

HUKARERE COLLEGE

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018



HUKARERE COLLEGE

Annual Report - For the year ended 31 December 2018

School Directory

Ministry Number: 435
Principal: Lelie Pearcey
School Address: Shaw Road, Eskdale, Napier
School Postal Address: Shaw Road, Eskdale, Napier
School Phone: 06 835 8452
School Email: info@hukarere.school.nz

Members of the Board of Trustees

| Name | Position | How Position Gained | Term expires |
|--------------------------|----------------------------|---------------------|--------------|
| Evelyn Taumaumu | Chair Person | Appointed | May 2019 |
| Lelie Pearcey | Principal | ex Officio | |
| Heke Huata | Co-opted July 2016 | Co-opted | May 2019 |
| Aroha Sellwood | Parent Representative | Elected | May 2019 |
| Rachel Te Karu | Parent Representative | Elected | May 2019 |
| Deidre Walker | Parent Representative | Re-elected | May 2019 |
| Valeta Mathias | Parent Representative | Re-elected | May 2019 |
| Margaret Sorenson | Staff Representative | Elected | May 2019 |
| Huia Beattie | Proprietors Representative | Appt. Nov 2015 | |
| Maui Tangohau | Proprietors Representative | Appt. Nov 2015 | |
| Stephen Jacobi | Proprietors Representative | Appt. July 2016 | January 2018 |
| Bishop Don Tamihere | Proprietor Representative | Appt. Feb 2018 | |
| Grant Hope | Proprietor Representative | Appt. Feb 2018 | August 2018 |
| Amy Witinitara-Charteris | Student Representative | Elected | August 18 |
| Danielle Harmer | Student Representative | Elected | August 19 |

Accountant / Service Provider:



Auditor:

PWC

HUKARERE COLLEGE

Annual Report - For the year ended 31 December 2018

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Hukarere College

Statement of Responsibility

For the year ended 31 December 2018

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

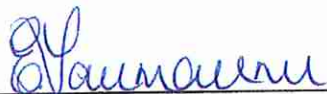
The management (including the principal and others as directed by the Board) accepts responsibility for establishing and maintaining a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of the school's financial reporting.

It is the opinion of the Board and management that the annual financial statements for the financial year ended 31 December 2018 fairly reflects the financial position and operations of the school.

The School's 2018 financial statements are authorised for issue by the Board.

EVERLYN TAUMAUNU

Full Name of Board Chairperson



Signature of Board Chairperson

18 April 2019

Date:

ANDREA HAWKINS

Full Name of Principal (Acting.)



Signature of Principal

18 April 2019

Date:

Hukarere College

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2018

| | Notes | 2018 Actual \$ | 2018 Budget (Unaudited) \$ | 2017 Actual \$ |
|---|-------|----------------------|-------------------------------------|----------------------|
| Revenue | | | | |
| Government Grants | 2 | 1,357,510 | 1,402,245 | 1,508,149 |
| Locally Raised Funds | 3 | 172,924 | 126,262 | 177,303 |
| Use of Land and Buildings Integrated | | 133,165 | 133,165 | 133,165 |
| Interest Earned | | 821 | 4,000 | 3,264 |
| | | <u>1,664,420</u> | <u>1,665,672</u> | <u>1,821,881</u> |
| Expenses | | | | |
| Locally Raised Funds | 3 | 85,043 | 34,436 | 52,290 |
| Learning Resources | 4 | 1,059,981 | 1,143,539 | 1,232,279 |
| Administration | 5 | 195,455 | 197,320 | 183,771 |
| Finance | | 4,956 | - | 6,773 |
| Property | 6 | 223,961 | 219,665 | 225,875 |
| Depreciation | 7 | 71,603 | 70,000 | 76,942 |
| Amortisation of Intangible Assets | 13 | 3,890 | - | 3,890 |
| | | <u>1,644,889</u> | <u>1,664,960</u> | <u>1,781,820</u> |
| Net Surplus / (Deficit) for the year | | 19,531 | 712 | 40,061 |
| Other Comprehensive Revenue and Expenses | | - | - | - |
| Total Comprehensive Revenue and Expense for the Year | | <u><u>19,531</u></u> | <u><u>712</u></u> | <u><u>40,061</u></u> |

The above Statement of Comprehensive Revenue and Expense should be read in conjunction with the accompanying notes.



Hukarere College
Statement of Changes in Net Assets/Equity
For the year ended 31 December 2018

| | Actual 2018 \$ | Budget (Unaudited) 2018 \$ | Actual 2017 \$ |
|--|-------------------------------|-------------------------------------|-------------------------------|
| Balance at 1 January | 483,248 | 419,210 | 443,187 |
| Total comprehensive revenue and expense for the year | 19,531 | 712 | 40,061 |
| Equity at 31 December | 502,779 | 419,922 | 483,248 |
| Retained Earnings | 467,054 | 419,922 | 443,219 |
| Reserves | 35,725 | - | 40,029 |
| Equity at 31 December | 502,779 | 419,922 | 483,248 |
| Retained Earnings | 2018 Actual \$ | | 2017 Actual \$ |
| Opening Balance | 443,219 | | 443,187 |
| Total comprehensive revenue and expense for the year | 23,835 | | 32 |
| | <u>467,054</u> | | <u>443,219</u> |

Reserved Equity

These funds are from the Turakina College Endowment. The funds are for student scholarship. The school is not required to repay these funds.

| | 2018 Actual \$ | 2018 Budget \$ | 2017 Actual \$ |
|--|----------------------|----------------------|----------------------|
| Turakina Endowment | | | |
| Opening Balance | 40,029 | - | - |
| Funds Transferred from Funds Held in Trust | - | - | 40,029 |
| Funds Utilized during the year | (4,304) | - | - |
| Closing Balance | <u>35,725</u> | - | <u>40,029</u> |

The above Statement of Changes in Net Assets/Equity should be read in conjunction with the accompanying notes.

Hukarere College Statement of Financial Position

As at 31 December 2018

| | Notes | 2018 Actual \$ | 2018 Budget (Unaudited) \$ | 2017 Actual \$ |
|---|-------|----------------------|-------------------------------------|----------------------|
| Current Assets | | | | |
| Cash and Cash Equivalents | 8 | 408,364 | 360,129 | 351,634 |
| Accounts Receivable | 9 | 94,268 | 90,114 | 90,114 |
| Prepayments | | 4,052 | 16,969 | 1,696 |
| Inventories | 10 | 29,323 | 34,056 | 34,056 |
| Investments | 11 | 18,591 | 18,500 | 17,979 |
| | | <u>554,598</u> | <u>519,768</u> | <u>495,479</u> |
| Current Liabilities | | | | |
| GST Payable | | 17,777 | 19,510 | 19,510 |
| Accounts Payable | 14 | 124,881 | 119,142 | 119,142 |
| Revenue Received in Advance | 15 | 18,276 | 20,830 | 20,830 |
| Finance Lease Liability - Current Portion | 17 | 24,275 | 24,275 | 24,275 |
| Funds held in Trust | 18 | 19,220 | 14,560 | 14,560 |
| | | <u>204,429</u> | <u>198,317</u> | <u>198,317</u> |
| Working Capital Surplus/(Deficit) | | 350,169 | 321,451 | 297,162 |
| Non-current Assets | | | | |
| Investments | 11 | 30,889 | 30,000 | 29,352 |
| Property, Plant and Equipment | 12 | 165,099 | 88,313 | 204,121 |
| Intangible Assets | 13 | 38,898 | 42,788 | 42,788 |
| | | <u>234,886</u> | <u>161,101</u> | <u>276,261</u> |
| Non-current Liabilities | | | | |
| Provision for Cyclical Maintenance | 16 | 67,932 | 48,287 | 56,514 |
| Finance Lease Liability | 17 | 14,343 | 14,343 | 33,661 |
| | | <u>82,275</u> | <u>62,630</u> | <u>90,175</u> |
| Net Assets | | <u>502,779</u> | <u>419,922</u> | <u>483,248</u> |
| Equity | | <u>502,779</u> | <u>419,922</u> | <u>483,248</u> |

The above Statement of Financial Position should be read in conjunction with the accompanying notes.



Hukarere College
Statement of Cash Flows
For the year ended 31 December 2018

| | | 2018 | 2018 | 2017 |
|---|----------|----------------|-----------------|----------------|
| | Note | Actual | Budget | Actual |
| | | \$ | (Unaudited) | \$ |
| | | | \$ | |
| Cash flows from Operating Activities | | | | |
| Government Grants | | 468,200 | 457,409 | 461,027 |
| Locally Raised Funds | | 154,166 | 133,328 | 199,442 |
| Goods and Services Tax (net) | | (1,733) | (3,288) | (3,288) |
| Payments to Employees | | (188,411) | (156,446) | (250,131) |
| Payments to Suppliers | | (322,428) | (419,017) | (313,874) |
| Interest Paid | | (4,956) | - | (6,773) |
| Interest Received | | 1,279 | 4,746 | 4,010 |
| Net cash from / (to) the Operating Activities | | 106,117 | 16,732 | 90,413 |
| Cash flows from Investing Activities | | | | |
| Purchase of PPE (and Intangibles) | | (32,580) | 3,890 | (10,861) |
| Purchase of Investments | | (2,149) | (1,067) | (2,273) |
| Proceeds from Sale of Investments | | - | (2,375) | |
| Net cash from / (to) the Investing Activities | | (34,729) | 448 | (13,134) |
| Cash flows from Financing Activities | | | | |
| Finance Lease Payments | | (19,318) | (36,820) | (17,502) |
| Funds Administered on Behalf of Third Parties | | 4,660 | (40,594) | (40,594) |
| Net cash from Financing Activities | | (14,658) | (77,414) | (58,096) |
| Net increase/(decrease) in cash and cash equivalents | | 56,730 | (60,234) | 19,183 |
| Cash and cash equivalents at the beginning of the year | 8 | 351,634 | 420,363 | 332,451 |
| Cash and cash equivalents at the end of the year | 8 | 408,364 | 360,129 | 351,634 |

The statement of cash flows records only those cash flows directly within the control of the School. This means centrally funded teachers' salaries and the use of land and buildings grant and expense have been excluded.

The above Cash Flow Statement should be read in conjunction with the accompanying notes.



Hukarere College

Notes to the Financial Statements

For the year ended 31 December 2018

1. Statement of Accounting Policies

a) Reporting Entity

Hukarere College (the School) is a Crown entity as specified in the Crown Entities Act 2004 and a school as described in the Education Act 1989. The Board of Trustees (the Board) is of the view that the School is a public benefit entity for financial reporting purposes.

b) Basis of Preparation

Reporting Period

The financial reports have been prepared for the period 1 January 2018 to 31 December 2018 and in accordance with the requirements of the Public Finance Act 1989.

Basis of Preparation

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

Financial Reporting Standards Applied

The Education Act 1989 requires the School, as a Crown entity, to prepare financial statements in accordance with generally accepted accounting practice. The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand, applying Public Sector Public Benefit Entity (PBE) Standards Reduced Disclosure Regime as appropriate to public benefit entities that qualify for Tier 2 reporting. The school is considered a Public Benefit Entity as it meets the criteria specified as "having a primary objective to provide goods and/or services for community or social benefit and where any equity has been provided with a view to supporting that primary objective rather than for financial return to equity holders".

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

Useful lives of property, plant and equipment

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

Critical Judgements in applying accounting policies

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

Classification of leases

The School reviews the details of lease agreements at the end of each reporting date. The School believes the classification of each lease as either operation or finance is appropriate and reflects the nature of the agreement in place. Finance leases are disclosed at note 17.

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.

Use of land and buildings grants are recorded as revenue in the period the School uses the land and buildings. These 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.

Other Grants

Other grants are recorded as revenue when the School has the rights to the funding, unless there are unfulfilled conditions attached to the grant, in which case the amount relating to the unfulfilled conditions is recognised as a liability and released to revenue as the conditions are fulfilled.

Grants for the use of land and buildings are also not received in cash by the School as they equate to the deemed expense for using the land and buildings which are owned by the Proprietor. Use of land and building grants are recorded as income in the period the school uses the land and building.

Donations, Gifts and Bequests

Donations, gifts and bequests are recorded as revenue when their receipt is formally acknowledged by the School.

Interest Revenue

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

d) Use of Land and Buildings Expense

The property from which the School operates is owned by the Proprietor. The expense is based on an assumed market rental yield on the land and buildings as used for rating purposes. This is a non-cash expense that is offset by a non-cash grant from the Proprietor.

e) Operating Lease Payments

Payments made under operating leases are recognised in the Statement of Comprehensive Revenue and Expense on a straight line basis over the term of the lease.

f) Finance Lease Payments

Finance lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term on an effective interest basis.

g) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, bank balances, deposits held at call with banks, and other short term highly liquid investments with original maturities of 90 days or less, and bank overdrafts. The carrying amount of cash and cash

equivalents represent fair value.

h) Accounts Receivable

Accounts Receivable represents items that the School has issued invoices for or accrued for, but has not received payment for at year end. Receivables are initially recorded at fair value and subsequently recorded at the amount the School realistically expects to receive. A receivable is considered uncollectable where there is objective evidence the School will not be able to collect all amounts due. The amount that is uncollectable (the provision for uncollectability) is the difference between the amount due and the present value of the amounts expected to be collected.

i) Inventories

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

j) Investments

Bank term deposits for periods exceeding 90 days are classified as investments and are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance. After initial recognition bank term deposits are measured at amortised cost using the effective interest method less impairment.

Investments that are shares are categorised as "available for sale" for accounting purposes in accordance with financial reporting standards. Share investments are recognised initially by the School at fair value plus transaction costs. At balance date the School has assessed whether there is any evidence that an investment is impaired. Any impairment, gains or losses are recognised in the Statement of Comprehensive Revenue and Expense.

After initial recognition any investments categorised as available for sale are measured at their fair value without any deduction for transaction costs the school may incur on sale or other disposal.

The School has met the requirements of Schedule 6 para 28 of the Education Act 1989 in relation to the acquisition of investment securities.

k) Property, Plant and Equipment

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

Improvements to buildings owned by the Proprietor own 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.

Property, plant and equipment acquired with individual values under \$500 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense.

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.

Leased Assets

Leases where the School assumes substantially all the risks and rewards of ownership are classified as finance leases. The assets acquired by way of finance lease are measured at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease, less accumulated depreciation and impairment losses. Leased assets and corresponding liability are recognised in the Statement of Financial Position and leased assets are depreciated over the period the School is expected to benefit from their use or over the term of the lease.

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:

| | |
|-------------------------------|-------------------------|
| Computer/electronics | 5 years |
| Computer/electronics - leased | 4-5 years |
| Library Books | 12.5% Diminishing value |
| Motor Vehicles | 5-10 years |
| Office furniture | 3-5 years |
| Other | 5-20 years |
| School Furniture | 5-10 years |
| School Furniture - leased | 10 years |
| Textbooks | 8 years |

l) Impairment of property, plant, and equipment and intangible assets

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

Non cash generating assets

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

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

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

The reversal of an impairment loss is recognised in the surplus or deficit.

m) 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.

n) Employee Entitlements

Short-term employee entitlements

Employee benefits that are due to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date, annual leave earned to but not yet taken at balance date.

o) Revenue Received in Advance

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

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

p) Funds Held in Trust

Funds are held in trust where they have been received by the School for a specified purpose, or are being held on behalf of a third party and these transactions are not recorded in the Statement of Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose at any time.

q) Provision for Cyclical Maintenance

The property from which the school operates is owned by the Proprietor. The Board is responsible for maintaining the land, building 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 provisions for cyclical maintenance represents the obligations the Board has to the Proprietor and is based on the Board's ten year property plan (10YPP).

r) Financial Assets and Liabilities

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 categorised as "loans and receivables" for accounting purposes in accordance with financial reporting standards.

Investments that are shares are categorised as "available for sale" for accounting purposes in accordance with financial reporting standards.

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

s) Goods and Services Tax (GST)

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

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

Commitments and contingencies are disclosed exclusive of GST.

t) Budget Figures

The budget figures are extracted from the School budget that was approved by the Board at the start of the year.

u) Services received in-kind

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

2. Government Grants

| | 2018 Actual \$ | 2018 Budget (Unaudited) \$ | 2017 Actual \$ |
|---|----------------------|-------------------------------------|----------------------|
| Operational grants | 365,089 | 466,933 | 396,141 |
| Teachers' salaries grants | 904,383 | 904,383 | 991,596 |
| Resource teachers learning and behaviour grants | 4,522 | - | 7,080 |
| Other MoE Grants | 71,072 | 8,929 | 91,110 |
| Other government grants | 12,444 | 22,000 | 22,222 |
| | <u>1,357,510</u> | <u>1,402,245</u> | <u>1,508,149</u> |

3. Locally Raised Funds

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

| | 2018 Actual \$ | 2018 Budget (Unaudited) \$ | 2017 Actual \$ |
|---|----------------------|-------------------------------------|----------------------|
| Revenue | | | |
| Donations | 50,833 | 27,826 | 46,120 |
| Activities | 83,923 | 98,436 | 88,790 |
| Trading | 36,089 | - | 28,017 |
| Fundraising | 1,109 | - | 8,358 |
| Other Revenue | 970 | - | 6,018 |
| | <u>172,924</u> | <u>126,262</u> | <u>177,303</u> |
| Expenses | | | |
| Activities | 49,438 | 34,436 | 25,810 |
| Trading | 34,496 | - | 25,684 |
| Fundraising costs | 1,109 | - | 796 |
| | <u>85,043</u> | <u>34,436</u> | <u>52,290</u> |
| <i>Surplus/ (Deficit) for the year Locally raised funds</i> | <u>87,881</u> | <u>91,826</u> | <u>125,013</u> |

4. Learning Resources

| | 2018 Actual \$ | 2018 Budget (Unaudited) \$ | 2017 Actual \$ |
|------------------------------|----------------------|-------------------------------------|----------------------|
| Curricular | 11,026 | 99,082 | 18,003 |
| Equipment repairs | 1,392 | 15,874 | 8,632 |
| General | 58,366 | 70,000 | 68,153 |
| Extra-curricular activities | 2,853 | 3,000 | 5,421 |
| Library resources | 203 | 3,200 | 988 |
| Employee benefits - salaries | 965,343 | 948,383 | 1,122,095 |
| Staff development | 20,798 | 4,000 | 8,987 |
| | <u>1,059,981</u> | <u>1,143,539</u> | <u>1,232,279</u> |

5. Administration

| | 2018 | 2018 | 2017 |
|------------------------------|----------------|----------------|----------------|
| | Actual | Budget | Actual |
| | \$ | (Unaudited) | \$ |
| | | \$ | |
| Audit Fee | 7,390 | 7,000 | 7,170 |
| Board of Trustees Fees | 3,650 | 3,500 | 3,225 |
| Board of Trustees Expenses | 19,724 | 12,500 | 6,008 |
| Communication | 10,701 | 15,500 | 10,073 |
| Consumables | 24,676 | 33,756 | 29,690 |
| Operating Lease | - | 6,864 | 213 |
| Other | 17,154 | 18,200 | 19,465 |
| Employee Benefits - Salaries | 112,160 | 100,000 | 107,927 |
| | <u>195,455</u> | <u>197,320</u> | <u>183,771</u> |

6. Property

| | 2018 | 2018 | 2017 |
|-------------------------------------|----------------|----------------|----------------|
| | Actual | Budget | Actual |
| | \$ | (Unaudited) | \$ |
| | | \$ | |
| Caretaking and Cleaning Consumables | 77 | 5,000 | 150 |
| Cyclical Maintenance Expense | 11,418 | 3,000 | 11,227 |
| Grounds | 1,680 | 2,500 | 2,100 |
| Heat, Light and Water | 24,820 | 20,000 | 23,446 |
| General | 19,042 | 17,000 | 20,411 |
| Repairs and Maintenance | 16,959 | 21,000 | 18,117 |
| Use of Land and Buildings | 133,165 | 133,165 | 133,165 |
| Employee Benefits - Salaries | 16,800 | 18,000 | 17,259 |
| | <u>223,961</u> | <u>219,665</u> | <u>225,875</u> |

The use of land and buildings figure represents 8% of the school's total property value. This is used as a 'proxy' for the market rental of the property. 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. Depreciation

| | 2018 | 2018 | 2017 |
|--|---------------|---------------|---------------|
| | Actual | Budget | Actual |
| | \$ | (Unaudited) | \$ |
| | | \$ | |
| Furniture and Equipment | 3,746 | 4,000 | 2,235 |
| Information and Communication Technology | 10,092 | 10,000 | 14,323 |
| Motor Vehicles | 25,675 | 25,000 | 28,857 |
| Office Furniture | 815 | 1,000 | 815 |
| Other | 10,867 | 10,000 | 8,332 |
| Textbooks | 1,365 | 1,500 | 2,141 |
| Leased Assets | 18,525 | 18,000 | 19,647 |
| Library Resources | 518 | 500 | 592 |
| | <u>71,603</u> | <u>70,000</u> | <u>76,942</u> |

8. Cash and Cash Equivalents

| | 2018 | 2018 | 2017 |
|---|----------------|----------------|----------------|
| | Actual | Budget | Actual |
| | \$ | (Unaudited) | \$ |
| Cash on Hand | 600 | 600 | 600 |
| Bank Current Account | 240,967 | 206,222 | 197,727 |
| Bank Call Account | 166,797 | 153,307 | 153,307 |
| Cash and cash equivalents for Cash Flow Statement | <u>408,364</u> | <u>360,129</u> | <u>351,634</u> |

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

9. Accounts Receivable

| | 2018 | 2018 | 2017 |
|--|---------------|---------------|---------------|
| | Actual | Budget | Actual |
| | \$ | (Unaudited) | \$ |
| Receivables | 31,212 | 30,081 | 15,008 |
| Receivables from the Ministry of Education | - | - | 15,073 |
| Interest Receivable | 737 | 1,195 | 1,195 |
| Teacher Salaries Grant Receivable | 62,319 | 58,838 | 58,838 |
| | <u>94,268</u> | <u>90,114</u> | <u>90,114</u> |
| Receivables from Exchange Transactions | 31,949 | 31,276 | 31,276 |
| Receivables from Non-Exchange Transactions | 62,319 | 58,838 | 58,838 |
| | <u>94,268</u> | <u>90,114</u> | <u>90,114</u> |

10. Inventories

| | 2018 | 2018 | 2017 |
|-----------------|---------------|---------------|---------------|
| | Actual | Budget | Actual |
| | \$ | (Unaudited) | \$ |
| School Uniforms | 29,323 | 34,056 | 34,056 |
| | <u>29,323</u> | <u>34,056</u> | <u>34,056</u> |

11. Investments

The School's investment activities are classified as follows:

| | 2018 | 2018 | 2017 |
|--------------------------|--------|-------------|--------|
| | Actual | Budget | Actual |
| | \$ | (Unaudited) | \$ |
| Current Asset | | | |
| Short-term Bank Deposits | 18,591 | 18,500 | 17,979 |
| Non-current Asset | | | |
| Long-term Bank Deposits | 30,889 | 30,000 | 29,352 |

12. Property, Plant and Equipment

| 2018 | Opening Balance (NBV) \$ | Additions \$ | Reclassification \$ | Impairment \$ | Depreciation \$ | Total (NBV) \$ |
|------------------------------------|--------------------------------|-----------------|------------------------|------------------|--------------------|-------------------|
| Furniture and Equipment | 17,378 | 7,519 | 4,579 | - | (3,746) | 25,730 |
| Information and Communication T | 22,987 | 6,662 | - | - | (10,092) | 19,556 |
| Motor Vehicles | 86,774 | - | - | - | (25,675) | 61,099 |
| Office Furniture | 1,087 | - | - | - | (815) | 272 |
| Other | 13,955 | 18,401 | - | - | (10,867) | 21,489 |
| Textbooks | 3,795 | - | - | - | (1,365) | 2,430 |
| Leased Assets | 54,003 | - | (4,579) | - | (18,525) | 30,899 |
| Library Resources | 4,142 | - | - | - | (518) | 3,624 |
| Balance at 31 December 2018 | 204,121 | 32,582 | - | - | (71,603) | 165,099 |

| 2018 | Cost or Valuation \$ | Accumulated Depreciation \$ | Net Book Value \$ |
|--|----------------------------|-----------------------------------|-------------------------|
| Furniture and Equipment | 71,613 | (45,883) | 25,730 |
| Information and Communication Technology | 101,679 | (82,123) | 19,556 |
| Motor Vehicles | 187,418 | (126,319) | 61,099 |
| Office Furniture | 4,077 | (3,805) | 272 |
| Other | 99,285 | (77,796) | 21,489 |
| Textbooks | 34,481 | (32,051) | 2,430 |
| Leased Assets | 89,220 | (58,321) | 30,899 |
| Library Resources | 17,404 | (13,780) | 3,624 |
| Balance at 31 December 2018 | 605,177 | (440,078) | 165,099 |

| 2017 | Opening Balance (NBV) \$ | Additions \$ | Disposals \$ | Impairment \$ | Depreciation \$ | Total (NBV) \$ |
|------------------------------------|--------------------------------|-----------------|-----------------|------------------|--------------------|-------------------|
| Furniture and Equipment | 14,311 | 5,302 | - | - | (2,235) | 17,378 |
| Information and Communication T | 31,751 | 5,558 | - | - | (14,323) | 22,987 |
| Motor Vehicles | 115,631 | - | - | - | (28,857) | 86,774 |
| Office Furniture | 1,903 | - | - | - | (815) | 1,087 |
| Other | 22,287 | - | - | - | (8,332) | 13,955 |
| Textbooks | 5,936 | - | - | - | (2,141) | 3,795 |
| Leased Assets | 73,649 | - | - | - | (19,647) | 54,003 |
| Library Resources | 4,734 | - | - | - | (592) | 4,142 |
| Balance at 31 December 2017 | 270,202 | 10,860 | - | - | (76,942) | 204,121 |

The net carrying value of equipment held under a finance lease is \$19,556 (2017: \$54,003).

| 2017 | Cost or Valuation \$ | Accumulated Depreciation \$ | Net Book Value \$ |
|--|----------------------------|-----------------------------------|-------------------------|
| Furniture and Equipment | 52,880 | (35,502) | 17,378 |
| Information and Communication Technology | 95,018 | (72,031) | 22,987 |
| Motor Vehicles | 187,418 | (100,644) | 86,774 |
| Office Furniture | 4,077 | (2,990) | 1,087 |
| Other | 80,884 | (66,929) | 13,955 |
| Textbooks | 34,481 | (30,686) | 3,795 |
| Leased Assets | 100,435 | (46,432) | 54,003 |
| Library Resources | 17,404 | (13,262) | 4,142 |
| Balance at 31 December 2017 | 572,597 | (368,476) | 204,121 |

13. Equitable Lease

| 2018 | Opening \$ | Additions \$ | Disposals \$ | Impairment \$ | Closing \$ |
|---|---------------|-----------------|-----------------|------------------|---------------|
| Cost | | | | | |
| Equitable Lease | 42,788 | - | - | - | 42,788 |
| Balance at 31 December 2018 | 42,788 | - | - | - | 42,788 |
| Accumulated Amortisation | | | | | |
| Equitable Lease (Amortisation for the year) | - | - | - | 3,890 | 3,890 |
| Balance at 31 December 2018 | - | - | - | 3,890 | 3,890 |
| Net Book Value at 31 December 2018 | | | | | 38,898 |

| 2017 | Opening \$ | Additions \$ | Disposals \$ | Impairment \$ | Closing \$ |
|---|---------------|-----------------|-----------------|------------------|---------------|
| Cost | | | | | |
| Equitable Lease | 46,678 | - | - | - | 46,678 |
| Balance at 31 December 2017 | 46,678 | - | - | - | 46,678 |
| Accumulated Amortisation | | | | | |
| Equitable Lease (Amortisation for the year) | - | - | - | 3,890 | 3,890 |
| Balance at 31 December 2017 | - | - | - | 3,890 | 3,890 |
| Net Book Value at 31 December 2017 | | | | | 42,788 |

14. Accounts Payable

| | 2018 Actual \$ | 2018 Budget (Unaudited) \$ | 2017 Actual \$ |
|---|----------------------|-------------------------------------|----------------------|
| Operating creditors | 12,569 | 14,059 | 14,059 |
| Accruals | 25,129 | 22,890 | 22,890 |
| Employee Entitlements - salaries | 63,467 | 58,838 | 58,838 |
| Employee Entitlements - leave accrual | 23,716 | 23,355 | 23,355 |
| | <u>124,881</u> | <u>119,142</u> | <u>119,142</u> |
| Payables for Exchange Transactions | 124,881 | 119,142 | 119,142 |
| Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates) | - | - | - |
| Payables for Non-exchange Transactions - Other | - | - | - |
| | <u>124,881</u> | <u>119,142</u> | <u>119,142</u> |

The carrying value of payables approximates their fair value.

15. Revenue Received in Advance

| | 2018 Actual \$ | 2018 Budget (Unaudited) \$ | 2017 Actual \$ |
|-------|----------------------|-------------------------------------|----------------------|
| Other | 18,276 | 20,830 | 20,830 |
| | <u>18,276</u> | <u>20,830</u> | <u>20,830</u> |

16. Provision for Cyclical Maintenance

| | 2018 Actual \$ | 2018 Budget (Unaudited) \$ | 2017 Actual \$ |
|---|----------------------|-------------------------------------|----------------------|
| Provision at the Start of the Year | 56,514 | 56,514 | 45,287 |
| Increase/ (decrease) to the Provision During the Year | 11,418 | (8,227) | 11,227 |
| Use of the Provision During the Year | - | - | - |
| Provision at the End of the Year | <u>67,932</u> | <u>48,287</u> | <u>56,514</u> |
| Cyclical Maintenance - Current | - | - | - |
| Cyclical Maintenance - Term | 67,932 | 48,287 | 56,514 |
| | <u>67,932</u> | <u>48,287</u> | <u>56,514</u> |

17. Finance Lease Liability

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

| | 2018 Actual \$ | 2018 Budget (Unaudited) \$ | 2017 Actual \$ |
|--|----------------------|-------------------------------------|----------------------|
| No Later than One Year | 24,275 | 24,275 | 26,136 |
| Later than One Year and no Later than Five Years | 14,343 | 14,343 | 38,082 |
| Later than Five Years | - | - | - |
| | <u>38,618</u> | <u>38,618</u> | <u>64,218</u> |

18. Funds held in Trust

| | 2018 Actual \$ | 2018 Budget (Unaudited) \$ | 2017 Actual \$ |
|--|----------------------|-------------------------------------|----------------------|
| Funds Held In Trust on Behalf of Third Parties - Current | 19,220 | 14,560 | 14,560 |
| Funds Held in Trust on Behalf of Third Parties - Non-current | - | - | - |
| | 19,220 | 14,560 | 14,560 |

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

19. Related Party Transactions

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

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

The Proprietor of the School (Te Aute Trust Board) is a related party of the Board because the proprietor appoints representatives to the Board, giving the proprietor significant influence over the Board. Any services or contributions between the Board and Proprietor have been disclosed appropriately, if the proprietor collects fund on behalf of the school (or vice versa) the amounts are disclosed.

The Proprietor provides land and buildings free of charge for use by the Board as noted in Note 1(c). The estimated value of this use during the current period is included in the Statement of Comprehensive Revenue and Expense as "Use of land and buildings".

20. Remuneration

Key management personnel compensation

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

| | 2018 Actual \$ | 2017 Actual \$ |
|---|----------------------|----------------------|
| <i>Board Members</i> | | |
| Remuneration | 3,650 | 3,225 |
| Full-time equivalent members | 0.46 | 0.09 |
| <i>Leadership Team</i> | | |
| Remuneration | 299,607 | 289,571 |
| Full-time equivalent members | 3.00 | 3.00 |
| Total key management personnel remuneration | 303,257 | 292,796 |
| Total full-time equivalent personnel | 3.46 | 3.09 |

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

Principal

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

| | 2018 Actual \$000 | 2017 Actual \$000 |
|--|-------------------------|-------------------------|
| Salaries and Other Short-term Employee Benefits: | | |
| Salary and Other Payments | 120 - 130 | 100 - 110 |
| Benefits and Other Emoluments | - | 3 - 4 |
| Termination Benefits | - | - |

Other Employees

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

| Remuneration \$000 | 2018 FTE Number | 2017 FTE Number |
|-----------------------|--------------------|--------------------|
| 100 - 110 | 0.00 | 0.00 |
| | <u>0.00</u> | <u>0.00</u> |

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

21. Compensation and Other Benefits Upon Leaving

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

| | 2018 Actual \$0 | 2017 Actual \$0 |
|------------------|-----------------------|-----------------------|
| Total | nil | nil |
| Number of People | | |

22. Contingencies

There are no contingent liabilities (except as noted below) as at 31 December 2018 .

There is a contingent asset for a possible cash repayment from the Ministry of Education for under spending the School's banking staffing entitlement during 2018. The Ministry has yet to decide how much it will pay to the School. We cannot reliably measure the cash repayment at the date of signing these financial statements, but is unlikely to be the full value of the \$14,988, which was the banking staffing underspend at 31 December 2018. We will record the amount we receive as income in the 2019 financial year.

Contingent liabilities at 31 December 2017: The school has been named along with the Te Aute Trust Board in a Claim by a previous Hukarere Hostel Staff member for backpay of "Sleepover" payments. The Board is seeking legal advice as it does not believe it is liable. The Hostel is a separate entity.

Holidays Act Compliance – schools payroll

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

The Ministry has commenced a review of the schools sector payroll to ensure compliance with the Holidays Act 2003. The initial phase of this review has identified areas of non-compliance, however the potential impact on any specific school or individual and any associated historical liability will not be known until further detailed analysis has been completed.

To the extent that any obligation cannot reasonably be quantified at 31 December 2018, a contingent liability for the school may exist.

23. Commitments

(a) Capital Commitments

As at 31 December 2018 the Board has not entered into contract agreements for capital works:

(Capital commitments at 31 December 2017: nil)

(b) Operating Commitments

As at 31 December 2018 the Board has no operating commitments.

24. Managing Capital

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

25. Financial Instruments

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

Loans and receivables

| | 2018 Actual \$ | 2018 Budget (Unaudited) \$ | 2017 Actual \$ |
|------------------------------------|----------------------|-------------------------------------|----------------------|
| Cash and Cash Equivalents | 408,364 | 360,129 | 351,634 |
| Receivables | 94,268 | 90,114 | 90,114 |
| Investments - Term Deposits | 49,480 | 48,500 | 47,331 |
| Total Loans and Receivables | 552,112 | 498,743 | 489,079 |

Financial liabilities measured at amortised cost

| | | | |
|---|----------------|----------------|----------------|
| Payables | 124,881 | 119,142 | 119,142 |
| Borrowings - Loans | - | - | - |
| Finance Leases | 38,618 | 38,618 | 57,936 |
| Painting Contract Liability | - | - | - |
| Total Financial Liabilities Measured at Amortised Cost | 163,499 | 157,760 | 177,078 |

26. Events After Balance Date

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

27. Comparatives

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



INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF HUKARERE GIRLS COLLEGE'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

The Auditor-General is the auditor of Hukarere Girls College (the School). The Auditor-General has appointed me, Maxwell John Dixon, using the staff and resources of PricewaterhouseCoopers, 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 2018, 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 2018; 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 Benefit Entity Standards Reduced Disclosure Regime issued in New Zealand (PBE Standards RDR).

Our audit was completed on 18 April 2019. 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 of Trustees and our responsibilities relating to the financial statements, we comment on other information, and we explain our independence.

Basis for our opinion

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

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

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



Responsibilities of the Board of Trustees for the financial statements

The Board of Trustees 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 of Trustees is responsible on behalf of the School for assessing the School's ability to continue as a going concern. The Board of Trustees 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 of Trustees' responsibilities arise from the Education Act 1989.

Responsibilities of the auditor for the audit of the financial statements

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

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

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

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

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

- We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Trustees.



- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Trustees and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the School to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We assess the risk of material misstatement arising from the Novopay payroll system, which may still contain errors. As a result, we carried out procedures to minimise the risk of material errors arising from the system that, in our judgement, would likely influence readers' overall understanding of the financial statements.

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

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Board of Trustees is responsible for the other information. The other information comprises the information included within the Kiwisport Statement which form part of the Annual Report, 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 (Revised): *Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board.

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

A handwritten signature in blue ink, appearing to read 'Mr. John Dixon', with a long horizontal flourish extending to the right.

Maxwell John Dixon
PricewaterhouseCoopers
On behalf of the Auditor-General
Napier, New Zealand

Hukarere College
Kiwisport Statement
As at 31 December 2018

Kiwi sport is a Government funding initiative to support students' participation in organised sport. In 2018, the school received total Kiwi sport funding of \$1,926 (excluding GST) 2017: \$1,919 (excluding GST). The funding contributed towards the sports travel for students.



Analysis of Variance 2019 #0435 Hukarere Girls' College

| Strategic Aims for Y9- Y10 students' progress and achievement | <p>Academic Excellence</p> <ul style="list-style-type: none"> Learners are mentored to articulate expectations¹ for their personal and schooling achievement Learners with special learning needs will be identified so that support systems are created to ensure they thrive and achieve at Hukarere | | | | | | |
|--|---|--|----------------------|------------|--|---|--|
| Annual Aim | <p>The board of trustees will exercise its responsibilities as a good employer to develop and improve quality teaching for Māori girls at school and their whānau, that is delivered by professional teachers</p> | | | | | | |
| Baseline Data | <p>In 2018</p> <ul style="list-style-type: none"> 59% of 17 x Y10 students scored Comprehension 4 – 5 stanine and 71% of 24 x Y9 students scored 4 – 7 stanine 24% of 17 x Y10 students scored Vocabulary 4 – 5 stanine and 52% of 24 x Y9 students out of 24 scored 4 – 6 stanine | | | | | | |
| Target | <p>In 2019, the strategic achievement target is:</p> <ul style="list-style-type: none"> To improve every Y9 – Y10 student's achievement by 1-3 stanines To increase the number of Y9 – Y10 students achieving at average and above in Reading Comprehension and Vocabulary literacy learning | | | | | | |
| Actions | <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="background-color: #f4a460; padding: 5px;">Outcomes</th> <th style="background-color: #f4a460; padding: 5px;">Reasons for Variance</th> <th style="background-color: #f4a460; padding: 5px;">Evaluation</th> </tr> </thead> <tbody> <tr> <td style="padding: 5px;">Senior school leaders engaged in robust curriculum review and gathered feedback from teachers,</td> <td style="padding: 5px;">School-wide review and evaluation of curriculum efficiency for optimising Hukarere student outcomes</td> <td style="padding: 5px;">As a result of intermittent PLD guidance, the ARA AKO innovation is yet to be fully embedded. Teachers will need</td> </tr> </tbody> </table> | Outcomes | Reasons for Variance | Evaluation | Senior school leaders engaged in robust curriculum review and gathered feedback from teachers, | School-wide review and evaluation of curriculum efficiency for optimising Hukarere student outcomes | As a result of intermittent PLD guidance, the ARA AKO innovation is yet to be fully embedded. Teachers will need |
| Outcomes | Reasons for Variance | Evaluation | | | | | |
| Senior school leaders engaged in robust curriculum review and gathered feedback from teachers, | School-wide review and evaluation of curriculum efficiency for optimising Hukarere student outcomes | As a result of intermittent PLD guidance, the ARA AKO innovation is yet to be fully embedded. Teachers will need | | | | | |
| Responsive input from trustees who provide governance guidance, support, and | | | | | | | |

¹ Expectations that are SMART (specific, manageable, attainable, reasonable, timewise)



| | | | |
|--|--|---|---|
| <p>approved resourcing from the budget</p> <p>With the support of external PLD facilitation the principal working with teachers co-constructed the innovation for the Leading Hukarere curriculum named ARA AKO</p> <p>Cross year groups of students were organised and assigned to teachers in a timetabled supportive and responsive mentoring role</p> | <p>students, and whānau to identify areas for improvement</p> <p>Each learner is engaged in small ARA AKO classes and gains consistent support from teachers to design and map learning pathways for achieving their aspirations</p> | <p>indicate need to change curriculum delivery</p> <p>Targeted PLD for teachers with external provider to create and co-construct the ARA AKO innovation as the Leading Hukarere Curriculum from Term 3, 2018</p> | <p>time and consistent support and guidance for that to happen.</p> <p>Regular review and evaluation informed by teacher and student voice shows that ARA AKO has value and is worth continuing in 2019</p> |
| <p>Planning for next year</p> <p>In term 1, teachers and students will contribute snapshot stories and photographs for publishing in Hukarere Heights which is the kura – whānau newsletter and which is posted at the hukarere.ac.nz website.</p> <p>In term 2,</p> <ul style="list-style-type: none"> Teachers will provide weekly reflections of classroom practice and student progress to the principal. This task contributes directly to building teacher capability toward measurable quality teaching. It will also provide evidential oversight from which senior leaders can ensure that ARA AKO is strengthened and/or modified towards being embedded in practice and made sustainable over the next 3 - 5 years. Teachers will meet their reporting requirements² for mid-year reporting to students and parents on progress and achievement of individual students. | | | |

² NAG 2 (c) - on the basis of good quality assessment information* report to students and their parents on progress and achievement of individual students. * Good quality assessment information draws on a range of evidence to evaluate the progress and achievement of students and build a comprehensive picture of student learning across the Hukarere ARA AKO curriculum.



In term 3, teachers and students will contribute snapshot stories about the Hukarere living – learning environment and may include photographs for publishing in Hukarere Heights

In term 4,

- Teachers, students, and ancillary staff will engage in discussions and consultation for informing the Charter development for the next year.
- Teachers will meet their reporting requirements for end of year reporting to students and parents.

**Strategic Aims for
Y11 - Y13+ students'
progress and achievement**

Academic Excellence

- Learners are mentored to articulate expectations for their personal and schooling achievement
- Learners with special learning needs will be identified so that support systems are created to ensure they thrive and achieve at Hukarere
- Learners will be offered opportunities to learn outside the classroom with external providers of vocational pathways
- School leavers aged 18 years will graduate with NCEA L2 qualification and higher

The board of trustees will exercise its responsibilities as a good employer to develop and improve quality teaching for Māori girls at school and their whānau, that is delivered by professional teachers

In 2018

44% from 4/9 Y11-13 ākonga achieved NCEA L1

79% from 11/14 Y11-13 ākonga achieved NCEA L2

54% from 6/11 Y11-13 ākonga achieved NCEA L3

And, an overall 45% University Entrance qualification was achieved by Hukarere ākonga

Annual Aim

Baseline Data



Target

In 2019, the strategic achievement target is that:

- 50 – 55% of 37 x Y11-13 ākonga will achieve NCEA L1 qualification
- 80 - 85% of 37 x Y11-13 ākonga will achieve NCEA L2 qualification
- 60 - 65% of 37 x Y11-13 ākonga will achieve NCEA L3 qualification
- 50 - 55% of 9 x Y13 ākonga will achieve the University Entrance qualification

| Actions | Outcomes | Reasons for Variance | Evaluation |
|--|--|--|--|
| <p>Responsive input from trustees who provide governance guidance, support, and approved resourcing from the budget</p> | <p>Senior school leaders engaged in robust curriculum review and gathered feedback from teachers, students, and whānau to identify areas for improvement</p> | <p>School-wide review and evaluation of curriculum efficiency for optimising Hukarere student outcomes indicate need to change curriculum delivery</p> | <p>As a result of intermittent PLD guidance, the ARA AKO innovation is yet to be fully embedded. Teachers will need time and consistent support and guidance for that to happen.</p> |
| <p>With the support of external PLD facilitation the principal working with teachers co-constructed the innovation for the Leading Hukarere curriculum named ARA AKO</p> | <p>Each learner is engaged in small ARA AKO classes and gains consistent support from teachers to design and map learning pathways for achieving their aspirations</p> | <p>Targeted PLD for teachers with external provider to create and co-construct the ARA AKO innovation as the Leading Hukarere Curriculum from Term 3, 2018</p> | <p>Regular review and evaluation informed by teacher and student voice shows that ARA AKO has value and is worth continuing in 2019</p> |
| <p>Cross year groups of students were organised and assigned to teachers in a timetabled supportive and responsive mentoring role</p> | | | |

Planning for next year

In term 1, teachers and students will contribute snapshot stories and photographs for publishing in Hukarere Heights which is the kura – whānau newsletter and which is posted at the hukarere.ac.nz website.
In term 2,



- Teachers will provide weekly reflections of classroom practice and student progress to the principal. This task contributes directly to building teacher capability toward measurable quality teaching. It will also provide evidential oversight from which senior leaders can ensure that ARA AKO is strengthened and/or modified towards being embedded in practice and made sustainable over the next 3 - 5 years.
- Teachers will meet their reporting requirements for mid-year reporting to students and parents on progress and achievement of individual students.

In term 3, teachers and students will contribute snapshot stories about the Hukarere living – learning environment and may include photographs for publishing in Hukarere Heights
In term 4,

- Teachers, students, and ancillary staff will engage in discussions and consultation for informing the Charter development for the next year.
- Teachers will meet their reporting requirements for end of year reporting to students and parents.