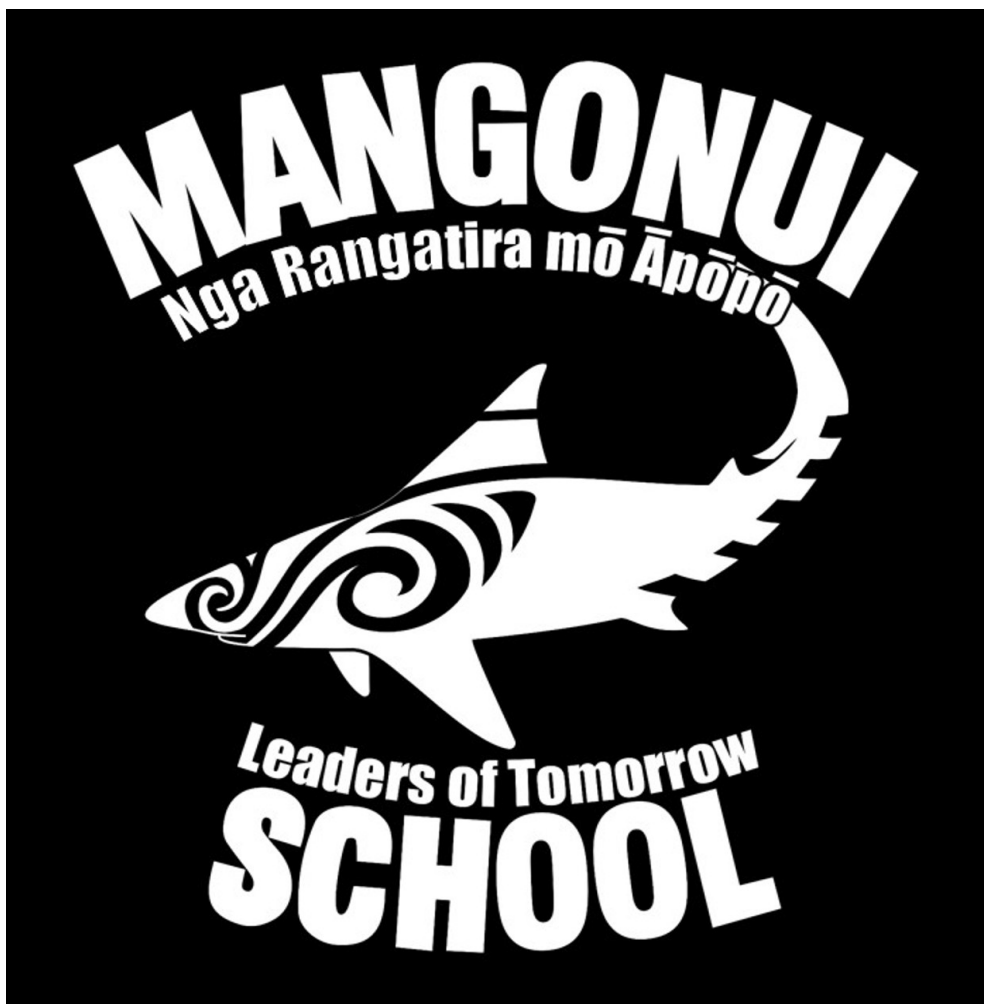


MANGONUI SCHOOL

ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023



MANGONUI SCHOOL

ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

School Directory

Ministry Number: 1039

Principal: David Sedcole

School Address: Colonel Mould Drive, Mangonui

School Postal Address: P O Box 29, Mangonui

School Phone: (09) 406-0182

School Email: office@mangonui.school.nz

Members of the Board:

Name	Position	How Position Gained	Term Expired/ Expires
Josie Powers	Presiding Member	Elected	Sep-24
David Sedcole	Principal	ex Officio	
Toby Ricketts	Parent Representative	Elected	Sep-24
Alwin Krieger	Parent Representative	Elected	Sep-24
Aaron Prime	Parent Representative	Elected	Sep-24
Veronica Masters	Staff Representative	Elected	Sep-24
Helena Bruce	Parent Representative	Elected	Resigned June 2023
Myjanne Jensen	Parent Representative	Elected	Resigned March 2023

Accountant / Service Provider:



Auditor:

BDO Kerikeri

MANGONUI SCHOOL

Annual Financial Statements - For the year ended 31 December 2023

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Mangonui School

Statement of Responsibility

For the year ended 31 December 2023

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

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

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

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

Josie Powers

Full Name of Presiding Member

David Sedcole

Full Name of Principal

Signed by:

Signature of Presiding Member

10 July 2024

Date:

Signed by:

Signature of Principal

10 July 2024

Date:

Mangonui School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2023

	Notes	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Revenue				
Government Grants	2	1,584,658	1,469,946	1,662,797
Locally Raised Funds	3	152,399	13,350	106,272
Interest		5,841	-	2,964
Total Revenue		1,742,898	1,483,296	1,772,033
Expense				
Locally Raised Funds	3	66,345	27,300	46,739
Learning Resources	4	1,106,921	1,022,491	1,054,558
Administration	5	74,532	72,875	229,561
Interest		725	-	520
Property	6	467,346	350,717	356,310
Total Expense		1,715,869	1,473,383	1,687,688
Net Surplus / (Deficit) for the year		27,029	9,913	84,345
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		27,029	9,913	84,345

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

Mangonui School

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2023

	Notes	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Equity at 1 January		507,886	516,652	423,541
Total comprehensive revenue and expense for the year		27,029	9,913	84,345
Contributions from / (Distributions to) the Ministry of Education		-	-	-
Contribution - Furniture and Equipment Grant		11,896	-	-
Equity at 31 December		546,811	526,565	507,886
Accumulated comprehensive revenue and expense		546,811	526,565	507,886
Reserves		-	-	-
Equity at 31 December		546,811	526,565	507,886

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.

Mangonui School

Statement of Financial Position

As at 31 December 2023

	Notes	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Current Assets				
Cash and Cash Equivalents	7	214,272	210,390	222,743
Accounts Receivable	8	71,835	74,656	83,992
GST Receivable		22,148	7,541	7,594
Prepayments		8,867	8,366	8,366
Inventories	9	1,939	2,349	2,349
Funds Receivable for Capital Works Projects	15	15,654	-	681
		334,715	303,302	325,725
Current Liabilities				
Accounts Payable	11	103,170	102,070	102,596
Revenue Received in Advance	12	5,513	-	-
Provision for Cyclical Maintenance	13	49,777	14,400	14,400
Finance Lease Liability	14	4,433	2,979	3,967
Funds held for Capital Works Projects	15	81	-	18,726
		162,974	119,449	139,689
Working Capital Surplus/(Deficit)		171,741	183,853	186,036
Non-current Assets				
Property, Plant and Equipment	10	454,252	397,879	379,996
		454,252	397,879	379,996
Non-current Liabilities				
Provision for Cyclical Maintenance	13	73,750	52,767	52,767
Finance Lease Liability	14	5,432	2,400	5,379
		79,182	55,167	58,146
Net Assets		546,811	526,565	507,886
Equity		546,811	526,565	507,886

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

Mangonui School

Statement of Cash Flows

For the year ended 31 December 2023

	Note	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Cash flows from Operating Activities				
Government Grants		487,140	507,664	442,130
Locally Raised Funds		149,949	7,750	100,672
Goods and Services Tax (net)		(14,553)	1,807	1,754
Payments to Employees		(260,723)	(232,874)	(233,310)
Payments to Suppliers		(229,045)	(154,348)	(162,691)
Interest Paid		(725)	-	(520)
Interest Received		5,841	-	2,964
Net cash from/(to) Operating Activities		137,884	129,999	150,999
Cash flows from Investing Activities				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		-	1,407	
Purchase of Property Plant & Equipment (and Intangibles)		(120,437)	(32,827)	(61,970)
Net cash from/(to) Investing Activities		(120,437)	(31,420)	(61,970)
Cash flows from Financing Activities				
Furniture and Equipment Grant		11,896	-	
Finance Lease Payments		(4,196)	(3,967)	(5,929)
Funds Administered on Behalf of Other Parties		(33,618)	-	9,360
Net cash from/(to) Financing Activities		(25,918)	(3,967)	3,431
Net increase/(decrease) in cash and cash equivalents		(8,471)	94,612	92,460
Cash and cash equivalents at the beginning of the year	7	222,743	115,778	130,283
Cash and cash equivalents at the end of the year	7	214,272	210,390	222,743

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

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

Mangonui School

Notes to the Financial Statements

For the year ended 31 December 2023

1. Statement of Accounting Policies

a) Reporting Entity

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

b) Basis of Preparation

Reporting Period

The financial statements have been prepared for the period 1 January 2023 to 31 December 2023 and in accordance with the requirements of the Education and Training Act 2020.

Basis of Preparation

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

Financial Reporting Standards Applied

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

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

Cyclical maintenance

A school recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's best estimate of the cost of painting the school and when the school is required to be painted, based on an assessment of the school's condition. During the year, the Board assesses the reasonableness of its painting maintenance plan on which the provision is based. Cyclical maintenance is disclosed at note 13.

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 10.

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 14. Future operating lease commitments are disclosed in note 20.

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

i) 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	25-40 years
Board Owned Buildings	10-75 years
Furniture and equipment	10-20 years
Information and communication technology	5-20 years
Motor vehicles	10 years
Sports Equipment	10 years
Plant and Machinery	10-15 years
Electronic Equipment	10 years
Office Equipment	5 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value

j) Intangible Assets

Software costs

Computer software acquired by the School are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Costs associated with subsequent maintenance and research expenditure are recognised as an expense in the Statement of Comprehensive Revenue and Expense when incurred.

The carrying value of software is amortised on a straight line basis over its useful life. The useful life of software is estimated as three years. The amortisation charge for each period and any impairment loss is recorded in the Statement of Comprehensive Revenue and Expense.

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.

In determining fair value less costs to sell, the School engages an independent valuer to assess market value based on the best available 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 surplus or deficit.

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

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

Long-term employee entitlements

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

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

n) Revenue Received in Advance

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

o) Funds held for Capital works

The school directly receives funding from the Ministry of Education for capital works projects that are included in the School five year capital works agreement. These funds are held on behalf and for a specified purpose. As such, these transactions are not recorded in the Statement of Comprehensive Revenue and Expense.

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

p) Shared Funds

Shared Funds are held on behalf of a cluster of participating schools as agreed with the Ministry of Education. In instances where funds are outside of the School's control, these amounts are not recorded in the Statement of Comprehensive Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose.

q) Provision for Cyclical Maintenance

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

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

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

r) 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.

s) 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.

t) 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.

u) Budget Figures

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

v) 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

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Government Grants - Ministry of Education	472,291	402,970	585,381
Teachers' Salaries Grants	833,526	812,000	821,180
Use of Land and Buildings Grants	278,841	254,976	254,976
Other Government Grants	-	-	1,260
	<u>1,584,658</u>	<u>1,469,946</u>	<u>1,662,797</u>

The school has opted in to the donations scheme for this year. Total amount received was \$23,272.

3. Locally Raised Funds

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

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Revenue			
Donations & Bequests	116,505	-	79,120
Fees for Extra Curricular Activities	2,680	-	8,651
Trading	83	-	165
Fundraising & Community Grants	19,931	-	5,076
Other Revenue	13,200	13,350	13,260
	<u>152,399</u>	<u>13,350</u>	<u>106,272</u>
Expense			
Extra Curricular Activities Costs	34,103	17,300	21,865
Trading	7,228	4,500	6,304
Fundraising and Community Grant Costs	11,282	-	1,140
Other Locally Raised Funds Expenditure	13,732	5,500	17,430
	<u>66,345</u>	<u>27,300</u>	<u>46,739</u>
<i>Surplus/ (Deficit) for the year Locally Raised Funds</i>	<u>86,054</u>	<u>(13,950)</u>	<u>59,533</u>

4. Learning Resources

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Curricular	33,572	37,400	26,522
Equipment Repairs	1,105	2,000	1,332
Information and Communication Technology	17,225	17,500	15,059
Library Resources	2,068	4,500	1,834
Employee Benefits - Salaries	998,272	954,791	959,758
Staff Development	3,784	6,000	878
Depreciation	50,895	300	49,175
	<u>1,106,921</u>	<u>1,022,491</u>	<u>1,054,558</u>

5. Administration

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Audit Fees	5,159	-	5,009
Board Fees	2,415	1,125	2,120
Board Expenses	1,975	6,500	4,711
Communication	2,895	3,100	2,958
Consumables	56	2,650	2,836
Operating Leases	1,928	3,000	784
Healthy School Lunch Programme	-	-	146,425
Other	6,233	4,600	7,170
Employee Benefits - Salaries	43,480	40,700	47,523
Insurance	4,733	7,000	4,541
Service Providers, Contractors and Consultancy	5,658	4,200	5,484
	<u>74,532</u>	<u>72,875</u>	<u>229,561</u>

The school receives funding through Ka Ora, Ka Ako Healthy School Lunches program. The lunches are provided to the students by Peria School. Peria School provides lunches through a Partnership Model, the funding and expenditure for the school lunches is included in Peria School's financial statements. No revenue and expenditure for the school lunches provided to the students of this school is recognised in our financial statements because it has not been possible to reliably estimate the proportion of funding that relates to this school. However the funding of lunches for our students is provided at an average rate of \$6.12 per student per day.

6. Property

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Caretaking and Cleaning Consumables	15,076	5,700	5,152
Cyclical Maintenance	56,360	10,000	15,900
Grounds	43,251	10,500	7,040
Heat, Light and Water	9,069	11,500	18,248
Rates	3,374	2,000	2,479
Repairs and Maintenance	17,859	9,400	10,048
Use of Land and Buildings	278,841	254,976	254,976
Security	-	2,000	-
Employee Benefits - Salaries	43,516	44,641	42,467
	<u>467,346</u>	<u>350,717</u>	<u>356,310</u>

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

7. Cash and Cash Equivalents

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Bank Accounts	214,272	210,390	222,743
Cash and cash equivalents for Statement of Cash Flows	<u>214,272</u>	<u>210,390</u>	<u>222,743</u>

Of the \$214,272 Cash and Cash Equivalents, \$81 is held by the School on behalf of the Ministry of Education. These funds have been provided by the Ministry as part of the school's 5 Year Agreement funding for upgrades to the school's buildings. The funds are required to be spent in 2024 on Crown owned school buildings.

Of the \$214,272 Cash and Cash Equivalents, \$5,513 of unspent grant funding is held by the School. This funding is subject to conditions which specify how the grant is required to be spent. If these conditions are not met, the funds will need to be returned.

8. Accounts Receivable

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Receivables	3,050	600	600
Banking Staffing Underuse	-	-	9,336
Teacher Salaries Grant Receivable	68,785	74,056	74,056
	<u>71,835</u>	<u>74,656</u>	<u>83,992</u>
Receivables from Exchange Transactions	3,050	600	600
Receivables from Non-Exchange Transactions	68,785	74,056	83,392
	<u>71,835</u>	<u>74,656</u>	<u>83,992</u>

9. Inventories

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
School Uniforms	1,939	2,349	2,349
	<u>1,939</u>	<u>2,349</u>	<u>2,349</u>

10. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2023	\$	\$	\$	\$	\$	\$
Land - School	69,960	-	-	-	-	69,960
Buildings - School	52,505	-	-	-	(5,259)	47,246
Furniture and Equipment	42,211	4,988	-	-	(6,676)	40,523
Information and Communication Technology	6,087	22,587	-	-	(4,453)	24,221
Motor Vehicles	7,864	-	-	-	(1,408)	6,456
Plant & Machinery	134,947	35,583	-	-	(15,979)	154,551
Electronic Equipment	37,140	8,869	-	-	(7,851)	38,158
Office Equipment	79	-	-	-	(56)	23
Sports Equipment	9,405	43,092	-	-	(2,788)	49,709
Leased Assets	8,761	4,714	-	-	(4,381)	9,094
Library Resources	11,037	5,318	-	-	(2,044)	14,311
Balance at 31 December 2023	379,996	125,151	-	-	(50,895)	454,252

The net carrying value of furniture and equipment held under a finance lease is \$9,094 (2023: \$8,761)

Restrictions

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

	2023	2023	2023	2022	2022	2022
	Cost or Valuation	Accumulated Depreciation	Net Book Value	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$	\$	\$	\$
Land - School	69,960	-	69,960	69,960	-	69,960
Buildings - School	165,607	(118,361)	47,246	165,607	(113,102)	52,505
Furniture and Equipment	146,971	(106,448)	40,523	141,983	(99,772)	42,211
Information and Communication Technology	169,208	(144,987)	24,221	146,622	(140,535)	6,087
Motor Vehicles	14,085	(7,629)	6,456	14,084	(6,220)	7,864
Plant & Machinery	210,918	(56,367)	154,551	175,335	(40,388)	134,947
Electronic Equipment	125,839	(87,681)	38,158	116,970	(79,830)	37,140
Office Equipment	648	(625)	23	648	(569)	79
Sports Equipment	144,988	(95,279)	49,709	101,897	(92,492)	9,405
Leased Assets	14,141	(5,047)	9,094	13,041	(4,280)	8,761
Library Resources	57,772	(43,461)	14,311	52,454	(41,417)	11,037
Balance at 31 December 2023	1,120,137	(665,885)	454,252	998,601	(618,605)	379,996

11. Accounts Payable

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Creditors	19,995	4,816	5,342
Accruals	5,933	5,760	5,760
Employee Entitlements - Salaries	69,508	80,662	80,662
Employee Entitlements - Leave Accrual	7,734	10,832	10,832
	<u>103,170</u>	<u>102,070</u>	<u>102,596</u>
Payables for Exchange Transactions	103,170	102,070	102,596
	<u>103,170</u>	<u>102,070</u>	<u>102,596</u>

The carrying value of payables approximates their fair value.

12. Revenue Received in Advance

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Grants in Advance - Ministry of Education	5,513	-	-
	<u>5,513</u>	<u>-</u>	<u>-</u>

13. Provision for Cyclical Maintenance

	2023 Actual	2023 Budget (Unaudited)	2022 Actual
	\$	\$	\$
Provision at the Start of the Year	67,167	37,046	51,267
Increase to the Provision During the Year	56,360	10,000	15,900
Other Adjustments	-	20,121	-
Provision at the End of the Year	<u>123,527</u>	<u>67,167</u>	<u>67,167</u>
Cyclical Maintenance - Current	49,777	14,400	14,400
Cyclical Maintenance - Non current	73,750	52,767	52,767
	<u>123,527</u>	<u>67,167</u>	<u>67,167</u>

The schools cyclical maintenance schedule details annual painting to be undertaken. The costs associated with this annual work will vary depending on the requirements during the year. This plan is based on the schools 10 Year Property plan / quotes from local contractors.

14. Finance Lease Liability

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

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
No Later than One Year	5,135	3,800	4,626
Later than One Year and no Later than Five Years	5,808	2,444	5,849
Future Finance Charges	(1,078)	(865)	(1,129)
	<u>9,865</u>	<u>5,379</u>	<u>9,346</u>
Represented by			
Finance lease liability - Current	4,433	2,979	3,967
Finance lease liability - Non current	5,432	2,400	5,379
	<u>9,865</u>	<u>5,379</u>	<u>9,346</u>

15. Funds Held for Capital Works Projects

During the year the School received and applied funding from the Ministry of Education for the following capital works projects. The amount of cash held on behalf of the Ministry for capital works project is included under cash and cash equivalents in note 9.

2023	Opening Balances \$	Receipts from MOE \$	Payments \$	Board Contributions \$	Closing Balances \$
New Timber Fence - Project Number 232514	(681)	-	(6,237)	-	(6,918)
Windows Project - Project Number 237849	18,726	634	(19,360)	-	-
Floor Coverings Replacement 244806	-	-	(7,761)	-	(7,761)
Asbestos Removal 241856	-	17,550	(17,469)	-	81
Electrical Works 244803	-	-	(975)	-	(975)
Totals	<u>18,045</u>	<u>18,184</u>	<u>(51,802)</u>	<u>-</u>	<u>(15,573)</u>

Represented by:

Funds Held on Behalf of the Ministry of Education	81
Funds Receivable from the Ministry of Education	(15,654)

2022	Opening Balances \$	Receipts from MOE \$	Payments \$	Board Contributions \$	Closing Balances \$
New Timber Fence - Project Number 232514	6,441	-	(7,122)	-	(681)
Windows Project - Project Number 237849	-	19,976	(1,250)	-	18,726
Emergency Water Tanks 219950	1,391	-	(1,391)	-	-
SIPs Project 221946	853	-	(853)	-	-
Totals	<u>8,685</u>	<u>19,976</u>	<u>(10,616)</u>	<u>-</u>	<u>18,045</u>

Represented by:

Funds Held on Behalf of the Ministry of Education	18,726
Funds Receivable from the Ministry of Education	(681)

16. 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.

17. Remuneration

Key management personnel compensation

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

	2023 Actual \$	2022 Actual \$
<i>Board Members</i> Remuneration	2,415	2,120
<i>Leadership Team</i> Remuneration Full-time equivalent members	345,933 3.00	322,712 3.00
Total key management personnel remuneration	348,348	324,832

There are 6 members of the Board excluding the Principal. The Board has held 9 full meetings of the Board in the year. The Board also has Finance (**1 members**) and Property (**3 members**) committees 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.

Principal 1

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

	2023 Actual \$000	2022 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	140-150	140 - 150
Benefits and Other Emoluments	3-4	3-4
Termination Benefits	-	-

Other Employees

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

Remuneration \$000	2023 FTE Number	2022 FTE Number
100 - 110	2.00	1.00
	2.00	1.00

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

18. Compensation and Other Benefits Upon Leaving

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

	2023 Actual	2022 Actual
Total	\$0	\$0
Number of People	Nil	Nil

19. Contingencies

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

Holidays Act Compliance – Schools Payroll

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

The Ministry continues to review the Schools Sector Payroll to ensure compliance with the Holidays Act 2003. An initial remediation payment has been made to some current school employees. The Ministry is continuing to perform detailed analysis to finalise

20. Commitments

(a) Capital Commitments

At 31 December 2023, the Board had capital commitments of \$13,628 as a result of entering the following contracts:

Contract Name	Contract Amount	Spend To Date	Remaining Capital Commitment
	\$	\$	\$
Floor Coverings Replacement	12,944	7,761	5,183
Electrical Works	9,420	975	8,445
Total	22,364	8,736	13,628

(b) Operating Commitments

As at 31 December 2023, the Board had not entered into any contracts.

21. Financial Instruments

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

Financial assets measured at amortised cost

	2023 Actual \$	2023 Budget (Unaudited) \$	2022 Actual \$
Cash and Cash Equivalents	214,272	210,390	222,743
Receivables	71,835	74,656	83,992
Total financial assets measured at amortised cost	<u>286,107</u>	<u>285,046</u>	<u>306,735</u>

Financial liabilities measured at amortised cost

Payables	103,170	102,070	102,596
Finance Leases	9,865	5,379	9,346
Total financial liabilities measured at amortised cost	<u>113,035</u>	<u>107,449</u>	<u>111,942</u>

22. Events After Balance Date

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

23. Comparatives

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



Annual Report 2023

Statement of compliance with employment policy

Mangonui School Board acts as a good employer taking all reasonable steps to build working relationships based on trust, confidence and good faith. The Board treats everyone fairly and properly in all aspects of their employment as required by the Public Service Act 2020 and complies with legislation on employment and personnel matters. The board complies with the conditions contained in employment contracts for teaching and non-teaching staff.

The school employed 2 new staff members. One teaching and the other support staff. The school policy for appointments was followed which includes checking of reference qualifications and employing the person with the best fit to their particular context.

Mangonui School is a safe workplace where development opportunities are useful and appropriate.

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

Giving Effect to Te Tiriti o Waitangi

Mangonui School gives effect to Te Tiriti o Waitangi by ensuring all plans, policies and local curriculum reflect local tikanga, matauranga Maori and te Ao Maori. We do this through consultation with local iwi and hapu, Kahui Ako and keeping up to date with the latest research.

We have made some significant changes to our local curriculum to ensure it reflects and includes the tikanga, stories, histories of our local iwi and hapu. Over the year we have also developed a Senior School Marae based programme where our students have trips to our local marae to learn, kawa o te marae, hapu and iwi and the connections between our kura and Kenana Marae. Every day, every akonga starts the day with School Pepeha, Tauparapara, whakatauki, karakia and waiata. Our senior students run powhiri from supporting guests to participating on the paepae. We celebrate Matariki as a major school event with hangi and kapa haka. We have

excellent relationships with kaumatua and kuia. We have a very strong feel of 'Ngati Kahu' in our school and take all opportunities to enhance this across the school.

All staff are 'on board' and deliver programmes that include kupu Maori. The board has engaged a te reo provider for 2024 for our kura. This will be a year long programme working with MokoKauri who will be delivering a school-wide programme.

Our Board of Trustees have held a 'Deep Dive' into Te Tiriti and have provided funding and support for our te ao Maori programmes. We have consulted with our Maori community and they have asked that we continue to provide learning experiences where their tamariki can participate in Te Ao Maori and continue to lift our ability to korero Maori.

Our data as can be seen shows that 'Maori' are achieving at the same levels as Non Maori. Our Maori students achieve equitable outcomes to Non Maori. This is an expectation of our Board and School community.

Kiwisport Statement

Kiwisport is a government funding initiative to support students' participation in organised sport. In 2023 the school received total kiwisport funding of \$2,529.58 GST excl (2199.64). This funding was used to help with Sports Trip expenses, Education Outside the Classroom expenses and Physical Education equipment, supporting our students to engage in various sporting activities.

Evaluation of the school's students' progress and achievement

We have seen in the last two years some positive shifts in achievement data that is reflected in our 2023 data. We want to ensure that we build onto this data. We have a number of actions in place for 2024:

- Better Start Literacy across all Junior School
- Quick 60 programme - in Junior and Middle Schools
- The Code (2nd year)
- Assessment for Learning (Writing Focus)

There is one area that we are aware of and working on. 'Year 4 Data Writing' - This is an area that we have Targeted and will continue to Target. This group is making progress with some students making significant progress over 2023. One classroom in 2024 has the majority of these students and is very aware of the need to target these students. Goals have been set with these students. Information shared between teachers

Our data shows that there is no disparity between Maori and Non Maori achievement with exception to our Year 4 Writing data. This has been one of the biggest achievements we have made over the last 3 years.

We are using The Code programme in our classrooms which will continue to support learning from BSLA. 2023 was our first year using 'The Code'.

In 2024 we are focusing on writing for our AfL focus. This mahi will make changes to how we deliver, monitor and use learning outcomes from students.

All students identified in data as working 'Below or Towards' will be targeted. Clear expectations have been communicated with teaching staff as to how Target students are supported.

Year 1

Reading 85% Reading At or Above (Whole) 71% (Maori) 2022 Whole 85% / Maori 80%

Writing 82% At or Above (Whole) -71% (Maori) 2022 72% Whole 60% Maori

Maths 100% At or Above

Year 2

Reading 88% students reading 'at' or 'above (Whole)' 94% (Maori) '2022 50% 'At or Above' (Whole) 46% 'At or Above' (Maori)

Writing 2023 88% Writing 'At or Above (Whole)' 93% (Maori) 2022 57% (Whole) 50% (Maori) - At or Above

Maths 89% Students 'at' or 'above' (Whole) 90% Maori - 2022 76% (Whole) 74%Maori

Year 3

Reading 84% of Students 'At' or 'Above' (Whole) 83% (Maori) 2022 86% (Whole) 80% Maori

Writing 70% of Students 'At or Above' (Whole) 67% Maori 2022 68% (Whole) 72% (Maori)

Maths 78% of Students 'At or Above' (Whole) 76% (Maori) 2022 75% (Whole) 72% Maori

Year 4

Reading 84% of Students are 'At or Above' (Whole) 84% (Maori) 2022 72% (Whole) 73% (Maori)

Writing 69% students 'At or Above' (whole) 49% (Maori) 2022 77% (Whole) 72% (Maori)

Maths 84% Students 'At or Above' (Whole) 78% (Maori) 2022 76% (Whole) 70% (Maori)

Year 5

Reading 92% 'At or Above' (Whole) 88% (Maori) 2022 90% (Whole) 91% Maori

Writing 84% 'At or 'Above' 76% (Maori) 2022 80% (Whole) 76% (Maori)

Maths 86% 'At or Above' 78% (Maori) 2022 76% (Whole) 72% (Maori)

Year 6

Reading - 97% 'At or Above' (Whole) 95% (Maori) 2022 67% (Whole) 73% (Maori)

Writing - 77% 'At or Above' (Whole) 73% (Maori) 2022 75% (Whole) 73% (Maori)

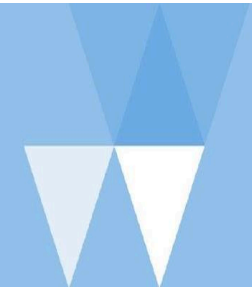
Maths - 76% 'At or Above' (Whole) 73% (Maori) 2022 75% (Whole) 67% (Maori)

Statement of Variance Reporting



School Name:	Mangonui School 2023	School Number:	1039
Strategic Aim: Analysis report	Highest Quality Teaching and Learning		
Annual Aim:	Lift achievement of targeted students in Maths and Reading in the Year 4,5 and 6 cohort.		
Target:	Students identified as 'below' in Year 4,5,6 cohort shift to 'At'		
Baseline Data:	<p>Year 6 4 Students (1 Male, 2 Female) – All made progress and shifted to 'At'</p> <p>Year 5 4 Students (3 Male, 1 Female) – All made progress. 2 Shifted to 'At' 2 remain Below</p> <p>Year 4 4 Students (3 Male, 1 Female) All made progress. 3 Shifted to 'At' 1 remained below</p> <ul style="list-style-type: none"> Please note that all students who remained 'Below' shifted to 'Just Below'. They will be targeted in 2024. <p>(All students identify as Maori)</p>		

Actions <i>What did we do?</i>	Outcomes <i>What happened?</i>	Reasons for the variance <i>Why did it happen?</i>	Evaluation <i>Where to next?</i>
<p>Teaching as Inquiry All staff focused on target students in their inquiries. We used a collaborative approach using Helen Timperley template Early Identification of Target Students</p> <p>Connecting with whanau Whanau were part of the process. Reporting to whanau on student Progress</p> <p>Study Lesson – Observing teacher practice when requested and required</p> <p>Target Student Hui. This was held twice a term at staff hui.</p> <p>Manaiakalani – Digitising our practice</p>	<p>Teachers regularly reflected on their practice and achievement of their students. Lots of changes were made as a result.</p> <p>We spent a lot of time ensuring we had a strong digital presence</p> <p>Worked collaboratively using ‘Study Lesson’ to observe, feedback and support each others programmes</p> <p>Lots of collaborative conversations. Sharing of ideas</p> <p>Lots of new learning based around Learn Create Share. Development of online resources that allows for student agency.</p> <p>More 1:1 time with this cohort of students</p>	<p>Been able to move within the inquiry cycle and have support through the COL by allowing a lead teacher to support other staff has made process</p> <p>At times we had good commitment and engagement from students and whanau</p> <p>Observed Target students in action and made adjustments to programme to engage and connect better with these students.</p> <p>Lots of sharing of ideas and collaborative problem solving.</p> <p>School-wide PD – Manaiakalani Increased student motivation, engagement. Access to more resources using this to give options on how students like to learn. Using online resources</p>	<p>Continue journey with Manaiakalani and deepen our understanding of Learn Create Share. Develop digital resources so students are able to</p> <p>PLD 2024 – Assessment for Learning</p> <p>Continue to use this tool as a ‘needs by basis’</p> <p>This was extremely powerful. Sharing strategies, ideas. Very support of collaborative practice</p> <p>Continue to ensure all staff receive PLD.</p> <p>Continue to provide Teacher Aide support in all classrooms until lunchtime</p>



Tātaritanga raraunga

Teacher Aides

Kai-mahi worked with more able students to allow for more teacher time with Target students.

Planning for next year:

We have proved through our school-wide data that we continue to improve our literacy results across the school. The inclusion of the Better-Start literacy programme and 'The Code' is supporting students to be able to access the tools to write has made significant impact. We have noticed that our students are more motivated to write as they use the strategies and knowledge they gain from the BSLA and 'The Code' in their writing. Next year we are providing PLD in Assessment for Learning for our team. We are also part of the Kahui Ako' which has a focus on using PAT data more effectively. This will all contribute to supporting teachers.

INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF MANGONUI SCHOOL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

The Auditor-General is the auditor of Mangonui School (the School). The Auditor-General has appointed me, Angela Edwards, using the staff and resources of BDO Northland, 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 19, that comprise the statement of financial position as at 31 December 2023, the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion the financial statements of the School:

- present fairly, in all material respects:
 - its financial position as at 31 December 2023; and
 - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Sector Public Benefit Entity Standards Reduced Disclosure Regime as applicable to entities that qualify as tier 2.

Our audit was completed on 10 July 2024. This is the date at which our opinion is expressed.

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

Basis for our opinion

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

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

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

KERIKERI PARTNERS: Solomon Dalton Angela Edwards Joanne Roberts

WHANGAREI PARTNERS: Greg Atkins Scott Kennedy Adelle Wilson

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 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 arise from section 134 of the Education and Training Act 2020.

Responsibilities of the auditor for the audit of the financial statements

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

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

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

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

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

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

the date of our auditor's report. However, future events or conditions may cause the School to cease to continue as a going concern.

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

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

Our responsibilities arises from the Public Audit Act 2001.

Other information

The Board is responsible for the other information. The other information comprises of the Statement of Responsibility, Members of the Board, Kiwisport, Statement of Variance, Report on how the school have given effect to Te Tiriti o Waitangi and Statement of Compliance with Employment Policy, but does not include the financial statements, and our auditor's report thereon.

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

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

Independence

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

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

Signed by:

2D0F7DE2B81BF1EC

Angela Edwards
BDO Northland
On behalf of the Auditor-General
Kerikeri, New Zealand
10 July 2024

10 July 2024

Angela Edwards
BDO Northland
108 Kerikeri Road
Kerikeri

REPRESENTATION LETTER FOR THE YEAR ENDED 31 DECEMBER 2023

This representation letter is provided in connection with your audit, carried out on behalf of the Auditor-General, of the financial statements of Mangonui School (the School) for the year ended 31 December 2023 for the purpose of expressing an independent opinion about whether the financial statements:

- present fairly, in all material respects:
 - the financial position as at 31 December 2023; and
 - the financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity (Public Sector) Reduced Disclosure Regime Accounting Framework as applicable to Tier 2 entities.

We understand that your audit was carried out in accordance with the Auditing Standards issued by the Auditor-General, which incorporate the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board.

General representations

To the best of our knowledge and belief:

- the resources, activities, under our control have been operating effectively and efficiently;
- we have complied with our statutory obligations including laws, regulations and contractual requirements;
- we have carried out our decisions and actions with due regard to minimising waste;
- we have met Parliament's and the public's expectations of appropriate standards of behaviour in the public sector (that is, we have carried out our decisions and actions with due regard to probity); and
- any decisions or actions have been taken with due regard to financial prudence.

We also acknowledge that we have responsibility for designing, implementing, and maintaining internal control (to the extent that is reasonably practical given the size of the School) to prevent and detect fraud or error, and which enables the preparation of the financial statements that are free from material misstatement whether due to fraud or error (a requirement of paragraph NZ40.1(a) in ISA (NZ) 240).

Representations for the financial statements

We confirm that all transactions have been recorded in the accounting records and are reflected in the financial statements, and that, to the best of our knowledge and belief, having made such enquiries as we considered necessary for the purpose of appropriately informing ourselves:

- we have fulfilled our responsibilities for preparing and presenting the financial statements as required by section 134 of the Education Act 2020 and, in particular, that the financial statements:
 - present fairly, in all material respects:
 - the financial position as at 31 December 2023; and

- the financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with the Public Benefit Entity (Public Sector) Reduced Disclosure Regime Accounting Frameworks applicable to Tier 2 entities.
- we believe the methods, significant assumptions, and data used in making and supporting the accounting estimates and the related disclosures in the financial statements are appropriate to achieve recognition, measurement or disclosure that is in accordance with the applicable financial reporting framework;
- we have appropriately accounted for and disclosed the related party relationships and transactions in the financial statements;
- we have adjusted or disclosed all events subsequent to the date of the financial statements that require adjustment or disclosure; and
- we believe the effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole. A list of the uncorrected misstatements is attached to this representation letter;
- we have disclosed all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements. Where applicable, such litigation and claims have been accounted for and disclosed in accordance with the Public Sector Public Benefit Entity Reduced Disclosure Regime. ; and

Representations about the provision of information

We confirm that, to the best of our knowledge and belief, having made such enquiries as we considered necessary for the purpose of appropriately informing ourselves:

- we have provided you with:
 - all information, such as records and documentation, and other matters that are relevant to preparing and presenting the financial statements; *and*
 - unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence;
- we have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud;
- we have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the entity and involves:
 - management;
 - employees who have significant roles in internal control; or
 - others where the fraud could have a material effect on the financial statements;
- we have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, analysts, regulators, or others;
- we have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements;
- we have disclosed the identity of the related parties, all of their relationships, and all of their transactions of which we are aware; and
- we have provided you with all the other documents ("other information") which will accompany the financial statements which are consistent with the financial statements, and the other information does not contain any material misstatements.

Going concern basis of accounting

We confirm that, to the best of our knowledge and belief, the School has adequate resources to continue operations at its current level for the foreseeable future. For this reason, the Board continues to adopt the going concern basis of accounting in preparing the financial statements for the year ended 31 December 2023. We have reached this conclusion after making enquiries and having regard to circumstances that we consider likely to affect the School during the period of one year from 10 July 2024, and to circumstances that we know will occur after that date which could affect the validity of the going concern basis of accounting.

We consider that the financial statements adequately disclose the circumstances, and any uncertainties, that we can reasonably be expected to be aware of concerning the adoption of the going concern basis of accounting by the School.

Publication of the financial statements and related audit report on a website

We confirm that we are responsible for the electronic presentation of the audited financial statements, and:

- that the electronic version of the audited financial statements and the related audit report presented on the website are the same as the final signed version of the audited financial statements and audit report.
- that the audited and unaudited information on the website has been clearly differentiated and we understand the risk of potential misrepresentation without appropriate controls.
- that we have assessed the security controls over audited financial information and the related audit report and are satisfied that procedures are adequate to ensure the integrity of the information provided.
- that the full financial statements have been provided on the website.

The representations in this letter are made at your request, and to supplement information obtained by you from the records of the School and to confirm information given to you orally.

Yours faithfully

Signed by:

EF80CAD9CF297A8B

Josie Powers
Presiding Member

Signed by:

BB65F78A202C99D7

Dave Sedcole
Principal

APPENDIX 1 - UNADJUSTED DIFFERENCES

The following misstatements have been identified during the course of our audit, and *have not* been adjusted as they were considered by management not to be material:

Description	Assets	Liabilities	Reserves/Equity	Profit
	Dr(Cr)	Dr(Cr)	Dr(Cr)	Dr(Cr)
	\$	\$	\$	\$
To bring in Top up funding		(3,891)		3,891
To accrue bulk grant payable		(4,485)		4,485
To bring in PSPA backpay	4,332			(4,332)
Net Effect of Adjustments not made:	4,332	(8,376)		4,044