



ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

Ministry Number:	2112
Principal:	Matt Gollins
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BARTON RURAL SCHOOL

Annual Report - For the year ended 31 December 2019

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Barton Rural 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 reflect the financial position and operations of the school.

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

KATE JOHNSON

Full Name of Board Chairperson



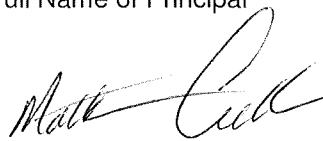
Signature of Board Chairperson

26/5/21

Date:

MATTHEW GOLLINS

Full Name of Principal



Signature of Principal

26/5/21

Date:

Barton Rural School

Members of the Board of Trustees

For the year ended 31 December 2019

Name	Position	How Position Gained	Held Until
Suzanne Talbot	Chairperson	Elected Member	2022
Deanna Maclean	Deputy Chairperson	Elected Member	2022
Ruth Allington	Treasurer	Elected Member	2019
Jackie Grigsby	Parent Rep	Elected Member	2019
Darren Ladbrook	Parent Rep	Elected Member	2022
Libby Benson	Staff Rep	Elected	2022
Paul Robinson	Parent Rep	Elected	2022
Matt Gollins	Principal	ex Officio	

Barton Rural 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	1,235,076	1,116,194	1,140,485
Locally Raised Funds	3	112,373	19,800	70,520
Interest Income		5,750	4,200	5,686
		<u>1,353,199</u>	<u>1,140,194</u>	<u>1,216,691</u>
Expenses				
Locally Raised Funds	3	46,301	1,200	50,357
Learning Resources	4	841,324	772,670	781,950
Administration	5	57,036	70,300	63,868
Finance Costs		1,311	-	1,935
Property	6	307,860	303,264	320,576
Depreciation	7	29,852	25,000	27,683
Loss on Disposal of Property, Plant and Equipment		2,145	-	2,200
		<u>1,285,829</u>	<u>1,172,434</u>	<u>1,248,569</u>
Net Surplus / (Deficit)		67,370	(32,240)	(31,878)
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>67,370</u>	<u>(32,240)</u>	<u>(31,878)</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.



Barton Rural School
Statement of Changes in Net Assets/Equity

For the year ended 31 December 2019

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Balance at 1 January	291,595	291,595	323,473
Total comprehensive revenue and expense for the year	67,370	(32,240)	(31,878)
Equity at 31 December	358,965	259,355	291,595
Retained Earnings	358,965	259,355	291,595
Equity at 31 December	358,965	259,355	291,595

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.



Barton Rural School

Statement of Financial Position

As at 31 December 2019

	Notes	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Current Assets				
Cash and Cash Equivalents	8	144,622	45,631	52,871
Accounts Receivable	9	54,131	38,204	38,204
Prepayments		4,498	7,251	7,251
Inventories	10	152	-	-
Investments	11	149,879	119,139	119,139
		<u>353,282</u>	<u>210,225</u>	<u>217,465</u>
Current Liabilities				
GST Payable		9,957	6,182	6,182
Accounts Payable	13	92,044	67,304	67,304
Revenue Received in Advance	14	1,260	1,313	1,313
Provision for Cyclical Maintenance	15	10,873	11,700	11,700
Finance Lease Liability - Current Portion	16	5,029	7,506	7,506
Funds held for Capital Works Projects	17	45,884	-	-
		<u>165,047</u>	<u>94,005</u>	<u>94,005</u>
Working Capital Surplus/(Deficit)		188,235	116,220	123,460
Non-current Assets				
Property, Plant and Equipment	12	251,043	216,577	241,577
		<u>251,043</u>	<u>216,577</u>	<u>241,577</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	15	74,033	62,132	62,132
Finance Lease Liability	16	6,280	11,310	11,310
		<u>80,313</u>	<u>73,442</u>	<u>73,442</u>
Net Assets		<u>358,965</u>	<u>259,355</u>	<u>291,595</u>
Equity		<u>358,965</u>	<u>259,355</u>	<u>291,595</u>

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



Barton Rural 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		246,454	237,573	236,961
Locally Raised Funds		109,796	19,800	70,456
Goods and Services Tax (net)		3,775	-	(1,323)
Payments to Employees		(109,785)	(138,113)	(142,114)
Payments to Suppliers		(126,497)	(125,700)	(148,429)
Cyclical Maintenance payments in the Year		(2,000)	(5,000)	-
Interest Received		5,145	4,200	6,198
Net cash from / (to) the Operating Activities		126,888	(7,240)	21,749
Cash flows from Investing Activities				
Proceeds from Sale of PPE (and Intangibles)		(2,145)	-	-
Purchase of PPE (and Intangibles)		(39,318)	-	(34,928)
Purchase of Investments		(30,740)	-	45,642
Net cash from the Investing Activities		(72,203)	-	10,714
Cash flows from Financing Activities				
Finance Lease Payments		(8,818)	-	12,268
Funds held for Capital Works Projects		45,884	-	(5,431)
Net cash from Financing Activities		37,066	-	6,837
Net increase/(decrease) in cash and cash equivalents		91,751	(7,240)	39,300
Cash and cash equivalents at the beginning of the year	8	52,871	52,871	13,571
Cash and cash equivalents at the end of the year	8	144,622	45,631	52,871

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 omitted.

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



Barton Rural School

Notes to the Financial Statements

1. Statement of Accounting Policies

For the year ended 31 December 2019

1.1. Reporting Entity

Barton Rural 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.

1.2. Basis of Preparation

Reporting Period

The financial reports have been prepared for the period 1 January 2019 to 31 December 2019 and in accordance with the requirements of the Public Finance Act 1989.

Basis of Preparation

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

Financial Reporting Standards Applied

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

Standard early adopted

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

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

Useful lives of property, plant and equipment

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



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 15.

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.

1.3. Revenue Recognition

Government Grants

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

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

Teachers salaries grants are recorded as revenue when the School has the rights to the funding in the salary period 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.

1.4. 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.

1.5. Operating Lease Payments

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

1.6. Finance Lease Payments

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



1.7. Cash and Cash Equivalents

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

1.8. 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.

1.9. Inventories

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

1.10. 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.

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

1.11. 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 Review and Expense, except for sets of like items where the collective worth exceeds \$500.

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



Finance Leases

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

Depreciation

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

The estimated useful lives of the assets are:

Building & improvements – Crown	10 - 40 years
Furniture and equipment	3 - 10 years
Information and communication technology	3 - 5 years
Motor vehicles	5 years
Leased assets held under a Finance Lease	3 - 5 years
Library resources	12.5% Diminishing value

1.12. 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.

1.13. Accounts Payable

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

1.14. Employment Entitlements

Short-term employee entitlements

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

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

Long-term employee entitlements

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

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

1.15. Revenue Received in Advance

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

1.16. 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.

1.17. 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 Comprehensive Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose.

1.18. 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).

1.19. 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, and finance lease liability. All of these financial liabilities are categorised as "financial liabilities measured at amortised cost" for accounting purposes in accordance with financial reporting standards.

1.20. Goods and Services Tax (GST)

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

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

Commitments and contingencies are disclosed exclusive of GST.

1.21. Budget Figures

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

1.22. 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	242,493	241,010	230,277
Teachers' salaries grants	754,259	643,270	669,087
Use of Land and Buildings grants	230,926	231,914	234,437
Other MoE Grants	7,398	-	6,684
	<u>1,235,076</u>	<u>1,116,194</u>	<u>1,140,485</u>

3. Locally Raised Funds

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

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Revenue			
Donations	34,417	10,000	29,088
Fundraising	9,043	4,500	4,486
Bequests & Grants	15,969	1,500	1,705
Other revenue	10,870	-	930
Trading	4,379	1,500	1,368
Activities	37,695	2,300	32,943
	<u>112,373</u>	<u>19,800</u>	<u>70,520</u>
Expenses			
Activities	37,491	700	34,610
Trading	1,524	-	1,322
Fundraising (costs of raising funds)	7,286	-	14,425
Other Expenses	-	500	-
	<u>46,301</u>	<u>1,200</u>	<u>50,357</u>
<i>Surplus for the year Locally raised funds</i>	<u>66,072</u>	<u>18,600</u>	<u>20,163</u>

4. Learning Resources

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Curricular	25,086	31,250	21,643
Equipment repairs	1,872	2,100	670
Information and communication technology	274	2,500	722
Library resources	700	2,850	382
Employee benefits - salaries	810,055	726,270	755,770
Staff development	3,337	7,700	2,763
	<u>841,324</u>	<u>772,670</u>	<u>781,950</u>

5. Administration

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Audit Fee	3,270	3,500	3,184
Board of Trustees Fees	4,090	5,500	4,285
Board of Trustees Expenses	1,866	1,000	620
Communication	1,535	1,500	1,527
Consumables	14,275	18,750	13,432
Legal Fees	-	-	5,236
Other	40	-	-
Employee Benefits - Salaries	24,855	30,550	28,015
Insurance	2,921	4,000	2,952
Service Providers, Contractors and Consultancy	4,184	5,500	4,617
	<u>57,036</u>	<u>70,300</u>	<u>63,868</u>

6. Property

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Caretaking and Cleaning Consumables	1,350	3,000	2,446
Consultancy and Contract Services	2,980	2,100	1,634
Cyclical Maintenance Provision	13,074	5,000	14,985
Grounds	11,983	11,750	10,602
Heat, Light and Water	13,978	12,000	12,888
Rates	2,751	3,000	2,613
Repairs and Maintenance	6,208	6,500	11,725
Use of Land and Buildings	230,926	231,914	234,437
Employee Benefits - Salaries	24,610	28,000	29,246
	<u>307,860</u>	<u>303,264</u>	<u>320,576</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 of Property, Plant and Equipment

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Building Improvements	5,083	3,000	5,082
Furniture and Equipment	5,996	4,000	5,472
Information and Communication Technology	9,712	9,000	3,122
Leased Assets	7,029	7,000	11,559
Library Resources	2,032	2,000	2,448
	<u>29,852</u>	<u>25,000</u>	<u>27,683</u>

8. Cash and Cash Equivalents

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Bank Current Account	122,582	45,631	44,269
Bank Call Account	22,040	-	8,602
Net cash and cash equivalents and bank overdraft for Cash Flow Statement	<u>144,622</u>	<u>45,631</u>	<u>52,871</u>

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

Of the \$144,622 Cash and Cash Equivalents, \$45,884 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.

9. Accounts Receivable

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Receivables	2,524	-	-
Interest Receivable	1,657	1,052	1,052
Teacher Salaries Grant Receivable	49,950	37,152	37,152
	<u>54,131</u>	<u>38,204</u>	<u>38,204</u>
Receivables from Exchange Transactions	4,181	1,052	1,052
Receivables from Non-Exchange Transactions	49,950	37,152	37,152
	<u>54,131</u>	<u>38,204</u>	<u>38,204</u>



10. Inventories

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Stationery	152	-	-
	<u>152</u>	<u>-</u>	<u>-</u>

11. Investments

The School's investment activities are classified as follows:

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Current Asset			
Short-term Bank Deposits	149,879	119,139	119,139
Total Investments	<u>149,879</u>	<u>119,139</u>	<u>119,139</u>

12. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2019						
Building Improvements	173,128	-	-	-	(5,083)	168,045
Furniture and Equipment	23,366	8,827	-	-	(5,996)	26,197
Information and Communication	9,200	31,360	-	-	(9,712)	30,848
Leased Assets	18,755	-	-	-	(7,029)	11,726
Library Resources	17,128	1,276	(2,145)	-	(2,032)	14,227
Balance at 31 December 2019	<u>241,577</u>	<u>41,463</u>	<u>(2,145)</u>	<u>-</u>	<u>(29,852)</u>	<u>251,043</u>

	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
2019			
Building Improvements	250,877	(82,832)	168,045
Furniture and Equipment	219,116	(192,919)	26,197
Information and Communication	172,222	(141,374)	30,848
Leased Assets	28,081	(16,355)	11,726
Library Resources	36,377	(22,150)	14,227
Balance at 31 December 2019	<u>706,673</u>	<u>(455,630)</u>	<u>251,043</u>

The net carrying value of equipment held under a finance lease is \$11,726 (2018: \$18,755)

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2018						
Building Improvements	178,210	-	-	-	(5,082)	173,128
Furniture and Equipment	25,286	3,552	-	-	(5,472)	23,366
Information and Communication	5,562	6,760	-	-	(3,122)	9,200
Leased Assets	19,367	17,454	(6,507)	-	(11,559)	18,755
Library Resources	18,244	3,532	(2,200)	-	(2,448)	17,128
Balance at 31 December 2018	<u>246,669</u>	<u>31,298</u>	<u>(8,707)</u>	<u>-</u>	<u>(27,683)</u>	<u>241,577</u>

	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
2018			
Building Improvements	250,877	(77,749)	173,128
Furniture and Equipment	210,289	(186,923)	23,366
Information and Communication	140,862	(131,662)	9,200
Leased Assets	28,081	(9,326)	18,755
Library Resources	40,126	(22,998)	17,128
Balance at 31 December 2018	<u>670,235</u>	<u>(428,658)</u>	<u>241,577</u>



13. Accounts Payable

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Operating creditors	36,400	16,606	16,606
Accruals	3,771	3,662	3,662
Banking staffing overuse	-	3,437	3,437
Employee Entitlements - salaries	49,950	37,152	37,152
Employee Entitlements - leave accrual	1,923	6,447	6,447
	<u>92,044</u>	<u>67,304</u>	<u>67,304</u>
Payables for Exchange Transactions	92,044	67,304	67,304
	<u>92,044</u>	<u>67,304</u>	<u>67,304</u>

The carrying value of payables approximates their fair value.

14. Revenue Received in Advance

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Other	1,260	1,313	1,313
	<u>1,260</u>	<u>1,313</u>	<u>1,313</u>

15. Provision for Cyclical Maintenance

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Provision at the Start of the Year	73,832	73,832	58,847
Increase/ (decrease) to the Provision During the Year	13,074	-	14,985
Use of the Provision During the Year	(2,000)	-	-
Provision at the End of the Year	<u>84,906</u>	<u>73,832</u>	<u>73,832</u>
Cyclical Maintenance - Current	10,873	11,700	11,700
Cyclical Maintenance - Term	74,033	62,132	62,132
	<u>84,906</u>	<u>73,832</u>	<u>73,832</u>

16. Finance Lease Liability

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

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
No Later than One Year	5,732	8,817	8,817
Later than One Year and no Later than Five Years	6,664	12,396	12,396
	<u>12,396</u>	<u>21,213</u>	<u>21,213</u>



17. Funds Held for Capital Works

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 Contribution	Closing Balances
		\$	\$	\$		\$
3 & 12 ILE Classroom Modification	In Progress	-	69,954	24,070	-	45,884
Sewerage System	Completed	-	7,800	7,800	-	-
Re-roof	Completed	-	38,694	38,694	-	-
Totals		-	116,448	70,564	-	45,884

Represented by:

Funds Held on Behalf of the Ministry of Education	45,884
	<u>45,884</u>

2018		Opening Balances	Receipts from MoE	Payments	BOT Contribution	Closing Balances
		\$	\$	\$		\$
Block 1 Alterations	Completed	5,431	-	4,532	(899)	-
Totals		5,431	-	4,532	(899)	-

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, and Deputy Principal.

	2019 Actual	2018 Actual
	\$	\$
<i>Board Members</i>		
Remuneration	4,090	4,285
Full-time equivalent members	0.07	0.21
<i>Leadership Team</i>		
Remuneration	213,580	245,175
Full-time equivalent members	2.00	3.00
Total key management personnel remuneration	<u>217,670</u>	<u>249,460</u>
Total full-time equivalent personnel	<u>2.07</u>	<u>3.21</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	160 - 170
Benefits and Other Emoluments	3 - 4	1 - 5
Termination Benefits	0 - 0	0 - 0

Other Employees

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

Remuneration \$000	2019 FTE Number	2018 FTE Number
100 -110	-	-
	-	-

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 not entered into any contract agreements for capital works.

(Capital commitments at 31 December 2018: nil)

(b) Operating Commitments

As at 31 December 2019 the Board has not entered into any operating contracts.

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

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Cash and Cash Equivalents	144,622	45,631	52,871
Receivables	54,131	38,204	38,204
Investments - Term Deposits	149,879	119,139	119,139
Total Financial assets measured at amortised cost	<u>348,632</u>	<u>202,974</u>	<u>210,214</u>

Financial liabilities measured at amortised cost

Payables	92,044	67,304	67,304
Finance Leases	11,309	18,816	18,816
Total Financial liabilities measured at amortised Cost	<u>103,353</u>	<u>86,120</u>	<u>86,120</u>

25. Events After Balance Date

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

26. Impact from COVID-19

On the 11th March 2020, the World Health Organisation declared the outbreak of COVID-19 (a novel Coronavirus) a pandemic. Two weeks later, on the 26th 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 is open for tuition, the school has switched to alternative methods of delivering the curriculum, so students can learn remotely.

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

27. Comparatives

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

28. Adoption of PBE IFRS 9 Financial Instruments

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

- Note 8 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 9 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.

29. Breach of Deadline

The Board of Trustees did not comply with section 87C of the Education Act 1989 in that the Board did not report by 31 May 2020, the date fixed by the Ministry of Education, by which schools were required to have sent their financial statements to the Ministry of Education. The delay was due to a nationwide lockdown commencing on 26 March 2020 after the World Health Organisation declared the outbreak of COVID-19 (a novel Coronavirus) a pandemic.



School Name:	Barton Rural School	School Number:	2112
Strategic Aim:	<ol style="list-style-type: none"> 1. Ensuring that each and every one of us recognises and reaches their potential <ol style="list-style-type: none"> a. To ensure that all students are reading to meet their potential 2. Ensuring that each and every one of us recognises and reaches their potential <ol style="list-style-type: none"> a. To improve the Maths attainment of our senior students 3. Ensuring that each and every one of us recognises and reaches their potential <ol style="list-style-type: none"> a. To ensure the wellbeing of students is paramount in all interactions 		
Annual Aim:	<ol style="list-style-type: none"> 1. The selected group will increase their reading age to be at or above B.A. 2. The selected group will increase their maths to be (well) above the BA 3. To have in place a rigorous and appropriate well-being program for all BRS. 		
Target 1:	<p>Strategic Aim:</p> <ol style="list-style-type: none"> 1. Ensuring that each and every one of us recognises and reaches their potential <ol style="list-style-type: none"> a. To ensure that all students are reading to meet their potential <p>Annual Goal 1: The selected group will increase their reading age to be at or above B.A.</p>		
Baseline Data:			

Tātaritanga raraunga

Baseline data and Annual Target 1: The 8 year 2 and 3 students who have been identified as not meeting the BA will have a targeted reading program

Attainment	2018	2019 (Feb)	2019 (Dec)
Below BA	7	8	2
At BA	1	0	6
Above BA	0	0	0

Where are we now? The data below indicates that we have a large group of students (3 Girls & 5 Boys) who have been at school for 1 -2 years and who are achieving below the levels expected at BRS.

Attainment Dec 2018	Year 1 Students	Year 2 Students	Year 3 Students	Year 4 Students	Year 5 Students	Year 6 Students	Year 7 Students	Year 8 Students
Below BA	5 (31%)	6 (20%)	2 (9%)	0	2 (10%)	0	1 (7%)	0
At BA	6 (38%)	4 (13%)	8 (35%)	10 (56%)	9 (47%)	11 (58%)	6 (46%)	5 (50%)
Above BA	5 (31%)	20 (67%)	13 (57%)	8 (44%)	8 (42%)	8 (42%)	7 (54%)	5 (50%)

Tātaritanga raraunga

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>
<p>1. The selected group will increase their reading age to be at or above B.A.</p>			
What did we do? Spelling PD - Term 1	What happened? A PD in sharing best practice and excellent examples of spelling programs that can be incorporated into classroom programs.	Why did it happen? With an experienced staff this is a great way to be able share good practice	Where to next? Using regular PLD meetings continue to share 'what is working well' examples and to continue to develop a spelling program that compliments the reading program to allow for not only the targeted students but also all students.
Junior syndicate Literacy PD with Liz Kane	All our Junior syndicate attended the Liz Kane PD and post PD have now altered their reading programs	The teachers were very impressed with the format of the program and felt that there is a real benefit for the readers indicated and their fellow peers to	The senior syndicate teaching staff and teaching assistants will attend the PD in February 2020 to ensure that all staff are working together and teaching the same program.
Reading Recovery for those students who are deemed as needing intervention and who are deemed eligible.	The allocated students in Reading Recovery made good gains and exited having gained many levels	Explicit teaching through the Reading Recovery format	Continuation of Reading Recovery within the parameters that are set by the Ministry. Teacher Aide support for those who are exited from the program to allow for a reintegration into the class reading program. Monitoring of exited students from Reading Recovery.
Learning Support	We gathered the data to indicate needs and then allocated Teacher Aide time to assist with individual goals.	A clear and measurable need was isolated and a program designed to address the need.	Regular and constant monitoring of reading progressions. Realising that some learners will need ongoing additional support to ensure success
Term 3 follow-up PLD on E-asTTle results pin-pointing areas of strength, weakness and gains in the results.	Using the E-asTTle data as a staff trends were pin-pointed and from there alterations in planning were created.	Not only are we looking for trends in young students it is important to focus on trends as students get older and have created their habits.	Annually look at the E-asTTle results and continue to find trends in the way in which our students are reading. Focusing on the improvements and the errors that they have.
Target 2:	Strategic Aim: <ol style="list-style-type: none"> 2. Ensuring that each and every one of us recognises and reaches their potential <ol style="list-style-type: none"> a. To improve the Maths attainment of our senior students 		

Annual Goal 2: The selected group will increase their maths to be (well) above the BA

Baseline Data:

Baseline data and Annual Target:

Attainment	2018	2019 (Mar)	2019 (Dec)
Below BA	3	2	1
At BA	21	19	15
Above BA	10	13	17

Where are we now? The data below indicates that although our Year 6 & 7 students (2018) are achieving at BA there is a larger proportion (when compared to the rest of the BRS range) could (or should) be achieving above the BA. These are the students who we are wanting to target.

Attainment Dec 2018	Year 1 Students	Year 2 Students	Year 3 Students	Year 4 Students	Year 5 Students	Year 6 Students	Year 7 Students	Year 8 Students
Below BA	1 (6%)	1 (3%)	1 (4%)	0	1 (5%)	1 (5%)	2 (8%)	0
At BA	11 (69%)	22 (73%)	21 (91%)	9 (50%)	8 (42%)	12 (62%)	9 (64%)	9 (81%)
Above BA	5 (31%)	7 (23%)	2 (8%)	9 (50%)	10 (52%)	7 (36%)	3 (24%)	2 (18%)

Actions
What did we do?

Outcomes
What happened?

Reasons for the variance
Why did it happen?

Evaluation
Where to next?

Tātaritanga raraunga

MG - Dedicated Maths group Inquiry	Daily dedicated maths group that was run as an extension program using an inquiry based model. This allowed for the group to engage in a deeper style of learning.	Due to the smaller group the learning was more individualised for the students involved. Within the inquiry students were able to select their area of inquiry.	Continuation of the Maths group with another selected group. Rich open ended Maths tasks that incorporate many subject areas
Smaller Maths groups in class where the classroom teacher is working with focused students	Student results improved	Due to having smaller numbers of groups and smaller groups this allowed for greater adaptation and differentiation within the teaching leading to greater success for all.	Careful planning for groupings so that numbers are kept appropriate. Groups are carefully thought through to allow groupings based on flexibility eg. gender, interest and at times ability
Specific TA time to focus on Maths groups	Maths groups were planned with specific thoughts towards how to use our TA time most effectively	The TA was able to be organised with work, questions and extra activities where needed. They were able to facilitate better relationships which had a knock on effect to better outcomes	Continuation with specific planning so that TA's are organised and prepared for the lessons. Classroom teachers regularly position themselves with the targeted group in Maths rotations - ie the 'most qualified person' working with the students with the targeted needs.
Target 3:	<p>Strategic Aim:</p> <p>3. Ensuring that each and every one of us recognises and reaches their potential</p> <p>a. To ensure the wellbeing of students is paramount in all interactions</p> <p>Annual Goal 3: To have in place a rigorous and appropriate well-being program for all BRS.</p>		
Baseline Data:			
Name of Kura	What are the biggest concerns in this area, in your opinion?	Which group is most affected by this?	What evidence led you to this conclusion?

Tātaritanga raraunga

BRS	<p>'Readiness' for school & formal learning Poor Oral Language</p> <p>Poor resilience of some students Social skills, being able to read situations</p>	<p>Boys NE/Yr 1</p> <p>Many over the grade levels</p>	<p>Response to/success with play based learning for NE/Yr 1 Communication, lack of progress with early reading - no structure/patterns to speech. NE observations/Running Records. SLT Support Often seeing 'Helicopter parents' with students not dealing with appropriate change The lack of some peer relationships</p>
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	Year 2 students				Year 4 students					Year 6 students					Year 8 students				
	Beg Level 1	Mid Level 1	End Level 1	Level 2+	Below Level 2	Beg Level 2	Mid Level 2	End Level 2	Level 3+	Below Level 3	Beg Level 3	Mid Level 3	End Level 3	Level 4+	Below Level 4	Beg Level 4	Mid Level 4	End Level 4	Level 5+
BRS	3	20	40	37	0	24	29	24	24	11	21	37	16	16	0	9	9	18	64

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>
All year (3 x week) Perceptual Motor Skills program for those with poor motor control	Time spent by identified children in the Motor Skills program. Increased competence, increased skills in a range of physical tasks.	Well established practices/habits. Lack of practice outside school.	Continued program in 2020. Senior and Middle Teams adopting aspects in class PE/Fitness programs. Continued contact with Whanau. Time spent with Occupational Therapist to grow staff skills and Knowledge.
Survey during term 1 of student attitudes to well-being	Survey results analysed and addresses in PLD. From there school wide actions were designed	These results were from the whole school and they gave a 'true' indication of the thoughts of our student population.	Deliberate 'double acts' from HEART values, token awarded and celebrated during whole school assemblies
Compassionate conversations PLD	Implementation of specific teaching within Topic on 'Zones of Regulation' Children identifying behaviours, emotions. Increase in self managing of emotions.	Varying situations applying skills to creating and/or naturally occurring opportunities to practice	Part of T1 2020 programming for Class Culture development. Establishing points of references for new learning environments. Ongoing PLD through Kahui Ako participation.

Tātaritanga raraunga

Planning for next year:			
<p>The motor skills program to continue to be developed in conjunction with Occupational Therapist</p> <p>Literacy program development in line with the principles that are outlined with Liz Kane and her evidence based research</p> <p>The Social skills and motor skills program to continue to be evaluated and refined to match the needs of our student body</p>			



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KiwiSport

**During 2019 the school received total KiwiSport funding of
\$2321.14 (incl GST)**

The funding was spent on:

Top Teams

Tennis Coaching

Basketball Equipment

Rippa Rugby Equipment

Netball Equipment

PALS

INDEPENDENT AUDITOR'S REPORT**TO THE READERS OF BARTON RURAL SCHOOL'S FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

The Auditor-General is the auditor of Barton Rural School (the School). The Auditor-General has appointed me, Andrew Hastie, using the staff and resources of Nexia Audit 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 3 to 18, 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 26 May 2021. This is the date at which our opinion is expressed.

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

Emphasis of Matter – COVID-19

Without modifying our opinion, we draw attention to the disclosures in note 26 on page 18 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 information included on pages 19 to 26 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.



Jane Jackman

Nexia Audit Christchurch
On behalf of the Auditor-General
Christchurch, New Zealand