

OMATA SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

School Directory

Ministry Number: 2214

Principal: Karen Brisco

School Address: Holloway Road, Omata

School Postal Address: Holloway Road, RD 4, New Plymouth

School Phone: 06 751 2308

School Email: office@omata.school.nz

Members of the Board of Trustees

Name	Position	How Position Gained	Term Expires
Hamish Logan	Chair Person		Jun-19
Karen Brisco	Principal	ex Officio	
Bridget Eldershaw	Parent Rep		Jun-19
Bena Denton	Parent Rep		Jun-19
Rachel Campbell	Parent Rep		Jun-19
Blair Withers	Parent Rep		Jun-19
Stuart Bennett	Staff Rep		Jun-19

Accountant / Service Provider: Education Finance Limited
0800 333 462



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OMATA SCHOOL

Annual Report - For the year ended 31 December 2018

Index

Page	Statement
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Financial Statements

<u>1</u>	Statement of Responsibility
<u>2</u>	Statement of Comprehensive Revenue and Expense
<u>3</u>	Statement of Changes in Net Assets/Equity
<u>4</u>	Statement of Financial Position
<u>5</u>	Statement of Cash Flows
<u>6 - 10</u>	Statement of Accounting Policies
<u>11- 19</u>	Notes to the Financial Statements

Other Information

Analysis of Variance

Kiwisport

Omata 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.

Bena Deaton

Full Name of Board Chairperson

Karen Anne Brisco

Full Name of Principal

Bena Deaton-W

Signature of Board Chairperson

KAB

Signature of Principal

29/5/19

Date:

29/5/19

Date:

Omata 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	1,198,011	1,142,504	1,223,975
Locally Raised Funds	3	77,324	35,900	115,545
Interest Earned		11,656	6,000	11,129
		<u>1,286,991</u>	<u>1,184,404</u>	<u>1,350,649</u>
Expenses				
Locally Raised Funds	3	25,976	11,000	30,965
Learning Resources	4	841,285	819,621	854,479
Administration	5	77,422	77,097	75,765
Finance		2,059	-	2,695
Property	6	313,305	275,477	316,413
Depreciation	7	40,830	35,000	37,800
		<u>1,300,877</u>	<u>1,218,195</u>	<u>1,318,117</u>
Net Surplus / (Deficit) for the year		(13,887)	(33,791)	32,532
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>(13,887)</u>	<u>(33,791)</u>	<u>32,532</u>

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

Omata 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	668,274	668,274	635,742
Total comprehensive revenue and expense for the year	(13,887)	(33,791)	32,532
Capital Contributions from the Ministry of Education			
Contribution - Furniture and Equipment Grant	-	-	-
Equity at 31 December	654,387	634,483	668,274
Retained Earnings	654,387	634,483	668,274
Reserves	-	-	-
Equity at 31 December	654,387	634,483	668,274

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



Omata 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	257,331	454,171	483,562
Accounts Receivable	9	47,628	50,000	47,302
GST Receivable		11,073	11,008	11,008
Prepayments		2,650	2,833	2,833
Investments	10	330,000	80,000	80,000
		<u>648,682</u>	<u>598,012</u>	<u>624,705</u>
Current Liabilities				
Accounts Payable	12	69,047	70,000	71,702
Finance Lease Liability - Current Portion	14	9,347	9,865	9,865
Funds held for Capital Works Projects	15	8,941	-	-
		<u>87,334</u>	<u>79,865</u>	<u>81,567</u>
Working Capital Surplus/(Deficit)		561,348	518,147	543,138
Non-current Assets				
Property, Plant and Equipment	11	153,560	164,474	183,874
		<u>153,560</u>	<u>164,474</u>	<u>183,874</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	13	46,889	38,693	38,693
Finance Lease Liability	14	13,632	9,445	20,045
		<u>60,521</u>	<u>48,138</u>	<u>58,738</u>
Net Assets		<u><u>654,387</u></u>	<u><u>634,483</u></u>	<u><u>668,274</u></u>
Equity		<u><u>654,387</u></u>	<u><u>634,483</u></u>	<u><u>668,274</u></u>

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

Omata School

Statement of Cash Flows

For the year ended 31 December 2018

	2018	2018	2017
Note	Actual	Budget	Actual
	\$	(Unaudited)	\$
		\$	
Cash flows from Operating Activities			
Government Grants	242,992	227,614	259,696
Locally Raised Funds	77,324	35,900	115,545
Goods and Services Tax (net)	(65)	-	(6,956)
Payments to Employees	(103,812)	(113,900)	(95,305)
Payments to Suppliers	(191,829)	(158,805)	(171,963)
Cyclical Maintenance Payments in the year	-	-	-
Interest Paid	(2,059)	-	(2,695)
Interest Received	9,724	6,000	10,424
Net cash from / (to) the Operating Activities	32,275	(3,191)	108,746
Cash flows from Investing Activities			
Purchase of PPE (and Intangibles)	(7,583)	(15,600)	(43,721)
Purchase of Investments	(250,000)	-	-
Net cash from / (to) the Investing Activities	(257,583)	(15,600)	(43,721)
Cash flows from Financing Activities			
Finance Lease Payments	(9,864)	(10,600)	(7,988)
Funds Held for Capital Works Projects	8,941	-	-
Net cash from Financing Activities	(923)	(10,600)	(7,988)
Net increase/(decrease) in cash and cash equivalents	(226,231)	(29,391)	57,037
Cash and cash equivalents at the beginning of the year	8 483,562	483,562	426,525
Cash and cash equivalents at the end of the year	8 257,331	454,171	483,562

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.

Omata School

Notes to the Financial Statements

For the year ended 31 December 2018

1. Statement of Accounting Policies

a) Reporting Entity

Omata 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 11.



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 14.

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

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

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 to Crown Owned Assets	20–50 years
Furniture and equipment	5-10years
Information and communication technology	5 years
Leased assets held under a Finance Lease	3 years
Library resources	12.5% Diminishing value

l) 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.

m) 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.

n) 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.

o) 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).

p) 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.

q) 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.

r) 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.

s) Budget Figures

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

t) 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	216,827	227,614	229,150
Teachers' salaries grants	727,998	697,721	754,004
Use of Land and Buildings grants	227,021	217,169	224,923
Other MoE Grants	22,956	-	13,254
Other government grants	3,209	-	2,644
	<u>1,198,011</u>	<u>1,142,504</u>	<u>1,223,975</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	34,006	20,900	69,144
Activities	24,216	6,000	24,226
Trading	7,743	5,000	7,916
Other Revenue	11,358	4,000	14,259
	<u>77,324</u>	<u>35,900</u>	<u>115,545</u>
Expenses			
Activities	19,559	6,000	25,072
Trading	6,417	5,000	5,893
	<u>25,976</u>	<u>11,000</u>	<u>30,965</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>51,348</u>	<u>24,900</u>	<u>84,580</u>

4. Learning Resources

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Curricular	33,304	33,400	26,528
Employee benefits - salaries	796,750	771,221	821,089
Staff development	11,231	15,000	6,862
	<u>841,285</u>	<u>819,621</u>	<u>854,479</u>

5. Administration

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
		\$	
Audit Fee	3,968	3,300	3,800
Board of Trustees Fees	4,067	4,500	4,050
Board of Trustees Expenses	5,899	3,000	2,684
Communication	4,638	1,700	2,190
Consumables	4,563	5,600	5,099
Operating Lease	-	-	1,424
Other	13,922	17,100	15,355
Employee Benefits - Salaries	33,886	36,000	35,063
Insurance	3,700	3,397	3,520
Service Providers, Contractors and Consultancy	2,780	2,500	2,580
	<u>77,422</u>	<u>77,097</u>	<u>75,765</u>

6. Property

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
		\$	
Caretaking and Cleaning Consumables	3,790	400	3,568
Consultancy and Contract Services	22,321	20,000	19,674
Cyclical Maintenance Expense	8,196	-	8,196
Grounds	14,860	6,808	22,764
Heat, Light and Water	21,374	17,500	16,386
Repairs and Maintenance	15,742	13,600	20,902
Use of Land and Buildings	227,021	217,169	224,923
	<u>313,305</u>	<u>275,477</u>	<u>316,413</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	10,257	10,000	12,431
Furniture and Equipment	5,857	4,000	5,891
Information and Communication Technology	10,305	10,000	5,327
Leased Assets	13,580	10,000	13,202
Library Resources	831	1,000	949
	<u>40,830</u>	<u>35,000</u>	<u>37,800</u>

8. Cash and Cash Equivalents

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
TSB Bank Cheque Account	13,152	354,171	19,324
TSB On Call	234,179	100,000	454,238
TSB Term Investment	10,000	-	10,000
Cash and cash equivalents for Cash Flow Statement	<u>257,331</u>	<u>454,171</u>	<u>483,562</u>

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

Of the \$257,331 Cash and Cash Equivalents, \$8,941 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	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Interest Receivable	2,637	-	705
Teacher Salaries Grant Receivable	44,991	50,000	46,597
	<u>47,628</u>	<u>50,000</u>	<u>47,302</u>
Receivables from Exchange Transactions	2,637	-	705
Receivables from Non-Exchange Transactions	44,991	50,000	46,597
	<u>47,628</u>	<u>50,000</u>	<u>47,302</u>

10. Investments

The School's investment activities are classified as follows:

	2018	2018	2017
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Current Asset			
Short-term Bank Deposits	330,000	80,000	80,000
Non-current Asset			
Long-term Bank Deposits	-	-	-

11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2018	\$	\$	\$	\$	\$	\$
Building Improvements	91,618	-	-	-	(10,257)	81,361
Furniture and Equipment	21,886	4,158	-	-	(5,857)	20,187
Information and Communication Technology	38,067	3,425	-	-	(10,305)	31,187
Leased Assets	25,652	2,933	-	-	(13,580)	15,005
Library Resources	6,651	-	-	-	(831)	5,820
Balance at 31 December 2018	183,874	10,516	-	-	(40,830)	153,560

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2018	\$	\$	\$
Building Improvements	271,235	(189,874)	81,361
Furniture and Equipment	101,937	(81,750)	20,187
Information and Communication Technology	91,894	(60,707)	31,187
Leased Assets	43,715	(28,710)	15,005
Library Resources	38,637	(32,817)	5,820
Balance at 31 December 2018	547,418	(393,858)	153,560

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2017	\$	\$	\$	\$	\$	\$
Building Improvements	96,900	7,149	-	-	(12,431)	91,618
Furniture and Equipment	23,989	3,788	-	-	(5,891)	21,886
Information and Communication Technology	10,610	32,784	-	-	(5,327)	38,067
Leased Assets	33,743	5,111	-	-	(13,202)	25,652
Library Resources	7,600	-	-	-	(949)	6,651
Balance at 31 December 2017	172,842	48,832	-	-	(37,800)	183,874

2017	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
Building Improvements	271,235	(179,617)	91,618
Furniture and Equipment	106,860	(84,974)	21,886
Information and Communication Technology	103,545	(65,478)	38,067
Leased Assets	40,782	(15,130)	25,652
Library Resources	38,637	(31,986)	6,651
Balance at 31 December 2017	561,059	(377,185)	183,874

12. Accounts Payable

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Accruals	12,819	20,000	12,694
Banking staffing overuse	9,625	-	10,799
Employee Entitlements - salaries	44,991	50,000	46,597
Employee Entitlements - leave accrual	1,612	-	1,612
	69,047	70,000	71,702
Payables for Exchange Transactions	69,047	70,000	71,702
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	69,047	70,000	71,702

The carrying value of payables approximates their fair value.

13. Provision for Cyclical Maintenance

	2018 Actual \$	2018 Budget (Unaudited) \$	2017 Actual \$
Provision at the Start of the Year	38,693	38,693	30,497
Increase/ (decrease) to the Provision During the Year	8,196	-	8,196
Use of the Provision During the Year	-	-	-
Provision at the End of the Year	46,889	38,693	38,693
Cyclical Maintenance - Current	-	-	-
Cyclical Maintenance - Term	46,889	38,693	38,693
	46,889	38,693	38,693

14. 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	10,367	9,865	9,865
Later than One Year and no Later than Five Years	14,387	9,445	20,045
Later than Five Years	-	-	-
	<u>24,754</u>	<u>19,310</u>	<u>29,910</u>

15. Funds Held for Capital Works Projects

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

	2018	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions	Closing Balances \$
Roof	<i>In progress</i>	-	66,060	57,119	-	8,941
Totals		<u>-</u>	<u>66,060</u>	<u>57,119</u>	<u>-</u>	<u>8,941</u>

Represented by:

Funds Held on Behalf of the Ministry of Education	8,941
Funds Due from the Ministry of Education	-
	<u>8,941</u>

	2017	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions	Closing Balances \$
Nil		-	-	-	-	-
Totals		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

16. 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.



Greg Withers is a trustee of the Board and also owns Withers Coachlines Limited. During the year the School used Withers Coachlines for Transport. The total value of all transactions for the year was \$261 (2017: \$0) which was a discounted rate, and no amount is outstanding as at balance date (Prior Period: nil). Because this amount is less than \$25,000 for the year the contract does not require Ministry approval under section 103 of the Education Act 1989.

17. 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	4,067	4,050
Full-time equivalent members	0.22	0.18
<i>Leadership Team</i>		
Remuneration	217,509	208,812
Full-time equivalent members	2	2
Total key management personnel remuneration	221,576	212,862
Total full-time equivalent personnel	2.22	2.18

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	120-130	100-110
Benefits and Other Emoluments	3-4	0-1
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



18. Contingencies

There are no contingent liabilities and no contingent assets as at 31 December 2018 (Contingent liabilities and assets at 31 December 2017: nil).

Holidays Act Compliance – schools payroll

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

The Ministry has commenced a review of the schools sector payroll to ensure compliance with the Holidays Act 2003. The initial phase of this review has identified areas of non-compliance, however the potential impact on any specific school or individual and any associated historical liability will not be known until further detailed analysis has been completed.

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

19. New Plymouth Group Mowing Scheme

Omata School is part of a partnership in the New Plymouth Group Mowing Scheme. The mowing scheme is a partnership agreement between 21 schools in Taranaki. Each member's share in the scheme is only realisable on winding up of the scheme. If any member withdraws from the scheme and the majority wish to continue, the withdrawing member will forfeit their ownership rights and will not be purchased out by other members. The scheme is administered by Education Services Ltd and a Management Committee consisting of at least two representatives from the member schools. The balance date for the scheme is 31 March. The partnership is audited by Silks Audit Chartered Accountants Limited.

20. Commitments

(a) Capital Commitments

As at 31 December 2018 Capital Commitments are Nil.

(Capital commitments at 31 December 2017: nil)

(b) Operating Commitments

As at 31 December 2018 operating commitments are nil.

(2017: Nil)

21. 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.

22. 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	257,331	454,171	483,562
Receivables	47,628	50,000	47,302
Investments - Term Deposits	330,000	80,000	80,000
Total Loans and Receivables	<u>634,959</u>	<u>584,171</u>	<u>610,864</u>

Financial liabilities measured at amortised cost

Payables	69,047	70,000	71,702
Borrowings - Loans	-	-	-
Finance Leases	22,979	19,310	29,910
Painting Contract Liability	-	-	-
Total Financial Liabilities Measured at Amortised Cost	<u>92,026</u>	<u>89,310</u>	<u>101,612</u>

23. Events After Balance Date

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

24. Comparatives

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

Strategic Plan

Analysis of variance for the year ended December 2018

2018 Achievement Targets:

Reading

- 15 students made more than one year of progress over 10 months, with 5 of those students making two years progress (including the one Māori student who made two years progress) -1 Māori student left in term 3
- 5 students made one year of progress over 10 months
- 2 students made less than one year of progress. One of those students entered the school in May
- 17 students are meeting the curriculum expectations for year 3

1 girl and 4 boys have not met the expectations for year 3 -of those 5 students, 4 have made considerable accelerated progress and 2 are new to the school

Mathematics

- 4 students increased two NUMPA stages in 10 months
- 15 students increased one NUMPA stage in 10 months
- 3 students remained at the same stage although made progress within that stage
- 17 students are at or above the curriculum expectations for year 3

1 girl and 4 boys have not met the expectations for year 3 -of those 5 students, 4 have made considerable accelerated progress and 2 are new to the school this year

Curriculum Level Progress - Areas of Strength

Reading: 86.4% of all students are reading at or above their curriculum Level -up 2 percentage points from last year. Of particular note are the year 6, 7 and 8 cohorts where there are all but one student reading at or above their curriculum level.

Mathematics: 87% of all students are performing at or above their curriculum level -up 3 percentage points from last year. Of particular note are the year 2, 7 and 8 cohorts where there are all but one student whose mathematics is at or above the curriculum level

Writing: 83.7% of all students are writing at or above the curriculum level expected which is up by 1.5 percentage points from last year

Māori: With the exception of two recently enrolled students -all Māori students are performing at or above their curriculum level

Curriculum Level Progress Areas for Improvement

Writing: Overall boys writing is lagging behind girls with 74.3% boys at or above and 93.4 girls at or above although this evens out by year 8

Mathematics: The Year 3 cohort has a larger numbers below their expected curriculum level than other cohorts; 21.7%

Boys: More boys are below the level expected in reading; 19.2%

Planned Actions for Lifting Achievement

Our focus in 2019, will have an emphasis on:

Data collection and careful analysis so that teachers can build on students' skills and interests

Continue to have high expectations for students and have a focus on lifting pedagogy in writing, particularly targeting boys

Continue the parent information sessions and support for parents to help their child with mathematics and reading

SENCO teacher monitoring students below the standard and organising support programmes and in some cases, teacher aide support for those students





Strategic Plan

Literacy and Numeracy Achievement Targets

Historical Data	Strategy	Targets	Actions	Achieved Outcome (November 2018)
<p>Literacy</p> <p>Results as at Nov 2017: (as Yr2's)</p> <p>5.5-6yr reading level = 2 students</p> <p>6-6.5yr reading level = 5 students</p> <p>6.5-7yr reading level = 1 student</p> <p>7-7.5yr reading level = 5 students</p> <p>7.5-8yr reading level = 2 students</p> <p>8-8.5yr reading level = 4 students</p> <p>8.5-9yr reading level = 2 students</p> <p>9-9.5yr reading level = 0 student</p>	<p>Employ teacher aides to assist the class teacher, refer students at risk to RTLit. Use Rotary Reading and curiosity kits. Engage parental support through home learning and 3D conferences. Purchase more 'Quick 60' reading resources STAR test Feb and October.</p>	<p>Literacy</p> <p>Year 3 by Oct 2018</p> <p>0% below 7 Yr reading level</p> <p>60% at 8 Yr reading level</p> <p>40% 9+ year reading level</p> <p>ie: all students at or above the NS using Overall Teacher Judgement</p>	<p>Teacher aide support assisting the classroom teacher to allow for focus on students needed extra support. Parent sessions run to support the learning at home and all parents attended parent meetings. Quick 60 resources expanded and STAR testing purchased and done twice during the year.</p>	<p>Year 3-Oct-2017</p> <p>Year 3 Nov 2018</p> <p>23% below 8 Yr reading level</p> <p>44% at 8 Yr reading level</p> <p>33% 9+ year reading level</p>

Historical Data	Strategy	Targets	Actions	Achieved Outcome (November 2018)
<p>Numeracy</p> <p>(see NUMPA data analysis)</p> <p>Year 2 (# of students)</p> <p>As at November 2017</p> <p>3 Materials</p> <p>1 Imaging</p> <p>13 Advanced Counting</p> <p>4 Early Additive</p> <p>0 Advanced Additive</p>	<p>Students needs will be targeted and monitored closely. Students and parents will be aware of their targets for improvement. Teacher will identify and refer students needing support. Curriculum sessions for parents will be run so they can help at home.</p>	<p>Numeracy</p> <p>Year 3 (# of students)</p> <p>November 2018</p> <p>0 Materials</p> <p>0 Imaging</p> <p>3 Advanced Counting</p> <p>18 Early Additive</p> <p>0 Advanced Additive</p>	<p>Extra teacher aide support in the classrooms with year 3 students has allowed the teacher to carry out in depth individual assessments and targeted teaching for students, allowing their individual needs to be met and progress made. Parents have attended meetings and are able to support the learning at home also.</p>	<p>Year 3</p> <p>Year 3 (# of students)</p> <p>November 2018</p> <p>1 Stage 2 Materials</p> <p>0 Stage 3 Imaging</p> <p>4 Stage 4 Advanced Counting</p> <p>17 Stage 5 Early Additive</p> <p>0 Stage 6 Advanced Additive</p>



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31 December 2018

Kiwi Sport Report 2018

During 2018 we used the Kiwi Sport component of our Budget for the benefit of our students by employing specialists in Swimming/Water Safety and Dance teachers.

As in previous years, we employed Julie Nielson a trained teacher and swim coach to take all our students two days a week for 3.5 weeks. Having a specialist swim teacher is continuing to have a major impact on the level of swimming ability within our school. Class teachers also benefited from Julie's knowledge and experience.

Julie Nielson, Swim Coach salary	2133.80
Raeleen Luckin Dance Teacher	2155.14
	\$4288.94

Stuart Bennett
Head of Physical Education



INDEPENDENT AUDITOR'S REPORT

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

The Auditor-General is the auditor of Omata School (the School). The Auditor-General has appointed me, Carolyn Jackson, using the staff and resources of Baker Tilly Staples Rodway Audit Limited, to carry out the audit of the financial statements of the School on his behalf.

Opinion

We have audited the financial statements of the School on pages 2 to 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 29 May 2019. This is the date at which our opinion is expressed.

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

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

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

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

Responsibilities of the Board of Trustees for the financial statements

The Board of Trustees is responsible on behalf of the School for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand. The Board of Trustees is responsible for such internal control as it determines is necessary to

enable it to prepare financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Responsibilities of the auditor for the audit of the financial statements

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

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

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

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

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

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

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

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

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Board of Trustees is responsible for the other information. The other information comprises the information included on pages 20 to 22, but does not include the financial statements, and our auditor's report thereon.

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

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

Independence

We are independent of the School in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1 (Revised): *Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board.

Other than the audit, we have no relationship with or interests in the School.



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