

# PAPAROA SCHOOL

## ANNUAL REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2018

#### School Directory

**Ministry Number:** 1077

**Principal:** Simon Schuster

**School Address:** 14 Franklin Road

**School Postal Address:** PO Box 15, PAPAROA, 0543

**School Phone:** 09 431 7379

**School Email:** admin@paparoa.school.nz

#### Members of the Board of Trustees

<b>Name</b>	<b>Position</b>	<b>How Position Gained</b>	<b>Term Expires/ Expired</b>
Lawrie Stevens	Chairperson	Elected	May 2019
Simon Schuster	Principal	ex Officio	
Julie Holcroft	Parent Rep	Elected	May 2019
Hayley Hutton	Parent Rep	Elected	May 2019
Janine Bird	Parent Rep	Elected	May 2019
Juliet Clark	Parent Rep	Elected	May 2019
Julie Harper	Staff Rep	Elected	May 2019

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

# PAPAROA SCHOOL

Annual Report - For the year ended 31 December 2018

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# Paparoa School

## Statement of Responsibility

For the year ended 31 December 2018

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

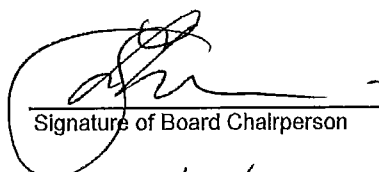
The management (including the principal and others as directed by the Board) accepts responsibility for establishing and maintaining a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of the school's financial reporting.


It is the opinion of the Board and management that the annual financial statements for the financial year ended 31 December 2018 fairly reflects the financial position and operations of the school.

The School's 2018 financial statements are authorised for issue by the Board.

Laurie Steven Stevens  
Full Name of Board Chairperson

Simon Michael Stephen Schuster  
Full Name of Principal

  
Signature of Board Chairperson

  
Signature of Principal

21/5/2019  
Date:

21.5.19  
Date:

**Paparoa School****Statement of Comprehensive Revenue and Expense**

For the year ended 31 December 2018

		2018	2018	2017
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
<b>Revenue</b>				
Government Grants	2	605,551	494,596	601,261
Locally Raised Funds	3	29,387	12,230	29,698
Interest Earned		2,736	1,000	4,953
		<hr/>	<hr/>	<hr/>
		637,674	507,826	635,912
<b>Expenses</b>				
Locally Raised Funds	3	17,691	10,000	7,110
Learning Resources	4	454,970	359,530	431,133
Administration	5	82,291	53,552	52,162
Finance Costs		1,031	600	640
Property	6	122,944	111,068	120,216
Depreciation	7	21,283	17,800	20,970
Loss on Disposal of Property, Plant and Equipment		646	-	-
		<hr/>	<hr/>	<hr/>
		700,856	552,550	632,231
<b>Net Surplus / (Deficit)</b>		(63,182)	(44,724)	3,681
Other Comprehensive Revenue and Expenses		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<hr/>	<hr/>	<hr/>
		(63,182)	(44,724)	3,681

The above Statement of Comprehensive Revenue and Expense should be read in conjunction with the accompanying notes.



**Paparoa School****Statement of Changes in Net Assets/Equity**

For the year ended 31 December 2018

	Actual 2018 \$	Budget (Unaudited) 2018 \$	Actual 2017 \$
<b>Balance at 1 January</b>	249,780	203,780	244,060
Total comprehensive revenue and expense for the year	(63,182)	(44,724)	3,681
Capital Contributions from the Ministry of Education			
Contribution - Furniture and Equipment Grant	-	-	2,039
<b>Equity at 31 December</b>	186,598	159,056	249,780
 Retained Earnings	186,598	159,056	249,780
<b>Equity at 31 December</b>	186,598	159,056	249,780

The above Statement of Changes in Net Assets/Equity should be read in conjunction with the accompanying notes.



**Paparoa School**  
**Statement of Financial Position**

As at 31 December 2018

	Notes	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
<b>Current Assets</b>				
Cash and Cash Equivalents	8	291,058	59,871	135,279
Accounts Receivable	9	25,759	28,200	30,541
GST Receivable		-	2,620	-
Prepayments		1,717	709	1,367
Inventories	10	165	354	263
Investments	11	-	-	60,000
		<u>318,699</u>	<u>91,754</u>	<u>227,450</u>
<b>Current Liabilities</b>				
GST Payable		23,347	-	3,232
Accounts Payable	13	40,089	26,291	55,123
Revenue Received in Advance	14	-	230	-
Provision for Cyclical Maintenance	15	29,922	8,146	38,991
Finance Lease Liability - Current Portion	16	4,146	4,496	3,258
Funds held for Capital Works Projects	17	149,670	-	-
		<u>247,174</u>	<u>39,163</u>	<u>100,604</u>
<b>Working Capital Surplus/(Deficit)</b>		<b>71,525</b>	<b>52,591</b>	<b>126,846</b>
<b>Non-current Assets</b>				
Property, Plant and Equipment	12	145,387	107,799	128,580
		<u>145,387</u>	<u>107,799</u>	<u>128,580</u>
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	15	19,667	-	4,300
Finance Lease Liability	16	10,647	1,334	1,346
		<u>30,314</u>	<u>1,334</u>	<u>5,646</u>
<b>Net Assets</b>		<u><b>186,598</b></u>	<u><b>159,056</b></u>	<u><b>249,780</b></u>
<b>Equity</b>		<u><b>186,598</b></u>	<u><b>159,056</b></u>	<u><b>249,780</b></u>

The above Statement of Financial Position should be read in conjunction with the accompanying notes.



**Paparoa School**  
**Statement of Cash Flows**  
For the year ended 31 December 2018

		2018	2018	2017
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
<b>Cash flows from Operating Activities</b>				
Government Grants		176,455	125,039	210,799
Locally Raised Funds		17,337	9,830	29,265
Goods and Services Tax (net)		20,115	-	5,852
Payments to Employees		(138,898)	(67,302)	(95,542)
Payments to Suppliers		(113,191)	(136,460)	(92,822)
Cyclical Maintenance Payments in the year		(2,358)	(15,375)	-
Interest Paid		(1,031)	(600)	(640)
Interest Received		3,622	1,000	4,790
Net cash from / (to) the Operating Activities		(37,949)	(83,868)	61,702
<b>Cash flows from Investing Activities</b>				
Purchase of PPE (and Intangibles)		(26,056)	-	(8,908)
Purchase of Investments		-	-	(60,000)
Proceeds from Sale of Investments		60,000	-	-
Net cash from / (to) the Investing Activities		33,944	-	(68,908)
<b>Cash flows from Financing Activities</b>				
Furniture and Equipment Grant		-	-	2,039
Finance Lease Payments		(3,403)	-	(3,943)
Funds Held for Capital Works Projects		163,187	-	650
Net cash from Financing Activities		159,784	-	(1,254)
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>155,779</b>	<b>(83,868)</b>	<b>(8,460)</b>
Cash and cash equivalents at the beginning of the year	8	135,279	143,739	143,739
<b>Cash and cash equivalents at the end of the year</b>	<b>8</b>	<b>291,058</b>	<b>59,871</b>	<b>135,279</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.



# Paparoa School

## Notes to the Financial Statements

### 1. Statement of Accounting Policies

For the year ended 31 December 2018

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

Paparoa 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 2018 to 31 December 2018 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".

##### ***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*

The School reviews the details of lease agreements at the end of each reporting date. The School believes the classification of each lease as either operation or finance is appropriate and reflects the nature of the agreement in place. Finance leases are disclosed at note 16.

#### *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**

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

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

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

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

**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.

### **Leased Assets**

Leases where the School assumes substantially all the risks and rewards of ownership are classified as finance leases. The assets acquired by way of finance lease are measured at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease, less accumulated depreciation and impairment losses. Leased assets and corresponding liability are recognised in the Statement of Financial Position and leased assets are depreciated over the period the School is expected to benefit from their use or over the term of the lease.

### **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	40 years
Furniture and Equipment	5-18 years
Information and Communication	4 years
Library Resources	8 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. 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 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 are recognised at the amount borrowed. 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 the balance date.

**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

	2018	2018 Budget	2017
	Actual	(Unaudited)	Actual
	\$	\$	\$
Operational grants	98,432	125,039	119,511
Teachers' salaries grants	322,683	295,389	307,991
Use of Land and Buildings grants	80,136	74,168	82,173
Resource teachers learning and behaviour grants	6,165	-	3,175
Other MoE Grants	54,360	-	55,921
Transport grants	11,265	-	9,211
Other government grants	32,510	-	23,279
	<u>605,551</u>	<u>494,596</u>	<u>601,261</u>

## 3. Locally Raised Funds

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

	2018	2018 Budget	2017
	Actual	(Unaudited)	Actual
	\$	\$	\$
<b>Revenue</b>			
Donations	13,053	1,200	12,581
Activities	5,251	1,450	5,234
Trading	1,446	1,000	2,133
Fundraising	1,222	-	1,005
Other Revenue	8,415	8,580	8,745
	<u>29,387</u>	<u>12,230</u>	<u>29,698</u>
<b>Expenses</b>			
Activities	10,175	2,400	4,351
Trading	973	1,000	950
Other Expenses	6,543	6,600	1,809
	<u>17,691</u>	<u>10,000</u>	<u>7,110</u>
<i>Surplus for the year Locally raised funds</i>	<u>11,696</u>	<u>2,230</u>	<u>22,588</u>

## 4. Learning Resources

	2018	2018 Budget	2017
	Actual	(Unaudited)	Actual
	\$	\$	\$
Curricular	12,173	10,260	11,117
Library resources	242	500	470
Employee benefits - salaries	434,008	334,691	408,099
Staff development	2,004	4,750	3,496
R&m & Purchases <\$1,000	6,543	9,329	7,951
	<u>454,970</u>	<u>359,530</u>	<u>431,133</u>



## 5. Administration

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	3,180	4,170	3,170
Board of Trustees Fees	3,280	3,000	3,795
Board of Trustees Expenses	41,188	9,500	9,227
Communication	1,439	1,500	1,338
Consumables	3,306	3,400	3,901
Operating Lease	-	1,872	-
Other	4,275	5,350	6,617
Employee Benefits - Salaries	19,956	19,000	18,388
Insurance	411	600	566
Service Providers, Contractors and Consultancy	5,256	5,160	5,160
	<u>82,291</u>	<u>53,552</u>	<u>52,162</u>

## 6. Property

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	3,331	1,850	1,582
Cyclical Maintenance Expense	8,656	6,350	3,968
Grounds	11,061	9,200	9,228
Heat, Light and Water	7,027	4,500	5,560
Repairs and Maintenance	3,492	6,000	7,761
Use of Land and Buildings	80,136	74,168	82,173
Employee Benefits - Salaries	9,241	9,000	8,369
Consultancy And Contract Services	-	-	1,575
	<u>122,944</u>	<u>111,068</u>	<u>120,216</u>

The use of land and buildings figure represents 8% of the school's total property value. This is used as a 'proxy' for the market rental of the property. 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

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Buildings	1,769	1,502	1,769
Building Improvements	57	48	57
Furniture and Equipment	9,568	8,699	10,248
Information and Communication Technology	6,265	6,109	7,197
Leased Assets	3,575	1,389	1,636
Library Resources	49	53	63
	<u>21,283</u>	<u>17,800</u>	<u>20,970</u>



## 8. Cash and Cash Equivalents

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Cash on Hand	100	-	100
ASB Main Bank Account	290,958	59,857	135,165
ASB 50 Account	-	14	14
Cash equivalents and bank overdraft for Cash Flow Statement	<u>291,058</u>	<u>59,871</u>	<u>135,279</u>

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

Of the \$291,058 Cash and Cash Equivalents, \$153,173 is held by the School on behalf of the Ministry of Education. These funds are required to be spent in 2019 on Crown owned school buildings under the School's Five Year Property Plan.

## 9. Accounts Receivable

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Receivables	12,253	9,670	11,533
Receivables from the Ministry of Education	-	-	107
Interest Receivable	-	723	886
Teacher Salaries Grant Receivable	13,506	17,807	18,015
	<u>25,759</u>	<u>28,200</u>	<u>30,541</u>

Receivables from Exchange Transactions	12,253	10,393	12,526
Receivables from Non-Exchange Transactions	13,506	17,807	18,015
	<u>25,759</u>	<u>28,200</u>	<u>30,541</u>

## 10. Inventories

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Stationery Sales	165	354	263
	<u>165</u>	<u>354</u>	<u>263</u>

## 11. Investments

The School's investment activities are classified as follows:

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Current Asset			
Short-term Bank Deposits	-	-	60,000





## 12. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2018	\$	\$	\$	\$	\$	\$
Land	28,000	-	-	-	-	28,000
Buildings	47,447	-	-	-	(1,769)	45,678
Building Improvements	1,180	-	-	-	(57)	1,123
Furniture and Equipment	36,560	12,744	(646)	-	(9,568)	39,090
Information and Communication Tech	12,581	13,312	-	-	(6,265)	19,628
Leased Assets	2,605	12,681	-	-	(3,575)	11,711
Library Resources	207	-	-	-	(49)	157
<b>Balance at 31 December 2018</b>	<b>128,580</b>	<b>38,737</b>	<b>(646)</b>	<b>-</b>	<b>(21,283)</b>	<b>145,387</b>

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2018	\$	\$	\$
Land	28,000	-	28,000
Buildings	70,776	(25,098)	45,678
Building Improvements	2,266	(1,143)	1,123
Furniture and Equipment	150,437	(111,347)	39,090
Information and Communication	42,977	(23,349)	19,628
Leased Assets	17,591	(5,880)	11,711
Library Resources	37,719	(37,562)	157
<b>Balance at 31 December 2018</b>	<b>349,766</b>	<b>(204,379)</b>	<b>145,387</b>

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2017	\$	\$	\$	\$	\$	\$
Land	28,000	-	-	-	-	28,000
Buildings	49,216	-	-	-	(1,769)	47,447
Building Improvements	1,237	-	-	-	(57)	1,180
Furniture and Equipment	46,807	-	-	-	(10,248)	36,560
Information and Communication Technology	13,610	6,167	-	-	(7,197)	12,580
Leased Assets	4,242	-	-	-	(1,636)	2,606
Library Resources	270	-	-	-	(63)	207
<b>Balance at 31 December 2017</b>	<b>143,382</b>	<b>6,167</b>	<b>-</b>	<b>-</b>	<b>(20,970)</b>	<b>128,580</b>

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2017	\$	\$	\$
Land	28,000	-	28,000
Buildings	70,776	(23,329)	47,447
Building Improvements	2,266	(1,086)	1,180
Furniture and Equipment	150,236	(113,676)	36,560
Information and Communication	34,210	(21,630)	12,580
Leased Assets	4,910	(2,304)	2,606
Library Resources	37,720	(37,513)	207
<b>Balance at 31 December 2017</b>	<b>328,118</b>	<b>(199,538)</b>	<b>128,580</b>



### 13. Accounts Payable

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Operating creditors	22,571	4,469	2,796
Accruals	3,180	3,358	2,970
Banking staffing overuse	-	-	30,794
Employee Entitlements - salaries	13,506	17,807	18,015
Employee Entitlements - leave accrual	832	657	548
	<u>40,089</u>	<u>26,291</u>	<u>55,123</u>
Payables for Exchange Transactions	40,089	26,291	24,329
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	30,794
	<u>40,089</u>	<u>26,291</u>	<u>55,123</u>

The carrying value of payables approximates their fair value.

### 14. Revenue Received in Advance

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Revenue Received In Advance	-	230	-
	<u>-</u>	<u>230</u>	<u>-</u>

### 15. Provision for Cyclical Maintenance

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Provision at the Start of the Year	43,291	1,796	39,323
Increase to the Provision During the Year	8,656	6,350	3,968
Use of the Provision During the Year	(2,358)	-	-
Provision at the End of the Year	<u>49,589</u>	<u>8,146</u>	<u>43,291</u>
Cyclical Maintenance - Current	29,922	8,146	38,991
Cyclical Maintenance - Term	19,667	-	4,300
	<u>49,589</u>	<u>8,146</u>	<u>43,291</u>

### 16. Finance Lease Liability

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

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
No Later than One Year	4,996	4,496	3,300
Later than One Year and no Later than Five Years	11,861	1,334	1,346
	<u>16,857</u>	<u>5,830</u>	<u>4,646</u>



## 17. 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:

		2018	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution/ (Write-off to R&M)	Closing Balances \$
Carpentry Project	<i>in progress</i>		-	195,005	41,832	-	153,173
Roof Replacement Blocks 4,5,11	<i>completed</i>		-	31,737	31,737	-	-
Drainage/Court Project	<i>in progress</i>		-	-	3,503	-	(3,503)
Totals			-	226,742	77,072	-	149,670

### Represented by:

Funds Held on Behalf of the Ministry of Education	153,173
Funds Due from the Ministry of Education	(3,503)
	<u>149,670</u>

		2017	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution/ (Write-off to R&M)	Closing Balances \$
Totals			-	-	-	-	-

## 18. Related Party Transactions

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

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



## 19. Remuneration

### Key management personnel compensation

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

	2018 Actual \$	2017 Actual \$
<i>Board Members</i>		
Remuneration	3,280	3,795
Full-time equivalent members	0.21	0.33
<i>Leadership Team</i>		
Remuneration	154,238	129,669
Full-time equivalent members	1.00	1.26
Total key management personnel remuneration	157,518	133,464
Total full-time equivalent personnel	1.21	1.59

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:

	2018 Actual \$000	2017 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Principal A		
Salary and Other Payments	40 - 50	-
Benefits and Other Emoluments	0 - 1	-
Termination Benefits	-	-
Principal B		
Salary and Other Payments	50 - 60	90 - 100
Benefits and Other Emoluments	1 - 2	2 - 3
Termination Benefits	-	-
Principal C		
Salary and Other Payments	50 - 60	30 - 40
Benefits and Other Emoluments	-	-
Termination Benefits	-	-

### Other Employees

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

Remuneration \$000	2018 FTE Number	2017 FTE Number
100 - 110	-	-
	0.00	0.00

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

## 20. Compensation and Other Benefits Upon Leaving

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

	2018 Actual \$22,500	2017 Actual
Total	1	-
Number of People		



## 21. Contingencies

There are no contingent liabilities and no contingent assets as at 31 December 2018 (Contingent liabilities and assets at 31 December 2017: 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, however the potential impact on any specific school or individual and any associated historical liability will not be known until further detailed analysis has been completed.

To the extent that any obligation cannot reasonably be quantified at 31 December 2018, a contingent liability for the school may exist.

## 22. Commitments

### (a) Capital Commitments

There are no capital commitments as at 31 December 2018 (Capital commitments at 31 December 2017: nil).

### (b) Operating Commitments

As at 31 December 2018 the Board has entered into the following contracts:

(a) operating lease of photocopier;

	2018 Actual \$	2017 Actual \$
No later than One Year	1,148	-
Later than One Year and No Later than Five Years	3,636	-
Later than Five Years	-	-
	<u>4,784</u>	<u>-</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:

### Loans and receivables

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Cash and Cash Equivalents	291,058	59,871	135,279
Receivables	25,759	28,200	30,541
Investments - Term Deposits	-	-	60,000
Total Loans and Receivables	316,817	88,071	225,820

### Financial liabilities measured at amortised cost

Payables	40,089	26,291	55,123
Borrowings - Loans	-	-	-
Finance Leases	14,793	5,830	4,604
Painting Contract Liability	-	-	-
Total Financial Liabilities Measured at Amortised Cost	54,882	32,121	59,727

## 25. Events After Balance Date

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

## 26. Comparatives

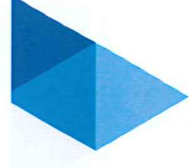
There have been a number of prior period comparatives which have been reclassified to make disclosure consistent with the current year.



## Paparoa School 2018

Kiwisport is a Government funding initiative to support students' participation in organised sport. In 2018, the school received total Kiwisport funding of \$882.10 (excluding GST). The funding was spent on swimming, athletics and additional sports equipment to support the Paparoa Primary School Physical Education programme.

# Analysis of Variance Reporting



School Name:	Paparoa Primary School	School Number: 1077
<b>Strategic Aim:</b>	To provide quality learning programmes that meet individual student's needs and abilities academically, socially, physically and emotionally with a focus on school climate and student well-being	
<b>Annual Aim:</b>	1 To promote behavioural programmes that recognise and reward positive behaviour PB4L and use Restorative Justice principles 2 Establish House teams that support team building, respect, responsibility, and resilience PB4L 3 Actively seek and engage outside agencies and interventions that improve student behaviour and well being 4 Regular consistent monitoring of our Watch List 5 Encourage student engagement in learning	
<b>Target:</b>	To reduce the number of stand downs To reduce the reports of bullying and aggressive behaviour Outside agencies supporting students and classroom teacher Recognise student voice and community voice Harmony in Paparoa School Students working to achieve goals	
<b>Baseline Data:</b>	In late term 3 and term 4 2017 there were 5 Stand-downs and a number of informal complaints and also formal complaints. The complaints centred round issues of bullying and physical and aggressive behaviour most often in the playground. There were 13 entries in the serious behaviour log and in all cases the parents were contacted.	



# Analysis of Variance Reporting



<b>Actions</b> <i>What did we do?</i>	<b>Outcomes</b> <i>What happened?</i>	<b>Reasons for the variance</b> <i>Why did it happen?</i>	<b>Evaluation</b> <i>Where to next?</i>
<ol style="list-style-type: none"> <li>Review with staff and determine what we can do to improve the culture and climate at this school</li> <li>Weekly staff meetings to discuss Watch List and progress in PB4L</li> <li>TOD for UBRS training for staff.</li> <li>UBRS workshop for whanau and wider community</li> <li>Work with parents, families and whanau around ways to support student well-being.</li> <li>School-wide professional development in the way of professional readings and support agency workshops.</li> <li>Processes put in place for teachers to reflect on and improve levels of student engagement</li> <li>Review current resources and purchase new resources to support our team building.</li> <li>Student voice recorded in House meetings, House leaders meet with Principal, which then gets reported to BoT</li> <li>Involve community in assemblies and have Meet and</li> </ol>	<ol style="list-style-type: none"> <li>Through staff meetings, particularly at the beginning of the year, staff identified areas for improvement and what could be done.</li> <li>PB4L "Behaviour and consequences Matrix was completed mid 2018 and will be reviewed in 2019 with new Principal.</li> <li>All staff employed in the first half of the year attended this training.</li> <li>UBRS training was available throughout Northland and Kaipara. Many schools took part in this. There was no formal training for parents/whanau to my knowledge.</li> <li>A meeting was held for 1 specific student with RTL, Board, staff and parent input.</li> <li>None was given</li> <li>Conducted through staff meetings.</li> <li>A significant amount of resources were purchased for the purpose of giving</li> </ol>	<p>Results (End data):</p> <p>First half of the year there were 3 stand-downs.</p> <p>In the second half of the year we had a new Principal start. This has ushered in a sense of stability for students, staff and the school as a whole. There were 0 stand-downs in the second half of the year.</p> <p>There were no complaints of significance in the second half of the year.</p> <p>There were 18 "Major" incidents recorded in the schools behaviour log.</p> <p>The reason for the increase in incident reporting is because there were better systems in place for this to happen and teachers were trained in identifying and recording these incidents.</p> <p>Having a new Principal starting has had the most profound impact on Paparua in this area. Students,</p>	<p>What we will continue:</p> <ul style="list-style-type: none"> <li>PB4L: The concept of having set consequences for behavioural displays.</li> <li>Zones of Regulation. This will be imbedded into our school local Health Curriculum.</li> <li>Focus on Well-being through our interactions with the Twin Coast Kahui Ako (CoL).</li> <li>House Competition: This will look different next year, but having Houses will continue.</li> <li>Having ways of collecting Student Voice that is delivered to the Board. This will be done through the introduction of a Student Council.</li> <li>Stable Leadership and Board.</li> </ul> <p>What will change:</p> <ul style="list-style-type: none"> <li>Introduction of the "Virtues Programme" to walk</li> </ul>

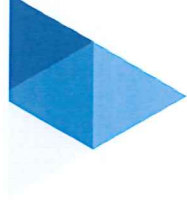
<p>Greet moments</p> <p>11. Share successes via the newsletter</p>	<p>children variety in a Play Based Learning environment. This material had a dual purpose of being a motivation for children to complete work.</p> <p>9. There was significant reporting in this area in the first half of the year. Principal presented at Board level.</p> <p>10. Parents regularly attended assemblies. School had several events throughout the year and parents were always invited. Good turnouts at many events.</p> <p>11. The school made good use of Newsletters and facebook to share successes and promote our school.</p>	<p>staff and the community have a sense of stability and direction.</p> <p>PB4L was poorly implemented and the staff who trained in this programme no longer work at the school. The introduction for this programme has had limited impact.</p> <p>Additionally to this, the school has introduced "Zones of Regulation". This was implemented by the RTLB and has had a long lasting impact on the school. This programme has contributed to the reduction in stand downs.</p>	<p>alongside our School Values.</p> <ul style="list-style-type: none"> <li>- The way we as a school deal with behavioural concerns.</li> <li>- The way the school reports to parents and what our focuses will be at interviews.</li> </ul>
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School Name:	Paparoa Primary School	School Number:	1077												
Strategic Aim:	To provide quality learning programmes that meet individual students' needs and abilities academically, socially, physically and emotionally.														
Annual Aim:	1i) Emphasis on improving reading. ii) Provide support by utilising the Reading Recovery Programme to accelerate 4 students														
Target:	The group of students after 1 year at school well below the NZC in Reading in 2017 will make accelerated progress NZC by the end of 2018.														
Baseline Data:	<b>Baseline Data</b> Analysis of school-wide reading data (OTJs against NZC) in November 2017 identified some concerns in the cohort of children After One – two years at School. The data shows that 4 students were below or well below after one- two years at school in 2017 and meet the criteria to be part of the Reading Recovery programme														
Cohort Data	<table><tr><td>Year</td><td>Well below</td><td>Below</td><td>At</td><td>Above</td><td>Total Number</td></tr><tr><td>After 1</td><td>4</td><td></td><td></td><td></td><td></td></tr></table> <b>After One Year Analysis 2016</b> 36% of all students in reading are below or well below the NZC standard. 100% of Maori students in reading are below or well below the NZC standard. 30% of NZ European students in reading are below or well below the NZC standard.			Year	Well below	Below	At	Above	Total Number	After 1	4				
Year	Well below	Below	At	Above	Total Number										
After 1	4														



		50% of male students in reading are below or well below the NZC standard. 29% of female students in reading are below or well below the NZC standard.				
Post Data	Year	Well below	Below	At	Above	Total Number
	After 1	4 12%	3 9%	13 39%	13 39%	33
	Maori	2 33%	1 16%	2 33%	1 16%	6
	NZ European	2 7%	2 7%	11 40%	12 44%	27
	Male	2 15%	2 15%	5 38%	4 30%	13
	Female	2 10%	1 5%	8 40%	9 45%	20
	<p><b>After One Year Analysis 2018</b></p> <p>20% of students are reading Below or Well Below NZC Standard.</p> <p>49% of Maori are reading Below or Well Below the NZC Standard.</p> <p>14% of NZ European students are reading Below or Well Below the NZC Standard.</p> <p>30% of males are reading Below or Well Below the NZC Standard.</p> <p>15% of females are reading Below or Well Below the NZC Standard.</p>					

# Analysis of Variance Reporting



<b>Actions</b> <i>What did we do?</i>	<b>Outcomes</b> <i>What happened?</i>	<b>Reasons for the variance</b> <i>Why did it happen?</i>	<b>Evaluation</b> <i>Where to next?</i>
<ol style="list-style-type: none"> <li>1. Review assessment data with staff and determine the particular learning needs of target students.</li> <li>2. Frequent meetings with tutor to discuss progress of target students.</li> <li>3. A Reading Recovery Programme will be delivered</li> <li>4. Classroom teacher to track these identified students when the period of tutoring is complete</li> <li>5. Work with parents, families and whanau around ways to support student learning.</li> <li>6. Professional readings and quality professional development put in place to support and guide class teacher's professional practice.</li> </ol> <p>Analyse year-end data to inform progress and planning for the following year.</p>	<ol style="list-style-type: none"> <li>1. First steps were taken in this area.</li> <li>2. Happened in first half of the year.</li> <li>3. Happened in first half of the year. Staff had a good relationship with the tutor.</li> <li>4. Happened in first half of the year</li> <li>5. Through IEP's supported by RTLB and the HUB (Learning Support).</li> <li>6. Happened in first half of the year.</li> </ol> <p>Analyse of data is above.</p>	<p>It was identified that the school had limited assessment in place to adequately gather data on students.</p> <p>Significant shifts have been seen in all analysed data. Possible reasons:</p> <ul style="list-style-type: none"> <li>- Half year of Reading Recovery for target students</li> <li>- Introduction of Yolanda Soryl Phonics and Early Words and Toe by Toe through specific training of a Teacher Aide (Term 4).</li> <li>- Changing roll- several students left and several arrived. As we are a small school this can have a significant impact on data.</li> <li>- Improved data collection and assessment selection.</li> </ul>	<ul style="list-style-type: none"> <li>- The school is still not using enough assessment to make informed OTJ's/Best Fits for students. A more comprehensive Assessment schedule needs to be created.</li> <li>- Imbed the Phonics, Early Words and Toe by Toe programmes.</li> <li>- Continue training in Toe by Toe.</li> <li>- Look at a SAF as recommended by ERO to support the school in its journey.</li> </ul>

School Name:	Paparoa Primary School	School Number:	1077																			
Strategic Aim:	To provide quality learning programmes that meet individual student's needs and abilities academically, socially, physically and emotionally with a focus on school climate and student well-being																					
Annual Aim:	1i) Emphasis on improving writing. ii) Provide further support for children with special needs or abilities. 2 Critique writing resources and see what works for our students. 3 ALL development within school																					
Target:	The students achieving well below or below the NZC at February 2018 will make significant gains through sub levels to progress towards or be at the expectation of the NZC for their age at year end.																					
Baseline Data:	Analysis of school-wide writing data (OTJs against NZC) in February 2018 identified some concerns in the writing. The data shows that																					
Cohort Data:	<table><tr><td>Year at school</td><td>Well below</td><td>Below</td><td>At</td><td>Above</td><td>Total Number</td></tr><tr><td>Up to 1</td><td></td><td></td><td>1</td><td>1</td><td>2</td></tr><tr><td>After 1</td><td></td><td>1</td><td>4</td><td>1</td><td>5</td></tr></table>				Year at school	Well below	Below	At	Above	Total Number	Up to 1			1	1	2	After 1		1	4	1	5
Year at school	Well below	Below	At	Above	Total Number																	
Up to 1			1	1	2																	
After 1		1	4	1	5																	



## Post Data:

Year at school	Well below	Below	At	Above	Total Number
Up to 1	0	0	5 100%	0	5
After 1	1 3%	8 24%	16 48%	8 24%	33
Maori	1 16%	3 50%	2 33%	0	6
Male	1 7%	5 35%	6 42%	2 14%	14
Female	0	3 15%	10 52%	6 31%	19

## Post Writing Data Analysis for 2018:

- 27% of students are writing Below or Well Below the NZC Standard.
- 66% of Maori students are writing Below or Well Below the NZC Standard.
- 42% of male students are writing Below of Well Below the NZC Standard.
- 31% of females are writing Above the NZC Standard.

<b>Actions</b> <i>What did we do?</i>	<b>Outcomes</b> <i>What happened?</i>	<b>Reasons for the variance</b> <i>Why did it happen?</i>	<b>Evaluation</b> <i>Where to next?</i>
<ol style="list-style-type: none"> <li>1. Review assessment data with staff and determine the particular learning needs of target students.</li> <li>2. All teachers will undergo Inquiry as a way to accelerate teaching and learning as described in their Appraisal document.</li> <li>3. Weekly meetings to discuss progress target students and Watch List students.</li> <li>4. Maori students achieving below expectations and students with Special Needs will have differentiated instruction. Plan a revised programme to meet the learning needs of the target students.</li> <li>5. Work with parents, families and whanau around ways to support student learning.</li> <li>6. School-wide professional development given to teachers on teaching writing through the Literacy Support ALL for this year programme.</li> <li>7. Internal PD on Oral Language and The Writing Book for all teachers.</li> <li>8. Process put in place for teachers to reflect on and improve practice.</li> </ol>	<ol style="list-style-type: none"> <li>1. First steps were taken in this area</li> <li>2. Significant change in staff. Including a change of Principal meant that this did not happen.</li> <li>3. Not after mid year when new First Time Principal took over.</li> <li>4. This did not happen within classrooms.</li> <li>5. Through IEP's supported by RTLB and the HUB (Learning Support)</li> <li>6. Through the Twin Coast Kahui Ako (CoL) and the ALL programme with Kerry Upsom, staff had training in the use of Eastlie and went to Oral Language PD by Sheena Cameron and Louise Dempsey.</li> <li>7. A copy of: The Writing Book, Gail Loane, Reading Comprehension, The Oral Language book has been purchased for the school.</li> <li>8. No process in place.</li> <li>9. Professional Development is being tracked throughout the school and presented to the Board.</li> <li>10. Students asked about material they would like in</li> </ol>	<ul style="list-style-type: none"> <li>- It was identified that the school had limited assessment in place to adequately gather data on students.</li> <li>- Teachers were not supported in an inquiry to improve classroom practice.</li> <li>- Significant underachievement is still identified with Maori and males.</li> <li>- Changes in staff and behavioural challenges can be attributed to continues underachievement.</li> </ul>	<ul style="list-style-type: none"> <li>- The school is still not using enough assessment to make informed OTJ's/Best Fits for students. A more comprehensive Assessment schedule needs to be created.</li> <li>- Writing needs to be a focus area for 2019. Focus on moderation of Eastlie assessments and what teachers are doing in the classroom to impact writing. This will be done through an inquiry supported by the Principal.</li> <li>- CoL focus on Wellbeing and Writing in 2019 will support the school with both student behaviour and writing underachievement.</li> <li>- Principal to explore Assistive Tech support for some students, in the form of Clicker 7 and 1 to 1 devices.</li> <li>- Students underachieving in will be looked at to see if Reading support will support them e.g. Toe by Toe.</li> </ul>



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| <p>9. Professional readings and quality professional development put in place to support and guide teachers' professional practice.</p> <p>10. Student voice considered in reading topics and materials.</p> <p>11. Seek software programmes that improve students' progress and achievement.</p> <p>12. Analyse year-end data to inform progress and planning for the following year.</p> | <p>classrooms. This was purchased for them in aid of Play Based Learning.</p> <p>11. Reading Eggs and Stepps are on-line programmes that were used to support programmes.</p> <p>12. Analyse of data is above.</p> |  |
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**INDEPENDENT AUDITOR'S REPORT  
TO THE READERS OF  
PAPAROA SCHOOL'S  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

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The Auditor-General is the auditor of Paparoa School (the School). The Auditor-General has appointed me, Steve Bennett, using the staff and resources of Bennett & Associates, 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 20, that comprise the statement of financial position as at 31 December 2018, 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 2018; 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 Benefit Entity Standards Reduced Disclosure Regime.

Our audit was completed on 21 May 2019. 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.

**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 Analysis of Variance, the Kiwi Sport Statement, the List of Trustees and Statement of Responsibility which form part of the Annual Report, but does not include the financial statements, and our auditor's report thereon.

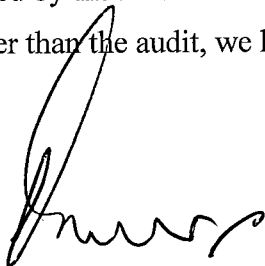
Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

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.



**Steve Bennett**  
**BENNETT & ASSOCIATES**  
On behalf of the Auditor-General  
Whangarei, New Zealand

