



ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

School Directory

Ministry Number:	3496
Principal:	Gregory Lewis
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Accountant / Service Provider:

Solutions & Services
Collaborative School Administration

TE PARITO KŌWHAI RUSSLEY SCHOOL

Annual Financial Statements - For the year ended 31 December 2024

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Te Parito Kōwhai Russley School

Statement of Responsibility

For the year ended 31 December 2024

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 2024 fairly reflects the financial position and operations of the School.

(The School's 2024 financial statements are authorised for issue by the Board.

WARREN WEI TSIEN POH

Full Name of Presiding Member



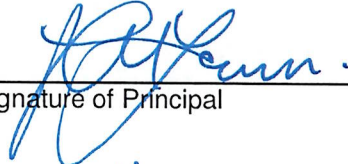
Signature of Presiding Member

20/05/25

Date:

Gregory Myler Lewis

Full Name of Principal



Signature of Principal

20 May 2025

Date:

Te Parito Kōwhai Russley School

Members of the Board

For the year ended 31 December 2024

Name	Position	How Position Gained	Term Expired/ Expires
Warren Poh	Presiding Member	Elected	2026
Gregory Lewis	Principal	ex Officio	
Nicola Holmes	Parent Representative	Elected	2025
Haydn Randall	Parent Representative	Elected	2025
Ashton Peters	Parent Representative	Elected	2025
Peter Theobald	Parent Representative	Elected	2026
Pene Cooley	Staff Representative	Elected	2025

Te Parito Kōwhai Russley School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2024

		2024	2024	2023
	Notes	Actual \$	Budget (Unaudited) \$	Actual \$
Revenue				
Government Grants	2	4,174,769	3,528,882	3,691,284
Locally Raised Funds	3	304,712	119,000	213,553
Interest		139,267	40,000	108,043
Total Revenue		4,618,748	3,687,882	4,012,880
Expense				
Locally Raised Funds	3	42,795	8,000	21,467
Learning Resources	4	2,930,647	2,596,732	2,724,977
Administration	5	245,942	249,606	214,786
Interest		6,005	-	6,043
Property	6	1,107,947	800,783	787,318
Loss on Disposal of Property, Plant and Equipment		4,982	-	13,689
Total Expense		4,338,318	3,655,121	3,768,280
Net Surplus for the year		280,430	32,761	244,600
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		280,430	32,761	244,600

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

Te Parito Kōwhai Russley School

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2024

	Notes	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
Equity at 1 January		2,457,005	2,457,005	2,212,405
Total comprehensive revenue and expense for the year		280,430	32,761	244,600
Contribution - Furniture and Equipment Grant		15,249	-	-
Equity at 31 December		2,752,684	2,489,766	2,457,005
Accumulated comprehensive revenue and expense		2,752,684	2,489,766	2,457,005
Equity at 31 December		2,752,684	2,489,766	2,457,005

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.

Te Parito Kōwhai Russley School

Statement of Financial Position

As at 31 December 2024

	Notes	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
Current Assets				
Cash and Cash Equivalents	7	257,078	376,313	273,552
Accounts Receivable	8	281,915	227,007	227,007
GST Receivable		22,620	15,883	15,883
Prepayments		55,304	54,025	54,025
Inventories	9	-	893	893
Investments	10	2,126,904	1,353,685	1,353,685
Funds Receivable for Capital Works Projects	16	22,646	-	-
		2,766,467	2,027,806	1,925,045
Current Liabilities				
Accounts Payable	12	301,827	229,999	229,999
Revenue Received in Advance	13	114,197	129,015	129,015
Finance Lease Liability	15	27,949	34,287	34,287
Funds held for Capital Works Projects	16	100,000	-	-
		543,973	393,301	393,301
Working Capital Surplus		2,222,494	1,634,505	1,531,744
Non-current Assets				
Investments	10	-	490,000	490,000
Property, Plant and Equipment	11	549,926	402,433	472,433
		549,926	892,433	962,433
Non-current Liabilities				
Finance Lease Liability	15	19,736	37,172	37,172
		19,736	37,172	37,172
Net Assets		2,752,684	2,489,766	2,457,005
Equity		2,752,684	2,489,766	2,457,005

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

Te Parito Kōwhai Russley School

Statement of Cash Flows

For the year ended 31 December 2024

		2024	2024	2023
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Cash flows from Operating Activities				
Government Grants		993,306	866,566	987,709
Locally Raised Funds		136,254	29,000	154,346
International Students		143,219	90,000	140,295
Goods and Services Tax (net)		(6,737)	-	(10,132)
Payments to Employees		(509,518)	(408,299)	(420,373)
Payments to Suppliers		(486,992)	(514,506)	(566,705)
Interest Paid		(6,005)	-	(6,043)
Interest Received		105,090	40,000	81,332
Net cash from Operating Activities		368,617	102,761	360,429
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment		(162,208)	-	(124,445)
Purchase of Investments		(283,219)	-	-
Proceeds from Sale of Investments		-	-	16,236
Net cash (to) Investing Activities		(445,427)	-	(108,209)
Cash flows from Financing Activities				
Furniture and Equipment Grant		15,249	-	-
Finance Lease Payments		(32,267)	-	(28,640)
Funds Administered on Behalf of Other Parties		77,354	-	-
Net cash from/(to) Financing Activities		60,336	-	(28,640)
Net (decrease)/increase in cash and cash equivalents		(16,474)	102,761	223,580
Cash and cash equivalents at the beginning of the year	7	273,552	273,552	49,972
Cash and cash equivalents at the end of the year	7	257,078	376,313	273,552

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.

Te Parito Kōwhai Russley School

Notes to the Financial Statements

For the year ended 31 December 2024

1. Statement of Accounting Policies

1.1. Reporting Entity

Te Parito Kōwhai Russley 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

1.2. Basis of Preparation

Reporting Period

The financial statements have been prepared for the period 1 January 2024 to 31 December 2024 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 expenditure threshold of \$33 million per year. All relevant reduced disclosure concessions have been taken.

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

Cyclical Maintenance

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

Useful lives of property, plant and equipment

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

Critical Judgements in applying accounting policies

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

Classification of leases

Determining whether a lease is a finance lease or an operating lease requires judgement as to whether the lease transfers substantially all the risks and rewards of ownership to the school. A lease is classified as a finance lease if it transfers substantially all risks and rewards incidental to ownership of an underlying asset to the lessee. In contrast, an operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset to the lessee.

Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant and equipment, whereas for an operating lease no such asset is recognised. Finance lease liability disclosures are contained in note 15. Future operating lease commitments are disclosed in note 21b.

Recognition of grants

The School reviews the grants monies received at the end of each reporting period and whether any require a provision to carry forward amounts unspent. The School believes all grants received have been appropriately recognised as a liability if required. Government grants are disclosed at note 2.

1.3. 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 to which they relate. 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 to which 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 recognised as 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.

1.4. 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.

1.5. 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.

1.6. 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.

1.7. Accounts Receivable

Short-term receivables are recorded at the amount due, less an allowance for expected credit losses (uncollectable debts). The school's 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.

1.8. Inventories

Inventories are consumable items held for sale and comprised of stationery. 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.

1.9. 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.

1.10. Property, Plant and Equipment

Land and buildings owned by the Crown are excluded from these financial statements. The Board's use of the land and buildings as 'occupant' is based on a property occupancy document.

Improvements funded by the Board to buildings owned by the Crown or directly by the board are recorded at cost, less accumulated depreciation and impairment losses.

Property, plant and equipment are recorded at cost or, in the case of donated assets, fair value at the date of receipt, less accumulated depreciation and impairment losses. Cost or fair value as the case may be, includes those costs that relate directly to bringing the asset to the location where it will be used and making sure it is in the appropriate condition for its intended use.

Gains and losses on disposals (i.e. sold or given away) are determined by comparing the proceeds received with the carrying amounts (i.e. the book value). The gain or loss arising from the disposal of an item of property, plant and equipment is recognised in the Statement of Comprehensive Revenue and Expense.

Finance Leases

A finance lease transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred. At the start of the lease term, finance leases are recognised as assets and liabilities in the statement of financial position at the lower of the fair value of the leased asset or the present value of the minimum lease payments. The finance charge is charged to the surplus or deficit over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability. The amount recognised as an asset is depreciated over its useful life. If there is no reasonable certainty whether the school will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

Depreciation

Property, plant and equipment, except for library resources, are depreciated over their estimated useful lives on a straight line basis. Library resources are depreciated on a diminishing value basis. Depreciation of all assets is reported in the Statement of Comprehensive Revenue and Expense.

The estimated useful lives of the assets are:

Building Improvements	10–75 years
Furniture and Equipment	10–15 years
Information and Communication Technology	4–5 years
Leased Assets held under a Finance Lease	Term of Lease
Library Resources	12.5% Diminishing value

1.11. Impairment of property, plant and equipment

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 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 as 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.

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

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

1.12. 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.

1.13. Employee Entitlements

Short-term employee entitlements

Employee entitlements that are expected to be settled within 12 months after the end of the reporting period in which the employees provide the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned by non teaching staff, 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.

1.14. Revenue Received in Advance

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

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

1.15. 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.

1.16. 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 of the School, makes up the most significant part of the Board's responsibilities outside the 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 variety of periods in accordance with the conditional assessment of each area of the school. 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.

1.17. 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.

The School's financial liabilities comprise accounts payable, and finance lease 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.

1.18. 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.

1.19. Budget Figures

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

1.20. 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

	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
Government Grants - Ministry of Education	942,498	830,566	901,225
Teachers' Salaries Grants	2,280,693	2,049,733	2,132,393
Use of Land and Buildings Grants	903,014	612,583	612,583
Other Government Grants	48,564	36,000	45,083
	<u>4,174,769</u>	<u>3,528,882</u>	<u>3,691,284</u>

3. Locally Raised Funds

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

	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
Revenue			
Donations and Bequests	25,774	10,000	27,562
Fees for Extra Curricular Activities	69,549	-	74,612
Trading	2,403	-	1,908
Fundraising and Community Grants	7,115	-	17,341
Other Revenue	31,619	19,000	27,974
International Student Fees	168,252	90,000	64,156
	<u>304,712</u>	<u>119,000</u>	<u>213,553</u>
Expenses			
Extra Curricular Activities Costs	24,929	-	14,022
Trading	1,263	-	63
Fundraising and Community Grant Costs	223	-	1,500
International Student - Other Expenses	16,380	8,000	5,882
	<u>42,795</u>	<u>8,000</u>	<u>21,467</u>
<i>Surplus for the year Locally raised funds</i>	<u>261,917</u>	<u>111,000</u>	<u>192,086</u>

4. Learning Resources

	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
Curricular	175,519	203,700	222,340
Information and Communication Technology	28,019	22,000	-
Employee Benefits - Salaries	2,617,568	2,276,532	2,409,513
Other Learning Resources	1,377	4,500	1,196
Staff Development	13,051	20,000	15,487
Depreciation	95,113	70,000	76,441
	<u>2,930,647</u>	<u>2,596,732</u>	<u>2,724,977</u>

5. Administration

	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
Audit Fees	11,902	6,000	6,033
Board Fees and Expenses	13,984	10,000	17,694
Operating Leases	-	35,000	-
Legal Fees	-	2,000	829
Other Administration Expenses	68,515	51,000	51,654
Employee Benefits - Salaries	134,030	126,500	129,577
Insurance	13,929	15,000	2,226
Service Providers, Contractors and Consultancy	3,582	4,106	6,773
	<u>245,942</u>	<u>249,606</u>	<u>214,786</u>

6. Property

	2024	2024	2023
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Consultancy and Contract Services	44,398	50,000	49,826
Cyclical Maintenance	-	-	(59,155)
Heat, Light and Water	35,553	35,000	35,325
Rates	15,752	18,000	15,090
Repairs and Maintenance	28,378	12,000	59,129
Use of Land and Buildings	903,014	612,583	612,583
Other Property Expenses	16,917	18,200	19,724
Employee Benefits - Salaries	63,935	55,000	54,796
	<u>1,107,947</u>	<u>800,783</u>	<u>787,318</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

	2024	2024	2023
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Bank Accounts	142,319	376,313	273,552
Short-term Bank Deposits	114,759	-	-
	<u>257,078</u>	<u>376,313</u>	<u>273,552</u>

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

Of the \$257,078 Cash and Cash Equivalents, \$100,000 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 and includes retentions on the projects, if applicable. The funds are required to be spent in 2025 on Crown owned school buildings.

Of the \$257,078 Cash and Cash Equivalents, \$14,938 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.

Of the \$257,078 Cash and Cash Equivalents, \$4,105 of Other Revenue in Advance is held by the School, as disclosed in note 13.

Of the \$257,078 Cash and Cash Equivalents, \$95,154 of International Student Fees in advance is held by the School, as disclosed in note 13.

8. Accounts Receivable

	2024	2024	2023
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Receivables	990	1,561	1,561
Receivables from the Ministry of Education	5,718	13,127	13,127
Interest Receivable	78,249	44,072	44,072
Teacher Salaries Grant Receivable	196,958	168,247	168,247
	<u>281,915</u>	<u>227,007</u>	<u>227,007</u>
Receivables from Exchange Transactions	79,239	45,633	45,633
Receivables from Non-Exchange Transactions	202,676	181,374	181,374
	<u>281,915</u>	<u>227,007</u>	<u>227,007</u>

9. Inventories

	2024	2024	2023
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Stationery	-	893	893
	<u>-</u>	<u>893</u>	<u>893</u>

10. Investments

The School's investment activities are classified as follows:

	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
Current Asset			
Short-term Bank Deposits	2,126,904	1,353,685	1,353,685
Non-current Asset			
Long-term Bank Deposits	-	490,000	490,000
Total Investments	<u>2,126,904</u>	<u>1,843,685</u>	<u>1,843,685</u>

11. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2024						
Building Improvements	183,193	7,937	-	-	(15,764)	175,366
Furniture and Equipment	147,917	100,781	(2,059)	-	(28,472)	218,167
Information and Communication Technology	57,981	16,582	(2,652)	-	(10,656)	61,255
Leased Assets	69,999	14,074	-	-	(38,176)	45,897
Library Resources	13,343	3,290	(271)	-	(2,045)	14,317
Work in Progress	-	34,924	-	-	-	34,924
Balance at 31 December 2024	<u>472,433</u>	<u>177,588</u>	<u>(4,982)</u>	<u>-</u>	<u>(95,113)</u>	<u>549,926</u>

The net carrying value of furniture and equipment held under a finance lease is \$45,897 (2023: \$69,999)

Restrictions

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

	2024 Cost or Valuation \$	2024 Accumulated Depreciation \$	2024 Net Book Value \$	2023 Cost or Valuation \$	2023 Accumulated Depreciation \$	2023 Net Book Value \$
Building Improvements	427,260	(251,894)	175,366	424,328	(241,135)	183,193
Furniture and Equipment	411,319	(193,152)	218,167	427,651	(279,734)	147,917
Information and Communication Technology	176,959	(115,704)	61,255	184,590	(126,609)	57,981
Leased Assets	121,690	(75,793)	45,897	117,146	(47,147)	69,999
Library Resources	45,970	(31,653)	14,317	43,565	(30,222)	13,343
Work in Progress	34,924	-	34,924	-	-	-
Balance at 31 December	<u>1,218,122</u>	<u>(668,196)</u>	<u>549,926</u>	<u>1,197,280</u>	<u>(724,847)</u>	<u>472,433</u>

12. Accounts Payable

	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
Creditors	44,510	16,003	16,003
Accruals	7,829	9,433	9,433
Employee Entitlements - Salaries	236,776	190,073	190,073
Employee Entitlements - Leave Accrual	12,712	14,490	14,490
	<u>301,827</u>	<u>229,999</u>	<u>229,999</u>
Payables for Exchange Transactions	<u>301,827</u>	<u>229,999</u>	<u>229,999</u>
	<u>301,827</u>	<u>229,999</u>	<u>229,999</u>

The carrying value of payables approximates their fair value.

13. Revenue Received in Advance

	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
Grants in Advance - Ministry of Education	14,938	5,252	5,252
International Student Fees in Advance	95,154	120,187	120,187
Other Revenue in Advance	4,105	3,576	3,576
	<u>114,197</u>	<u>129,015</u>	<u>129,015</u>

14. Provision for Cyclical Maintenance

	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
Provision at the Start of the Year	-	-	59,155
Other Adjustments	-	-	(59,155)
Provision at the End of the Year	<u>-</u>	<u>-</u>	<u>-</u>

15. Finance Lease Liability

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

	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
No later than one year	29,832	37,662	37,662
Later than One Year	20,268	38,475	38,475
Future Finance Charges	(2,415)	(4,678)	(4,678)
	<u>47,685</u>	<u>71,459</u>	<u>71,459</u>
Represented by:			
Finance lease liability - Current	27,949	34,287	34,287
Finance lease liability - Non-current	19,736	37,172	37,172
	<u>47,685</u>	<u>71,459</u>	<u>71,459</u>

16. Funds Held for Capital Works Projects

During the year the School received and applied funding from the Ministry of Education for the following capital works projects. The amount of cash held on behalf of the Ministry for capital works project is included under cash and cash equivalents in note 7, and includes retentions on the projects, if applicable.

2024	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions \$	Closing Balances \$
Relocation of Playground/Landscaping - 175050	-	100,000	-	-	100,000
Rebuild	-	-	(22,646)	-	(22,646)
Library Alterations - 248697	-	3,676	(3,676)	-	-
Totals	<u>-</u>	<u>103,676</u>	<u>(26,322)</u>	<u>-</u>	<u>77,354</u>

Represented by:

Funds Held on Behalf of the Ministry of Education	100,000
Funds Receivable from the Ministry of Education	(22,646)

2023	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions \$	Closing Balances \$
Relocation of Playground -175050	-	334,449	(334,449)	-	-
Totals	<u>-</u>	<u>334,449</u>	<u>(334,449)</u>	<u>-</u>	<u>-</u>

17. Related Party Transactions

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

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

18. Remuneration

Key management personnel compensation

Key management personnel of the School include all Board members, Principal, Deputy Principal and Team Leaders.

	2024 Actual \$	2023 Actual \$
<i>Board Members</i>		
Remuneration	3,185	3,166
<i>Leadership Team</i>		
Remuneration	720,831	710,621
Full-time equivalent members	6.00	6.00
Total key management personnel remuneration	<u>724,016</u>	<u>713,787</u>

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

Principal

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

	2024 Actual \$000	2023 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	160 - 170	160 - 170
Benefits and Other Emoluments	0 - 10	0 - 10
Termination Benefits	0 - 0	0 - 0

Other Employees

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

Remuneration \$000	2024 FTE Number	2023 FTE Number
100 -110	4.00	5.00
110 -120	3.00	2.00
	<u>7.00</u>	<u>7.00</u>

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

19. Compensation and Other Benefits Upon Leaving

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

	2024 Actual \$	2023 Actual \$
Total	-	-
Number of People	-	-

20. Contingencies

There are no contingent liabilities and no contingent assets except as noted below as at 31 December 2024 (Contingent liabilities and assets at 31 December 2023: nil).

Holidays Act Compliance – Schools Payroll

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

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

Pay Equity Settlement Wash Up amounts

In 2024 the Ministry of Education provided additional funding for non-teaching collective and pay equity agreements. At the date of signing the financial statements the School's final entitlement for the year ended 31 December 2024 has not yet been advised. The School has therefore not recognised an asset or a liability regarding this funding wash-up, which is expected to be settled in July 2025.

Cyclical Maintenance

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

Commitments

(a) Capital Commitments

At 31 December 2024, the Board had capital commitments of \$100,000 (2023:\$nil) as a result of entering the following contracts:

Contract Name	2024 Capital Commitment
Relocation of Playground/Landscaping - 175050	\$ 100,000
Total	100,000

The Board receives funding from the Ministry of Education for Capital Works which is disclosed in note 16

(b) Operating Commitments

As at 31 December 2024 the Board has not entered into any operating contracts.

(a) operating lease of a EFTPOS Machine and Coffee Machine;

	2024 Actual \$	2023 Actual \$
No later than One Year	-	2,897
	<u>-</u>	<u>2,897</u>

The total lease payments incurred during the period were \$2,897 (2023: \$2,897).

22. Financial Instruments

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

Financial assets measured at amortised cost

	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
Cash and Cash Equivalents	257,078	376,313	273,552
Receivables	281,915	227,007	227,007
Investments - Term Deposits	2,126,904	1,843,685	1,843,685
Total Financial assets measured at amortised cost	2,665,897	2,447,005	2,344,244

Financial liabilities measured at amortised cost

	2024 Actual \$	2024 Budget (Unaudited) \$	2023 Actual \$
Payables	301,827	229,999	229,999
Finance Leases	47,685	71,459	71,459
Total Financial liabilities measured at amortised Cost	349,512	301,458	301,458

23. Events After Balance Date

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

24. Comparatives

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



Kiwisport 2024

Kiwisport is a Government funding initiative to support students' participation in organised sport.

Te Parito Kōwhai Russley School received \$6,947.88 (excluding GST) as part of the 2024 operations grant, through this initiative to increase our student participation in organised sport.



Te Parito Kōwhai Russley School
Report to the Board
for the year ended 31 December 2024

Aspire with assurance

20 May 2025

The Board of Trustees
Te Parito Kōwhai Russley School
75 Cutts Road
Russley 8042

Dear Trustees

Report to the Board of Trustees for the year ended 31 December 2024

In accordance with our normal practice, we include in the attached report all matters arising from our audit of the financial statements of Te Parito Kōwhai Russley School ("the School") for the year ended 31 December 2024 which we consider appropriate for the attention of the Board of Trustees ("the Board"). These matters have been discussed with management of the School and their comments have been included, where appropriate.

Should you require clarification on any matter in this report please do not hesitate to contact us.

This correspondence is part of our ongoing discussions as auditor in accordance with our engagement letter dated 8 November 2024 and as required by the Office of Auditor-General's requirements which includes the Auditor-General's auditing standards and New Zealand auditing standards. This report includes only those matters that have come to our attention as a result of performing our audit procedures and which we believe are appropriate to communicate to the Board. The audit of the financial statements does not relieve management or the Board of their responsibilities. The ultimate responsibility for the preparation of the financial statements rests with the Board.

We have prepared this report solely for the use of the Board and it would be inappropriate for this report to be made available to third parties. If such a third party were to obtain a copy without our prior written consent, we would not accept responsibility for any reliance that they might place on it.

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

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

Yours faithfully



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

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1. Purpose of report

This report has been prepared for Te Parito Kōwhai Russley School Board and is part of our ongoing discussions as auditor in accordance with our engagement letter and master terms of business dated 8 November 2024 and as required by the Office of the Auditor-General's requirements, which include the Auditor-General's auditing standards and New Zealand auditing standards.

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

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

We are responsible for conducting an audit of Te Parito Kōwhai Russley School ("the School") for the year ended 31 December 2024 in accordance with New Zealand auditing standards issued by the New Zealand Auditing and Assurance Standards Board and the Auditor-General's auditing standards. Our audit is performed pursuant to the requirements of the Public Audit Act 2001 and the Financial Reporting Act 2013, with the objective of forming and expressing an opinion on the financial statements that have been prepared by management with the oversight of the Board. The audit of the financial statements does not relieve management or the Board of their responsibilities.

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

2. Areas of focus and audit findings

Our audit procedures were focused on those areas of Te Parito Kōwhai Russley School activities that are considered to represent risk areas identified, these during the risk assessment process undertaken during the planning stage of our engagement. Provided below is a summary of these areas of focus and our audit findings in respect of each matter following the completion of our audit. We are satisfied that these areas have been addressed appropriately and are properly reflected in the financial statements.

Focus area	Response
<p>Responsibility for Fraud</p> <p>You may have seen media coverage over the past few years relating to a number of school frauds nationally.</p> <p>The inherent risks relating to income are greatest in relation to the receipt and recording of Local Raised Funds, Donations etc., and there are limited audit procedures we can adopt to ensure all money that should be received is properly accounted for.</p> <p>The primary responsibility for the prevention and detection of fraud rests with the Board of Trustees.</p> <p>The Ministry have published a model policy on Theft and Fraud Prevention in its Financial Information for Schools Handbook (FISH). A school adopting such a policy might indicate the extent to which it has considered matters concerned with fraud. However, having a fraud policy is not enough if it is not used as a basis for training or to regularly remind staff that fraud is unacceptable.</p>	<p>We gained an understanding how the Board exercise oversight of management's processes for identifying and responding to the risks of fraud and the internal control that management has established to mitigate these risks.</p> <p>This involved:</p> <ul style="list-style-type: none"> •Inquiries with management and others within the school as appropriate, regarding their knowledge of any actual, suspected or alleged fraud affecting the school; •Inquiries with members of the Board regarding their knowledge of any fraud, suspected fraud or allegations of fraud; •Understanding whether there were appropriate segregation of duties and internal controls in place to mitigate the risk of misappropriation of assets and in particular cash; and •Reviewing processes around journal entries, estimates and judgements and significant unusual business transactions. <p>We did not identify any matters to report to the Board.</p> <p>We would also like to remind the Board that cyber-fraud is becoming more relevant. The Ministry have provided guidance on their website on cyber-safety which we encourage the Board be familiar with.</p>
<p>Locally raised funds</p> <p>Locally raised funds has continued to be a focus area because there is a risk that not all cash received is recorded. Although schools may have a process to record cash receipts, the risk of misappropriation is high if there are limited segregation of duties in place.</p>	<p>As part of our audit procedures, we have:</p> <ul style="list-style-type: none"> • Assessed the design and implementation of internal controls surrounding all material revenue streams; and • Performed testing on these balances including analytical procedures. <p>No issues were noted in this area.</p>
<p>Payroll</p> <p>We consider the main risk to the accuracy of payroll payments is transactions being incorrectly processed, because of either fraud or error. The EdPay system relies on schools checking the accuracy of the payroll transactions processed by the school, as this information is not checked centrally.</p>	<p>We understand that these reports are made available to the school along with instructions on how to understand them.</p> <p>Consistent with our prior year audits we have inquired with the school regarding any exceptions identified as well as any differences to amounts recorded. We also continue to encourage you to follow up on any perceived errors as soon as practical.</p> <p>We have performed testing around the high level controls around payroll as well as ensuring that the payroll balances were not materially misstated in the financial statements.</p>

Focus area	Response
<p>To ensure the accuracy of payroll payments, our expectation has been that schools had the following key controls:</p> <ul style="list-style-type: none"> • effective access controls to EdPay, limiting access to “authorised users”; • changes to Masterfile data – such as bank account changes, new starters, or payments to non-salaried staff (such as relievers) - have appropriate supporting documentation and are appropriately authorised; • checking of the fortnightly draft payroll (SUE) report for accuracy; and • review of the final fortnightly payroll (SUE) report by someone independent of staff who has access to EdPay. <p>We do not consider that the review of the SUE report on its own is a strong enough control for schools to rely on to detect fraud or error, because it does not include details of changes to pay, or Masterfile changes. The lack of a complete Masterfile change report could also potentially provide an opportunity for a fraud to go undetected.</p>	<p>A copy of the signed School Annual Accrual Report (SAAR) certification was received prior to completion of the audit. This certification indicated that the payroll reports were reviewed by the Principal and Chair and allowed you to report any errors that you did not agree with.</p> <p>No issues were noted in this area.</p>
<p>Education and Training Act 2020</p> <p>The Education and Training Act 2020 (the Act) came into effect on 1 August 2020. It incorporates and replaces the Education Acts 1964 and 1989 and implements changes from the Education work programme. It is intended to be simpler, more user-friendly, and less prescriptive than the previous legislative framework.</p> <p>The provisions of the Act that are relevant to the School audits remain the same.</p> <p>The Education (Schools Donations) Amendment Act 2019 came into effect on 22 October 2019. This Act supports the school donations scheme announced as part of the Government’s Budget 2019 package.</p> <p>From the 2020 school year, Decile 1-7 state and state-integrated schools will be able to choose to receive a \$150 per student, per year payment if they agree not to ask parents and caregivers for donations.</p>	<p>We have obtained an understanding if your School has opted into the 2024 donation scheme. From here, we have assessed the financial impact that this has had on the current year audit, and whether it was appropriately disclosed.</p> <p>No issues were identified in this area.</p>
<p>Sensitive Expenditure</p> <p>The Auditor-General’s auditing standards require us to test a sample of sensitive expenditure, and also be alerted to matters that may indicate waste, or show a lack of probity or financial prudence. Sensitive expenditure is any spending by an organisation that could be seen to be giving private benefit to staff additional to the business benefit to the organisation.</p> <p>The OAG has also identified the following focus areas for auditors to be aware of when carrying out this testing.</p>	<p>In performing the audit we looked at various areas including:</p> <ul style="list-style-type: none"> • Ensuring that policies are current and were appropriately authorised; • Reviewing various expenditure by the Principal and the Board against supporting tax invoices, other documentation and relevant policies and approval guidelines; • Reviewing other sensitive areas such as travel, entertainment and credit cards against supporting tax invoices, other documentation and relevant policies and approval guidelines;

Focus area	Response
<p>Use of Credit Cards The OAG has observed that many schools have poor controls over credit cards, with many monthly statements not being approved by an independent person. Poor controls increase the risk of misuse of credit cards, including for personal use. This also includes the use of fuel cards and overseas currency cards (which are essentially cash).</p> <p>Expenses incurred by the Chairperson and the Principal The OAG has also observed that many schools have poor controls over expenses incurred by the Principal and Chairperson, with many invoices not being approved by an independent person. Poor controls increase the risk of misuse of school funds, including for personal use. We would expect to see 'one-up' approval, meaning review and approval by someone more senior. This means the Board Chairperson must authorise payments on the Principal's credit card and Principal's expenses, and staff credit cards should be approved by the Principal.</p>	<ul style="list-style-type: none"> • Discussing with the Principal and Chair of the Board about fraud processes and policies and knowledge of any suspected or identified fraud during the year (if applicable); • Reviewing Board and Principal remuneration against MOE approvals and limits; • Reviewing overseas travel that the school has undertaken during the year including the approval process for this and ensuring material travel was appropriately disclosed. <p>No issues identified in this area.</p>
<p>Statement of Compliance with Employment Policy Section 597 of the Education and Training Act 2020 requires the board to have an employment policy that complies with the principle of being a good employer.</p> <p>The board must make the policy available to employees, ensure its compliance with the policy, and report on the extent of that compliance in its annual report. The annual report is the information that is attached to the financial statements.</p>	<p>Our audit procedures considered these matters as relevant and in accordance with OAG expectations.</p> <p>No specific concerns or findings were noted</p>
<p>Publishing Annual Reports online The Education and Training Act 2020 requires you to publish your Annual Report online. Your Annual Report contains your audited annual financial statements including our audit opinion, statement of variance, evaluation of the school's students' progress and achievement, report on how the school has given effect to Te Tiriti o Waitangi, statement of compliance with the good employer policy, list of Board members and Kiwisport funding.</p> <p>Making your Annual Report accessible to the school community is important for transparency and accountability. The expectation is that your Annual Report is published as soon as possible after your audit is completed, as the value of good accountability lessens over time.</p>	<p>As a part of our audit procedures, we have obtained verification to the publishing of your 2023 Annual Report on your website.</p>

3. Assessment of internal controls

Our audit approach requires us to obtain an understanding of an entity's internal controls, sufficient to identify and assess the risks of material misstatement of the financial statements whether due to fraud or error but is not designed to provide assurance as to the overall effectiveness of controls operating within the School.

We would like to remind the Board of Trustees that it is their responsibility to ensure that there are appropriate policies, procedures, and segregation of duties in place with regard to internal controls in particular around cash transactions. The risk of fraud and error occurring is particularly heightened around cash as this is an area where fraud can go easily undetected.

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

The inherent risks relating to income are greatest in relation to the receipt and recording of Local Raised Funds, Donations etc., and there are limited audit procedures we can adopt to ensure all money that should be received is properly accounted for.

Payment risks in relation to school costs and casual payroll are greatest through the small number of staff available to approve and process payments and typically some admin staff are involved in both of these functions.

It is important that you are aware of these risks as it is your responsibility to ensure the school's internal controls operate effectively and that the resultant financial statements are accurate. You should ensure that sufficient oversight is exercised by the Board or a delegated nominee on a regular basis in order to reduce the likelihood of error or omission to a level that the Board is comfortable with.

In performing our audit for the year ended 31 December 2024 we have identified the below deficiencies in internal controls relating to the financial statements for the year ended 31 December 2024.

Observations and recommendations in the current period

Observation	Recommendation
Reconciliation of Budget to Financial Statements Through our financial statement reporting tie in, we could not tie the full financial statement budget to the Board approved budget. There is a risk that the budget column in the financial statements does not reflect the Board approved budget.	We recommend that the school prepare financial statements that shows the Board approved budget in the budget column of the financial statements.

4. Summary of unadjusted differences

We have not identified any uncorrected misstatements that management believe could, either individually or in aggregate, have a material effect on the financial statements for the year ended 31 December 2024.

5. Summary of omitted disclosures assessed by management as not being material

We have not identified any disclosure deficiencies that have not been adjusted in the financial statements for the year ended 31 December 2024.

6. Other communications

The following matters relevant to our audit of Te Parito Kōwhai Russley School for the year ended 31 December 2024 are communicated in accordance with the requirements of New Zealand auditing standards.

Matter to be communicated	Response
Written representations	A copy of the representation letter to be signed on behalf of the Board has been circulated separately.
Fraud	<p>The primary responsibility for the prevention and detection of fraud rests with the Board of Trustees, including designing, implementing and maintaining internal controls over the reliability of financial reporting, effectiveness and efficiency of operations and compliance with applicable laws and regulations.</p> <p>As auditors, we obtain reasonable, but not absolute, assurance that the financial statements as a whole are free from material misstatement, whether caused by fraud or error.</p> <p>ISA (NZ) 240 The auditor's responsibility to consider fraud in an audit of financial statements requires us to obtain an understanding of how those charged with governance exercise oversight of management's processes for identifying and responding to the risks of fraud and the internal control that management has established to mitigate these risks.</p> <p>No matters relating to fraud, concerning either employees or management came to our attention.</p> <p>If you do suspect or become aware of any fraud, please contact Mike Hoshek to discuss further. We are then required to notify the Office of the Auditor General.</p>
Accounting policies and financial reporting	<p>There were no changes in accounting policies during the year ended 31 December 2024.</p> <p>We have not become aware of any significant qualitative aspects of the entity's accounting practices, including judgements about accounting policies, accounting estimates and financial statement disclosures that need to be communicated to the Board, other than those already communicated in this report.</p>
Independence	<p>ISA (NZ) 200 The auditor shall comply with relevant ethical requirements, including those pertaining to independence, relating to financial statement audit engagements. In the case of an audit engagement, it is in the public interest and, therefore, required by PES 1, that the auditor be independent of the entity subject to the audit. PES 1 describes independence as comprising both independence of mind and independence in appearance. The auditor's independence from the entity safeguards the auditor's ability to form an audit opinion without being affected by influences that might compromise that opinion. Independence enhances the auditor's ability to act with integrity, to be objective and to maintain an attitude of professional scepticism.</p> <p>We confirm all Deloitte network firms and engagement team members are independent of the School. We take our independence and the quality of the audit work we perform very seriously.</p> <p>We are not aware of any relationships between us and the School that, in our professional judgement, may reasonably be thought to bear on our objectivity and independence.</p>
Related parties	No significant related party matters other than those reflected in the financial statements came to our attention that, in our professional judgement, need to be communicated to the Board.
Other information	We have read the other information (the financial and non-financial information other than the financial statements) contained within the annual report to consider whether there are material inconsistencies with the financial statements. No issues identified.



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20 May 2025

Mike Hoshek
Deloitte Limited
151 Cambridge Terrace
Christchurch

REPRESENTATION LETTER FOR THE YEAR ENDED 31 DECEMBER 2024

This representation letter is provided in connection with your audit, carried out on behalf of the Auditor-General, of the financial statements of Te Parito Kōwhai Russley School (the School) for the year ended 31 December 2024 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 2024; 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 Sector – Public Benefit Entity Standards, Reduced Disclosure Regime.

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 and 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 and Training Act 2020 and, in particular, that the financial statements:

- present fairly, in all material respects:
 - the financial position as at 31 December 2024; 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 Sector – Public Benefit Entity Standards, Reduced Disclosure Regime.
- 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 believe the effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole;
- we have adjusted or disclosed all events subsequent to the date of the financial statements that require adjustment or disclosure; and
- 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 Public Sector – Public Benefit Entity Standards, Reduced Disclosure Regime.

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 2024. 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 date of signing the financial statements, 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



Presiding Member



Principal