

ORUAITI SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

School Directory

Ministry Number: 1066

Principal: Diane Bates

School Address: State Highway 10, MANGONUI

School Postal Address: RD, MANGONUI, 0494

School Phone: 09 406 0300

School Email: office@oruaiti.school.nz

Members of the Board of Trustees

Name	Position	How Position Gained	Term Expires/ Expired
Joseph Leslie	Chairperson	Elected	Jun 2019
Diane Bates	Principal	ex Officio	
Stephanie Foster	Parent Rep	Elected	Jun 2019
Jonathon Urlich	Parent Rep	Elected	Jun 2019
Jorja Walden	Staff Rep	Elected	Jun 2019

Accountant / Service Provider: Education Services Ltd

ORUAITI SCHOOL

Annual Report - For the year ended 31 December 2018

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Oruaiti 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.

Joseph Leslie
Full Name of Board Chairperson


Signature of Board Chairperson

Date: 30 May 2019

Diane Bates
Full Name of Principal

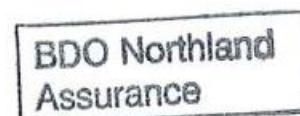

Signature of Principal

Date: 30 May 2019

Oruaiti School
Statement of Comprehensive Revenue and Expense
For the year ended 31 December 2018

	Notes	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Revenue				
Government Grants	2	1,134,725	811,260	987,548
Locally Raised Funds	3	86,923	39,220	84,182
Interest Earned		5,661	1,500	2,528
Gain on Sale of Property, Plant and Equipment		-	-	95
		<u>1,227,309</u>	<u>851,980</u>	<u>1,074,353</u>
Expenses				
Locally Raised Funds	3	42,336	17,650	62,772
Learning Resources	4	735,562	564,595	638,665
Administration	5	74,725	75,485	71,805
Finance Costs		481	435	999
Property	6	275,865	222,574	278,743
Depreciation	7	33,822	30,070	32,906
Loss on Disposal of Property, Plant and Equipment		-	-	94
Transport		9,300	9,600	9,650
		<u>1,172,091</u>	<u>920,409</u>	<u>1,095,634</u>
Net Surplus / (Deficit)		55,218	(68,429)	(21,281)
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u><u>55,218</u></u>	<u><u>(68,429)</u></u>	<u><u>(21,281)</u></u>

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

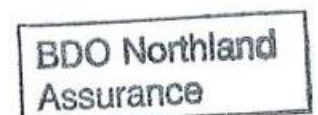


Oruaiti School
Statement of Changes in Net Assets/Equity

For the year ended 31 December 2018

	Actual 2018 \$	Budget (Unaudited) 2018 \$	Actual 2017 \$
Balance at 1 January	352,312	291,285	373,593
Total comprehensive revenue and expense for the year	55,218	(68,429)	(21,281)
Capital Contributions from the Ministry of Education			
Equity at 31 December	407,530	222,856	352,312
Retained Earnings	407,530	222,856	352,312
Equity at 31 December	407,530	222,856	352,312

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



Oruaiti School
Statement of Financial Position
As at 31 December 2018

	Notes	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Current Assets				
Cash and Cash Equivalents	8	18,822	24,491	176,218
Accounts Receivable	9	48,700	26,116	28,806
GST Receivable		7,043	-	644
Prepayments		5,744	5,933	6,686
Inventories	10	3,636	1,820	1,623
Investments	11	160,011	-	-
Funds owed for Capital Works Projects	17	10,269	-	-
		<u>254,225</u>	<u>58,360</u>	<u>213,977</u>
Current Liabilities				
GST Payable		-	379	-
Accounts Payable	13	60,549	38,155	43,857
Revenue Received in Advance	14	17,583	-	1,455
Provision for Cyclical Maintenance	15	14,878	27,278	29,481
Finance Lease Liability - Current Portion	16	3,362	4,463	4,341
Funds held for Capital Works Projects	17	-	-	23,802
		<u>96,372</u>	<u>70,275</u>	<u>102,936</u>
Working Capital Surplus/(Deficit)		157,853	(11,915)	111,041
Non-current Assets				
Property, Plant and Equipment	12	265,453	234,771	272,775
		<u>265,453</u>	<u>234,771</u>	<u>272,775</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	15	9,285	-	27,100
Finance Lease Liability	16	6,491	-	4,404
		<u>15,776</u>	<u>-</u>	<u>31,504</u>
Net Assets		<u>407,530</u>	<u>222,856</u>	<u>352,312</u>
Equity		<u>407,530</u>	<u>222,856</u>	<u>352,312</u>

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

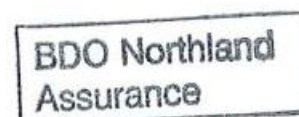
BDO Northland
Assurance

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

		2018	2018 Budget	2017
	Note	Actual \$	(Unaudited) \$	Actual \$
Cash flows from Operating Activities				
Government Grants		310,884	282,076	283,633
Locally Raised Funds		103,051	32,720	86,261
Goods and Services Tax (net)		(6,399)	-	(1,023)
Payments to Employees		(183,204)	(213,138)	(163,617)
Payments to Suppliers		(161,118)	(268,844)	(162,285)
Cyclical Maintenance Payments in the year		(14,066)	(6,000)	(39,865)
Interest Paid		(481)	(435)	(999)
Interest Received		4,421	1,500	2,528
Net cash from / (to) the Operating Activities		53,088	(172,121)	4,633
Cash flows from Investing Activities				
Proceeds from Sale of PPE (and Intangibles)		-	-	95
Purchase of PPE (and Intangibles)		(17,272)	(12,500)	(23,863)
Purchase of Investments		(160,011)	-	-
Net cash from / (to) the Investing Activities		(177,283)	(12,500)	(23,768)
Cash flows from Financing Activities				
Finance Lease Payments		(2,363)	(4,556)	(5,693)
Funds Held for Capital Works Projects		(30,838)	-	(12,622)
Net cash from Financing Activities		(33,201)	(4,556)	(18,315)
Net increase/(decrease) in cash and cash equivalents		(157,396)	(189,177)	(37,450)
Cash and cash equivalents at the beginning of the year	8	176,218	213,668	213,668
Cash and cash equivalents at the end of the year	8	18,822	24,491	176,218

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.



Oruaiti School

Notes to the Financial Statements

For the year ended 31 December 2018

1. Statement of Accounting Policies

a) Reporting Entity

Oruaiti 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.

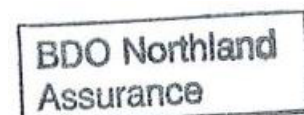
Critical Accounting Estimates And Assumptions

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

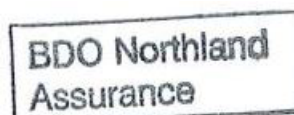
The property from which the School operates is owned by the Crown and managed by the Ministry of Education on behalf of the Crown. The School's use of the land and buildings as occupant is based on a property occupancy document as gazetted by the Ministry. The expense is based on an assumed market rental 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

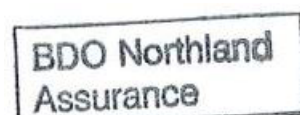
Land and buildings owned by the Crown are excluded from these financial statements. The Board's use of the land and buildings as 'occupant' is based on a property occupancy document.

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
Leased Assets	3-7 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. 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.

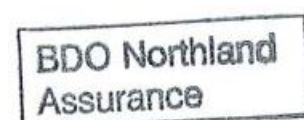
Non cash generating assets

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.

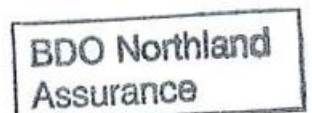
r) Shared Funds

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 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.

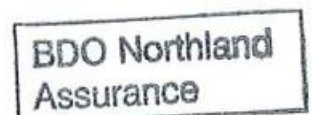
Commitments and contingencies are disclosed exclusive of GST.

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	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operational grants	281,064	271,576	255,202
Teachers' salaries grants	582,035	379,163	500,263
Use of Land and Buildings grants	239,057	150,021	197,362
Resource teachers learning and behaviour grants	1,440	-	-
Other MoE Grants	31,129	10,500	34,721
	<u>1,134,725</u>	<u>811,260</u>	<u>987,548</u>

3. Locally Raised Funds

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

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Revenue			
Donations	28,430	9,500	18,728
Bequests & Grants	-	-	4,000
Activities	31,187	7,720	34,924
Trading	8,834	9,500	14,350
Fundraising	1,792	-	-
Other Revenue	16,680	12,500	12,180
	<u>86,923</u>	<u>39,220</u>	<u>84,182</u>
Expenses			
Activities	31,906	6,500	31,159
Trading	7,876	7,800	12,776
Other Expenses	2,554	3,350	18,837
	<u>42,336</u>	<u>17,650</u>	<u>62,772</u>
<i>Surplus for the year Locally raised funds</i>	<u>44,587</u>	<u>21,570</u>	<u>21,410</u>

4. Learning Resources

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	27,915	17,690	14,133
Library resources	1,341	1,500	1,327
Employee benefits - salaries	694,002	529,305	610,457
Staff development	10,634	14,100	10,546
R&m & Purchases <\$1,000	1,670	2,000	2,202
	<u>735,562</u>	<u>564,595</u>	<u>638,665</u>

BDO Northland
Assurance

5. Administration

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	3,600	3,500	3,500
Board of Trustees Fees	2,710	3,500	3,350
Board of Trustees Expenses	1,340	3,040	1,135
Communication	2,443	2,850	2,663
Consumables	3,582	4,100	3,467
Other	8,085	6,300	7,697
Employee Benefits - Salaries	42,808	42,295	41,516
Insurance	3,257	3,000	3,077
Service Providers, Contractors and Consultancy	6,900	6,900	5,400
	<u>74,725</u>	<u>75,485</u>	<u>71,805</u>

6. Property

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	4,843	2,500	2,299
Cyclical Maintenance Expense	(18,352)	13,952	33,895
Grounds	15,692	6,300	6,369
Heat, Light and Water	11,728	14,500	12,839
Repairs and Maintenance	1,254	5,100	6,774
Use of Land and Buildings	239,057	150,021	197,362
Security	364	500	352
Employee Benefits - Salaries	22,901	29,701	19,153
Consultancy And Contract Services	(1,622)	-	(300)
	<u>275,865</u>	<u>222,574</u>	<u>278,743</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

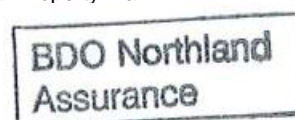
	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Buildings	865	790	865
Building Improvements	6,113	5,565	6,090
Furniture and Equipment	14,596	13,750	15,046
Information and Communication Technology	6,569	2,929	3,205
Leased Assets	4,649	6,096	6,671
Library Resources	1,030	940	1,029
	<u>33,822</u>	<u>30,070</u>	<u>32,906</u>

8. Cash and Cash Equivalents

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
ASB 00 Account	18,822	23,222	-
Kiwibank 00 Account	-	-	38,303
Online Call Account	-	-	137,446
Debit Visa Account	-	1,269	469
Cash equivalents for Cash Flow Statement	<u>18,822</u>	<u>24,491</u>	<u>176,218</u>

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

Of the \$18,822 Cash and Cash Equivalents, \$13,522 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	1,259	1,259	1,259
Receivables from the Ministry of Education	6,367	-	427
Interest Receivable	1,240	-	-
Teacher Salaries Grant Receivable	39,834	24,857	27,120
	48,700	26,116	28,806
Receivables from Exchange Transactions	2,499	1,259	1,259
Receivables from Non-Exchange Transactions	46,201	24,857	27,547
	48,700	26,116	28,806

10. Inventories

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Canteen	-	562	65
Stationery	910	519	225
Uniforms	2,726	739	1,333
	3,636	1,820	1,623

11. Investments

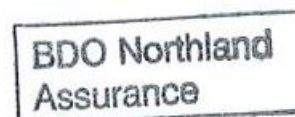
The School's investment activities are classified as follows:

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Current Asset			
Short-term Bank Deposits	160,011	-	-

12. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2018						
Buildings	17,619	-	-	-	(865)	16,754
Building Improvements	154,228	2,060	-	-	(6,113)	150,175
Furniture and Equipment	74,713	4,457	(4,410)	-	(14,596)	60,164
Information and Communication Tech	13,376	18,358	-	-	(6,569)	25,165
Leased Assets	8,350	5,618	-	-	(4,649)	9,319
Library Resources	4,489	417	-	-	(1,030)	3,876
Balance at 31 December 2018	272,775	30,910	(4,410)	-	(33,822)	265,453

	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
2018			
Buildings	34,615	(17,861)	16,754
Building Improvements	232,624	(82,449)	150,175
Furniture and Equipment	337,714	(277,550)	60,164
Information and Communication	65,622	(40,457)	25,165
Leased Assets	18,338	(9,019)	9,319
Library Resources	88,251	(84,375)	3,876
Balance at 31 December 2018	777,164	(511,711)	265,453



	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2017	\$	\$	\$	\$	\$	\$
Buildings	18,485	-	-	-	(865)	17,620
Building Improvements	160,318	-	-	-	(6,090)	154,228
Furniture and Equipment	74,816	15,036	(94)	-	(15,046)	74,713
Information and Communication Tech	7,148	9,432	-	-	(3,205)	13,375
Leased Assets	13,885	1,136	-	-	(6,671)	8,350
Library Resources	4,179	1,339	-	-	(1,029)	4,489
Balance at 31 December 2017	278,831	26,943	(94)	-	(32,906)	272,775

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2017	\$	\$	\$
Buildings	34,615	(16,995)	17,620
Building Improvements	230,564	(76,336)	154,228
Furniture and Equipment	340,968	(266,255)	74,713
Information and Communication	47,263	(33,888)	13,375
Leased Assets	23,400	(15,050)	8,350
Library Resources	87,834	(83,345)	4,489
Balance at 31 December 2017	764,644	(491,869)	272,775

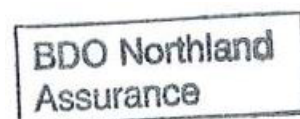
13. Accounts Payable

	2018 Actual	2018 Budget (Unaudited)	2017 Actual
	\$	\$	\$
Operating creditors	10,887	5,721	10,252
Accruals	2,600	3,968	2,700
Capital accruals for PPE items	5,554	-	2,236
Banking staffing overuse	-	3,122	-
Employee Entitlements - salaries	39,834	24,857	27,120
Employee Entitlements - leave accrual	1,674	487	1,549
	60,549	38,155	43,857
Payables for Exchange Transactions	60,549	35,033	43,857
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	3,122	-
	60,549	38,155	43,857

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	17,583	-	1,455
	17,583	-	1,455



15. Provision for Cyclical Maintenance

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Provision at the Start of the Year	56,581	13,326	62,551
Increase to the Provision During the Year	8,507	13,952	33,895
Adjustment to the Provision	(40,925)	-	-
Use of the Provision During the Year	-	-	(39,865)
Provision at the End of the Year	<u>24,163</u>	<u>27,278</u>	<u>56,581</u>
Cyclical Maintenance - Current	14,878	27,278	29,481
Cyclical Maintenance - Term	9,285	-	27,100
	<u>24,163</u>	<u>27,278</u>	<u>56,581</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	3,516	4,463	4,555
Later than One Year and no Later than Five Years	6,711	-	4,778
	<u>10,227</u>	<u>4,463</u>	<u>9,333</u>

17. Funds Owed (Held) for Capital Works Projects

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

	2018	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution/ (Write-off to R&M)	Closing Balances \$
Plumbing & Associated Works	<i>in progress</i>	836	61,228	49,762	-	(10,630)
Roofing Works	<i>in progress</i>	(13,669)	-	10,777	-	(2,892)
Drainage Works Stage 1	<i>in progress</i>	(10,969)	-	11,135	-	166
Drainage Works Stage 2&3	<i>in progress</i>	-	-	23,625	-	23,625
Totals		<u>(23,802)</u>	<u>61,228</u>	<u>95,299</u>	<u>-</u>	<u>10,269</u>

Represented by:

Funds Held on Behalf of the Ministry of Education	(13,522)
Funds Due from the Ministry of Education	23,791
	<u>10,269</u>

	2017	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution/ (Write-off to R&M)	Closing Balances \$
Dam Overflow & Slip Prevention	<i>completed</i>	(12,876)	(12,876)	-	-	-
Replace Carpet	<i>completed</i>	(3,205)	(1,743)	1,462	-	-
Electrical & Lighting	<i>completed</i>	(21,135)	(489)	20,646	-	-
Plumbing & Associated Works	<i>in progress</i>	-	-	836	-	836
Roofing Works	<i>in progress</i>	-	16,616	2,947	-	(13,669)
Drainage Works Stage 1	<i>in progress</i>	-	11,394	425	-	(10,969)
Totals		<u>(37,216)</u>	<u>12,902</u>	<u>26,316</u>	<u>-</u>	<u>(23,802)</u>

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	2,710	3,350
Full-time equivalent members	0.07	0.12
<i>Leadership Team</i>		
Remuneration	206,043	198,094
Full-time equivalent members	2.00	2.00
Total key management personnel remuneration	208,753	201,444
Total full-time equivalent personnel	2.07	2.12

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:

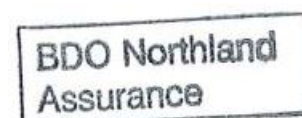
	2018 Actual \$000	2017 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	110 - 120	110 - 120
Benefits and Other Emoluments	3 - 4	3 - 4
Termination Benefits	-	-

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	2017 Actual
Total	-	-
Number of People	-	-

21. Contingencies

There are no contingent liabilities (except as noted below) 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

The School has entered into the following capital commitments as at 31 December 2018:

(a) contract to have plumbing and associated work done as agent for the Ministry of Education with an approved budget of \$68,031. This project is fully funded by the Ministry and \$61,228 has been received of which \$45,666 (2017: \$836) has been spent on the project to balance date.

(b) contract for roofing works as agent for the Ministry of Education with an approved budget of \$18,462. This project is fully funded by the Ministry and \$16,616 has been received of which \$12,624 (2017: \$2,947) has been spent on the project to balance date.

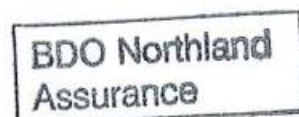
(c) contract for drainage work as agent for the Ministry of Education with an approved budget of \$200,000. This project is fully funded by the Ministry and \$11,394 has been received of which \$31,685 (2017: \$425) has been spent on the project to balance date. This project will be conducted in three stages with stage one completed as at balance date.

(b) Operating Commitments

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

(a) operating lease of laptops;

	2018 Actual \$	2017 Actual \$
No later than One Year	1,848	1,848
Later than One Year and No Later than Five Years	6,006	7,854
Later than Five Years	-	-
	<u>7,854</u>	<u>9,702</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	18,822	24,491	176,218
Receivables	48,700	26,116	28,806
Investments - Term Deposits	160,011	-	-
Total Loans and Receivables	<u>227,533</u>	<u>50,607</u>	<u>205,024</u>

Financial liabilities measured at amortised cost

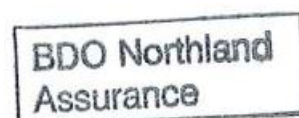
Payables	60,549	38,155	43,857
Borrowings - Loans	-	-	-
Finance Leases	9,853	4,463	8,745
Painting Contract Liability	-	-	-
Total Financial Liabilities Measured at Amortised Cost	<u>70,402</u>	<u>42,618</u>	<u>52,602</u>

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.



ORUAITI SCHOOL ANALYSIS OF VARIANCE 2018

At the end of 2017 our data showed that we had:

Reading -74.3% (76 students) at or above expectation 25.7% (27 students) below or well below

Writing – 61% (64 students) at or above 39% (41 students) below or well below

Maths – 71.4% (75 students) at or above 28.6% (30 students) below or well below

At the end of 2018 our data is as follows:

Reading – 65% (72 students) at or above expectation 35% (39 students) below or well below

Writing – 60% (66 students) at or above expectation 40% (45 students) below or well below

Maths – 71% (79 students) at or above expectation 29% (32 students) below or well below.

Of the 116 students that the data was collected for at the end of 2017 18% (21 students) did not return in 2018 (not including the year eight students of which there was 14) or have left throughout the year, making a total of 35 students. We have had 16 students join our school throughout various levels (this does not include new entrant children of which there have been 19) In all a total of 35 students 29% meaning the data is for a cohort of students quite different to 2017.

In 2018 the following interventions have been in place to try and accelerate the progress of students achieving below or well below expectation.

Reading	Writing	Maths
<ul style="list-style-type: none"> • Reading together programme for junior school students. • Reading Recovery targeting students well below expectation at six years old. • RTLiT working in school with students achieving well below expectation above year two. 	<ul style="list-style-type: none"> • Teachers working with Rhona Leonard, planning study lessons to target group of year 4 students. • All staff involved in moderation of student writing samples. • RTLiT working with some students 	<ul style="list-style-type: none"> • AliM programme in three classes targeting students achieving just below expectation. • Teachers attending PLG relating to mathematics.
<ul style="list-style-type: none"> • Teacher Aides working with groups of students in classes across all curriculum levels. Also targeted T.A's for some students. 		

Vision:
TO BECOME AN INNOVATIVE,
CHALLENGING & ENRICHING SCHOOL THAT
WILL FACILITATE COMMUNITY
ENGAGEMENT.



PRINCIPAL'S VARIANCE REPORT

2018 Strategic Goal 1-3

Annual Goals & Targets	Results (Did we achieve it)	Analysis of Variance (A summary of what happened and why?)	Where to from here
GOAL 1 - INNOVATING, CHALLENGING AND ENRICHING TEACHING AND LEARNING			
For students to experience success through stimulating learning programmes which incorporate the NZC.	The teachers have provided a good coverage of the NZC.	Although the emphasis across the school has been on reading, writing and mathematics the teachers have used inquiry learning that encourages students to use the key competencies across all learning areas.	Continue to provide a stimulating programme that incorporates the NZC. We are working on a curriculum document specific to Oruaiti School.
Utilising innovative practices, we will nurture a passion for learning in students with a strong emphasis on literacy and numeracy.	Our students are using some web based programmes to stimulate them towards competency in literacy and numeracy. We introduced 1-1 devices for years 7 & 8. iPads and other devices have supported learning in the junior area of the school.	Students are engaged with learning. Students are able to collaborate with others to support learning. Teachers have been looking at universal design for learning, creating environments to suit all students	Continue to provide 1-1 devices for all students' years 4-8. Provide P.D for staff to ensure that they have sound pedagogy around the use of devices to support learning. Part of Manaiaakalani in 2019
To cater effectively for students with special needs providing extensions and remedial programmes.	We have catered for our students with special needs effectively.	Teacher aides employed to provide support in all rooms. RTLB support for four students to start 2019 individuals throughout the year. IEP meetings held with all interested parties relating to these students. One ORS funded student with T.A	Continue to monitor students on SEN register, regular meetings with RTLB Investigate GATE programmes for students with special abilities. Reading recovery for students in the junior school struggling with reading. RTLit continuing to work in school. ALiM programme for mathematics support.
To teach identified virtues and values to enhance teaching and learning.	Our students are aware of the virtues and values that are important to our school.	The Kiwican team have a programme that teaches the students using the virtues, classroom units of work incorporate the virtues and values and out newsletter reminds families of the virtues. PB4L we are using our school values as the basis for this	To continue with the Kiwican programme. PB4L lessons will be taught throughout the school each week. All staff and students will be aware of expectations.
To participate in sporting events.	We have participated in many school and inter-school sporting activities.	We have had a sports specialist visiting school each week. We have also had visiting specialists for various sports. We have held our own swimming sports and athletic sports and have competed in inter-school sporting activities whenever possible. We have taken on project energise as another support for Health and physical education. We had a year 5/6 and 7/8 netball team competing in Saturday morning competition.	We no longer have a sports specialist from Sport Northland. We will endeavour to use strengths within our staff. We will compete in inter school and zone competitions as per the Sports Calendar. We will have in school fitness programmes and 'house' sporting competitions. We will continue to have netball teams compete in Saturday morning competitions in Kaitaia

Annual Goals & Targets	Results (Did we achieve it)	Analysis of Variance (A summary of what happened and why?)	Where to from here
<p>To support our Maori students to develop as Maori providing instruction in Tikanga and Te Reo Maori and if parents request the school to provide instruction in Te Reo. The matter to be given careful consideration by the BOT with regard to personnel available, financial position and availability of accommodation within the school.</p>	<p>All teachers have been teaching Te Reo. Having a bi-lingual teacher in our New Entrant year 1/2 class meant these students received specialist learning in this area. This teacher also provided support in all classes</p>	<p>Karakia and mihi are part of weekly assemblies. All classes also start the day with this. Community members have been working with a group of interested students for Kapa Haka. We did lose our bi-lingual teacher part way through 2018 which affected in class Te Reo</p>	<p>All students will have Kapa Haka on a weekly basis. (we are sourcing new leaders from the community) One teacher will provide a weekly focus for staff and students, which will be shared at assembly and followed up in class.</p>
<p>To provide exciting opportunities for outdoor education experiences.</p>	<p>Most classes visited the wetland throughout the year. Some trapping and planting was done at the wetlands. Our camp at the beginning of the year for all students involved a range of water and other activities. A group of students attended OPC camp at Great Barrier. Some students have been involved in planting projects within the school.</p>	<p>One class has been working on the 'whats for lunch' programme. All year 8 students attended the OPC camp developing team building skills. We were involved in a range of cultural and sporting activities outside the classroom. We obtained silver accreditation as an enviro school.</p>	<p>Teachers will continue to use the wetlands, a trapping project is underway. A school camp has been planned for term one. As numbers are increasing this will not be whole school, years 4 – 8 only years 1 – 3 will be involved in activities around our local community. We are working with different agencies around waste management and caring for our environment. Working towards Green/Gold enviro school status. Projects to develop outdoor learning spaces within our school.</p>
<p>To provide professional development to staff in appropriate curriculum areas.</p>	<p>All teaching staff participated in professional development.</p>	<p>We worked with Rhona Leonard (SAF) to improve student achievement in writing. Teachers attended a range of PD run by outside agencies. PD was also offered to support staff. Worked with Jenna Crowley on Relationship based learning, also coaching for all staff with Susan Arrowsmith.</p>	<p>To continue to use appropriate professional development offered within the confines of our school budget. Continue Relationship based Learning PD and coaching PD. Part of Manaikalani for 2019.</p>
<p>Collecting appropriate assessment data to drive teaching and learning programmes.</p>	<p>Assessment data has been collected and collated.</p>	<p>Each term data has been collected on individual student achievement. This data has been used by the teachers to provide appropriate learning experiences for their students.</p>	<p>To continue to collect achievement data and use it to provide appropriate, stimulating programmes of learning. Target students will be identified in all classes, programmes will show how the learning needs are being met.</p>

Annual Goals & Targets	Results (Did we achieve it)	Analysis of Variance (A summary of what happened and why?)	Where to from here
GOAL 2 - TO FACILITATE COMMUNITY ENGAGEMENT			
To use our newsletter to inform the community of events coming up.	We have used our newsletters to inform our community of events.	Our newsletters were changed to fortnightly. The focus is celebrating success. Each newsletter also lists upcoming events to keep our community informed.	To continue to inform our community of events. Web site is currently being upgraded.
To hold events that encourage community participation and in particular to encourage our Maori community to be involved.	We have had a great proportion of our school community attending school events.	Great parent evening held at the start of camp. Parent survey around school vision had 98% return by parents. Reading together programme was held for parents. Matariki celebrations were in the form of wearable arts, followed by soup evening, excellent attendance by families. Pet day was combined with market day to increase community participation.	Work to maintain participation of our whole community. Plan fun non threatening activities to encourage parent involvement. Hold information evenings for parents on a range of topics. Reading together again, Home school partnership in mathematics. Production in term two.
To invite other schools in our area to use our facilities.	Our hall was not used by other schools in 2018.	Developing relationships with staff at other schools encourages this.	Continue to invite other schools to join us. Let others know of the facilities we have to offer. Working as part of community of learning to encourage this.
To revitalise our website.	We are continuing to use CABU.	To encourage more interaction with the website by teachers, students and parents. This is quite time consuming. One staff meeting per term was planned to update the website.	Have received a grant to upgrade the website this includes training for staff from CABU facilitators.
To provide "Reading Together" programmes for parents.	Programme held in term two	A group of parents attended the Reading Together workshops. Very positive feedback.	To offer the "Reading Together" programme again in 2019.
To provide assistance through RTLB, GSE, SWIS to families requiring assistance.	We have provided these services when needed.	Our students and their families have been supported when they have been in need of extra assistance. This has helped students achieve their goals and assisted their families to cope better. Some students have benefitted from assistance from RTLB. SWIS has worked with individual students.	Continue to seek out support for students who need extra attention to become successful.

Annual Goals & Targets	Results (Did we achieve it)	Analysis of Variance (A summary of what happened and why?)	Where to from here
GOAL 3 - TO DEVELOP AND ENHANCE OUR ENVIRONMENTAL RESOURCES.			
To teach recycling effectively to all students	Some success but still needing an effort	One class (and teacher) have taken responsibility for rubbish in our school.	Timetable change so students are not eating in playground. Rubbish monitors assigned, check all class rubbish. New location for bins and labelling. Encouraging 'rubbish free' lunchboxes.
Plan programmes to use our wetlands more regularly and care for them.	All classes visited the wetlands in 2018. Some trapping and planting completed.	Some help from Rotary supported this. Students enjoy setting and clearing traps.	Keep using this resource, plan projects for this area. More planting.
Plant appropriate areas of the school in native plants.	1000 Manuka were planted and 850 kawakawa.	Support from Rotary for these projects.	Some more targeted planting will be done in the orchard area. Maintenance of the plants that we have. Keeping cleared etc.
Teach students the skills of vegetable/orchard growing.	Students involved in some gardening projects (one class) other involved in clearing orchard area, now Manuka.	One of our T.A's has time for gardening, which has helped.	Look at the possibility of implementing the 'Garden to Table' programme. Orchard area to become an outdoor learning space.
To work with Environment schools participating in their activities.	Received silver accreditation as enviro school	Continued projects as part of enviro schools- trapping, planting, bees wax wraps, kawakawa balms, honey, reusable bags. One class also wrote and published a book with an environmental message.	Continue all projects. Try to involve more classes within the school. Continue to work with Rotary, Northland regional council and enviro schools. Working towards green/gold accreditation.
Budget & other Implications: We have worked within our budget constraints to maximise what can be achieved to support the learning of our students.		We have remained within the parameters of our budget.	The budget has been set for 2019

Oruaiti School

KiwiSport Statement

For the year ended 31 December 2018

This year we received \$1,964.69 KiwiSport Funding. We used this funding to provide specialised assistance to our Year 1-8 students in a variety of sporting activities.

Every second Monday each class has 45 minutes with the sports teacher and their class teacher. The specialist takes the class whilst the class teacher is able to withdraw children to work individually on needs based activities or is able to observe the children as they work in this area.

The lessons are geared to the sports code that we are working on in class lessons of Fundamental Skills and helps to prepare the students for inter-school sports events.

INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF ORUAITI SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

The Auditor-General is the auditor of Oruaiti School (the School). The Auditor-General has appointed me, Angela Edwards, using the staff and resources of, 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 19, 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 Sector – Public Benefit Entity Standards, Reduced Disclosure Regime.

Our audit was completed on 30th 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 arises 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 1 and 20 to 26, but does not include the financial statements, and our auditor's report thereon.

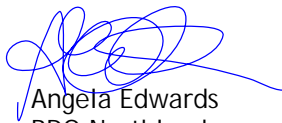
Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

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

Independence

We are independent of the School in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1 (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.



Angela Edwards
BDO Northland
On behalf of the Auditor-General
Auckland, New Zealand