

SOUTH OTAGO HIGH SCHOOL



ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

Ministry Number:	393
Principal:	Mike Wright
School Address	46 Frances Street, Rosebank, Balclutha
School Postal Address:	46 Frances Street, Rosebank, Balclutha, 9230
School Phone:	03 418 0517
School Email:	principal@sohs.school.nz

SOUTH OTAGO HIGH SCHOOL

Annual Report - For the year ended 31 December 2019

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South Otago High School

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 reflect the financial position and operations of the school.

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

Tulion James Witt

Full Name of Board Chairperson

T. Witt

Signature of Board Chairperson

2/6/2020

Date:

Michael Thomas Wright

Full Name of Principal

[Signature]

Signature of Principal

02-06-2020

Date:

South Otago High School

Members of the Board of Trustees

For the year ended 31 December 2019

Name	Position	How Position Gained	Held Until
Jules Witt	Chairperson	Elected	Oct 2020
Mike Wright	Principal	ex Officio	
Glen Mead	Parent Rep	Elected	Oct 2020
Astrid Murray	Parent Rep	Elected	May 2019
Emma Kell	Parent Rep	Elected	May 2019
Paul Crawford	Parent Rep	Elected	May 2022
Bronwyn Campbell	Parent Rep	Elected	May 2022
Angela Ferguson	Parent Rep	Selected	May 2022
Mike Beeby	Staff Rep	Elected	May 2022
Kayleigh Wright	Student Rep	Elected	Oct 2019
Petrina Scherp	Student Rep	Elected	Oct 2020

South Otago High School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2019

	Notes	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Revenue				
Government Grants	2	5,531,320	5,611,786	5,661,454
Locally Raised Funds	3	611,177	515,105	958,640
Interest Income		58,132	30,000	53,669
Gain on Sale of Property, Plant and Equipment		1,961	-	-
International Students	4	113,998	108,250	148,175
		<u>6,316,588</u>	<u>6,265,141</u>	<u>6,821,938</u>
Expenses				
Locally Raised Funds	3	373,660	401,485	674,294
International Students	4	42,902	41,300	46,791
Learning Resources	5	3,900,559	4,189,044	3,950,020
Administration	6	273,216	281,165	270,831
Finance Costs		3,437	-	6,521
Property	7	1,359,840	1,375,147	1,372,856
Depreciation	8	191,966	170,000	170,163
Loss on Disposal of Property, Plant and Equipment		6,290	-	24,018
		<u>6,151,870</u>	<u>6,458,141</u>	<u>6,515,494</u>
Net Surplus / (Deficit)		164,718	(193,000)	306,444
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>164,718</u>	<u>(193,000)</u>	<u>306,444</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.



South Otago High School

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2019

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Balance at 1 January	2,682,553	2,682,553	2,345,349
Total comprehensive revenue and expense for the year	164,718	(193,000)	306,444
Capital Contributions from the Ministry of Education			
Contribution - Furniture and Equipment Grant	-	-	30,760
Equity at 31 December	2,847,271	2,489,553	2,682,553
Retained Earnings	2,847,271	2,489,553	2,682,553
Equity at 31 December	2,847,271	2,489,553	2,682,553

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.



South Otago High School

Statement of Financial Position

As at 31 December 2019

		2019	2019	2018
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
		\$	\$	\$
Current Assets				
Cash and Cash Equivalents	9	1,790,290	848,621	871,621
Accounts Receivable	10	253,547	253,069	253,069
GST Receivable		-	24,445	24,445
Prepayments		11,809	15,253	15,253
Inventories	11	21,503	11,965	11,965
Investments	12	1,585,313	1,325,902	1,325,902
Funds owing for Capital Works Projects	19	-	86,341	86,341
		<u>3,662,462</u>	<u>2,565,596</u>	<u>2,588,596</u>
Current Liabilities				
GST Payable		22,826	-	-
Accounts Payable	14	289,434	304,540	304,540
Revenue Received in Advance	15	37,854	49,401	49,401
Provision for Cyclical Maintenance	16	-	8,182	8,182
Finance Lease Liability - Current Portion	17	45,957	48,205	48,205
Funds held in Trust	18	96,495	31,765	31,765
Funds held for Capital Works Projects	19	1,039,537	29,293	29,293
Funds Held on Behalf of the ALLis Cluster	20	47,404	84,095	84,095
		<u>1,579,507</u>	<u>555,481</u>	<u>555,481</u>
Working Capital Surplus/(Deficit)		2,082,955	2,010,115	2,033,115
Non-current Assets				
Investments (more than 12 months)	12	37,255	-	-
Property, Plant and Equipment	13	1,078,673	834,186	1,004,186
		<u>1,115,928</u>	<u>834,186</u>	<u>1,004,186</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	16	270,602	236,026	236,026
Finance Lease Liability	17	81,010	118,722	118,722
		<u>351,612</u>	<u>354,748</u>	<u>354,748</u>
Net Assets		<u>2,847,271</u>	<u>2,489,553</u>	<u>2,682,553</u>
Equity		<u>2,847,271</u>	<u>2,489,553</u>	<u>2,682,553</u>

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



South Otago High School
Statement of Cash Flows
For the year ended 31 December 2019

		2019	2019	2018
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Cash flows from Operating Activities				
Government Grants		1,246,045	1,306,105	1,361,545
Locally Raised Funds		588,632	515,105	949,511
International Students		75,727	108,250	125,393
Goods and Services Tax (net)		47,271	-	(5,266)
Payments to Employees		(574,197)	(755,765)	(561,446)
Payments to Suppliers		(956,552)	(1,205,695)	(1,365,526)
Cyclical Maintenance payments in the Year		(7,310)	(21,000)	-
Interest Received		59,690	30,000	48,092
Net cash from / (to) the Operating Activities		479,306	(23,000)	552,303
Cash flows from Investing Activities				
Proceeds from Sale of PPE (and Intangibles)		1,961	-	-
Purchase of PPE (and Intangibles)		(260,384)	-	(155,936)
Purchase of Investments		(296,666)	-	(587,985)
Net cash from the Investing Activities		(555,089)	-	(743,921)
Cash flows from Financing Activities				
Furniture and Equipment Grant		-	-	30,760
Finance Lease Payments		(55,756)	-	(108,473)
Funds Administered on Behalf of Third Parties		28,039	-	(58,491)
Funds held for Capital Works Projects		1,022,169	-	(74,465)
Net cash from Financing Activities		994,452	-	(210,669)
Net increase/(decrease) in cash and cash equivalents		918,669	(23,000)	(402,287)
Cash and cash equivalents at the beginning of the year	9	871,621	871,621	1,273,908
Cash and cash equivalents at the end of the year	9	1,790,290	848,621	871,621

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

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



South Otago High School

Notes to the Financial Statements

1. Statement of Accounting Policies

For the year ended 31 December 2019

1.1. Reporting Entity

South Otago High 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.

1.2. 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 29.

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

Useful lives of property, plant and equipment

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment as disclosed in the Significant Accounting Policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 13.



Cyclical Maintenance

A school recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's long term maintenance plan which is prepared as part of its 10 Year Property Planning process. During the year, the Board assesses the reasonableness of its 10 Year Property Plan on which the provision is based. Cyclical maintenance is disclosed at note 16.

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.

1.3. Revenue Recognition

Government Grants

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

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

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

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

Other Grants

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

Donations, Gifts and Bequests

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

Interest Revenue

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

1.4. Use of Land and Buildings Expense

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

1.5. Finance Lease Payments

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

1.6. Cash and Cash Equivalents

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

1.7. 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.

1.8. Inventories

Inventories are consumable items held for sale and comprise of stationery and school uniforms. They are stated at the lower of cost and net realisable value. Cost is determined on a first in, first out basis. Net realisable value is the estimated selling price in the ordinary course of activities less the estimated costs necessary to make the sale. Any write down from cost to net realisable value is recorded as an expense in the Statement of Comprehensive Revenue and Expense in the period of the write down.

1.9. 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.

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

1.10. 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:

Buildings & Improvements	15-40 years
Furniture and equipment	5-20 years
Information and communication technology	4-5 years
Motor vehicles	5-10 years
Leased assets held under a Finance Lease	3-5 years
Library resources	12.5% Diminishing value

1.11. Impairment of property, plant and equipment

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 held at cost that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable service amount. The recoverable service amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

If an asset's carrying amount exceeds its recoverable service amount, the asset is regarded as impaired and the carrying amount is written down to the recoverable amount. The total impairment loss is recognised in the surplus or deficit.

The reversal of an impairment loss is recognised in the surplus or deficit.

1.12. Accounts Payable

Accounts Payable represents liabilities for goods and services provided to the School prior to the end of the financial year which are unpaid. Accounts Payable are recorded at the amount of cash required to settle those liabilities. The amounts are unsecured and are usually paid within 30 days of recognition.

1.13. Employment Entitlements

Short-term employee entitlements

Employee benefits that are due to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date, annual leave earned to but not yet taken at balance date.

Long-term employee entitlements

Employee benefits that are due to be settled beyond 12 months after the end of the period in which the employee renders the related service, such as long service leave and retirement gratuities, have been calculated on an actuarial basis. The calculations are based on:

- likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement, and contractual entitlement information; and
- the present value of the estimated future cash flows



1.14. Revenue Received in Advance

Revenue received in advance relates to fees received from students and grants received where there are unfulfilled obligations for the School to provide services in the future. The fees are recorded as revenue as the obligations are fulfilled and the fees earned.

The School holds sufficient funds to enable the refund of unearned fees in relation to international students, should the School be unable to provide the services to which they relate.

1.15. Funds Held in Trust

Funds are held in trust where they have been received by the School for a specified purpose, or are being held on behalf of a third party and these transactions are not recorded in the Statement of Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose at any time.

1.16. Shared Funds

Shared Funds are held on behalf of a cluster of participating schools as agreed with the Ministry of Education. The cluster of schools operate activities outside of school control. These amounts are not recorded in the Statement of Comprehensive Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose.

1.17. Provision for Cyclical Maintenance

The property from which the School operates is owned by the Crown, and is vested in the Ministry. The Ministry has gazetted a property occupancy document that sets out the Board's property maintenance responsibilities. The Board is responsible for maintaining the land, buildings and other facilities on the School site in a state of good order and repair.

Cyclical maintenance, which involves painting the interior and exterior of the School, makes up the most significant part of the Board's responsibilities outside day-to-day maintenance. The provision for cyclical maintenance represents the obligation the Board has to the Ministry and is based on the Board's ten year property plan (10YPP).

1.18. 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, and finance lease liability. All of these financial liabilities are categorised as "financial liabilities measured at amortised cost" for accounting purposes in accordance with financial reporting standards.

1.19. Goods and Services Tax (GST)

The financial statements have been prepared on a GST exclusive basis, with the exception of accounts receivable and accounts payable which are stated as GST inclusive.

The net amount of GST paid to, or received from, the IRD, including the GST relating to investing and financing activities, is classified as a net operating cash flow in the statements of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

1.20. Budget Figures

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

1.21. 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	1,200,169	1,142,336	1,227,785
Teachers' salaries grants	3,247,060	3,287,494	3,287,494
Use of Land and Buildings grants	971,844	1,018,187	1,018,187
Other MoE Grants	72,140	123,662	87,881
Other government grants	40,107	40,107	40,107
	5,531,320	5,611,786	5,661,454

3. Locally Raised Funds

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

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Revenue			
Donations	166,105	93,810	137,058
Bequests & Grants	3,005	-	-
Other revenue	69,980	40,000	138,629
Trading	167,157	174,100	180,052
Activities	204,930	207,195	220,415
Overseas Trip Income	-	-	282,486
	611,177	515,105	958,640
Expenses			
Activities	191,899	214,735	197,009
Trading	181,761	186,750	194,915
Overseas Trip Expenses	-	-	282,370
	373,660	401,485	674,294
<i>Surplus for the year Locally raised funds</i>	237,517	113,620	284,346

4. International Student Revenue and Expenses

	2019 Actual Number	2019 Budget (Unaudited) Number	2018 Actual Number
International Student Roll	6	11	11
	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Revenue			
International student fees	113,998	108,250	148,175
Expenses			
Recruitment	14,159	18,800	16,871
International student levy	1,272	5,000	3,243
Employee Benefit - Salaries	2,930	3,000	2,182
Other Expenses	24,541	14,500	24,495
	42,902	41,300	46,791
<i>Surplus for the year International Students</i>	71,096	66,950	101,384

5. Learning Resources

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Curricular	267,397	327,250	293,629
Equipment repairs	73	-	100
Information and communication technology	59,429	52,300	70,431
Library resources	1,308	2,000	1,775
Employee benefits - salaries	3,529,231	3,743,994	3,540,157
Staff development	43,121	63,500	43,928
	<u>3,900,559</u>	<u>4,189,044</u>	<u>3,950,020</u>

6. Administration

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Audit Fee	6,536	4,200	5,614
Board of Trustees Fees	4,380	5,500	3,630
Board of Trustees Expenses	11,670	10,500	8,021
Communication	5,086	4,000	13,510
Consumables	14,174	11,900	12,912
Operating Lease	3,577	1,400	16,729
Other	28,750	26,150	16,540
Employee Benefits - Salaries	159,030	168,515	157,625
Insurance	23,613	28,000	19,731
Service Providers, Contractors and Consultancy	16,400	21,000	16,519
	<u>273,216</u>	<u>281,165</u>	<u>270,831</u>

7. Property

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Caretaking and Cleaning Consumables	22,908	17,710	19,023
Consultancy and Contract Services	52,504	46,100	52,436
Cyclical Maintenance Provision	27,498	21,000	27,651
Adjustment to the Provision	6,206	-	(29,610)
Grounds	21,822	30,200	23,495
Heat, Light and Water	60,651	60,500	61,456
Rates	1,885	2,000	1,465
Repairs and Maintenance	54,524	34,200	49,291
Use of Land and Buildings	971,844	1,018,187	1,018,187
Security	5,257	17,500	5,638
Employee Benefits - Salaries	134,741	127,750	143,824
	<u>1,359,840</u>	<u>1,375,147</u>	<u>1,372,856</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 of Property, Plant and Equipment

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Building Improvements	38,684	35,000	38,202
Furniture and Equipment	35,656	30,000	30,825
Information and Communication Technology	59,134	60,000	58,896
Motor Vehicles	11,712	15,000	14,404
Leased Assets	42,153	25,000	23,184
Library Resources	4,627	5,000	4,652
	<u>191,966</u>	<u>170,000</u>	<u>170,163</u>

9. Cash and Cash Equivalents

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Bank Current Account	785,669	848,621	831,504
Bank Call Account	1,004,621	-	40,117
Net cash and cash equivalents and bank overdraft for Cash Flow Statement	<u>1,790,290</u>	<u>848,621</u>	<u>871,621</u>

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

Of the \$1,790,290 Cash and Cash Equivalents, \$1,039,537 is held by the School on behalf of the Ministry of Education. These funds are required to be spent in 2020 on Crown owned school buildings under the School's Five Year Property Plan.

Of the \$1,790,290 Cash and Cash Equivalents, \$47,404 is held by the School on behalf of the ALLis cluster. See note 20 for details of how the funding received for the cluster has been spent in the year.

10. Accounts Receivable

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Receivables	13,103	11,462	11,462
Receivables from the Ministry of Education	-	888	888
Interest Receivable	12,921	14,479	14,479
Teacher Salaries Grant Receivable	227,523	226,240	226,240
	<u>253,547</u>	<u>253,069</u>	<u>253,069</u>
Receivables from Exchange Transactions	26,024	25,941	25,941
Receivables from Non-Exchange Transactions	227,523	227,128	227,128
	<u>253,547</u>	<u>253,069</u>	<u>253,069</u>

11. Inventories

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
School Uniforms	21,503	11,965	11,965
	<u>21,503</u>	<u>11,965</u>	<u>11,965</u>

12. Investments

The School's investment activities are classified as follows:

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Current Asset			
Short-term Bank Deposits	1,585,313	1,325,902	1,325,902
Non-current Asset			
Long-term Bank Deposits	37,255	-	-
Total Investments	<u>1,622,568</u>	<u>1,325,902</u>	<u>1,325,902</u>



13. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2019	\$	\$	\$	\$	\$	\$
Building Improvements	436,949	35,672	-	-	(38,684)	433,937
Furniture and Equipment	249,389	83,320	(5,492)	-	(35,656)	291,561
Information and Communication	116,868	65,561	-	-	(59,134)	123,295
Motor Vehicles	29,001	70,576	-	-	(11,712)	87,865
Leased Assets	139,417	12,359	-	-	(42,153)	109,623
Library Resources	32,562	5,255	(798)	-	(4,627)	32,392
Balance at 31 December 2019	1,004,186	272,743	(6,290)	-	(191,966)	1,078,673

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2019	\$	\$	\$
Building Improvements	921,689	(487,752)	433,937
Furniture and Equipment	1,437,637	(1,146,076)	291,561
Information and Communication	549,588	(426,293)	123,295
Motor Vehicles	194,590	(106,725)	87,865
Leased Assets	170,808	(61,185)	109,623
Library Resources	127,918	(95,526)	32,392
Balance at 31 December 2019	3,402,230	(2,323,557)	1,078,673

The net carrying value of equipment held under a finance lease is \$109,623 (2018: \$139,417)

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2018	\$	\$	\$	\$	\$	\$
Building Improvements	463,644	11,507	-	-	(38,202)	436,949
Furniture and Equipment	210,814	69,400	-	-	(30,825)	249,389
Information and Communication	105,831	69,933	-	-	(58,896)	116,868
Motor Vehicles	43,405	-	-	-	(14,404)	29,001
Leased Assets	96,686	176,767	(110,852)	-	(23,184)	139,417
Library Resources	33,595	5,099	(1,480)	-	(4,652)	32,562
Balance at 31 December 2018	953,975	332,706	(112,332)	-	(170,163)	1,004,186

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2018	\$	\$	\$
Building Improvements	886,016	(449,067)	436,949
Furniture and Equipment	1,377,405	(1,128,016)	249,389
Information and Communication	495,834	(378,966)	116,868
Motor Vehicles	125,750	(96,749)	29,001
Leased Assets	167,587	(28,170)	139,417
Library Resources	125,744	(93,182)	32,562
Balance at 31 December 2018	3,178,336	(2,174,150)	1,004,186

14. Accounts Payable

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Operating creditors	23,045	39,965	39,965
Accruals	5,253	6,467	6,467
Employee Entitlements - salaries	238,109	227,088	227,088
Employee Entitlements - leave accrual	23,027	31,020	31,020
	289,434	304,540	304,540
Payables for Exchange Transactions	289,434	304,540	304,540
	289,434	304,540	304,540

The carrying value of payables approximates their fair value.

15. Revenue Received in Advance

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
International Student Fees	11,130	28,870	28,870
Other	26,724	20,531	20,531
	<u>37,854</u>	<u>49,401</u>	<u>49,401</u>

16. Provision for Cyclical Maintenance

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Provision at the Start of the Year	244,208	244,208	246,167
Increase/ (decrease) to the Provision During the Year	27,498	-	27,651
Adjustment to the Provision	6,206	-	(29,610)
Use of the Provision During the Year	(7,310)	-	-
Provision at the End of the Year	<u>270,602</u>	<u>244,208</u>	<u>244,208</u>
Cyclical Maintenance - Current	-	8,182	8,182
Cyclical Maintenance - Term	<u>270,602</u>	<u>236,026</u>	<u>236,026</u>
	<u>270,602</u>	<u>244,208</u>	<u>244,208</u>

17. 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 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
No Later than One Year	47,844	50,753	50,753
Later than One Year and no Later than Five Years	81,449	119,946	119,946
	<u>129,293</u>	<u>170,699</u>	<u>170,699</u>

18. Funds Held in Trust

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Funds Held in Trust on Behalf of Third Parties - Current	96,495	31,765	31,765
	<u>96,495</u>	<u>31,765</u>	<u>31,765</u>

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



19. Funds Held for Capital Works

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

	2019	Opening Balances	Receipts from MoE	Payments	BOT Contribution	Closing Balances
		\$	\$	\$	\$	\$
Spouting Repair/Replace	In Progress	6,812	-	-	-	6,812
Pomahaka Block Upgrade	In Progress	2,335	1,014,782	19,039	-	998,078
Music/Drama Upgrade	Completed	(86,341)	182,106	94,865	(900)	-
Lab Gas/Electrical Upgrade	Completed	5,949	1,310	1,577	(5,682)	-
Security Alarm Upgrade	In Progress	14,197	-	13,774	-	423
Block F/K Rationalisation	In Progress	-	24,188	454	-	23,734
Boiler Scheduled Work	In Progress	-	10,490	-	-	10,490
Totals		(57,048)	1,232,876	129,709	(6,582)	1,039,537

Represented by:

Funds Held on Behalf of the Ministry of Education

1,039,537

1,039,537

	2018	Opening Balances	Receipts from MoE	Payments	BOT Contribution	Closing Balances
		\$	\$	\$	\$	\$
Spouting Repair/Replace	In Progress	6,812	-	-	-	6,812
Pomahaka Block Upgrade	In Progress	8,381	-	6,046	-	2,335
Music/Drama Upgrade	In Progress	(6,850)	21,069	100,560	-	(86,341)
Lab Gas/Electrical Upgrade	In Progress	7,549	-	1,600	-	5,949
Alarm Music Room/Old Gym	Completed	1,525	-	1,518	7	-
Security Alarm Upgrade	In Progress	-	14,197	-	-	14,197
Totals		17,417	35,266	109,724	7	(57,048)

20. Funds Held on Behalf of the ALLis Cluster

South Otago High School is the lead school and holds funds on behalf Asian Language Learning in School's Programme (ALLis).

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Funds Held at Beginning of the Year	84,095	84,095	21,373
Funds Received from MoE	-	-	254,544
Funds Spent on Behalf of the Cluster	(36,691)	-	(191,822)
Funds Held at Year End	47,404	84,095	84,095

South Otago High School signed a funding agreement with the Ministry in September 2016, for the set up & provision of Asian language teaching in the South Otago area. Cluster Schools include Balclutha School (3710), Clinton School (3723), Clutha Valley (3724), Milton School (3772), Romahapa School (3811), Rosebank School (Balclutha) (3812), Stirling School (3836), St Joseph's School (Balclutha) (3826), St Mary's School (Milton) (3831), The Catlins Area School (0394), Tokoiti School (3845), Tokomairiro High School (0392) and Waiwera South School (3858).



21. Related Party Transactions

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

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

22. Remuneration

Key management personnel compensation

Key management personnel of the School include all trustees of the Board, Principal, Deputy and Assistant Principals, Senior Leadership Support and Senior Staff Person.

	2019 Actual \$	2018 Actual \$
<i>Board Members</i>		
Remuneration	4,380	3,630
Full-time equivalent members	0.13	0.15
<i>Leadership Team</i>		
Remuneration	665,747	646,047
Full-time equivalent members	6.00	6.00
Total key management personnel remuneration	670,127	649,677
Total full-time equivalent personnel	6.13	6.15

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	150-160	140 - 150
Benefits and Other Emoluments	4-5	3 - 4
Termination Benefits	0 - 0	0 - 0

Other Employees

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

Remuneration \$000	2019 FTE Number	2018 FTE Number
100 -110	3.00	3.00
	3.00	3.00

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

23. Compensation and Other Benefits Upon Leaving

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

	2019 Actual		2018 Actual
Total	\$	-	\$ -
Number of People		-	-

24. Contingencies

There are no contingent liabilities (except as noted below) 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.

25. Commitments

(a) Capital Commitments

As at 31 December 2019 the Board has entered into a contract for Pomahaka Block upgrade with Cook Brothers.

(Capital commitments at 31 December 2018: nil)

(b) Operating Commitments

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

(a) operating lease of a photocopier;

	2019 Actual \$	2018 Actual \$
No later than One Year	19,000	1,900
Later than One Year and No Later than Five Years	-	19,000
	<u>19,000</u>	<u>20,900</u>

26. Managing Capital

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

27. Financial Instruments

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

Financial assets measured at amortised cost

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Cash and Cash Equivalents	1,790,290	848,621	871,621
Receivables	253,547	253,069	253,069
Investments - Term Deposits	1,622,568	1,325,902	1,325,902
Total Financial assets measured at amortised cost	<u>3,666,405</u>	<u>2,427,592</u>	<u>2,450,592</u>

Financial liabilities measured at amortised cost

Payables	289,434	304,540	304,540
Finance Leases	126,967	166,927	166,927
Total Financial liabilities measured at amortised Cost	<u>416,401</u>	<u>471,467</u>	<u>471,467</u>

28. Events After Balance Date

Impact from COVID-19

On the 11th March 2020, the World Health Organisation declared the outbreak of COVID-19 (a novel Coronavirus) a pandemic. Two weeks later, on the 26th 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 until 18 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.

29. 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:

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.

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.

Analysis of Variance Reporting

School Name:	South Otago High School	School Number:	393
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Strategic Aim:	Targeting student learning at Y9+10 through inquiry learning to raise the achievement for both at risk of not achieving and at risk of not reaching their full potential.				
Annual Aim:	Raising the numbers of students in Y9+10 who gain merit and excellence endorsements in their junior courses				
Target:	Year 10 cohort to maintain or improve the endorsement rate that they currently hold at Y9 (2018)				
Baseline Data:		Merit	Excellence	2018 prediction	
	2018 Y9	42	4	36M	4E
	2018 Y10	43	14	40 M	5 E
Outcome:		Merit	Excellence		
	2019 Y9	19 (prediction 30)	10 (prediction 5)		
	2019 Y10	48 (prediction 25)	13 (prediction 5)		

Analysis of Variance Reporting

Actions <i>What did we do?</i>	Outcomes <i>What happened?</i>	Reasons for the variance <i>Why did it happen?</i>	Evaluation <i>Where to next?</i>
<p>This year we have:</p> <ul style="list-style-type: none"> Focussed on mentoring for students with appropriate support for mentor staff Utilised profiles to target students and to support them attaining their potential Focussed on the teacher lead inquiry into what can be done to support individual student achievement Through mentoring provided clear information to student and whanau of progress towards individual targets 	<p>As can be seen from the table above there has been a significant shift in achievement for students. In all categories the shift has been such that we have exceeded our own expectations in all but one of the areas. (Y9 Merit)</p> <p>Where we have not achieved this may be because:</p> <ol style="list-style-type: none"> The data from contributing schools was not detailed and consistent so our predictions were flawed The target set was not realistic. 	<p>When we set our target at the start of 2019 we are basing our judgement on variable and inconsistent data provided by our contributing schools. In hindsight we would have been better to establish our goal once we have had the opportunity to gather our own data.</p> <p>The results are a reflection of a consistent approach across the school by staff.</p> <p>The use of professional learning groups which are led by SLT where the sharing of practice has been beneficial and has in effect enforced accountability of practice.</p> <p>For many teacher the inclusion of the inquiry has been benefit to the development of the appraisal documentation</p>	<p>As ERO identified during their visit in T2, 2018; the school has undergone significant change in the last three years and there is a need to embed the good practice. This will continue to be a focus of 2020.</p> <p>Whilst ideally we would set our targets mid mid-march once we have collated our own data this does not fit with the timeline for submission of the strategic plan. Therefore the plan for 2020 may well have modified targets established once we have collated our data.</p> <p>However, we have identified the need to further develop teacher practice in differentiated learning.</p>
<p>Planning for next year:</p> <p>Looking to 2020, we will modify this goal to better reflect the data we hold and that which is provided upon entry into the school. The school will look for support in differentiated learning within the classroom.</p>			

Strategic Aim:	Raising Merit and Excellence endorsement rates at NCEA L1, 2 and 3						
Annual Aim:	Raising Merit and Excellence endorsement rates at NCEA L1, 2 and 3 to at least the national mean in 2019. Also to raise the achievement rates of students gaining a vocational pathway endorsement at L2						
Target:	Students to gain endorsements at least equivalent to the national mean for similar decile Co-ed school						
Baseline Data:	NCEA Level	SOHS Endorsement Rate 2017	National Rate 2017	SOHS Endorsement Rate 2018	National Rate 2018	Expected minimum rate 2019	
	1	27.0%	53.0	31.5	54.8	50%	
	2	17.6%	39.9	17.1	41.7	30%	
	3	15.2%	42.2	19.0	42.0	25%	
		SOHS Vocational pathway endorsement rate 2018	SOHS Vocational pathway endorsement rate 2019	2019 Expected Vocational pathway endorsement rate			
NCEA L2		18% (Feb 2018) 29% (Oct 2018)	TBC	22%			

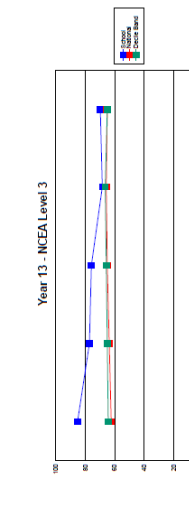
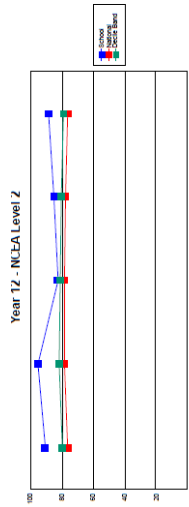
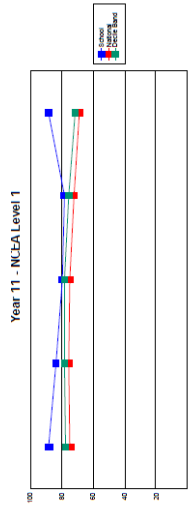
Outcome:		NCEA Level	SOHS Endorsement Rate 2019 NZQA Data	National endorsement rate	2019 Vocational pathway endorsement rate
		1	34.4	54.9	
		2	22.6	42.6	TBC
		3	17.8	43.1	

However: Further analysis has identified that our options that we provided to students may mean that they are automatically limited in their opportunity to gain an endorsement. As a school we have provided a significant number of opportunities for our senior students to follow vocational programmes which are Unit standard based assessments. In addition we have restricted students to 5 senior option subjects. Therefore, a student who has 4 out of 5 subjects which are achievement standard assessed must get about 70% of their credits at the endorsed rate. If the subject choices are analysed the endorsement rate changes significantly.

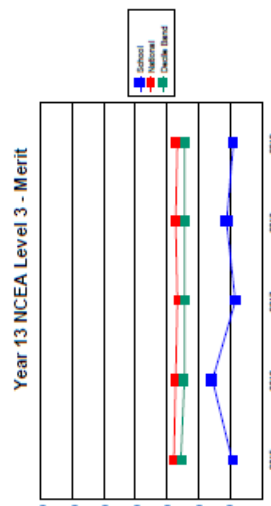
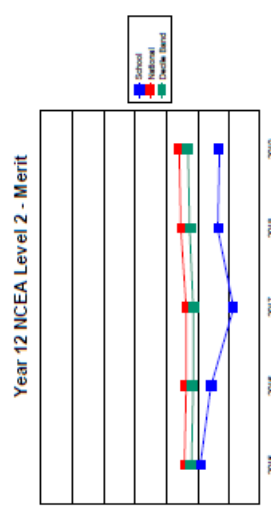
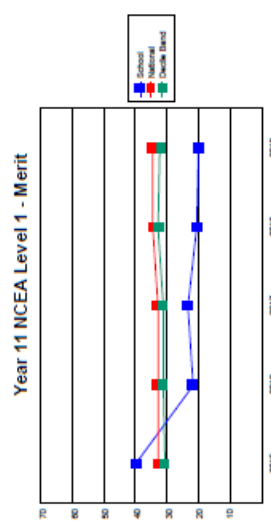
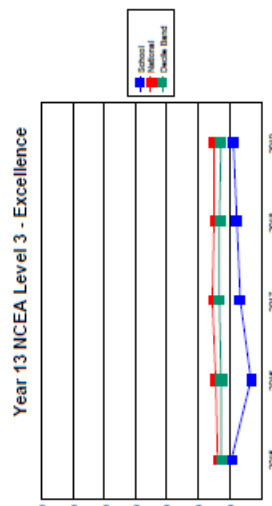
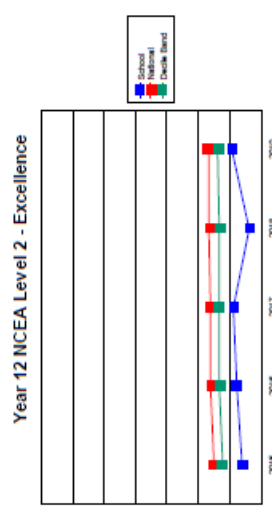
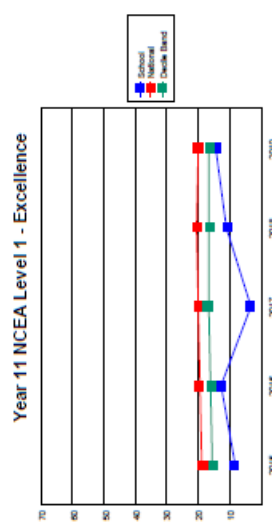
Comparison of this data against schools which provide a similar variety of options for student would provide a more consistent comparison. We already know that South Otago High School is the biggest user of the Secondary Tertiary Pathways Programme offered by Otago Polytechnic. This is reflective of the destinations for our students.

	NCEA L1	NCEA L2	NCEA L3
Whole cohort	29	17.5	13.5
Studying 5 A. Std courses	24	15.4	8.5
Studying 4 A. Std courses	5	2.1	5
Studying less than 4 A. Std courses	0	0	0

NB: figure in brackets is the number within the cohort



Overall achievement has seen a positive shift, particularly at NCEA L1 which is followed by lifts at L2 and L3



Merit and excellence achievement rates show a positive shift consistently at Excellence for NCEA L1-3 but a plateau for Merit at L1-3

Analysis of Variance Reporting

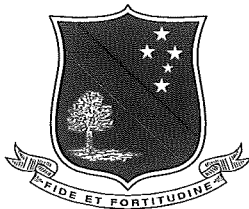


Actions <i>What did we do?</i>	Outcomes <i>What happened?</i>	Reasons for the variance <i>Why did it happen?</i>	Evaluation <i>Where to next?</i>
<ul style="list-style-type: none"> Start of the year senior students went through a course confirmation interview with parent/whanau. Students asked to identify goals for the year. Mentors worked with students to define goals Monitoring and discussion with mentor to ensure students remained on track to achievement of goals Conferencing with parent/whanau during the year to discuss progress and next steps. Introduction of live reporting to provide parent/ whanau with up to date information of progress and next steps Departments incorporating school strategic goals into department planning 	<ul style="list-style-type: none"> Fewer students required for call back at the end of the year to gain credits for NCEA Students in more control of their learning and progress There has been an increase in the percentage of students gaining an endorsement but the lift has not been as great as we would like 	<ul style="list-style-type: none"> Students have better understanding of their next steps Concerns raised with students regarding their willingness to attempt exams/ external assessed standards Culture of 'Achieved is OK' Still some students who do not see the benefit of an endorsement Students better understood where their learning and achievement was at during the year. Conscientious students willing to put time and effort in to gain excellence. For some this may have been a shift from M to E 	<ul style="list-style-type: none"> Need to embed current changes. This is the second year of mentoring and there is progress still to be made as senior students only have two years of experience. Celebrate change in trend to seeing improved achievement across NCEA generally without the need to 'coerced' call backs and the need for 'holiday' programmes These areas for development are suggested in the knowledge that there are changes to NCEA due in 2020/21 and this will impact upon what we offer and how we support our students. Develop a culture of excellence to lift student achievement from A to M and continue with the shift from M to E
Planning for next year:			

The school needs to embed and refine the mentoring programme to best meet the needs of all students

Strategic Aim:	Raising student achievement in writing at Y9 and Y10 In particular Maori students and boys.																																	
Annual Aim:	Raising student achievement in writing with a particular emphasis in improving Maori boys writing. The aim to set students up so that they can be successful in their future education and not be disadvantaged in their future studies																																	
Target:	For Year 9 students the target will be to raise this to the achievement of all students and for at least 80% to be at curriculum level 4A For Year 10 students the target will be to raise this to the achievement of all students and for at least 80% to be at curriculum level 5P																																	
Baseline Data:	2018 data (as %) <table><tr><td></td><td>> =3B</td><td>3P</td><td>3A</td><td>4B</td><td>4P</td><td>4A</td><td>5B</td><td>5P</td><td>5A</td><td>6B+</td></tr><tr><td>Year 9</td><td>34</td><td>16</td><td>11</td><td>12</td><td>13</td><td>4</td><td>6</td><td>4</td><td></td><td></td></tr><tr><td>Year 10</td><td>8</td><td>6</td><td>10</td><td>1</td><td>11</td><td>25</td><td>18</td><td>13</td><td>6</td><td>3</td></tr></table>		> =3B	3P	3A	4B	4P	4A	5B	5P	5A	6B+	Year 9	34	16	11	12	13	4	6	4			Year 10	8	6	10	1	11	25	18	13	6	3
	> =3B	3P	3A	4B	4P	4A	5B	5P	5A	6B+																								
Year 9	34	16	11	12	13	4	6	4																										
Year 10	8	6	10	1	11	25	18	13	6	3																								
Outcome:	2019 data (as %) <table><tr><td></td><td>> =3B</td><td>3P</td><td>3A</td><td>4B</td><td>4P</td><td>4A</td><td>5B</td><td>5P</td><td>5A</td><td>6B+</td></tr><tr><td>Year 9</td><td>6</td><td>7</td><td>10</td><td>12</td><td>25</td><td>16</td><td>10</td><td>9</td><td>3</td><td></td></tr><tr><td>Year 10</td><td>4</td><td>2</td><td>5</td><td>7</td><td>0</td><td>5</td><td>20</td><td>30</td><td>14</td><td>12</td></tr></table>		> =3B	3P	3A	4B	4P	4A	5B	5P	5A	6B+	Year 9	6	7	10	12	25	16	10	9	3		Year 10	4	2	5	7	0	5	20	30	14	12
	> =3B	3P	3A	4B	4P	4A	5B	5P	5A	6B+																								
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Actions <i>What did we do?</i>	Outcomes <i>What happened?</i>	Reasons for the variance <i>Why did it happen?</i>	Evaluation <i>Where to next?</i>
<ul style="list-style-type: none"> Targeted work with CoL WST's Departmental awareness of literacy demands Discussion at HoD level of what works and next steps Departments incorporating school strategic goals into department planning 	<ul style="list-style-type: none"> Lift in literacy levels was significant and we have a shift in student performance that see many above the national 'bell curve' for achievement. Greater awareness of demands of literacy requirements and the need to remove this as a barrier to success for students 	<ul style="list-style-type: none"> The target that was established was too extreme and we would have been looking at being at or better than a normal distribution. Had this be done we would have seen that many of our students performed better than national statistics. Eg 41% of Y9 exceed the national distribution with 23% below expected level of achievement. Then, 56% at Y10 exceed the national distribution with 24% below expected level of achievement Targeted work to develop literacy strategies and where to next 	<ul style="list-style-type: none"> Further embed good practice Be more consistent with departmental development Identify a key person with in each curriculum area to develop literacy progressions for the curriculum area/ department Development of literacy not to be confined/ limited to curriculum development. Greater understanding of the literacy requirements for different curriculum areas.
Planning for next year:			
<p>Looking to 2020 we are looking at developing student literacy skills by working at curriculum area levels where the use and development of literacy skills are developed to meet the needs of each curriculum area. This will also lead to a discussion on commonalities and how these can be taught so that there can be a consistent approach. It should be noted that the results generated by Y9 are an excellent foundation for what can be achieved by this cohort as they progress into Y10</p> <p>The school is also going to review and develop its own systems to encourage and develop a love of reading.</p>			



SOUTH OTAGO HIGH SCHOOL

31st December 2019

Re: Kiwisport Funding 2019

Kiwisport is a Government funding initiative to support students' participation in organised sport. During 2019 the school received total Kiwisport funding of \$10,171.96 (excluding GST). The funding was spent on the employment of a Sports Coordinator who is employed for 25 hours per week during term time.

MIKE WRIGHT
Principal

INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF SOUTH OTAGO HIGH SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

The Auditor-General is the auditor of South Otago High School (the School). The Auditor-General has appointed me, Aaron Higham, using the staff and resources of BDO Invercargill, 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 3 to 20, 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 2nd June 2020. 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.

Emphasis of Matter - COVID-19

Without modifying our opinion, we draw attention to the disclosures in note 28 on page 20 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.

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, kiwisport paragraph and BOT listing included on pages 21 to 29 and page 2 respectively, 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.



Aaron Higham
BDO Invercargill
On behalf of the Auditor-General
Invercargill, New Zealand