

ALBANY JUNIOR HIGH SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

School Directory

Ministry Number:	6948
Principal:	Stephen Kendall-Jones
School Address:	Appleby Road, Albany
School Postal Address:	P O Box 303269, North Harbour, Auckland, 0751
School Phone:	09 415 5473
School Email:	office@ajhs.school.nz

Members of the Board of Trustees

Name	Position	How Position Gained	Term Expires/ Expired
Jeff Stangl	Chairperson	Elected	Nov 2020
Stephen Kendall-Jones	Principal	ex Officio	
Lisa Compton	Parent Rep	Elected	Jun 2022
Fran Dowson	Parent Rep	Elected	Jun 2022
Chris Ward	Parent Rep	Elected	Jun 2019
Stephen Williams	Parent Rep	Elected	Aug 2019
Cristina Casey	Parent Rep	Elected	Nov 2022
Trish Ripi	Parent Rep	Elected	Jun 2022
Stuart Tabuteau	Parent Rep	Elected	Jun 2022
Ian Tagg	Staff Rep	Elected	Jun 2019
Lisa Lumsden	Staff Rep	Elected	Jun 2022

Accountant / Service Provider:	Education Services Ltd
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ALBANY JUNIOR HIGH SCHOOL

Annual Report - For the year ended 31 December 2019

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Albany Junior 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 reflects the financial position and operations of the school.

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

Jeffrey Stange
Full Name of Board Chairperson

[Signature]
Signature of Board Chairperson

29/07/2020
Date:

STEPHEN KENDALL-JONES
Full Name of Principal

SK [Signature]
Signature of Principal

29/07/2020
Date:

Albany Junior High School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2019

		2019	2019	2018
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
Revenue				
Government Grants	2	10,894,859	8,794,702	11,029,069
Locally Raised Funds	3	1,460,012	1,464,486	1,341,076
Interest income		9,108	17,225	15,937
Gain on Sale of Property, Plant and Equipment		-	-	26
International Students	4	1,001,116	831,044	982,761
		<u>13,365,095</u>	<u>11,107,457</u>	<u>13,368,869</u>
Expenses				
Locally Raised Funds	3	630,192	693,171	595,834
International Students	4	383,206	333,526	338,703
Learning Resources	5	7,763,339	6,484,415	7,748,608
Administration	6	1,088,538	774,498	782,713
Finance		3,785	-	4,084
Property	7	3,565,351	2,709,045	3,593,034
Depreciation	8	134,059	112,802	164,931
		<u>13,568,470</u>	<u>11,107,457</u>	<u>13,227,907</u>
Net Surplus / (Deficit) for the year		(203,375)	-	140,962
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>(203,375)</u>	<u>-</u>	<u>140,962</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.

Albany Junior High School

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2019

	Notes	Actual 2019 \$	Budget (Unaudited) 2019 \$	Actual 2018 \$
Balance at 1 January		10,205	(134,272)	(130,757)
Total comprehensive revenue and expense for the year		(203,375)	-	140,962
Capital Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		20,717	-	-
Adjustment to Accumulated surplus/(deficit) from adoption of PBE IFRS 9		-	-	-
Equity at 31 December	24	(172,453)	(134,272)	10,205
Retained Earnings		(172,453)	(134,272)	10,205
Equity at 31 December		(172,453)	(134,272)	10,205

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.

Albany Junior 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	1,266,910	700,211	745,474
Accounts Receivable	10	477,210	410,855	488,572
Prepayments		8,199	12,648	10,449
Inventories	11	35,294	65,729	55,083
		<u>1,787,613</u>	<u>1,189,443</u>	<u>1,299,578</u>
Current Liabilities				
GST Payable		113,978	76,334	46,697
Accounts Payable	13	959,763	513,820	840,233
Revenue Received in Advance	14	618,965	656,385	514,169
Provision for Cyclical Maintenance	15	90,714	202,245	149,500
Finance Lease Liability - Current Portion	16	19,330	45,795	23,160
Funds held in Trust	17	146,188	148,160	159,357
Funds held for Capital Works Projects	18	497,181	-	530
		<u>2,446,119</u>	<u>1,642,739</u>	<u>1,733,646</u>
Working Capital Surplus/(Deficit)		<u>(658,506)</u>	<u>(453,296)</u>	<u>(434,068)</u>
Non-current Assets				
Property, Plant and Equipment	12	587,164	372,010	565,314
		<u>587,164</u>	<u>372,010</u>	<u>565,314</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	15	88,782	6,885	107,500
Finance Lease Liability	16	12,329	46,101	13,541
		<u>101,111</u>	<u>52,986</u>	<u>121,041</u>
Net Assets		<u>(172,453)</u>	<u>(134,272)</u>	<u>10,205</u>
Equity		<u>(172,453)</u>	<u>(134,272)</u>	<u>10,205</u>

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

Albany Junior High School
Statement of Cash Flows
For the year ended 31 December 2019

		2019	2019	2018
	Note	Actual \$	Budget (Unaudited) \$	Actual \$
Cash flows from Operating Activities				
Government Grants		1,873,688	1,846,554	1,752,146
Locally Raised Funds		1,538,633	1,346,833	1,337,062
International Students		1,066,647	831,044	838,131
Goods and Services Tax (net)		67,281	-	(29,637)
Payments to Employees		(2,249,492)	(1,696,024)	(1,851,816)
Payments to Suppliers		(2,199,631)	(2,391,117)	(1,974,191)
Cyclical Maintenance Payments in the year		(3,423)	-	-
Interest Paid		(3,785)	-	(4,084)
Interest Received		9,049	17,225	15,937
Net cash from Operating Activities		98,967	(45,485)	83,548
Cash flows from Investing Activities				
Purchase of PPE (and Intangibles)		(149,691)	(194,713)	(231,878)
Net cash from Investing Activities		(149,691)	(194,713)	(231,878)
Cash flows from Financing Activities				
Furniture and Equipment Grant		20,717	-	-
Finance Lease Payments		(9,726)	-	(57,052)
Funds Administered on Behalf of Third Parties		(13,169)	-	11,197
Funds Held for Capital Works Projects		574,338	-	(750)
Net cash from Financing Activities		572,160	-	(46,605)
Net increase/(decrease) in cash and cash equivalents		521,436	(240,198)	(194,935)
Cash and cash equivalents at the beginning of the year	9	745,474	940,409	940,409
Cash and cash equivalents at the end of the year	9	1,266,910	700,211	745,474

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.

Albany Junior High School

Notes to the Financial Statements

For the year ended 31 December 2019

1. Statement of Accounting Policies

a) Reporting Entity

Albany Junior 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.

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 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 12.

Cyclical Maintenance Provision

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 15.

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) Inventories

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

j) Investments

Bank term deposits 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.

k) Property, Plant and Equipment

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

Improvements to buildings owned by the Crown are recorded at cost, less accumulated depreciation and impairment losses.

Property, plant and equipment are recorded at cost or, in the case of donated assets, fair value at the date of receipt, less accumulated depreciation and impairment losses. Cost or fair value as the case may be, includes those costs that relate directly to bringing the asset to the location where it will be used and making sure it is in the appropriate condition for its intended use.

Property, plant and equipment acquired with individual values under \$500 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	5-10 Years
Furniture and Equipment	5-10 Years
Information and Communication	5 Years
Motor Vehicles	5 Years
Textbooks	8 Years
Library Resources	12.5% DV
Leased assets are depreciated over the life of the lease.	

l) 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.

m) Accounts Payable

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

n) Employee Entitlements

Short-term employee entitlements

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

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

Long-term employee entitlements

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

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

o) 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.

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) Shared Funds

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

r) 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).

s) 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.

t) 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.

u) 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.

v) Budget Figures

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

w) 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	1,740,827	1,709,538	1,655,392
Teachers' Salaries Grants	5,784,998	4,638,148	5,901,402
Use of Land and Buildings Grants	3,180,052	2,310,000	3,319,913
Resource Teachers Learning and Behaviour Grants	3,881	500	481
Other MoE Grants	152,226	131,816	149,437
Other Government Grants	32,875	4,700	2,444
	<u>10,894,859</u>	<u>8,794,702</u>	<u>11,029,069</u>

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	225,124	248,320	198,727
Bequests & Grants	870	-	-
Activities	786,610	788,132	737,909
Trading	259,099	290,381	268,869
Fundraising	58,724	20,000	8,827
Other Revenue	129,585	117,653	126,744
	<u>1,460,012</u>	<u>1,464,486</u>	<u>1,341,076</u>
Expenses			
Activities	393,277	478,186	391,274
Trading	198,445	213,985	203,269
Fundraising (Costs of Raising Funds)	38,470	1,000	1,291
	<u>630,192</u>	<u>693,171</u>	<u>595,834</u>
<i>Surplus for the year Locally raised funds</i>	<u>829,820</u>	<u>771,315</u>	<u>745,242</u>

4. International Student Revenue and Expenses

	2019 Actual Number	2019 Budget (Unaudited) Number	2018 Actual Number
International Student Roll	61	61	65
	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Revenue			
International Student Fees	1,001,116	831,044	982,761
Expenses			
Advertising	80,554	85,500	69,870
Commissions	102,543	79,308	84,128
International student levy	21,793	-	22,660
Employee Benefit - Salaries	157,996	150,218	152,675
Other Expenses	20,320	18,500	9,370
	<u>383,206</u>	<u>333,526</u>	<u>338,703</u>
<i>Surplus for the year International Students'</i>	<u>617,910</u>	<u>497,518</u>	<u>644,058</u>

5. Learning Resources

	2019	2019 Budget (Unaudited)	2018
	Actual		Actual
	\$	\$	\$
Curricular	394,437	392,156	394,167
Library Resources	7,722	5,825	8,544
Employee Benefits - Salaries	7,162,677	5,820,432	7,120,401
Staff Development	27,196	19,858	20,043
Information & Communication Technology	171,307	246,144	205,453
	<u>7,763,339</u>	<u>6,484,415</u>	<u>7,748,608</u>

6. Administration

	2019	2019 Budget (Unaudited)	2018
	Actual		Actual
	\$	\$	\$
Audit Fee	11,226	12,500	24,388
Board of Trustees Fees	3,515	5,000	6,861
Board of Trustees Expenses	11,023	3,066	758
Communication	24,861	28,500	29,799
Consumables	65,846	71,000	71,955
Other	119,012	138,404	71,726
Employee Benefits - Salaries	825,146	494,528	553,012
Insurance	14,856	14,000	17,714
Service Providers, Contractors and Consultancy	13,053	7,500	6,500
	<u>1,088,538</u>	<u>774,498</u>	<u>782,713</u>

7. Property

	2019	2019 Budget (Unaudited)	2018
	Actual		Actual
	\$	\$	\$
Caretaking and Cleaning Consumables	34,037	28,834	28,738
Cyclical Maintenance Expense	(74,081)	(36,000)	(277,206)
Grounds	24,851	22,611	22,056
Heat, Light and Water	162,680	149,375	151,521
Rates	55	157	131
Repairs and Maintenance	43,738	90,098	128,413
Use of Land and Buildings	3,180,052	2,310,000	3,319,913
Security	9,866	9,318	10,132
Employee Benefits - Salaries	70,175	19,212	94,099
Consultancy And Contract Services	113,978	115,440	115,237
	<u>3,565,351</u>	<u>2,709,045</u>	<u>3,593,034</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 Budget (Unaudited)	2018
	Actual		Actual
	\$	\$	\$
Building Improvements	3,700	1,523	2,227
Furniture and Equipment	46,978	59,798	87,431
Information and Communication Technology	40,056	21,428	31,330
Motor Vehicles	2,974	1,083	1,584
Textbooks	28	2,716	3,971
Leased Assets	29,461	18,130	26,509
Library Resources	10,862	8,124	11,879
	<u>134,059</u>	<u>112,802</u>	<u>164,931</u>

9. Cash and Cash Equivalents

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Cash on Hand	850	-	850
Bank Current Account	464,349	6,001	97,758
Bank Call Account	601,711	694,210	646,866
Short-term Bank Deposits	200,000	-	-
Cash equivalents for Cash Flow Statement	<u>1,266,910</u>	<u>700,211</u>	<u>745,474</u>

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

Of the \$1,266,910 Cash and Cash Equivalents, \$521,916 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.

10. Accounts Receivable

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Receivables	14,551	54,074	53,907
Interest Receivable	59	-	-
Teacher Salaries Grant Receivable	462,600	356,781	434,665
	<u>477,210</u>	<u>410,855</u>	<u>488,572</u>
Receivables from Exchange Transactions	14,610	54,074	53,907
Receivables from Non-Exchange Transactions	462,600	356,781	434,665
	<u>477,210</u>	<u>410,855</u>	<u>488,572</u>

11. Inventories

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Uniforms	35,294	65,729	55,083
	<u>35,294</u>	<u>65,729</u>	<u>55,083</u>

12. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
	\$	\$	\$	\$	\$	\$
2019						
Building Improvements	93,542	30,064	-	-	(3,700)	119,906
Furniture and Equipment	231,207	29,759	-	-	(46,978)	213,987
Information and Communication Technology	109,734	65,284	-	-	(40,056)	134,962
Motor Vehicles	13,650	-	-	-	(2,974)	10,676
Textbooks	-	361	-	-	(28)	333
Leased Assets	33,907	24,119	-	-	(29,461)	28,565
Library Resources	83,274	6,323	-	-	(10,862)	78,735
Balance at 31 December 2019	565,314	155,910	-	-	(134,059)	587,164

	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$
2019			
Building Improvements	131,313	(11,407)	119,906
Furniture and Equipment	945,044	(731,057)	213,987
Information and Communication Technology	253,419	(118,457)	134,962
Motor Vehicles	20,369	(9,693)	10,676
Textbooks	73,112	(72,779)	333
Leased Assets	85,045	(56,480)	28,565
Library Resources	347,407	(268,672)	78,735
Balance at 31 December 2019	1,855,709	(1,268,545)	587,164

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
	\$	\$	\$	\$	\$	\$
2018						
Building Improvements	39,828	55,941	-	-	(2,227)	93,542
Furniture and Equipment	217,461	101,178	-	-	(87,431)	231,208
Information and Communication Technology	70,797	70,266	-	-	(31,330)	109,733
Motor Vehicles	367	14,869	-	-	(1,584)	13,650
Textbooks	3,971	-	-	-	(3,971)	-
Leased Assets	41,630	19,456	(671)	-	(26,509)	33,907
Library Resources	87,629	7,523	-	-	(11,879)	83,274
Balance at 31 December 2018	461,683	269,233	(671)	-	(164,931)	565,314

	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$
2018			
Building Improvements	101,249	(7,707)	93,542
Furniture and Equipment	915,285	(684,077)	231,208
Information and Communication Technology	188,136	(78,403)	109,733
Motor Vehicles	20,368	(6,718)	13,650
Textbooks	72,751	(72,751)	-
Leased Assets	82,447	(48,540)	33,907
Library Resources	341,084	(257,810)	83,274
Balance at 31 December 2018	1,721,320	(1,156,006)	565,314

13. Accounts Payable

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Operating Creditors	405,907	99,273	335,937
Accruals	11,226	14,368	13,118
Employee Entitlements - Salaries	462,600	356,781	434,665
Employee Entitlements - Leave Accrual	80,030	43,398	56,513
	<u>959,763</u>	<u>513,820</u>	<u>840,233</u>
Payables for Exchange Transactions	959,763	513,820	840,233
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	<u>959,763</u>	<u>513,820</u>	<u>840,233</u>

The carrying value of payables approximates their fair value.

14. Revenue Received in Advance

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
International Students Tuition Fees	548,045	656,385	482,514
Revenue Received In Advance	70,920	-	31,655
	<u>618,965</u>	<u>656,385</u>	<u>514,169</u>

15. Provision for Cyclical Maintenance

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Provision at the Start of the Year	257,000	245,130	534,206
Increase to the Provision During the Year	-	(36,000)	18,876
Adjustment to the Provision	(74,081)	-	(296,082)
Use of the Provision During the Year	(3,423)	-	-
Provision at the End of the Year	<u>179,496</u>	<u>209,130</u>	<u>257,000</u>
Cyclical Maintenance - Current	90,714	202,245	149,500
Cyclical Maintenance - Term	88,782	6,885	107,500
	<u>179,496</u>	<u>209,130</u>	<u>257,000</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 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
No Later than One Year	21,289	45,795	23,160
Later than One Year and no Later than Five Years	13,024	46,101	13,541
	<u>34,313</u>	<u>91,896</u>	<u>36,701</u>

17. Funds held in Trust

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Funds Held in Trust on Behalf of Third Parties - Current	146,188	148,160	159,357
Funds Held in Trust on Behalf of Third Parties - Non-current	-	-	-
	<u>146,188</u>	<u>148,160</u>	<u>159,357</u>

These funds are held where the school is agent for representative amounts and therefore these are not included in the Statement of Comprehensive Revenue and Expense.

18. Funds Held (Owed) for Capital Works Projects

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/ (Write-off to R&M)	Closing Balances \$
10 Year PP	<i>completed</i>	530	-	(530)	-	-
Replacement HVAC System	<i>in progress</i>	-	372,435	(165,560)	-	206,875
Gym Flood Repairs	<i>in progress</i>	-	4,873	(4,873)	-	-
Lifts	<i>in progress</i>	-	-	(24,735)	-	(24,735)
Window Actuators	<i>in progress</i>	-	8,991	-	-	8,991
Gym Hot Water Repairs	<i>in progress</i>	-	8,550	-	-	8,550
Wall Linings	<i>in progress</i>	-	300,000	(2,500)	-	297,500
Totals		<u>530</u>	<u>694,849</u>	<u>(198,198)</u>	<u>-</u>	<u>497,181</u>

Represented by:

Funds Held on Behalf of the Ministry of Education	521,916
Funds Due from the Ministry of Education	(24,735)
	<u>497,181</u>

	2018	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution/ (Write-off to R&M)	Closing Balances \$
10 Year PP	<i>in progress</i>	1,280	-	(750)	-	530
Totals		<u>1,280</u>	<u>-</u>	<u>(750)</u>	<u>-</u>	<u>530</u>

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	3,515	6,861
Full-time equivalent members	0.11	0.15
<i>Leadership Team</i>		
Remuneration	678,078	657,343
Full-time equivalent members	5.67	5.96
Total key management personnel remuneration	681,593	664,204
Total full-time equivalent personnel	5.78	6.11

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	160 - 170	160 - 170
Benefits and Other Emoluments	4 - 5	4 - 5
Termination Benefits	-	-

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	4.00	2.00
	4.00	2.00

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	-	-
Number of People	-	-

22. 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.

23. Commitments

(a) Capital Commitments

There are no capital commitments as at 31 December 2019 (Capital commitments at 31 December 2018: nil).

(b) Operating Commitments

There are no operating commitments as at 31 December 2019 (Operating commitments at 31 December 2018: nil).

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	1,266,910	700,211	745,474
Receivables	477,210	410,855	488,572
Investments - Term Deposits	-	-	-

Total Financial assets measured at amortised cost

1,744,120	1,111,066	1,234,046
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Financial liabilities measured at amortised cost

Payables	959,763	513,820	840,233
Borrowings - Loans	-	-	-
Finance Leases	31,659	91,896	36,701
Painting Contract Liability	-	-	-

Total Financial Liabilities Measured at Amortised Cost

991,422	605,716	876,934
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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. The school will continue to receive funding from the Ministry of Education, even while closed. However, economic uncertainties have arisen which are likely to negatively affect the operations and services of the school. We describe below the possible effects on the school that we have identified, resulting from the COVID-19 pandemic:

- A reduction in revenue from student fees & charges from International students, including the potential loss of current and prospective students due to the disruption and/or pressures created by COVID-19.

Because of the matters noted above, the school has experienced a significant reduction in expected revenue and has not been able to reduce its costs as quickly (or experienced significant additional costs not budgeted for). As a result the school is experiencing financial difficulties. As explained in Note 28 to the financial statements, the Ministry of Education has provided the school with a letter of support to ensure it can meet its obligations as they fall due.

27. Comparatives

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

28. Going Concern

The Ministry of Education considers Albany Junior High School to be essential to the network and will continue to provide resourcing (via teacher salaries, operational funding and support funding if necessary) for the foreseeable future.

The Ministry is aware of some financial concerns regarding a negative working capital of \$658,506 and will continue to work with the school regarding these matters.

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:

- 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 9 Cash and Cash Equivalents:

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.

30. Breach of Law - Statutory Reporting

The Board of Trustees has failed to comply with section 87 of the Education Act 1989, as the Board were unable to provide their audited financial statements to the Ministry of Education by 31 May 2020. The disruption caused by the Covid-19 restrictions, including the closure of the school, meant that the audit could not progress as planned. This resulted in the school missing the statutory deadline.

Analysis of Variance Report 2019

Albany Junior High School

6948

Analysis of Variance Reporting for 2019

School Name:	Albany Junior High School	School Number:	6948
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READING and WRITING

Strategic Aim:	Improve outcomes for all students; particularly Maori, Pasifika, low SES, and students with high learning needs in English Language, to the extent that all students are word rich and can access all curriculum areas' literacy requirements.
Annual Aim:	To increase the number of students who are achieving at or above expected curriculum levels for Reading and Writing, with a particular focus on Maori and Pasifika students.
Target:	<p>READING TARGETS FOR 2019 (% achieving the expected curriculum level of each year)</p> <ul style="list-style-type: none"> • Year 7 - 72% • Year 8 - 80% • Maori Y7 - 65% • Maori Y8 - 75% • Year 7 boys – 70% • Year 8 boys – 70% • Year 7 girls – 76% • Year 8 girls – 85% <p>WRITING TARGETS FOR 2019</p> <ul style="list-style-type: none"> • Year 7 - 68% • Year 8 - 70% • Maori Y7 - 65% • Maori Y8 - 68% • Year 7 boys – 65% • Year 8 boys – 70% • Year 7 girls – 70% • Year 8 girls – 75%

Baseline Data:

Reading - At the end of 2018, the following percentages of students were at the required curriculum levels:

- Year 7 - 80%
- Year 8 - 84%
- Maori Y7 - 77%
- Maori Y8 - 90%
- Year 7 boys – 70%
- Year 8 boys – 79%
- Year 7 girls – 82%
- Year 8 girls – 87%

Writing - At the end of 2018, the following percentages of students were at the required curriculum levels:

- Year 7 - 61%
- Year 8 - 82%
- Maori Y7 - 63%
- Maori Y8 - 90%
- Year 7 boys – 51%
- Year 8 boys – 72%
- Year 7 girls – 71%
- Year 8 girls – 86%

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"> Utilised the use of the 'Write That Essay' academic essay writing application. Explored the needs of foundation literacy. Identified Maori and Pacifica students with low diagnostic scores, placed them on a data wall and shared with teachers for inquiry. Work with ESOL department to embed into units to improve ESOL student results. 	<p>READING:</p> <ul style="list-style-type: none"> ✓ Year 7 - 74% ✓ Year 8 - 80% ✓ Maori Y7 – 68 % ✓ Maori Y8 - 77% × Year 7 boys – 66% ✓ Year 8 boys – 74% ✓ Year 7 girls – 79% ✓ Year 8 girls – 86% <p>WRITING</p> <ul style="list-style-type: none"> ✓ Year 7 - 63% ✓ Year 8 - 75% ✓ Maori Y7 – 61% ✓ Maori Y8 – 68% × Year 7 boys – 55% ✓ Year 8 boys – 71% ✓ Year 7 girls – 74% ✓ Year 8 girls – 80% 	<ul style="list-style-type: none"> Increasing numbers of ESOL students are affecting the Y7 results adversely (ESOL are included in results but not ORRS funded students). Literacy outcomes are seen to be the responsibility of the Year 7, 8, and English faculties and there is a lack of a whole school understanding of literacy. Year 7 entry testing using CEM assessment was analysed and showed increased low literacy attainment on entry. 	<ul style="list-style-type: none"> Literacy as a whole school focus: Literacy teacher first and subject teacher second. Employ outside expertise for consistent use of the Assessment Waterfall (Fullan and Sharrat) as AJHS teaching protocol. Using information provided by CEM, e-asTTle, and PATs to identify target learners and areas for improvement. Enter these on a data wall built by faculties for each area. Whole school data wall for students with difficulties across learning areas. Establish Case Management Meetings (CMMs) for each student on the data wall plus those of concern of teachers with specific monitoring and support of boys at the cusp and below, including the Maori students who are not achieving at the expected levels. Use Learning Progressions to make learning expectations clear and visible to teachers, students, and parents. Greater collaboration, moderation and cross marking for all assessments. Increase collaboration with the parent and whanau community to engage in learning at home as well as school. Use and embed the 'Write That Essay' literacy programme (including the online tool) to build confidence in writing, particularly in boys. Improvement in the number of ESOL students attaining at least Level 2 Reading and writing through specialist sessions Focus on Literacy across all curriculum areas at all year levels (Literacy Across The School initiative)

Mathematics

Strategic Aim:	Improve outcomes for all students, particularly Maori, Pasifika, and students with high learning needs in Mathematics, to the extent that all students may access all curriculum areas' numerical requirements.
Annual Aim:	<p>To lift the number knowledge and application of Y7 and Y8 students and thereby increase the number of students being at or above the expected curriculum levels for each year level.</p> <p>To increase the number of Maori and Pasifika students who are achieving the expected curriculum level or beyond.</p>
Target:	<p>MATHEMATICS TARGETS FOR 2020 (% achieving the expected curriculum level of each year)</p> <ul style="list-style-type: none"> • Year 7 - 70% • Year 8 - 74% • Year 7 Maori - 60% • Year 8 Maori - 74% • Year 7 boys - 75% • Year 8 boys - 80% • Year 7 girls - 65% • Year 8 girls - 65%
Baseline Data:	<p>Baseline data: At the end of 2019</p> <ul style="list-style-type: none"> • Year 7 - 70% • Year 8 - 80% • Year 7 Maori - 53% • Year 8 Maori - 71% • Year 7 boys - 78% • Year 8 boys - 81% • Year 7 girls - 63% • Year 8 girls - 78%

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"> • Teach basic skills by targeted teaching. • Moved students between levelled classes to meet personalised goals. • Reflective practise by teachers to improve learning outcomes • Setting goals with Maori and Pasifika students who have low diagnostic scores. • Share these goals and any successes with wider whanau 	<ul style="list-style-type: none"> ✓ Year 7 - 71% ✓ Year 8 - 79% ✓ Maori Y7 – 68% ✓ Maori Y8 – 78% × Year 7 boys – 72% ✓ Year 8 boys – 80% ✓ Year 7 girls – 67% ✓ Year 8 girls – 74% 	<ul style="list-style-type: none"> • Difficulty in recruiting specialist maths teachers was an issue with split classes and long-term relief teachers being fully utilised. • Feeder school preparation of new Year 7 students was inadequate for the requirements of Level 4. • Assessment capability training was not carried through into practice. 	<ul style="list-style-type: none"> • The introduction of foundation mathematics studies in Year 7 will fill gaps, improve confidence, and provide a solid foundation on which to work. • A balance of rich problem solving and a focus on basic operations will provide differentiation to those students lacking these skills to empower them to achieve in all mathematical strands. • Improve assessment literacy in students over 2020 in order to empower ownership of assessment data within the learners • Begin to use online learning progressions in maths to make progress and next steps clear to all. • Adoption of consistent teaching protocols will be implemented. • Data walls, Case Management Meetings, and Learning Walks and Talks to be initiated for identified students with emphasis on target (Maori, Pacifica, Low SES) and crisis (under potential) students.

Combined Literacy and Numeracy Planning for 2020:

PLANNING FOR 2020: The following points will be built into the planning for next year:

- Undertake Accelerated Literacy Learning (ALL) and Accelerated Learning in Maths (ALIM) professional development through Ministry provision.
- Embed literacy as a whole school focus (Literacy Across The School initiative). This is the broader definition of literacy to include oracy, reading, writing, and numeracy under the key competency of 'using language, symbols, and text'.
- Embed the **Assessment Waterfall** (Fullan, M. and Sharrat, L.) as the model for good first teaching and classroom practice and as a whole school Theory of Action of 'Adopting consistent teaching protocols.
- Introduce online learning progressions tool to teachers and students to make learning expectations clear and visible to all.
- Ensure that the **Gradual Release and Acceptance of Responsibility** (GRAR) model is an instructional practice used to empower our learners to own their own learning.
- Use data provided by CEM, e-asTTle, and PATs to identify target and crisis learners.
- Build **data walls** for crisis and target students and put FACES on that data.
- Establish **Case Management Meetings** (CMMs) for each student on the data wall plus others of concern to teachers with specific monitoring and support of the Maori students who are not achieving at the expected levels.
- Greater collaboration, moderation and cross marking for all assessments. Timetable collaborative non-contact time to enable moderation of student work samples.
- Offer 'Authentic Assessment' PLD for teachers to enable and empower better assessment practices.
- Teacher reflective practice (spiral of inquiry) included in 2019's performance management system, using Appraisal Connector (online reflection tool).
- Increase collaboration with the parent and whanau community to engage in learning at home as well as school, through both the online progressions tool and parent information nights and learning events (such as Maths events and 'parents as students' nights).
- Improvement in the number of ESOL students attaining at least Level 2 Reading and Writing within one year of attending AJHS, which will also allow them to access the word problems in maths with more clarity and increase their achievement.

**Albany Junior High School
KIWISPORTS FUNDING REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019**

Kiwisports is a Government funding initiative to support students' participation in organised sports. The table below outlines the funding received, spent and the level of participation noted during the year:

Funding received during the year - excluding GST	\$22,056.14
Funding spent on:	
1. Sports Coordinators salary (2 coordinators - Employed 70 hours per week)	
Level of participation	71%

INDEPENDENT AUDITOR'S REPORT

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

The Auditor-General is the auditor of Albany Junior High School (the School). The Auditor-General has appointed me, Chris Neves, using the staff and resources of BDO Auckland, 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 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 as applicable to entities that qualify as tier 2.

Our audit was completed on 29 July 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 26 on page 20 which outline the possible effects of the Alert Level 4 lockdown as a result of the COVID-19 pandemic.

Serious financial difficulties

Without modifying our opinion, we draw attention to note 30 which refers to the school's working capital deficit of \$658,506.

These financial statements are prepared on a going concern basis. The going concern assumption is dependent on the continuing support from the Ministry of Education. The Ministry of Education has confirmed it will continue to provide the school with resources so it may meet its obligations as they fall due.

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, Board of Trustees Listing 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 (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.



Chris Neves
BDO Auckland
On behalf of the Auditor-General
Auckland, New Zealand