

OKAIHAU COLLEGE

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

School Directory

Ministry Number: 7

Principal: Thomas Davison

School Address: 58 Settlers Way

School Postal Address: 58 Settlers Way RD 1, Okaihau, 0475

School Phone: 09 401 9030

School Email:

Members of the Board of Trustees

Name	Position	How Position Gained	Occupation	Term Expires/ Expired
Janet Graham	Chairperson	Elected	Home Executive	May 2019
Michelle Harrison	Chairperson	Elected	Forestry	Jun 2022
Thomas Davison	Principal	ex Officio		
Paul Bolton	Parent Rep	Elected	Farmer	May 2019
Michelle Harrison	Parent Rep	Elected	Forestry	May 2019
Mark Clunie	Parent Rep	Elected	Farmer	Jun 2022
Andrea Donaldson	Parent Rep	Elected	Teacher	Jun 2022
Fran Clayden	Parent Rep	Elected	Business Owner	Jun 2022
Alex Graham	Parent Rep	Elected	Business Owner	Jun 2022
Brian Dunckley	Staff Rep	Elected	Teacher	May 2019
Karlene Kitchingmar	Staff Rep	Elected	Teacher	Jun 2022
Shaum Reeves	Student Rep	Elected	Student	Sep 2020
Turoa Moki-Rice	Student Rep	Elected	Student	Sep 2020
Tupari Cowan	Student Rep	Elected	Student	Dec 2019

Accountant / Service Provider: Education Services Ltd

OKAIHAU COLLEGE

Annual Report - For the year ended 31 December 2019

Index

Page	Statement
	Financial Statements
1	Statement of Responsibility
2	Statement of Comprehensive Revenue and Expense
3	Statement of Changes in Net Assets/Equity
4	Statement of Financial Position
5	Statement of Cash Flows
6 - 12	Statement of Accounting Policies
13 - 21	Notes to the Financial Statements
	Other Information
	Analysis of Variance
	Kiwisport

Okaihau College

Statement of Responsibility

For the year ended 31 December 2019

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

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

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

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

Michelle Harrison

Full Name of Board Chairperson



Signature of Board Chairperson

7/8/20

Date:

Thomas Davison

Full Name of Principal



Signature of Principal

7/8/20

Date:

Okaihau College

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2019

	Notes	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Revenue				
Government Grants	2	5,715,271	5,524,095	5,568,405
Locally Raised Funds	3	343,934	436,000	351,659
Interest Income		27,800	25,000	32,334
Gain on Sale of Property, Plant and Equipment		271	-	-
Other Revenue		-	-	4,769
		<u>6,087,276</u>	<u>5,985,095</u>	<u>5,957,167</u>
Expenses				
Locally Raised Funds	3	252,517	310,000	196,417
Learning Resources	4	3,870,450	4,001,102	3,811,513
Administration	5	408,866	414,057	367,997
Finance		5,940	-	-
Property	6	1,411,379	1,278,800	1,286,263
Depreciation	7	162,225	120,000	150,082
Loss on Disposal of Property, Plant and Equipment		678	5,000	14,632
		<u>6,112,055</u>	<u>6,128,959</u>	<u>5,826,904</u>
Net Surplus / (Deficit) for the year		(24,779)	(143,864)	130,263
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>(24,779)</u>	<u>(143,864)</u>	<u>130,263</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.

PKPPA
Audit

Okaihau College
Statement of Changes in Net Assets/Equity
 For the year ended 31 December 2019

	Notes	Actual 2019 \$	Budget (Unaudited) 2019 \$	Actual 2018 \$
Balance at 1 January		2,070,998	1,940,735	1,940,735
Total comprehensive revenue and expense for the year		(24,779)	(143,864)	130,263
Capital Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		20,358	-	-
Adjustment to Accumulated surplus/(deficit) from adoption of PBE IFRS 9		-	-	-
Equity at 31 December	24	2,066,577	1,796,871	2,070,998
Retained Earnings		2,066,577	1,796,871	2,070,998
Equity at 31 December		2,066,577	1,796,871	2,070,998

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.


Okaihau College
Statement of Financial Position

As at 31 December 2019

	Notes	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Current Assets				
Cash and Cash Equivalents	8	1,025,500	1,029,723	1,151,909
Accounts Receivable	9	222,014	223,361	340,632
GST Receivable		29,570	-	-
Prepayments		15,164	13,539	14,388
Inventories	10	35,081	48,030	46,140
Investments	11	234,961	220,236	227,562
Funds owed for Capital Works Projects	18	20,167	-	-
		<u>1,582,477</u>	<u>1,534,889</u>	<u>1,780,631</u>
Current Liabilities				
GST Payable		-	31,612	20,780
Accounts Payable	13	292,220	256,434	261,359
Revenue Received in Advance	14	518	-	-
Provision for Cyclical Maintenance	15	52,990	7,875	59,841
Finance Lease Liability - Current Portion	16	36,848	34,743	36,166
Funds held in Trust	17	121,101	281,408	206,031
Funds held for Capital Works Projects	18	-	-	115,912
		<u>503,677</u>	<u>612,072</u>	<u>700,079</u>
Working Capital Surplus/(Deficit)		1,078,800	922,817	1,080,552
Non-current Assets				
Property, Plant and Equipment	12	1,274,288	1,125,255	1,270,210
		<u>1,274,288</u>	<u>1,125,255</u>	<u>1,270,210</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	15	232,310	203,976	246,196
Finance Lease Liability	16	54,201	47,225	33,568
		<u>286,511</u>	<u>251,201</u>	<u>279,764</u>
Net Assets		<u><u>2,066,577</u></u>	<u><u>1,796,871</u></u>	<u><u>2,070,998</u></u>
Equity		<u><u>2,066,577</u></u>	<u><u>1,796,871</u></u>	<u><u>2,070,998</u></u>


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

Michelle Harrison
Full Name of Board Chairperson


Signature of Board Chairperson

7/8/20
Date

Thomas Davison
Full Name of Principal


Signature of Principal

7/8/20
Date

Okaihau College
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		1,544,203	1,474,095	1,460,331
Locally Raised Funds		344,452	436,000	368,324
Goods and Services Tax (net)		(50,350)	-	(10,832)
Payments to Employees		(834,995)	(776,920)	(784,683)
Payments to Suppliers		(902,594)	(1,601,746)	(744,287)
Cyclical Maintenance Payments in the year		(5,628)	(18,000)	-
Interest Paid		(5,940)	-	-
Interest Received		28,452	25,000	32,256
Net cash from Operating Activities		117,600	(461,571)	321,109
Cash flows from Investing Activities				
Purchase of PPE (and Intangibles)		(106,275)	-	(157,309)
Purchase of Investments		(7,398)	-	(7,327)
Net cash from Investing Activities		(113,673)	-	(164,636)
Cash flows from Financing Activities				
Furniture and Equipment Grant		20,358	-	-
Finance Lease Payments		(38,014)	-	(39,605)
Funds Administered on Behalf of Third Parties		(84,932)	-	(456,253)
Funds Held for Capital Works Projects		(27,748)	-	-
Net cash from Financing Activities		(130,336)	-	(495,858)
Net increase/(decrease) in cash and cash equivalents		(126,409)	(461,571)	(339,385)
Cash and cash equivalents at the beginning of the year	8	1,151,909	1,491,294	1,491,294
Cash and cash equivalents at the end of the year	8	1,025,500	1,029,723	1,151,909

The statement of cash flows records only those cash flows directly within the control of the School. This means centrally funded teachers' salaries and the use of land and buildings grant and expense have been excluded.

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

Okaihau College
Notes to the Financial Statements
For the year ended 31 December 2019

1. Statement of Accounting Policies

a) Reporting Entity

Okaihau College (the School) is a Crown entity as specified in the Crown Entities Act 2004 and a school as described in the Education Act 1989. The Board of Trustees (the Board) is of the view that the School is a public benefit entity for financial reporting purposes.

b) Basis of Preparation

Reporting Period

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

Basis of Preparation

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

Financial Reporting Standards Applied

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

Standard early adopted

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

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

Useful lives of property, plant and equipment

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

Cyclical Maintenance Provision

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.

c) Revenue Recognition

Government Grants

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

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

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

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

Other Grants

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

Donations, Gifts and Bequests

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

Interest Revenue

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

d) Use of Land and Buildings Expense

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

e) Operating Lease Payments

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

f) Finance Lease Payments

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

g) Cash and Cash Equivalents

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

h) Accounts Receivable

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

Prior Year Policy

Accounts Receivable represents items that the School has issued invoices for or accrued for, but has not received payment for at year end. Receivables are initially recorded at fair value and subsequently recorded at the amount the School realistically expects to receive. A receivable is considered uncollectable where there is objective evidence the School will not be able to collect all amounts due. The amount that is uncollectable (the provision for uncollectibility) is the difference between the amount due and the present value of the amounts expected to be collected.

i) Inventories

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

j) Investments

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

Prior Year Policy

Bank term deposits for periods exceeding 90 days are classified as investments and are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance. After initial recognition bank term deposits are measured at amortised cost using the effective interest method less impairment.

Investments that are shares are categorised as "available for sale" for accounting purposes in accordance with financial reporting standards. Share investments are recognised initially by the School at fair value plus transaction costs. At balance date the School has assessed whether there is any evidence that an investment is impaired. Any impairment, gains or losses are recognised in the Statement of Comprehensive Revenue and Expense.

After initial recognition any investments categorised as available for sale are measured at their fair value without any deduction for transaction costs the school may incur on sale or other disposal.

k) Property, Plant and Equipment

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

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

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

Property, plant and equipment acquired with individual values under \$1000 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense.

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

Finance Leases

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

Depreciation

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

The estimated useful lives of the assets are:

Leased assets are depreciated over the life of the lease.

l) Intangible Assets

Software costs

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

Computer software licences with individual values under \$1,000 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense when incurred.

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

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

m) 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.

n) 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.

o) Employee Entitlements

Short-term employee entitlements

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

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

Long-term employee entitlements

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

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

p) 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.

The School holds sufficient funds to enable the refund of unearned fees in relation to international students, should the School be unable to provide the services to which they relate.

q) 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.

r) Shared Funds

Shared Funds are held on behalf of a cluster of participating schools as agreed with the Ministry of Education. The cluster of schools operate activities outside of school control. These amounts are not recorded in the Statement of Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose.

s) 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).

t) Financial Assets and Liabilities

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

Investments that are shares are categorised as "available for sale" for accounting purposes in accordance with financial reporting standards.

The School's financial liabilities comprise accounts payable, borrowings, finance lease liability, and painting contract liability. All of these financial liabilities are categorised as "financial liabilities measured at amortised cost" for accounting purposes in accordance with financial reporting standards.

u) 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.

Grants determined by the Minister of Education for operational activities includes all items (core components) included in the Operational Funding notice.

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

v) 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.

w) Budget Figures

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

x) 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	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operational Grants	1,213,613	1,202,947	1,209,510
Teachers' Salaries Grants	3,062,296	3,150,000	3,168,160
Use of Land and Buildings Grants	1,052,666	900,000	906,249
Gateway	55,182	55,182	59,190
Resource Teachers Learning and Behaviour Grants	2,624	5,000	5,100
Secondary tertiary alignment resource grants	40,234	40,659	46,073
Other MoE Grants	281,025	169,807	174,123
Other Government Grants	7,631	500	-
	<u>5,715,271</u>	<u>5,524,095</u>	<u>5,568,405</u>

3. Locally Raised Funds

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

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Revenue			
Donations	326	10,000	576
Bequests & Grants	13,200	-	-
Activities	175,611	272,000	177,699
Trading	97,140	105,000	107,437
Fundraising	13,543	-	10,452
Other Revenue	44,114	49,000	55,495
	<u>343,934</u>	<u>436,000</u>	<u>351,659</u>
Expenses			
Activities	93,040	154,000	58,908
Trading	109,373	105,000	106,283
Fundraising (Costs of Raising Funds)	10,113	-	11,404
Other Locally Raised Funds Expenditure	39,991	51,000	19,822
	<u>252,517</u>	<u>310,000</u>	<u>196,417</u>
<i>Surplus for the year Locally raised funds</i>	<u>91,417</u>	<u>126,000</u>	<u>155,242</u>

4. Learning Resources

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	74,329	105,841	79,830
Library Resources	1,240	4,000	2,463
Employee Benefits - Salaries	3,547,289	3,566,420	3,512,000
Staff Development	22,355	20,000	22,154
Star	19,227	40,659	13,084
Gateway	21,966	55,182	25,604
Ict	172,068	209,000	120,422
Tai Tokerau Trades	11,976	-	35,956
	<u>3,870,450</u>	<u>4,001,102</u>	<u>3,811,513</u>

5. Administration

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	15,725	7,407	7,407
Board of Trustees Fees	4,805	4,700	3,185
Board of Trustees Expenses	40,870	44,000	8,498
Communication	3,568	5,050	17,000
Consumables	22,302	16,000	13,454
Operating Lease	-	28,000	24,883
Other	90,931	93,700	83,203
Employee Benefits - Salaries	202,890	190,500	192,439
Insurance	14,751	20,000	13,196
Service Providers, Contractors and Consultancy	13,034	4,700	4,734
	<u>408,866</u>	<u>414,057</u>	<u>367,997</u>

6. Property

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	24,316	31,000	26,507
Cyclical Maintenance Expense	(15,109)	20,000	39,091
Grounds	15,257	24,400	23,104
Heat, Light and Water	57,536	46,500	47,481
Rates	655	15,000	13,119
Repairs and Maintenance	60,881	50,500	43,179
Use of Land and Buildings	1,052,666	900,000	906,249
Security	8,634	10,700	11,896
Employee Benefits - Salaries	193,075	170,000	164,848
Minibus	13,468	10,000	10,283
Consultancy	-	700	506
	<u>1,411,379</u>	<u>1,278,800</u>	<u>1,286,263</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

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Building Improvements	28,167	20,608	25,774
Furniture and Equipment	48,024	38,472	48,117
Information and Communication Technology	36,514	21,575	26,983
Motor Vehicles	6,766	5,665	7,085
Leased Assets	40,493	31,207	39,030
Library Resources	3,261	2,473	3,093
	<u>162,225</u>	<u>120,000</u>	<u>150,082</u>



8. Cash and Cash Equivalents

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Cash on Hand	100	100	100
Bank Current Account	196,247	157,901	272,512
Bank Call Account	-	55,168	55,375
Short-term Bank Deposits	829,153	816,554	823,922
Cash equivalents for Cash Flow Statement	<u>1,025,500</u>	<u>1,029,723</u>	<u>1,151,909</u>

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

9. Accounts Receivable

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Receivables	-	18,546	11,876
Receivables from the Ministry of Education	-	-	108,351
Banking Staffing Underuse	-	-	26,929
Interest Receivable	1,548	2,122	2,200
Teacher Salaries Grant Receivable	220,466	202,693	191,276
	<u>222,014</u>	<u>223,361</u>	<u>340,632</u>
Receivables from Exchange Transactions	1,548	20,668	14,076
Receivables from Non-Exchange Transactions	220,466	202,693	326,556
	<u>222,014</u>	<u>223,361</u>	<u>340,632</u>

10. Inventories

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Stationery	8,916	10,179	12,827
Uniforms	26,166	37,851	33,313
	<u>35,081</u>	<u>48,030</u>	<u>46,140</u>

11. Investments

The School's investment activities are classified as follows:

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Current Asset			
Short-term Bank Deposits	234,961	220,236	227,562
Total Investments	<u>234,961</u>	<u>220,236</u>	<u>227,562</u>

12. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2019	\$	\$	\$	\$	\$	\$
Building Improvements	799,238	-	-	-	(28,167)	771,071
Furniture and Equipment	254,387	65,560	(494)	-	(48,024)	271,429
Information and Communication Tech	106,792	36,205	-	-	(35,514)	107,482
Motor Vehicles	23,015	-	-	-	(6,766)	16,249
Leased Assets	65,127	61,481	(959)	-	(40,493)	85,156
Library Resources	21,651	4,511	-	-	(3,261)	22,901
Balance at 31 December 2019	1,270,210	167,757	(1,453)	-	(162,225)	1,274,288

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2019	\$	\$	\$
Building Improvements	1,126,685	(355,614)	771,071
Furniture and Equipment	1,049,490	(778,061)	271,429
Information and Communication	278,348	(170,866)	107,482
Motor Vehicles	72,758	(56,509)	16,249
Leased Assets	139,976	(54,820)	85,156
Library Resources	88,556	(65,655)	22,901
Balance at 31 December 2019	2,755,813	(1,481,525)	1,274,288

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2018	\$	\$	\$	\$	\$	\$
Building Improvements	825,012	-	-	-	(25,774)	799,238
Furniture and Equipment	222,141	81,182	(819)	-	(48,117)	254,387
Information and Communication Tech	73,349	73,235	(12,810)	-	(26,983)	106,791
Motor Vehicles	30,100	-	-	-	(7,085)	23,015
Leased Assets	76,797	27,360	-	-	(39,030)	65,127
Library Resources	22,856	2,892	(1,004)	-	(3,093)	21,652
Balance at 31 December 2018	1,250,255	184,669	(14,633)	-	(150,082)	1,270,210

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2018	\$	\$	\$
Building Improvements	1,126,685	(327,447)	799,238
Furniture and Equipment	986,287	(731,900)	254,387
Information and Communication	242,142	(135,351)	106,791
Motor Vehicles	76,758	(53,743)	23,015
Leased Assets	167,639	(92,512)	65,127
Library Resources	84,046	(62,394)	21,652
Balance at 31 December 2018	2,673,557	(1,403,347)	1,270,210

13. Accounts Payable

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Operating Creditors	23,650	4,594	29,499
Accruals	8,095	-	-
Banking Staffing Overuse	15,588	14,034	-
Employee Entitlements - Salaries	220,466	202,693	191,276
Employee Entitlements - Leave Accrual	24,421	35,113	40,584
	<u>292,220</u>	<u>256,434</u>	<u>261,359</u>
Payables for Exchange Transactions	292,220	256,434	261,359
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	<u>292,220</u>	<u>256,434</u>	<u>261,359</u>

The carrying value of payables approximates their fair value.

14. Revenue Received in Advance

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Revenue Received in Advance	518	-	-
	<u>518</u>	<u>-</u>	<u>-</u>

15. Provision for Cyclical Maintenance

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Provision at the Start of the Year	306,037	191,851	277,997
Increase/(decrease) to the Provision During the Year	(15,109)	20,000	39,089
Use of the Provision During the Year	(5,628)	-	(11,049)
Provision at the End of the Year	<u>285,300</u>	<u>211,851</u>	<u>306,037</u>
Cyclical Maintenance - Current	52,990	7,875	59,841
Cyclical Maintenance - Term	232,310	203,976	246,196
	<u>285,300</u>	<u>211,851</u>	<u>306,037</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	40,951	34,743	38,046
Later than One Year and no Later than Five Years	56,819	47,225	35,766
	<u>97,770</u>	<u>81,968</u>	<u>73,812</u>

17. Funds held in Trust

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Funds Held in Trust on Behalf of Third Parties - Current	121,101	281,408	206,031
Funds Held in Trust on Behalf of Third Parties - Non-current	-	-	-
	<u>121,101</u>	<u>281,408</u>	<u>206,031</u>

These funds are held where the school is agent for representative amounts and therefore these are not included in the Statement of Comprehensive Revenue and Expense.

18. Funds Owed (Held) for Capital Works Projects

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

	2019	Opening Balances	Receipts from MoE	Payments	BOT Contribution/ (Write-off to R&M)	Closing Balances
		\$	\$	\$		\$
Roofing - 2018	<i>completed</i>	(128,091)	(4,103)	(123,988)	-	-
Maths Block (R Block)	<i>in progress</i>	12,179	487,370	(494,764)	-	19,573
Fire Alarm	<i>in progress</i>	-	-	(614)	-	614
Totals		<u>(115,912)</u>	<u>483,267</u>	<u>(619,366)</u>	<u>-</u>	<u>20,187</u>

Represented by:

Funds Held on Behalf of the Ministry of Education	-
Funds Due from the Ministry of Education	20,187
	<u>20,187</u>

	2018	Opening Balances	Receipts from MoE	Payments	BOT Contribution/ (Write-off to R&M)	Closing Balances
		\$	\$	\$		\$
Heat Pumps	<i>completed</i>	(1)	(1)	-	-	-
HWC Replacements	<i>completed</i>	(20,882)	373	(21,255)	-	-
Gym & Gym Storage	<i>completed</i>	(240,574)	63,234	(323,808)	-	-
Admin Joinery	<i>completed</i>	(38,768)	1,368	(40,136)	-	-
Block L Upgrade	<i>completed</i>	(76,336)	10,984	(87,320)	-	-
Roofing - 2018	<i>in progress</i>	-	133,455	(5,364)	-	(128,091)
Maths Block (R Block)	<i>in progress</i>	-	22,000	(34,179)	-	12,179
Totals		<u>(376,561)</u>	<u>251,413</u>	<u>(512,062)</u>	<u>-</u>	<u>(115,912)</u>

19. Related Party Transactions

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

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

20. Remuneration

Key management personnel compensation

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

	2019 Actual \$	2018 Actual \$
<i>Board Members</i>		
Remuneration	4,805	3,185
Full-time equivalent members	0.16	0.25
<i>Leadership Team</i>		
Remuneration	950,382	398,157
Full-time equivalent members	10.00	3.00
Total key management personnel remuneration	955,187	401,342
Total full-time equivalent personnel	10.16	3.25

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
<i>Salaries and Other Short-term Employee Benefits:</i>		
Salary and Other Payments	90 - 100	160 - 170
Benefits and Other Emoluments	2 - 3	20 - 30
Termination Benefits	-	-

Other Employees

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

Remuneration \$000	2019 FTE Number	2018 FTE Number
100 - 110	5.00	2.00
	5.00	2.00

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

21. Compensation and Other Benefits Upon Leaving

The total value of compensation or other benefits paid or payable to persons who ceased to be trustees, committee member, or employees during the financial year in relation to that cessation and number of persons to whom all or part of that total was payable was as follows:

	2019 Actual	2018 Actual
Total	\$25,000	-
Number of People	1	-

22. Contingencies

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

Holidays Act Compliance – schools payroll

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

The Ministry has commenced a review of the schools sector payroll to ensure compliance with the Holidays Act 2003. The initial phase of this review has identified areas of non-compliance. The Ministry has recognised an estimated provision based on the analysis of sample data, which may not be wholly representative of the total dataset for Teacher and Support Staff Entitlements. A more accurate estimate will be possible after further analysis of non-compliance has been completed, and this work is ongoing. Final calculations and potential impact on any specific individual will not be known until further detailed analysis has been completed.

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

23. Commitments

(a) Capital Commitments

The School has entered into the following capital commitments as at 31 December 2019:

(a) \$476,254 contract with NPM Construction for the Block R Project as agent for the Ministry of Education. This project is fully funded by the Ministry of Education. \$509,369 has been received of which \$628,039 has been spent on the project to balance date.

(Capital Commitments at 31 December 2018: (a) \$117,885 contract to have roofing replaced as agent for the Ministry of Education. This project is fully funded by the Ministry of Education. \$133,455 has been received of which \$5,364 has been spent on the project to balance date.)

(b) Operating Commitments

There are no operating commitments as at 31 December 2019 (Operating commitments at 31 December 2018: nil).

24. Managing Capital

The School's capital is its equity and comprises capital contributions from the Ministry of Education for property, plant and equipment and accumulated surpluses and deficits. The School does not actively manage capital but attempts to ensure that income exceeds spending in most years. Although deficits can arise as planned in particular years, they are offset by planned surpluses in previous years or ensuing years.

25. Financial Instruments

The carrying amount of financial assets and liabilities in each of the financial instrument categories are as follows:

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

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Cash and Cash Equivalents	1,025,500	1,029,723	1,151,909
Receivables	222,014	223,381	340,632
Investments - Term Deposits	234,961	220,236	227,562
Total Financial assets measured at amortised cost	1,482,475	1,473,320	1,720,103
Financial liabilities measured at amortised cost			
Payables	292,220	256,434	261,359
Borrowings - Loans	-	-	-
Finance Leases	91,049	81,968	69,724
Painting Contract Liability	-	-	-
Total Financial Liabilities Measured at Amortised Cost	383,269	338,402	331,083

26. Events After Balance Date

On March 11, 2020, the World Health Organisation declared the outbreak of COVID-19 (a novel Coronavirus) a pandemic. Two weeks later, on 26 March, New Zealand increased its' COVID-19 alert level to level 4 and a nationwide lockdown commenced. As part of this lockdown all schools were closed. Subsequently all schools and kura reopened on the 18th of 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 9 Receivables: This policy has been updated to reflect that the impairment of short-term receivables is now determined by applying an expected credit loss model.
- Note 11 Investments:

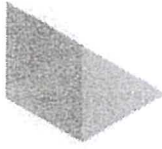
Term deposits: This policy has been updated to explain that a loss allowance for expected credit losses is recognised only if the estimated loss allowance is not trivial.

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

29. Breach of Law - Statutory Reporting

The Board of Trustees has failed to comply with section 87 of the Education Act 1989, as the Board were unable to provide their audited financial statements to the Ministry of Education by 31 May 2020. The disruption caused by the Covid-19 restrictions, including the closure of the school, meant that the audit could not progress as planned. This resulted in the school missing the statutory deadline.

Analysis of Variance Reporting



School Name	Okaihau College	School Number	007
Strategic Aim	Map and accelerate our Maori student achievement		
Annual Aim	Improve Maori boys achievement in NCEA level 1		
Target	Maori boys to achieve the national average pass rate in NCEA level 1		
Baseline Data	2018: Maori boy level 1 pass rate = 32%		

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>Increased focus on Cultural relationships for responsive pedagogy through school wide PLD.</p> <p>More focus on academic tracking and counselling</p>	<p>At time of writing the 2019 national statistics have yet to be released. However, our Maori boys increased their Level 1 pass rate to 66.7%. This is very close to the 2018 national rate of 71.8%.</p>	<p>The increase focus on academic counselling and tracking, I believe, had a positive impact on the achievement of our Maori boys.</p> <p>The tracking processes meant that possible barriers to achievement and "students at risk of not achieving" were identified earlier and we were able to do something about it sooner.</p> <p>Academic counselling throughout the year also identified possible issues with courses which were able to be modified sooner.</p>	<p>While there has been significant improvement from 2018, the challenge is to continue this progress.</p> <p>For 2020, the school is continuing to focus on developing staff teaching practice through cultural relationships for responsive pedagogy-particularly through the expansion of the peer observation critical inquiry pilot to the whole staff.</p> <p>Academic counselling will also continue-the teacher with responsibility for AC has been given more time to conduct interviews with individual students. Whanau teachers will also be expected to have more of these conversations with their whanau students.</p>
<p>Planning for next year</p>			
<p>Continuing the focus on boy's achievement through identification of students at risk of not achieving, tracking, and counselling</p>			

Analysis of Variance Reporting



School Name:	Okaihau College	School Number:	007
Strategic Aim:	Map and accelerate our Maori student achievement		
Annual Aim:	Improve Maori boy's achievement in the junior school		
Target:	Maori boys in year 7 & 9 will make 1 curriculum level of progress for writing		
Baseline Data:	2018: both year 7 and 9 boys are consistently lower than national expectations and approx 30 points lower than our girls for eAsttle reading, writing and math. For Maori boys, this gap widens to approx 50 points.		

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>Increased focus on Cultural relationships for responsive pedagogy through school wide PLD.</p> <p>Finding "boy friendly" contexts for reading and writing</p>	<p>Maori boys made an increase in their writing results for 2019. 40% of Maori boys are at least at the level they should be at year 7 (up from 30% at the beginning of the year).</p> <p>However, only 28% of Maori are at the expected level for year 9.</p>	<p>There were some English department staff changes during 2019. 2 teachers left and had to be replaced which is unsettling and slows momentum in the junior school.</p>	<p>Teacher feedback was that the target was too ambitious and difficult to achieve. Writing will remain a focus across the curriculum for 2020.</p>
<p>Planning for next year.</p> <p>"What makes a good writer" displays in classrooms? Literacy (writing) strategies are written into unit plans across the curriculum.</p>			

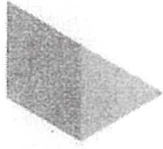
Analysis of Variance Reporting



School Name:	Okaihau College	School Number: 007
Strategic Aim:	Develop an equitable partnership with our whole community	
Annual Aim:	Increase whanau interaction with the school	
Target:	Increase whanau attendance at school event by 30%	
Baseline Data:	Current attendance at report evenings=25% of whanau attend. (2017/8)	

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>Changed the format of our whanau learning hui in term 1 from "speed dating" to a 20-minute conversation with whanau based on relationship building and goal setting. We used the Starpath model as a basis for our format. Insisted on staff ringing whanau to make contact and invite them to attend.</p> <p>Changed our booking system to an electronic one (school interviews)</p>	<p>Our attendance rate increased significantly. For this set of hui the number of appointments made and attended by whanau more than doubled to over 200 appointments. Feedback gathered from teachers and whanau was overwhelmingly positive. Whanau commented on the more relaxed nature of the hui which allowed them to establish a relationship with their student's whanau teacher.</p> <p>We achieved our goal of increasing whanau engagement with our whanau learning hui.</p>	<p>Teachers contacting home makes a big difference in the attendance rate of whanau.</p> <p>The format was also successful-the positive feedback was considerable.</p>	<p>Expand the format of whanau learning hui to the other times of the year when we have hui for 2020.</p> <p>Maybe move them earlier in the term. Feedback was that it would have been good to have them earlier in term 1 as it was quite late by the time we did have them (week 8)</p>
<p>Planning for next year:</p>			
<p>Earlier term 1 hui, organise times for hui for terms 2-4 using this format.</p>			

Analysis of Variance Reporting



School Name:	Okaihau College	School Number: 007
Strategic Aim	Enhance our collaborative responsibility for teaching and learning	
Annual Aim	Strengthen staff relationships	
Target	Increase positive feedback on wellness survey questions	
Baseline Data	Student voice indicates that staff don't get on and "don't like each other"	

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>
PLC established to focus on staff relationship building. Organised staff functions. Te Reo classes for staff offered on a voluntary basis for term 3 and part of term 4. Started the process of developing a "how we communicate" set of expectations for teachers.	Yet to be measured again. Staff wellness survey due to be taken term 3 2020 after new SLT has been established and new staff bedded in.		Not sure about the veracity of this goal. Seems to be an action to aid in the achievement of SG1. Improving teacher collaboration should be an action taken to improve student achievement.
Planning for next year			
Make staff wellbeing a focus for our new Senior Leadership Team. Administer NZCER staff wellbeing survey in 2020. Establish a set of expectations regarding how staff communicate with each other, students, and whanau/community.			

Kiwisport is a Government funded initiative to support student's participation in organised sport.

In 2019 the school received total Kiwi sport funding of \$8,245.40 which is utilized to support a Sports Co-Ordinator for 30 hours per week.

Teams and individuals competed in 19 sports, in local and regional competitions, winning numerous championship titles.

Okaihau College also hosts 2 regional tournaments and our Sports Co-Ordinator also runs another regional tournament.

INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF OKAIHAU COLLEGE'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

The Auditor-General is the auditor of Okaihau College (the School). The Auditor-General has appointed me, Stewart Russell, using the staff and resources of PKF Francis Aickin Ltd, to carry out the audit of the financial statements of the School on his behalf.

Opinion

We have audited the financial statements of the School on pages 2 to 21, that comprise the statement of financial position as at 31 December 2019, the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion the financial statements of the School:

- present fairly, in all material respects:
 - its financial position as at 31 December 2019; and
 - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with PBE Accounting Standards (PBE IPSAS) Reduced Disclosure Regime as appropriate to public benefit entities that qualify for Tier 2 reporting.

Our audit was completed on 7 August 2020. This is the date at which our opinion is expressed.

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

Emphasis of Matter – COVID-19

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

Basis for our opinion

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

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

Tel +64 408 9366

Fax +64 408 0367 • kaitia@pkfa.co.nz • www.pkfa.co.nz

2 Redan Road • PO Box 2 • KAITIA 0441 • New Zealand

Director: Dale Anderson, CA; Eddie Aickin, BCom, CA; Stewart Russell, CA

PKF Francis Aickin Limited is a member firm of the PKF International Limited and PKF New Zealand Limited (an) of legally independent firms who do not accept any responsibility or liability for the actions or inactions on the part of any other individual member or correspondent firm or firms.

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



Accountants &
business advisers

School's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report.

However, future events or conditions may cause the School to cease to continue as a going concern.

- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We assess the risk of material misstatement arising from the Novopay payroll system, which may still contain errors. As a result, we carried out procedures to minimise the risk of material errors arising from the system that, in our judgement, would likely influence readers' overall understanding of the financial statements.

We communicate with the Board of Trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Board of Trustees is responsible for the other information. The other information comprises the Analysis of Variance 2019 and the Kiwisport Report on pages 22 - 30, but does not include the financial statements, and our auditor's report thereon.

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

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

Independence

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

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

Stewart Russell
PKF Francis Aickin Ltd
On behalf of the Auditor-General
Kaitiaki, New Zealand

