



ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

School Directory

Ministry Number:	2112
Principal:	Matt Gollins
School Address:	Fairview Road, Fairview, Timaru
School Postal Address:	Fairview Road, RD 2, Timaru, 7972
School Phone:	03 688 4709
School Email:	office@bartonrural.school.nz

BARTON RURAL SCHOOL

Annual Report - For the year ended 31 December 2020

Index

Page	Statement
	Financial Statements
1	Statement of Responsibility
2	Board of Trustees
3	Statement of Comprehensive Revenue and Expense
4	Statement of Changes in Net Assets/Equity
5	Statement of Financial Position
6	Statement of Cash Flows
7 - 18	Notes to the Financial Statements
	Other Information
	Analysis of Variance
	Kiwisport
	Auditor's Report

Barton Rural 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.

KATE JOHNSON

Full Name of Board Chairperson

MATTHEW GOCCINS

Full Name of Principal

[Signature]

Signature of Board Chairperson

[Signature]

Signature of Principal

20-5-21

Date:

26/5/21

Date:

Barton Rural School

Members of the Board of Trustees

For the year ended 31 December 2020

Name	Position	How Position Gained	Held Until
Kate Johnson	Chairperson	Elected	May 2022
Matt Gollins	Principal	ex Officio	
Paul Robinson	Deputy Chairperson	Elected	May 2022
Ross Brown	Parent Rep	Elected	May 2022
Deanna Maclean	Parent Rep	Elected	May 2022
Darren Ladbrook	Parent Rep	Elected	May 2022
Libby Benson	Staff Rep	Elected	May 2022
In Attendance			
Tania Jeffery	Minute Secretary		

Barton Rural School
Statement of Comprehensive Revenue and Expense
For the year ended 31 December 2020

	Notes	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Revenue				
Government Grants	2	1,290,404	1,119,719	1,235,076
Locally Raised Funds	3	67,686	16,557	112,373
Interest Income		3,926	4,200	5,750
		<u>1,362,016</u>	<u>1,140,476</u>	<u>1,353,199</u>
Expenses				
Locally Raised Funds	3	40,388	700	46,301
Learning Resources	4	898,486	769,150	841,324
Administration	5	60,233	70,600	57,036
Finance		1,210	-	1,311
Property	6	321,651	316,464	307,860
Depreciation	7	32,656	25,000	29,852
Loss on Disposal of Property, Plant and Equipment		2,709	-	2,145
		<u>1,357,333</u>	<u>1,181,914</u>	<u>1,285,829</u>
Net Surplus / (Deficit) for the year		4,683	(41,438)	67,370
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u><u>4,683</u></u>	<u><u>(41,438)</u></u>	<u><u>67,370</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.



Barton Rural School
Statement of Changes in Net Assets/Equity

For the year ended 31 December 2020

	Notes	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Balance at 1 January		358,965	358,965	291,595
Total comprehensive revenue and expense for the year		4,683	(41,438)	67,370
Equity at 31 December	23	363,648	317,527	358,965
Retained Earnings		363,648	317,527	358,965
Equity at 31 December		363,648	317,527	358,965

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 2020

	Notes	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Current Assets				
Cash and Cash Equivalents	8	121,570	128,184	144,622
Accounts Receivable	9	61,277	54,131	54,131
Prepayments		5,898	4,498	4,498
Inventories	10	339	152	152
Investments	11	153,200	149,879	149,879
Funds owing for Capital Works Projects	17	4,370	-	-
		<u>346,654</u>	<u>336,844</u>	<u>353,282</u>
Current Liabilities				
GST Payable		11,966	9,957	9,957
Accounts Payable	13	95,883	92,044	92,044
Revenue Received in Advance	14	3,609	1,260	1,260
Provision for Cyclical Maintenance	15	12,600	10,873	10,873
Finance Lease Liability - Current Portion	16	6,853	5,029	5,029
Funds held for Capital Works Projects	17	-	45,884	45,884
		<u>130,911</u>	<u>165,047</u>	<u>165,047</u>
Working Capital Surplus/(Deficit)		215,743	171,797	188,235
Non-current Assets				
Property, Plant and Equipment	12	229,745	226,043	251,043
		<u>229,745</u>	<u>226,043</u>	<u>251,043</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	15	76,453	74,033	74,033
Finance Lease Liability	16	5,387	6,280	6,280
		<u>81,840</u>	<u>80,313</u>	<u>80,313</u>
Net Assets		<u>363,648</u>	<u>317,527</u>	<u>358,965</u>
Equity	23	<u>363,648</u>	<u>317,527</u>	<u>358,965</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 2020

		2020	2020	2019
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
		\$	\$	\$
Cash flows from Operating Activities				
Government Grants		278,167	244,535	246,454
Locally Raised Funds		72,559	16,557	109,796
Goods and Services Tax (net)		2,009	-	3,775
Payments to Employees		(147,808)	(144,750)	(109,785)
Payments to Suppliers		(151,593)	(131,980)	(126,497)
Cyclical Maintenance payments in the Year		(14,000)	(5,000)	(2,000)
Interest Received		3,526	4,200	5,145
Net cash from/(to) Operating Activities		42,860	(16,438)	126,888
Cash flows from Investing Activities				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		-	-	(2,145)
Purchase of Property Plant & Equipment (and Intangibles)		(6,384)	-	(39,318)
Purchase of Investments		(3,321)	-	(30,740)
Net cash from/(to) Investing Activities		(9,705)	-	(72,203)
Cash flows from Financing Activities				
Finance Lease Payments		(5,953)	-	(8,818)
Funds held for Capital Works Projects		(50,254)	-	45,884
Net cash from/(to) Financing Activities		(56,207)	-	37,066
Net increase/(decrease) in cash and cash equivalents		(23,052)	(16,438)	91,751
Cash and cash equivalents at the beginning of the year	8	144,622	144,622	52,871
Cash and cash equivalents at the end of the year	8	121,570	128,184	144,622

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.



Barton Rural School

Notes to the Financial Statements

For the year ended 31 December 2020

1. Statement of Accounting Policies

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 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.

1.2. 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.

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 (uncollectable debts). The School's 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.

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.

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.

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	10 - 40 years
Furniture and equipment	3 - 10 years
Information and communication technology	3 - 5 years
Leased assets held under a Finance Lease	Term of Lease
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, 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

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. 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).

1.17. 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, 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.



1.18. 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.

1.19. 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.

1.20. Budget Figures

The budget figures are extracted from the School budget that was approved by the Board.

1.21. 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 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Operational Grants	272,637	244,535	242,493
Teachers' Salaries Grants	777,881	643,270	754,259
Use of Land and Buildings Grants	232,347	231,914	230,926
Other MoE Grants	7,539	-	7,398
	<u>1,290,404</u>	<u>1,119,719</u>	<u>1,235,076</u>

Other MOE Grants total includes additional COVID-19 funding totalling \$3,157 for the year ended 31 December 2020.

3. Locally Raised Funds

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

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Revenue			
Donations	18,196	10,000	34,417
Fundraising	1,774	-	9,043
Bequests & Grants	1,824	1,500	15,969
Other Revenue	6,740	-	10,870
Trading	2,271	2,000	4,379
Activities	36,881	3,057	37,695
	<u>67,686</u>	<u>16,557</u>	<u>112,373</u>
Expenses			
Activities	35,418	700	37,491
Trading	1,621	-	1,524
Fundraising (Costs of Raising Funds)	3,349	-	7,286
	<u>40,388</u>	<u>700</u>	<u>46,301</u>
<i>Surplus for the year Locally raised funds</i>	<u>27,298</u>	<u>15,857</u>	<u>66,072</u>

4. Learning Resources

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Curricular	20,582	27,030	25,086
Equipment Repairs	1,677	2,100	1,872
Information and Communication Technology	578	2,500	274
Library Resources	4,433	2,850	700
Employee Benefits - Salaries	868,058	728,470	810,055
Staff Development	3,158	6,200	3,337
	<u>898,486</u>	<u>769,150</u>	<u>841,324</u>

5. Administration

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Audit Fee	3,378	3,900	3,270
Board of Trustees Fees	3,730	5,500	4,090
Board of Trustees Expenses	561	1,000	1,866
Communication	1,319	1,500	1,535
Consumables	15,676	18,650	14,275
Other	45	-	40
Employee Benefits - Salaries	27,918	30,550	24,855
Insurance	3,206	4,000	2,921
Service Providers, Contractors and Consultancy	4,400	5,500	4,184
	<u>60,233</u>	<u>70,600</u>	<u>57,036</u>



6. Property

	2020	2020 Budget	2019
	Actual	(Unaudited)	Actual
	\$	\$	\$
Caretaking and Cleaning Consumables	1,541	3,000	1,350
Consultancy and Contract Services	1,644	2,100	2,980
Cyclical Maintenance Provision	18,147	5,000	13,074
Grounds	10,324	14,350	11,983
Heat, Light and Water	11,916	18,200	13,978
Rates	3,038	3,000	2,751
Repairs and Maintenance	4,852	9,900	6,208
Use of Land and Buildings	232,347	231,914	230,926
Employee Benefits - Salaries	37,842	29,000	24,610
	321,651	316,464	307,860

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

	2020	2020 Budget	2019
	Actual	(Unaudited)	Actual
	\$	\$	\$
Building Improvements	5,082	4,000	5,083
Furniture and Equipment	6,141	5,000	5,996
Information and Communication Technology	13,486	7,000	9,712
Leased Assets	6,254	7,000	7,029
Library Resources	1,693	2,000	2,032
	32,656	25,000	29,852

8. Cash and Cash Equivalents

	2020	2020 Budget	2019
	Actual	(Unaudited)	Actual
	\$	\$	\$
Bank Current Account	99,471	128,184	122,582
Bank Call Account	22,099	-	22,040
Cash and cash equivalents for Statement of Cash Flows	121,570	128,184	144,622

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

Of the \$121,570 Cash and Cash Equivalents, \$0,000 is held by the School on behalf of the Ministry of Education. These funds are required to be spent in 2021 on Crown owned school buildings under the School's Five Year Property Plan.

9. Accounts Receivable

	2020	2020 Budget	2019
	Actual	(Unaudited)	Actual
	\$	\$	\$
Receivables	-	2,524	2,524
Interest Receivable	2,057	1,657	1,657
Teacher Salaries Grant Receivable	59,220	49,950	49,950
	61,277	54,131	54,131
Receivables from Exchange Transactions	2,057	4,181	4,181
Receivables from Non-Exchange Transactions	59,220	49,950	49,950
	61,277	54,131	54,131

10. Inventories

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Stationery	339	152	152
	<u>339</u>	<u>152</u>	<u>152</u>

11. Investments

The School's investment activities are classified as follows:

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Current Asset			
Short-term Bank Deposits	153,200	149,879	149,879
	<u>153,200</u>	<u>149,879</u>	<u>149,879</u>

12. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2020						
Building Improvements	168,045	-	-	-	(5,082)	162,963
Furniture and Equipment	26,197	1,969	-	-	(6,141)	22,025
Information and Communication Technology	30,848	2,390	-	-	(13,486)	19,752
Leased Assets	11,726	7,683	-	-	(6,254)	13,155
Library Resources	14,227	2,025	(2,709)	-	(1,693)	11,850
Balance at 31 December 2020	<u>251,043</u>	<u>14,067</u>	<u>(2,709)</u>	<u>-</u>	<u>(32,656)</u>	<u>229,745</u>

	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
2020			
Building Improvements	250,877	(87,914)	162,963
Furniture and Equipment	221,085	(199,060)	22,025
Information and Communication Technology	174,612	(154,860)	19,752
Leased Assets	25,136	(11,981)	13,155
Library Resources	31,475	(19,625)	11,850
Balance at 31 December 2020	<u>703,185</u>	<u>(473,440)</u>	<u>229,745</u>

The net carrying value of equipment held under a finance lease is \$13,155 (2019: \$11,726)

	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 Technology	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 Technology	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>



13. Accounts Payable

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Operating creditors	21,204	36,400	36,400
Accruals	5,407	3,771	3,771
Banking staffing overuse	7,565	-	-
Employee Entitlements - salaries	59,220	49,950	49,950
Employee Entitlements - leave accrual	2,487	1,923	1,923
	95,883	92,044	92,044
Payables for Exchange Transactions	95,883	92,044	92,044
	95,883	92,044	92,044

The carrying value of payables approximates their fair value.

14. Revenue Received in Advance

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Other	3,609	1,260	1,260
	3,609	1,260	1,260

15. Provision for Cyclical Maintenance

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Provision at the Start of the Year	84,906	84,906	73,832
Increase/ (decrease) to the Provision During the Year	18,147	-	13,074
Use of the Provision During the Year	(14,000)	-	(2,000)
Provision at the End of the Year	89,053	84,906	84,906
Cyclical Maintenance - Current	12,600	10,873	10,873
Cyclical Maintenance - Term	76,453	74,033	74,033
	89,053	84,906	84,906

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:

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
No Later than One Year	7,677	5,732	5,732
Later than One Year and no Later than Five Years	5,676	6,664	6,664
	13,353	12,396	12,396



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:

	2020	Opening Balances	Receipts from MoE	Payments	BOT Contributions	Closing Balances
		\$	\$	\$	\$	\$
3 & 12 ILE Classroom Modification	Completed	45,884	26,299	(72,183)	-	-
SIP Project	In Progress	-	-	(1,785)	-	(1,785)
Sewage Upgrade	In Progress	-	29,748	(32,333)	-	(2,585)
Totals		45,884	56,047	(106,301)	-	(4,370)

Represented by:

Funds Held on Behalf of the Ministry of Education	-
Funds Due from the Ministry of Education	(4,370)
	<u>(4,370)</u>

	2019	Opening Balances	Receipts from MoE	Payments	BOT Contributions	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

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.

	2020 Actual	2019 Actual
	\$	\$
<i>Board Members</i>		
Remuneration	3,730	4,090
Full-time equivalent members	0.07	0.07
<i>Leadership Team</i>		
Remuneration	220,151	213,580
Full-time equivalent members	2.00	2.00
Total key management personnel remuneration	223,881	217,670
Total full-time equivalent personnel	2.07	2.07

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:

	2020 Actual \$000	2019 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	120 - 130	120 - 130
Benefits and Other Emoluments	3 - 4	3 - 4
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	2020 FTE Number	2019 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:

	2020 Actual	2019 Actual
Total	\$ -	\$ -
Number of People	-	-

21. 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.

22. Commitments

(a) Capital Commitments

As at 31 December 2020 the Board has entered into the following contract agreements for capital works.

(a) A contract for Septic Tank upgrade to be completed in 2021, which will be fully funded by the Ministry of Education. \$29,748 has been received of which \$22,345 has been spent on the project to date.

(Capital commitments at 31 December 2019: nil)

(b) Operating Commitments

As at 31 December 2020 the Board has not entered into any operating contracts.

(Operating commitments at 31 December 2019: nil)

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

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Cash and Cash Equivalents	121,570	128,184	144,622
Receivables	61,277	54,131	54,131
Investments - Term Deposits	153,200	149,879	149,879
Total Financial assets measured at amortised cost	<u>336,047</u>	<u>332,194</u>	<u>348,632</u>

Financial liabilities measured at amortised cost

Payables	95,883	92,044	92,044
Finance Leases	12,240	11,309	11,309
Total Financial liabilities measured at amortised Cost	<u>108,123</u>	<u>103,353</u>	<u>103,353</u>

25. Events After Balance Date

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



School Name:	Barton Rural School	School Number:	2112
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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. All students are meeting their potential in Literacy 2. All students are meeting their potential in Maths 3. Students well-being is keep paramount in all areas
Target 1:	<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: As a school we implement the Liz Kane Phonological Awareness Programme throughout all classes.</p>
Baseline data and Annual Target 1:	

Tātaritanga raraunga

Writing	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
Above Level	-	-		3	3	1	-	-
At Level	11	24	14	22	16	17	12	15
Below Level	1	3	7	3	5	2	7	2
Total	12	27	21	28	24	21	19	17

Where are we now? The data above 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.

PLD discussion & reflection highlight children's spelling abilities. In the past we have deliberately chosen to focus on the Ideas, Structure & Vocabulary of Writing & as a result our Spelling achievements have been lower. As these components of Writing generally remain at a consistently strong level for our school, we are now shifting our attention to spelling and decoding.

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>
PD for all staff	Remainder of staff (including Support & Relieving Staff) attend the Liz Kane Phonological Awareness PLD.	All staff continually work with and support each other.	Continue upskilling all staff so that whoever is working with our students they are familiar with the approach
Sharing of best practice in the teaching of The Code.	PLD Session(s) to review key documentation - Teaching & Learning at BRS & following this the sharing of key ideas & learnings from LK PLD	All teachers were able to see that they had exam[ple]s of good practice and by highlighting these they were able to grow	Continue with the sharing of good practice and growing each teacher as an expert. Watching others use different techniques in individual and groups settings.
Purchasing more decodable texts	Further purchase of decodable text readers to build our supply & to ensure access for our Year 1&2 learners.	Allowing more access to level and ability appropriate texts	Continuation of the purchasing of the appropriate texts to ensure students have the most appropriate texts.
Evaluation of the ability and next steps for all students	By using appropriate assessments next steps for all learners was able to be planned and therefore the correct resources were able to be purchased.	Struggling readers were able to access decodable texts which improved their confidence and ability.	Continuation of a specific plan to purchase the next step of resources therefore creating a resource that is comprehensive.

Tātaritanga raraunga

Direct and implicit teaching	Senior staff implementing TIM spelling only document	Senior staff members	The roll out of this with all staff using their TIMs to guide their planning and teaching
Test all Year 1 -Year 8 learners using Liz Kane	From the testing we are able to ascertain class/school wide areas of need (pathway identified)	Direct assessment that allows teachers to teach to individual needs.	Continuation to explicit teaching to directed areas that have been diagnosed from assessments.
Room walkthroughs and collegial support	Regular PLD time to support the approach	To be able share examples of teaching that have worked or are working.	Continuation of support from colleagues to ensure quality teaching is happening within all classes.

Monitoring

Within our Senior meeting regular discussion and reflection about the challenges and success of the approach
Individual teacher monitoring of students and their learning by grouping by observations and data

Target 2:

Strategic Aim:

Ensuring that each and every one of us recognises and reaches their potential
b. To improve the Maths attainment of our senior students

Annual Goal 2: To improve the Maths attainment of our students

Baseline data and Annual Target:

Maths	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
Above Level	1	-	1	2	3	4	-	-
At Level	8	26	17	24	19	12	18	15
Below Level	3	2	3	2	2	5	1	2
Total	12	27	21	28	21	21	19	17

Tātaritanga raraunga

Where are we now? In professional discussions with staff there is a common understanding that despite our best efforts there are times that areas of the maths curriculum are not fully covered (strand) and there is a need for more guidance and a fresh approach with the teaching & learning cycle of number.			
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>
PMI around the teaching of Maths within our school.	Found out: What teachers perceive they are doing well. What areas they deem they need assistance in.	Teachers were able to reflect on their practice not only in the current year but also over the previous years as well.	As a staff we were able to see the areas in which we need to develop so that we are able to offer a full and comprehensive Mathematics program
Visit various schools to observe & discuss their Maths Programmes at junior, middle & senior levels. Share the information gathered with MG & the wider teaching staff.	By visiting schools and having professional conversations with teachers we were able to discuss different approaches and how they work their Mathematics programs within their Kura.	We were able to compare and reflect on practice that would work within our Kura and the community that we have.	From here it is a case of developing a program that will allow for us to be able to implement a program that is comprehensive and focused.
Develop a plan to be able to implement the new scheme of work inline with what is being completed at present.	The senior staff evaluated the different programs that were seen and made a decision to implement Pr1me Maths.	Due to the ease in use, the availability of PD and support, and the ease in integration into our SMS were some of the reasons that we believe that	Test the students towards the end of the year to indicate the level and amount of resources that need to be purchased for the following year. The use of one of the PD days leading up to the beginning of the 2021 school year.

Tātaritanga raraunga

Pr1me is the best option for us.

Monitoring: Regular formal PLD meetings that allow for external experts to feedback and answer questions. This time will allow staff to support and encourage/mentor colleagues to ensure quality teaching.

Target 3: **Strategic Aim:**
Ensuring that each and every one of us recognises and reaches their potential
Annual Goal 3: For all students to develop their self regulation skills to allow them to be able to be ready to access all the curriculum.

Baseline data and Annual Target:

	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?
BRS	'Readiness' for school & formal learning Poor Oral Language Poor resilience of some students Social skills, being able to read situations Students being 'ready' for the lesson/task	Boys NE/Yr 1 Many over the grade levels	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. Often seeing 'Helicopter parents' with students not dealing with appropriate change The lack of some peer relationships within the older students of school Observing the inability to be able to focus on the task at hand.

Where are we now?

In 2019 our wellbeing focus led us to incorporating the 'Zones of Regulation' and compassionate conversations within all classrooms. This was highly successful in allowing all students to be able to assess and articulate their own level within the zones.

Tātaritanga raraunga

Following on from last year's target staff have observed that although students can articulate which emotional state they are in there is a need to give them the skills to be able to prevent them from getting to that situation. This is evident for all students, although we do not see 'high end' issues with most of our students, we still need to develop these skills to be able to allow readiness to access the curriculum.

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>
Recap of previous focus on Zones of regulation	Students were able to verbalise their emotions after the previous years learning.	The specific teaching of the zones and the language that is associated with them allowed the students to have success and be able to use the skills that they had	Continue to imbed this into our everyday interactions around the school.

On returning from lockdown as a staff we decided that the best course of action of the well-being of our students was to ensure that their transition back into school and continual happiness was paramount. Therefore we put additional effort into the skills which have been developed over the previous year for our student to be able to articulate their emotional state rather than burdening them with learning new skills that may complicate their already delicate state of mind.

Planning for next year:

Monitoring:

Continue development and specific monitoring of progress in using the Phonological awareness program throughout the school
 Complete implementation of Pr1me ensuring that there is a full coverage of the curriculum and it seamlessly being used with the SMS
 Continual development in the use of students personal skills to be able to positively affect their well-being.



462 Fairview Road, R.D.2, Fairview, Timaru
Ph. (03) 688 4709 Fax. (03) 684 7592
Email. office@bartonrural.school.nz

KiwiSport

**During 2020 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 2020**

The Auditor-General is the auditor of Barton Rural School (the School). The Auditor-General has appointed me, Jane Jackman, 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 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 the Public Sector – Public Benefit Entity Standards, Reduced Disclosure Regime.

Our audit was completed 26 May 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 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