

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

# ALFRISTON COLLEGE

## ANNUAL REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2019

#### School Directory

<b>Ministry Number:</b>	6929
<b>Principal:</b>	Robert H Solomone
<b>School Address:</b>	550 Porchester Road, Randwick Park, Manurewa, Auckland 2105
<b>School Postal Address:</b>	P O Box 75448 , Manurewa, Auckland 2243
<b>School Phone:</b>	09 2690080
<b>School Email:</b>	<a href="mailto:r.solomone@alfristoncollege.school.nz">r.solomone@alfristoncollege.school.nz</a>

#### Members of the Board of Trustees

Name	Position	How Position Gained	Occupation	Term Expired/ Expires
Sarah-Jane Whitehead	Chair Person	Elected	People Safety Business Partner - Global Airport Operations, Air New Zealand	Jun-2022
Stephen Miller	Parent Rep	Elected	Pastor, Manukau New Life	Jun-2022
Diane Rachel Black	Parent Rep	Elected	Retired Deputy Chair Tamaki Ki Te Tonga District Maori Council, Member NZ Maori Council, Chairperson, Manukau Maori Warden Association, Maori Wardens Warranting & Administration Committee and Counties Manukau Police Maori Focus Forum	
Teri Ann Harnell	Parent Rep	Elected	Counsellor, Private Practice, Director, Integrity Mortgages Ltd, Member NZ Christian Counsellors Association & Trustee, New Foundation Trust	Jun-2019
Robert Hector Solomon Solomone	Principal	ex Officio	Principal	
James Bruce Ringer	Parent Rep	Elected	Team Leader, South Research, Auckland Libraries	Jun-2019
Salava Tiatia-Sefilino	Parent Rep	Elected	Case Manager Housing, Ministry of Social Development	Jun-2022
Issac Tekai	Parent Rep	Elected	Resolution Coordinator Fairway Resolution Ltd	Jun-2022
Sivoki Vika Mafile	Student rep		Student Alfriston College	Dec-2019
Harmanjeet Singh	Student rep		Student Alfriston College	Jun-2020
Sarah Loomb	Staff Rep		Auckland PENZ Committee member	Jun-2022

# ALFRISTON COLLEGE

Annual Report - For the year ended 31 December 2019

## Index

<b>Page</b>	<b>Statement</b>
	<b>Financial Statements</b>
<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
<u>20 - 22</u>	Audit Report
	<b>Other Information</b>
<u>23 -33</u>	Analysis of Variance
<u>34</u>	Kiwisport
<u>35</u>	Performance Graph

# Alfriston College

## Statement of Responsibility

For the year ended 31 December 2019

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

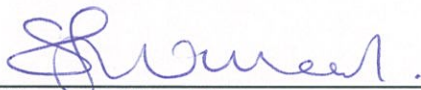
The management (including the principal and others as directed by the Board) accepts responsibility for establishing and maintaining a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of the school's financial reporting.

It is the opinion of the Board and management that the annual financial statements for the financial year ended 31 December 2019 fairly reflects the financial position and operations of the school.

The School's 2019 financial statements are authorised for issue by the Board.

**Sarah - Jane Whitehead**

Full Name of Board Chairperson



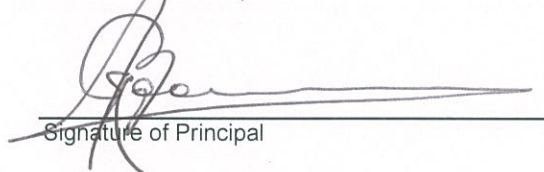
Signature of Board Chairperson

02/06/2020

Date:

**Robert Solomone**

Full Name of Principal



Signature of Principal

02/06/2020

Date:

**Alfriston College**  
**Statement of Comprehensive Revenue and Expense**  
For the year ended 31 December 2019

		2019	2019	2018
	Notes	Actual \$	Budget (Unaudited) \$	Actual \$
<b>Revenue</b>				
Government Grants	2	11,713,406	9,618,745	12,363,687
Locally Raised Funds	3	430,145	205,529	250,342
Interest income		79,657	63,750	81,098
Gain on Sale of Property, Plant and Equipment		-	-	18,728
International Students	4	359,423	213,250	283,308
		<u>12,582,631</u>	<u>10,101,274</u>	<u>12,997,163</u>
<b>Expenses</b>				
Locally Raised Funds	3	93,367	114,516	79,624
International Students	4	165,650	143,019	137,760
Learning Resources	5	7,595,497	8,005,922	7,828,505
Administration	6	466,435	597,167	537,241
Finance		22,155	25,811	34,678
Property	7	3,739,295	813,475	3,659,899
Depreciation	8	404,602	380,797	492,863
Loss on Disposal of Property, Plant and Equipment		101	-	-
		<u>12,487,102</u>	<u>10,080,707</u>	<u>12,770,570</u>
<b>Net Surplus / (Deficit) for the year</b>		<b>95,529</b>	<b>20,567</b>	<b>226,593</b>
Other Comprehensive Revenue and Expenses		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<u><u>95,529</u></u>	<u><u>20,567</u></u>	<u><u>226,593</u></u>

The above Statement of Comprehensive Revenue and Expense should be read in conjunction with the accompanying notes which form part of these financial statements.

**Alfriston College**  
**Statement of Changes in Net Assets/Equity**  
For the year ended 31 December 2019

	Notes	Actual 2019 \$	Budget (Unaudited) 2019 \$	Actual 2018 \$
<b>Balance at 1 January</b>		<u>2,452,593</u>	<u>2,452,593</u>	<u>2,226,000</u>
Total comprehensive revenue and expense for the year		95,529	20,567	226,593
Contribution - Furniture and Equipment Grant		29,917	-	-
Adjustment to Accumulated surplus/(deficit) from adoption of PBE IFRS 9		-	-	-
<b>Equity at 31 December</b>	24	<u>2,578,039</u>	<u>2,473,160</u>	<u>2,452,593</u>
Retained Earnings		2,578,039	2,473,160	2,452,593
Reserves		-	-	-
<b>Equity at 31 December</b>		<u>2,578,039</u>	<u>2,473,160</u>	<u>2,452,593</u>

The above Statement of Changes in Net Assets/Equity should be read in conjunction with the accompanying notes which form part of these financial statements.

**Alfriston College**  
**Statement of Financial Position**  
As at 31 December 2019

		2019	2019	2018
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
<b>Current Assets</b>				
Cash and Cash Equivalents	9	676,985	1,019,085	641,000
Accounts Receivable	10	509,842	64,761	512,794
GST Receivable		44,841	-	-
Prepayments		52,958	70,445	42,773
Investments	11	1,500,000	750,000	1,809,620
		<u>2,784,626</u>	<u>1,904,291</u>	<u>3,006,187</u>
<b>Current Liabilities</b>				
GST Payable		-	2,616	15,115
Accounts Payable	13	593,808	278,105	502,550
Revenue Received in Advance	14	107,144	242,011	300,753
Provision for Cyclical Maintenance	15	272,546	-	231,171
Finance Lease Liability - Current Portion	16	110,002	38,536	135,822
Funds held in Trust	17	91,044	822	135,985
Funds held for Capital Works Projects	18	137,511	-	-
		<u>1,312,055</u>	<u>562,090</u>	<u>1,321,395</u>
<b>Working Capital Surplus/(Deficit)</b>		<b>1,472,571</b>	<b>1,342,201</b>	<b>1,684,792</b>
<b>Non-current Assets</b>				
Property, Plant and Equipment	12	<u>1,259,029</u>	<u>1,460,196</u>	<u>890,428</u>
		1,259,029	1,460,196	890,428
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	15	78,534	107,662	56,612
Finance Lease Liability	16	75,027	221,575	66,015
		<u>153,561</u>	<u>329,237</u>	<u>122,627</u>
<b>Net Assets</b>		<u><u>2,578,039</u></u>	<u><u>2,473,160</u></u>	<u><u>2,452,593</u></u>
<b>Equity</b>	24	<u><u>2,578,039</u></u>	<u><u>2,473,160</u></u>	<u><u>2,452,593</u></u>

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

**Alfriston College**  
**Statement of Cash Flows**  
For the year ended 31 December 2019

		2019	2019	2018
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
<b>Cash flows from Operating Activities</b>				
Government Grants		3,674,042	3,846,479	3,661,129
Locally Raised Funds		308,347	149,000	174,878
International Students		293,591	286,793	362,960
Goods and Services Tax (net)		(59,956)	(12,499)	22,347
Payments to Employees		(2,446,672)	(2,128,315)	(2,138,981)
Payments to Suppliers		(1,423,662)	(1,603,914)	(1,194,569)
Cyclical Maintenance Payments in the year		(5,929)	(231,173)	(355)
Interest Paid		(22,155)	(25,811)	(34,678)
Interest Received		76,384	65,359	75,208
Net cash from Operating Activities		393,990	345,918	927,939
<b>Cash flows from Investing Activities</b>				
Proceeds from Sale of PPE (and Intangibles)		(101)	6,078	7,548
Purchase of PPE (and Intangibles)		(608,517)	(804,945)	(191,819)
(Purchase) / Proceeds from Sale of Investments		309,620	1,059,620	(504,768)
Net cash from Investing Activities		(298,998)	260,753	(689,039)
<b>Cash flows from Financing Activities</b>				
Furniture and Equipment Grant		29,917	-	-
Finance Lease Payments		(181,494)	(93,424)	(302,988)
Funds Administered on Behalf of Third Parties		(44,941)	(135,163)	(2,166)
Funds Held for Capital Works Projects		137,511	-	-
Net cash from Financing Activities		(59,007)	(228,587)	(305,154)
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>35,985</b>	<b>378,085</b>	<b>(66,254)</b>
Cash and cash equivalents at the beginning of the year	9	641,000	641,000	707,254
<b>Cash and cash equivalents at the end of the year</b>	<b>9</b>	<b>676,985</b>	<b>1,019,085</b>	<b>641,000</b>

The statement of cash flows records only those cash flows directly within the control of the School. This means centrally funded teachers' salaries and the use of land and buildings grant and expense have been excluded.

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



# Alfriston College

## Notes to the Financial Statements

### For the year ended 31 December 2019

#### 1. Statement of Accounting Policies

##### a) Reporting Entity

Alfriston 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.

##### b) Basis of Preparation

###### *Reporting Period*

The financial reports have been prepared for the period 1 January 2019 to 31 December 2019 and in accordance with the requirements of the Public Finance Act 1989.

###### *Basis of Preparation*

The financial statements have been prepared on a going concern basis, and the accounting policies have been consistently applied throughout the period.

###### *Financial Reporting Standards Applied*

The Education Act 1989 requires the School, as a Crown entity, to prepare financial statements in accordance with generally accepted accounting practice. The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand, applying Public Sector Public Benefit Entity (PBE) Standards Reduced Disclosure Regime as appropriate to public benefit entities that qualify for Tier 2 reporting. The school is considered a Public Benefit Entity as it meets the criteria specified as "having a primary objective to provide goods and/or services for community or social benefit and where any equity has been provided with a view to supporting that primary objective rather than for financial return to equity holders".

###### *Standard early adopted*

In line with the Financial Statements of the Government, the School has elected to early adopt PBE IFRS 9 Financial Instruments. PBE IFRS 9 replaces PBE IPSAS 29 Financial Instruments: Recognition and Measurement. Information about the adoption of PBE IFRS 9 is provided in Note 27.

###### *PBE Accounting Standards Reduced Disclosure Regime*

The School qualifies for Tier 2 as the school is not publicly accountable and is not considered large as it falls below the expenditure threshold of \$30 million per year. All relevant reduced disclosure concessions have been taken.

###### *Measurement Base*

The financial statements are prepared on the historical cost basis unless otherwise noted in a specific accounting policy.

###### *Presentation Currency*

These financial statements are presented in New Zealand dollars, rounded to the nearest dollar.

###### *Specific Accounting Policies*

The accounting policies used in the preparation of these financial statements are set out below.

###### *Critical Accounting Estimates And Assumptions*

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenue and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

###### *Useful lives of property, plant and equipment*

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment as disclosed in the Significant Accounting Policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 12.

**Critical Judgements in applying accounting policies**

Management has exercised the following critical judgements in applying accounting policies:

**Classification of leases**

Determining whether a lease is a finance lease or an operating lease requires judgement as to whether the lease transfers substantially all the risks and rewards of ownership to the school. Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant, and equipment, whereas for an operating lease no such asset is recognised.

**Recognition of grants**

The School reviews the grants monies received at the end of each reporting period and whether any require a provision to carryforward amounts unspent. The School believes all grants received have been appropriately recognised as a liability if required. Government grants are disclosed at note 2.

**c) Revenue Recognition**

**Government Grants**

The school receives funding from the Ministry of Education. The following are the main types of funding that the School receives;

Operational grants are recorded as revenue when the School has the rights to the funding, which is in the year that the funding is received.

Teachers salaries grants are recorded as revenue when the School has the rights to the funding in the salary period they relate to. The grants are not received in cash by the School and are paid directly to teachers by the Ministry of Education.

Use of land and buildings grants are recorded as revenue in the period the School uses the land and buildings. These are not received in cash by the School as they equate to the deemed expense for using the land and buildings which are owned by the Crown.

**Other Grants**

Other grants are recorded as revenue when the School has the rights to the funding, unless there are unfulfilled conditions attached to the grant, in which case the amount relating to the unfulfilled conditions is recognised as a liability and released to revenue as the conditions are fulfilled.

**Donations, Gifts and Bequests**

Donations, gifts and bequests are recorded as revenue when their receipt is formally acknowledged by the School.

**Interest Revenue**

Interest Revenue earned on cash and cash equivalents and investments is recorded as revenue in the period it is earned.

**d) Use of Land and Buildings Expense**

The property from which the School operates is owned by the Crown and managed by the Ministry of Education on behalf of the Crown. The School's use of the land and buildings as occupant is based on a property occupancy document as gazetted by the Ministry. The expense is based on an assumed market rental yield on the value of land and buildings as used for rating purposes. This is a non-cash expense that is offset by a non-cash grant from the Ministry.

**e) Operating Lease Payments**

Payments made under operating leases are recognised in the Statement of Comprehensive Revenue and Expense on a straight line basis over the term of the lease.

**f) Finance Lease Payments**

Finance lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term on an effective interest basis.

**g) Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, bank balances, deposits held at call with banks, and other short term highly liquid investments with original maturities of 90 days or less, and bank overdrafts. The carrying amount of cash and cash equivalents represent fair value.

#### **h) Accounts Receivable**

Short-term receivables are recorded at the amount due, less an allowance for credit losses. The school applies the simplified expected credit loss model of recognising lifetime expected credit losses for receivables. In measuring expected credit losses, short-term receivables have been assessed on a collective basis as they possess shared credit risk characteristics. They have been grouped based on the days past due. Short-term receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include the debtor being in liquidation.

#### **Prior Year Policy**

*Accounts Receivable represents items that the School has issued invoices for or accrued for, but has not received payment for at year end. Receivables are initially recorded at fair value and subsequently recorded at the amount the School realistically expects to receive. A receivable is considered uncollectable where there is objective evidence the School will not be able to collect all amounts due. The amount that is uncollectable (the provision for uncollectibility) is the difference between the amount due and the present value of the amounts expected to be collected.*

#### **i) Investments**

Bank term deposits are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance. A loss allowance for expected credit losses is recognised if the estimated loss allowance is not trivial.

#### **Prior Year Policy**

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

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

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

#### **j) 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.

#### **Finance Leases**

A finance lease transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred. At the start of the lease term, finance leases are recognised as assets and liabilities in the statement of financial position at the lower of the fair value of the leased asset or the present value of the minimum lease payments. The finance charge is charged to the surplus or deficit over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability. The amount recognised as an asset is depreciated over its useful life. If there is no reasonable certainty whether the school will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

### **Depreciation**

Property, plant and equipment 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 years
Furniture and equipment	10 years
Information and communication technology	5 years
Motor vehicles	5 years
Leased assets held under a Finance Lease	3 years
Library resources	12.5% Diminishing value

### **k) Intangible Assets**

#### *Software costs*

Computer software acquired by the School are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Costs associated with subsequent maintenance or licensing of software are recognised as an expense in the Statement of Comprehensive Revenue and Expense when incurred.

Computer software licences with individual values under \$1,000 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense when incurred.

Computer software that the school receives from the Ministry of Education is normally acquired through a non-exchange transaction and is not of a material amount. It's fair value can be assessed at time of acquisition if no other methods lead to a fair value determination. Computer software purchased directly from suppliers at market rates are considered exchange transactions and the fair value is the amount paid for the software.

The carrying value of software is amortised on a straight line basis over its useful life. The useful life of software is estimated as three years. The amortisation charge for each period and any impairment loss is recorded in the Statement of Comprehensive Revenue and Expense.

### **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.

**o) 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.

**p) 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.

**q) 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).

**r) 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.

**s) Borrowings**

Borrowings on normal commercial terms are initially recognised at the amount borrowed plus transaction costs. Interest due on the borrowings is subsequently accrued and added to the borrowings balance. Borrowings are classified as current liabilities unless the school has an unconditional right to defer settlement of the liability for at least 12 months after balance date.

Grants determined by the Minister of Education for operational activities includes all items (core components) included in the Operational Funding notice.

Borrowings include but not limited to bank overdrafts, operating leases, finance leases, painting contracts and term loans.

**t) 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.

**u) Budget Figures**

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

**v) Services received in-kind**

From time to time the School receives services in-kind, including the time of volunteers. The School has elected not to recognise services received in kind in the Statement of Comprehensive Revenue and Expense.

## 2. Government Grants

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Operational Grants	3,220,992	3,434,716	3,053,204
Teachers' Salaries Grants	5,155,125	5,779,575	5,801,422
Use of Land and Buildings Grants	2,891,547	-	2,900,733
Other MoE Grants	300,212	260,172	347,053
Other Government Grants	145,530	144,282	261,275
	<u>11,713,406</u>	<u>9,618,745</u>	<u>12,363,687</u>

## 3. Locally Raised Funds

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

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
<b>Revenue</b>			
Donations	14,709	12,000	15,725
Bequests & Grants	130,392	-	-
Activities	68,609	48,000	55,208
Trading	1,741	2,500	2,906
Other Revenue	214,694	143,029	176,503
	<u>430,145</u>	<u>205,529</u>	<u>250,342</u>
<b>Expenses</b>			
Activities	90,670	111,766	76,949
Trading	2,697	2,750	2,675
	<u>93,367</u>	<u>114,516</u>	<u>79,624</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>336,778</u>	<u>91,013</u>	<u>170,718</u>

## 4. International Student Revenue and Expenses

	2019 Actual Number	2019 Budget (Unaudited) Number	2018 Actual Number
International Student Roll	23	15	16
<b>Revenue</b>			
International Student Fees	359,423	213,250	283,308
<b>Expenses</b>			
Advertising	2,446	20,000	18,286
Commissions	40,840	20,177	16,789
International Student Levy	5,386	7,142	7,997
Employee Benefit - Salaries	84,925	67,000	71,589
Other Expenses	32,053	28,700	23,099
	<u>165,650</u>	<u>143,019</u>	<u>137,760</u>
<i>Surplus/ (Deficit) for the year International Students'</i>	<u>193,774</u>	<u>70,231</u>	<u>145,548</u>

*Overseas travel expenses in 2019: NIL. (2018:\$15,000 for attending international student marketing exhibition and promotion)*

## 5. Learning Resources

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	292,174	451,548	279,261
Information and Communication Technology	169,248	236,449	202,650
Extra-Curricular Activities	20,798	29,100	28,365
Library Resources	3,199	3,950	3,655
Employee Benefits - Salaries	7,063,841	7,234,375	7,282,264
Staff Development	46,237	50,500	32,310
	<u>7,595,497</u>	<u>8,005,922</u>	<u>7,828,505</u>

### Professional development

During the year ended December 2019, the Principal and 2 members of the leadership team travelled to Hawaii at a cost of \$7,781 to attend an annual Schools of the Future conference for professional development and the costs were funded by the board. Travel to Singapore was also undertaken by another member of leadership team at a cost of \$6,392 to attend World Edu lead conferences for professional development and the costs were funded by the board. (2018: \$4,715 for Principal attending educational study tour in Finland organised by Manurewa Principal's Association)

## 6. Administration

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	10,767	9,540	9,967
Board of Trustees Fees	4,810	6,650	5,395
Board of Trustees Expenses	20,320	13,700	4,669
Communication	8,835	14,000	16,824
Consumables	17,744	17,650	15,682
Legal Fees	3,478	1,500	-
Other	21,592	36,627	27,463
Employee Benefits - Salaries	366,413	481,000	441,570
Insurance	12,476	16,500	15,671
	<u>466,435</u>	<u>597,167</u>	<u>537,241</u>

## 7. Property

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	48,403	48,392	55,006
Consultancy and Contract Services	139,617	139,250	148,218
Cyclical Maintenance Provision	69,224	51,050	48,160
Grounds	122,400	117,333	15,345
Heat, Light and Water	221,648	204,000	207,300
Repairs and Maintenance	91,797	129,700	131,481
Use of Land and Buildings	2,891,547	-	2,900,733
Security	26,421	25,750	24,756
Employee Benefits - Salaries	128,238	98,000	128,900
	<u>3,739,295</u>	<u>813,475</u>	<u>3,659,899</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.

## 8. Depreciation

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Buildings - School	20,204	11,174	12,209
Furniture and Equipment	70,375	62,313	68,088
Information and Communication Technology	120,981	99,391	108,602
Motor Vehicles	12,601	6,422	7,017
Leased Assets	170,610	192,653	287,283
Library Resources	9,831	8,845	9,664
	<u>404,602</u>	<u>380,797</u>	<u>492,863</u>

## 9. Cash and Cash Equivalents

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Cash on Hand	78	78	78
Bank Current Account	376,907	319,007	140,922
Short-term Bank Deposits	300,000	700,000	500,000
Cash and cash equivalents for Cash Flow Statement	<u>676,985</u>	<u>1,019,085</u>	<u>641,000</u>

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

Of the \$676,986 Cash and Cash Equivalents, \$137,511 is held by the School on behalf of the Ministry of Education. These funds are required to be spent in 2020 on CCTV and Electrical projects under the School's Five Year Property Plan.

## 10. Accounts Receivable

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Receivables	121,651	51,871	127,627
Receivables from the Ministry of Education	-	-	7,309
Interest Receivable	17,772	12,890	14,499
Teacher Salaries Grant Receivable	370,419	-	363,359
	<u>509,842</u>	<u>64,761</u>	<u>512,794</u>
Receivables from Exchange Transactions	139,423	64,761	142,126
Receivables from Non-Exchange Transactions	370,419	-	370,668
	<u>509,842</u>	<u>64,761</u>	<u>512,794</u>

## 11. Investments

The School's investment activities are classified as follows:

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Current Asset			
Short-term Bank Deposits	1,500,000	750,000	1,809,620
Total Investments	<u>1,500,000</u>	<u>750,000</u>	<u>1,809,620</u>



## 12. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2019	\$	\$	\$	\$	\$	\$
Buildings	99,443	196,294	-	-	(20,204)	275,533
Furniture and Equipment	272,859	109,541	-	-	(70,375)	312,025
Information and Communication	238,345	251,347	-	-	(120,981)	368,711
Motor Vehicles	8,559	43,576	-	-	(12,601)	39,534
Leased Assets	193,958	164,688	-	-	(170,610)	188,036
Library Resources	77,264	7,859	-	(102)	(9,831)	75,190
<b>Balance at 31 December 2019</b>	<b>890,428</b>	<b>773,305</b>	<b>-</b>	<b>(102)</b>	<b>(404,602)</b>	<b>1,259,029</b>

The net carrying value of Information and communication equipment held under a finance lease is \$188,305 (2018):

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2019	\$	\$	\$
Buildings	440,477	(164,944)	275,533
Furniture and Equipment	1,989,205	(1,677,180)	312,025
Information and Communication	1,554,635	(1,185,924)	368,711
Motor Vehicles	129,889	(90,355)	39,534
Leased Assets	1,240,782	(1,052,747)	188,035
Library Resources	173,336	(98,145)	75,191
<b>Balance at 31 December 2019</b>	<b>5,528,324</b>	<b>(4,269,295)</b>	<b>1,259,029</b>

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2018	\$	\$	\$	\$	\$	\$
Buildings	111,652	-	-	-	(12,209)	99,443
Furniture and Equipment	322,182	23,824	(5,059)	-	(68,088)	272,859
Information and Communication Technology	171,772	175,176	-	-	(108,602)	238,345
Motor Vehicles	15,576	-	-	-	(7,017)	8,559
Leased Assets	349,315	131,926	-	-	(287,283)	193,958
Library Resources	77,868	9,139	(79)	-	(9,664)	77,264
<b>Balance at 31 December 2018</b>	<b>1,048,365</b>	<b>340,065</b>	<b>(5,138)</b>	<b>-</b>	<b>(492,863)</b>	<b>890,428</b>

The net carrying value of Information and Communication equipment held under a finance lease is \$193,958 (2017: \$349,315)

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2018	\$	\$	\$
Buildings	244,183	(144,740)	99,443
Furniture and Equipment	1,879,665	(1,606,806)	272,859
Information and Communication Technology	1,309,278	(1,070,933)	238,345
Motor Vehicles	86,313	(77,754)	8,559
Leased Assets	1,076,096	(882,138)	193,958
Library Resources	165,844	(88,580)	77,264
<b>Balance at 31 December 2018</b>	<b>4,761,379</b>	<b>(3,870,951)</b>	<b>890,428</b>

### 13. Accounts Payable

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operating Creditors	133,157	146,104	80,710
Accruals	21,097	132,001	30,965
Employee Entitlements - Salaries	416,876	-	363,359
Employee Entitlements - Leave Accrual	22,678	-	27,515
	<u>593,808</u>	<u>278,105</u>	<u>502,550</u>

Payables for Exchange Transactions	593,602	278,105	502,550
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	206	-	-
	<u>593,808</u>	<u>278,105</u>	<u>502,550</u>

The carrying value of payables approximates their fair value.

### 14. Revenue Received in Advance

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
International Student Fees	98,886	238,261	164,718
Other	8,258	3,750	136,035
	<u>107,144</u>	<u>242,011</u>	<u>300,753</u>

### 15. Provision for Cyclical Maintenance

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Provision at the Start of the Year	287,783	287,783	239,981
Increase/ (decrease) to the Provision During the Year	69,225	51,050	47,802
Use of the Provision During the Year	(5,928)	(231,171)	-
Provision at the End of the Year	<u>351,080</u>	<u>107,662</u>	<u>287,783</u>
Cyclical Maintenance - Current	272,546	-	231,171
Cyclical Maintenance - Term	78,534	107,662	56,612
	<u>351,080</u>	<u>107,662</u>	<u>287,783</u>

### 16. Finance Lease Liability

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

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
No Later than One Year	110,002	38,535	135,822
Later than One Year and no Later than Five Years	75,027	221,575	66,015
	<u>185,029</u>	<u>260,110</u>	<u>201,837</u>

### 17. Funds held in Trust

	2019	2019	2018
	Actual	Budget	Actual
	\$	\$	\$
Funds Held in Trust on Behalf of Third Parties - Current	91,044	822	135,985
Funds Held in Trust on Behalf of Third Parties - Non-current	-	-	-
	<u>91,044</u>	<u>822</u>	<u>135,985</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.

## 18. 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

	2019	Opening	Receipts		BOT		Closing
		Balances	from MoE	Payments	Contributions	Balances	
		\$	\$	\$		\$	
CCTV	<i>in progress</i>	-	174,026	(100,435)	-	73,591	
Electrical	<i>in progress</i>	-	107,860	(43,940)	-	63,920	
Totals		-	281,886	(144,375)	-	137,511	

### Represented by:

Funds Held on Behalf of the Ministry of Education	137,511
Funds Due from the Ministry of Education	-
	<u>137,511</u>

	2018	Opening	Receipts		BOT		Closing
		Balances	from MoE	Payments	Contributions	Balances	
		\$	\$	\$		\$	
Fencing Stage II	<i>completed</i>	-	-	-	-	-	
Kowhai	<i>in progress</i>	-	-	-	-	-	
Rimu Roof	<i>in progress</i>	-	-	-	-	-	
Totals		-	-	-	-	-	

## 19. Related Party Transactions

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

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

## 20. Remuneration

### Key management personnel compensation

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

	2019 Actual \$	2018 Actual \$
<i>Board Members</i>		
Remuneration	4,810	5,395
Full-time equivalent members	0.22	0.20
<i>Leadership Team</i>		
Remuneration	809,540	732,082
Full-time equivalent members	7	7
Total key management personnel remuneration	<u>814,350</u>	<u>737,477</u>
Total full-time equivalent personnel	<u>7.22</u>	<u>7.20</u>

The full time equivalent for Board members has been determined based on attendance at Board meetings, Committee meetings and for other obligations of the Board, such as stand downs and suspensions, plus the estimated time for Board members to prepare for meetings.

*Principal*

The total value of remuneration paid or payable to the Principal was in the following bands:

	2019 Actual \$000	2018 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	170-180	170-180
Benefits and Other Emoluments	4 - 5	4 - 5

*Other Employees*

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

Remuneration \$000	2019 FTE Number	2018 FTE Number
100-110	5.00	4.00
	<hr/>	<hr/>
	5.00	4.00

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

## 21. Compensation and Other Benefits Upon Leaving

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

	2019 Actual	2018 Actual
Total	\$3,000	-
Number of People	2	-

## 22. Contingencies

There are no contingent liabilities and no contingent assets as at **31 December 2019** (Contingent liabilities and assets at **31 December 2018**: nil).

### Holidays Act Compliance – schools payroll

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

The Ministry has commenced a review of the schools sector payroll to ensure compliance with the Holidays Act 2003. The initial phase of this review has identified areas of non-compliance. The Ministry has recognised an estimated provision based on the analysis of sample data, which may not be wholly representative of the total dataset for Teacher and Support Staff Entitlements. A more accurate estimate will be possible after further analysis of non-compliance has been completed, and this work is ongoing. Final calculations and potential impact on any specific individual will not be known until further detailed analysis has been completed.

To the extent that any obligation cannot reasonably be quantified at 31 December 2019, a contingent liability for the school may exist.

## 23. Commitments

### (a) Capital Commitments

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

- (a) \$174,026 contract for CCTV project to be completed in 2020, which will be fully funded by the Ministry of Education. \$174,026 (inc contingency) has been received of which \$100,435 has been spent on the project to date; and
- (b) \$104,853 contract for Electrical infrastructure to be completed in 2020. This project is fully funded by the Ministry and \$107,860 (inc contingency) has been received of which \$43,940 has been spent on the project to balance date. This project has been approved by the Ministry; and
- (c) An order valuing \$221,228 for supplying computer Equipments including chromebooks, laptops and work stations has been placed with New Era IT Limited. This capital expenditure approved by the Board of Trustees along with budget for 2020 and funded from the operational grant.

(Capital commitments at 31 December 2018: \$221,148 which includes \$173,700 contract for building outdoor basketball court and \$47,448 for order placed with New Era IT Ltd for supplying computer chrome books)

#### (b) Operating Commitments

As at 31 December 2019 the Board has entered into the following contracts:

(a) As at 31 December 2019 the Board has entered into a cleaning contract with BB Cleaning Company Ltd and for ground and garden maintenance with Turftech Ltd:

	2019 Actual \$	2018 Actual \$
No later than One Year	156,129	127,646
Later than One Year and No Later than Five Years	305,208	11,604
	<u>461,337</u>	<u>139,250</u>

#### 24. Managing Capital

The School's capital is its equity and comprises capital contributions from the Ministry of Education for property, plant and equipment and accumulated surpluses and deficits. The School does not actively manage capital but attempts to ensure that income exceeds spending in most years. Although deficits can arise as planned in particular years, they are offset by planned surpluses in previous years or ensuing years.

#### 25. Financial Instruments

The carrying amount of financial assets and liabilities in each of the financial instrument categories are as follows:

##### Financial assets measured at amortised cost (2018: Loans and receivables)

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Cash and Cash Equivalents	676,985	1,019,085	641,000
Receivables	509,842	64,761	512,794
Investments - Term Deposits	1,500,000	750,000	1,809,620
Total Financial assets measured at amortised cost	<u>2,686,827</u>	<u>1,833,846</u>	<u>2,963,414</u>

##### Financial liabilities measured at amortised cost

Payables	593,602	278,105	502,550
Finance Leases	185,029	260,111	201,837
Total Financial Liabilities Measured at Amortised Cost	<u>778,631</u>	<u>538,216</u>	<u>704,387</u>

#### 26. Events After Balance Date

On March 11, 2020, the World Health Organisation declared the outbreak of COVID-19 (a novel Coronavirus) a pandemic. Two weeks later, on 26 March, New Zealand increased its COVID-19 alert level to level 4 and a nationwide lockdown commenced. As part of this lockdown all schools were closed. Subsequently all schools and kura reopened on the 18th of May 2020.

At the date of issuing the financial statements, the school has been able to absorb the majority of the impact from the nationwide lockdown as it was decided to start the annual Easter School holidays early. In the periods the school is open for tuition, the school has switched to alternative methods of delivering the curriculum, so students can learn remotely.

At this time the full financial impact of the COVID-19 pandemic is not able to be determined, but it is not expected to be significant to the school. The school will continue to receive funding from the Ministry of Education, even while closed.

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

## 27. Adoption of PBE IFRS 9 Financial Instruments

In accordance with the transitional provisions of PBE IFRS 9, the school has elected not to restate the information for previous years to comply with PBE IFRS 9. Adjustments arising from the adoption of PBE IFRS 9 are recognised in opening equity at 1 January 2019. Accounting policies have been updated to comply with PBE IFRS 9. The main updates are:

- Note 10 Receivables: This policy has been updated to reflect that the impairment of short-term receivables is now determined by applying an expected credit loss model.
- Note 11 Investments:

Term deposits: This policy has been updated to explain that a loss allowance for expected credit losses is recognised only if the estimated loss allowance is not trivial.

Upon transition to PBE IFRS9 there were no material adjustments to these financial statements

**INDEPENDENT AUDITOR'S REPORT****TO THE READERS OF ALFRISTON COLLEGE'S  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019**

The Auditor-General is the auditor of Alfriston College (the School). The Auditor-General has appointed me, Kurt Sherlock, using the staff and resources of Crowe New Zealand Audit Partnership, 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 2019, the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion the financial statements of the School:

- present fairly, in all material respects:
  - its financial position as at 31 December 2019; and
  - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Sector Public Benefit Entity Standards, Reduced Disclosure Regime

Our audit was completed on 3 June 2020. This is the date at which our opinion is expressed.

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

**Emphasis of Matter – COVID-19**

Without modifying our opinion, we draw attention to the disclosures in note 26 on page 18 which outline the possible effects of the Alert Level 4 lockdown as a result of the COVID-19 pandemic.

**Basis for our opinion**

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

*The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is the Crowe Australasia external audit division. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.*

*Findex (Aust) Pty Ltd, trading as Crowe Australasia is a member of Crowe Global, a Swiss Verein. Each member firm of Crowe Global is a separate and independent legal entity. Findex (Aust) Pty Ltd and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global. Crowe Global does not render any professional services and does not have an ownership or partnership interest in Findex (Aust) Pty Ltd.*

*Services are provided by Crowe New Zealand Audit Partnership an affiliate of Findex (Aust) Pty Ltd.*

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

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

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

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

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

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

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

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

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

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

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

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

- We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Trustees.



- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Trustees and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the School to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We assess the risk of material misstatement arising from the Novopay payroll system, which may still contain errors. As a result, we carried out procedures to minimise the risk of material errors arising from the system that, in our judgement, would likely influence readers' overall understanding of the financial statements.

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

Our responsibilities arise from the Public Audit Act 2001.

#### **Other information**

The Board of Trustees is responsible for the other information. The other information comprises the Analysis of Variance, Revenue Analysis 2019 and Kiwisport Report, but does not include the financial statements, and our auditor's report thereon.

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

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

#### **Independence**

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

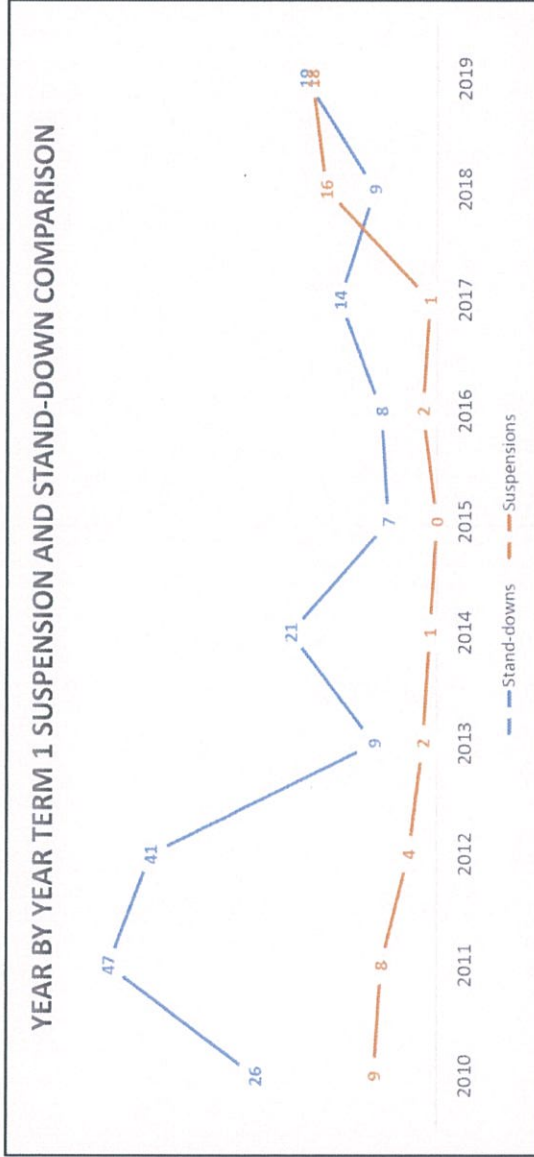


Kurt Sherlock  
Crowe New Zealand Audit Partnership  
On behalf of the Auditor-General  
Auckland New Zealand

## ANALYSIS OF VARIANCE

<b>School Name:</b>	Alfriston College 2019	<b>School Number:</b>	6929
<b>Strategic Aim</b>	<p>I will have learning opportunities that are connected, authentic and relevant to increase my engagement and achievement</p> <p>I will have a personalised learning pathway plan that ensures I belong, learn and succeed</p>		
<b>Annual Aim:</b>	<p>Through the AC Way, I will regularly use our tools and evidence to reflect, review and act on how I learn and design learning to ensure I belong, learn and succeed</p>		
<b>Target:</b>	<p><b>ATTENDANCE</b></p> <ul style="list-style-type: none"> <li>Using appropriate data specific to learners in individual learning spaces, design appropriate interventions to significantly reduce the number of learners, especially Maori and Pasifika, who are not attending regularly</li> </ul> <p><b>ENGAGEMENT</b></p> <ul style="list-style-type: none"> <li>Using appropriate data specific to learners in individual learning spaces, especially Maori and Pasifika, design appropriate interventions to significantly reduce suspensions, stand downs and engagement referrals to SLT</li> </ul> <p><b>ACHIEVEMENT</b></p> <ul style="list-style-type: none"> <li>Reduce the number of learners performing below their expected achievement level and using appropriate data specific to learners in individual learning spaces, design appropriate interventions to significantly reduce the number of learners performing below their achievement level</li> </ul>		
<b>Baseline Data:</b>	<p><b>2018 ATTENDANCE SUMMARY</b></p> <p>Students attending regularly is attending over 90% of half-days or more than 342 out of 380 half days or more than 171 days of the 190-day school year; a child attending regularly, will miss 38 half-days or 19 days of school</p> <p>In 2018, 39% of students attended school regularly, i.e. over 90% of half-days; 65% attended school for 80-100% of half-days; 81% of students attend school for 70-100% of half days; in other words, 19% of learners in 2018, about 200 students, lost close to 57 days of school, more than one term of absence</p> <p>The percentage of students attending regularly was highest in term 1 of 2018 (50.3%) and lowest in term 4 of 2018 (30.2%). Fewer students were attending regularly in term 4 of 2018 (30.2%) than in the same term of 2017 (33.9%).</p>		

2018-2019 ENGAGEMENT SUMMARY



2018 ASSTLE SUMMARY

**9 READING - Learners who made the 2+ sublevel shift in one year**

**Ethnicity**

	% of Yr 9 Cohort	% of 2+ Shifters
Asian	19	22
Maori	43	46
NZE	6	6
Other	6	7
Pasifika	25	20

**Gender**

	Yr 9 Cohort	2+ Shifters
Female	53	59
Male	47	41

**9 NUMERACY - Learners who made the 2+ sublevel shift in one year****Ethnicity**

	% of Yr 9 Cohort	% of 2+ Shifters
Asian	25	20
Maori	36	34
NZE	6	5
Other	6	8
Pasifika	26	33

**Gender**

	Yr 9 Cohort	2+ Shifters
Female	53	58
Male	47	42

**10 READING - Learners who made the 2+ sublevel shift in one year****Ethnicity**

	% of Yr 10 Cohort	% of 2+ Shifters
Asian	17	23

Maori	36	33
NZE	11	6
Other	3	4
Pasifika	33	35

**Gender**

	Yr 10 Cohort	2+ Shifters
Female	46	42
Male	54	58

**10 NUMERACY - Learners who made the 2+ sublevel shift in one year**

**Ethnicity**

	% of Yr 10 Cohort	% of 2+ Shifters
Asian	20	20
Maori	40	40
NZE	9	4.6
Other	2	4.6
Pasifika	28	31

**Gender**

	Yr 10 Cohort	2+ Shifters
Female	46	60
Male	54	40

**YEAR 9 INTAKE FEBRUARY 2017 TO DEC 2018**

**Sublevel Shifts between Start of Year 2017 and End of Year 2018**

	Reading	Maths
1 sublevel shift	19%	21%
2 sublevel shifts	10%	27%
3 sublevel shifts	15%	16%
4+ sublevel shifts	12%	16%
	37%	59%

**Maths Shifters FEBRUARY 2017 TO DEC 2018**

**Gender**

	% of total learners with data	% of shifters
Female	48	47
Male	52	53

**Ethnicity**

	% of total learners with data	% of shifters
Asian	20	22
Pasifika	26	28
Maori	42	40
Other	3	4
NZE	9	7

## Reading Shifters FEBRUARY 2017 TO DEC 2018

### Gender

	% of total learners with data	% of shifters
Female	48	53
Male	52	47

### Ethnicity

	% of total learners with data	% of shifters
Asian	20	31
Pasifika	27.5	18
Maori	40	36
Other	3	5
NZE	9	10

### 2018 NCEA SUMMARY

#### NCEA Level 1 – achieved by 55.4% of year 11 learners

- Almost all L1 achievement in 2018 was towards the bottom end or below the previous 4 year range. This represents a drop in achievement across the board compared to 2017 achievement.
- For all ethnicities, the overall achievement figure is masking much lower achievement outcomes for male learners compared to female learners. The L1 achievement of male learners of all ethnicities is concerning.

#### NCEA Level 2 – achieved by 63.6% of year 12 learners

- Almost all L2 achievement was within the previous 4 year range but still showed a drop compared to 2017 achievement.
- Unlike L1 achievement, there is no consistent pattern to the variation in achievement between genders however the achievement outcomes of Maori learners and European and Pasifika males is of particular concern.

#### NCEA Level 3 – achieved by 56.7% of year 13 learners

- Achievement of L3 is well above the previous 4 year range and in line with the decile 2 achievement figure. This is marked improvement on 2017 outcomes.

• Stand-out groups contributing to this improvement are Maori and European male learners who achieved well above the previous 4 year range, and all Pasifika learners who were at the top end of the previous 4 year range.

**University Entrance – achieved by 27.3% of year 13 learners**

- The achievement of most groups is within the mid-bottom end of the previous 4 year range.
- Female learners continue to achieve more highly in this indicator than male learners in all groups and no Maori male learner achieved UE in 2018.

**Summary**

There are a number of common themes that emerge from this report. In general terms, these are:

1. Maori have the lowest achievement outcomes
2. Male learners have lower achievement than females
3. Pasifika learners are underrepresented in the endorsement data
4. Individual learners regardless of gender and ethnicity, continue to achieve highly through their own independent learner actions

<b>Actions</b> <i>What did we do?</i>	<b>Outcomes</b> <i>What happened?</i>	<b>Reasons for the variance</b> <i>Why did it happen?</i>	<b>Evaluation</b> <i>Where to next?</i>
<p><b>Junior School:</b></p> <ul style="list-style-type: none"> <li>• Continue with involvement of WLs / SLs in WBL and encourage greater involvement of other middle leaders</li> <li>• Streamline WBL</li> <li>• Leadership to make a more effective team that focuses on improving outcomes through learning design</li> <li>• Strengthen e-learning</li> <li>• Improve AC Way alignment and strengthen consistent positive learning culture</li> </ul>	<p>WL time in WBL increased; SL time changed; increased involvement in WBL by NZCLs</p> <p>Improved WBL curriculum development and consistent pedagogical practice through appointment of Ta and Ca as WBL Curriculum Support Leaders</p> <p>Reduction of WBL learning themes to one in Y9 and one in Y10</p> <p>% of Y9 and Y10 who did not make two or more ASTLE sub-level shifts continue to improve; down to 33% in Y9 and 30% in Y10</p> <p>Girls and Pasifika continue to be the majority of those who made</p>	<p>Timetable needs and WL desire to spend more time in their respective Whanau; improved LL collaboration, strengthened pastoral care in the Junior school, improved consistency around AC Way learning culture and expectations</p> <p>Need to appoint leaders to focus on curriculum development instead of classroom practice and student management; implemented through appointment of Targeted Curriculum Support Leaders: two in WBL and one in Arts for Music</p> <p>Improved tracking and monitoring through more coordinated use of PLPPs</p>	<p><b>ACHIEVEMENT</b></p> <p>Improve schoolwide consistency of good teaching practice and learning culture and delivery</p> <p>Implement programme of targeted mentoring and monitoring of NZCLs</p> <p>Implement programme of fortnightly NZCL-led PLD</p> <p>Implement UoA Buchanan Trust and MOE PREP projects to improve achievement tracking, monitoring and mentoring</p> <p>Improve resourcing of Te Wahi Awhina and Guidance and Support areas</p>



<p>two or more ASTLE sub-level shifts and Maori learners continue to be the group who makes the biggest 2 or more ASTLE sublevel shifts after Y10</p> <p>90% uptake of PLPP completion in Y11-13 replacing planned use of the VVT in Y11</p> <p>2018 PBL and Passion courses replicated</p> <p>Preliminary overall L1 NCEA results continue to stall; just a slight % increase after February 2020 catch-up / boost programme; Maori and Males continue to be the lowest NCEA L1 achievers while Pasifika and Females continue to be those who continue to improve in NCEA L1</p> <p>NCEA L1 Literacy and numeracy improve on 2018 results by 5% points to 80%</p> <p>Improved tracking, monitoring and mentoring of NCEA achievement, especially in Y12 and Y13</p> <p>Trades Academy continues to attract large numbers of Y12 and Y13; MIT is now our single largest provider</p>	<p>MOE support with achievement tracking, monitoring and mentoring</p> <p>Little development of Y11 PBL courses while pockets of good practice and successful learning did not grow</p> <p>Inconsistent practice and poor shared understanding of Y11 PBL learning structure, curriculum delivery, NCEA assessment practice and leadership continued</p> <p>Impact of NCEA review and RAS on community perception of NCEA L1, especially on individual learners</p> <p>Increased efforts to increase and improve engagement in Gateway, STAR and STP programmes like Trades Academy; structured school timetable to enable minimum impact on Y12 and Y13 NCEA learning; also enabled better Y12 and Y13 personalised learning programmes including self-organised work experience and cadetships</p> <p>Focused on strengthening Careers and Pathways Centre by increasing resourcing</p> <p>Supported focus on improving partnerships with local industry and sector agencies: worked with MSD and Bluelight to significantly</p>	<p>NCEA Recommendations:</p> <p>1. With a focus on all male learners of any ethnicity, and all our Maori learners, identify all potential N grade outcomes and push hard to transform these to A grade outcomes. Adopt a zero-tolerance attitude to non-submission of work for these at-risk learners. NZCLS and Amokura to review and act on any NS grades from Trimesters 1 and 2, and Semester 1.</p> <p>2. With a focus on all our Pasifika learners, identify the potential to push any remaining A grade outcomes to M, and M grade outcomes to E. Adopt a zero-tolerance attitude to learners settling for good enough when it could be better. Review and use resubmissions if appropriate.</p> <p>3. Push all learners to become more independent. Recognise that they are on a continuum and push them along it individually but don't push them off it with inappropriate or poor-quality learning and assessment tasks. Push belonging, push connection and push the ILAs.</p> <p>ENGAGEMENT &amp; ATTENDANCE Implement #takeaction2020 programme of calendared school-wide events: SOY learner conference, 1-1 Meet the Amokura conferencing, MYr</p>	<p><b>Year 11 / NCEA Level 1:</b></p> <ul style="list-style-type: none"> <li>• Ensure PLPPs are a key strategy for all Y11 Amokura</li> <li>• Build on successful PBL teams and courses</li> <li>• Increase involvement and direction of NZCLS in PBL</li> <li>• Improve leadership of PBL design, curriculum delivery and reflect, review, act (RRA) processes</li> <li>• Develop use of the VVT tool in Y11, given its trimester structure</li> <li>• Better manage and continue to develop courses like Te Ohanga Hauora to incorporate Te Ao Maori more in learning experiences</li> </ul> <p><b>NCEA L2 &amp; L3:</b></p> <ul style="list-style-type: none"> <li>• Continue to strengthen STP programmes</li> <li>• Build on relationships with community, industry and sector partners, especially NZMA and Auckland Airport</li> <li>• Work more closely with our key STP provider, MIT, especially to improve timeliness of NCEA achievement</li> </ul>
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<ul style="list-style-type: none"> <li>Continue to transform NCEA L2 and L3 programmes of learning to ensure they are connected, authentic and relevant to improve attendance and engagement in Y12 and Y13</li> <li>Strengthen collaboration at NZC level and build on Whanau Leader engagement at Y12 and Y13 to ensure a structured Whaanau Advisory programme, increased accountability of Amokura for Advisory time, PLPPs and attendance follow-up, consultation with learners re PLPPs to ensure it will meet perceived needs, re-alignment of PLPPs with Informing schedule, CVs and Testimonials, clear expectations for Year 13 - 90% attendance, participation, contribution and completion</li> </ul>	<p>Pleasant improvement in overall NCEA Level 2 and Level 3 achievement; L2, for the first time, is just above level of achievement for our decile band; NCEA L3 achievement is best ever, in 2019 was higher than our decile band and the same as national level of achievement; UE continues to track alongside our decile band and continues to be well below national UE level of achievement</p> <p>Males, Maori and European are the groups that have made the most significant NCEA L2 and L3 improvement in 2019</p>	<p>Careers and Pathways Expo, EOY WBL / PBL public exhibition</p> <p>Implement new Whanau time and Advisory structure, including TOH whanau advisory</p> <p>Implement Shot Bro, JAM and Atumai projects to improve pastoral care provisions</p>
<ul style="list-style-type: none"> <li>Improve staffing structure of Guidance, Learning Support, Hauora, School Office and Executive Office to strengthen collaboration of attendance and engagement tracking, monitoring and mentoring</li> </ul>	<p>In 2019, 40% of students attended school regularly, i.e. over 90% of half-days; 61% attended school for 80-100% of half-days; 81% of students attend school for 70-100% of half days; in other words, like in 2018, 19% of learners in 2019, about 200 students, lost close to 57 days of school, more than one term of absence.</p> <p>The percentage of students attending regularly was highest in</p>	<p>increase driver licensing provision for eligible learners</p> <p>Transformation of NCEA L2 and L3 courses not as successful as planned especially in NZC areas like technology and science</p> <p>Improved SLT mentoring of Whanau leadership, especially of Whanau Leaders</p> <p>Strengthening of targeted Learning Support provision: deliberate appointment of a SL to take over leadership of this area, increased number of Learning Assistants, increased resourcing, realignment of staffing in and leadership of, Guidance and Hauora including Guidance Counsellors, Health Centre and Youth workers</p>

<p>term 1 of 2019 (51.1%) and lowest in term 4 of 2019 (32.5%).</p> <p>More students were attending regularly in term 4 of 2019 (32.5%) than in the same term of 2018 (30.2%). Average weekly attendance across 2019 was 81%.</p> <p>Suspensions and Stand downs of students increased slightly while actual number of incidents reduced significantly; also reflected in number of classroom incidents and referrals to SLT which reduced significantly compared to 2018 summaries</p> <p>Noticeable increase of referrals to Guidance and Health Centre involving learners with high mental health and social well-being needs</p>	<p>term 1 of 2019 (51.1%) and lowest in term 4 of 2019 (32.5%).</p> <p>More students were attending regularly in term 4 of 2019 (32.5%) than in the same term of 2018 (30.2%). Average weekly attendance across 2019 was 81%.</p> <p>Suspensions and Stand downs of students increased slightly while actual number of incidents reduced significantly; also reflected in number of classroom incidents and referrals to SLT which reduced significantly compared to 2018 summaries</p> <p>Noticeable increase of referrals to Guidance and Health Centre involving learners with high mental health and social well-being needs</p>
<p><b>Planning for next year:</b></p> <p>Our Strategic 2020 Interventions</p> <ul style="list-style-type: none"> <li>• Improved places</li> <li>• #TakeAction and beyond</li> <li>• Whanau time</li> <li>• NZCL time / The AC Way / PLD</li> <li>• Te Wahī Awhina / LSC / ESOL / Guidance</li> <li>• Buchanan Project / Te Ara Waananga</li> <li>• PREP</li> <li>• JAM</li> </ul> <p>Some keys actions</p> <ul style="list-style-type: none"> <li>• MTA 2020: 24 &amp; 25 March</li> </ul>	

- Strengthening Co-curricular opportunities / Inter-Whanau
- TOH whanau advisory
- Beyond Culture Day / Polyfest
- Shot Bro
- Le Va & Atumai

## **Alfriston College**

### **Statement on Kiwisport Funding**

For the year ended 31 December 2019

Alfriston College is a Learning Community dedicated to developing and supporting life-long, independent learners by creating an environment that fosters a sense of Belonging, Values, Learning and expects Success. All learners can access a curriculum that promotes connected, authentic, and relevant learning with a focus on increasing engagement and achievement. The Alfriston College sports programme has three dimensions, participation, performance and pathways. Our aim is to provide relevant, purposeful, and inclusive sports experiences through a range of contexts to ensure life-long involvement in sport and improved academic success. Our sports programme relies heavily upon donations and grants to support sport operations. In 2019, much of this has been due to Kiwi Sport funding. This is critical to sustaining a quality sports programme. We are committed to providing opportunities for positive sports experiences that foster involvement and recreation post-secondary school. College Sport Auckland continue to provide leadership, advocacy, and efficiency to the school sport sector. The college fielded teams in 10/13 sanctioned Premier sports. Teams were also entered in seven other sanctioned non-Premier sports, badminton, Ki o Rahi, softball, touch, tag football, swimming, and tennis. Our senior girls' softball team continued to impress with several players named in tournament teams, New Zealand age grade teams and national development squads. One student has been selected to represent the Women's Softball National White Sox team looking to represent New Zealand in August 2020. In addition, three other students achieved success in New Zealand Softball selection for the New Zealand U21's development squad. One student was also selected to represent the New Zealand Men's National Hockey Team. Our goal to offer a variety of sports at our school is critical to sustaining a quality school sports programme. The greatest level of participation occurs in the winter season. In 2019, thirty-two teams were involved in a variety of inter school competitions [up 10.34% in comparison to 2018]. Kiwi Sport funding also contributed to staffing, sport improvement and delivery of quality sports programmes and initiatives. In 2019, this area was staffed by a fulltime Sports Director assisted by a sport coordinator.

