

# WESTPORT SOUTH SCHOOL

## ANNUAL REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### School Directory

<b>Ministry Number:</b>	3236
<b>Principal:</b>	Jo Dunston
<b>School Address:</b>	Derby St, Westport 7825
<b>School Postal Address:</b>	Derby St, Westport 7825
<b>School Phone:</b>	(03) 789 7132
<b>School Email:</b>	<a href="mailto:office@westportsouth.school.nz">office@westportsouth.school.nz</a>

#### Members of the Board of Trustees

<b>Name</b>	<b>Position</b>
Stephen Dorey	Chair Person
Jo Duston	Principal
Emma Collins	Board Member
Di Rossiter	Board Member
Lucus Hateley	Board Member
Nathan Thompson	Treasurer
Deb Forsyth	Staff Rep

**Accountant / Service Provider:** WK Strawbridge Limited

# WESTPORT SOUTH SCHOOL

Annual Report - For the year ended 31 December 2020

## Index

<b>Page</b>	<b>Statement</b>
	<b>Financial Statements</b>
<u>1</u>	Statement of Responsibility
<u>2</u>	Statement of Comprehensive Revenue and Expense
<u>3</u>	Statement of Changes in Net Assets/Equity
<u>4</u>	Statement of Financial Position
<u>5</u>	Statement of Cash Flows
<u>6 - 20</u>	Notes to the Financial Statements
	<b>Other Information</b>
	Analysis of Variance
	Kiwisport

# Westport South School

## Statement of Responsibility

For the year ended 31 December 2020

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 2020 fairly reflects the financial position and operations of the school.

The School's 2020 financial statements are authorised for issue by the Board.

Stephen Dorey  
Full Name of Board Chairperson

S Jo Dutton  
Full Name of Principal

  
Signature of Board Chairperson

  
Signature of Principal

16/11/2021  
Date:

16/11/2021  
Date:

# Westport South School

## Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2020

	Notes	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
<b>Revenue</b>				
Government Grants	2	2,385,718	607,190	2,309,638
Locally Raised Funds	3	69,524	63,038	69,210
Interest income		14,775	14,000	17,645
		<u>2,470,017</u>	<u>684,228</u>	<u>2,396,493</u>
<b>Expenses</b>				
Locally Raised Funds	3	41,833	-	35,405
Learning Resources	4	1,733,257	264,435	1,721,907
Administration	5	133,423	129,464	115,821
Property	6	424,483	157,843	422,302
Depreciation	7	54,773	20,000	50,644
Loss on Disposal of Property, Plant and Equipment		(300)	-	1,439
		<u>2,387,469</u>	<u>571,742</u>	<u>2,347,518</u>
<b>Net Surplus / (Deficit) for the year</b>		82,548	112,486	48,975
<b>Total Comprehensive Revenue and Expense for the Year</b>		<u><u>82,548</u></u>	<u><u>112,486</u></u>	<u><u>48,975</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.

# Westport South School

## Statement of Changes in Net Assets/Equity

For the year ended 31 December 2020

	Notes	Actual 2020 \$	Budget (Unaudited) 2020 \$	Actual 2019 \$
<b>Balance at 1 January</b>		<u>740,113</u>	<u>740,113</u>	<u>691,138</u>
Total comprehensive revenue and expense for the year		82,548	112,486	48,975
<b>Equity at 31 December</b>	22	<u>822,661</u>	<u>852,599</u>	<u>740,113</u>
Retained Earnings		822,661	852,599	740,113
<b>Equity at 31 December</b>		<u>822,661</u>	<u>852,599</u>	<u>740,113</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.

# Westport South School

## Statement of Financial Position

As at 31 December 2020

		2020	2020	2019
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
<b>Current Assets</b>				
Cash and Cash Equivalents	8	558,498	588,438	916,532
Accounts Receivable	9	166,690	166,690	198,882
GST Receivable		8,803	8,803	15,074
Prepayments		7,324	7,324	876
Funds held for Capital Works Projects	15	274,180	274,180	-
		<hr/>	<hr/>	<hr/>
		1,015,495	1,045,435	1,131,364
<b>Current Liabilities</b>				
Accounts Payable	11	147,691	147,691	126,092
Revenue Received in Advance	12	48,507	48,507	47,366
Finance Lease Liability - Current Portion	14	23,214	23,214	25,717
Funds for Resource Teachers of Learning & Behaviour services	16	3,551	3,551	3,551
Funds held for Capital Works Projects	15	-	-	181,377
		<hr/>	<hr/>	<hr/>
		222,963	222,963	384,103
<b>Working Capital Surplus/(Deficit)</b>		792,532	822,472	747,261
<b>Non-current Assets</b>				
Property, Plant and Equipment	10	123,657	123,656	160,106
		<hr/>	<hr/>	<hr/>
		123,657	123,656	160,106
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	13	55,358	55,358	105,504
Finance Lease Liability	14	38,171	38,171	61,750
		<hr/>	<hr/>	<hr/>
		93,529	93,529	167,254
<b>Net Assets</b>		<hr/>	<hr/>	<hr/>
		822,661	852,599	740,113
<b>Equity</b>	22	<hr/>	<hr/>	<hr/>
		822,661	852,599	740,113

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

# Westport South School

## Statement of Cash Flows

For the year ended 31 December 2020

		2020	2020	2019
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
<b>Cash flows from Operating Activities</b>				
Government Grants		738,640	1,360,861	639,781
Locally Raised Funds		69,758	97,987	66,831
Goods and Services Tax (net)		6,271	(8,803)	(10,583)
Funds Administered on Behalf of Third Parties		-	3,551	(10,253)
Payments to Employees		(445,537)	(354,293)	(531,566)
Payments to Suppliers		(242,278)	(206,772)	(188,965)
Cyclical Maintenance Payments in the year		1	38,358	
Interest Received		14,775	14,000	17,645
Net cash from/(to) Operating Activities		141,630	944,889	(17,110)
<b>Cash flows from Investing Activities</b>				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		300	-	(1,439)
Purchase of Property Plant & Equipment (and Intangibles)		(17,225)	(22,997)	(14,973)
Net cash from/(to) Investing Activities		(16,925)	(22,997)	(16,412)
<b>Cash flows from Financing Activities</b>				
Finance Lease Payments		(27,180)	(59,274)	(7,261)
Funds Held for Capital Works Projects		(455,557)	(274,180)	199,527
Net cash from/(to) Financing Activities		(482,737)	(333,454)	192,266
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(358,032)</b>	<b>588,438</b>	<b>158,744</b>
Cash and cash equivalents at the beginning of the year	8	916,532	-	757,789
<b>Cash and cash equivalents at the end of the year</b>	<b>8</b>	<b>558,498</b>	<b>588,438</b>	<b>916,532</b>

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

# Westport South School

## Notes to the Financial Statements

### For the year ended 31 December 2020

#### 1. Statement of Accounting Policies

##### a) Reporting Entity

Westport South School (the School) is a Crown entity as specified in the Crown Entities Act 2004 and a school as described in the Education and Training Act 2020. The Board 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 2020 to 31 December 2020 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 and Training Act 2020 requires the School, as a Crown entity, to prepare financial statements in accordance with generally accepted accounting practice. The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand, applying Public Sector Public Benefit Entity (PBE) Standards Reduced Disclosure Regime as appropriate to public benefit entities that qualify for Tier 2 reporting. The school is considered a Public Benefit Entity as it meets the criteria specified as 'having a primary objective to provide goods and/or services for community or social benefit and where any equity has been provided with a view to supporting that primary objective rather than for financial return to equity holders'.

###### *PBE Accounting Standards Reduced Disclosure Regime*

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

###### *Measurement Base*

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

###### *Presentation Currency*

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

###### *Specific Accounting Policies*

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

###### *Critical Accounting Estimates And Assumptions*

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

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

###### *Cyclical maintenance*

A school recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's long term maintenance plan which is prepared as part of its 10 Year Property Planning process. During the year, the Board assesses the reasonableness of its 10 Year Property Plan on which the provision is based. Cyclical maintenance is disclosed at note 13.

###### *Useful lives of property, plant and equipment*

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment as disclosed in the significant accounting policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 10.



### **Critical Judgements in applying accounting policies**

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

#### **Classification of leases**

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

Use of land and buildings grants are recorded as revenue in the period the School uses the land and buildings. These are not received in cash by the School as they equate to the deemed expense for using the land and buildings which are owned by the Crown.

#### **Other Grants**

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

#### **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 (uncollectable debts). The schools receivables are largely made up of funding from the Ministry of Education, therefore the level of uncollectable debts is not considered to be material. However, short-term receivables are written off when there is no reasonable expectation of recovery.

### **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.

### **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.

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	4–5 years
Motor vehicles	5 years
Textbooks	3 years
Leased assets held under a Finance Lease	4 Years
Library resources	12.5% Diminishing value

### **k) Intangible Assets**

#### **Software costs**

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

Computer software that the school receives from the Ministry of Education is normally acquired through a non-exchange transaction and is not of a material amount. Its fair value can be assessed at time of acquisition if no other methods lead to a fair value determination. Computer software purchased directly from suppliers at market rates are considered exchange transactions and the fair value is the amount paid for the software.

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

### **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, and also annual leave earned, by non teaching staff, 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) 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).

### **p) Financial Instruments**

The School's financial assets comprise cash and cash equivalents, accounts receivable, and investments. All of these financial assets, except for investments that are shares, are categorised as 'financial assets measured at amortised cost' for accounting purposes in accordance with financial reporting standards.

Investments that are shares are categorised as 'financial assets at fair value through other comprehensive revenue and expense' for accounting purposes in accordance with financial reporting standards.

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.

**q) 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 are not limited to bank overdrafts, operating leases, finance leases, painting contracts and term loans.

**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.

**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

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operational Grants	526,665	485,901	517,458
Teachers' Salaries Grants	1,421,921	-	1,370,592
Use of Land and Buildings Grants	332,567	-	318,772
Resource Teachers Learning and Behaviour Grants	1,545	24,039	15,401
Other MoE Grants	22,118	62,033	25,094
Other Government Grants	80,902	35,217	62,322
	<u>2,385,718</u>	<u>607,190</u>	<u>2,309,639</u>

## 3. Locally Raised Funds

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

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
<b>Revenue</b>			
Donations	5,344	1,000	7,274
Activities	26,097	-	27,128
Trading	6,406	-	10,617
Fundraising	31,677	62,038	24,190
	<u>69,524</u>	<u>63,038</u>	<u>69,209</u>
<b>Expenses</b>			
Activities	31,873	-	23,361
Trading	8,977	-	9,821
Fundraising (Costs of Raising Funds)	983	-	2,222
	<u>41,833</u>	<u>-</u>	<u>35,404</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>27,691</u>	<u>63,038</u>	<u>33,805</u>

## 4. Learning Resources

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	43,177	59,688	63,791
Library Resources	1,641	870	427
Employee Benefits - Salaries	1,678,438	192,485	1,649,591
Staff Development	10,001	11,392	8,097
	<u>1,733,257</u>	<u>264,435</u>	<u>1,721,906</u>

## 5. Administration

	<b>2020</b>	<b>2020</b>	<b>2019</b>
	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>
	<b>\$</b>	<b>(Unaudited)</b>	<b>\$</b>
		<b>\$</b>	
Audit Fee	2,130	3,478	4,312
Board of Trustees Fees	2,505	6,000	2,910
Board of Trustees Expenses	8,336	5,200	13,570
Communication	2,280	2,609	2,190
Consumables	730	2,348	2,257
Operating Lease	284	16,956	13,748
Other	48,778	26,460	13,328
Employee Benefits - Salaries	54,593	54,500	50,528
Insurance	8,497	6,522	7,998
Service Providers, Contractors and Consultancy	5,290	5,391	4,980
	<u>133,423</u>	<u>129,464</u>	<u>115,821</u>

## 6. Property

	<b>2020</b>	<b>2020</b>	<b>2019</b>
	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>
	<b>\$</b>	<b>(Unaudited)</b>	<b>\$</b>
		<b>\$</b>	
Caretaking and Cleaning Consumables	3,918	6,087	3,644
Consultancy and Contract Services	5,947	6,000	1,621
Cyclical Maintenance Provision	(50,147)	17,000	(16,775)
Grounds	1,208	10,535	1,460
Heat, Light and Water	11,454	15,930	11,075
Rates	1,837	1,304	1,504
Repairs and Maintenance	28,167	19,305	41,830
Use of Land and Buildings	332,567	-	318,772
Security	4,855	4,348	3,037
Employee Benefits - Salaries	84,677	77,334	56,133
	<u>424,483</u>	<u>157,843</u>	<u>422,301</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.

## 7. Depreciation

	<b>2020</b>	<b>2020</b>	<b>2019</b>
	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>
	<b>\$</b>	<b>(Unaudited)</b>	<b>\$</b>
		<b>\$</b>	
Buildings - School	8,321	(26,452)	4,191
Furniture and Equipment	11,647	11,647	11,647
Information and Communication Technology	9,288	9,288	9,288
Leased Assets	23,848	23,848	23,848
Library Resources	1,669	1,669	1,669
	<u>54,773</u>	<u>20,000</u>	<u>50,643</u>

## 8. Cash and Cash Equivalents

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Cash on Hand	-	-	-
Bank Current Account	231,785	261,725	598,958
Bank Call Account	326,713	326,713	317,574
Cash and cash equivalents for Statement of Cash Flows	<u>558,498</u>	<u>588,438</u>	<u>916,532</u>

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

## 9. Accounts Receivable

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Receivables	-	-	455
Banking Staffing Underuse	55,707	55,707	106,048
Teacher Salaries Grant Receivable	110,983	110,983	92,379
	<u>166,690</u>	<u>166,690</u>	<u>198,882</u>
Receivables from Exchange Transactions	-	-	455
Receivables from Non-Exchange Transactions	166,690	166,690	198,427
	<u>166,690</u>	<u>166,690</u>	<u>198,882</u>

## 10. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2020	\$	\$	\$	\$	\$	\$
Buildings	8,776				(8,321)	455
Furniture and Equipment	48,842				(11,647)	37,195
Information and Communication Technology	18,886	16,418			(9,288)	26,016
Leased Assets	70,652	1,098			(23,848)	47,902
Library Resources	12,950	808			(1,669)	12,089
<b>Balance at 31 December 2020</b>	<b>160,106</b>	<b>18,324</b>	<b>-</b>	<b>-</b>	<b>(54,773)</b>	<b>123,657</b>

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2020	\$	\$	\$
Buildings	51,545	(44,462)	7,083
Furniture and Equipment	198,955	(161,760)	37,195
Information and Communication Technology	126,301	(106,914)	19,387
Leased Assets	120,659	(72,757)	47,902
Library Resources	45,369	(33,280)	12,089
<b>Balance at 31 December 2020</b>	<b>542,829</b>	<b>(419,173)</b>	<b>123,657</b>

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2019	\$	\$	\$	\$	\$	\$
Buildings	4,670	5,565			(1,459)	8,776
Furniture and Equipment	54,273	8,684	(1,439)		(12,676)	48,842
Information and Communication Technology	30,383	-			(11,497)	18,886
Leased Assets	66,861	27,107			(23,316)	70,652
Library Resources	12,483	2,163			(1,696)	12,950
<b>Balance at 31 December 2019</b>	<b>168,670</b>	<b>43,519</b>	<b>(1,439)</b>	<b>-</b>	<b>(50,644)</b>	<b>160,106</b>

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2019	\$	\$	\$
Buildings	51,545	(42,769)	8,776
Furniture and Equipment	198,955	(150,113)	48,842
Information and Communication Technology	110,933	(92,047)	18,886
Leased Assets	119,561	(48,909)	70,652
Library Resources	44,561	(31,611)	12,950
<b>Balance at 31 December 2019</b>	<b>525,555</b>	<b>(365,449)</b>	<b>160,106</b>



## 11. Accounts Payable

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Operating Creditors	5,331	5,331	9,625
Accruals	5,644	5,644	4,312
Employee Entitlements - Salaries	110,983	110,983	92,379
Employee Entitlements - Leave Accrual	25,733	25,733	19,776
	<u>147,691</u>	<u>147,691</u>	<u>126,092</u>
Payables for Exchange Transactions	147,691	147,691	126,092
	<u>147,691</u>	<u>147,691</u>	<u>126,092</u>

The carrying value of payables approximates their fair value.

## 12. Revenue Received in Advance

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Grants in Advance - Ministry of Education	13,558	13,558	12,196
Other	34,949	34,949	35,170
	<u>48,507</u>	<u>48,507</u>	<u>47,366</u>

## 13. Provision for Cyclical Maintenance

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Provision at the Start of the Year	105,504	105,504	122,279
Increase/ (decrease) to the Provision During the Year	(50,147)	(50,147)	(16,775)
Provision at the End of the Year	<u>55,358</u>	<u>55,358</u>	<u>105,504</u>
Cyclical Maintenance - Current	-	-	-
Cyclical Maintenance - Term	55,358	55,358	105,504
	<u>55,358</u>	<u>55,358</u>	<u>105,504</u>

#### 14. Finance Lease Liability

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

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
No Later than One Year	23,214	23,214	25,717
Later than One Year and no Later than Five Years	38,171	38,171	61,750
Later than Five Years			
	<u>61,385</u>	<u>61,385</u>	<u>87,467</u>

#### 15. Funds Held for Capital Works Projects

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

	2020	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions \$	Closing Balances \$
Room 13 Upgrade	<i>completed</i>	18,150	-	-	-	18,150
Room 14 Upgrade	<i>in progress</i>	(30,167)	32,907	(486,758)	-	(484,019)
Toilet Block Flooring Upgrade	<i>in progress</i>	175,097	-	-	-	175,097
Insulation Upgrade, Roof Project	<i>in progress</i>	18,297	-	(1,705)	-	16,592
Totals		<u>181,377</u>	<u>32,907</u>	<u>(488,463)</u>	<u>-</u>	<u>(274,180)</u>

#### Represented by:

Funds Held on Behalf of the Ministry of Education	198,859
Funds Due from the Ministry of Education	473,039
	<u>(274,180)</u>

	2019	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions \$	Closing Balances \$
Room 13 Upgrade	<i>completed</i>	(18,150)	36,301	-	-	18,150
Room 14 Upgrade	<i>in progress</i>	-	-	(30,167)	-	(30,167)
Toilet Block Flooring Upgrade	<i>in progress</i>	-	283,224	(108,127)	-	175,097
Insulation Upgrade	<i>in progress</i>	-	18,297	-	-	18,297
Totals		<u>(18,150)</u>	<u>337,822</u>	<u>(138,295)</u>	<u>-</u>	<u>181,377</u>

## 16. Funds for RTLB Services

Westport South School is the lead school funded by the Ministry of Education to provide the services of Resource Teachers of Learning and Behaviour to its cluster of schools.

	2020 Actual \$	2020 (Unaudited) \$	2019 Actual \$
Funds held at beginning of the year	3,551	3,551	13,804
<i>Revenue</i>			
Teachers' Salary Grant	-	-	-
	-	-	-
Total funds available	3,551	3,551	13,804
<i>Expenses</i>			
Employee Benefit - Salaries	-	-	10,253
	-	-	10,253
Purchase of Assets	-	-	-
Funds Held at Year End	3,551	3,551	3,551

## 17. Related Party Transactions

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

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

## 18. Remuneration

### *Key management personnel compensation*

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

	<b>2020 Actual \$</b>	<b>2019 Actual \$</b>
<i>Board Members</i>		
Remuneration	2,505	2,580
Full-time equivalent members	0.03	0.04
<i>Leadership Team</i>		
Remuneration	358,122	315,197
Full-time equivalent members	3	3
Total key management personnel remuneration	<u>360,627</u>	<u>317,777</u>
Total full-time equivalent personnel	<u>3.03</u>	<u>3.04</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 1*

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

	<b>2020 Actual \$000</b>	<b>2019 Actual \$000</b>
<i>Salaries and Other Short-term Employee Benefits:</i>		
Salary and Other Payments	140 - 150	140 - 150
Benefits and Other Emoluments	0 - 5	0
Termination Benefits	0	0

### *Other Employees*

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

<b>Remuneration \$000</b>	<b>2020 FTE Number</b>	<b>2019 FTE Number</b>
100 - 110	1.00	1.00
110 - 120	1.00	0.00
	<u>2.00</u>	<u>1.00</u>

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

## 19. Compensation and Other Benefits Upon Leaving

The total value of compensation or other benefits paid or payable to persons who ceased to be 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:

	<b>2020 Actual</b>	<b>2019 Actual</b>
Total	\$0	\$0
Number of People	0	0

## 20. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at **31 December 2020** (Contingent liabilities and assets at **31 December 2019**: 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's review of the schools sector payroll to ensure compliance with the Holidays Act 2003 is ongoing. The current phase of this review is to design potential solutions for any compliance breaches discovered in the initial phase of the Programme. Final calculations and potential impact on any specific individual will not be known until further detailed analysis and solutions have been completed.

To the extent that any obligation cannot reasonably be quantified at 31 December 2020, a contingent liability for the school may exist.

## 21. Commitments

### (a) Capital Commitments

As at 31 December 2020 the Board has entered into no contract agreements for capital works.

(Capital commitments at 31 December 2019: \$Nil)

### (b) Operating Commitments

As at 31 December 2020 the Board has entered into the following contracts:

	<b>2020 Actual \$</b>	<b>2019 Actual \$</b>
No later than One Year	-	-
Later than One Year and No Later than Five Years	-	-
Later than Five Years	-	-
	<hr/> <hr/>	<hr/> <hr/>

## 22. 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.

## 23. 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

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Cash and Cash Equivalents	558,498	588,438	916,532
Receivables	166,690	166,690	198,882
Investments - Term Deposits	-	-	-
Total Financial assets measured at amortised cost	<u>725,188</u>	<u>755,128</u>	<u>1,115,414</u>

### Financial liabilities measured at amortised cost

Payables	147,691	147,691	126,092
Borrowings - Loans	-	-	-
Finance Leases	61,385	61,385	87,467
Painting Contract Liability	-	-	-
Total Financial Liabilities Measured at Amortised Cost	<u>209,076</u>	<u>209,076</u>	<u>213,559</u>

## 24. Events After Balance Date

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

## 25. Breach of Law – Failure to meet Statutory Reporting Deadline

The Board of Trustees did not comply with Section 137 of the Education and Training Act 2020, in that it did not submit its Annual Financial Statements for audit by 31 March 2021. The Board of Trustees did not comply with Section 137 of the Education and Training Act 2020, in that it did not submit its Annual Financial Statements to the Secretary by 31 May 2021.

## 26. Comparatives

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



## **WESTPORT SOUTH SCHOOL**

### **Annual Report 2020 Student Achievement Target A**

#### **Ensure high levels of Literacy and Mathematics across the school**

**Annual Target:** For the identified target group increase the CAP score to average range for a group of Year 1/2 target students scoring below expectation

#### **Why this target?**

With a high number of children entering school with very poor oral language, staff have had a focus on building vocabulary in the junior classrooms in 2018-19. While still having vocabulary as a focus we want to increase the knowledge and awareness of 'how print works' the concept of what books, print and written language are, and how they function during reading process and conventions measured by CAP

#### **What did we do?**

Children were identified on entry using CAP test. Staff participated in PD around shared reading delivered by UC plus. Junior SAP staff not completing Yolanda Sorrell PD in 2019 were to do so in 2020 but this was not held because of covid and will happen in February next year. TA's in the junior school were upskilled by RTLB. Junior SAP to met 3 times a term to discuss targeted children and shared ideas for improvement and shared resources that were working. The Junior SAP group joined with COL Junior teachers to share gains and gather ideas. TA time was supplied by the Board for 2 hours per week per room to assist with children's follow up and overlearning. Staff linked their Target group to personal appraisal inquiry. Maori children were monitored

#### **How did we resource it?**

Money was budgeted for TA support and PD

#### **What did we achieve? Analysis of variance.**

##### **Concepts About Print (CAP) Assessment**

Baseline data was collected in Week 6, Term 1, using the CAP assessment and a group of target students scoring Stanines 1 – 4 (below expectation) were identified. 3 students identified as Special Needs were not part of the target group. The Target students were reassessed on turning 6.

The table below provides a breakdown of the Target Student data.

<b>Junior School CAP Target students</b>					
	<b>Baseline data</b>		<b>Follow-up data collection (6 Year net)</b>		
	<b>CAP Stanine score</b>	<b>No of students</b>	<b>No of students</b>	<b>Gender</b>	<b>Ethnicity</b>
<b>Target students</b>	<b>Stanine 1</b>	4	1	1 girl	1 NZ Euro.
	<b>Stanine 2</b>	4	2	1 girl	2 NZ Euro.
				1 boy	
	<b>Stanine 3</b>	0	1	1 boy	1 Maori
<b>Stanine 4</b>	2	1	1 boy	1 NZ Euro.	
	<b>Stanine 5</b>		1		
	<b>Stanine 6</b>		1		
	<b>Stanine 7</b>		3		
	<b>Target students Total</b>	<b>10</b>	<b>5</b>		

The initial target group was a group of 10 'at risk' students scoring Stanines 1 – 4 on the CAP assessment. As the table clearly shows a significant upward shift has been made with the target students, with 5 students lifting to Stanines 5 or above. There remains a group of 5 students who are still identified as 'at risk'. Of these 'at risk' students, 2 are girls and 3 are boys, with one boy being Maori. These students will need to be monitored in an ongoing way next year, with further targeted intervention as necessary.

### **Where to next?**

Work will need to be continued on this. An active read to programme will be set up with Buddies from further up the school. The school will continue to fund HPP.

## **Annual Report**

## **Student Achievement Target C**

**Ensure high levels of Literacy and Mathematics across the school**

**Annual Target:** Raise the achievement on STAR by one stanine for a group of Year 8 target students identified as stanine 3 or 4 in 2019 PAT comprehension data.



### **Why this target?**

Decoding skills in this cohort are strong. 90% of students at/above reading level. However, the trial of a new benchmark assessment indicated that children's comprehension strategies have gaps.

### **What did we do?**

Both teachers of Year 8 children had children who scored staine 3 or 4 in Oct 2019 PAT reading comprehension assessment. These formed their target groups. Targeted children were assessed in March using the new Benchmark tool to identify gaps in strategies and were retested in Oct. Teachers specifically taught comprehension strategies and encouraged the use of digital technology to produce evidence of understanding of written texts. Lockdown made the use of digital technology compulsory. Unfortunately not all the children in the target groups were able to engage. Regular discussions at SAP meetings to monitor target students and share ideas for what was working took place. Three teachers within the school including the Year 8 teachers took place in an ALL intervention. Because of lockdown the PD around this project was not delivered in the manner it was supposed to be but online contact with tutors ensured it went ahead in a managed manner. Teachers observed each others practice and the UC+ tutor also came to observe and give more ideas. TA assistance was funded by the Board for 2 hours per week per room to assist with children's follow up. Maori children were be monitored

### **How did we resource it?**

Money was budgeted for TA support and PD

### **What did we achieve? Analysis of variance.**

#### **Progress and Achievement Test (PAT): Reading Comprehension**

The Year 8 cohort was targeted with a focus on students scoring Stanines 3 or 4 - below average in the PAT Reading Comprehension test. The baseline data was collected in Term 4 2019 and the test was conducted again in Term 4 2020 to measure achievement gains.

<b>Year 8 Target Student Data</b>				
<b>Baseline data (Nov, 2019)</b>		<b>Term 4 data collection (Nov, 2020)</b>		
<b>PAT Stanine Score</b>	<b>No of students</b>	<b>No of students</b>	<b>Gender</b>	<b>Ethnicity</b>
<b>Stanine 1</b>				

	<b>Stanine 2</b>				
<b>Target students</b>	<b>Stanine 3</b>	3	2	1 boy 1 girl	2 NZ Euro.
	<b>Stanine 4</b>	9	8	3 boys	2 NZ Euro. 1 Other
				5 girls	2 NZ Euro. 3 Maori
	<b>Stanine 5</b>		2		
	<b>Stanine 6</b>				
	<b>Stanine 7</b>				
	<b>Stanine 8</b>				
	<b>Stanine 9</b>				
	<b>Target students Total</b>	<b>12</b>	<b>10</b>		

The initial target group was a group of 13 'of concern' students scoring Stanines 3 – 4 on the PAT assessment in November 2019. However, 1 student has since left the school.

As the table shows, an upward shift has been made with these target students, with 3 students lifting one stanine level. One student moved from a Stanine 3 to a Stanine 4, and 2 students moved from a Stanine 4 to a Stanine 5. The other students remained at the same stanine score when reassessed.

### **Where to next?**

Staff will continue to run an All type programme for struggling readers. Those involved this year will share/mentor other staff. The use of the new benchmark tools for the higher level readers highlighted areas that will continue to be addressed in the future.

## **Annual Report                  Student Achievement Target B**

### **Ensure high levels of Literacy and Mathematics across the school**

**Annual Target:** Raise the achievement on STAR by one stanine ( with a focus on vocab range and sentence comprehension.) for a group of Year 4 target students scoring stainine 3 or 4 in 2019 PAT reading comprehension data.

### **Why this target?**

For this identified group there was significant summer slide identified in STAR data –end of 2019 beginning of 2020. Several of these children have participated in tier 2 interventions such as reading recovery, ALL writing programme or Buddy writing in 2018-2019 but would benefit from ongoing intervention to reinforcement to be stable in the average range

### **What did we do?**

Initial Data gathered in March and retesting was completed in Sept using the STAR assessment tool. Several staff attended some reading PD in Nelson – a course that was to be done during level 3 and was put off till the beginning of term4. Staff will specifically taught comprehension strategies and developed vocab using strategies learned from both the oral language PD from two years ago and the ALL writing intervention from 2019. ALL reading intervention/strategies were used with this specific group and the teacher was involved in the ALL PD for reading offered this year. Regular discussions at SAP meetings to monitored target students. Because of lockdown the PD around this project was not delivered in the manner it was supposed to be but online contact with tutors ensured it went ahead in a managed manner. Teachers observed each other's practice and the UC+ tutor also came to observe and give more ideas. TA assistance was funded by the Board for 2 hours per week per room to assist with children's follow up. Maori children were be monitored.

### **How did we resource it?**

Money was budgeted for TA's. Resources were bought, as necessary.

### **What did we achieve? Analysis of variance.**

#### **Supplementary Test of Achievement in Reading (STAR)**

The Year 4 cohort was targeted with a focus on students scoring Stanines 3 or 4 - below average in the STAR test. The baseline data was collected in Term 1 and the test was conducted again in Term 4 to measure achievement gains.

<b>Year 4 Target Student Data</b>					
	<b>Baseline data (Term 1, 2020)</b>		<b>Term 4 data collection ( 2020)</b>		
	<b>STAR Stanine Scores</b>	<b>No of students</b>	<b>No of students</b>	<b>Gender</b>	<b>Ethnicity</b>
	<b>Stanine 1</b>				
	<b>Stanine 2</b>				
<b>Targ et</b>	<b>Stanine 3</b>	4	0		

<b>stud ents</b>	<b>Stanine 4</b>	2	1	1 boy	NZ Euro.
	<b>Stanine 5</b>		2		
	<b>Stanine 6</b>		2		
	<b>Stanine 7</b>		1		
	<b>Stanine 8</b>				
	<b>Stanine 9</b>				
	<b>Target students Total</b>	<b>6</b>	<b>1</b>		

The initial target group was a group of 6 'of concern' students scoring Stanines 3 – 4 on the STAR assessment. As the table clearly shows a significant upward shift has been made with the target students, with 5 students lifting to Stanines 5 or above. There remains 1 student who is still identified as 'of concern' - a boy of NZ European descent. This student will need to be monitored next year, with further targeted intervention as necessary.

### **Where to next?**

Staff will continue to run an All type programme for struggling readers. Those involved this year will share/mentor other staff. The use of the new benchmark tools for the higher level readers highlighted areas that will continue to be addressed in the future.

**KIWI SPORTS FUNDING—\$4112**

Funding was used to give the children an extra week swimming in the town pool. The school continues to be a member of the Canterbury sports Assn and gave 3 students opportunity to do cross country at a higher level.

The school subsidized sports fees this year in an effort to keep children involved in sport out of school.

Equipment	\$ 300.00
Swimming	\$1750.00
Membership Subsidies	\$ 350.00
Tasman Golf in schools	\$ 124.00
Top Team	\$ 800.00
Transportation to swimming	\$ 550.00 subsidized parents
CHCH transport, accom	\$ 200.00 subsidized parents

The school took advantage of the Rugby, Cricket, Basketball, Hockey Development Officers to take skills with all classes.

With Covid robbing sport times during the year limited seasons were held for Miniball, Basketball, Netball, Hockey. Teams were organized through the school and several membership fees were subsidized by the school to enable children to participate. Equipment and uniforms were provided by the school for these sports.

## INDEPENDENT AUDITOR'S REPORT

### TO THE READERS OF WESTPORT SOUTH SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

The Auditor-General is the auditor of Westport South School (the School). The Auditor-General has appointed me, Warren Johnstone, using the staff and resources of BDO Christchurch, 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 2020, 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 2020; and
  - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Sector Public Benefit Entity Standards Reduced Disclosure Regime as applicable to entities that qualify as tier 2.

Our audit was completed on 16 November 2021. This is the date at which our opinion is expressed.

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

#### Basis for our opinion

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

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

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

#### Responsibilities of the Board for the financial statements

The Board is responsible on behalf of the school for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand. The Board of Trustees is responsible for such internal control as it determines is necessary to enable it to prepare financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board is responsible on behalf of the school for assessing the school's ability to continue as a going concern. The Board is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to close or merge the School, or there is no realistic alternative but to do so.

The Board's responsibilities, in terms of the requirements of the Education and Training Act 2020, arise from section 87 of 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.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the School to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- We assess the risk of material misstatement arising from the 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 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 is responsible for the other information. The other information comprises the information included on pages 21 onwards but does not include the financial statements, and our auditor's report thereon.

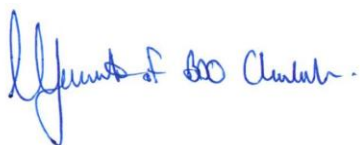
Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

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

### Independence

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

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



Warren Johnstone  
BDO Christchurch  
On behalf of the Auditor-General  
Christchurch, New Zealand