

# COASTAL TARANAKI SCHOOL

## ANNUAL REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2019

#### School Directory

**Ministry Number:** 551

**Principal:** Scott Walden

**School Address:** Carthew Street, OKATO

**School Postal Address:** PO Box 8, OKATO

**School Phone:** 06 752 4022

**School Email:** jacky@coastaltaranaki.school.nz

#### Members of the Board of Trustees

Name	Position	How Position Gained	Occupation	Term Expires/ Expired
Deborah Burmeister	Chairperson	Elected	Farmer	Jun 2022
Scott Walden	Principal	ex Officio		
John Pullar	Parent Rep	Elected	Maintenance Supervisor	Jun 2019
Gaylene MacLean	Parent Rep	Elected	Farmer	Jun 2022
Matthew Moorby	Parent Rep	Elected	Teacher	Jun 2022
Liam O'Sullivan	Parent Rep	Elected	Farmer	Jun 2022
Miriam White	Parent Rep	Elected	Librarian	Jun 2022
Craig Taylor	Staff Rep	Elected	Teacher	Jun 2022
Brianna McCready-Scouller	Student Rep	Elected	Student	Sep 2019
Te Ahumairangi Waaka	Student Rep	Elected	Student	Sep 2020

**Accountant / Service Provider:** Education Services Ltd

# COASTAL TARANAKI SCHOOL

Annual Report - For the year ended 31 December 2019

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# Coastal Taranaki 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.

Deborah Joanne Burnester

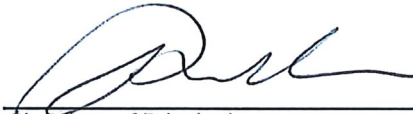
Full Name of Board Chairperson

Scott Robert Walden

Full Name of Principal



Signature of Board Chairperson



Signature of Principal

29/5/2020

Date:

29 - 05 - 2020

Date:

**Coastal Taranaki School****Statement of Comprehensive Revenue and Expense**

For the year ended 31 December 2019

		2019	2019	2018
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
<b>Revenue</b>				
Government Grants	2	2,990,888	3,034,307	2,913,172
Locally Raised Funds	3	200,774	71,956	119,277
Interest income		9,959	8,000	9,433
Gain on Sale of Property, Plant and Equipment		-	-	4,364
		<u>3,201,621</u>	<u>3,114,263</u>	<u>3,046,246</u>
<b>Expenses</b>				
Locally Raised Funds	3	65,757	18,350	63,278
Learning Resources	4	2,129,044	2,013,862	1,934,887
Administration	5	271,061	248,386	231,545
Finance		4,620	925	3,492
Property	6	669,144	776,587	736,290
Depreciation	7	82,800	62,012	84,551
Loss on Disposal of Property, Plant and Equipment		6,736	-	1,561
		<u>3,229,162</u>	<u>3,120,122</u>	<u>3,055,604</u>
<b>Net Surplus / (Deficit) for the year</b>		(27,541)	(5,859)	(9,358)
Other Comprehensive Revenue and Expenses		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<u>(27,541)</u>	<u>(5,859)</u>	<u>(9,358)</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.





# Coastal Taranaki 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>		297,566	402,994	295,448
Total comprehensive revenue and expense for the year		(27,541)	(5,859)	(9,358)
Capital Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		-	-	11,476
Adjustment to Accumulated surplus/(deficit) from adoption of PBE IFRS 9		-	-	-
<b>Equity at 31 December</b>	24	270,025	397,135	297,566
Retained Earnings		270,025	397,135	297,566
<b>Equity at 31 December</b>		270,025	397,135	297,566

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.



**Coastal Taranaki School**  
**Statement of Financial Position**  
As at 31 December 2019

		2019	2019	2018
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
<b>Current Assets</b>				
Cash and Cash Equivalents	8	353,818	71,049	253,754
Accounts Receivable	9	131,706	123,161	108,420
GST Receivable		32,516	3,183	35,756
Prepayments		1,276	1,082	1,633
Inventories	10	11,242	9,797	10,332
Investments	11	150,000	165,000	165,000
Funds owed for Capital Works Projects	18	-	-	194,153
		<u>680,558</u>	<u>373,272</u>	<u>769,048</u>
<b>Current Liabilities</b>				
Accounts Payable	13	318,510	139,988	407,212
Revenue Received in Advance	14	101,337	78,463	126,597
Provision for Cyclical Maintenance	15	13,813	95,333	-
Painting Contract Liability - Current Portion	16	-	-	3,676
Finance Lease Liability - Current Portion	17	15,497	2,967	17,339
Funds held for Capital Works Projects	18	32,826	-	-
		<u>481,983</u>	<u>316,751</u>	<u>554,824</u>
<b>Working Capital Surplus/(Deficit)</b>		<u>198,575</u>	<u>56,521</u>	<u>214,224</u>
<b>Non-current Assets</b>				
Investments (more than 12 months)	11	15,000	-	-
Property, Plant and Equipment	12	369,467	407,690	357,798
		<u>384,467</u>	<u>407,690</u>	<u>357,798</u>
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	15	281,283	67,076	242,200
Finance Lease Liability	17	31,734	-	32,256
		<u>313,017</u>	<u>67,076</u>	<u>274,456</u>
<b>Net Assets</b>		<u>270,025</u>	<u>397,135</u>	<u>297,566</u>
<b>Equity</b>		<u>270,025</u>	<u>397,135</u>	<u>297,566</u>

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



# Coastal Taranaki 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		748,741	698,211	783,053
Locally Raised Funds		166,725	51,450	165,105
Goods and Services Tax (net)		3,240	-	(32,573)
Payments to Employees		(414,087)	(361,433)	(382,110)
Payments to Suppliers		(390,900)	(193,013)	(379,212)
Cyclical Maintenance Payments in the year		(32,763)	(189,000)	(79,819)
Interest Paid		(4,620)	(925)	(3,492)
Interest Received		10,118	8,000	9,500
Net cash from Operating Activities		86,454	13,290	80,452
<b>Cash flows from Investing Activities</b>				
Purchase of PPE (and Intangibles)		(82,646)	(84,815)	(59,601)
Net cash from Investing Activities		(82,646)	(84,815)	(59,601)
<b>Cash flows from Financing Activities</b>				
Furniture and Equipment Grant		-	-	11,476
Finance Lease Payments		(18,394)	(15,049)	(18,082)
Painting contract payments		(3,676)	-	3,676
Funds Held for Capital Works Projects		118,326	-	78,210
Net cash from Financing Activities		96,256	(15,049)	75,280
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>100,064</b>	<b>(86,574)</b>	<b>96,131</b>
Cash and cash equivalents at the beginning of the year	8	253,754	157,623	157,623
<b>Cash and cash equivalents at the end of the year</b>	<b>8</b>	<b>353,818</b>	<b>71,049</b>	<b>253,754</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.



# Coastal Taranaki School

## Notes to the Financial Statements

### For the year ended 31 December 2019

#### 1. Statement of Accounting Policies

##### a) Reporting Entity

Coastal Taranaki 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 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:

Buildings	50 years
Building Improvements	10-50 years
Furniture and Equipment	5-10 years
Information and Communication	5 years
Library Resources	8 years
Miscellaneous	10 years

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 (Unaudited)	Actual
	\$	\$	\$
Operational Grants	633,346	627,669	641,564
Teachers' Salaries Grants	1,730,291	1,677,139	1,569,366
Use of Land and Buildings Grants	490,447	657,454	577,901
Secondary tertiary alignment resource grants	21,577	7,046	15,610
Other MoE Grants	104,225	63,765	103,363
Other Government Grants	11,002	1,234	5,368
	<u>2,990,888</u>	<u>3,034,307</u>	<u>2,913,172</u>

## 3. Locally Raised Funds

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

	2019	2019	2018
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
<b>Revenue</b>			
Donations	30,575	13,000	27,220
Bequests & Grants	78,064	16,200	23,086
Activities	44,372	11,906	31,303
Trading	15,264	10,000	11,396
Fundraising	8,955	1,500	10,692
Other Revenue	10,344	3,750	6,965
Oxford Road	13,200	15,600	8,615
	<u>200,774</u>	<u>71,956</u>	<u>119,277</u>
<b>Expenses</b>			
Activities	32,032	4,400	42,161
Trading	17,501	9,500	12,598
Fundraising (Costs of Raising Funds)	14,006	-	1,013
Other Locally Raised Funds Expenditure	1,121	-	-
Curtis Street	837	1,450	2,370
Oxford Road	260	3,000	5,136
	<u>65,757</u>	<u>18,350</u>	<u>63,278</u>
<b>Surplus for the year Locally raised funds</b>	<u>135,017</u>	<u>53,606</u>	<u>55,999</u>

## 4. Learning Resources

	2019	2019	2018
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Curricular	87,420	95,750	87,272
Library Resources	1,624	2,050	1,920
Employee Benefits - Salaries	1,975,019	1,877,160	1,795,889
Staff Development	16,851	15,000	14,974
Gateway	21,696	10,356	7,563
Star	26,434	13,546	27,269
	<u>2,129,044</u>	<u>2,013,862</u>	<u>1,934,887</u>



## 5. Administration

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	6,757	6,439	6,282
Board of Trustees Fees	3,995	4,700	3,095
Board of Trustees Expenses	5,081	4,675	1,844
Communication	6,810	7,850	7,891
Consumables	13,291	13,600	13,635
Operating Lease	-	-	1,046
Legal Fees	-	-	2,609
Other	39,975	29,680	23,184
Employee Benefits - Salaries	169,487	157,412	149,750
Insurance	8,956	7,130	7,809
Service Providers, Contractors and Consultancy	16,709	16,900	14,400
	<u>271,061</u>	<u>248,386</u>	<u>231,545</u>

## 6. Property

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	12,554	12,000	10,603
Cyclical Maintenance Expense	85,659	55,683	65,848
Grounds	9,390	6,150	12,761
Heat, Light and Water	34,790	23,250	29,460
Repairs and Maintenance	35,764	21,500	39,177
Use of Land and Buildings	490,447	657,454	577,901
Security	540	550	540
	<u>669,144</u>	<u>776,587</u>	<u>736,290</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)	\$
Buildings	1,760	1,291	1,760
Building Improvements	10,120	7,422	10,120
Furniture and Equipment	20,180	18,166	24,769
Information and Communication Technology	17,365	13,671	18,640
Motor Vehicles	9,454	3,606	4,916
Leased Assets	21,570	16,079	21,923
Library Resources	2,351	1,777	2,423
	<u>82,800</u>	<u>62,012</u>	<u>84,551</u>





## 8. Cash and Cash Equivalents

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Cash on Hand	258	-	258
Bank Current Account	353,534	70,949	253,394
Bank Call Account	26	100	102
Cash equivalents for Cash Flow Statement	353,818	71,049	253,754

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

Of the \$353,818 Cash and Cash Equivalents, \$95,515 is held by the School on behalf of the Ministry of Education. These funds are required to be spent in 2020 on Crown owned school buildings under the School's Five Year Property Plan.

## 9. Accounts Receivable

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Receivables	15,439	4,089	6,364
Receivables from the Ministry of Education	3,784	-	790
Banking Staffing Underuse	-	28,206	8,038
Interest Receivable	967	1,193	1,126
Teacher Salaries Grant Receivable	111,516	89,673	92,102
	131,706	123,161	108,420
Receivables from Exchange Transactions	16,406	5,282	7,490
Receivables from Non-Exchange Transactions	115,300	117,879	100,930
	131,706	123,161	108,420

## 10. Inventories

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Uniforms	11,242	9,797	10,332
	11,242	9,797	10,332

## 11. Investments

The School's investment activities are classified as follows:

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Current Asset			
Short-term Bank Deposits	150,000	165,000	165,000
Non-current Asset			
Long-term Bank Deposits	15,000	-	-
Total Investments	165,000	165,000	165,000



## 12. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2019	\$	\$	\$	\$	\$	\$
Land	24,000	-	-	-	-	24,000
Buildings	65,512	-	-	-	(1,760)	63,752
Building Improvements	69,906	-	-	-	(10,120)	59,786
Furniture and Equipment	79,748	14,675	(2,361)	-	(20,180)	71,883
Information and Communication Technology	15,570	60,062	-	-	(17,365)	58,268
Motor Vehicles	37,806	5,762	-	-	(9,454)	34,114
Leased Assets	46,995	18,868	-	-	(21,570)	44,293
Library Resources	18,261	1,838	(4,375)	-	(2,351)	13,371
<b>Balance at 31 December 2019</b>	<b>357,798</b>	<b>101,205</b>	<b>(6,736)</b>	<b>-</b>	<b>(82,800)</b>	<b>369,467</b>

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2019	\$	\$	\$
Land	24,000	-	24,000
Buildings	88,000	(24,248)	63,752
Building Improvements	114,112	(54,326)	59,786
Furniture and Equipment	279,149	(207,266)	71,883
Information and Communication	234,056	(175,788)	58,268
Motor Vehicles	48,484	(14,370)	34,114
Leased Assets	87,255	(42,962)	44,293
Library Resources	24,331	(10,960)	13,371
<b>Balance at 31 December 2019</b>	<b>899,387</b>	<b>(529,920)</b>	<b>369,467</b>



2018	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
Land	24,000	-	-	-	-	24,000
Buildings	67,272	-	-	-	(1,760)	65,512
Building Improvements	80,026	-	-	-	(10,120)	69,906
Furniture and Equipment	98,669	7,409	(1,561)	-	(24,769)	79,748
Information and Communication Technology	30,713	3,497	-	-	(18,640)	15,570
Motor Vehicles	-	42,722	-	-	(4,916)	37,806
Leased Assets	34,508	36,018	(1,608)	-	(21,923)	46,995
Library Resources	18,267	2,417	-	-	(2,423)	18,261
<b>Balance at 31 December 2018</b>	<b>353,455</b>	<b>92,063</b>	<b>(3,169)</b>	<b>-</b>	<b>(84,551)</b>	<b>357,798</b>

2018	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
Land	24,000	-	24,000
Buildings	88,000	(22,488)	65,512
Building Improvements	114,112	(44,206)	69,906
Furniture and Equipment	317,678	(237,930)	79,748
Information and Communication Technology	252,336	(236,766)	15,570
Motor Vehicles	42,722	(4,916)	37,806
Leased Assets	70,172	(23,177)	46,995
Library Resources	50,934	(32,673)	18,261
<b>Balance at 31 December 2018</b>	<b>959,954</b>	<b>(602,156)</b>	<b>357,798</b>

### 13. Accounts Payable

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Operating Creditors	181,839	28,906	292,193
Accruals	6,600	6,282	6,282
Capital Accruals for PPE items	-	-	308
Employee Entitlements - Salaries	111,516	89,673	92,102
Employee Entitlements - Leave Accrual	18,555	15,127	16,327
	<b>318,510</b>	<b>139,988</b>	<b>407,212</b>
Payables for Exchange Transactions	318,510	139,988	407,212
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	<b>318,510</b>	<b>139,988</b>	<b>407,212</b>

The carrying value of payables approximates their fair value.

### 14. Revenue Received in Advance

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Income In Advance	99,653	55,772	119,982
Other	1,684	22,691	6,615
	<b>101,337</b>	<b>78,463</b>	<b>126,597</b>



#### 15. Provision for Cyclical Maintenance

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Provision at the Start of the Year	242,200	106,726	256,171
Increase to the Provision During the Year	85,659	55,683	65,848
Use of the Provision During the Year	(32,763)	-	(79,819)
Provision at the End of the Year	295,096	162,409	242,200
Cyclical Maintenance - Current	13,813	95,333	-
Cyclical Maintenance - Term	281,283	67,076	242,200
	295,096	162,409	242,200

#### 16. Painting Contract Liability

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Current Liability	-	-	3,676
Non Current Liability	-	-	-
	-	-	3,676

In 2018 the Board signed an agreement with Programmed Property Services (the contractor) for an agreed programme of work covering a 3 year period. The programme provides for interior and exterior painting of the Ministry owned buildings in 2018, with regular maintenance in subsequent years. The agreement has an annual commitment of \$10,358. The liability is the best estimate of the actual amount of work performed by the contractor for which the contractor has not been paid at balance sheet date. The liability has not been adjusted for inflation and the effect of the time value of money.

#### 17. 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	18,696	2,967	20,513
Later than One Year and no Later than Five Years	35,287	-	37,703
	53,983	2,967	58,216



## 18. Funds Held (Owed) 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 \$	Transfers \$	BOT Contribution/ (Write-off to R&M)	Closing Balances \$
Rationalisation	<i>completed</i>	(300)	-	-	-	(300)	-
Sewage Plant	<i>completed</i>	(23,732)	-	-	23,732	-	-
Gym Emergency Water Tightness & E	<i>in progress</i>	17,584	-	-	-	-	17,584
On Site Sewage System Replacemen	<i>in progress</i>	(256,037)	557,300	363,952	(23,732)	-	(62,689)
Special Needs Modification	<i>completed</i>	68,332	6,503	74,835	-	-	-
AMS Project	<i>in progress</i>	-	225,000	149,759	-	-	75,241
Caretaker House Refurbishment	<i>in progress</i>	-	38,700	36,010	-	-	2,690
Totals		(194,153)	827,503	624,556	-	(300)	32,826

### Represented by:

Funds Held on Behalf of the Ministry of Education	95,515
Funds Due from the Ministry of Education	(62,689)
	<u>32,826</u>

	2018	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution/ (Write-off to R&M)	Closing Balances \$
Rationalisation	<i>in progress</i>	(300)	-	-	-	(300)
Sewage Plant	<i>in progress</i>	(16,581)	-	7,151	-	(23,732)
Gym Emergency Water Tightness & E	<i>in progress</i>	17,584	-	-	-	17,584
On Site Sewage System Replacemen	<i>in progress</i>	-	40,300	296,337	-	(256,037)
Special Needs Modification	<i>in progress</i>	-	73,800	5,468	-	68,332
Totals		703	114,100	308,956	-	(194,153)

## 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	3,995	3,095
Full-time equivalent members	0.11	0.09
<i>Leadership Team</i>		
Remuneration	470,250	452,193
Full-time equivalent members	4.00	3.96
Total key management personnel remuneration	474,245	455,288
Total full-time equivalent personnel	4.11	4.05

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	180 - 190	170 - 180
Benefits and Other Emoluments	5 - 6	5 - 6
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	-	-
	0.00	0.00

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	-	-
Number of People	-	-

## 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

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

(a) \$250,006.38 contract for Block A & B Upgrade which has been fully funded by the Ministry of Education. \$225,000 has been received at 31 December 2019 of which \$149,758.64 have been spent on the project to balance date. This project has been approved by the Ministry.

(b) \$673,960.79 contract for On-site sewage system plant upgrade which has been fully funded by the Ministry of Education. \$597,600 has been received at 31 December 2019 of which \$660,289.15 have been spent on the project to balance date. This project has been approved by the Ministry.

(c) \$43,688 contract for House refurbishment which has been fully funded by the Ministry of Education. \$38,700 has been received at 31 December 2019 of which \$36,009.59 have 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) The School has entered into an agreement with Programmed Maintenance Services Ltd for painting of the School's buildings. The amount committed on the contract is:

	2019 Actual \$	2018 Actual \$
No later than One Year	-	3,676
Later than One Year and No Later than Five Years	-	-
Later than Five Years	-	-
	-	3,676

### 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 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Cash and Cash Equivalents	353,818	71,049	253,754
Receivables	131,706	123,161	108,420
Investments - Term Deposits	165,000	165,000	165,000
Total Financial assets measured at amortised cost	650,524	359,210	527,174

### Financial liabilities measured at amortised cost

Payables	318,510	139,988	407,212
Borrowings - Loans	-	-	-
Finance Leases	47,231	2,967	49,595
Painting Contract Liability	-	-	3,676
Total Financial Liabilities Measured at Amortised Cost	365,741	142,955	460,483

## 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.



## INDEPENDENT AUDITOR'S REPORT

### TO THE READERS OF COASTAL TARANAKI SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

The Auditor-General is the auditor of Coastal Taranaki School (the School). The Auditor-General has appointed me, Carolyn Jackson, using the staff and resources of Baker Tilly Staples Rodway Audit Limited, 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 29 May 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 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.

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

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



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

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

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

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

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

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

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

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

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

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

- We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Trustees.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Trustees and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the School to cease to continue as a going concern.

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

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

Our responsibilities arise from the Public Audit Act 2001.

#### **Other information**

The Board of Trustees is responsible for the other information. The other information comprises the information included on pages 26 to 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.



Carolyn Jackson  
Baker Tilly Staples Rodway Audit Limited  
On behalf of the Auditor-General  
New Plymouth, New Zealand



## Writing Targets 2019

Strategic Goals		Annual/Aims			Target	
G1. Develop capabilities to accelerate our target learners.	1.1 Target Learners	For the targeted Year 5-6 students, especially Māori, to make accelerated progress i.e more than one year's progress				
	1.2 Engagement					
	1.3 Communication					
Beginning of the Year Cohort Data						
Cohort	Above	At	Below	Well Below	Total Number of Students	Percent age at or above
Year 5 Maori	23% 7% 25%	27% 53% 13% 38%	23% 17% 25%	20% 23% 38% 62%	30 30 8 8	50% 50% 63% 38%
Year 6 Maori	26% 19 20% 17%	22% 22 20%	4% 33% 33%	41% 16% 50%	27 27 5 6	48% 11% 40% 17%
Baseline Data						
Year 5 & 6 students – beginning of the year data – as TTLE Writing 43% of Year 5 and 45% of Year 6 are writing below or well below expectation. 63% of Year 5 students and 60% of Year 6 students who identify as Maori are writing below or well below expectation.						
Actions to Achieve Targets					Budget	Timeframe
What are we currently doing? <ul style="list-style-type: none"><li>Focus on sentence structure, punctuation</li><li>Using relevant information / current interest</li><li>Teacher and peer feedback</li><li>Bringing in Spiral of Inquiry (term 2 cross curriculum)</li></ul> What could we try? <ul style="list-style-type: none"><li>Learning in the fast lane (professional reading resource) and other research based theory to grow and support teacher practice.</li><li>ALL – 6x Spaces on the ALL programme for 2019</li><li>Run two cycles of ALL in 2019. Establish QLC</li><li>Continue to develop Teacher knowledge and use of the Learning Progressions Framework</li><li>Across the school moderation in writing each term</li><li>Teacher inquiry – collaborative inquiry with writing across the curriculum focus.</li><li>Analyse writing data to determine strengths and weaknesses and next learning steps</li></ul>					Senior Leadership team Management team Literacy PLG - Margaret Normanton - Craig Taylor	\$8000.00 ALL \$3000.00 Jnr \$1800.00 Snr \$5000.00 – PD SW  Terms 1 – 4



<b>Actions:</b> 1. ALL – in-depth MOE funded professional learning programme – 5 teachers 2. Across the school moderation of writing samples– Years 1-10 3. Collaborative Leadership Inquiry focusing on writing – Leadership Team 4. Teacher inquiry focusing on raising writing achievement	<b>Outcomes:</b> End of Year data - Year 5 - at or above - 60% below or well below - 40% Maori - at or above - 38% below or well below - 62%  Year 6 - at or above - 41% below or well below - 59% Maori - at or above - 17% below or well below - 63%	<b>Reasons for Variance:</b> Data is based on SOY and EOY OTJs. Although a number of students had improved, they did not move into the next level i.e a student achieving at expectation, may still be at this level despite having an improved scale score. Scale scores will be used in future as they are more accurate.  The number of Maori students is very low so one student can make a significant change to the data.	<b>Evaluation:</b> 1. Each teacher to identify a target group for writing. 2. School wide moderation of writing samples – twice in the year - as a staff to ensure consistency. 3. Ongoing need for professional development for staff and ensuring target group students are identified early in the year and are a component of team meetings. 4. Use scale scores to record data
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## Reading Targets 2019

Strategic Goals		Annual Aims		Target		
G1. Develop capabilities to accelerate our target learners.	1.1 Target Learners		For the targeted Year 3 & 4 students, especially Maori to make accelerated progress i.e more than one year's progress in reading.			
	1.2 Engagement					
	1.3 Communication					
Actions to Achieve Targets						
<ul style="list-style-type: none"><li>Getting to know our students, and wanting to be at school, wanting to learn</li><li>Sharp reading programme -</li><li>Accessibility tools for students on iPads</li><li>1 to 1 individual support – 6 Reading Recovery places</li><li>Speech language link</li><li>Reciprocal reading with PLD at staff meetings</li><li>Readathon. Peer reading (whanau time)</li><li>Learning in the fast lane (book resource) and other research based theory to grow and support teacher practice.</li><li>Students to use a reading log – culture of reading developed</li><li>Quality not quantity in reading programmes</li><li>Analyse reading data to determine strengths and weaknesses and next learning steps</li></ul>						
Beginning of the Year Cohort Data						
Cohort	Above	At	Below	Well Below	Total Number of Students	Percent age at or above
Year 3 Maori	35% 12.5%	27% 25% 20% 37.5%	20% 25%	64% 20% 80% 25%	22 20 5 8	27% 60% 20% 50%
Year 4		27% 75% 60% 83%	42% 21%	21% 20%	23 24 5 6	27% 75% 60% 83%

Maori		20% <b>17%</b>			
Baseline Data					
<b>Year 3 &amp; 4 students – beginning of the year data – STAR</b> 64% of Year 3 and 63% of Year 4 are reading below or well below expectation. 80% of Year 3 students and 40% of Year 4 students who identify as Maori are reading below or well below expectation					
Led By		Budget		Timeframe	
Senior Leadership team Management team Writing PLG - Margaret Normanton - Craig Taylor		\$3000.00 Jnr \$1800.00 Snr \$5,000 – PD SW		Terms 1 – 4	
<b>Actions:</b> 1. Students are ability grouped and work in a rotation within their class. 2. Six Year 4 students participated in the Rainbow Reading intervention programme. 3. \$5000 was spent on new reading resources to support programmes. 4. Reading is integrated with the class Inquiry focus where possible.		<b>Outcomes:</b> 75% students made a year or more progress 100% Māori students made more than one years progress. Areas identified as requiring extra focus in 2020 – Vocabulary development, paragraph comprehension		<b>Reasons for Variance:</b> 1. The Rainbow Reading programme is successfully raising achievement for the students who participated. 2. Focused class teaching based on student next steps. 3. Regular monitoring through teacher observation, running records and yearly STAR testing.	
				<b>Evaluation:</b> 1. Low attendance for some students continues to impact on achievement. 2. Staff training to ensure consistent assessment administration and how determine next teaching steps from achievement information will be scheduled in 2020.	

## Mathematics Targets 2019

Strategic Goals		Annual Aims		Target
Ga. Develop capabilities to accelerate our target learners.		1.1 Target Learners 1.2 Engagement 1.3 Communication		For the targeted Year 7-10 students, especially Māori, to make accelerated progress i.e more than one year's progress in Mathematics.
Cohort Data				
Year 4 Cohort	Above	At	Below	Well Below
	24% <b>5%</b> 25%	18% <b>53%</b> 25%	26% <b>25%</b>	53% <b>16%</b> 75% <b>25%</b>
Year 7 Māori				
	42% <b>58%</b> 25% <b>50%</b>	17 <b>19</b> 4		
Total Number of Students				
Percent age at or above				
<b>Actions to Achieve Targets</b> What are we currently doing? <ul style="list-style-type: none"> <li>Mixed ability groups - kids teaching and supporting each other.</li> <li>iPads and IWB used to engage students: as a means to share information with each other (groups and whole class)</li> <li>Introduce Chromebooks as a learning tool</li> <li>Bringing in inquiry (term 2 cross curriculum)</li> </ul> What could we try? <ul style="list-style-type: none"> <li>Spring into maths programme.</li> <li>Share planning and ways to strengthen planning.</li> <li>Assessment alignment across our school.</li> <li>Learning in the fast lane (book resource).</li> </ul>				



Year 8 Māori	17% 14% 13%	17% 43% 20% 29%	17% 14% 29%	56% 29% 80% 29%	18 21 5 7	34% 57% 20% 43%
Year 9 Māori		10% 50% 50%	20% 33% 33% 33%	70% 17% 67% 17%	10 12 6 6	10% 50% 0 50%
Beginning of the Year Cohort Data						
<p><b>Years 7 &amp; 8</b> 53 % of Year 7 and 73 % of Year 8 are below or well below expectation. 75% of Year 7 students and 80% of Year 8 students who identify as Māori are below or well below expectation in mathematics</p> <p><b>Years 9 &amp; 10</b> 64 % of Year 9 and 63 % of Year 10 are below or well below expectation. 100% of Year 9 students and 100% of Year 10 students who identify as Māori are below or well below expectation in mathematics.</p>						
<ul style="list-style-type: none"> <li>Analyse mathematics data to determine strengths and weaknesses and next learning steps</li> <li>Conduct regular checkpoints to determine progress against expected outcomes</li> </ul>						
Led By		Budget		Timeframe		
Senior Leadership team Management team Maths Leadership Team		\$5,800.00 - Jnr \$2,600.00 – Snr \$5,000.00 – PD SW		Terms 1 – 4		
<b>Actions:</b> 1. Training in Spring into Maths for Learning Assistants. 2. Spring into Maths programme for target students– Term 4 3. Professional learning network for Maths Curriculum Leader– cost of relievers – 4 x days 4. PLD facilitator visit – 1 x relieving day		<b>Outcomes:</b> 48% students made one year's progress 38% students made accelerated progress 52% students made less than one year's progress 61.5% Māori students made accelerated progress		<b>Reason for Variance:</b> 1. Small Year 7 cohort enabled more focus on individuals. 2. Large Year 8/9 cohort impacted on teacher time spent with groups and individuals. 3. PLD Maths planned for 2020 will support Year 7-10 teachers to differentiate their programmes.		<b>Evaluation:</b> MOE ALIM PLD application has been approved and development process initiated with PLD facilitator, Fiona Smale. The proposed programme will include: 1. Professional learning sessions for staff 2. Classroom observations of teaching practice with feedback. 3. Each teacher will conduct an inquiry based on their class maths data. 4. There will be a maths component in team meetings. 5. SPRING into Maths groups.



## **Celebrating Success**

Okato - Years 1-13 P: (06) 752 4022 [www.coastaltaranaki.school.nz](http://www.coastaltaranaki.school.nz)

### **Kiwisport Statement 2019**

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

In 2019 the school received \$4,006.08 (excluding GST). The money was spent on funding a co-ordinator for organised sports.

- \$2,877.68 Years 1 – 8
- \$1128.40 Years 9-13

Primarily the funding was used to recruit a skilled and enthusiastic member of staff to a Sports Administration role to promote organised sport and increase our participation rates. Key tasks were to organise team sports for the identified codes, set up and/or share game draws, set up and process registrations, issue and return sports uniforms, liaise with community and other schools in our network. As a result we saw and increase in participation rates across the following year group cohorts in 2019;

51% of Years 2-4 students participated in organised Coastal Sports

80% years 5-8 students participated in organised Coastal Sports

45% Years 9-13 students participated in organised Coastal Sports