

# PAPAKURA HIGH SCHOOL

## ANNUAL REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2019

#### School Directory

**Ministry Number:** 101  
**Principal:** John Rohs  
**School Address:** Willis Road, Papakura 2110  
**School Postal Address:** PO Box 72 080, Papakura 2244  
**School Phone:** (09) 2964400  
**School Email:** [k.lilley@papakurahigh.school.nz](mailto:k.lilley@papakurahigh.school.nz)

#### Members of the Board of Trustees

Name	Position	How Position Gained	Occupation	Term Expired/ Expires
Deeana Howard-Afeaki	Elected Chair (March 2017)	Elected June 2019	Parent	2022
John Rohs	Principal	Appointed	Principal	
Rosalie Freeman	Elected Member	Elected June 2019	Accounts Administrator	2022
Nane Lockington	Elected Member	Elected June 2019	Parent	2022
Enosa Auva'a	Elected Member	Elected June 2019	Presbyterian Minister Intern	2022
Kim Hassan	Co-opted Member	Co-opted Sept 2019	Aviation Security Officer	2022
Kamine Te Rongomau	Co-opted Member	Co-opted Sept 2019	Parent	2022
Murray Tume	Co-opted Member	Co-opted Sept 2019	Training Manager	2022
Moana Ratahi	Elected member	Elected June 2019	Probation Officer	2022
Beverley Matamua	Staff Rep	Elected June 2019	Teacher	2022
Logan Lepua	Student Rep	Elected Sept 2019	Student	Sep-20

**Accountant / Service Provider:** Karee Lilley

# PAPAKURA HIGH SCHOOL

Annual Report - For the year ended 31 December 2019

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# Papakura High School

## Statement of Responsibility

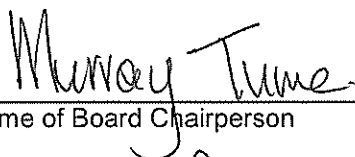
For the year ended 31 December 2019

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

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

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

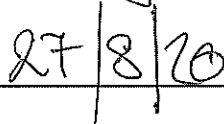
The School's 2019 financial statements are authorised for issue by the Board.



Full Name of Board Chairperson



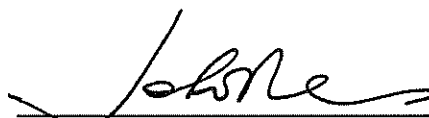
Signature of Board Chairperson



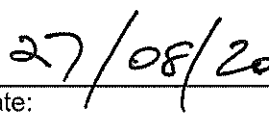
Date:



Full Name of Principal



Signature of Principal



Date:

# Papakura High School

## Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2019

	Notes	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
<b>Revenue</b>				
Government Grants	2	8,510,008	8,300,185	8,001,656
Locally Raised Funds	3	261,106	287,273	408,922
Interest income		24,893	40,000	41,803
Other Revenue		1,125	1,140	1,140
		<u>8,797,132</u>	<u>8,628,598</u>	<u>8,453,521</u>
<b>Expenses</b>				
Locally Raised Funds	3	156,190	111,560	165,509
Learning Resources	4	5,586,995	5,435,939	5,176,332
Administration	5	711,461	584,258	645,843
Finance		7,259	12,000	5,583
Property	6	2,537,129	2,387,841	2,358,207
Depreciation	7	225,332	220,000	212,359
		<u>9,224,365</u>	<u>8,751,598</u>	<u>8,563,833</u>
<b>Net Surplus / (Deficit) for the year</b>		(427,233)	(123,000)	(110,312)
Other Comprehensive Revenue and Expenses		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<u>(427,233)</u>	<u>(123,000)</u>	<u>(110,312)</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.

# Papakura High School

## Statement of Changes in Net Assets/Equity

For the year ended 31 December 2019

	Notes	Actual 2019 \$	Budget (Unaudited) 2019 \$	Actual 2018 \$
<b>Balance at 1 January</b>		<u>2,326,180</u>	<u>2,236,634</u>	<u>2,436,492</u>
Total comprehensive revenue and expense for the year		(427,233)	(123,000)	(110,312)
Capital Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		-	-	-
Adjustment to Accumulated surplus/(deficit) from adoption of PBE IFRS 9				
<b>Equity at 31 December</b>	23	<u>1,898,947</u>	<u>2,113,634</u>	<u>2,326,180</u>
Retained Earnings		1,898,947	2,113,634	2,326,180
Reserves		-	-	-
<b>Equity at 31 December</b>		<u>1,898,947</u>	<u>2,113,634</u>	<u>2,326,180</u>

The above Statement of Changes in Net Assets/Equity should be read in conjunction with the accompanying notes which form part of these financial statements.



**Papakura High School**  
**Statement of Financial Position**  
As at 31 December 2019

	Notes	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
<b>Current Assets</b>				
Cash and Cash Equivalents	8	1,090,510	1,200,300	1,472,530
Accounts Receivable	9	293,228	298,748	331,404
GST Receivable		4,797	21,750	26,695
Prepayments		8,367	8,367	3,776
Inventories	10	10,651	10,651	11,222
Investments	11	20,850	20,850	20,186
Funds held for Capital Works Projects	18	-	-	38,994
		1,428,402	1,560,665	1,904,807
<b>Current Liabilities</b>				
Accounts Payable	13	387,471	383,583	390,134
Revenue Received in Advance	14	148,929	126,929	130,698
Provision for Cyclical Maintenance	15	140,952	140,952	140,216
Finance Lease Liability - Current Portion	16	48,223	55,119	28,770
Funds held in Trust	17	-	-	158,419
Funds held for Capital Works Projects	18	78,290	78,989	-
		803,866	785,573	848,237
<b>Working Capital Surplus/(Deficit)</b>		624,536	775,092	1,056,570
<b>Non-current Assets</b>				
Property, Plant and Equipment	12	1,412,573	1,504,288	1,325,585
		1,412,573	1,504,288	1,325,585
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	15	90,050	90,050	43,903
Finance Lease Liability	16	46,170	73,754	10,130
Funds held in Trust	17	1,942	1,942	1,942
		138,162	165,746	55,975
<b>Net Assets</b>		1,898,947	2,113,634	2,326,180
<b>Equity</b>	23	1,898,947	2,113,634	2,326,180

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

**Papakura High School**  
**Statement of Cash Flows**  
For the year ended 31 December 2019

		2019	2019	2018
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
<b>Cash flows from Operating Activities</b>				
Government Grants		3,098,928	2,984,166	2,806,894
Locally Raised Funds		299,266	297,929	335,745
Goods and Services Tax (net)		21,898	4,945	(11,557)
Payments to Employees		(1,726,583)	(1,566,455)	(1,555,267)
Payments to Suppliers		(1,755,546)	(1,717,870)	(1,723,860)
Cyclical Maintenance Payments in the year		(0)	46,883	-
Interest Paid		(7,259)	(12,000)	(5,583)
Interest Received		24,893	40,001	42,621
Net cash from Operating Activities		(44,403)	77,598	(111,007)
<b>Cash flows from Investing Activities</b>				
Proceeds from Sale of PPE (and Intangibles)		0	2,630	-
Purchase of PPE (and Intangibles)		(205,471)	(253,107)	(152,508)
Purchase of Investments		(664)	(664)	820
Net cash from Investing Activities		(206,133)	(251,140)	(151,688)
<b>Cash flows from Financing Activities</b>				
Finance Lease Payments		(51,356)	(58,252)	(57,873)
Funds Administered on Behalf of Third Parties		(158,419)	(158,419)	160,360
Funds Held for Capital Works Projects		78,290	117,983	(41,383)
Net cash from Financing Activities		(131,485)	(98,687)	61,104
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(382,020)</b>	<b>(272,230)</b>	<b>(201,591)</b>
Cash and cash equivalents at the beginning of the year	8	1,472,530	1,472,530	1,674,121
<b>Cash and cash equivalents at the end of the year</b>	<b>8</b>	<b>1,090,510</b>	<b>1,200,300</b>	<b>1,472,530</b>

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

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



# **Papakura High School**

## **Notes to the Financial Statements**

### **For the year ended 31 December 2019**

#### **1. Statement of Accounting Policies**

##### **a) Reporting Entity**

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

##### **b) Basis of Preparation**

###### ***Reporting Period***

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

###### ***Basis of Preparation***

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

###### ***Financial Reporting Standards Applied***

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

###### ***Standard early adopted***

In line with the Financial Statements of the Government, the School has elected to early adopt PBE IFRS 9 Financial Instruments. PBE IFRS 9 replaces PBE IPSAS 29 Financial Instruments: Recognition and Measurement. Information about the adoption of PBE IFRS 9 is provided in Note 27.

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

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

###### ***Measurement Base***

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

###### ***Presentation Currency***

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

###### ***Specific Accounting Policies***

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





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

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

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

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

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

### **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 \$1,000 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense.

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

### **Finance Leases**

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

## **Depreciation**

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

The estimated useful lives of the assets are:

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

## **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. It's 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 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 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Operational Grants	2,282,510	2,447,851	2,076,623
Teachers' Salaries Grants	3,930,474	3,715,304	3,738,766
Use of Land and Buildings Grants	1,521,235	1,512,812	1,417,088
Resource Teachers Learning and Behaviour Grants	16,064	10,583	25,065
Other MoE Grants	138,989	78,986	173,236
Other Government Grants	620,737	534,649	570,878
	<u>8,510,008</u>	<u>8,300,185</u>	<u>8,001,656</u>

## 3. Locally Raised Funds

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

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
<b>Revenue</b>			
Donations	6,983	9,500	14,743
Bequests & Grants	46,572	35,000	85,345
Activities	154,410	187,322	230,759
Trading	42,858	42,265	57,206
Other Revenue	10,283	13,186	20,869
	<u>261,106</u>	<u>287,273</u>	<u>408,922</u>
<b>Expenses</b>			
Activities	138,492	92,850	130,092
Trading	17,698	18,710	35,417
	<u>156,190</u>	<u>111,560</u>	<u>165,509</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>104,916</u>	<u>175,713</u>	<u>243,413</u>

## 4. Learning Resources

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Curricular	321,131	438,756	488,711
Equipment Repairs	32,482	57,650	22,728
Information and Communication Technology	94,081	93,848	-
Library Resources	6,029	7,400	3,424
Employee Benefits - Salaries	5,115,857	4,813,785	4,644,138
Staff Development	17,415	24,500	17,331
	<u>5,586,995</u>	<u>5,435,939</u>	<u>5,176,332</u>



## 5. Administration

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Audit Fee	12,141	9,366	10,526
Board of Trustees Fees	9,340	10,000	8,220
Board of Trustees Expenses	5,611	6,500	2,671
Intervention Costs & Expenses	31,453	20,000	-
Communication	62,418	62,189	32,410
Consumables	66,079	62,054	53,210
Operating Lease	8,195	1,633	3,139
Other	69,382	47,320	49,666
Employee Benefits - Salaries	430,096	355,336	474,513
Insurance	16,746	9,860	11,488
	<u>711,461</u>	<u>584,258</u>	<u>645,843</u>

## 6. Property

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Caretaking and Cleaning Consumables	155,053	151,600	154,315
Cyclical Maintenance Provision	46,882	-	65,753
Grounds	40,052	49,800	50,466
Heat, Light and Water	231,201	148,850	211,062
Rates	454	500	479
Repairs and Maintenance	321,850	325,050	325,394
Use of Land and Buildings	1,521,235	1,512,812	1,417,088
Security	87,707	65,000	-
Employee Benefits - Salaries	132,695	134,229	133,650
	<u>2,537,129</u>	<u>2,387,841</u>	<u>2,358,207</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 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Building Improvements - Crown	25,403	22,000	21,149
Furniture and Equipment	72,624	90,000	84,576
Information and Communication Technology	59,451	46,000	50,589
Motor Vehicles	16,230	10,000	13,148
Textbooks	4,623	10,000	10,544
Leased Assets	43,430	33,000	24,310
Library Resources	3,571	9,000	8,043
	<u>225,332</u>	<u>220,000</u>	<u>212,359</u>





## 8. Cash and Cash Equivalents

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Cash on Hand	300	300	300
Bank Current Account	1,090,210	1,200,000	1,472,230
Cash and cash equivalents for Cash Flow Statement	<u>1,090,510</u>	<u>1,200,300</u>	<u>1,472,530</u>

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

Of \$1,090,510 Cash and Cash Equivalents, \$154,850 is held by the School on behalf of the Ministry of Education. These funds are required to be spent in 2019 on Crown owned buildings under the School's five years property plan.

Of \$1,090,510 Cash and Cash Equivalents, \$56,058 of unspent grant funding is held by the School. This funding is subject to restriction which specify how the grant is required to be spent in providing specified deliverables of the grant arrangement.

## 9. Accounts Receivable

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Receivables	46,439	51,959	66,877
Interest Receivable	4	4	5
Teacher Salaries Grant Receivable	246,785	246,785	264,522
	<u>293,228</u>	<u>298,748</u>	<u>331,404</u>

Receivables from Exchange Transactions	46,443	51,963	66,882
Receivables from Non-Exchange Transactions	246,785	246,785	264,522
	<u>293,228</u>	<u>298,748</u>	<u>331,404</u>

## 10. Inventories

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Stationery	9,885	10,651	8,005
School Uniforms	766	-	3,217
	<u>10,651</u>	<u>10,651</u>	<u>11,222</u>

## 11. Investments

The School's investment activities are classified as follows:

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Current Asset			
Short-term Bank Deposits	20,850	20,850	20,186
Total Investments	<u>20,850</u>	<u>20,850</u>	<u>20,186</u>



## 12. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
<b>2019</b>						
Land	25,000	-	-	-	-	25,000
Building Improvements	666,316	-	-	-	(25,403)	640,913
Furniture and Equipment	379,603	26,379	(15,555)	-	(72,624)	317,803
Information and Communication Technology	130,311	147,265	(9,020)	-	(59,451)	209,105
Motor Vehicles	31,467	39,579	-	-	(16,230)	54,816
Textbooks	5,590	20,447	-	-	(4,623)	21,414
Leased Assets	55,107	106,849	-	-	(43,430)	118,526
Library Resources	32,191	7,892	(11,516)	-	(3,571)	24,996
<b>Balance at 31 December 2019</b>	<b>1,325,585</b>	<b>348,411</b>	<b>(36,091)</b>	<b>-</b>	<b>(225,332)</b>	<b>1,412,573</b>

The net carrying value of equipment held under a finance lease is **\$118,526 (2018: \$55,106)**

The net carrying value of motor vehicles held under a finance lease is **\$0 (2018: \$0)**

	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
<b>2019</b>			
Land	25,000	-	25,000
Building Improvements	845,948	(205,034)	640,913
Furniture and Equipment	1,125,768	(807,964)	317,803
Information and Communication Technology	938,674	(729,569)	209,105
Motor Vehicles	160,097	(105,281)	54,816
Textbooks	165,541	(144,129)	21,413
Leased Assets	463,485	(344,959)	118,526
Library Resources	104,617	(79,622)	24,996
<b>Balance at 31 December 2019</b>	<b>3,829,130</b>	<b>(2,416,557)</b>	<b>1,412,573</b>

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
<b>2018</b>						
Land	25,000	-	-	-	-	25,000
Building Improvements	687,466	-	-	-	(21,149)	666,316
Furniture and Equipment	398,745	65,434	-	-	(84,576)	379,603
Information and Communication Technology	108,579	72,322	-	-	(50,589)	130,311
Motor Vehicles	44,615	-	-	-	(13,148)	31,467
Textbooks	7,589	8,545	-	-	(10,544)	5,590
Leased Assets	48,986	30,431	-	-	(24,310)	55,107
Library Resources	34,026	6,208	-	-	(8,043)	32,191
<b>Balance at 31 December 2018</b>	<b>1,355,006</b>	<b>182,940</b>	<b>-</b>	<b>-</b>	<b>(212,359)</b>	<b>1,325,585</b>

The net carrying value of equipment held under a finance lease is **\$55,106 (2017: \$48,986)**



2018

Land
Building Improvements
Furniture and Equipment
Information and Communication Technology
Motor Vehicles
Textbooks
Leased Assets
Library Resources

Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
25,000	-	25,000
845,948	(179,632)	666,316
1,065,420	(685,817)	379,603
840,933	(710,622)	130,311
120,518	(89,051)	31,467
145,095	(139,505)	5,590
356,636	(301,529)	55,107
108,241	(76,050)	32,191

Balance at 31 December 2018

3,507,791	(2,182,206)	1,325,585
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### 13. Accounts Payable

Operating Creditors
Accruals
Employee Entitlements - Salaries
Employee Entitlements - Leave Accrual

2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
110,901	107,013	105,038
7,673	7,673	20,053
253,179	268,897	249,905
15,718	-	15,138
387,471	383,583	390,134

Payables for Exchange Transactions

387,471	383,583	390,134
387,471	383,583	390,134

The carrying value of payables approximates their fair value.

### 14. Revenue Received in Advance

Grants in Advance - Ministry of Education
Other

2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
56,038	56,038	54,403
92,892	70,892	76,295
148,929	126,929	130,698

### 15. Provision for Cyclical Maintenance

Provision at the Start of the Year
Increase/ (decrease) to the Provision During the Year
Use of the Provision During the Year

2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
184,119	184,119	189,568
46,883	-	65,753
-	-	(71,202)
231,002	184,119	184,119
140,952	140,952	140,216
90,050	90,050	43,903
231,002	231,002	184,119

Provision at the End of the Year

Cyclical Maintenance - Current
Cyclical Maintenance - Term

## 16. Finance Lease Liability

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

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
No Later than One Year	48,811	-	29,676
Later than One Year and no Later than Five Years	48,518	-	13,858
	<u>97,329</u>	<u>-</u>	<u>43,534</u>

## 17. Funds held in Trust

	2019 Actual \$	2019 Budget \$	2018 Actual \$
Funds Held in Trust on Behalf of Third Parties - Current	-	-	158,419
Funds Held in Trust on Behalf of Third Parties - Non-current	1,942	1,942	1,942
	<u>1,942</u>	<u>1,942</u>	<u>160,361</u>

These funds relate to arrangements where the school is acting as an agent. These amounts are not revenue or expenditure of the school and therefore are not included in the Statement of Comprehensive Revenue and Expense.

## 18. Funds Held for Capital Works Projects

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

	2019	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions	Closing Balances \$
Drainage 2016	<i>in progress</i>	(76,568)	-	-	-	(76,568)
Spouting	<i>in progress</i>	25,021	-	-	-	25,021
MA Block	<i>in progress</i>	44,337	-	-	-	44,337
Rosehill Special Needs Driveway Canopy	<i>completed</i>	(9,438)	10,715	-	(1,277)	-
Rosehill Special Needs Satellite Classrooms	<i>completed</i>	(4,046)	4,046	-	-	-
Rosehill Special School Classrooms	<i>completed</i>	(18,300)	19,487	-	(1,187)	-
MA Block English Classrooms		-	85,500	-	-	85,500
Totals		<u>(38,994)</u>	<u>119,748</u>	<u>-</u>	<u>(2,464)</u>	<u>78,290</u>

### Represented by:

Funds Held on Behalf of the Ministry of Education	78,290
Funds Due from the Ministry of Education	-
	<u>78,290</u>



## 18. Funds Held for Capital Works Projects (continued)

	2018	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions	Closing Balances \$
Drainage 2013	<i>completed</i>	(69,485)	80,000	(10,515)	-	-
Drainage 2016	<i>in progress</i>	2,752	-	(79,320)	-	(76,568)
Emergency Drainage	<i>completed</i>	(2,080)	2,080	-	-	-
L Block	<i>completed</i>	(13,525)	13,525	-	-	-
T Block	<i>completed</i>	(9,473)	9,473	-	-	-
Spouting	<i>in progress</i>	25,021	-	-	-	25,021
Heating	<i>completed</i>	8,476	-	(8,476)	-	-
Admin	<i>completed</i>	(4,000)	4,000	-	-	-
MA Block	<i>in progress</i>	44,337	-	-	-	44,337
A Block	<i>completed</i>	(4,234)	4,234	-	-	-
S Wing	<i>completed</i>	33,800	3,000	(37,000)	200	-
Rosehill Special Needs Driveway Canopy	<i>in progress</i>	-	84,978	(99,461)	5,045	(9,438)
Rosehill Special Needs Satellite Classrooms	<i>in progress</i>	-	93,200	(97,246)	-	(4,046)
Rosehill Special School Classrooms	<i>in progress</i>	-	85,639	(103,939)	-	(18,300)
Drama Suite	<i>completed</i>	-	31,544	(31,544)	-	-
<b>Totals</b>		<b>11,589</b>	<b>411,673</b>	<b>(467,501)</b>	<b>5,245</b>	<b>(38,994)</b>

### Represented by:

Funds Held on Behalf of the Ministry of Education

Funds Due from the Ministry of Education

-  
38,994

## 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	9,340	8,220
Full-time equivalent members	0.17	0.16
<i>Leadership Team</i>		
Remuneration	647,541	533,353
Full-time equivalent members	5	4
Total key management personnel remuneration	656,881	541,573
Total full-time equivalent personnel	5.17	4.16

The full time equivalent for Board members has been determined based on attendance at Board meetings, Committee meetings and for other obligations of the Board, such as stand downs and suspensions, plus the estimated time for Board members to prepare for meetings.

### Principal

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

	2019 Actual \$000	2018 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	200-210	200-210

### 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	3.00	2.00
110-120	1.00	1.00
	4.00	3.00

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

## 21. Contingencies

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

### Holidays Act Compliance – schools payroll

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

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

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

## 22. Commitments

### (a) Capital Commitments

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

- (a) \$49,263 contract to have the MA Block Dance Studio upgraded, which will be fully funded by the Ministry of Education. \$44,337 has been received of which \$0 has been spent on the project to date; and
- (b) \$95,000 contract to have the MA Block English Classrooms upgraded as agent for the Ministry of Education. This project is fully funded by the Ministry and \$85,500 has been received of which \$0 has been spent on the project to balance date. This project has been approved by the Ministry.
- (c) \$84,048 contract to Fusion Network Limited on 18 November 2019 for on-site IT weekly service started from 1 January 2020 to 31 December 2020.

As at 31 December 2018 the Board has entered into contract agreements for capital works as follows:

- (a) \$164,000 contract for Fale Pasifika to be completed in 2019, which will be fully funded by Trillian Trust grant. \$164,000 has been received of which \$5,581 has been spent on the project to date; and
- (b) \$300,646 contract to have the Rosehill Special School Classrooms upgraded as agent for the Ministry of Education. This project is fully funded by the Ministry and \$263,817 has been received of which \$300,646 has been spent on the project to balance date. This project has been approved by the Ministry.

### (b) Operating Commitments

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

- (a) operating lease of a Minibus and EFTPOS Machine;

	2019 Actual \$	2018 Actual \$
No later than One Year	14,379	614
Later than One Year and No Later than Five Years	24,815	2,456
Later than Five Years	-	-
	<u>39,194</u>	<u>3,070</u>

## 23. Managing Capital

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



## 24. Financial Instruments

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

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

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Cash and Cash Equivalents	1,090,510	1,200,300	1,472,530
Receivables	293,228	298,748	331,404
Investments - Term Deposits	20,850	20,850	20,186
Total Financial assets measured at amortised cost	<u>1,404,588</u>	<u>1,519,898</u>	<u>1,824,120</u>

### Financial liabilities measured at amortised cost

Payables	387,471	383,583	390,134
Finance Leases	94,393	128,873	38,900
Total Financial Liabilities Measured at Amortised Cost	<u>481,864</u>	<u>512,457</u>	<u>429,034</u>

## 25. 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.

## 26. Comparatives

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

## 27. Adoption of PBE IFRS 9 Financial Instruments

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

- Note 8 Receivables: This policy has been updated to reflect that the impairment of short-term receivables is now determined by applying an expected credit loss model.
- Note 9 Investments:  
Term deposits: This policy has been updated to explain that a loss allowance for expected credit losses is recognised only if the estimated loss allowance is not trivial.

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

## 28. Failure to meet statutory reporting deadline

The Board of Trustees did not comply with section 87C(1) of the Education Act 1989, which required the Board to provide its audited financial statements to the Ministry of Education by 31 May 2020. The Board of Trustees was unable to meet its statutory deadline because of delays caused by the school being in lockdown as a result of the COVID-19 pandemic.



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

The Auditor-General is the auditor of Papakura High School (the School). The Auditor-General has appointed me, Kurt Sherlock, using the staff and resources of Crowe New Zealand Audit Partnership, 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 22, that comprise the statement of financial position as at 31 December 2019, the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion the financial statements of the School:

- present fairly, in all material respects:
  - its financial position as at 31 December 2019; and
  - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Sector Public Benefit Entity Standards, Reduced Disclosure Regime

Our audit was completed on 27 August 2020. This is the date at which our opinion is expressed.

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

**Emphasis of Matter – COVID-19**

*Without modifying our opinion* we draw attention to the disclosures in note 25 on page 22 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.

*The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is the Crowe Australasia external audit division. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.*

*Findex (Aust) Pty Ltd, trading as Crowe Australasia is a member of Crowe Global, a Swiss Verein. Each member firm of Crowe Global is a separate and independent legal entity. Findex (Aust) Pty Ltd and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global. Crowe Global does not render any professional services and does not have an ownership or partnership interest in Findex (Aust) Pty Ltd.*

*Services are provided by Crowe New Zealand Audit Partnership an affiliate of Findex (Aust) Pty Ltd.*

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

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

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

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

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

The Board of Trustees' responsibilities arise from the Education Act 1989.

### **Responsibilities of the auditor for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of these financial statements.

For the budget information reported in the financial statements, our procedures were limited to checking that the information agreed to the School's approved budget.

We did not evaluate the security and controls over the electronic publication of the financial statements.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Trustees.

- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Trustees and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the School to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We assess the risk of material misstatement arising from the Novopay payroll system, which may still contain errors. As a result, we carried out procedures to minimise the risk of material errors arising from the system that, in our judgement, would likely influence readers' overall understanding of the financial statements.

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

Our responsibilities arise from the Public Audit Act 2001.

#### **Other information**

The Board of Trustees is responsible for the other information. The other information obtained at the date of our audit report is Kiwisport and Analysis of Variance 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.



Kurt Sherlock  
Crowe New Zealand Audit Partnership  
On behalf of the Auditor-General  
Auckland New Zealand



## PAPAKURA HIGH SCHOOL

### ANALYSIS OF VARIANCE 2019

## ACHIEVEMENT TARGETS

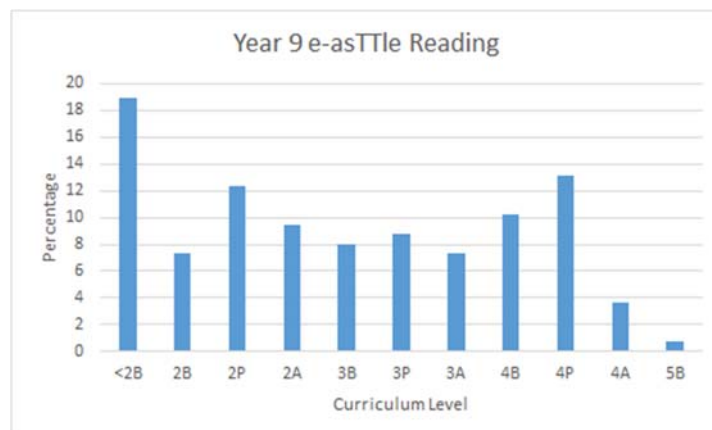
### YEAR 9

**Target:** Shift student curriculum levels for reading by at least one curriculum level

**RESULT:**

There was only one assessment at mid year. This is a mandated assessment as part of our required Kootuitui Woolf Fisher partnership.

The term 2 e-asTTle reading results were:



This graph provides the distribution of year 9 reading ability but does not indicate shift over the course of the year. The shift will be indicated by the assessment in mid 2020

**Target:** 50% of year 9 students achieve PAT reading at average gained for NZ year 9 cohort by end of year (stanine 5)

## RESULT

**Note:** the results for the PAT have been affected by variable completion and follow up of students. Changes in the leadership of the Department and staffing will address this systemic failure.

5 students/184 achieved the target

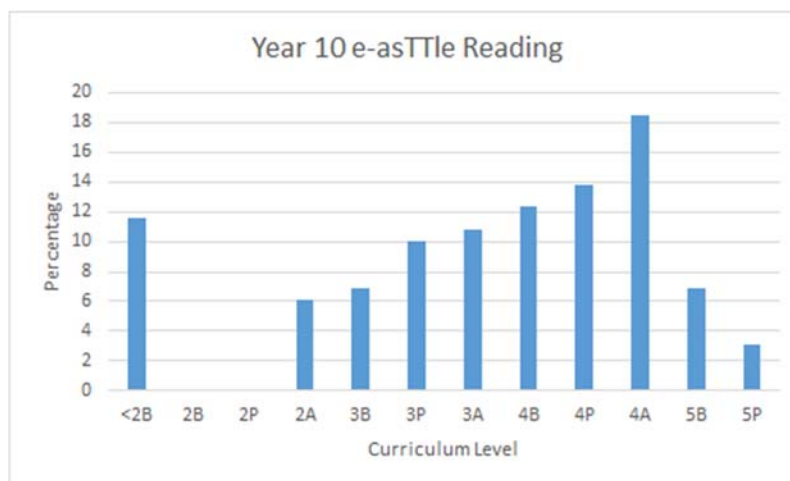
6 students/184 exceeded the target

118/184 students completed the assessment, (this includes a reo Maori Rumaki unit who were to do the REo Maori PAT test)

This was a very poor result in reading

## YEAR 10

**Target:** Shift student curriculum levels for reading by at least one curriculum level by end of year



**Target:** 50% of year 10 students achieve PAT reading at average gained for NZ year 10 cohort by end of year

## RESULT

**Note: the results for the PAT have been affected by variable completion and follow up of students by the English staff.**

**25 students/168 achieved the target**

**10 students/168 exceeded the target**

**125/168 students completed the assessment**

**Conclusion: more thought and planning needs to be given to the connection between the school's achievement targets in junior literacy and the testing regime. In mid-2020 the Board must make a decision regarding its continuation with the Kootuitui cluster. There are also issues related to the shrinking of the Kootuitui cohort as part of our junior school cohort.**

## **YEAR 11**

**2019 Level 1 NCEA achievement is same as or better than national data for decile 1 – 3 schools.**

### **RESULT::**

PHS 54% Decile 1-3 55.1% As of 14 Jan

3 more students completed L1 between 14 Jan- 24 February, so the result will improve, highly likely to meet the target of 55.1%

## **YEAR 12**

**2019 Year 12 NCEA achievement is same as or better than national data for decile 1 – 3 schools.**

### **RESULT:**

PHS 65.5% Decile 1-3 67%

One more student completed L2 between 14 Jan- 24 February, so the result will improve. The result is very close to the target.

## **ATTENDANCE TARGETS:**

### **Attendance Initiative**

**Overall school attendance target: 85%**

**Students with attendance more than 90% Target more than or equal symbol 35%**  
**Students with attendance more than 80% Target more than or equal symbol 60%**  
**Students with attendance less than 50% Target less than symbol 3%**

### **Attendance**

Overall students attendance. Target 85%

Not met

**At 80% (up 1.5% from previous year)**

Recommend continue with 85% target 2020

### **% Student Attendance**

Students with attendance >90% of time. Target 35%

Not met

**At 26.9% (up 22.0% from previous year)**

Recommend continue with 35% target 2020

Students with attendance >80% of time. Target 60%

Not met

**At 54.6 % (up 23.1% from previous year)**

Recommend continue with target 2020

Students with attendance <50% of time. Target <3%

Not met

**At 6.5% (down 10.5% from previous year)**

Recommend continue with target 2020

**Conclusion: There have been considerable gains in student attendance rates in certain categories, which overall is very encouraging. The attendance targets are very ambitious and these must be maintained in 2020. The appointment of our attendance/engagement support worker will assist with the improvement of student attendance in the at risk categories. A number of students who did not graduate from year 10 have also left the school, and others have joined the Services Academy. This will likewise contribute to higher attendance rates in the middle years.**

### **Student Retention**

#### **New and Left Students**

**109 enrolled and 150 left during 2019.**

**2019 Yr13 - 33 students started in Yr9 (2015) and completed Yr13 (2019)**

**18.1% of students who started in Yr9 completed to Yr13. 182 Yr9 students started PHS in 2015, 33 students completed Yr13 in 2019**

**50.2% of the 2019 Yr13 students (65.8) started at PHS in 2015 in Yr9.**

**Note: Enrolled students include all those arriving after 11 February.**

**These transience rates provide a dramatic background to the school's issues with attendance rates as well as with student achievement.**

### **Student Numbers**

2019				
GMFS	1-Mar	1-Jun	1-Jul	1-Sep
172	186	187	186	189
177	177	175	176	177
158	162	154	145	143
57	84.6	79.8	73.4	66.2
51	65.8	57.4	56.6	50.6
615	675.4	653.2	637	625.8

## WELLBEING AT SCHOOL:

The NZCER Well in Schools survey was completed with year 10, with very favorable results.

Increase from 2015 to 2019 at Year 10:

- I am proud to be at this school.
- People care about each other at this school.
- I pay attention in class.
- I am interested in what I am learning at school.

Above national average at Year 10:

- Most mornings I look forward to going to school.
- My family's culture is treated with respect by the teachers.
- I feel my teachers help me learn.

Increase from 2015 to 2019 at Year 9:

- I am proud to be at this school
- Most of the time being at school puts me in a good mood.
- People care about each other at this school.
- I have lots of respect for my teachers
- I am comfortable talking to the teachers at this school about my problems.
- I care a lot about what my teachers think of me.

Above national average at Year 9;

- Most mornings I look forward to going to school.
- I feel teachers help me learn.
- I look for ways I can improve my schoolwork.
- My schoolwork helps in things I do outside of school.



## **Papakura High School**

### **Kiwisport**

**For the Year Ended 31 December 2019**

Kiwisport is a government funding initiative to support students' participation in organisation sport. In 2019, the school received total Kiwisport funding of 15,662.64 (excl GST).

The funding was utilised towards the Sports Co-ordinator's salary.