equipment	12	14,277,885	13,910,465	14,580,465
Intangible Assets		-	-	-
		<u>14,308,812</u>	<u>13,943,833</u>	<u>14,613,833</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	15	290,288	227,331	112,331
Finance Lease Liability	16	39,489	64,946	64,946
		<u>329,777</u>	<u>292,277</u>	<u>177,277</u>
Net Assets		<u><u>20,034,799</u></u>	<u><u>18,613,737</u></u>	<u><u>19,567,153</u></u>
Equity		<u><u>20,034,799</u></u>	<u><u>18,613,737</u></u>	<u><u>19,567,153</u></u>

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

Christchurch Boys' High School

Statement of Cash Flows

For the year ended 31 December 2022

	Note	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Cash flows from Operating Activities				
Government Grants		3,367,906	2,816,820	2,810,816
Locally Raised Funds		2,569,268	2,337,517	2,395,202
Hostel		2,239,400	2,243,198	2,193,434
International Students		673,405	295,826	278,644
Goods and Services Tax (net)		22,147	-	57,359
Payments to Employees		(2,816,624)	(2,665,534)	(2,771,936)
Payments to Suppliers		(4,563,868)	(5,661,819)	(4,647,470)
Interest Paid		(8,926)	(7,500)	(4,190)
Interest Received		118,333	61,000	54,247
Net cash from/(to) Operating Activities		1,601,041	(580,492)	366,106
Cash flows from Investing Activities				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		10,308	-	68,099
Purchase of Property Plant & Equipment (and Intangibles)		(432,325)	-	(667,733)
Purchase of Investments		(1,599,609)	-	(4,499,996)
Proceeds from Sale of Investments		-	-	4,639,574
Net cash from/(to) Investing Activities		(2,021,626)	-	(460,056)
Cash flows from Financing Activities				
Finance Lease Payments		(43,279)	-	(41,920)
Funds Administered on Behalf of Third Parties		317,720	-	(189,606)
Net cash from/(to) Financing Activities		274,441	-	(231,526)
Net increase/(decrease) in cash and cash equivalents		(146,144)	(580,492)	(325,476)
Cash and cash equivalents at the beginning of the year	8	949,045	1,274,521	1,274,521
Cash and cash equivalents at the end of the year	8	802,901	694,029	949,045

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.

Christchurch Boys' High School

Notes to the Financial Statements

For the year ended 31 December 2022

1. Statement of Accounting Policies

a) Reporting Entity

Christchurch Boys' High 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 15.

Useful lives of property, plant and equipment

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

Critical Judgements in applying accounting policies

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

Classification of leases

Determining whether a lease is a finance lease or an operating lease requires judgement as to whether the lease transfers substantially all the risks and rewards of ownership to the school. A lease is classified as a finance lease if it transfers substantially all risks and rewards incidental to ownership of an underlying asset to the lessee. In contrast, an operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset to the lessee. Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant, and equipment, whereas for an operating lease no such asset is recognised. Finance lease liability disclosures are contained in note 16. Future operating lease commitments are disclosed in note 22b.

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

i) Investments

Bank term deposits are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance. A loss allowance for expected credit losses is recognised if the estimated loss allowance is 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 except for library resources are depreciated over their estimated useful lives on a straight line basis. Library resources are depreciated on a diminishing value basis. Depreciation of all assets is reported in the Statement of Comprehensive Revenue and Expense.

The estimated useful lives of the assets are:

Building improvements	10–50 years
Board Owned Buildings	10–50 years
Furniture and equipment	10–15 years
Information and communication technology	3–5 years
Motor vehicles	5 years
Artwork	Infinite
Hostel	3–50 years
Leased assets held under a Finance Lease	3 years
Library resources	12.5% Diminishing value

k) 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.

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

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

l) Accounts Payable

Accounts Payable represents liabilities for goods and services provided to the School prior to the end of the financial year which are unpaid. Accounts Payable are recorded at the amount of cash required to settle those liabilities. The amounts are unsecured and are usually paid within 30 days of recognition.

m) Employee Entitlements

Short-term employee entitlements

Employee 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.

n) Revenue Received in Advance

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

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

o) Funds Held in Trust

Funds are held in trust where they have been received by the School for a specified purpose, or are being held on behalf of a third party and these transactions are not recorded in the Statement of Revenue and Expense.

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

p) 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.

q) 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.

r) 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.

s) 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.

t) Budget Figures

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

u) 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	3,313,262	2,776,820	2,781,729
Teachers' Salaries Grants	8,031,520	8,005,901	8,014,235
Use of Land and Buildings Grants	979,121	979,121	1,809,510
Other Government Grants	44,341	40,000	39,390
	<u>12,368,244</u>	<u>11,801,842</u>	<u>12,644,864</u>

The school has not opted in to the donations scheme for this year.

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	601,699	632,091	619,488
Curriculum related Activities - Purchase of goods and services	135,414	142,380	145,665
Fees for Extra Curricular Activities	884,574	788,576	776,594
Trading	286,164	270,000	282,815
Fundraising & Community Grants	249,830	185,000	266,518
Other Revenue	370,859	319,470	353,037
International Student Fees	400,498	295,826	485,636
	<u>2,929,038</u>	<u>2,633,343</u>	<u>2,929,753</u>
Expenses			
Extra Curricular Activities Costs	1,012,715	955,254	916,138
Trading	247,739	219,919	247,798
Fundraising and Community Grant Costs	3,075	5,000	1,560
International Student - Student Recruitment	13,084	6,500	15,203
International Student - Employee Benefit - Salaries	253,684	231,347	301,146
International Student - Other Expenses	48,796	64,640	62,674
	<u>1,579,093</u>	<u>1,482,660</u>	<u>1,544,519</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>1,349,945</u>	<u>1,150,683</u>	<u>1,385,234</u>

During the year the School hosted 36 International students (2021:34)

6. Administration

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	10,639	11,000	11,650
Board Fees	6,825	7,080	3,790
Board Expenses	26,908	31,200	29,921
Communication	52,802	48,000	36,888
Consumables	18,683	50,500	28,280
Legal Fees	75,852	25,000	78,712
Employee Benefits - Salaries	779,255	699,474	649,604
Insurance	57,932	62,000	55,516
Service Providers, Contractors and Consultancy	3,353	5,000	44,100
	<u>1,032,249</u>	<u>939,254</u>	<u>938,461</u>

7. Property

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	10,165	17,500	13,627
Consultancy and Contract Services	484,138	475,000	493,521
Grounds	22,375	55,000	19,204
Heat, Light and Water	213,454	200,000	192,296
Rates	82,933	60,000	68,049
Repairs and Maintenance	300,402	211,000	111,991
Use of Land and Buildings	979,121	979,121	1,809,510
Security	34,366	29,000	31,136
Employee Benefits - Salaries	113,592	109,614	109,402
	<u>2,240,546</u>	<u>2,136,235</u>	<u>2,848,736</u>

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

8. Cash and Cash Equivalents

	2022	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Bank Accounts	802,901	694,029	949,045
Short-term Bank Deposits	-	-	-
Cash and cash equivalents for Statement of Cash Flows	<u>802,901</u>	<u>694,029</u>	<u>949,045</u>

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

9. Accounts Receivable

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Receivables	25,786	83,003	83,003
Receivables from the Ministry of Education	15,218	10,303	10,303
Interest Receivable	50,332	15,858	15,858
Teacher Salaries Grant Receivable	688,202	636,425	636,425
	<u>779,538</u>	<u>745,589</u>	<u>745,589</u>
Receivables from Exchange Transactions	76,118	98,861	98,861
Receivables from Non-Exchange Transactions	703,420	646,728	646,728
	<u>779,538</u>	<u>745,589</u>	<u>745,589</u>

10. Inventories

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Hostel	4,124	3,082	3,082
Canteen	1,787	2,188	2,188
	<u>5,911</u>	<u>5,270</u>	<u>5,270</u>

11. Investments

The School's investment activities are classified as follows:

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Current Asset			
Short-term Bank Deposits	6,695,263	5,093,213	5,093,213
Non-current Asset			
Foodstuffs (SI) Limited	8,172	10,613	10,613
Te Kura Trust	20,755	20,755	20,755
Canterbury Education Services Society Limited	2,000	2,000	2,000
	<u>30,927</u>	<u>33,368</u>	<u>33,368</u>
Total Investments	<u>6,726,190</u>	<u>5,126,581</u>	<u>5,126,581</u>

12. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2022	\$	\$	\$	\$	\$	\$
Land	5,480,000	-	-	-	-	5,480,000
Buildings	2,493,557	-	-	-	(62,436)	2,431,121
Building Improvements	992,692	38,021	-	-	(70,998)	959,715
Hostel	3,603,695	33,182	(1)	-	(122,084)	3,514,792
Furniture and Equipment	1,463,416	137,065	-	-	(318,980)	1,281,501
Information and Communication Technology	259,551	81,639	-	-	(119,049)	222,141
Motor Vehicles	102,428	-	-	-	(23,724)	78,704
Artwork	81,761	-	-	-	-	81,761
Leased Assets	100,599	25,751	-	-	(45,656)	80,694
Library Resources	2,764	9,822	(33)	-	(8,771)	3,782
Work in Progress	-	143,674	-	-	-	143,674
Balance at 31 December 2022	14,580,463	469,154	(34)	-	(771,698)	14,277,885

The net carrying value of equipment held under a finance lease is \$80,694 (2021: \$100,599).

	2022	2022	2022	2021	2021	2021
	Cost or Valuation	Accumulated Depreciation	Net Book Value	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$	\$	\$	\$
Land	5,480,000	-	5,480,000	5,480,000	-	5,480,000
Buildings	3,121,804	(690,683)	2,431,121	3,184,026	(690,469)	2,493,557
Building Improvements	1,510,782	(551,067)	959,715	1,611,589	(618,897)	992,692
Hostel	5,416,498	(1,901,706)	3,514,792	5,368,892	(1,765,197)	3,603,695
Furniture and Equipment	2,913,150	(1,631,649)	1,281,501	5,197,402	(3,733,986)	1,463,416
Information and Communication Technology	981,011	(758,870)	222,141	2,151,025	(1,891,474)	259,551
Motor Vehicles	139,116	(60,412)	78,704	166,676	(64,248)	102,428
Artwork	81,761	-	81,761	81,761	-	81,761
Leased Assets	310,449	(229,755)	80,694	284,698	(184,099)	100,599
Library Resources	209,660	(205,878)	3,782	202,284	(199,520)	2,764
Work in Progress	143,674	-	143,674	-	-	-
Balance at 31 December	20,307,905	(6,030,020)	14,277,885	23,728,353	(9,147,890)	14,580,463

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.

13. Accounts Payable

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Creditors	167,011	236,935	236,935
Accruals	145,161	150,831	150,831
Employee Entitlements - Salaries	725,933	677,102	677,102
Employee Entitlements - Leave Accrual	110,652	93,177	93,177
	<u>1,148,757</u>	<u>1,158,045</u>	<u>1,158,045</u>
Payables for Exchange Transactions	1,122,524	1,130,825	1,130,825
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	26,233	27,220	27,220
	<u>1,148,757</u>	<u>1,158,045</u>	<u>1,158,045</u>

The carrying value of payables approximates their fair value.

14. Revenue Received in Advance

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
International Student Fees in Advance	476,082	203,175	203,175
Hostel Fees in Advance	32,000	29,000	29,000
Other Revenue in Advance	10,458	11,729	11,729
	<u>518,540</u>	<u>243,904</u>	<u>243,904</u>

15. Provision for Cyclical Maintenance: Hostel

	2022 Actual \$	2022 Budget (Unaudited) \$	2021 Actual \$
Provision at the Start of the Year	233,931	233,931	333,182
Increase to the Provision During the Year	226,513	150,000	150,000
Use of the Provision During the Year	(135,156)	(121,600)	(249,251)
Provision at the End of the Year	<u>325,288</u>	<u>262,331</u>	<u>233,931</u>
Cyclical Maintenance - Current	35,000	35,000	121,600
Cyclical Maintenance - Non current	290,288	227,331	112,331
	<u>325,288</u>	<u>262,331</u>	<u>233,931</u>

The hostel is next expected to undertake maintenance works during 2023. This plan is based on the hostel's long term maintenance plan. The school currently falls under the CSR programme and is not required to prepare a plan until construction at school is completed.

16. 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	2022	2021
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
No Later than One Year	50,843	44,561	44,561
Later than One Year and no Later than Five Years	41,427	70,469	70,469
Later than Five Years	(7,697)	(12,929)	(12,929)
Future Finance Charges	-	-	-
	<u>84,573</u>	<u>102,101</u>	<u>102,101</u>
Represented by			
Finance lease liability - Current	45,084	37,155	37,155
Finance lease liability - Non current	39,489	64,946	64,946
	<u>84,573</u>	<u>102,101</u>	<u>102,101</u>

17. Funds held in Trust

	2022	2022	2021
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Funds Held in Trust on Behalf of Third Parties - Current	565,257	247,537	247,537
	<u>565,257</u>	<u>247,537</u>	<u>247,537</u>

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

18. 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.

19. Remuneration

Key management personnel compensation

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

	2022 Actual \$	2021 Actual \$
<i>Board Members</i> Remuneration	6,825	3,790
<i>Leadership Team</i> Remuneration	965,682	935,264
Full-time equivalent members	7	7
Total key management personnel remuneration	972,507	939,054

There are 9 members of the Board excluding the Principal. The Board had held include 10 full meetings of the Board in the year. The Board also has Finance (5 members) and Property (5 members) that meet monthly and quarterly respectively. As well as these regular meetings, including preparation time, the Presiding member and other Board members have also been involved in ad hoc meetings to consider student welfare matters including stand downs, suspensions, and other disciplinary matters.

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	220-230	210-220
Benefits and Other Emoluments	0-10	0-10

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	19.00	20.00
110 - 120	7.00	5.00
120 - 130	4.00	4.00
	30.00	29.00

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

20. 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	\$0	\$26,500
Number of People	-	2

21. Contingencies

The Board is aware of a claim alleging a breach of contract. The Board has not recognised this matter in the financial statements because the likelihood of the claim surfacing is not probable as there is no substance to the matter. In the unlikely event of an unsuccessful outcome, maximum liability has been estimated to be \$20,000 (2021: \$20,000).

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.

Cyclical Maintenance

The School has an obligation to the Ministry of Education to maintain in good order and repair at all times the Land, Buildings and other facilities on the School site. The School is part of the Christchurch Schools Rebuild Programme which will result in the School's Buildings either being repaired or rebuilt in the future. At the present time there is significant uncertainty over how the programme will affect the School. As a result, the School cannot make a reliable estimate of the maintainance required on the School's buildings so no cyclical maintainance provision has been recognised, even though the school will be required to maintain any buildings that are not replaced.

The cyclical maintenance requirements for the hostel are known and can be reliably estimated, therefore this provision continues to be recognised in the Statement of Financial Position.

22. Commitments

(a) Capital Commitments

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

(a) \$515,000 contract has been entered into for construction of a Utility and Storage Building to be completed in 2023, which will be fully funded by the school. \$125,462 has been paid as at 31 December 2022 and is recorded in work in progress.

(Capital commitments at 31 December 2021: Nil)

(b) Operating Commitments

As at 31 December 2022 the Board has entered into the following contracts:

(a) operating lease of photocopiers;

	2022 Actual \$	2021 Actual \$
No later than One Year	-	35,509
Later than One Year and No Later than Five Years	-	-
Later than Five Years	-	-
	<hr/>	<hr/>
	-	35,509

The total lease payments incurred during the period were \$26,487 (2021: \$35,509).

23. 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	2022	2021
	Actual	Budget	Actual
	\$	(Unaudited)	\$
	\$	\$	\$
Cash and Cash Equivalents	802,901	694,029	949,045
Receivables	779,538	745,589	745,589
Investments - Term Deposits	6,695,263	5,093,213	5,093,213
Total Financial assets measured at amortised cost	<u>8,277,702</u>	<u>6,532,831</u>	<u>6,787,847</u>

Financial liabilities measured at amortised cost

Payables	1,122,524	1,130,825	1,130,825
Finance Leases	84,573	102,101	102,101
Total Financial Liabilities Measured at Amortised Cost	<u>1,207,097</u>	<u>1,232,926</u>	<u>1,232,926</u>

24. Events After Balance Date

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

ANALYSIS OF VARIANCE - ANNUAL PLAN 2022

Altiora Peto – I Seek Higher Things

The 2022 CBHS Annual Plan set out actions intended to ensure progress towards Christchurch Boys' High School's Strategic Priorities.

Christchurch Boys' High School's Strategic Priorities are targeted towards our mission of creating fine young students who are **morally courageous** and who **strive for personal and community success**.

Strategic Priorities	Leading Culture	Resilient Relationships	Teaching and Learning	Staff Development	Future Sustainability
2022 Actions	<p>Our culture is driven by positivity and integrity and enables the school community to work together with aroha.</p>	<p>Relationships across the school community are purposeful. They are based on respect and developed through learning conversations</p>	<p>We are purposeful and deliberate in our teaching of academic skills and character both in and outside of the classroom.</p>	<p>Staff are empowered and supported to adapt and lead with humanity in a changing world.</p>	<p>The school invests in its long-term sustainability. We act as stewards for current and future students so that they can benefit from high quality facilities and a wide curriculum.</p>
2023 Review and Analysis	<p>As reported to the BOT in June 2022 CBHS has maintained and continued its improvement in its <i>Have Your Say</i> surveys for students and staff voice and ownership. The key next steps identified by these surveys were to improve our focus on effective teaching.</p> <p>There was greater student leadership including through house activities and a renewed student executive and groups such</p>	<p>We now have a soon to be released "health hub" and have worked deliberately on inclusion practices and visible actions.</p> <p>The disruption of Covid was handled well and CBHS had comparatively more schooling and activities than other Christchurch Schools.</p>	<p>Disruptions related to Covid 19 and Government responses such as learning recognition credits did impact attempts to counter void culture and more work is needed in this area (as is reflected in the 2023 Annual Plan Goals).</p> <p>The NCEA changes remain poorly communicated and incomplete at a</p>	<p>Staff have implemented the professional growth cycle and staff buy in and enthusiasm for Te Ao Māori is visibly increased. A high take up by staff of Te Reo Māori language opportunities. Teachers have led a range of staff PD opportunities</p>	<p>We have improved our financial systems and processes in this area. The introduction of a cap ex co-curricular fund has been positive.</p>

	<p>as the QSA, Big Ideas and the Media Team. Greater student participation was encourage through more student presentations in assembly and through the new club sign up day.</p> <p>An SLT focus on accountability, follow through and follow up has been noticed. There are strong systems and we have worked deliberately with middle leadership. SLT's "Road Maps" have been effective tool to use with middle leaders and for them to use in turn with their staff.</p> <p>Leadership training for two more cohorts of middle leaders has in raised the school's leadership capacity and connection.</p>	<p>The PCSchool parent comment has been well utilised.</p>	<p>national level and key questions of NZQA remain unanswered.</p>		
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In 2022 Christchurch Boys' High School's goals are to deliberately and purposefully...

1. Improve the sense of ownership in and accountability for CBHS amongst all students and staff
2. Improve our ability to engage in conversations that challenge and explore the society we live in
3. Improve student revision and self-management skills and our belief that every student can succeed.
4. Maintaining a principle-based approach aligned with our culture when meeting challenges

Compliance with Education and Training Act 2020 requirements to be a good employer for the year ending 31 December 2022.

The following questions address key aspects of compliance with a good employer policy:

Reporting on the principles of being a Good Employer	
<p>How have you met your obligations to provide good and safe working conditions?</p>	<p>Monitoring staff wellbeing</p> <p>Monitoring of staff wellbeing is done both formally and informally. The Senior Leadership Team play a significant role in being the informal and regular touch points with staff on a day-to-day basis. On a formal basis, wellbeing of staff is monitored in a number of ways, including:</p> <p>(a) Health, safety and wellbeing reporting through to the Board to ensure both management and governance consideration of issues.</p> <p>(b) The Health and Safety Committee which meets each term. All staff can attend and raise agenda items, the minutes are public and are reported back to the Board.</p> <p>(c) The Risk Register which is reviewed by the Board each Board meeting.</p> <p>(d) The Hazard Register which is available at reception and updated by the Health and Safety Officer and reviewed by the Education Review Office as part of its assurance checks.</p> <p>(e) Staff Surveys were introduced in 2014 by the current Headmaster. These are conducted regularly and the results reported to and considered by the Board. Recently these have been moved to a new provider (Ask Your Team) because of the ability to gain more granulated and useful data.</p> <p>(f) Staff wellbeing is the first agenda item at the weekly Senior Leadership Team meetings. The SLT discuss staff who may need support and assign responsibility for this to a member of the SLT.</p> <p>(g) Collegiality and culture are strengths of the CBHS staff. CBHS have a stated staff culture of being positive, showing integrity, working together and showing aroha. CBHS regularly and purposefully brings staff together, and staff support each other.</p> <p>(h) Sick leave and relief related data is monitored to identify staff who may need additional support, and the school is very generous with providing leave.</p>

	<p>(i) The BDI Committee is a group of staff that discuss issues relating to inclusion, access professional development for staff, and work on improving the inclusiveness of the school community. Projects from this committee have included work on supporting LGBTQ+ community members, support for female staff, promotion of biculturalism.</p> <p>(j) PC School is CBHS' database and student management system. Teachers enter concerns and praise about students, which send an email to the Dean and relevant senior leader. This data is monitored and additional support is provided to staff where required as a result of these notifications.</p> <p>(k) External supervision of guidance counsellors.</p> <p>(l) Junior and Senior School Meetings are held which involve the relevant pastoral staff meeting to discuss areas of concern and to analyse data. This process identifies staff who may need additional assistance and support.</p> <p>(m) Formal department meetings are held formally at least twice a term and informally more frequently. During these meetings workload and other information is shared upwards, into for example Road Map meetings and Teaching and Learning Committee Meetings.</p> <p>(n) Road Map Interviews are held each term between SLT members and each of their direct reports. They include a check on department numbers, and</p> <p>Staff wellbeing is considered in every aspect and decision the school makes. For example, the design of the new classrooms includes glass walls to ensure learning is visible and teachers do not feel isolated. New staff are assigned a member of the SLT as a contact point as part of their induction. There is proactive care of both staff and students.</p>
<p>What is in your equal employment opportunities programme?</p> <p>How have you been fulfilling this programme?</p>	<p>Staff have a Belonging, Diversity and Inclusion (BDI) Committee to support and advocate.</p>
<p>How do you practise impartial selection of suitably qualified persons for appointment?</p>	<p>Follow a standardised process. Appointment committee made up of 3 staff across the school. Appointment committee selection process considers diversity.</p>

<p>How are you recognising,</p> <ul style="list-style-type: none"> - The aims and aspirations of Māori, - The employment requirements of Māori, and - Greater involvement of Māori in the Education service? 	<p>Consultation with Ngai Tahu.</p> <p>Appointment of Kaitautoko Akonga Sean Lee.</p> <p>Trial implementation of a Māori mentor programme.</p>
<p>How have you enhanced the abilities of individual employees?</p>	<p>Professional Growth Cycle programme.</p> <p>Professional Development programme.</p> <p>Annual Performance Appraisals.</p>
<p>How are you recognising the employment requirements of women?</p>	<p>BDI Committee</p>
<p>How are you recognising the employment requirements of persons with disabilities?</p>	<p>BDI Committee</p>

Kiwisport Funding – Christchurch Boys’ High School 2022

Kiwisport funding at CBHS in 2022 was used to offset some of the cost of a full-time sports co-ordinator.

Nic Hill
Headmaster



INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF CHRISTCHURCH BOYS' HIGH SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

The Auditor-General is the auditor of Christchurch Boys' High School (the School). The Auditor-General has appointed me, Mike Hoshek, using the staff and resources of Deloitte Limited, to carry out the audit of the financial statements of the School on his behalf.

Opinion

We have audited the financial statements of the School on pages 2 to 20, that comprise the statement of financial position as at 31 December 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 31 May 2023. 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 payroll system, which may still contain errors. As a result, we carried out procedures to minimise the risk of material errors arising from the system that, in our judgement, would likely influence readers' overall understanding of the financial statements.

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

Our responsibilities arises from the Public Audit Act 2001.

Other information

The Board is responsible for the other information. The other information comprises the Statement of Responsibility, the Members of the Board, the Analysis of Variance, the Kiwisport Statement and the Statement of Compliance with Employment Policies but does not include the financial statements and our auditor's report thereon.

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

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

Independence

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

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



Mike Hoshek
Deloitte Limited
On behalf of the Auditor-General
Christchurch, New Zealand