

MOUNT MAUNGANUI PRIMARY SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019



MOUNT MAUNGANUI PRIMARY SCHOOL

Annual Report - For the year ended 31 December 2019

School Directory

Ministry Number: 1838

Principal: Damien Paul Harris

School Address: 13 Orkney Road, Mount Maunganui 3116

School Postal Address: 13 Orkney Road, Mount Maunganui 3116

School Phone: 07 575 3960

School Email: admin@mtprimary.school.nz

Members of the Board of Trustees

Name	Position	How Position Gained	Term Expired/ Expires
Juliet Rowan	Chair Person	Elected	Jun-22
Damien Harris	Principal ex Officio		
Warren Dohnt	Parent Rep	Elected	Jun-22
Sarah Hartstone	Parent Rep	Re-elected	Jun-22
Bengamin Shaw	Parent Rep	Elected	Jun-22
Leigh Stevens	Parent Rep	Elected	Jun-22
Nicali Williams	Staff Rep	Re-elected	Jun-22
Rebecca Jane Cross	Chair Person	Elected	Jun-19
Gemma Tukaki	Parent Rep	Elected	Jun-19
Matthew Hill	Parent Rep	Co-opted	Jun-19
Matt Francis	Parent Rep	Co-opted	Jun-19

Accountant / Service Provider:



Auditor: William Buck

MOUNT MAUNGANUI PRIMARY SCHOOL

Annual Report - For the year ended 31 December 2019

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Mount Maunganui Primary School

Statement of Responsibility

For the year ended 31 December 2019

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

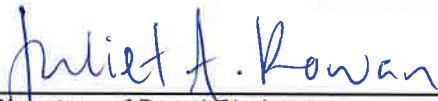
The management (including the principal and others as directed by the Board) accepts responsibility for establishing and maintaining a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of the school's financial reporting.

It is the opinion of the Board and management that the annual financial statements for the financial year ended 31 December 2019 fairly reflects the financial position and operations of the school.

The School's 2019 financial statements are authorised for issue by the Board.

Juliet Rowan

Full Name of Board Chairperson



Signature of Board Chairperson

21 May 2020

Date:

Damien Paul Harris

Full Name of Principal



Signature of Principal

21/5/2020

Date:

Mount Maunganui Primary School
Statement of Comprehensive Revenue and Expense
For the year ended 31 December 2019

	Notes	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Revenue				
Government Grants	2	3,164,434	3,139,686	3,047,583
Locally Raised Funds	3	136,148	159,000	319,107
Interest income		19,040	17,000	22,121
International Students	4	183,019	152,000	202,132
		<u>3,502,641</u>	<u>3,467,686</u>	<u>3,590,943</u>
Expenses				
Locally Raised Funds	3	90,771	76,600	74,238
International Students	4	139,109	132,450	119,746
Learning Resources	5	2,247,493	2,238,535	2,237,573
Administration	6	190,719	200,300	190,083
Finance		2,145	1,700	1,687
Property	7	726,617	723,304	719,365
Depreciation	8	94,531	95,000	95,993
Loss on Disposal of Property, Plant and Equipment		1,310	-	381
		<u>3,492,695</u>	<u>3,467,889</u>	<u>3,439,066</u>
Net Surplus / (Deficit) for the year		9,946	(203)	151,877
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u><u>9,946</u></u>	<u><u>(203)</u></u>	<u><u>151,877</u></u>

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

Mount Maunganui Primary School

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2019

	Notes	Actual 2019 \$	Budget (Unaudited) 2019 \$	Actual 2018 \$
Balance at 1 January		<u>1,176,076</u>	<u>936,527</u>	<u>1,017,990</u>
Total comprehensive revenue and expense for the year		9,946	(203)	151,877
Capital Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		-	-	6,209
Adjustment to Accumulated surplus/(deficit) from adoption of PBE IFRS 9		-	-	-
Equity at 31 December	24	<u>1,186,022</u>	<u>936,324</u>	<u>1,176,076</u>
Retained Earnings		1,186,022	936,324	1,176,076
Reserves		-	-	-
Equity at 31 December		<u>1,186,022</u>	<u>936,324</u>	<u>1,176,076</u>

The above Statement of Changes in Net Assets/Equity should be read in conjunction with the accompanying notes which form part of these financial statements.

Mount Maunganui Primary School

Statement of Financial Position

As at 31 December 2019

	Notes	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Current Assets				
Cash and Cash Equivalents	9	853,898	614,075	753,698
Accounts Receivable	10	159,070	133,733	133,733
Prepayments		5,724	35,557	35,557
Inventories	11	2,449	4,415	4,415
Investments	12	204,164	-	-
		<u>1,225,305</u>	<u>787,780</u>	<u>927,403</u>
Current Liabilities				
GST Payable		44,300	1,167	1,167
Accounts Payable	14	186,338	232,093	232,093
Revenue Received in Advance	15	133,370	80,447	80,447
Finance Lease Liability - Current Portion	17	12,507	9,989	9,989
Funds held for Capital Works Projects	18	238,414	-	26,678
		<u>614,929</u>	<u>323,696</u>	<u>350,374</u>
Working Capital Surplus/(Deficit)		610,376	464,084	577,029
Non-current Assets				
Property, Plant and Equipment	13	626,714	500,588	627,395
		<u>626,714</u>	<u>500,588</u>	<u>627,395</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	16	28,175	21,131	21,131
Finance Lease Liability	17	22,893	7,217	7,217
		<u>51,068</u>	<u>28,348</u>	<u>28,348</u>
Net Assets		<u>1,186,022</u>	<u>936,324</u>	<u>1,176,076</u>
Equity	24	<u>1,186,022</u>	<u>936,324</u>	<u>1,176,076</u>

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

Mount Maunganui Primary School
Statement of Cash Flows
For the year ended 31 December 2019

		2019	2019	2018
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Cash flows from Operating Activities				
Government Grants		658,248	633,500	620,633
Locally Raised Funds		142,876	150,993	311,100
International Students		225,942	108,368	158,500
Goods and Services Tax (net)		43,133	4,957	4,957
Payments to Employees		(491,097)	(446,536)	(501,071)
Payments to Suppliers		(427,034)	(374,162)	(368,739)
Cyclical Maintenance Payments in the year		-	(60)	-
Interest Paid		(2,145)	(1,700)	(1,687)
Interest Received		19,671	16,348	21,469
Net cash from Operating Activities		<u>169,594</u>	<u>91,708</u>	<u>245,162</u>
Cash flows from Investing Activities				
Proceeds from Sale of PPE (and Intangibles)		-	-	(381)
Purchase of PPE (and Intangibles)		(64,238)	-	(422,254)
Purchase of Investments		(204,164)	319,888	-
Proceeds from Sale of Investments		-	-	719,888
Net cash from Investing Activities		<u>(268,402)</u>	<u>319,888</u>	<u>297,253</u>
Cash flows from Financing Activities				
Furniture and Equipment Grant		-	-	6,209
Finance Lease Payments		(12,728)	3,752	(13,971)
Funds Held for Capital Works Projects		211,736	-	31,178
Net cash from Financing Activities		<u>199,008</u>	<u>3,752</u>	<u>23,416</u>
Net increase/(decrease) in cash and cash equivalents		<u><u>100,200</u></u>	<u><u>415,348</u></u>	<u><u>565,831</u></u>
Cash and cash equivalents at the beginning of the year	9	753,698	198,727	187,867
Cash and cash equivalents at the end of the year	9	<u><u>853,898</u></u>	<u><u>614,075</u></u>	<u><u>753,698</u></u>

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 which form part of these financial statements..

Mount Maunganui Primary School

Notes to the Financial Statements

For the year ended 31 December 2019

1. Statement of Accounting Policies

a) Reporting Entity

Mount Maunganui Primary School (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 2019 to 31 December 2019 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".

Standard early adopted

In line with the Financial Statements of the Government, the School has elected to early adopt PBE IFRS 9 Financial Instruments. PBE IFRS 9 replaces PBE IPSAS 29 Financial Instruments: Recognition and Measurement. Information about the adoption of PBE IFRS 9 is provided in Note 28.

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 13.

Critical Judgements in applying accounting policies

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

Classification of leases

Determining whether a lease is a finance lease or an operating lease requires judgement as to whether the lease transfers substantially all the risks and rewards of ownership to the school. Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant, and equipment, whereas for an operating lease no such asset is recognised.

Recognition of grants

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

c) Revenue Recognition

Government Grants

The school receives funding from the Ministry of Education. The following are the main types of funding that the School receives;

Operational grants are recorded as revenue when the School has the rights to the funding, which is in the year that the funding is received.

Teachers salaries grants are recorded as revenue when the School has the rights to the funding in the salary period they relate to. The grants are not received in cash by the School and are paid directly to teachers by the Ministry of Education.

Other Grants

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

Donations, Gifts and Bequests

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

Interest Revenue

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

d) Use of Land and Buildings Expense

The property from which the School operates is owned by the Crown and managed by the Ministry of Education on behalf of the Crown. The School's use of the land and buildings as occupant is based on a property occupancy document as gazetted by the Ministry. The expense is based on an assumed market rental yield on the value of land and buildings as used for rating purposes. This is a non-cash expense that is offset by a non-cash grant from the Ministry.

e) Operating Lease Payments

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

f) Finance Lease Payments

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

g) Cash and Cash Equivalents

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

h) Accounts Receivable

Short-term receivables are recorded at the amount due, less an allowance for credit losses. The school applies the simplified expected credit loss model of recognising lifetime expected credit losses for receivables. In measuring expected credit losses, short-term receivables have been assessed on a collective basis as they possess shared credit risk characteristics. They have been Schooled based on the days past due. Short-term receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include the debtor being in liquidation.

Prior Year Policy

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

j) Investments

Bank term deposits are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance. A loss allowance for expected credit losses is recognised if the estimated loss allowance is not trivial.

Prior Year Policy

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 Consolidated 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.

k) Property, Plant and Equipment

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

Improvements to buildings owned by the Crown are recorded at cost, less accumulated depreciation and impairment losses.

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

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.

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 – Crown	20 - 50 years
Classroom Furniture	1–15 years
Electrical Equipment	3 -10 years
SNUP Electrical Project	5-20 years
General Equipment - Inside	10 years
General Equipment - Outside	10 years
Office Equipment	1-10 years
Textbooks	8 years
Leased assets held under a Finance Lease	3 years
Library resources	12.5% Diminishing value

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.

Long-term employee entitlements

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

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

o) Revenue Received in Advance

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

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

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

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) Borrowings

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

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

t) Goods and Services Tax (GST)

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

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

Commitments and contingencies are disclosed exclusive of GST.

u) Budget Figures

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

v) Services received in-kind

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

2. Government Grants

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Operational Grants	542,391	633,500	547,200
Teachers' Salaries Grants	1,945,482	1,945,482	1,887,080
Use of Land and Buildings Grants	560,704	560,704	539,870
Other MoE Grants	115,857	-	73,433
	<u>3,164,434</u>	<u>3,139,686</u>	<u>3,047,583</u>

3. Locally Raised Funds

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

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Revenue			
Donations	59,029	51,300	53,063
Activities	53,716	48,600	141,364
Trading	19,925	17,000	17,560
Fundraising	1,812	40,100	105,200
Other Revenue	1,666	2,000	1,920
	<u>136,148</u>	<u>159,000</u>	<u>319,107</u>
Expenses			
Activities	74,853	59,700	57,488
Trading	15,918	16,900	16,750
	<u>90,771</u>	<u>76,600</u>	<u>74,238</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>45,377</u>	<u>82,400</u>	<u>244,869</u>

4. International Student Revenue and Expenses

	2019 Actual Number	2019 Budget (Unaudited) Number	2018 Actual Number
International Student Roll	13	14	25
	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Revenue			
International Student Fees	183,019	152,000	202,132
Expenses			
Advertising	12,214	15,000	11,765
Commissions	20,788	22,000	23,793
International Student Levy	1,185	3,500	3,424
Employee Benefit - Salaries	79,795	85,000	56,945
Other Expenses	25,127	6,950	23,819
	<u>139,109</u>	<u>132,450</u>	<u>119,746</u>
<i>Surplus/ (Deficit) for the year International Students'</i>	<u>43,910</u>	<u>19,550</u>	<u>82,386</u>

5. Learning Resources

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	44,898	75,500	54,675
Equipment Repairs	194	800	152
Library Resources	2,479	2,900	1,717
Employee Benefits - Salaries	2,199,922	2,159,335	2,181,029
	<u>2,247,493</u>	<u>2,238,535</u>	<u>2,237,573</u>

6. Administration

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	5,050	4,900	4,903
Board of Trustees Fees	3,640	4,000	3,825
Board of Trustees Expenses	5,780	2,800	1,567
Communication	2,696	4,900	2,550
Consumables	25,279	29,000	24,562
Operating Lease	113	9,500	409
Legal Fees	-	-	8,098
Other	33,506	32,200	30,105
Employee Benefits - Salaries	114,655	113,000	114,064
	<u>190,719</u>	<u>200,300</u>	<u>190,083</u>

7. Property

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	58,524	52,900	48,719
Cyclical Maintenance Provision	7,044	7,100	7,040
Grounds	12,854	12,100	9,479
Heat, Light and Water	25,817	25,800	24,082
Rates	8,023	6,500	6,574
Repairs and Maintenance	10,605	13,200	37,171
Use of Land and Buildings	560,704	560,704	539,870
Employee Benefits - Salaries	43,046	45,000	46,430
	<u>726,617</u>	<u>723,304</u>	<u>719,365</u>

The use of land and buildings figure represents 8% of the school's total property value. Property values are established as part of the nation-wide revaluation exercise that is conducted every 30 June for the Ministry of Education's year-end reporting purposes.

8. Depreciation

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Building Improvements - Crown	11,534	5,200	6,974
Classroom Furniture	8,653	10,500	10,450
Electrical Equipment	41,179	45,000	43,034
General Equipment - Indoor	2,939	2,300	2,944
General Equipment - Outdoor	9,976	9,100	10,550
Music	61	100	107
Office Equipment	648	1,000	1,007
Textbooks	4,235	10,600	3,974
Leased Assets	12,786	8,600	13,979
Library Resources	2,520	2,600	2,974
	<u>94,531</u>	<u>95,000</u>	<u>95,993</u>

9. Cash and Cash Equivalents

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Bank Current Account	77,740	114,075	16,186
Bank Call Account	150,100	-	113,771
Short-term Bank Deposits with a Maturity of Three Months or Less	626,058	500,000	623,741
Cash and cash equivalents for Cash Flow Statement	<u>853,898</u>	<u>614,075</u>	<u>753,698</u>

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

Of the \$853,898 Cash and Cash Equivalents, \$251,938 is held by the School on behalf of the Ministry of Education. These funds are required to be spent in 2020 on Crown owned school buildings under the School's Five Year Property Plan.

10. Accounts Receivable

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Receivables	17,698	14,426	14,426
Interest Receivable	1,988	2,619	2,619
Teacher Salaries Grant Receivable	139,384	116,688	116,688
	<u>159,070</u>	<u>133,733</u>	<u>133,733</u>
Receivables from Exchange Transactions	19,686	17,045	17,045
Receivables from Non-Exchange Transactions	139,384	116,688	116,688
	<u>159,070</u>	<u>133,733</u>	<u>133,733</u>

11. Inventories

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Stationery	480	1,371	1,371
School Uniforms	1,969	3,044	3,044
	<u>2,449</u>	<u>4,415</u>	<u>4,415</u>

12. Investments

The School's investment activities are classified as follows:

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Current Asset			
Short-term Bank Deposits	204,164	-	-
	<u>204,164</u>	<u>-</u>	<u>-</u>

13. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2019						
Building Improvements - Crown	405,550	-	-	-	(11,534)	394,016
Classroom Furniture	59,536	4,479	-	-	(8,653)	55,362
Electrical Equipment	45,751	53,179	-	-	(41,179)	57,751
General Equipment - Indoor	14,429	-	-	-	(2,939)	11,490
General Equipment - Outdoor	40,519	5,925	-	-	(9,976)	36,468
Music	61	-	-	-	(61)	-
Office Equipment	2,533	-	-	-	(648)	1,885
Textbooks	21,940	-	-	-	(4,235)	17,705
Leased Assets	16,261	30,921	-	-	(12,786)	34,396
Library Resources	20,815	655	(1,309)	-	(2,520)	17,641
Balance at 31 December 2019	<u>627,395</u>	<u>95,159</u>	<u>(1,309)</u>	<u>-</u>	<u>(94,531)</u>	<u>626,714</u>

The net carrying value of equipment held under a finance lease is \$34,396 (2018: \$16,261)

	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
2019			
Building Improvements - Crown	482,839	(88,823)	394,016
Classroom Furniture	113,864	(58,502)	55,362
Electrical Equipment	211,621	(153,870)	57,751
General Equipment - Indoor	27,140	(15,650)	11,490
General Equipment - Outdoor	93,602	(57,134)	36,468
Music	600	(600)	-
Office Equipment	7,106	(5,221)	1,885
Textbooks	33,883	(16,178)	17,705
Leased Assets	48,645	(14,249)	34,396
Library Resources	68,908	(51,267)	17,641
Balance at 31 December 2019	<u>1,088,208</u>	<u>(461,494)</u>	<u>626,714</u>

2018	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
Building Improvements - Crown	33,179	379,345	-	-	(6,974)	405,550
Classroom Furniture	70,145	-	(159)	-	(10,450)	59,536
Electrical Equipment	70,109	18,676	-	-	(43,034)	45,751
General Equipment - Indoor	11,512	5,861	-	-	(2,944)	14,429
General Equipment - Outdoor	40,227	10,842	-	-	(10,550)	40,519
Music	168	-	-	-	(107)	61
Office Equipment	3,540	-	-	-	(1,007)	2,533
Textbooks	21,732	4,182	-	-	(3,974)	21,940
Leased Assets	12,517	17,723	-	-	(13,979)	16,261
Library Resources	20,282	3,727	(220)	-	(2,974)	20,815
Balance at 31 December 2018	283,411	440,356	(379)	-	(95,993)	627,395

The net carrying value of equipment held under a finance lease is \$16,261 (2017: \$12,517)

2018	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
Building Improvements - Crown	482,839	(77,289)	405,550
Classroom Furniture	109,945	(50,409)	59,536
Electrical Equipment	200,032	(154,281)	45,751
General Equipment - Indoor	29,960	(15,531)	14,429
General Equipment - Outdoor	95,923	(55,404)	40,519
Music	600	(539)	61
Office Equipment	11,466	(8,933)	2,533
Textbooks	114,141	(92,201)	21,940
Leased Assets	53,029	(36,768)	16,261
Library Resources	72,835	(52,020)	20,815
Balance at 31 December 2018	1,170,770	(543,375)	627,395

14. Accounts Payable

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Operating Creditors	14,115	88,350	82,712
Accruals	4,945	-	5,638
Employee Entitlements - Salaries	145,939	123,491	123,491
Employee Entitlements - Leave Accrual	21,339	20,252	20,252
	186,338	232,093	232,093
Payables for Exchange Transactions	186,338	232,093	232,093
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	186,338	232,093	232,093

The carrying value of payables approximates their fair value.

15. Revenue Received in Advance

	2019	2019	2018
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
International Student Fees	123,370	80,447	80,447
Other - Grants in Advance	10,000	-	-
	<u>133,370</u>	<u>80,447</u>	<u>80,447</u>

16. Provision for Cyclical Maintenance

	2019	2019	2018
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Provision at the Start of the Year	21,131	21,131	14,091
Increase/ (decrease) to the Provision During the Year	7,044	7,100	7,040
Use of the Provision During the Year	-	(7,100)	-
Provision at the End of the Year	<u>28,175</u>	<u>21,131</u>	<u>21,131</u>
Cyclical Maintenance - Current	-	-	-
Cyclical Maintenance - Term	28,175	21,131	21,131
	<u>28,175</u>	<u>21,131</u>	<u>21,131</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:

	2019	2019	2018
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
No Later than One Year	12,507	9,989	9,989
No Later than One Year - Interest	2,629	1,096	1,096
Later than One Year and no Later than Five Years	22,893	7,217	7,217
Later than One Year and no Later than Five Years - Interest	2,928	521	521
	<u>40,957</u>	<u>18,823</u>	<u>18,823</u>

18. 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:

	2019	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions	Closing Balances \$
A Block	<i>in progress</i>	(4,500)	324,221	(67,783)	-	251,938
B Block	<i>completed</i>	6,828	201,976	(222,328)	-	(13,524)
Hall upgrade	<i>completed</i>	24,350	-	(24,350)	-	-
Totals		26,678	526,197	(314,461)	-	238,414

Represented by:

Funds Held on Behalf of the Ministry of Education

251,938

Funds Due from the Ministry of Education

(13,524)

238,414

	2018	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions	Closing Balances \$
A Block	<i>in progress</i>	(4,500)	-	-	-	(4,500)
B Block	<i>in progress</i>	-	25,171	(18,343)	-	6,828
Hall upgrade	<i>in progress</i>	-	36,000	(11,650)	-	24,350
Totals		(4,500)	61,171	(29,993)	-	26,678

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.

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.

	2019 Actual \$	2018 Actual \$
<i>Board Members</i>		
Remuneration	3,640	3,825
Full-time equivalent members	0.10	0.08
<i>Leadership Team</i>		
Remuneration	337,541	317,863
Full-time equivalent members	3.00	3.00
Total key management personnel remuneration	<u>341,181</u>	<u>321,688</u>
Total full-time equivalent personnel	<u>3.10</u>	<u>3.08</u>

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:

	2019 Actual \$000	2018 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	140 - 150	130 - 140
Benefits and Other Emoluments	3 - 4	3 - 4
Termination Benefits	-	-

Other Employees

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

Remuneration \$000	2019 FTE Number	2018 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:

	2019	2018
	Actual	Actual
Total	\$0	\$0
Number of People	nil	nil

22. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2019 (Contingent liabilities and assets at 31 December 2018: nil).

Holidays Act Compliance – schools payroll

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

The Ministry 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. The Ministry has recognised an estimated provision based on the analysis of sample data, which may not be wholly representative of the total dataset for Teacher and Support Staff Entitlements. A more accurate estimate will be possible after further analysis of non-compliance has been completed, and this work is ongoing. Final calculations and potential impact on any specific individual will not be known until further detailed analysis has been completed

To the extent that any obligation cannot reasonably be quantified at 31 December 2019, a contingent liability for the school may exist.

23. Commitments

(a) Capital Commitments

As at 31 December 2019 the Board has entered into contract agreements for capital works as follows:

(a) B Block completed in 2019, which will be fully funded by the Ministry of Education. \$227,147 has been received of which \$240,671 has been spent on the project to date - final retention funds still to be received; and

(b) A Block to be completed in 2020, which will be fully funded by the Ministry of Education. \$324,221 has been received of which \$72,283 has been spent on the project to date; and

(c) \$20,000 contract to resurface courts. The project is fully funded by the Board of Trustees using Grants and fundraising. \$10,000 has been received of which \$Nil has been spent on the project to balance date. This project has been approved by the Ministry.

(Capital commitments at 31 December 2018: B Block and School Hall - fully funded by Ministry of Education)

(b) Operating Commitments

As at 31 December 2019 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:

Financial assets measured at amortised cost (2018: Loans and receivables)

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Cash and Cash Equivalents	853,898	614,075	753,698
Receivables	159,070	133,733	133,733
Investments - Term Deposits	204,164	-	-
Total Financial assets measured at amortised cost	<u>1,217,132</u>	<u>747,808</u>	<u>887,431</u>

Financial liabilities measured at amortised cost

Payables	186,338	232,093	232,093
Finance Leases	35,400	17,206	17,206
Total Financial Liabilities Measured at Amortised Cost	<u>221,738</u>	<u>249,299</u>	<u>249,299</u>

26. Events After Balance Date

On March 11, 2020, the World Health Organisation declared the outbreak of COVID-19 (a novel Coronavirus) a pandemic. Two weeks later, on 26 March, New Zealand increased its' COVID-19 alert level to level 4 and a nationwide lockdown commenced. As part of this lockdown all schools were closed. While the disruption is currently expected to be temporary, there is a level of uncertainty around the duration of the closure.

At the date of issuing the financial statements, the school has been able to absorb the majority of the impact from the nationwide lockdown as it was decided to start the annual Easter School holidays early. In the periods the school is open for tuition, the school has switched to alternative methods of delivering the curriculum, so students can learn remotely.

At this time the full financial impact of the COVID-19 pandemic is not able to be determined, but it is not expected to be significant to the school. The school will continue to receive funding from the Ministry of Education, even while closed.

27. Comparatives

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

28. Adoption of PBE IFRS 9 Financial Instruments

In accordance with the transitional provisions of PBE IFRS 9, the school has elected not to restate the information for previous years to comply with PBE IFRS 9. Adjustments arising from the adoption of PBE IFRS 9 are recognised in opening equity at 1 January 2019. Accounting policies have been updated to comply with PBE IFRS 9. The main updates are:

- Note 10 Receivables: This policy has been updated to reflect that the impairment of short-term receivables is now determined by applying an expected credit loss model.
- Note 12 Investments:

Term deposits: This policy has been updated to explain that a loss allowance for expected credit losses is recognised only if the estimated loss allowance is not trivial.

Upon transition to PBE IFRS9 there were no material adjustments to these financial statements

Mount Maunganui Primary School

Kiwisport Statement

As at 31 December 2019

Kiwi sport is a government funding initiative to support students' participation in organised sport. In 2019, the school received a total Kiwi sport funding of \$6,000 (excl GST); [2018: \$6,108]. The funding was spent on a contribution towards the Sports Co-ordinator wages.



**Mournat
Maunqanui
Primary School**

Analysis of Variance 2019





Goal: Target Students will make accelerated (greater than 1 year) progress.



Reading Acceleration:

	Limited	Expected	Accelerated	Totals
All students *excluding International	17 = 20.7%	35 = 42.7%	30 = 36.6%	82 students
Maori students	4 = 16.6%	10 = 41.7%	10 = 41.7%	24 students
NZ European students	11 = 22.9%	20 = 41.7%	17 = 35.4%	48 students

Analysis:

We accelerated 37% of all target students in reading.

42% of Maori target students were accelerated which is positive for us and above Pakeha acceleration numbers.

Reading continues to remain an area of strong performance for our school.

Our Response:

In 2020 we will

- *Continue to teach reading but will focus more on writing and maths.*



Goal: Target Students will make accelerated (greater than 1 year) progress.



Writing acceleration:

	Limited	Expected	Accelerated	Totals
All students *excluding International	28 = 22.2%	75 = 59.5%	23 = 18.3%	126 students
Maori students	10 = 33.3%	14 = 46.7%	6 = 20%	30 students
NZ European students	13 = 16%	55 = 67%	14 = 17%	82 students

Analysis:

Overall we only accelerated 18% of our target students in writing. This is well below our expectation and the 40% goal left with us by ERO.

20% of Māori target students accelerated which is better than our overall numbers but still below our expectation.

Our Response:

In 2020 we will

- *strengthen the goal setting process for target students.*
- *Strengthen the tracking process to ensure regular and sustained progress of our target students is happening.*
- *Support teams to inquire into their 2019 results, measure their effectiveness and set plans in place for 2020.*
- *Continue to develop assessment and data literacy.*



Goal: Target Students will make accelerated (greater than 1 year) progress.



Maths acceleration:

	Limited	Expected	Accelerated	Totals
All students *excluding International	17 = 23.6%	44 = 61.1.%	11 = 15.3%	72 students
Maori students	4 = 25%	10 = 62.5%	2 = 12.5%	16 students
NZ European students	5 = 10.9%	30 = 65.2%	11 = 23.9%	46 students

Analysis:

European target students had a greater percentage of acceleration than Maori.

Maths acceleration remains (for 2019) well below our expectation of 40% acceleration of our target students.

Our Response:

In 2020 we will

- *strengthen the goal setting process for target students.*
- *Strengthen the tracking process to ensure regular and sustained progress of our target students is happening.*
- *Support teams to inquire into their 2019 results, measure their effectiveness and set plans in place for 2020.*
- *We have employed a teacher to work in the ALiM programme and accelerate students across our middle and senior school.*

Annual Goal 1: Enact Our Curriculum

Action	Key Tasks	Resources (& Person Responsible)
<p>All students will make 1 years progress in Foundational Curriculum.</p>	<ul style="list-style-type: none"> - All students progress will be monitored 3 times a year on LincEd - Ongoing 'noticing' of progress against progressions. - Explicit gathering of learning evidence from learning tasks. 	<p>LincEd will be used to track progress.</p> <p>DP C&P will monitor student progress at least mid and end of year (schoolwide)</p> <p>Ongoing Cause for Concern (not moving) conversations in teams supported by DP (ALN)</p>
<p>All target students will make greater than 1 years progress in Foundational Curriculum.</p>	<ul style="list-style-type: none"> - Target students identified in each class across 3 areas. - Stretch/Acceleration Targets set for each target student. - Targets monitored in team and SL Team Hui. - Close monitoring of progress of each target student. - Team conversations about how to accelerate learners. 	<p>All Teachers Tracking Sheet</p> <p>Team Leaders to support Progress</p> <p>DP (ALN) to monitor and support Team Meeting time</p>

Analysis:

Ongoing close noticing of progress based on students learning and mastery of progressions is well established as a part of effective teacher practice.

2020 we will continue to embed this practice and use triangulated data and clever learning design to be ticking progressions as often as mastery occurs.

Team tracking of target students will be based on progression through levels as defined by learning progressions and conversations will happen 2/3 times per term.

Annual Goal 1: Enact Our Curriculum

Action	Key Tasks	Resources (& Person Responsible)
Design a student centred learning approach.	<ul style="list-style-type: none"> - Establish Curriculum Development Team - Develop staff understanding of Inquiry and Play based learning - Provide learning opportunities for staff. - Provide resources and examples of effective practice for staff. - Establish key areas of responsibility for CDT members. <ul style="list-style-type: none"> - Literacy - Maths - ICT/Digi Tech - Making Mounties - Hauora - CRPs <p>These areas were felt important enough to have special mention in the CDT.</p>	Inquiry Book (Kath Murdoch) DP in charge of C&P CDT to support (Units) Relevant PL (Courses, Workshops) Time for meetings Money allocated for resources to support Play and Inquiry Learning.

Analysis:

Inquiry learning is continuing to evolve at our school, teacher knowledge and practice is shifting to a more inquiry student centred approach.

2020: Staff will be introduced to the 'split screen' approach to learning design including curriculum outcomes, and learner competencies, our Mountiesims.

Annual Goal 1: Enact Our Curriculum

Action	Key Tasks	Resources (& Person Responsible)
Build Hauora as the foundation of our Curriculum.	<ul style="list-style-type: none"> - Define Hauora - Build an understanding of Hauora in our school. - Explore hauora building actions. <ul style="list-style-type: none"> - Mindfulness at school - Educate our community on Hauora and our its importance. - Consider how Hauora might be measured or checked in on. 	Designate Curriculum Team Member in charge. Hauora definition/understanding Community education through weekly emails and The Pipeline Review of if/how hauora should be measured in our school.
Make Mounties through explicit and teachable moments.	<ul style="list-style-type: none"> - Define Mountieisms in the context of our 21st Century Curriculum. - Ensure Mountieisms are on display for kids and teachers to refer to. - Highlight and provide opportunities for our Mounties to explicitly learn the dispositions of a Mountie. - Educate our community about what we are trying to achieve. 	Mountieisms poster (cross school) to be redeveloped. Teacher in charge to consider and provide opportunities to teach, practice and reflect on Mountieisms in action.

Analysis:

Hauora definition is emerging as a result of mahi done in 2019, staff are more aware of Hauora as a focus and will continue to look for ways to explicitly teach hauora strategies and practices in their programmes.

2020: Confirm our definition and set up a hauora measuring mechanism (survey) for both staff and students (Mounties) begin to track data on hauora.

Independent Auditor's Report

To the Readers of Mount Maunganui Primary School's Financial Statements

For the Year Ended 31 December 2019

The Auditor-General is the auditor of Mount Maunganui Primary School (the School). The Auditor-General has appointed me, Richard Dey, using the staff and resources of William Buck Audit (NZ) Limited, to carry out the audit of the financial statements of the School on his behalf.

Opinion

We have audited the financial statements of the School on pages 2 to 21, that comprise the statement of financial position as at 31 December 2019, 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 2019; 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 PBE Accounting Standards (PBE IPSAS) Reduced Disclosure Regime.

Our audit was completed on 25 May 2020. 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.

Emphasis of Matter – COVID-19

Without modifying our opinion, we draw attention to the disclosures in note 26 on page 21 which outline the possible effects of the Alert Level 4 lockdown as a result of the COVID-19 pandemic.

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.

ACCOUNTANTS & ADVISORS

Level 2, 60 Durham Street
Tauranga 3110, New Zealand
PO Box 222
Tauranga 3144, New Zealand
Telephone: +64 7 927 1234
williambuck.co.nz

William Buck Audit (NZ) Limited

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 on page 1 and on pages 22 to 29, 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 'R. Dey', with a stylized flourish at the end.

Richard Dey
William Buck Audit (NZ) Limited
On behalf of the Auditor-General
Tauranga, New Zealand