

KNIGHTON NORMAL SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

Ministry Number: 1781
Principal: Stuart Armistead
School Address: 45 Knighton Road, Hamilton
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Members of the Board of Trustees

Name	Position	How Position Gained	Term Expired/ Expires
Chad Adams	Chair Person	Elected	May 2022
Stuart Armistead	Principal	ex Officio	Resigned effective July 2021
Emma Fox	Parent Rep	Elected	May 2022
Andreea Calude	Parent Rep	Elected	May 2022
Tomairangi Melbourne	Parent Rep	Elected	May 2022
Allister Keast	Parent Rep	Elected	Resigned February 2021
Camilla Carty-Melis	Parent Rep	Elected	May 2022
Lorna Kennedy	Staff Rep	Elected	May 2022

KNIGHTON NORMAL SCHOOL

Annual Report - For the year ended 31 December 2020

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Knighton Normal School

Statement of Responsibility

For the year ended 31 December 2020

The Board of Trustees 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 2020 fairly reflects the financial position and operations of the school.

The School's 2020 financial statements are authorised for issue by the Board.

Chad Adams

Board Chairperson



Signature of Board Chairperson

Date:

28 May 2021

Stuart Armistead

Principal



Signature of Principal

Date:

28 May 2021

Knighton Normal School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2020

		2020	2020	2019
	Notes	Actual	Budget (Unaudited)	Actual
		\$	\$	\$
Revenue				
Government Grants	2	5,633,712	5,460,300	5,297,746
Locally Raised Funds	3	127,812	141,000	144,814
Interest income		16,530	25,000	35,219
International Students	4	14,000	35,000	40,000
		<u>5,792,054</u>	<u>5,661,300</u>	<u>5,517,779</u>
Expenses				
Locally Raised Funds	3	48,375	58,500	38,977
International Students	4	11,073	15,000	18,560
Learning Resources	5	4,226,036	4,174,900	4,043,414
Administration	6	259,543	278,000	281,338
Finance		9,784	-	4,685
Property	7	1,107,882	1,123,400	1,105,930
Depreciation	8	148,191	120,000	152,213
Loss on Disposal of Property, Plant and Equipment		800	-	703
		<u>5,811,684</u>	<u>5,769,800</u>	<u>5,645,820</u>
Net Surplus / (Deficit) for the year		(19,630)	(108,500)	(128,041)
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>(19,630)</u>	<u>(108,500)</u>	<u>(128,041)</u>

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

Knighton Normal School

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2020

	Notes	Actual 2020 \$	Budget (Unaudited) 2020 \$	Actual 2019 \$
Balance at 1 January		<u>1,086,794</u>	<u>1,086,800</u>	<u>1,214,835</u>
Total comprehensive revenue and expense for the year		(19,630)	(108,500)	(128,041)
Capital Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grants		30,324	20,000	-
Equity at 31 December	26	<u>1,097,488</u>	<u>998,300</u>	<u>1,086,794</u>
Retained Earnings		601,008	720,200	587,414
Reserves		496,480	278,100	499,380
Equity at 31 December		<u>1,097,488</u>	<u>998,300</u>	<u>1,086,794</u>
Movement in Reserves				
Asset Replacement Reserve				
Opening Balance		140,300	140,600	140,300
Transfer from (to) general funds		66,000	56,000	-
Use of Reserve		(68,900)	(165,000)	-
Closing Balance		<u>137,400</u>	<u>31,600</u>	<u>140,300</u>
Maintenance Provision Reserve				
Opening Balance		257,580	257,500	280,080
Transfer from (to) general funds		-	-	-
Use of Reserve		-	(52,500)	(22,500)
Closing Balance		<u>257,580</u>	<u>205,000</u>	<u>257,580</u>
Staffing Reserve				
Opening Balance		101,500	101,500	101,500
Transfer from (to) general funds		-	-	-
Use of Reserve		-	(60,000)	-
Closing Balance		<u>101,500</u>	<u>41,500</u>	<u>101,500</u>
Total Reserves Held		<u>496,480</u>	<u>278,100</u>	<u>499,380</u>

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.

Knighton Normal School **Statement of Financial Position** As at 31 December 2020

		2020	2020	2019
	Notes	Actual	Budget (Unaudited)	Actual
		\$	\$	\$
Current Assets				
Cash and Cash Equivalents	9	250,558	213,100	46,442
Accounts Receivable	10	277,601	240,000	246,668
GST Receivable		5,661	10,000	12,963
Prepayments		12,262	15,000	13,758
Inventories	11	9,577	9,000	9,302
Investments	12	546,542	200,000	804,694
		<u>1,102,201</u>	<u>687,100</u>	<u>1,133,827</u>
Current Liabilities				
Accounts Payable	14	352,017	275,000	351,019
Borrowings - Due in one year	15	12,339	-	-
Revenue Received in Advance	16	6,516	-	35,488
Provision for Cyclical Maintenance	17	24,500	30,200	52,500
Painting Contract Liability - Current Portion	18	13,185	13,200	13,185
Finance Lease Liability - Current Portion	19	16,831	16,000	16,080
Funds held for Capital Works Projects	20	(1,680)	-	(68,282)
		<u>423,708</u>	<u>334,400</u>	<u>399,990</u>
Working Capital Surplus/(Deficit)		<u>678,493</u>	<u>352,700</u>	<u>733,837</u>
Non-current Assets				
Property, Plant and Equipment	13	633,853	755,400	486,444
		<u>633,853</u>	<u>755,400</u>	<u>486,444</u>
Non-current Liabilities				
Borrowings	15	43,187	-	-
Provision for Cyclical Maintenance	17	128,000	67,200	76,700
Painting Contract Liability	18	24,394	24,600	39,558
Finance Lease Liability	19	19,277	18,000	17,229
		<u>214,858</u>	<u>109,800</u>	<u>133,487</u>
Net Assets		<u>1,097,488</u>	<u>998,300</u>	<u>1,086,794</u>
Equity		<u>1,097,488</u>	<u>998,300</u>	<u>1,086,794</u>

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

Knighton Normal School

Statement of Cash Flows

For the year ended 31 December 2020

	Note	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Cash flows from Operating Activities				
Government Grants		1,611,197	1,392,700	1,297,549
Locally Raised Funds		90,330	107,700	178,092
International Students		14,000	35,000	40,000
Goods and Services Tax (net)		7,302	2,000	2,828
Funds Administered on Behalf of Third Parties		800	-	-
Payments to Employees		(1,144,776)	(1,058,100)	(873,635)
Payments to Suppliers		(479,559)	(577,400)	(581,058)
Cyclical Maintenance Payments in the year		-	(51,800)	(22,500)
Interest Paid		(9,784)	-	(4,685)
Interest Received		20,734	25,600	40,667
Net cash from/(to) Operating Activities		110,244	(124,300)	77,258
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(274,996)	(379,000)	(125,206)
Purchase of Investments		-	-	(22,464)
Proceeds from Sale of Investments		258,152	604,800	-
Net cash from/(to) Investing Activities		(16,844)	225,800	(147,670)
Cash flows from Financing Activities				
Furniture and Equipment Grant		30,324	20,000	(9,880)
Finance Lease Payments		(26,572)	(9,300)	(13,185)
Painting contract payments		(15,164)	(14,900)	(97,782)
Loans Received/ Repayment of Loans		55,526	-	-
Funds Held for Capital Works Projects		66,602	69,400	-
Net cash from/(to) Financing Activities		110,716	65,200	(120,847)
Net increase/(decrease) in cash and cash equivalents		204,116	166,700	(191,259)
Cash and cash equivalents at the beginning of the year		46,442	46,400	237,701
Cash and cash equivalents at the end of the year	9	250,558	213,100	46,442

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.

Knighton Normal School

Notes to the Financial Statements

For the year ended 31 December 2020

1. Statement of Accounting Policies

a) Reporting Entity

Knighton Normal 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 of Trustees (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 reports have been prepared for the period 1 January 2020 to 31 December 2020 and in accordance with the requirements of the Public Finance Act 1989.

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 expenditure 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.

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 long term maintenance plan which is prepared as part of its 10 Year Property Planning process. During the year, the Board assesses the reasonableness of its 10 Year Property Plan on which the provision is based. Cyclical maintenance is disclosed at note 17.

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 13.

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. 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.

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.

Grants for the use of land and buildings are also 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 Proprietor. Use of land and building grants are recorded as income in the period the school uses the land and building.

Other Grants

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 recorded as revenue when their receipt is formally acknowledged by the School.

Interest Revenue

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

d) Use of Land and Buildings Expense

The property from which the School operates is owned by the Crown and managed by the Ministry of Education on behalf of 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 expense that is offset by a non-cash grant from the Ministry.

e) 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.

f) 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.

g) 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.

h) Accounts Receivable

Short-term receivables are recorded at the amount due. The schools receivables are largely made up of funding from the Ministry of Education. Short-term receivables are written off when there is no reasonable expectation of recovery.

i) 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.

j) 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.

k) 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 to buildings owned by the Crown 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.

l) 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.

m) 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 to Crown Owned Assets	10–75 years
Furniture and equipment	10–15 years
Information and communication technology	3–5 years
Grounds Plant & Equipment	5–20 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value

n) 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. 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.

o) 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.

p) Employee Entitlements

Short-term employee entitlements

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

Long-term employee entitlements

Employee benefits that are due to be settled beyond 12 months after the end of the period in which the employee renders the related service, such as long service leave and retirement gratuities, have been calculated on an actuarial basis. The calculations are based on:

- likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement, and contractual entitlement information; and

q) Revenue Received in Advance

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

r) Provision for Cyclical Maintenance

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

Cyclical maintenance, which involves painting the interior and exterior of the School, makes up the most significant part of the Board's responsibilities outside day-to-day maintenance. The provision for cyclical maintenance represents the obligation the Board has to the Ministry and is based on the Board's ten year property plan (10YPP).

s) Financial Instruments

The School's financial assets comprise cash and cash equivalents, accounts receivable, and investments. All of these financial assets are categorised as 'financial assets measured at amortised cost' for accounting purposes in accordance with financial reporting standards.

The School's financial liabilities comprise accounts payable, borrowings, finance lease liability, and painting contract liability. All of these financial liabilities are categorised as 'financial liabilities measured at amortised cost' for accounting purposes in accordance with financial reporting standards.

t) Borrowings

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

Borrowings include but are not limited to operating leases, finance leases, painting contracts and term loans.

u) Goods and Services Tax (GST)

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

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

Commitments and contingencies are disclosed exclusive of GST.

v) Budget Figures

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

w) Services received in-kind

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

2. Government Grants

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operational Grants	1,176,749	1,107,300	997,759
Teachers' Salaries Grants	3,233,591	3,250,000	3,197,892
Use of Land and Buildings Grants	804,460	820,000	788,994
Resource Teachers Learning and Behaviour Grants	5,630	3,000	2,886
Other MoE Grants	411,429	280,000	303,718
Other Government Grants	1,853	-	6,497
	<u>5,633,712</u>	<u>5,460,300</u>	<u>5,297,746</u>

The school has opted in to the donations scheme for this year. Total amount received was \$102,600.

Other MOE Grants total includes additional COVID-19 funding totalling \$25,291 for the year ended 31 December 2020.

3. Locally Raised Funds

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

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Revenue			
Donations	100	-	28,145
Activities	29,153	52,000	32,024
Trading	23,125	23,000	22,917
Fundraising	75,434	66,000	61,728
	<u>127,812</u>	<u>141,000</u>	<u>144,814</u>
Expenses			
Activities	23,199	32,000	13,028
Trading	24,507	24,500	23,804
Fundraising (Costs of Raising Funds)	669	2,000	1,908
Other Locally Raised Funds Expenditure	-	-	237
	<u>48,375</u>	<u>58,500</u>	<u>38,977</u>
	<u>79,437</u>	<u>82,500</u>	<u>105,837</u>

Surplus/ (Deficit) for the year Locally raised funds

4. International Student Revenue and Expenses

	2020	2020	2019
	Actual	Budget	Actual
	Number	(Unaudited)	Number
International Student Roll	2	4	5
	<u>2</u>	<u>4</u>	<u>5</u>
	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Revenue			
International Student Fees	14,000	35,000	40,000
Expenses			
International Student Levy	296	1,200	1,333
Employee Benefit - Salaries	10,777	13,800	17,227
	<u>11,073</u>	<u>15,000</u>	<u>18,560</u>
	<u>2,927</u>	<u>20,000</u>	<u>21,440</u>

Surplus/ (Deficit) for the year International Students

5. Learning Resources

	2020	2020	2019
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Curricular	66,729	112,900	76,376
Equipment Repairs	9,765	11,000	11,394
Information and Communication Technology	7,764	8,000	10,320
Library Resources	3,044	1,500	645
Employee Benefits - Salaries	4,122,842	4,024,000	3,895,428
Staff Development	15,892	17,500	49,251
	<u>4,226,036</u>	<u>4,174,900</u>	<u>4,043,414</u>

6. Administration

	2020	2020	2019
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Audit Fee	5,400	5,400	5,219
Board of Trustees Fees	4,100	5,100	3,680
Board of Trustees Expenses	2,880	8,000	8,935
Communication	7,296	10,000	10,244
Consumables	11,677	12,000	18,915
Operating Lease	8,539	10,000	2,966
Other	19,950	25,500	33,607
Employee Benefits - Salaries	188,201	190,000	187,041
Insurance	11,500	12,000	10,731
	<u>259,543</u>	<u>278,000</u>	<u>281,338</u>

7. Property

	2020	2020	2019
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Caretaking and Cleaning Consumables	24,582	25,700	21,993
Consultancy and Contract Services	100,752	88,000	86,190
Cyclical Maintenance Provision	23,300	20,000	20,812
Grounds	16,636	28,200	26,445
Heat, Light and Water	44,154	38,000	45,309
Rates	4,442	4,500	4,479
Repairs and Maintenance	20,136	28,000	48,508
Use of Land and Buildings	804,460	820,000	788,994
Security	12,101	11,000	11,446
Employee Benefits - Salaries	57,319	60,000	51,754
	<u>1,107,882</u>	<u>1,123,400</u>	<u>1,105,930</u>

The use of land and buildings figure represents 8% 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. Depreciation

	2020	2020	2019
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Buildings - School	10,830	8,000	8,242
Furniture and Equipment	51,954	39,000	47,768
Information and Communication Technology	32,654	36,000	39,896
Grounds Plant & Equipment	27,610	15,000	28,836
Leased Assets	18,955	16,000	21,509
Library Resources	6,188	6,000	5,962
	<u>148,191</u>	<u>120,000</u>	<u>152,213</u>

9. Cash and Cash Equivalents

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Bank Current Account	248,500	61,100	44,990
Bank Call Account	2,058	2,000	1,452
Short-term Bank Deposits	-	150,000	-
Cash and cash equivalents for Statement of Cash Flows	<u>250,558</u>	<u>213,100</u>	<u>46,442</u>

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

Of the \$250,558 Cash and Cash Equivalents, \$5,716 is held by the School on behalf of the Ministry of Education. These funds are required to be spent in 2021 on Kiwisport, and a Reading Together programme.

\$800 of unspent RTL B grant funding is also held by the School. This funding is subject to restrictions which specify how the grant is required to be spent in providing specified deliverables of the grant arrangement.

10. Accounts Receivable

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Receivables	4,183	-	1,704
Receivables from the Ministry of Education	549	-	2,886
Interest Receivable	1,396	5,000	5,600
Banking Staffing Underuse	9,703	-	-
Teacher Salaries Grant Receivable	261,770	235,000	236,478
	<u>277,601</u>	<u>240,000</u>	<u>246,668</u>
Receivables from Exchange Transactions	6,128	5,000	7,304
Receivables from Non-Exchange Transactions	271,473	235,000	239,364
	<u>277,601</u>	<u>240,000</u>	<u>246,668</u>

11. Inventories

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Stationery	6,807	6,000	6,118
School Uniforms	2,770	3,000	3,184
	<u>9,577</u>	<u>9,000</u>	<u>9,302</u>

12. Investments

The School's investment activities are classified as follows:

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Current Asset			
Short-term Bank Deposits	546,542	200,000	804,694
Total Investments	<u>546,542</u>	<u>200,000</u>	<u>804,694</u>

13. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2020	\$	\$	\$	\$	\$	\$
Buildings	71,320	60,629	-	-	(10,830)	121,119
Furniture and Equipment	183,781	74,734	-	-	(51,954)	206,561
Information and Communication Technology	33,180	37,076	-	-	(32,654)	37,602
Grounds Plant and Equipment	125,511	94,471	(485)	-	(27,610)	191,887
Leased Assets	30,993	21,400	-	-	(18,955)	33,438
Library Resources	41,659	8,090	(315)	-	(6,188)	43,246
Balance at 31 December 2020	486,444	296,400	(800)	-	(148,191)	633,853

The net carrying value of equipment held under finance leases is \$36,108 (2019: \$33,309).

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2020	\$	\$	\$
Land	-	-	-
Buildings	304,452	(183,333)	121,119
Furniture and Equipment	675,514	(468,953)	206,561
Information and Communication Technology	460,400	(422,798)	37,602
Grounds Plant and Equipment	590,656	(398,769)	191,887
Leased Assets	95,903	(62,465)	33,438
Library Resources	151,604	(108,358)	43,246
Balance at 31 December 2020	2,278,529	(1,644,676)	633,853

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2019	\$	\$	\$	\$	\$	\$
Buildings	51,562	28,000	-	-	(8,242)	71,320
Building Improvements	-	-	-	-	-	-
Furniture and Equipment	152,874	78,675	-	-	(47,768)	183,781
Information and Communication Technology	65,706	7,370	-	-	(39,896)	33,180
Grounds Plant and Equipment	150,608	3,739	-	-	(28,836)	125,511
Leased Assets	24,437	28,065	-	-	(21,509)	30,993
Library Resources	40,900	7,424	(703)	-	(5,962)	41,659
Balance at 31 December 2019	486,087	153,273	(703)	-	(152,213)	486,444

The net carrying value of equipment held under finance leases is \$33,309 (2018: \$26,671)

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2019	\$	\$	\$
Buildings	243,823	(172,503)	71,320
Building Improvements	-	-	-
Furniture and Equipment	732,946	(549,165)	183,781
Information and Communication Technology	430,090	(396,910)	33,180
Grounds Plant and Equipment	503,352	(377,841)	125,511
Leased Assets	103,874	(72,881)	30,993
Library Resources	147,653	(105,994)	41,659
Balance at 31 December 2019	2,161,738	(1,675,294)	486,444

14. Accounts Payable

	2020	2020	2019
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Operating Creditors	28,313	10,000	64,301
Accruals	1,219	-	-
Employee Entitlements - Salaries	306,943	260,000	272,249
Employee Entitlements - Leave Accrual	15,542	5,000	14,469
	<u>352,017</u>	<u>275,000</u>	<u>351,019</u>
Payables for Exchange Transactions	352,017	275,000	351,019
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	<u>352,017</u>	<u>275,000</u>	<u>351,019</u>

The carrying value of payables approximates their fair value.

15. Borrowings

	2020	2020	2019
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Due in One Year	12,339	-	-
Due Beyond One Year	43,187	-	-
	<u>55,526</u>	<u>-</u>	<u>-</u>

The school has borrowings at 31 December 2020 of \$55,526 (31 December 2019: \$0). This is an interest free Crown Loan under the Energy Efficiency and Conservation Authority (EECA) scheme to replace all lighting in the school. The loan is payable in equal instalments of \$3,084.75 per quarter.

16. Revenue Received in Advance

	2020	2020	2019
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Grants in Advance - Ministry of Education	5,716	-	488
Other	800	-	35,000
	<u>6,516</u>	<u>-</u>	<u>35,488</u>

17. Provision for Cyclical Maintenance

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Provision at the Start of the Year	129,200	129,200	130,888
Increase/ (decrease) to the Provision During the Year	23,300	20,000	20,812
Use of the Provision During the Year	-	(51,800)	(22,500)
Provision at the End of the Year	152,500	97,400	129,200
Cyclical Maintenance - Current	24,500	30,200	52,500
Cyclical Maintenance - Term	128,000	67,200	76,700
	152,500	97,400	129,200

The Board's maintenance plan was re-prioritised during the 2020 school year to reflect work undertaken during capital works projects. This reduced the amount required as a current liability.

18. Painting Contract Liability

	2020 Actual \$	2020 Budget \$	2019 Actual \$
Current Liability	13,185	13,200	13,185
Non Current Liability	24,394	24,600	39,558
	37,579	37,800	52,743

In 2017 the Board signed an agreement with Higgins Coatings Pty Ltd (the contractor) for an agreed programme of work covering an eight year period. The programme provided for an exterior repaint of the Ministry owned buildings in 2017, with regular maintenance in subsequent years. The agreement had an annual commitment of \$18,964. This contract was cancelled by the contractor in May 2018. A payment settlement deed was signed in 2018 to cover the value of the work undertaken but not yet paid, to be repaid over 6 years. The liability has not been adjusted for inflation and the effect of the time value of money.

19. Finance Lease Liability

The School has entered into a number of finance lease agreements for Teacher laptops, jointly with the Ministry of Education. Minimum lease payments payable:

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
No Later than One Year	20,276	16,000	16,080
Later than One Year and no Later than Five Years	15,832	18,000	17,229
	36,108	34,000	33,309

20. 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:

	2020	Opening Balances	Receipts from MoE	Payments	BOT Contributions	Closing Balances
		\$	\$	\$	\$	\$
Classroom Block P	<i>completed</i>	(54,825)	68,781	(30,016)	16,060	-
Visual Needs modifications	<i>completed</i>	(7,197)	7,197	-	-	-
Te Hihiri upgrade	<i>completed</i>	(6,260)	304,272	(298,012)	-	-
B Block upgrade	<i>in progress</i>	-	-	(1,680)	-	(1,680)
Totals		(68,282)	380,250	(329,708)	16,060	(1,680)

Represented by:

Funds Held on Behalf of the Ministry of Education
Funds Due from the Ministry of Education

-
(1,680)

(1,680)

	2019	Opening Balances	Receipts from MoE	Payments	BOT Contributions	Closing Balances
		\$	\$	\$	\$	\$
Special Needs Modifications	<i>completed</i>	12,247	-	(12,247)	-	-
Classroom Block P	<i>in progress</i>	16,174	575,137	(646,136)	-	(54,825)
Visual Needs modifications	<i>in progress</i>	-	14,099	(21,296)	-	(7,197)
Te Hihiri upgrade	<i>in progress</i>	-	-	(6,260)	-	(6,260)
Totals		16,174	589,236	(673,692)	-	(68,282)

21. Related Party Transactions

The School is a controlled entity of the Crown, and the Crown provides the major source of revenue to the school. The school enters into transactions with other entities also controlled by the Crown, such as government departments, state-owned enterprises and other Crown entities. Transactions with these entities are not disclosed as they occur on terms and conditions no more or less favourable than those that it is reasonable to expect the school would have adopted if dealing with that entity at arm's length.

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and condition no more or less favourable than those that it is reasonable to expect the school would have adopted in dealing with the party at arm's length in the same circumstances. Further, transactions with other government agencies (for example, Government departments and Crown entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.

The Chairperson's spouse is employed as a Learning Assistant at the school on the same terms and conditions as other support staff members.

22. Remuneration

Key management personnel compensation

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

	2020 Actual \$	2019 Actual \$
Board Members		
Remuneration	3,220	3,680
Full-time equivalent members	0.12	0.11
Leadership Team		
Remuneration	381,430	356,945
Full-time equivalent members	3	3
Total key management personnel remuneration	384,650	360,625
Total full-time equivalent personnel	3.12	3.11

The full time equivalent for Board members has been determined based on attendance at Board meetings, Committee meetings and for other obligations of the Board, such as stand downs and suspensions, plus the estimated time for Board members to prepare for meetings.

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

	2020	2019
	Actual	Actual
	\$000	\$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	160-170	150-160
Benefits and Other Emoluments	0-5	0-5
Termination Benefits	-	-

Other Employees

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

Remuneration	2020	2019
\$000	FTE Number	FTE Number
100-110	5.00	1.00
110-120	1.00	0.00
	<u>6.00</u>	<u>1.00</u>

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

23. Compensation and Other Benefits Upon Leaving

The total value of compensation or other benefits paid or payable to persons who ceased to be trustees, committee member, 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:

	2020	2019
	Actual	Actual
Total	-	-
Number of People	-	-

24. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2020 (Contingent liabilities and assets at 31 December 2019: nil).

Holidays Act Compliance – schools payroll

The Ministry of Education performs payroll processing and payments on behalf of school boards of trustees, 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. The current phase of this review is to design potential solutions for any compliance breaches discovered in the initial phase of the Programme. 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 2020, a contingent liability for the school may exist.

25. Commitments

(a) Capital Commitments

As at 31 December 2020 the Board has entered into contract agreements for capital works as follows:

(a) At balance date the Board had paid \$1,680 in architect and consultant fees for a new project to upgrade the interiors of one of our classroom blocks. Total anticipated cost of approx \$170,000 will be met from MOE 5YA funding and is expected to be completed in 2021.

Capital commitments at 31 December 2019: \$42,600

(b) Operating Commitments

As at 31 December 2020 the Board has entered into the following contracts:

(a) operating lease of photocopy and print equipment under an All of Government Statement of Work agreement

	2020 Actual \$	2019 Actual \$
No later than One Year	6,264	-
Later than One Year and No Later than Five Years	19,316	-
	<u>25,580</u>	<u>-</u>

26. Managing Capital

The School's capital is its equity and comprises capital contributions from the Ministry of Education for property, plant and equipment and accumulated surpluses and deficits. The School does not actively manage capital but attempts to ensure that income exceeds spending in most years. Although deficits can arise as planned in particular years, they are offset by planned surpluses in previous years or ensuing years.

27. Financial Instruments

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

Financial assets measured at amortised cost

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Cash and Cash Equivalents	250,558	213,100	46,442
Receivables	277,601	240,000	246,668
Investments - Term Deposits	546,542	200,000	804,694
Total Financial assets measured at amortised cost	<u>1,074,701</u>	<u>653,100</u>	<u>1,097,804</u>

Financial liabilities measured at amortised cost

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Payables	352,017	275,000	351,019
Borrowings - Loans	55,526	-	-
Finance Leases	36,108	34,000	33,309
Painting Contract Liability	37,579	37,800	52,743
Total Financial Liabilities Measured at Amortised Cost	<u>481,230</u>	<u>346,800</u>	<u>437,071</u>

28. Events After Balance Date

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

Knighton Normal School

Report on Kiwisport

For the year ended 31 December 2020

The school received \$9,700 as part of its MOE operating grant in 2020. Of this \$6,972 was utilised to:

- run after school Kiwi Swim water safety programmes for children identified as lacking confidence in the water. This catered for 120 children throughout the year
- run a Kiwi Netball programme for Year 4 to 6 children unable to participate in Saturday netball games. This focussed on fundamental netball skills
- provide the opportunity for 120 children to participate in the Tough Guy/Tough Gal Junior Challenge
- Run the "Move to Improve" gymnastics programme which concentrated on preparing our students to perform gymnastics and Hip Hop at the regional competitions
- hire a squash court to enable students to try out the sport

The remaining \$2,728, plus \$488 retained from previous years' unspent balance remains as a liability in the Board's accounts, for use in 2021.

ANNUAL REPORT 2020
'A Great Place to Be'
Engaging, Enriching, Evolving

BOARD OF TRUSTEES ANNUAL REPORT
prepared jointly by the Principal and Chairperson
(FOR THE YEAR ENDED 31 DECEMBER 2020)

INTRODUCTION

It is our pleasure to present this Annual Report in respect of the operations of our school for the year ending 31st December 2020.

ROLL

The school year began with 616 students. 224 enrolments and 75 withdrawals throughout the year brought the total roll at the end of the year to 712. The end of year roll was surprisingly high considering we lost a number of families completing their university commitments and returning home. The current Covid regulations have stopped any international families coming to the University of Waikato.

GOVERNANCE AND PARENT GROUPS

Our board remained constant throughout this difficult year meeting face to face and online throughout the year.

Emma Fox

Chad Adams

Camilla Carty- Melis

Andreea Calude

Tomairangi Melbourne

Allister Keast

Lorna Kennedy (staff representative)

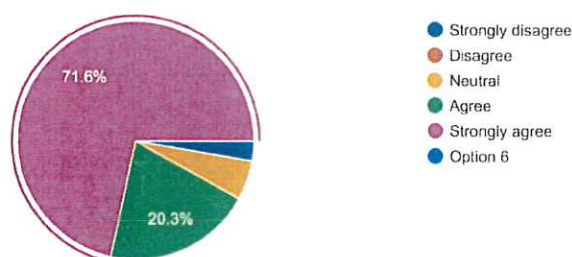
We are very fortunate to have a group of parents and members of the community committed to supporting our staff and students in a wide range of ways. This takes many forms, from class help to working in the breakfast club to coaching a sports team.

Knighton's Whanau Group has continued to provide support to the Te Hihiri whanau.

2020 HIGHLIGHTS

Obviously 2020 has been an exceptionally difficult year that has challenged the whole country in ways we could never have imagined. Schools across the country coped admirably with lockdown, online learning and teaching in 'bubbles'. Our staff and wider community worked exceptionally hard to support school families, which included organising food parcels and hard copy learning materials. The school staff are proud of a post lockdown survey that showed how supported the community felt.

My family felt supported by Knighton Normal School during the pandemic
74 responses



As soon as we were able to come back to school we focussed on ensuring the well being of all, and then considered what opportunities we could organise within the remaining time at school.

We believe that every student should have the opportunity to find their passions, interests and talents making Knighton a 'Great Place to Be'!

NAG 1 – CURRICULUM

Our cultural, sporting, academic and service pathways are continuing to grow and offer our learners a range of great opportunities. Some highlights have been:

Cultural Day

Our annual cultural parade, whilst proving to be a drought breaker, was also a wonderful success. The parade was held outside with significant community support and then continued with student performances in the hall, followed by a fantastic range of workshops for classes.





Te Ahu o Te Reo Māori ki Tainui- Te Rekamauora

This year a further 24 of our staff committed to being involved in the Te Ahu o Te Reo course, following on from 26 being involved last year. It is awesome to have such a significant number of our staff taking part in this learning.

Grass Roots Trust (Literacy Centre)

The school was exceptionally thankful to receive a grant from the Grass Roots Trust. This money was put towards additional staffing of learning assistants for our Literacy Centre. This support led to the continued acceleration of progress for identified children.

Pasifika- Talents of the Pacific

With a year of many challenges due to the impact of Covid-19, we all had to adjust to the new life changes. Many schedules were disrupted, major performances cancelled and some events and leadership programmes have been pushed to 2021:

However, our Pasifika fanau did manage to perform at the following events:

- Knighton Cultural Festival in Term 1
- Keep it Fresh Festival at Waikato University Knighton's Arts Showcase
- The Maori ALL Blacks vs Moana Pasifika game at the Waikato Stadium
- Mayoral Citizenship Celebration at the Claudelands Arena



These performances have only been possible because we are fortunate to have fabulous children who have worked hard to learn songs and dances. This can't happen without the dedication from Landy and her Talents of the Pacific team TOPA, teachers (Jacki, Diane and Jodie), and the continued support from our parents and caregivers and our school community.

With so many performances being cancelled throughout 2020, lockdown provided the Pasifika team time to focus on our teaching and learning programmes.

Jacki and Diane planned some Dramatic Inquiry units under the guidance of Viv Aitkin. These units had a Pasifika flavour and Jacki (with assistant Diane) successfully facilitated some dramatic play lessons under Viv's watchful eye.

Literacy Centre

Our Literacy Centre continued to work very successfully for identified learners. This year the Literacy Centre programme was the focus of our school-wide target in our analysis of variance. The analysed data showed the significant progress that all children who took part in the programme made. We are very fortunate to have such knowledgeable staff making such a positive difference for our learners.

Mathematics Coaching

This year Jo Lelieveld continued the development of a Mathematics Hub. This programme ran focussed on accelerating the progress and engaging identified children who would benefit from additional learning in Mathematics. Jo received mentoring and coaching from Shirley Collins and had real success with the identified learners. This programme will continue to 2021.

Literature Quiz

Our school was represented at the Waikato Literature Quiz for the third time in 2020. The two teams (with four participants) represented the school with pride and skill. This competition was entered by 47 teams from a range of primary schools and intermediates across the Waikato. KNS 1 was made up of four children that competed in the competition last year. They answered questions under a range of categories including accessories, buildings, mythical creatures and fire. They had an amazing night scoring 74.5 out of 100 (with the winners scoring 85). This placed them 11th out of the 47 teams! KNS 2 children had their first experience of the competition and scored 56 points. Well done to both teams!

Sporting Performances

The school was very fortunate to have a range of committed staff and hardworking, committed students taking part in a range of sporting opportunities for 2019.

Led by David Hannah our learners took part in a range of inter school opportunities. Throughout the year there were excellent performances in swimming, athletics and cross country.

The range of sports offered at Knighton Normal School is quite stunning with Inline Hockey, Soccer, Rugby, Netball, Cricket, T Ball, Basketball, Volleyball, Round the Bridges Run, Tough Guy / Girl and Hockey. Throughout the year other sports such as Lacrosse, Squash and Tennis were offered as lunchtime activities. This saw some amazing individual and team performances throughout the year. Some highlights were:

- The strong performance of our basketball, football and inline hockey teams.
- The return of school exchanges with the touch exchange with Hamilton West School
- Many stand out individual performances (Squash and Tennis to name two!).

The Arts at Knighton

2020 has been a significant year for the Arts at Knighton. Led by Nicole Antoniadis a wide range of opportunities were created for our learners.

Some of the specific opportunities for our learners has included:

- Drama club
- Choir
- Kapa Haka
- Pasifika
- Music lessons- with a range of choice of instruments
- School band

NAG 2 – DOCUMENTATION, REVIEW AND REPORTING

- i. school strengths and identified areas for improvement;
- ii. the basis for identifying areas for improvement; and
- iii. planned actions for lifting achievement.

These points are covered in detail in the school's ***Analysis of Variance*** which is an appendice to this report.

Implementation of National Education Guidelines

The Board took its responsibilities to implement the National Education Guidelines seriously, keeping itself aware of priority areas and legislative change. Consultation on the Charter and Strategic Plan with the school community was undertaken during Term 1 and 4. The final version was sent to the Ministry of Education by the Board's deadline and approved.

A major objective of this year's charter was to make it a 'living' document understood by all stakeholders. It was exciting to see such positive feedback from the community regarding the strategic goals and of the parent survey in November.

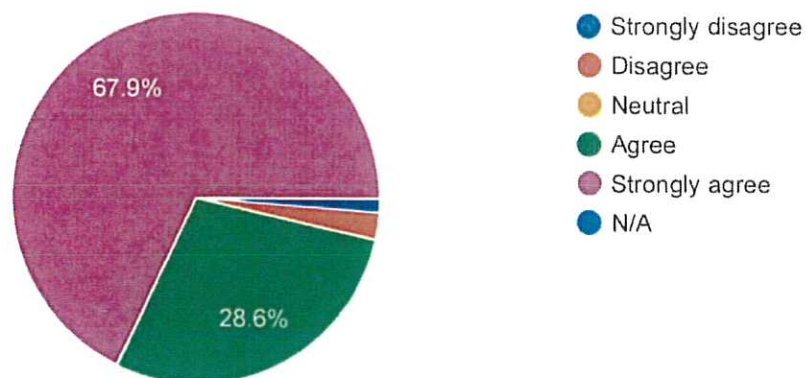
Self Review

The school continued its strong process of self- review. Parent surveys and conversations indicated that parents and students were highly satisfied with Knighton Normal School. Feedback from these surveys and conversations have been fed into our strategic planning considering the future for our learners.

Parent survey results in 2020 show strong satisfaction from our community.

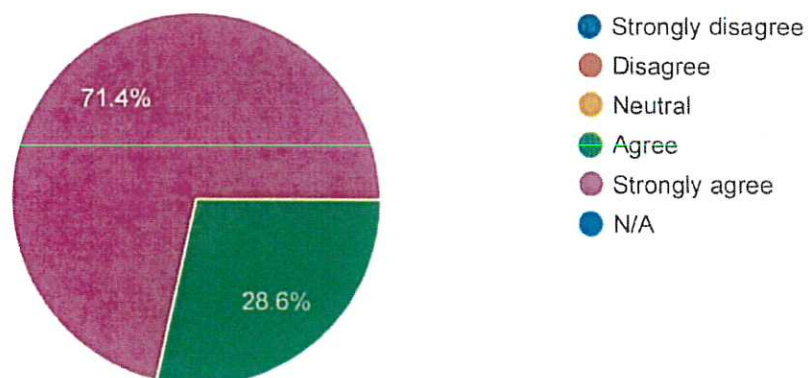
I feel welcome at Knighton Normal School.

84 responses



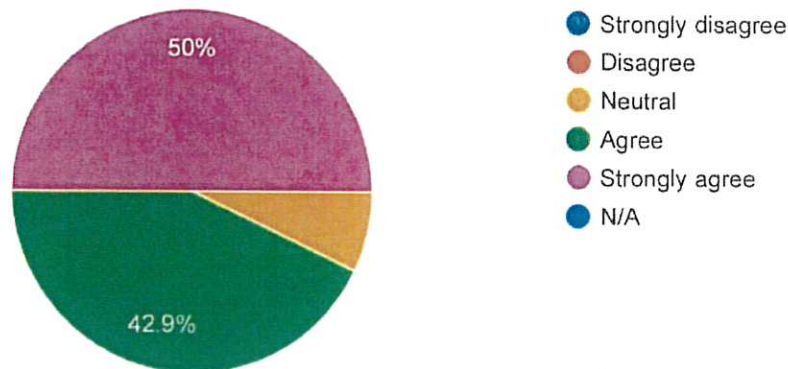
Knighton Normal School promotes respect for cultural differences.

84 responses



Learning and teaching is future focussed ie develops skills / dispositions students will require in the future

84 responses



Reporting Achievement

Individual student achievement was reported formally to parents via Parent Conferences and written reports. Parent Conferences were held and two written reports were issued to our junior and senior students. The response to Parent conferences were very high with 83% of our whanau attending. Informal reporting, initiated by either the parent or the teacher, occurred whenever there was a need.

Our approach to reporting to parents changed, reflecting the opportunity provided by National Standards being abolished. This allowed us to create report formats based on what our community stated that success meant for their children.

Results of surveys and student achievement were reported to the school community through the regular weekly newsletter.

NAG 3 – PERSONNEL

Good Employer

The Board was committed to being a good employer and upholding Equal Employment Opportunity principles. The Board values all staff and remains supportive of and committed to their continuing development in order to secure the best possible educational outcomes for our children. Staff and Board have a positive approach to performance management with the professional development programme being closely linked to staff appraisal and school goals.

The dedication and valuable contributions of all staff was acknowledged by the Board of Trustees on regular occasions throughout the year. Release time, over and above Classroom Release Time entitlement as set out in the Primary Teachers Collective Agreement, was provided to all teachers to complete assessment, prepare written reports and carry out school-wide responsibilities. The significant contributions of our administration team, caretaker, cleaners, learning assistants and kaiawhina was acknowledged during Support Staff Day in June.

NAG 4 – FINANCE AND PROPERTY

2020's budget continued to focus strongly on providing resources and opportunities for our learners. The school again made substantial financial contributions above and beyond Ministry of Education contributions

Property Innovations

A focus for property across the school was to create different spaces, for learners which were closely aligned to the vision of our Knighton Normal Learner.

ELL Hub

Reorganisation of school spaces allowed for a fit for purpose space for our staff and learners.

Te Hihiri

Our Te Hihiri whānau now have a dedicated, fit for purpose space. It is a flexible learning area complete with a kitchen.

Storage Shed

Thanks to significant support from the Bike on NZ charitable trust (\$30,000) and Sport Waikato KiwiSport Kickstart Fund (\$5,000), 2020 will see the construction of a storage areas and 50 bikes so that children can utilise the newly constructed pump track and velodrome.

New Senior Classes- Roll Growth

These modular rooms were brought into the school in December and were ready for learners in 2021.

Kiwi Sport

The school received a Kiwi Sport grant of \$9,700. We spent \$6972. We utilized this money to:

- Run a Kiwi Swim after school programme for children identified as lacking confidence in the water. This catered for 120 children throughout the year.

- Run a Kiwi Netball programme for year 4-6 children unable to attend Saturday netball. This focused on fundamental skills.
- Provide the opportunity for children to attend the Tough Guy / Gal (Transport).
- Run the 'Move to Improve' gymnastics programme which concentrated on preparing students to perform gymnastics and hip hop at the regional competition.
- Squash court hire.

The remaining \$2,728 plus \$488 from previous years' unspent balance remains as a liability in the Board's accounts, for use in 2021.

NAG 5 – HEALTH AND SAFETY

Safety of Students and Employees

Students were reminded regularly about 'living the School's values'. Our senior school were excellent role models in living this vision, in particular the excellent work completed by our student councilors. This provides an excellent model for all of our Learning Community.

Regular messages regarding Sunsafe, personal and traffic safety were given during assemblies and through newsletters. Evacuation procedures were practised in line with school policy. Risk and Management Systems were completed for all Education Outside The Classroom activities.

Training of road patrollers and bus wardens was conducted by the Police Education Officer. The School made the commitment of sending all road patrollers to Te Rapa Pools to reward their service.

NAG 6 – LEGISLATION

Board members have assumed overarching responsibility for various portfolios including the Chair, Secretary, Finance, Property, Health & Safety, Community Consultation, Personnel and Equal Employment Opportunities.

FUTURE DIRECTIONS

2021 will see the school continue to strive to focus on providing a quality learning environment for our learners. Property is going to continue to be a significant challenge and focus.

We understand that our continued success relies on quality relationships with our community. We look forward to trying innovative ways to inform, engage and involve our parents and caregivers.

COMMUNITY ACKNOWLEDGEMENTS

A hard working and dedicated staff and Board supported by a strong nucleus of positive and active parents has continued to contribute to the successful team approach which operates at Knighton Normal School. The Board of Trustees has supported quality teaching and learning programmes and provided governance of the school in a manner which has ensured continued progress towards excellence.

The Board appreciates and extends its sincere thanks to the following:-

- The students for their caring and positive attitude, taking the opportunities offered and their willingness to support our School Vision and Values.
- The Principal and staff for their continued commitment to providing Knighton Normal School students with a quality education. They are dedicated and innovative in their teaching of the New Zealand and school Curriculum.
- Parents and community members volunteering valuable time to assist with the delivery of learning programmes, Education Outside The Classroom (EOTC) experiences, maintenance of resources and our environment, coaching of sport programmes, managing school teams and providing transport, and supervision. Without this commitment the opportunities we provide for our students would be considerably restricted.

Community organisations, clubs, charities, agencies and business for their ongoing support of our school through their services and funding.

Prepared by:-

Chad Adams
CHAIRPERSON

DATE

Stuart Armistead
PRINCIPAL

DATE

Knighton Normal School Analysis of Variance 2020

The collection of student progress and achievement data in 2020 was significantly disrupted by Covid. The school made the decision to focus on what really mattered- student well being.

As a result, full tracking on key progress and achievement of our learners will begin again in 2021 after using 2020's end of year data as a baseline.

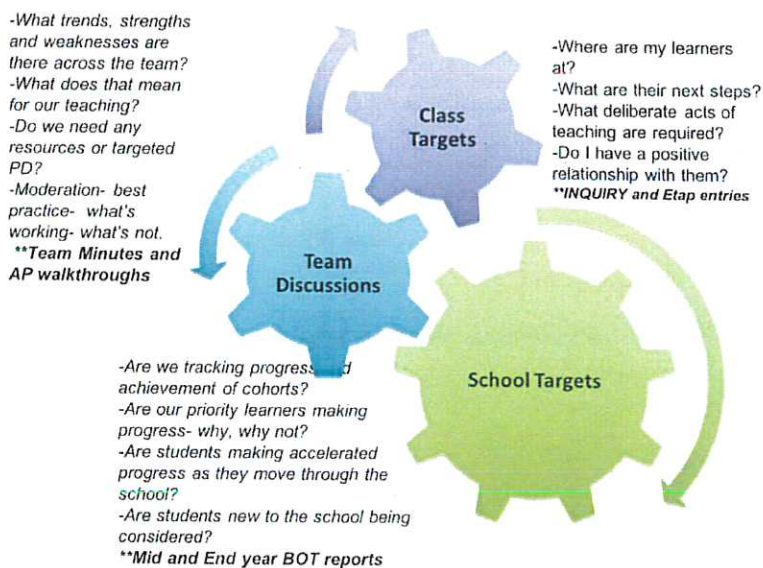
School systems and actions during this time are being reviewed with feedback from all stakeholders and changes and reflections are being made to grow school capacity if another lockdown occurs.

Student Progress and Achievement Targets for 2020

Business as usual

During 2020 targets at Knighton Normal School will take place at three levels- school-wide, team focus and teacher inquiry.

We are committed to identifying and accelerating progress of priority learners and have a wide range of programmes and systems both in and out of classroom.



Teacher as Inquirer

2020's teacher as inquiry focus is mathematics. Each teacher will identify a group of 3-5 learners in their class as a focus on their inquiry. Throughout the year staff meetings, team meetings, workshops and other tailored professional development will focus on supporting teachers next steps. Teachers will share what they are trying to achieve and the impact this is having on their learners within the team meeting environment. This will be supported with mentoring from Shirley Collins and in school expertise.

Literacy Centre

Identified children from the year 3-4 and 5-6 teams are timetabled to receive coaching in the Lit Centre. Data from 2019 (and previous years) indicates that learners involved in this programme have their progress and achievement accelerated to within expectations.

Maths Hub

Identified children from the 3-4 and 5-6 teams are timetabled to receive coaching in the Maths Hub. Their progress will be closely monitored.

Priority Learners

Data from our priority learners of 2019 has been carefully analysed. From this we have identified learners whose progress will need to be carefully monitored. These learners will be discussed regularly in team and executive meetings.

The school will report to the BOT throughout the year on the rate of students' progress and carefully monitor the progress of students identified as being at risk in 2020's data.

Business as usual

-Learners' progress and achievement in curriculum levels will be monitored and reported to the Board of Trustees. The emphasis will be on monitoring whether learners are making progress.

-Highly effective programmes will continue to operate with potential for sharing learning with the whole school (Literacy Centre and ELL centre).

2020 Target**Target One****Aim**

To accelerate the progress of our year four student cohort (2020) to increase the percentage of students achieving at or above.

Currently 43% of this cohort are identified as being below or well below.

Result

At year 4, 28% of the children were below or well below expectation. This is an improvement of 15% from 2019 end of year data.

Literacy Centre Report 2020

80 students received support from the Literacy Centre, with ten of these having left our school mid-program. 42 were middle school students and 38 were in year 5-6. Some students were referred for difficulties with decoding; some for reading comprehension difficulties; and a few for spelling. As well as the significant gains that are demonstrated in the data there have been significant changes in students' attitudes, confidence and motivation. Some of these children have attended the Literacy Centre for more than one year. This has meant compounded acceleration for these children.

Assessment Results 2020

BURT is a word recognition test. In a year we would expect an average child to make a gain of approximately one year. The children who were identified for working in the literacy centre had not been making these gains. Therefore to see gains of one year or significantly more for these children is considered accelerated progress.

Reading Age: This is assessed on a continuous text and the children need to be able to read the words and demonstrate an understanding of what they have read. Again we would expect an average child to be making a gain of one year over 12 months. It can be seen from the results in the column 'Reading Age Gain', that there has been significant accelerated progress for the children working in the literacy centre. This year we had some Middle School children come in as non-readers after 2-4 years at school. These children were new to Knighton. In these cases becoming a reader is a huge achievement.

At risk middle group – literacy centre reading groups - Year 3

	BURT – Pre-intervention Age Equivalent	BURT – Post-intervention Age Equivalent	BURT - Gain	Reading Age Gain	Notes
H	5y 8m	6y 3m	7m	5m	
G	5y 4m	5y 10m	6m	4m	Autism/dyslexia/ RTLb/assistive technology (voice to text)
N	5y 7m	6y 1m	9m	4m	Speech issues
R	5y 6m	6y 3m	11m	1y	Entry Term 3
T	5y 3m	6y 2m	11m	5m	Referral to RTLb/ Attendance issues
J	5y 7m	7y 9m	2y 2m	1y 4m	Entry Term 2
F	5y 8m	6y 6m	11m	5m	
K	5y 10m	6y 11m	1y 1m	4m	
J	6y 1m	7y	11m	4m	Entry Term 3
E	6y 1m	6y 9m	8m	4m	Entry Term 3
T	6y 4m	7y 6m	1y 2m	1y 2m	Entry Term 3
F	6y 4m	6y 8m	4m	1y	Entry Term 2
A	6y 9m	7y 6m	9m	1y 7m	Entry term 2

Three children began late during term 4 so there data hasn't been included

At risk middle group – literacy centre reading groups - Year 4

	BURT – Pre-intervention	BURT – Post-intervention	BURT - Gain	Reading Age Gain	Notes
M	5y 5m	6y 3m	10m	6m	
C	6y 7m	8y	1y 5m	1y 6m	
T	5y 11m	6y 5m	6m	8m	Referral RTL
C	5y 11m	6y 7m	8m	1m	Attendance issues
H	6y 7m	7y 9m	1y 2m	1y 9m	
R	5y 10m	7y	1y 2m	10m	Entry Term 2
M	6y 5m	8y 3m	1y 10m	2y 4m	Entry Term 2
P	6y 6m	7y 7m	1y 1m	2y 3m	
K	6y 5m	7y	1y 7m	2y 3m	
M	5y 11m	7y 2m	1y 3m	1y 9m	
R	7y 3m	8y 8m	1y 5m	2y 2m	
R	6y 3m	7y	9m	1y 2m	
J	6y 4m	7y 7m	1y 3m	1y 7m	
A	6y 1m	7y 6m	1y 5m	1y 6m	
T	6y 7m	7y 4m	9m	2y	
R	6y 3m	7y 2m	11m	1y 6m	Dyslexia
Z	6y 8m	8y 9m	2y 1m	2y 6m	
R	6y 6m	7y 2m	8m	2y	

Five Middle School children transferred to other schools during the year.

At risk senior group – literacy centre reading groups - Year 5

	BURT – Pre-intervention	BURT – Post-intervention	BURT - Gain	Reading Age Gain	Notes
A	7y 8m	9y	1y 4m	2y	
A	7y 2m	8y 3m	1y 1m	1y 6m	
C	7y 9m	9m	1y 3m	1y 6m	
D	7y 8m	9m	1y 4m	1y	
H	7y 8m	8y 8m	1y	6m	Entry T3
J	8y 7m	10y 5m	1y 10m	1y 6m	
T	6y 1m	6y 11m	10m	5m	
T	7y 7m	9y 5m	1y 10m	2y	
Z	6y 7m	7y 2m	7m	6m	

Seven Year Five students who entered in Term 4 and will be tested in Week 9 and therefore their data isn't included

At risk senior group – literacy centre reading groups - Year 6

	BURT – Pre-intervention	BURT – Post-intervention	BURT - Gain	Reading Age Gain	Notes
A	7y 10m	8y 11m	1y 1m	9m	Entry T 4
D	9y 1m	12y +	2y 11m +	2y	
G	9y 1m	10y 6m	1y 5m	1y 5m	
H	9y 4m	11y 6m	2y 2m	2y	Entry T1-T3
J	10y 2m	12y 1m	1y 11m	2y	Entry T1-T3 ELL
J	NA	NA	NA	2y	
N	10y 6m	12y 6m	2y	1y 6m	Entry T1-T3
O	8y 5m	9y	7m	1y 5m	
O	9y 1m	10y 3m	1y 2m	1y 5m	Entry T4
P	NA	NA	NA	1y	
R	NA	NA	NA	2y	
S	8y	9y	1y	2y	
S	7y 6m	8y	6m	6m	Entry T4
T	10y 8m	12 +	1y 4m +	2y	
T	9y	10y 3m	1y 3m	2y	

Five Senior School children transferred to other schools before completing their programme and therefore their data is not included.

Teachers made the following comments:

The Literacy Centre has had a huge impact on the progress of my children in reading. This is a quality programme that I find really useful and beneficial. My children enjoy going each morning and enjoy celebrating their successes with me back in class.

I love seeing the kids improve and seeing the Kids click with their reading. It's a space in which the kids get the nurturing and caring that they need to be able to learn.

It's great the way we get feedback from Joss and Clare.

Students said:

I like it because it helped me improve my Literacy and it helps me a lot in class. I use my Literacy strategies all of the time.

It has helped me to get ready for Intermediate!

It's a fun place to be. It's easier to learn reading when I work there because it's just me and Whaea Janelle or Mr Michael. It's not a big class so I don't get distracted.

I learnt to sound out words so that helps when I'm in class and at Maths too.

The Literacy Centre is fun. I learnt way more things there with my reading.

I know how to use my fluency and flow and not sound like a robot.

I love coming in and doing my work. My favourite thing is doing the cards and seeing Mrs Broom's grandbaby. When I was reading before I didn't pay much attention and skipped through the book. I read the cards carefully because I like getting them right and challenging myself with a higher colour and level.

BoT Report Reading November 2020

This is a snapshot of reading based on term 4 2020 NZ curriculum levels. During 2018 we moved away from looking at reading ages as a basis of reporting to assessing against curriculum levels. We believe this change in focus encourages teachers to focus at the range of strategies and skills required to be an effective reader. We refined our reading expectations to fit with this change and teachers have used these to make overall teacher judgements about each child's curriculum level.

Term 4 2020 all children

11043	Pre level 1	1 beg	1 mid	1 end	2 beg	2 mid	2 end	3 beg	3 mid	3 end	4 beg	4 mid	4 end	Well Below	Below	At	Above	Total
Y0	6% (3)	91% (48)	4% (2)												6% (3)	91% (48)	4% (2)	53
Y1	2% (2)	63% (52)	35% (32)												2% (2)	98% (89)		91
Y2	2% (2)	22% (23)	46% (47)	24% (25)	6% (6)									24% (25)	46% (47)	30% (31)		103
Y3	1% (1)	8% (8)	25% (25)	23% (23)	14% (14)	17% (17)	11% (11)	2% (2)						34% (34)	23% (23)	31% (31)	13% (13)	101
Y4	1% (1)	4% (5)	12% (14)	11% (13)	11% (13)	18% (21)	25% (29)	16% (18)	2% (2)					17% (20)	22% (26)	43% (50)	17% (20)	116
Y5	1% (1)	1% (1)	3% (4)	3% (4)	7% (9)	9% (11)	24% (30)	21% (26)	20% (25)	7% (8)	3% (4)			8% (10)	16% (20)	66% (81)	10% (12)	123
Y6		4% (5)	2% (2)		4% (5)	6% (7)	10% (12)	18% (21)	24% (28)	20% (24)	6% (7)	4% (5)	2% (2)	16% (19)	28% (33)	44% (52)	12% (14)	118
Totals	1.4% 10	20.9% 147	17.9% 126	9.2% 65	6.7% 47	7.9% 56	11.6% 82	9.5% 67	7.8% 55	4.5% 32	1.6% 11	0.7% 5	0.3% 2	15.3% 108	21.8% 154	54.2% 382	8.7% 61	705

62.9% of children are working at or above the expected curriculum level.

These results vary for the different year levels:

- At year 2, 70% of the children were below or well below expectation.
- At year 3, 57% of the children were below or well below expectation.
- At year 4, 28% of the children were below or well below expectation.
- At year 5, 24% of the children were below or well below expectation.
- At year 6, 44% of the children were below or well below expectation.

Term 4 2020 Māori children

Reading Curriculum Level T42020
Barb Cowie Current pupils 2020

11043	Pre level 1	1 beg	1 mid	1 end	2 beg	2 mid	2 end	3 beg	3 mid	3 end	4 beg	4 mid	4 end	Well Below	Below	At	Above	Total
Y0																		0
Y1	27% (3)	45% (5)	27% (3)												27% (3)	73% (8)		11
Y2	6% (2)	20% (7)	54% (19)	20% (7)										26% (9)	54% (19)	20% (7)		35
Y3		6% (2)	36% (13)	19% (7)	17% (6)	11% (4)	11% (4)							42% (15)	19% (7)	28% (10)	11% (4)	36
Y4	3% (1)	5% (2)	18% (7)	13% (5)	13% (5)	8% (3)	26% (10)	15% (6)						26% (10)	26% (10)	33% (13)	15% (6)	39
Y5			7% (3)		9% (4)	5% (2)	25% (11)	14% (6)	32% (14)	7% (3)	2% (1)			7% (3)	14% (6)	70% (31)	9% (4)	44
Y6		5% (2)			3% (1)	5% (2)	8% (3)	22% (8)	22% (8)	27% (10)	5% (2)	3% (1)		14% (5)	30% (11)	49% (18)	8% (3)	37
Totals	3% 6	8.9% 18	22.3% 45	9.4% 19	7.9% 16	5.4% 11	13.9% 28	9.9% 20	10.9% 22	6.4% 13	1.5% 3	0.5% 1		20.8% 42	27.7% 56	43.1% 87	8.4% 17	202

51.5% of children are working at or above the expected curriculum level. This is 11.4% lower than the whole cohort result. However these results also vary across year groups.

- At year 1 the levels of Māori children are very similar to the whole cohort data.
- At year 2 our Māori children did not achieve at the same level as the rest of the cohort.
 - 20% of our Māori children were at expectation compared to 30% of the total cohort.
 - 34.1% of our Māori children (7 boys and 7 girls), were well below expectation compared to 24.3% of the total cohort.
- At year 3 our Māori children did not achieve at the same level as the rest of the cohort.
 - 39% of our Māori children were at expectation compared to 44% of the total cohort.
 - 42.9% of our Māori children (12 boys and 6 girls), were well below expectation compared to 33.7% of the total cohort.
- At year 4 results for Māori children were also lower than the cohort.
 - 48% of our Māori children were at expectation compared to 60% of the total cohort.
 - 23.4% of our Māori children (4 boys and 7 girls), were well below expectation compared to 17.2% of the total cohort.
- At year 5, our Māori children achieved higher than the whole cohort.
 - 79% of our Māori children were at expectation compared to 76% of the total cohort.
 - 6.4% of our Māori children (3 boys), were well below expectation compared to 8.1% of the total cohort.
- At year 6, the results for Māori children were comparable to the whole cohort.
 - 57% of our Māori children were at expectation compared to 56% of the total cohort.
 - 23.4% of our Māori children (6 boys and 5 girls), were well below expectation compared to 16.1% of the total cohort.

Term 4 2020 Pasifika children

Reading Curriculum Level T42020

Barb Cowie Current pupils 2020

11043	Pre level 1	1 beg	1 mid	1 end	2 beg	2 mid	2 end	3 beg	3 mid	3 end	4 beg	4 mid	4 end	Well Below	Below	At	Above	Total
Y0		100% (2)														100% (2)		2
Y1		83% (5)	17% (1)													100% (6)		6
Y2		20% (2)	40% (4)	40% (4)										20% (2)	40% (4)	40% (4)		10
Y3		10% (1)	30% (3)	40% (4)		20% (2)								40% (4)	40% (4)	20% (2)		10
Y4			25% (4)	25% (4)	6% (1)	19% (3)	25% (4)							25% (4)	31% (5)	44% (7)		16
Y5				9% (1)		27% (3)	18% (2)	36% (4)	9% (1)					9% (1)	27% (3)	64% (7)		11
Y6		9% (1)					9% (1)	18% (2)	45% (5)	18% (2)				9% (1)	27% (3)	64% (7)		11
Totals		16.7% 11	18.2% 12	19.7% 13	1.5% 1	12.1% 8	10.6% 7	9.1% 6	9.1% 6	3% 2				18.2% 12	28.8% 19	53% 35		66

53% of children are working at or above the expected curriculum level. All but three of the children (one in year 1, year 2 and year 5) who are working below the expected level are English language learners.

Reading comparison Term 4 2019 - Term 4 2020

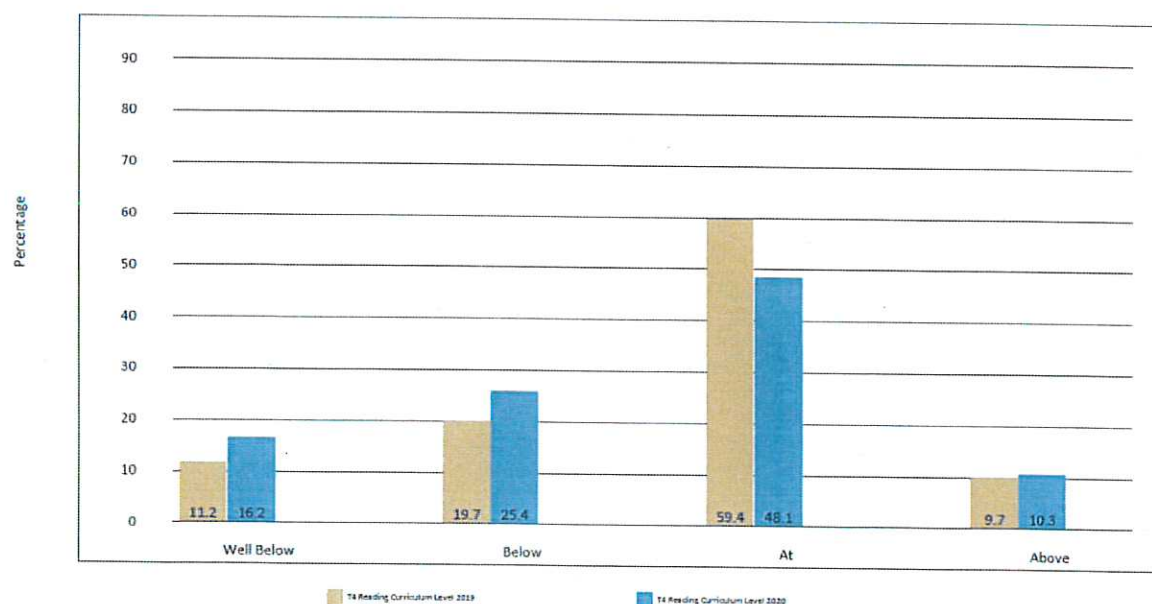
These tables show the number of students working at the different expectations levels from the end of 2019 to the end of 2020. Only students who were **at KNS on both dates** are included in this data.

The effect of extended periods of lost schooling is likely to be a significant factor in the lower achievement levels for a considerable number of students during 2020.

Comparison Term 4 2019 - Term 4 2020

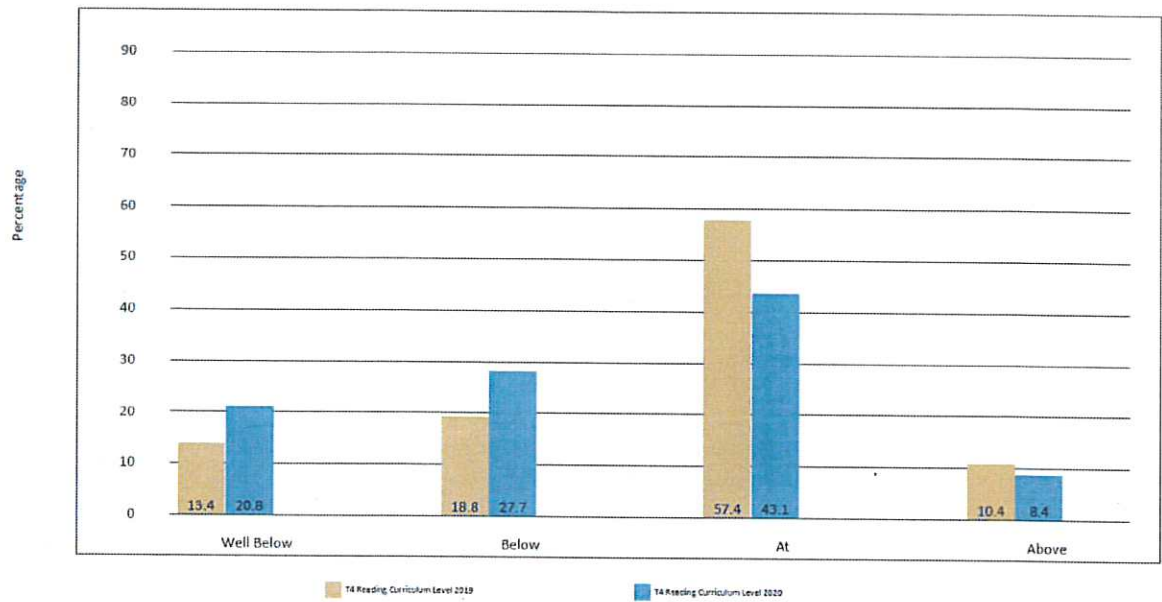
Curriculum Level T4 2019 - T4 2020

All Students



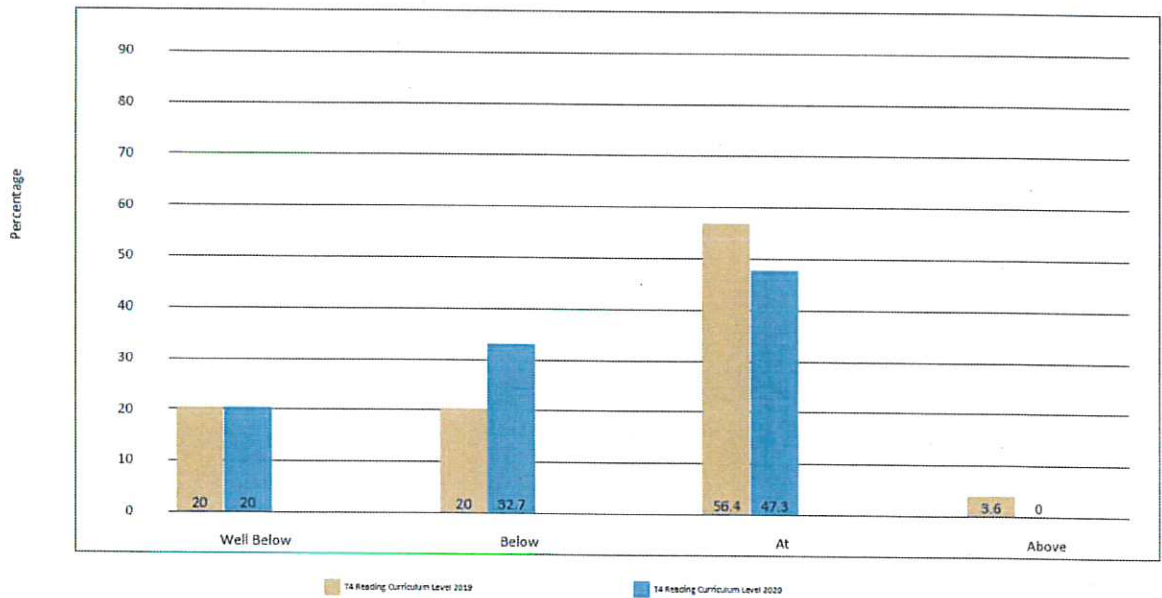
10.7% less children achieved at or above expectation in 2020 than in 2019.

Māori Students



16.3% less children achieved at or above expectation in 2020 than in 2019.

Pasifika Students



12.7% less children achieved at or above expectation in 2020 than in 2019.

INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF KNIGHTON NORMAL SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

The Auditor-General is the auditor of Knighton Normal School (the School). The Auditor-General has appointed me, Bernard Lamusse, using the staff and resources of PKF Hamilton Audit Ltd, 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 18, that comprise the statement of financial position as at 31 December 2020, 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 2020; 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 28 May 2021. 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 of Trustees for the financial statements

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

In preparing the financial statements, the Board is responsible on behalf of the School for assessing the School's ability to continue as a going concern. The Board is also responsible for disclosing, as

applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to close or merge the School, or there is no realistic alternative but to do so.

The Board's responsibilities, 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 Novopay payroll system, which may still contain errors. As a result, we carried out procedures to minimise the risk of material errors arising from the system that, in our judgement, would likely influence readers' overall understanding of the financial statements.

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

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Board is responsible for the other information. The other information comprises the information included on pages 19 to 38, but does not include the financial statements, and our auditor's report thereon.

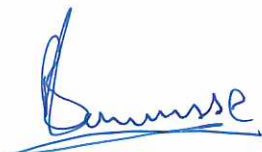
Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

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.



Bernard Lamusse
Director
PKF Hamilton Audit Ltd
On behalf of the Auditor-General
Hamilton, New Zealand