

CLUTHA VALLEY SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

School Directory

Ministry Number: 3724

Principal: Val Ward

School Address: 2155 Clutha Valley Rd, Clydevale

School Postal Address: RD 4, Clydevale 9274

School Phone: 03 415 9105

School Email: office@cluthavalley.co.nz

Members of the Board of Trustees

Name	Position	How Position Gained	Occupation	Term Expired/ Expires
Shane Boccock	Chair Person/Property	Re-elected June 2019	Farmer	May 2022
Val Ward	Principal	ex Officio	Principal	
Maurice Judson	Parent Rep/Treasurer	Re-elected June 2019	Farmer	May 2022
Geli Landerer	Parent Rep/Community Liaison Officer	Re-elected June 2019	Farmer	May 2022
Laura Hunter	Parent Rep/Finance Sub Committee	Elected June 2019	Farmer	May 2022
Deb Kinder	Parent Rep/Strategic Planning	Re-elected June 2019	Self Employed	May 2022
Reegan Tourell	Staff Rep	Elected June 2019	Teacher	May 2022

Accountant / Service Provider: Shand Thomson Ltd
Balclutha

CLUTHA VALLEY SCHOOL

Annual Report - For the year ended 31 December 2019

Index

Page	Statement
	Financial Statements
1	Statement of Responsibility
2	Statement of Comprehensive Revenue and Expense
3	Statement of Changes in Net Assets/Equity
4	Statement of Financial Position
5	Statement of Cash Flows
6 - 10	Statement of Accounting Policies
11 - 20	Notes to the Financial Statements
	Other Information
21 - 26	Analysis of Variance
27	Kiwisport

Clutha Valley 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.

Sharon Clifford Beacock
Full Name of Board Chairperson

Valene Jean Ward
Full Name of Principal

SB
Signature of Board Chairperson

VJW
Signature of Principal

29/5/20
Date:

29.05.2020
Date:

Clutha Valley School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2019

		2019	2019	2018
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
Revenue				
Government Grants	2	1,068,930	270,511	1,179,079
Locally Raised Funds	3	98,018	85,850	105,733
Interest income		3,381	2,000	3,485
Other Revenue		152	-	2,254
		<u>1,170,481</u>	<u>358,361</u>	<u>1,290,551</u>
Expenses				
Locally Raised Funds	3	28,677	26,250	23,354
Learning Resources	4	871,000	182,356	775,506
Administration	5	97,030	106,450	89,441
Property	6	215,128	100,650	359,729
Depreciation	7	39,954	42,000	41,609
Impairment of Property, Plant and Equipment	11	1,876	-	260
Loss on Uncollectable Accounts Receivable		2,117	-	-
		<u>1,255,782</u>	<u>457,706</u>	<u>1,289,899</u>
Net Surplus / (Deficit) for the year		(85,301)	(99,345)	652
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>(85,301)</u>	<u>(99,345)</u>	<u>652</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.



Clutha Valley 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>377,842</u>	<u>377,842</u>	<u>377,190</u>
Total comprehensive revenue and expense for the year		(85,301)	(99,345)	652
Capital Contributions from the Ministry of Education Contribution - Furniture and Equipment Grant		1,814	-	-
Equity at 31 December	23	<u>294,355</u>	<u>278,497</u>	<u>377,842</u>
Retained Earnings		294,355	278,497	377,842
Equity at 31 December		<u>294,355</u>	<u>278,497</u>	<u>377,842</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.



Clutha Valley School

Statement of Financial Position

As at 31 December 2019

		2019	2019	2018
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Current Assets				
Cash and Cash Equivalents	8	138,096	41,928	45,456
Accounts Receivable	9	43,860	47,213	47,213
Prepayments		10,243	7,843	7,843
Investments	10	97,765	40,000	93,817
		<hr/>	<hr/>	<hr/>
		289,964	136,984	194,329
Current Liabilities				
GST Payable		13,168	7,126	7,126
Accounts Payable	12	73,791	61,272	61,272
Revenue Received in Advance	13	126,732	-	-
Provision for Cyclical Maintenance	14	7,560	6,873	6,873
Finance Lease Liability - Current Portion	15	13,399	13,390	13,390
Funds held for Capital Works Projects	16	12,047	-	-
Funds held on behalf of Kiwi Park Cluster	17	6,489	7,015	7,015
		<hr/>	<hr/>	<hr/>
		253,186	95,676	95,676
Working Capital Surplus/(Deficit)		36,778	41,308	98,653
Non-current Assets				
Property, Plant and Equipment	11	293,201	278,981	320,981
		<hr/>	<hr/>	<hr/>
		293,201	278,981	320,981
Non-current Liabilities				
Provision for Cyclical Maintenance	14	19,414	17,030	17,030
Finance Lease Liability	15	16,210	24,762	24,762
		<hr/>	<hr/>	<hr/>
		35,624	41,792	41,792
Net Assets				
		<hr/>	<hr/>	<hr/>
		294,355	278,497	377,842
Equity				
	23	<hr/>	<hr/>	<hr/>
		294,355	278,497	377,842

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



Clutha Valley 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		310,534	270,511	300,822
Locally Raised Funds		225,981	85,850	101,263
Goods and Services Tax (net)		6,041	-	(2,029)
Payments to Employees		(235,528)	(185,320)	(175,532)
Payments to Suppliers		(205,421)	(213,343)	(210,157)
Cyclical Maintenance Payments in the year		-	-	(363)
Interest Received		4,238	2,000	2,467
Net cash from Operating Activities		<u>105,845</u>	<u>(40,302)</u>	<u>16,471</u>
Cash flows from Investing Activities				
Purchase of PPE (and Intangibles)		(8,222)	(3,653)	(14,740)
Sale of Investments		(3,948)	53,817	(2,187)
Net cash from Investing Activities		<u>(12,170)</u>	<u>50,164</u>	<u>(16,927)</u>
Cash flows from Financing Activities				
Furniture and Equipment Grant		1,814	-	-
Finance Lease Payments		(14,370)	(13,390)	(12,517)
Funds Administered on Behalf of Third Parties		(526)	-	914
Funds Held for Capital Works Projects		12,047	-	-
Net cash from Financing Activities		<u>(1,035)</u>	<u>(13,390)</u>	<u>(11,603)</u>
Net increase/(decrease) in cash and cash equivalents		<u>92,640</u>	<u>(3,528)</u>	<u>(12,059)</u>
Cash and cash equivalents at the beginning of the year	8	45,456	45,456	57,515
Cash and cash equivalents at the end of the year	8	<u>138,096</u>	<u>41,928</u>	<u>45,456</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..

Clutha Valley School

Notes to the Financial Statements

For the year ended 31 December 2019

1. Statement of Accounting Policies

a) Reporting Entity

Clutha Valley 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 27.

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 11.

Critical Judgements in applying accounting policies

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

Classification of leases

Determining whether a lease is a finance lease or an operating lease requires judgement as to whether the lease transfers substantially all the risks and rewards of ownership to the school. 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 carryforward 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.

For Non-integrated schools only:

Use of land and buildings grants are recorded as revenue in the period the School uses the land and buildings. These are not

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 grouped 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 uncollectibility) is the difference between the amount due and the present value of the amounts expected to be collected.

i) 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 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.

j) 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 to Crown Owned Assets	10–75 years
Furniture and equipment	10–15 years
Information and communication technology	4–10 years
Leased assets held under a Finance Lease	3-5 years
Library resources	12.5% Diminishing value

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

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

Non cash generating assets

Property, plant, and equipment and intangible assets held at cost that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. 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.

l) Accounts Payable

Accounts Payable represents liabilities for goods and services provided to the School prior to the end of the financial year which are unpaid. Accounts Payable are recorded at the amount of cash required to settle those liabilities. The amounts are unsecured and are usually paid within 30 days of recognition.

m) Employee Entitlements

Short-term employee entitlements

Employee 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.

n) 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.



o) Shared Funds

Shared Funds are held on behalf of a cluster of participating schools as agreed with the Ministry of Education. The cluster of schools operate activities outside of school control. These amounts 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.

p) 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).

q) 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.

r) 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.

s) Budget Figures

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

t) 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	246,325	231,858	239,566
Teachers' Salaries Grants	650,832	-	608,192
Use of Land and Buildings Grants	107,564	-	270,065
Other MoE Grants	64,209	38,653	33,714
Other Government Grants	-	-	27,542
	1,068,930	270,511	1,179,079

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	21,418	17,000	26,017
Bequests & Grants	8,911	-	-
Activities	20,012	21,650	24,598
Trading	2,088	1,450	1,568
Fundraising	18,459	20,000	19,839
Other Revenue	27,130	25,750	33,711
	98,018	85,850	105,733
Expenses			
Activities	19,324	20,000	19,175
Trading	1,461	150	66
Fundraising (Costs of Raising Funds)	820	-	728
Other Locally Raised Funds Expenditure	7,072	6,100	3,385
	28,677	26,250	23,354
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	69,341	59,600	82,379

4. Learning Resources

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Curricular	10,313	21,266	18,372
Equipment Repairs	362	500	49
Information and Communication Technology	12,751	13,000	12,636
Extra-Curricular Activities	4,334	3,900	3,133
Library Resources	242	370	413
Employee Benefits - Salaries	835,279	133,320	730,713
Staff Development	7,719	10,000	10,190
	871,000	182,356	775,506



5. Administration

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Audit Fee	3,123	3,050	3,032
Board of Trustees Fees	4,510	4,600	4,620
Board of Trustees Expenses	5,163	4,825	2,520
Communication	2,352	2,850	2,561
Consumables	779	800	729
Operating Lease	8,055	24,450	12,396
Other	19,768	17,375	16,433
Employee Benefits - Salaries	41,073	29,500	30,665
Insurance	5,622	11,000	5,566
Service Providers, Contractors and Consultancy	6,585	8,000	10,919
	97,030	106,450	89,441

6. Property

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Caretaking and Cleaning Consumables	4,904	5,200	4,260
Cyclical Maintenance Provision	3,071	-	(5,843)
Grounds	13,584	8,000	12,760
Heat, Light and Water	39,874	41,800	39,966
Rates	1,399	1,600	1,436
Repairs and Maintenance	19,616	21,550	15,670
Use of Land and Buildings	107,564	-	270,065
Employee Benefits - Salaries	25,116	22,500	21,415
	215,128	100,650	359,729

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.

7. Depreciation

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Buildings - School	6,598	7,021	6,598
Building Improvements - Crown	7,141	8,019	7,535
Furniture and Equipment	4,489	5,417	5,091
Information and Communication Technology	3,850	7,714	7,249
Leased Assets	15,197	10,948	12,431
Library Resources	2,679	2,881	2,705
	39,954	42,000	41,609



8. Cash and Cash Equivalents

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Bank Current Account	51,407	2,206	1,110
Bank Call Account	86,689	39,722	44,346
Cash and cash equivalents for Cash Flow Statement	138,096	41,928	45,456

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

Of the \$138,096 Cash and Cash Equivalents, \$17,448 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.

Of the \$138,096 Cash and Cash Equivalents, \$126,732 of unspent grant funding is held by the School. This funding is subject to restrictions which specify how the grant is required to be spent in providing specified deliverables of the grant arrangement.

Of the \$138,096 Cash and Cash Equivalents, \$3,300 is held by the School on behalf of the South Otago Principals cluster. See note 16 for details of how the funding received for the cluster has been spent in the year.

9. Accounts Receivable

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Receivables	4,424	5,503	5,503
Allowance for credit/ losses	(2,117)	-	-
Interest Receivable	568	1,425	1,425
Teacher Salaries Grant Receivable	40,985	40,285	40,285
	43,860	47,213	47,213
Receivables from Exchange Transactions	2,875	6,928	6,928
Receivables from Non-Exchange Transactions	40,985	40,285	40,285
	43,860	47,213	47,213

10. Investments

The School's investment activities are classified as follows:

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Current Asset			
Short-term Bank Deposits	97,765	40,000	93,817



11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2019	\$	\$	\$	\$	\$	\$
Buildings	184,274	-	-	-	(6,598)	177,676
Building Improvements	35,457	3,268	-	-	(7,141)	31,584
Furniture and Equipment	27,358	1,547	-	-	(4,489)	24,416
Information and Communication Technology	17,581	677	-	(1,636)	(3,850)	12,772
Leased Assets	37,371	5,827	-	-	(15,196)	28,002
Library Resources	18,940	2,730	-	(240)	(2,679)	18,751
Balance at 31 December 2019	320,981	14,049	-	(1,876)	(39,953)	293,201

During the year the School lost 80 library books. An impairment loss of \$240 has been recognised directly as an expense in the Statement of Comprehensive Revenue & Expense.

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2019	\$	\$	\$
Buildings	287,508	(109,832)	177,676
Building Improvements	195,464	(163,880)	31,584
Furniture and Equipment	116,108	(91,692)	24,416
Information and Communication Technology	138,736	(125,965)	12,772
Leased Assets	62,782	(34,780)	28,002
Library Resources	60,733	(41,982)	18,751
Balance at 31 December 2019	861,331	(568,131)	293,201

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2018	\$	\$	\$	\$	\$	\$
Buildings	190,872	-	-	-	(6,598)	184,274
Building Improvements	38,672	4,320	-	-	(7,535)	35,457
Furniture and Equipment	28,907	3,542	-	-	(5,091)	27,358
Information and Communication Technology	20,379	4,451	-	-	(7,249)	17,581
Leased Assets	25,495	24,307	-	-	(12,431)	37,371
Library Resources	19,478	2,427	-	(260)	(2,705)	18,940
Balance at 31 December 2018	323,804	39,047	-	(260)	(41,609)	320,981

During the year the School lost 82 library books. An impairment loss of \$260 has been recognised directly as an expense in the Statement of Comprehensive Revenue & Expense.



	Cost or Valuation	Accumulated Depreciation	Net Book Value
2018	\$	\$	\$
Buildings	287,508	(103,234)	184,274
Building Improvements	192,197	(156,740)	35,457
Furniture and Equipment	114,562	(87,204)	27,358
Information and Communication Technology	140,242	(122,661)	17,581
Leased Assets	56,951	(19,580)	37,371
Library Resources	58,748	(39,808)	18,940
Balance at 31 December 2018	850,208	(529,227)	320,981

12. Accounts Payable

	2019 Actual	2019 Budget (Unaudited)	2018 Actual
	\$	\$	\$
Operating Creditors	17,162	20,451	20,451
Banking Staffing Overuse	4,740	-	-
Employee Entitlements - Salaries	50,094	40,285	40,285
Employee Entitlements - Leave Accrual	1,795	536	536
	73,791	61,272	61,272
Payables for Exchange Transactions	73,791	61,272	61,272
	73,791	61,272	61,272

The carrying value of payables approximates their fair value.

13. Revenue Received in Advance

	2019 Actual	2019 Budget (Unaudited)	2018 Actual
	\$	\$	\$
Other	126,732	-	-

14. Provision for Cyclical Maintenance

	2019 Actual	2019 Budget (Unaudited)	2018 Actual
	\$	\$	\$
Provision at the Start of the Year	23,903	23,903	30,109
Increase/ (decrease) to the Provision During the Year	3,071	-	3,071
Use of the Provision During the Year	-	-	(363)
Adjustment to the Provision	-	-	(8,914)
Provision at the End of the Year	26,974	23,903	23,903
Cyclical Maintenance - Current	7,560	6,873	6,873
Cyclical Maintenance - Term	19,414	17,030	17,030
	26,974	23,903	23,903

15. Finance Lease Liability

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

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
No Later than One Year	20,514	9,028	9,028
Later than One Year and no Later than Five Years	23,991	33,509	33,509
	44,505	42,537	42,537

16. Funds Held for Capital Works Projects

During the year the School received and applied funding from the Ministry of Education for the following capital works projects:

	2019	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions	Closing Balances \$
School Rebuild	<i>in progress</i>	-	20,093	(2,645)	-	17,448
Pool Upgrade	<i>in progress</i>	-	48,612	(57,281)	3,268	(5,401)
Library Flood	<i>completed</i>	-	4,983	(4,983)	-	-
Boiler Room Flood	<i>completed</i>	-	4,424	(4,424)	-	-
Door Repairs	<i>completed</i>	-	6,041	(6,041)	-	-
Totals		-	84,153	(75,374)	3,268	12,047

Represented by:

Funds Held on Behalf of the Ministry of Education	17,448
Funds Due from the Ministry of Education	(5,401)
	12,047

	2018	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions	Closing Balances \$
Emergency Repairs Sewage	<i>completed</i>	-	6,352	(6,403)	51	-
Emergency Repairs Boiler Fire	<i>completed</i>	-	63,517	(63,517)	-	-
Totals		-	69,869	(69,920)	51	-

17. Funds Held on Behalf of SO Principals Cluster

Clutha Valley School is the lead school and holds funds on behalf of the SO Principals cluster, a group of schools funded by the Ministry.

	2019 Actual \$	2019 Budget \$	2018 Actual \$
Funds Held at Beginning of the Year	7,015	7,015	6,101
Funds Received from Cluster Members	-	-	914
Funds Spent on Behalf of the Cluster	(526)	-	-
Funds Held at Year End	6,489	7,015	7,015



These assets and liabilities form part of the school's assets and liabilities and are presented on the school's statement of financial position.

Current Assets

Cash at bank	3,300	3,826	3,826
Equity	3,189	3,189	3,189

18. 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.

19. 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	4,510	4,620
Full-time equivalent members	0.25	0.21
<i>Leadership Team</i>		
Remuneration	331,014	213,860
Full-time equivalent members	3	2
Total key management personnel remuneration	<u>335,524</u>	<u>218,480</u>
Total full-time equivalent personnel	<u>3.25</u>	<u>2.21</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	120-130	110-120
Benefits and Other Emoluments	3-4	3-4



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	2.00	1.00
110-120	0.00	0.00
	<u>2.00</u>	<u>1.00</u>

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

20. 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 Actual	2018 Actual
Total	-	-
Number of People	-	-

21. 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.



22. Commitments

(a) Capital Commitments

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

(a) As agent for the Ministry, the Board is tasked with rebuilding most of the School buildings. This project is to be fully funded by the Ministry. As at 31 December 2019 no specific contract has been entered into, but \$20,093 has been received of which \$2,645 has been spent on the project to date. This project has been approved by the Ministry; and

(b) \$270,571 contract to have the School Pool upgraded as agent for the Ministry of Education. This project is only partly funded by the Ministry and \$182,725 has been received of which \$57,281 has been spent on the project to balance date. This project has been approved by the Ministry; and

(Capital commitments at 31 December 2018: \$nil)

(b) Operating Commitments

As at 31 December 2019 the Board has entered into the following contracts:

(a) operating lease of iPads, Chromebooks and the service portion of the photocopier;

	2019 Actual \$	2018 Actual \$
No later than One Year	5,814	7,646
Later than One Year and No Later than Five Years	6,663	11,182
	12,477	18,828

23. 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.

24. 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	138,096	41,928	45,456
Receivables	43,860	47,213	47,213
Investments - Term Deposits	97,765	40,000	93,817
Total Financial assets measured at amortised cost	279,721	129,141	186,486

Financial liabilities measured at amortised cost

Payables	73,791	61,272	61,272
Finance Leases	29,609	38,152	38,152
Total Financial Liabilities Measured at Amortised Cost	103,400	99,424	99,424

25. Events After Balance Date

Impact of COVID-19

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 until 18 May 2020.

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 was physically closed but open for tuition, the school 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.

26. Comparatives

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

27. 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 9 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 10 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.

Analysis of Variance Reporting 2019

School Name:	Clutha Valley Primary School	School Number:	3724
---------------------	------------------------------	-----------------------	------

Strategic Aim: *Clutha Valley Board of Trustees and staff are committed to ensuring children participate in a journey that allows them to achieve and progress to the best of their ability.*

Annual Aim: **For all students to make progress and achieve across the curriculum.**
Annual Objective 1: To lift achievement in mathematics for all students.

Target 1:
Target 1: (Based on students enrolled at Clutha Valley Primary School at the start of 2019.)

- For (6/15) 40% [Not (6/14) 43% as originally indicated] of girls who are BELOW the expected curriculum level for number and algebra to make accelerated progress in mathematics.
- For (33/41) 80% of the girls to be AT or ABOVE the expected curriculum level for number and algebra. (Note by focusing on the girls the progress for the Year 2, Year 4 and Year 6 cohorts will also be monitored.)
- For 80% of students to be working within the expected curriculum level by the end of 2019.

Baseline Data:

LONGITUDINAL DATA

	END OF 2015 (NS)	END OF 2016 (NS)	END OF 2017 (NS)	END OF 2018 (Curriculum Levels – Number and Algebra)
PERCENTAGE OF STUDENTS AT OR ABOVE	77%	70%	74%	71%

Data over the years indicates the need to continue a focus on lifting achievement in Mathematics.

WHOLE SCHOOL DATA PER YEAR GROUP END OF 2018

OTJ	End of Year 1	End of Year 2	End of Year 3	End of Year 4	End of Year 5	End of Year 6	End of Year 7	End of Year 8	Totals
Above	2 (25%)		1 (7.69%)	2 (13.33%)	3 (42.86%)	5 (27.78%)	2 (13.33%)	4 (30.77%)	19
At	4 (50%)	9 (69.23%)	9 (69.23%)	8 (53.33%)	3 (42.86%)	7 (38.89%)	9 (60%)	4 (30.77%)	53
Below	2 (25%)	4 (30.77%)	3 (23.08%)	5 (33.33%)	1 (14.29%)	6 (33.33%)	3 (20%)	5 (38.46%)	29
Well Below							1 (6.67%)		1
	8	13	13	15	7	18	15	13	102

At the end of 2018 data indicated that (72/102) 71% of students were AT or ABOVE the curriculum level in number and algebra. (11/11) 100% of Māori students were achieving AT or ABOVE the curriculum level in number and algebra. (47/70) 67% of European and (9/10) 90% of Asian student were achieving AT or ABOVE the curriculum level in number and algebra.

In total (30/102) 29% of students are BELOW or WELL BELOW the expected curriculum level for number and algebra. The Year 2, Year 4 and Year 6 groups of students are of most concern.

BELOW AND WELL BELOW FOR GIRLS AND BOYS PER YEAR GROUP - END OF 2018

OTJ	End of Year 1	End of Year 2	End of Year 3	End of Year 4	End of Year 5	End of Year 6	End of Year 7	End of Year 8	TOTAL BELOW OR WELL BELOW	TOTAL STUDENTS (GENDER)
GIRLS	1 (50%)	3 (33.33%)	2 (25%)	3 (33.3%)		5 (55.56%)	3 (50%)	3 (42.86%)	20	52
BOYS	1 (16.67%)	1 (25%)	1 (20%)	2 (33.3%)	1 (20%)	1 (11.11%)	1 (11.11%)	2 (33.33%)	10	50

20/52 (38.47%) of girls were BELOW the expected curriculum level for number and algebra compared to 10/50 (20%) of the boys.

Actions <i>What did we do?</i>	Outcomes <i>What happened?</i>	Reasons for the variance <i>Why did it happen?</i>	Evaluation <i>Where to next?</i>
<ul style="list-style-type: none"> Data in Mathematics was reviewed and analysed at the beginning of the year to identify target students and their needs. At staff and team meetings the progress and achievement of target students was regularly discussed and monitored. Two teachers were involved in ALiM (Accelerated Learning in Mathematics) over two terms. One teacher took on the role of Lead Teacher and mentored another teacher in the second term of the intervention. 14 students ranging from Years 3 to 7 participated in the ALiM intervention. Target students were identified in mathematics and ALiM teachers carried out 'Teaching as Inquiry' projects. Two staff members took part in a Big River Kāhui Ako PLG (Professional Learning Group) focused on Mathematics. The Big River Kāhui Ako coaching model was utilised within the school to help develop teacher practice for those focusing on Mathematics. 	<p>Note one student who was AT the curriculum level in the initial data was actually BELOW. The baseline data and final data has been corrected to reflect this.</p> <p>The percentage of students AT or ABOVE the expected curriculum level moved to (90/116) 78% at the end of 2019 from (72/102) 71% at the end of 2018. This represents the best result over the last five years. The target of 80% of students working within the expected level by the end of 2019 was close to being met.</p> <p>(13/14) 92.86% of Māori students were achieving AT or ABOVE the expected curriculum level at the end of 2019. While not 100% as at the end of 2018 this is still a pleasing result, indicating our Māori students are achieving well overall in number and algebra.</p> <p>(56/73) 76.72% of European students were achieving AT or ABOVE the expected curriculum level in number and algebra by the end of 2019. This is an improvement from the end of 2018 when 47/70 (67%) of the European students were AT or ABOVE the curriculum level.</p> <p>The Asian students continued to achieve well in number and algebra with (9/11) 82% of the students achieving AT or ABOVE at the end of 2019.</p>	<p>Looking at the data it is clearly evident that the ALiM intervention was successful in helping students make progress in mathematics. (11/14) 79% of students involved in ALiM moved a level or sub-level, with (7/14) 50% of the students making accelerated progress by making more than one year's progress.</p> <p>Language and the vocabulary of mathematics is a barrier for our ESOL students, in particular. Many students in the ALiM group needed support to understand the mathematical language and articulate their thinking when solving mathematical problems.</p> <p>Many students who are experiencing difficulty in Mathematics have a negative mindset about their ability. They need encouragement to take risks and feel comfortable with making mistakes.</p>	<p>It will be important to sustain the progress that has been made within the school in 2019. Looking at ways to move more of our female students to ABOVE the expected curriculum level in number and algebra needs to be considered moving forward.</p> <p>Through involvement in ALiM professional development in 2020, the intention is to extend the model of in-class support across the school. This will mean teachers will take collective responsibility for inquiring into their teacher practice and will provide children with additional assistance while they continue to learn alongside and with their peers.</p>

<ul style="list-style-type: none"> • Linc-Ed is becoming more embedded as a tool for tracking and sharing student progress. • The teacher responsible for Mathematics attended Lead Teacher and cluster meetings and reported new developments back to staff. • Students are more able to talk about their learning using the Linc-Ed goal progressions to identify where they are at with their learning, and their next learning steps. • A report on the progress made through the ALiM intervention was reported to the Board of Trustees. • Final end of year data was shared and discussed with staff and the Board of Trustees, with next steps identified. 	<p>(5/15) 33.33% of girls who were BELOW the expected curriculum level for number and algebra at the start of 2019 moved to AT or ABOVE by the end of 2019. The target of moving (6/15) 40% was close to being met.</p> <p>The target of (33/41) 80% of the females to be AT or ABOVE the expected curriculum level by the end of 2019 for number and algebra was not met. One student left the school taking the original cohort to 40 students. Of the remaining female students (29/40) 72.5% were achieving AT or ABOVE the expected curriculum level at the end of 2019.</p>	
	<p>It is difficult to determine whether focusing on the female students who were BELOW and WELL BELOW the expected curriculum level in number and algebra at the end of 2018 had an impact on the 2019, Year 3, Year 5 and Year 7 cohorts. This is because there were students who left or entered the school who were BELOW or WELL BELOW the expected curriculum level in these cohorts at the end of 2019.</p> <p>It is worth noting that at the end of 2019 there were (48/58) 83% of male students ABOVE compared to (42/58) 72% of female students. This is an area which needs to be monitored into the future. Of reading, writing and mathematics this is the only area where a gender difference exists.</p>	

Student voice:

The two teachers involved in ALiM surveyed the students at the beginning of and at the end of each intervention. Feedback from students showed a more positive attitude towards Mathematics.

- "I felt that ALiM really helped me because I was struggling and didn't really like maths and now it is exciting cos I know how to do it. I am more positive about maths"
- "I like doing ALiM cos you can learn different ways to work out the questions."
- "ALiM has helped me because we've done problem solving and used equipment. We've thought about things. We've used the problem solving steps."
- "I used to wait and not ask for help when I was stuck. I know I can help my buddy next to me now and use different strategies like a number line, place value, materials..."

All the students within the ALiM intervention programmes made immense growth in the way they saw themselves as mathematicians. At the beginning of these interventions students were unwilling to attempt many activities because they didn't want to make mistakes or get it wrong. A huge amount of time within the sessions was spent developing the growth mindset of these students and was regarded as one of major successes of the intervention.

Planning for next year:

Focuses for 2020

- Involvement in ALiM with the same Lead Teacher continuing in 2020.
- Consolidation of practices from 2019 to ensure sustainability going forward.
- In-class interventions extended across the school.
- Investigation of the Learning Progressions Framework to assist with planning, teaching and assessing across the aspects of mathematics and statistics.
- To refine the Linc-Ed goals, taking the Learning Progressions Framework into consideration.
- To incorporate the 7Cs (Clutha Valley Primary School's interpretation of the Key Competencies) as dispositions for learning and assessment in Mathematics.
- Using collaborative inquiry to guide teaching and learning through the ALiM interventions.
- Utilisation of a range of materials and flexible teaching groups for teaching in Mathematics.

Clutha Valley Primary School

Kiwisport

For the Year ended 31 December 2019

Kiwisport is a Government funding initiative to support student participation in organised sport. In 2019, the school received total Kiwisport funding of \$1,466. The funding was spent on a South Otago District Sports Activator (\$1,332) and transport to a Hocket Tournament (\$170). The number of students participating in organised sport decreased from 78% to 75%. (2018, \$1,631 spent on a South Otago Districty Sports Activator and transport to sporting events. The number of students participating in organised sport increased from 91% to 92%).

INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF CLUTHA VALLEY SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

The Auditor-General is the auditor of Clutha Valley School (the School). The Auditor-General has appointed me, Aaron Higham, using the staff and resources of BDO Invercargill, 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 20, 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 Public Sector - Public Benefit Entity Standards, Reduced Disclosure Regime.

Our audit was completed on 29 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 25 on page 20 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.

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 analysis of variance, kiwisport paragraph and BOT listing included on pages 21 to 27 and the title page, 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.



Aaron Higham
BDO Invercargill
On behalf of the Auditor-General
Invercargill, New Zealand