

OPIHI COLLEGE



ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

Ministry Number: 354
Principal: Tina Johnson
School Address: Richard Pearse Drive, Temuka
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OPIHI COLLEGE

Annual Report - For the year ended 31 December 2018

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Opihi College

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.

Kylie Robertson

Full Name of Board Chairperson

TINA JOHNSON

Full Name of Principal

[Signature]

Signature of Board Chairperson

[Signature]

Signature of Principal

26-6-19

Date:

24.6.19.

Date:

Opihi College

Members of the Board of Trustees

For the year ended 31 December 2018

| Name | Position | How Position Gained | Held Until |
|------------------|-----------------|----------------------------|-------------------|
| Kylie Roberston | Chairperson | Elected | May 2019 |
| Craig Pannett | Chairperson | Elected | May 2018 |
| Tina Johnson | Principal | | |
| Heidi Norton | Parent Rep | Elected | May 2019 |
| Andrew Williams | Parent Rep | Elected | May 2019 |
| Tony Narayan | Parent Rep | Elected | May 2019 |
| Rachael Queree | Staff Rep | Elected | May 2019 |
| Jessica Marshall | Student Rep | Elected | May 2019 |
| Aaliyah Fenton | Student Rep | Elected | May 2019 |

Opihi College

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 | 3,642,217 | 3,839,328 | 3,587,625 |
| Locally Raised Funds | 3 | 201,949 | 86,461 | 227,151 |
| Interest Earned | | 7,166 | 8,000 | 6,415 |
| Gain on Sale of Property, Plant and Equipment | | 4,022 | - | - |
| International Students | 4 | 8,152 | 9,400 | 18,528 |
| | | <u>3,863,506</u> | <u>3,943,189</u> | <u>3,839,719</u> |
| Expenses | | | | |
| Locally Raised Funds | 3 | 74,962 | 28,384 | 65,312 |
| International Students | 4 | 14,808 | 20,357 | 19,594 |
| Learning Resources | 5 | 2,668,419 | 2,733,339 | 2,594,020 |
| Administration | 6 | 224,691 | 225,050 | 215,875 |
| Finance Costs | | 2,018 | - | 296 |
| Property | 7 | 919,511 | 991,666 | 801,846 |
| Depreciation | 8 | 64,867 | 55,000 | 49,170 |
| Loss on Disposal of Property, Plant and Equipment | | - | - | 16,734 |
| | | <u>3,969,276</u> | <u>4,053,796</u> | <u>3,762,847</u> |
| Net (Deficit) / Surplus | | (105,770) | (110,607) | 76,872 |
| Other Comprehensive Revenue and Expenses | | - | - | - |
| Total Comprehensive Revenue and Expense for the Year | | <u>(105,770)</u> | <u>(110,607)</u> | <u>76,872</u> |

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



Opihi College
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 | 702,585 | 702,585 | 600,257 |
| Total comprehensive revenue and expense for the year | (105,770) | (110,607) | 76,872 |
| Capital Contributions from the Ministry of Education Contribution - Furniture and Equipment Grant | 21,415 | - | 25,456 |
| Equity at 31 December | 618,230 | 591,978 | 702,585 |
| Retained Earnings | 618,230 | 591,978 | 702,585 |
| Equity at 31 December | 618,230 | 591,978 | 702,585 |

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



Opihi College
Statement of Financial Position
As at 31 December 2018

| | | 2018 | 2018 | 2017 |
|--|-------|----------------|----------------|----------------|
| | Notes | Actual | Budget | Actual |
| | | \$ | (Unaudited) | \$ |
| | | | \$ | |
| Current Assets | | | | |
| Cash and Cash Equivalents | 9 | 363,792 | 26,525 | 82,132 |
| Accounts Receivable | 10 | 150,816 | 143,394 | 143,394 |
| GST Receivable | | 5,189 | 8,690 | 8,690 |
| Prepayments | | 10,275 | 11,512 | 11,512 |
| Inventories | 11 | 3,200 | 4,000 | 4,000 |
| Investments | 12 | - | 376,758 | 376,758 |
| | | <u>533,272</u> | <u>570,879</u> | <u>626,486</u> |
| Current Liabilities | | | | |
| Accounts Payable | 14 | 198,459 | 186,103 | 186,103 |
| Revenue Received in Advance | 15 | 66,429 | 64,615 | 64,615 |
| Provision for Cyclical Maintenance | 16 | - | 10,350 | 10,350 |
| Finance Lease Liability - Current Portion | 17 | 17,211 | 7,654 | 7,654 |
| Funds held in Trust | 18 | 35,037 | 9,707 | 9,707 |
| Funds Held on Behalf of Aoraki Alternative Education | 20 | - | 47,213 | 47,213 |
| | | <u>317,136</u> | <u>325,642</u> | <u>325,642</u> |
| Working Capital Surplus/(Deficit) | | 216,136 | 245,237 | 300,844 |
| Non-current Assets | | | | |
| Property, Plant and Equipment | 13 | 548,004 | 436,019 | 491,019 |
| | | <u>548,004</u> | <u>436,019</u> | <u>491,019</u> |
| Non-current Liabilities | | | | |
| Provision for Cyclical Maintenance | 16 | 115,431 | 64,975 | 64,975 |
| Finance Lease Liability | 17 | 30,479 | 24,303 | 24,303 |
| | | <u>145,910</u> | <u>89,278</u> | <u>89,278</u> |
| Net Assets | | <u>618,230</u> | <u>591,978</u> | <u>702,585</u> |
| Equity | | <u>618,230</u> | <u>591,978</u> | <u>702,585</u> |

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



Opihi College
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 | | 881,299 | 871,480 | 915,662 |
| Locally Raised Funds | | 192,345 | 86,461 | 246,501 |
| International Students | | 30,639 | 9,400 | 11,886 |
| Goods and Services Tax (net) | | 3,501 | - | (272) |
| Payments to Employees | | (510,594) | (512,903) | (452,483) |
| Payments to Suppliers | | (588,371) | (518,045) | (529,494) |
| Cyclical Maintenance Payments in the Year | | (6,500) | - | (47,731) |
| Interest Received | | 7,166 | 8,000 | 6,415 |
| Net cash from / (to) the Operating Activities | | 9,485 | (55,607) | 150,484 |
| Cash flows from Investing Activities | | | | |
| Proceeds from Sale of PPE (and Intangibles) | | - | - | (990) |
| Purchase of PPE (and Intangibles) | | (100,924) | - | (89,716) |
| Purchase of Investments | | - | - | (119,383) |
| Proceeds from Sale of Investments | | 376,758 | - | - |
| Net cash from / (to) the Investing Activities | | 275,834 | - | (210,089) |
| Cash flows from Financing Activities | | | | |
| Furniture and Equipment Grant | | 21,415 | - | 25,456 |
| Finance Lease Payments | | (3,191) | - | (2,552) |
| Funds Administered on Behalf of Third Parties | | (21,883) | - | (998) |
| Funds Held for Capital Works Projects | | - | - | 1,200 |
| Net cash from Financing Activities | | (3,659) | - | 23,106 |
| Net increase/(decrease) in cash and cash equivalents | | 281,660 | (55,607) | (36,499) |
| Cash and cash equivalents at the beginning of the year | 9 | 82,132 | 82,132 | 118,631 |
| Cash and cash equivalents at the end of the year | 9 | 363,792 | 26,525 | 82,132 |

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 omitted.

The above Cash Flow Statement should be read in conjunction with the accompanying notes.



Opihi College

Notes to the Financial Statements

1. Statement of Accounting Policies

For the year ended 31 December 2018

1.1. Reporting Entity

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

1.2. 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 13.



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 17.

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.

1.3. 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.

1.4. 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.

1.5. 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.

1.6. 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.



1.7. 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.

1.8. 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.

1.9. 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.

1.10. 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.

1.11. 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 \$500 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense, except for sets of like items with a collective worth exceeding \$500.

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

The estimated useful lives of the assets are:

| | |
|--|-------------------------|
| Building & Improvements | 20-50 years |
| Furniture and equipment | 5-20 years |
| Information and communication technology | 5 years |
| Motor vehicles | 10 years |
| Leased assets held under a Finance Lease | 3 years |
| Library resources | 12.5% Diminishing value |

1.12. 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.

1.13. 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.

1.14. Employment 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



1.15. Revenue Received in Advance

Revenue received in advance relates to fees received from international 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.

1.16. 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.

1.17. 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.

1.18. 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).

1.19. 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.

1.20. 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.

1.21. Budget Figures

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

1.22. 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 Actual \$ | 2018 Budget (Unaudited) \$ | 2017 Actual \$ |
|----------------------------------|----------------------|-------------------------------------|----------------------|
| Operational grants | 756,985 | 758,622 | 772,486 |
| Teachers' salaries grants | 2,168,150 | 2,263,436 | 2,125,480 |
| Use of Land and Buildings grants | 582,200 | 704,412 | 548,209 |
| Other MoE Grants | 87,353 | 64,280 | 141,449 |
| Other government grants | 47,529 | 48,578 | - |
| | <u>3,642,217</u> | <u>3,839,328</u> | <u>3,587,625</u> |

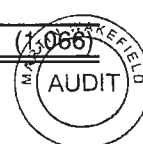
3. Locally Raised Funds

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

| | 2018 Actual \$ | 2018 Budget (Unaudited) \$ | 2017 Actual \$ |
|--|----------------------|-------------------------------------|----------------------|
| Revenue | | | |
| Donations | 91,073 | 19,261 | 92,889 |
| Fundraising | 9,566 | 6,000 | 13,250 |
| Other revenue | 47,919 | 42,700 | 61,930 |
| Transport Revenue | 16,084 | 18,000 | 16,776 |
| Trading Activities | 3,955 | 500 | 2,579 |
| | <u>33,352</u> | <u>-</u> | <u>39,728</u> |
| | 201,949 | 86,461 | 227,151 |
| Expenses | | | |
| Activities | 34,917 | - | 33,813 |
| Trading | 4,287 | 500 | 3,075 |
| Fundraising (costs of raising funds) | 4,857 | - | 7,645 |
| Transport (local) | 30,901 | 27,884 | 20,779 |
| | <u>74,962</u> | <u>28,384</u> | <u>65,312</u> |
| <i>Surplus for the year Locally raised funds</i> | <u>126,987</u> | <u>58,077</u> | <u>161,840</u> |

4. International Student Revenue and Expenses

| | 2018 Actual Number | 2018 Budget (Unaudited) Number | 2017 Actual Number |
|---|--------------------------|---|--------------------------|
| International Student Roll | 1 | 1 | 1 |
| | | | |
| | | | |
| | | | |
| Revenue | | | |
| International student fees | 8,152 | 9,400 | 18,528 |
| Expenses | | | |
| Commissions | 1,625 | 2,500 | 2,498 |
| Recruitment | 101 | 1,600 | - |
| International student levy | 287 | - | 411 |
| Employee Benefit - Salaries | 12,795 | 16,257 | 16,685 |
| | <u>14,808</u> | <u>20,357</u> | <u>19,594</u> |
| <i>(Deficit)/ Surplus for the year International Students</i> | <u>(6,656)</u> | <u>(10,957)</u> | <u>(1,066)</u> |



5. Learning Resources

| | 2018 | 2018 | 2017 |
|--|------------------|------------------|------------------|
| | Actual | Budget | Actual |
| | \$ | (Unaudited) | \$ |
| Curricular | 153,484 | 107,341 | 136,683 |
| Information and communication technology | 4,278 | 4,000 | 2,452 |
| Extra-curricular activities | 11,920 | 1,500 | 20,047 |
| Library resources | 2,037 | 4,500 | 1,601 |
| Employee benefits - salaries | 2,484,936 | 2,595,998 | 2,418,220 |
| Staff development | 11,764 | 20,000 | 15,017 |
| | <u>2,668,419</u> | <u>2,733,339</u> | <u>2,594,020</u> |

6. Administration

| | 2018 | 2018 | 2017 |
|--|----------------|----------------|----------------|
| | Actual | Budget | Actual |
| | \$ | (Unaudited) | \$ |
| Audit Fee | 4,999 | 4,970 | 5,090 |
| Board of Trustees Fees | 3,810 | 4,000 | 4,175 |
| Board of Trustees Expenses | 5,352 | 7,500 | 8,271 |
| Communication | 10,152 | 11,600 | 8,831 |
| Consumables | 58,074 | 56,200 | 42,554 |
| Operating Lease | 5,080 | 7,500 | 13,165 |
| Other | 12,213 | 13,450 | 12,495 |
| Employee Benefits - Salaries | 115,974 | 110,330 | 111,892 |
| Insurance | 5,677 | 6,000 | 6,022 |
| Service Providers, Contractors and Consultancy | 3,360 | 3,500 | 3,380 |
| | <u>224,691</u> | <u>225,050</u> | <u>215,875</u> |

7. Property

| | 2018 | 2018 | 2017 |
|-------------------------------------|----------------|----------------|----------------|
| | Actual | Budget | Actual |
| | \$ | (Unaudited) | \$ |
| Caretaking and Cleaning Consumables | 119,457 | 100,000 | 94,168 |
| Consultancy and Contract Services | 3,750 | 5,000 | 5,000 |
| Cyclical Maintenance Provision | 46,606 | 20,000 | 47,731 |
| Grounds | - | - | 13,737 |
| Heat, Light and Water | 59,531 | 60,000 | 56,458 |
| Repairs and Maintenance | 54,582 | 48,500 | 21,337 |
| Use of Land and Buildings | 582,200 | 704,412 | 548,209 |
| Employee Benefits - Salaries | 53,385 | 53,754 | 15,206 |
| | <u>919,511</u> | <u>991,666</u> | <u>801,846</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.



8. Depreciation of Property, Plant and Equipment

| | 2018 Actual \$ | 2018 Budget (Unaudited) \$ | 2017 Actual \$ |
|--|----------------------|-------------------------------------|----------------------|
| Building Improvements | 6,529 | 5,000 | 6,528 |
| Furniture and Equipment | 24,469 | 15,000 | 24,561 |
| Information and Communication Technology | 11,253 | 15,000 | 6,648 |
| Motor Vehicles | 7,581 | 5,000 | 5,887 |
| Leased Assets | 13,259 | 13,000 | 3,879 |
| Library Resources | 1,776 | 2,000 | 1,667 |
| | <u>64,867</u> | <u>55,000</u> | <u>49,170</u> |

9. Cash and Cash Equivalents

| | 2018 Actual \$ | 2018 Budget (Unaudited) \$ | 2017 Actual \$ |
|--|----------------------|-------------------------------------|----------------------|
| Cash on Hand | 200 | - | 200 |
| Bank Current Account | 39,481 | 26,525 | 81,932 |
| Bank Call Account | 324,111 | - | - |
| Net cash and cash equivalents and bank overdraft for Cash Flow Statement | <u>363,792</u> | <u>26,525</u> | <u>82,132</u> |

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

10. Accounts Receivable

| | 2018 Actual \$ | 2018 Budget (Unaudited) \$ | 2017 Actual \$ |
|--|----------------------|-------------------------------------|----------------------|
| Receivables | 80 | 581 | 581 |
| Teacher Salaries Grant Receivable | 150,736 | 142,813 | 142,813 |
| | <u>150,816</u> | <u>143,394</u> | <u>143,394</u> |
| Receivables from Exchange Transactions | 80 | 581 | 581 |
| Receivables from Non-Exchange Transactions | 150,736 | 142,813 | 142,813 |
| | <u>150,816</u> | <u>143,394</u> | <u>143,394</u> |

11. Inventories

| | 2018 Actual \$ | 2018 Budget (Unaudited) \$ | 2017 Actual \$ |
|-----------------|----------------------|-------------------------------------|----------------------|
| School Uniforms | 3,200 | 4,000 | 4,000 |
| | <u>3,200</u> | <u>4,000</u> | <u>4,000</u> |

12. Investments

The School's investment activities are classified as follows:

| | 2018 Actual \$ | 2018 Budget (Unaudited) \$ | 2017 Actual \$ |
|--------------------------|----------------------|-------------------------------------|----------------------|
| Current Asset | - | - | - |
| Short-term Bank Deposits | - | 376,758 | 376,758 |



13. Property, Plant and Equipment

| | Opening Balance (NBV) | Additions | Disposals | Impairment | Depreciation | Total (NBV) |
|------------------------------------|--------------------------|----------------|--------------|------------|-----------------|----------------|
| 2018 | \$ | \$ | \$ | \$ | \$ | \$ |
| Land | 30,000 | - | - | - | - | 30,000 |
| Building Improvements | 196,706 | - | - | - | (6,529) | 190,177 |
| Furniture and Equipment | 138,064 | 3,958 | - | - | (24,469) | 117,553 |
| Information and Communication | 30,578 | 74,963 | - | - | (11,253) | 94,288 |
| Motor Vehicles | 52,090 | 10,826 | - | - | (7,581) | 55,335 |
| Leased Assets | 31,910 | 29,570 | - | - | (13,259) | 48,221 |
| Library Resources | 11,671 | 2,861 | (326) | - | (1,776) | 12,430 |
| Balance at 31 December 2018 | 491,019 | 122,178 | (326) | - | (64,867) | 548,004 |

| | Cost or Valuation | Accumulated Depreciation | Net Book Value |
|------------------------------------|----------------------|-----------------------------|-------------------|
| 2018 | \$ | \$ | \$ |
| Land | 30,000 | - | 30,000 |
| Building Improvements | 295,689 | (105,512) | 190,177 |
| Furniture and Equipment | 421,834 | (304,281) | 117,553 |
| Information and Communication | 406,557 | (312,269) | 94,288 |
| Motor Vehicles | 92,778 | (37,443) | 55,335 |
| Leased Assets | 65,403 | (17,182) | 48,221 |
| Library Resources | 30,039 | (17,609) | 12,430 |
| Balance at 31 December 2018 | 1,342,300 | (794,296) | 548,004 |

The net carrying value of equipment held under a finance lease is \$48,221 (2017: \$31,910)

| | Opening Balance (NBV) | Additions | Disposals | Impairment | Depreciation | Total (NBV) |
|------------------------------------|--------------------------|----------------|-----------------|------------|-----------------|----------------|
| 2017 | \$ | \$ | \$ | \$ | \$ | \$ |
| Land | 30,000 | - | - | - | - | 30,000 |
| Building Improvements | 203,234 | - | - | - | (6,528) | 196,706 |
| Furniture and Equipment | 124,302 | 39,186 | (863) | - | (24,561) | 138,064 |
| Information and Communication | 34,414 | 2,812 | - | - | (6,648) | 30,578 |
| Motor Vehicles | 27,476 | 30,501 | - | - | (5,887) | 52,090 |
| Leased Assets | 17,352 | 32,220 | (13,783) | - | (3,879) | 31,910 |
| Library Resources | 12,532 | 2,894 | (2,088) | - | (1,667) | 11,671 |
| Balance at 31 December 2017 | 449,310 | 107,613 | (16,734) | - | (49,170) | 491,019 |

| | Cost or Valuation | Accumulated Depreciation | Net Book Value |
|------------------------------------|----------------------|-----------------------------|-------------------|
| 2017 | \$ | \$ | \$ |
| Land | 30,000 | - | 30,000 |
| Building Improvements | 295,689 | (98,983) | 196,706 |
| Furniture and Equipment | 560,852 | (422,788) | 138,064 |
| Information and Communication | 188,617 | (158,039) | 30,578 |
| Motor Vehicles | 102,397 | (50,307) | 52,090 |
| Leased Assets | 35,833 | (3,923) | 31,910 |
| Library Resources | 27,960 | (16,289) | 11,671 |
| Balance at 31 December 2017 | 1,241,348 | (750,329) | 491,019 |



14. Accounts Payable

| | 2018 Actual \$ | 2018 Budget (Unaudited) \$ | 2017 Actual \$ |
|---------------------------------------|----------------------|-------------------------------------|----------------------|
| Operating creditors | 28,396 | 12,452 | 12,452 |
| Accruals | 5,997 | 5,854 | 5,854 |
| Employee Entitlements - salaries | 154,765 | 144,608 | 144,608 |
| Employee Entitlements - leave accrual | 9,301 | 23,189 | 23,189 |
| | 198,459 | 186,103 | 186,103 |
| | 198,459 | 186,103 | 186,103 |
| Payables for Exchange Transactions | 198,459 | 186,103 | 186,103 |
| | 198,459 | 186,103 | 186,103 |
| | 198,459 | 186,103 | 186,103 |

The carrying value of payables approximates their fair value.

15. Revenue Received in Advance

| | 2018 Actual \$ | 2018 Budget (Unaudited) \$ | 2017 Actual \$ |
|---|----------------------|-------------------------------------|----------------------|
| Grants in Advance - Ministry of Education | 15,807 | 26,375 | 26,375 |
| International Student Fees | 30,639 | 8,152 | 8,152 |
| Other | 19,983 | 30,088 | 30,088 |
| | 66,429 | 64,615 | 64,615 |
| | 66,429 | 64,615 | 64,615 |

16. Provision for Cyclical Maintenance

| | 2018 Actual \$ | 2018 Budget (Unaudited) \$ | 2017 Actual \$ |
|---|----------------------|-------------------------------------|----------------------|
| Provision at the Start of the Year | 75,325 | 75,325 | 64,194 |
| Increase to the Provision During the Year | 46,606 | - | 47,731 |
| Use of the Provision During the Year | (6,500) | - | (36,600) |
| Provision at the End of the Year | 115,431 | 75,325 | 75,325 |
| | 115,431 | 75,325 | 75,325 |
| Cyclical Maintenance - Current | - | 10,350 | 10,350 |
| Cyclical Maintenance - Term | 115,431 | 64,975 | 64,975 |
| | 115,431 | 75,325 | 75,325 |
| | 115,431 | 75,325 | 75,325 |

17. Finance Lease Liability

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

| | 2018 Actual \$ | 2018 Budget (Unaudited) \$ | 2017 Actual \$ |
|--|----------------------|-------------------------------------|----------------------|
| No Later than One Year | 19,169 | 7,843 | 7,843 |
| Later than One Year and no Later than Five Years | 31,521 | 24,372 | 24,372 |
| Later than Five Years | - | - | - |
| | 50,690 | 32,215 | 32,215 |
| | 50,690 | 32,215 | 32,215 |



18. Funds Held in Trust

| | 2018 Actual \$ | 2018 Budget (Unaudited) \$ | 2017 Actual \$ |
|--|----------------------|-------------------------------------|----------------------|
| Funds Held in Trust on Behalf of Third Parties - Current | 35,037 | 9,707 | 9,707 |
| | <u>35,037</u> | <u>9,707</u> | <u>9,707</u> |

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

19. Funds Held for Capital Works

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 \$ |
|----------------------|-----------|---------------------------|----------------------------|----------------|---|---------------------------|
| Heat Pump Relocation | Completed | - | 8,668 | 8,668 | - | - |
| Totals | | <u>-</u> | <u>8,668</u> | <u>8,668</u> | <u>-</u> | <u>-</u> |

| | 2017 | Opening Balances \$ | Receipts from MoE \$ | Payments \$ | BOT Contribution/ (Write-off to R&M) | Closing Balances \$ |
|-----------------------|-----------|---------------------------|----------------------------|----------------|---|---------------------------|
| Sick Bay Fix-up | Completed | (1,200) | - | - | 1,200 | - |
| Heat Pumps Tech Block | Completed | - | 4,788 | - | (4,788) | - |
| Totals | | <u>(1,200)</u> | <u>4,788</u> | <u>-</u> | <u>(3,588)</u> | <u>-</u> |

20. Funds Held on Behalf of Aoraki Alternative Education Cluster

Ophi College was the lead school and held funds on behalf of the Aoraki Alternative Education cluster. This cluster was transferred to Mountainview College in February 2018.

| | 2018 Actual \$ | 2018 Budget \$ | 2017 Actual \$ |
|--|----------------------|----------------------|----------------------|
| Funds Transferred from Timaru Boys High School (Unaudited) | 47,213 | 47,213 | 38,592 |
| Funds Received from Cluster Members | - | - | 12,678 |
| Funds Received from MoE | (47,213) | - | 286,523 |
| Funds Spent on Behalf of the Cluster | - | - | (290,580) |
| Funds Held at Year End to be transferred | <u>-</u> | <u>47,213</u> | <u>47,213</u> |



21. 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.

22. Remuneration

Key management personnel compensation

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

| | 2018 Actual \$ | 2017 Actual \$ |
|---|----------------------|----------------------|
| <i>Board Members</i> | | |
| Remuneration | 3,810 | 4,175 |
| Full-time equivalent members | 0.13 | 0.12 |
| <i>Leadership Team</i> | | |
| Remuneration | 441,081 | 423,351 |
| Full-time equivalent members | 4.00 | 4.00 |
| Total key management personnel remuneration | 444,891 | 427,526 |
| Total full-time equivalent personnel | 4.13 | 4.12 |

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 | 130-140 | 130-140 |
| Benefits and Other Emoluments | 1-10 | 0 - 0 |
| Termination Benefits | 0 - 0 | 0 - 0 |

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 |
|-----------------------|--------------------|--------------------|
| 110 - 120 | - | - |
| 100 - 110 | 2.00 | 1.00 |
| | 2.00 | 1.00 |

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



23. 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 | \$ 49,597 | \$ - |
| Number of People | 2.00 | - |

24. 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.

25. Commitments

(a) Capital Commitments

As at 31 December 2018 the Board has not entered into any contract agreements for capital works.

(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 laptops;

| | 2018 Actual \$ | 2017 Actual \$ |
|--|----------------------|----------------------|
| No later than One Year | - | 3,778 |
| Later than One Year and No Later than Five Years | - | - |
| | <u>-</u> | <u>3,778</u> |

26. 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.



27. 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 | 363,792 | 26,525 | 82,132 |
| Receivables | 150,816 | 143,394 | 143,394 |
| Investments - Term Deposits | - | 376,758 | 376,758 |
| Total Loans and Receivables | <u>514,608</u> | <u>546,677</u> | <u>602,284</u> |

Financial liabilities measured at amortised cost

| | | | |
|--|----------------|----------------|----------------|
| Payables | 198,459 | 186,103 | 186,103 |
| Finance Leases | 47,690 | 31,957 | 31,957 |
| Total Financial Liabilities Measured at Amortised Cost | <u>246,149</u> | <u>218,060</u> | <u>218,060</u> |

28. Events After Balance Date

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

29. Comparatives

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





INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF OPIHI COLLEGE'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

The Auditor-General is the auditor of Opihi College (the School). The Auditor-General has appointed me, Derily MacLean, using the staff and resources of Martin Wakefield, to carry out the audit of the financial statements of the School on his behalf.

We have audited the financial statements of the School on pages 3 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.

Qualified opinion

In our opinion, except for the matter described in the Basis for our qualified opinion section of our report, 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 the Public Sector Public Benefit Entity Standards, Reduced Disclosure Regime.

Our audit was completed on 26 June 2019. This is the date at which our qualified opinion is expressed.

The basis for our qualified 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 qualified opinion

Prior to being recorded, control over the receipt of cash revenue from fundraising, raffles and donations is limited. Fundraising and Other Revenue is disclosed in note 3 of the financial statements on page 12 as a total of \$57,485 ((2017: \$75,180). There are no satisfactory audit procedures that we could adopt to confirm independently that the revenue from fundraising, raffles and donations had been properly recorded.

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 qualified 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 the pages following page 20, but does not include the financial statements, and our auditor's report thereon.

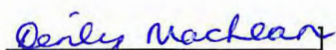
Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

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.



Derily MacLean
Martin Wakefield
On behalf of the Auditor-General
Timaru, New Zealand



Analysis of Variance Reporting

| | |
|---------------|---------------|
| School Name | Opihi College |
| School Number | 0354 |

| | | | | | | | | | | |
|----------------------|--|------|------|------|------|------|------|------|--|---------|
| Strategic Aim | Boys Achievement in NCEA Needs to be raised through targeted support and strategies to enhance performance | | | | | | | | | |
| Annual Aim | The annual aim: Providing high quality teaching and learning across all areas | | | | | | | | | |
| Target 1 | It is targeted that boys NCEA results will improve. It is planned that 85% boys to gain Level 1 50% boys improvement in Level 3 achievement over 2017 results 50% boys to gain UE | | | | | | | | | |
| Baseline Data | Level | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | | |
| | 85% boys to gain Level 1 | 85 | 61 | 58 | 71 | 64 | 75 | 50 | | Not met |
| | 50% boys improvement in Level 3 over 2017 results | 3 | 40 | 40 | 16 | 57 | 18 | 80 | | Met |

| | | | | | | | | | |
|------------------------|---|----|----|----|----|----|---|----|-----|
| 50% boys to gain UE | 3 | 44 | 20 | 30 | 16 | 33 | 0 | 80 | Met |
| | | | | | | | | | |

Analysis of Variance Reporting

| Actions <i>What did we do?</i> | Outcomes <i>What happened?</i> | Reasons for the variance <i>Why did it happen?</i> | Evaluation <i>Where to next?</i> |
|---|---|--|--|
| <ol style="list-style-type: none"> Target students to be identified and tracked Individual course/NCEA counselling for all Year 11-13 students Differentiated course/programs planned for individual students Close monitoring and direct reporting home on NCEA assessments when students fail to achieve or submit assessments Careers and Pathways counselling Ensure that records are kept reflecting students on extended programs Ensure that transition records are kept for all leavers to monitor achievement, goals and education post-secondary school Mentoring/3 way conferencing Attendance monitored – ROCK ON involved where appropriate | <p>All students were tracked and those facing challenges to succeed were identified.</p> <p>All students received one on one course counselling and mentoring with differentiated programmes for all who required them.</p> <p>"Where's my 80" completed by all students – so they were tracking their own progress. Our 'no surprises' approach meant that students were fully aware of where they were at on their credit pathway at all times.</p> <p>We did not meet Target 1a – with only a 50% male pass rate in Level 1 NCEA.</p> <p>We easily met targets 1b and 1c.</p> <p>Attendance was monitored and followed up with home.</p> | <p>Outcomes for targets 1b and 1c were particularly pleasing given that this cohort contained 5 students – so the 'non achievement' was 1 student. That student had been enrolled in Health School and did not complete the year.</p> <p>Of the 50% Year 11 boys who did not gain Level 1 (10 students): 1 signed out at the end of the year to full-time work 7 were on a '2 year' pathway to gaining Level 1. Most of those students are predicted to gain Level 2 in 2019 due to course choices. All of these students gained Numeracy and all but two gained Literacy.</p> <p>One of the biggest challenges faced was attendance – truancy and lateness. All were monitored but most were past 16 and not eligible for ROCK ON procedures.</p> | <p>2019 – Year 12 boys who had not gained Level 1 will continue that pathway for 2019. We believe most will gain Level 2 in 2019 as long as they remain at school through the school year.</p> <p>2019 targets to reflect this expectation</p> |

| | | | |
|---|--|--|--|
| | | | |
| Planning for next year | | | |
| 2019 targets for Level 2 (Year 12) NCEA to reflect achievement expectations | | | |

| | | | |
|-------------|---------------|---------------|------|
| School Name | Opihi College | School Number | 0354 |
|-------------|---------------|---------------|------|

| | |
|---------------|---|
| Strategic Aim | <p>Priority Learners: Priority learners need to make progress commensurate with all.</p> |
| Annual Aim | <p>The annual aim: Providing high quality teaching and learning across all areas</p> |
| Target 2: | <p><u>Priority Learner</u> (Maori and Pasifika) -achievement in NCEA to at least meet school wide average</p> |
| Baseline Data | <p>National Standard Data End of Year 8 in 2017 Year 36 students (6 students left during 2017)</p> |

| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | Target progress |
|-------------|------|------|------|------|------|------|------|-----------------|
| Lvl 1 Maori | 87.5 | 100 | 55 | 71 | 60 | 100 | 33 | Not met |
| Lvl 1 all | 93 | 83 | 84 | 86 | 86 | 86 | 51 | |
| Lvl 2 Maori | 60 | 34 | 100 | 80 | 86 | 50 | 43 | Not met |
| Lvl 2 All | 63 | 86 | 88 | 88 | 90 | 90 | 65 | |
| Lvl 3 Maori | 66 | 67 | 100 | 100 | 100 | 84 | none | Invalid data |
| Lvl 3 All | 62 | 80 | 80 | 83 | 83 | 0 | 73 | |

Analysis of Variance Reporting

| Actions <i>What did we do?</i> | Outcomes <i>What happened?</i> | Reasons for the variance <i>Why did it happen?</i> | Evaluation <i>Where to next?</i> |
|---|---|---|---|
| <ol style="list-style-type: none"> 1. Target students are identified and tracking instigated 2. Individual course counselling 3. Individual NCEA counselling 4. Careers and Pathways counselling 5. Conferencing and Parent Teacher meetings 6. Engagement with and Involvement of Ngai Tahu Kaitoko Mātauraka 7. Attendance monitored 8. Fortnightly reports/contact with home through KAMAR 9. Explicit identification of expected learning outcomes 10. Review the Senior Curriculum to ensure pathways that meet the needs of Maori students 11. Explicitly teaching of C.A.R.E. PB4L values through classes/assemblies/whanau | <p>No targets were met:</p> <p>Target students (Maori from Yr 11 to 13) (no Pacifica in senior school in 2018) were all identified and given individual course counselling and careers counselling.</p> <p>3 way conferencing/mentoring for every student</p> <p>All students given opportunity to engage with Irai Weepu – Ngai Tahu Kaitoko Mātauraka</p> <p>Attendance monitored and home contact made for all who were a concern</p> <p>Fortnightly attitude/focus reports available to parents</p> <p>Review of senior curriculum to ensure Maori students had appropriate opportunities undertaken</p> <p>CARE values were not taught as explicitly as they could have been</p> | <p>Level 1 – a number of this cohort (7 boys, 1 girl) were placed on '2 year programmes' for Level 1 achievement, therefore were not expected to achieve in 2019.</p> <p>Level 2 – poor results all round with a number of students leaving through the year (although all left to employment or further education); however, the gap between Maori and non-Maori closed.</p> <p>Level 3 – No Maori students in Year 13</p> <p>Attendance was monitored. Not always easy to connect with parents or convince them of importance of attendance to results.</p> <p>Whilst most whanau attended 3 way conferencing with mentors, some struggled to put in place, and monitor, goals.</p> <p>Only 1 family took up opportunity to engage with Ngai Tahu Kaitoko Mātauraka</p> | <p>Continue to focus on priority students in 2019</p> <p>Whanau Hui to be held 2019 to endeavour to engage families in education goals</p> <p>Monitor achievement and attendance more closely in 2019</p> |

CARE values were not connected with as well as they could have been in whanau and assemblies. Improvements to system and increased whanau time in 2019 to remedy this.

Planning for next year.

We need to make further inroads into creating learning relationships with local iwi/marae

| | | | |
|----------------|--|---------------|-----------------|
| School Name | Opihi College | School Number | 0354 |
| Strategic Aim | <p>Maths: Junior maths programmes – specifically progress for boys</p> <p>The annual aim: Providing high quality teaching and learning across all areas</p> <p>Boys: Improved achievement in 2018 Years 8, 9, 10 Math Specifically to achieve progress for all and accelerated Progress for both Above and Below students in Mathematics</p> | | |
| Annual Aim | | | |
| Target 3: | | | |
| Baseline Data: | | | |
| | | 2017 | 2018 |
| | | | Target progress |

| | Well below | Below | At | Above | | Well below | Below | at | Above | |
|------|------------|-----------|-----------|----------|-------|------------|-------|-----|-------|--|
| Yr 7 | 5 20% | 9 36% | 5 20% | 6 24% | Yr 8 | 15% | 20% | 45% | 20% | |
| Yr 8 | 1 5% | 10 53% | 5 26% | 3 16% | Yr 9 | 10% | 36% | 44% | 10% | |
| Yr 9 | 2 10% | 3 15% | 12 60% | 3 15% | Yr 10 | 30% | 25% | 30% | 15% | |

| Actions <i>What did we do?</i> | Outcomes <i>What happened?</i> | Reasons for the variance <i>Why did it happen?</i> | Evaluation <i>Where to next?</i> |
|---|---|---|--|
| <ul style="list-style-type: none"> • New HOF to oversee programme planning and assessment • Develop teacher capability – strive to employ specialist math teachers, and to upskill all math staff - Teachers (who have expertise in this area) to share ideas regularly • Teacher observations of others teaching in this area • Target students identified and monitored (Class profiles, ILP's) • Differentiated class work and assessment • Self, peer, formative and summative assessment • EAssle, PAT • Maths Buddy • Close monitoring of student progress across strands • Students who might qualify for SAC to have those conditions made available to them in junior classes in order to measure impact | <p>New HOF appointed</p> <p>Programmes developed</p> <p>Regular testing formative and summative – mostly Easttle</p> <p>Teacher observations made</p> <p>Teachers struggling with student behaviour impacted progress of all</p> <p>Target students (2017 W and WB) identified in Class Profiles</p> <p>Maths homework plan NOT run</p> <p>Students were closely monitored on progress – however limited remedial planning done</p> <p>SAC conditions allowed (reader) for some assessments for those identified (Particularly Yr 10 students in preparation for NCEA)</p> <p>Use of Dragon Maths books</p> <p>Student Voice collected indicates that most issues were related to 'teachers' and 'teaching' rather than content.</p> <p>Most teachers displayed learning intentions/outcomes</p> | <p>Teachers struggling with student behaviour impacted progress of all</p> <p>Target students (2017 W and WB) identified, however effective programmes not put in place for most</p> <p>Teacher observations generally not helpful/constructive</p> <p>Probably need to include broader base of testing</p> <p>Need to ensure teachers identify and remedy gaps BEFORE moving on to new topic – is more training needed on interpreting EAssle analysis?</p> <p>Regular meetings held – I don't believe any analysis of results was part of these meetings. Recording – yes. Planning – Yes. Analysis and remedial planning – No</p> <p>Limited home contact from the majority of teachers in faculty.</p> <p>Survey not completed by HOF as requested by SLT</p> | <p>Resignation of HOF</p> <p>New appointed to be made for 2019 (However only made temporary appointment due to lack of quality applicants)</p> <p>Virtually a whole new team for Faculty for 2019. Only one part time teacher remaining, the rest have been replaced – this could be a positive or negative as it virtually means starting again.</p> <p>Applying for Centrally Funded PLD for 2019 – focus on differentiation</p> <p>Year 9's and 10's to be taught in separate classes in 2019 rather than integrated. To be hoped that this reflects improved progress.</p> |

- Regular Department meetings and HO Math participation in HOF meetings
- Regular basic facts testing with individual graphing of results to show progress
- Direct contact with caregivers of identified students to engage home/school partnership
- Survey parents of the target students regarding specific attitude towards math
- Improve use of learning data
- Extension work for able students (How might digital devices be used here? ICT?)
- Staff individual Inquiry – using target students as focus
- Student voice - Engagement of students in planning, setting achievement targets and reflecting on progress using a variety of data.
- Guiding students towards being more active in their learning. Students should be clear in understanding what they are learning, how they are placed and what their next learning steps are.

Dragon Maths books appear to have been the only means of differentiation. Not satisfactory.

Frustrations with leadership and faculty analysis. A perceived inability to understand differentiation and deliver programmes at student levels (beyond the use of Dragon Maths)

- Display Learning intentions/outcomes

Planning for next year:

We need to make further inroads into creating learning relationships with students/teachers in this faculty
Urgent need for PLD around differentiation in practice in classrooms
Faculty in 'flux' with relieving HOF and 2 beginning teachers in 2019 will create ongoing challenges for 2019

Kiwisport

Kiwisport is a Government funding initiative to support student's participation in organised sport. During 2018, the school received total Kiwisport funding of \$5418.39 (excluding GST). The funding was spent on sports equipment and wages for our sports coordinator.