

RANGITOTO SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

School Directory

Ministry Number: 1920

Principal: Pip Were

School Address: 949 Rangitoto Road, Rangitoto

School Postal Address: 949 Rangitoto Road RD 2, Te Kuiti, 3982

School Phone: 07 878 8460

School Email: office@rangi.school.nz

Members of the Board of Trustees

Name	Position	How Position Gained	Term Expires/ Expired
Sam Duder	Chairperson	Elected	Jun 2022
Haley Mita	Chairperson	Elected	May 2019
Phillipa Were	Principal	ex Officio	
Neil Morrow	Principal	ex Officio	Jan 2020
Jeff Falconer	Relief Principal	ex Officio	Mar 2020
Hayleigh Bird	Parent Rep	Elected	Jun 2022
Rex de Rooy	Parent Rep	Elected	Jun 2022
Alison Ferris	Parent Rep	Elected	Jun 2022
Jon Leineweber	Parent Rep	Elected	May 2019
Bronwyn Lawrie	Parent Rep	Elected	May 2019
Stephanie Martin	Staff Rep	Elected	Sep 2020

Accountant / Service Provider: Education Services Ltd

RANGITOTO SCHOOL

Annual Report - For the year ended 31 December 2020

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Rangitoto School

Statement of Responsibility

For the year ended 31 December 2020

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 2020 fairly reflects the financial position and operations of the school.

The School's 2020 financial statements are authorised for issue by the Board.

Samuel Ross Duder
Full Name of Board Chairperson

Philippa Katherine Were
Full Name of Principal

S.R. Duder
Signature of Board Chairperson

PK Were
Signature of Principal

31/5/21
Date:

31.5.21
Date:

Rangitoto School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2020

	Notes	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Revenue				
Government Grants	2	444,842	422,055	399,597
Locally Raised Funds	3	29,880	17,072	29,585
Interest income		724	1,600	1,884
Gain on Sale of Property, Plant and Equipment		933	-	1,096
		<u>476,379</u>	<u>440,727</u>	<u>432,162</u>
Expenses				
Locally Raised Funds	3	10,951	5,902	7,640
Learning Resources	4	254,232	249,501	212,415
Administration	5	45,674	40,855	41,761
Finance		1,309	1,866	1,065
Property	6	121,960	128,217	130,976
Depreciation	7	18,160	14,926	17,918
		<u>452,286</u>	<u>441,267</u>	<u>411,775</u>
Net Surplus / (Deficit) for the year		24,093	(540)	20,387
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>24,093</u>	<u>(540)</u>	<u>20,387</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.



Rangitoto School
Statement of Changes in Net Assets/Equity
For the year ended 31 December 2020

	Notes	Actual 2020 \$	Budget (Unaudited) 2020 \$	Actual 2019 \$
Balance at 1 January		<u>277,816</u>	<u>265,577</u>	<u>257,429</u>
Total comprehensive revenue and expense for the year		24,093	(540)	20,387
Capital Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		1,080	-	-
Equity at 31 December	22	<u>302,989</u>	<u>265,037</u>	<u>277,816</u>
Retained Earnings		302,989	265,037	277,816
Equity at 31 December		<u>302,989</u>	<u>265,037</u>	<u>277,816</u>

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



Rangitoto School
Statement of Financial Position
As at 31 December 2020

	Notes	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Current Assets				
Cash and Cash Equivalents	8	228,148	106,215	145,197
Accounts Receivable	9	21,915	33,399	7,758
GST Receivable		-	1,230	3,836
Prepayments		2,749	1,922	15,288
Inventories	10	663	447	499
Funds owed for Capital Works Projects	16	-	-	5,413
Transport Network	17	16,850	5,799	16,509
		<u>270,325</u>	<u>149,012</u>	<u>194,500</u>
Current Liabilities				
GST Payable		5,582	-	-
Accounts Payable	12	30,344	26,163	17,698
Revenue Received in Advance	13	62	165	62
Provision for Cyclical Maintenance	14	-	3,521	20,624
Finance Lease Liability - Current Portion	15	2,863	2,070	2,816
Funds held for Capital Works Projects	16	45,000	-	-
		<u>83,851</u>	<u>31,919</u>	<u>41,200</u>
Working Capital Surplus/(Deficit)		186,474	117,093	153,300
Non-current Assets				
Property, Plant and Equipment	11	123,443	150,848	133,228
		<u>123,443</u>	<u>150,848</u>	<u>133,228</u>
Non-current Liabilities				
Finance Lease Liability	15	6,928	2,904	8,712
		<u>6,928</u>	<u>2,904</u>	<u>8,712</u>
Net Assets		<u>302,989</u>	<u>265,037</u>	<u>277,816</u>
Equity		<u>302,989</u>	<u>265,037</u>	<u>277,816</u>

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



Rangitoto School
Statement of Cash Flows
For the year ended 31 December 2020

		2020	2020	2019
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
		\$	\$	\$
Cash flows from Operating Activities				
Government Grants		128,855	91,623	109,746
Locally Raised Funds		30,190	17,072	29,172
Goods and Services Tax (net)		9,418	-	(2,606)
Payments to Employees		(44,835)	(29,718)	(23,813)
Payments to Suppliers		(58,779)	(69,708)	(78,527)
Cyclical Maintenance Payments in the year		(23,511)	-	-
Interest Paid		(1,309)	(1,866)	(1,065)
Interest Received		727	1,600	1,885
Net cash from/(to) Operating Activities		40,756	9,003	34,792
Cash flows from Investing Activities				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		689	-	-
Purchase of Property Plant & Equipment (and Intangibles)		(7,049)	(42,274)	(14,655)
Net cash from/(to) Investing Activities		(6,360)	(42,274)	(14,655)
Cash flows from Financing Activities				
Furniture and Equipment Grant		1,080	-	-
Finance Lease Payments		(2,938)	(3,934)	(2,051)
Funds Held for Capital Works Projects		50,413	-	(16,309)
Net cash from/(to) Financing Activities		48,555	(3,934)	(18,360)
Net increase/(decrease) in cash and cash equivalents		82,951	(37,205)	1,777
Cash and cash equivalents at the beginning of the year	8	145,197	143,420	143,420
Cash and cash equivalents at the end of the year	8	228,148	106,215	145,197

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



Rangitoto School

Notes to the Financial Statements

For the year ended 31 December 2020

1. Statement of Accounting Policies

a) Reporting Entity

Rangitoto School (the School) is a Crown entity as specified in the Crown Entities Act 2004 and a school as described in the Education and Training Act 2020. 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 2020 to 31 December 2020 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 and Training Act 2020 requires the School, as a Crown entity, to prepare financial statements in accordance with generally accepted accounting practice. The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand, applying Public Sector Public Benefit Entity (PBE) Standards Reduced Disclosure Regime as appropriate to public benefit entities that qualify for Tier 2 reporting. The school is considered a Public Benefit Entity as it meets the criteria specified as "having a primary objective to provide goods and/or services for community or social benefit and where any equity has been provided with a view to supporting that primary objective rather than for financial return to equity holders".

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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



Critical Accounting Estimates And Assumptions

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

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

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 14.

Useful lives of property, plant and equipment

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment as disclosed in the Significant Accounting Policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 11.

Critical Judgements in applying accounting policies

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

Classification of leases

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 carry forward 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

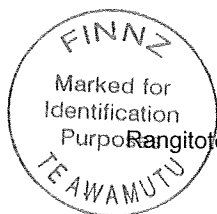
Government Grants

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 (uncollectable debts). The schools receivables are largely made up of funding from the Ministry of Education, therefore the level of uncollectable debts is not considered to be material. However, short-term receivables are written off when there is no reasonable expectation of recovery.

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.

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.

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

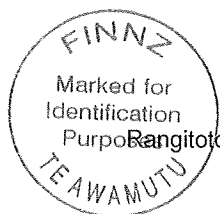
A finance lease transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred. At the start of the lease term, finance leases are recognised as assets and liabilities in the statement of financial position at the lower 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 are depreciated over their estimated useful lives on a straight line basis. Depreciation of all assets is reported in the Statement of Comprehensive Revenue and Expense.

The estimated useful lives of the assets are:

Building Improvements	20-50 years
Furniture and Equipment	5-10 years
Information and Communication	5 years
Library Resources	8 years
Leased assets held under a Finance Lease	Term of Lease



l) Intangible Assets

Software costs

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

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

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

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

m) Impairment of property, plant, and equipment and intangible assets

The school does not hold any cash generating assets. Assets are considered cash generating where their primary objective is to generate a commercial return.

Non cash generating assets

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

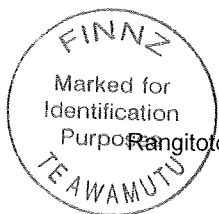
Value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

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

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

n) 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.



o) 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, and also annual leave earned, by non teaching staff, 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.

p) 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.

q) 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.

r) 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 the School's 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.

s) 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.

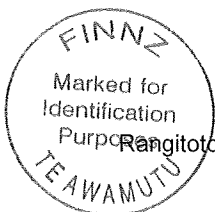
Cyclical maintenance, which involves painting the interior and exterior of the School, makes up the most significant part of the Board's responsibilities outside day-to-day maintenance. The provision for cyclical maintenance represents the obligation the Board has to the Ministry and is based on the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

t) Financial Instruments

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 'financial assets measured at amortised cost' for accounting purposes in accordance with financial reporting standards.

Investments that are shares are categorised as 'financial assets at fair value through other comprehensive revenue and expense' 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.



u) 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.

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

v) 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.

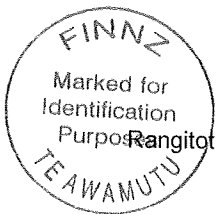
Commitments and contingencies are disclosed exclusive of GST.

w) Budget Figures

The budget figures are extracted from the School budget that was approved by the Board.

x) 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

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Operational Grants	85,211	76,413	79,564
Teachers' Salaries Grants	220,815	227,785	203,227
Use of Land and Buildings Grants	90,950	102,647	103,814
Other MoE Grants	34,525	2,210	2,282
Transport grants	13,341	13,000	10,710
	<u>444,842</u>	<u>422,055</u>	<u>399,597</u>

The school has opted in to the donations scheme for this year. Total amount received was \$3,750.

Other MOE Grants total includes additional COVID-19 funding totalling \$18,406 for the year ended 31 December 2020.

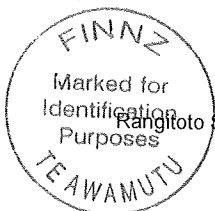
3. Locally Raised Funds

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

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Revenue			
Donations	3,553	2,000	4,248
Bequests & Grants	3,625	-	-
Activities	5,530	1,870	1,684
Trading	1,984	1,300	1,134
Fundraising	9,348	8,700	16,279
School House	5,840	3,202	6,240
	<u>29,880</u>	<u>17,072</u>	<u>29,585</u>
Expenses			
Activities	4,144	1,500	2,301
Trading	1,702	1,200	1,673
Fundraising (Costs of Raising Funds)	2,366	-	816
School House	2,739	3,202	2,850
	<u>10,951</u>	<u>5,902</u>	<u>7,640</u>
<i>Surplus for the year Locally raised funds</i>	<u>18,929</u>	<u>11,170</u>	<u>21,945</u>

4. Learning Resources

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Curricular	8,042	7,018	4,322
Library Resources	23	100	-
Employee Benefits - Salaries	237,318	235,833	206,276
Staff Development	4,254	4,000	1,349
Extra Curricular Activities	4,595	2,550	468
	<u>254,232</u>	<u>249,501</u>	<u>212,415</u>



5. Administration

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	3,766	3,657	3,823
Board of Trustees Fees	4,118	3,850	3,472
Board of Trustees Expenses	1,345	1,885	4,286
Communication	1,051	1,100	1,060
Consumables	4,395	6,006	5,195
Other	5,186	5,466	3,489
Employee Benefits - Salaries	17,580	12,620	12,615
Insurance	1,213	914	1,052
Service Providers, Contractors and Consultancy	7,020	5,357	6,769
	<u>45,674</u>	<u>40,855</u>	<u>41,761</u>

6. Property

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	1,102	1,300	988
Cyclical Maintenance Expense	2,687	2,000	4,624
Grounds	8,055	5,620	5,082
Heat, Light and Water	4,956	5,800	5,471
Repairs and Maintenance	2,466	1,800	1,638
Use of Land and Buildings	90,950	102,647	103,814
Employee Benefits - Salaries	11,744	9,050	9,359
	<u>121,960</u>	<u>128,217</u>	<u>130,976</u>

The use of land and buildings figure represents 8% of the school's total property value. Property values are established as part of the nation-wide revaluation exercise that is conducted every 30 June for the Ministry of Education's year-end reporting purposes.

7. Depreciation

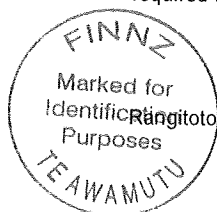
	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Buildings	760	633	760
Building Improvements	5,296	4,411	5,295
Furniture and Equipment	4,032	4,196	5,037
Information and Communication Technology	4,391	3,026	3,632
Leased Assets	3,379	2,527	3,034
Library Resources	302	133	160
	<u>18,160</u>	<u>14,926</u>	<u>17,918</u>

8. Cash and Cash Equivalents

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Bank Current Account	126,660	26,754	57,133
Bank Call Account	101,488	79,461	88,064
Cash and cash equivalents for Statement of Cash Flows	<u>228,148</u>	<u>106,215</u>	<u>145,197</u>

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

Of the \$228,148 Cash and Cash Equivalents \$45,000 is held by the School on behalf of the Ministry of Education. These funds are required to be spent in 2021 on Crown owned school buildings under the School's Five Year Property Plan.



9. Accounts Receivable

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Receivables	6,725	287	597
Banking Staffing Underuse	-	19,694	235
Interest Receivable	-	4	3
Teacher Salaries Grant Receivable	15,190	13,414	6,923
	<u>21,915</u>	<u>33,399</u>	<u>7,758</u>

Receivables from Exchange Transactions	6,725	291	600
Receivables from Non-Exchange Transactions	15,190	33,108	7,158
	<u>21,915</u>	<u>33,399</u>	<u>7,758</u>

10. Inventories

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Lunches	93	-	30
Stationery	570	447	469
	<u>663</u>	<u>447</u>	<u>499</u>

11. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2020						
Land	3,000	-	-	-	-	3,000
Buildings	26,359	-	-	-	(760)	25,599
Building Improvements	61,520	-	-	-	(5,296)	56,224
Furniture and Equipment	18,757	1,600	-	-	(4,032)	16,325
Information and Communication Tech	11,739	4,257	-	-	(4,391)	11,605
Leased Assets	11,125	1,396	(70)	-	(3,379)	9,072
Library Resources	728	1,192	-	-	(302)	1,618
Balance at 31 December 2020	<u>133,228</u>	<u>8,445</u>	<u>(70)</u>	<u>-</u>	<u>(18,160)</u>	<u>123,443</u>

The net carrying value of equipment held under a finance lease is \$9,072 (2019: \$11,125)

	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
2020			
Land	3,000	-	3,000
Buildings	38,000	(12,401)	25,599
Building Improvements	110,541	(54,317)	56,224
Furniture and Equipment	165,166	(148,841)	16,325
Information and Communication	39,929	(28,324)	11,605
Leased Assets	13,830	(4,758)	9,072
Library Resources	22,253	(20,635)	1,618
Balance at 31 December 2020	<u>392,719</u>	<u>(269,276)</u>	<u>123,443</u>



2019	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
Land	3,000	-	-	-	-	3,000
Buildings	27,119	-	-	-	(760)	26,359
Building Improvements	66,815	-	-	-	(5,295)	61,520
Furniture and Equipment	16,768	7,026	-	-	(5,037)	18,757
Information and Communication Technology	10,766	4,605	-	-	(3,632)	11,739
Leased Assets	4,455	11,285	(1,581)	-	(3,034)	11,125
Library Resources	487	401	-	-	(160)	728
Balance at 31 December 2019	129,410	23,317	(1,581)	-	(17,918)	133,228

The net carrying value of equipment held under a finance lease is \$11,125 (2018: \$4,455)

2019	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
Land	3,000	-	3,000
Buildings	38,000	(11,641)	26,359
Building Improvements	110,541	(49,021)	61,520
Furniture and Equipment	166,933	(148,176)	18,757
Information and Communication Technology	43,965	(32,226)	11,739
Leased Assets	13,583	(2,458)	11,125
Library Resources	21,060	(20,332)	728
Balance at 31 December 2019	397,082	(263,854)	133,228

12. Accounts Payable

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Operating Creditors	10,350	8,951	6,454
Accruals	3,766	3,384	3,657
Employee Entitlements - Salaries	15,190	13,414	6,923
Employee Entitlements - Leave Accrual	1,038	414	664
	30,344	26,163	17,698
Payables for Exchange Transactions	30,344	26,163	17,698
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	30,344	26,163	17,698

The carrying value of payables approximates their fair value.

13. Revenue Received in Advance

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Income In Advance	-	165	-
Other	62	-	62
	62	165	62



14. Provision for Cyclical Maintenance

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Provision at the Start of the Year	20,624	1,521	16,000
Increase to the Provision During the Year	2,292	2,000	4,624
Adjustment to the Provision	595	-	-
Use of the Provision During the Year	(23,511)	-	-
Provision at the End of the Year	-	3,521	20,624
Cyclical Maintenance - Current	-	3,521	20,624
Cyclical Maintenance - Term	-	-	-
	-	3,521	20,624

15. Finance Lease Liability

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

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
No Later than One Year	3,845	2,070	3,934
Later than One Year and no Later than Five Years	7,961	2,904	10,538
	11,806	4,974	14,472

16. 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:

	2020	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution/ (Write-off to R&M)	Closing Balances \$
Bore Water Supply	<i>completed</i>	(5,413)	1,642	3,771	-	-
Playground	<i>in progress</i>	-	45,000	-	-	45,000
Totals		(5,413)	46,642	3,771	-	45,000

Represented by:

Funds Held on Behalf of the Ministry of Education	45,000
Funds Due from the Ministry of Education	-
	45,000

	2019	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution/ (Write-off to R&M)	Closing Balances \$
Blk A Main Switchboard & Lighting	<i>completed</i>	1,352	(1,352)	-	-	-
Bore Water Supply	<i>in progress</i>	9,544	-	(14,957)	-	(5,413)
Drainage	<i>completed</i>	-	5,830	(5,830)	-	-
Replace Roofing & Verandah Clearlite	<i>completed</i>	-	14,500	(14,500)	-	-
Totals		10,896	18,978	(35,287)	-	(5,413)



17. 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.

18. Remuneration

Key management personnel compensation

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

	2020 Actual \$	2019 Actual \$
<i>Board Members</i>		
Remuneration	4,118	3,472
Full-time equivalent members	0.11	0.18
<i>Leadership Team</i>		
Remuneration	113,610	102,171
Full-time equivalent members	1.00	1.00
Total key management personnel remuneration	117,728	105,643
Total full-time equivalent personnel	1.11	1.18

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

Principal

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

	2020 Actual \$000	2019 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Principal A		
Salary and Other Payments	10 - 20	90 - 100
Benefits and Other Emoluments	0 - 1	2 - 3
Termination Benefits	-	-
Principal B		
Salary and Other Payments	90 - 100	-
Benefits and Other Emoluments	2 - 3	-
Termination Benefits	-	-

Other Employees

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

Remuneration \$000	2020 FTE Number	2019 FTE Number
100 - 110	-	-
	0.00	0.00

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



19. 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:

	2020 Actual	2019 Actual
Total	-	-
Number of People	-	-

20. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2020 (Contingent liabilities and assets at 31 December 2019: 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's review of the schools sector payroll to ensure compliance with the Holidays Act 2003 is ongoing. The current phase of this review is to design potential solutions for any compliance breaches discovered in the initial phase of the Programme. Final calculations and potential impact on any specific individual will not be known until further detailed analysis and solutions have been completed.

To the extent that any obligation cannot reasonably be quantified at 31 December 2020, a contingent liability for the school may exist.

21. Commitments

(a) Capital Commitments

As at 31 December 2020 the Board has entered into contract agreements for capital works as follows:

\$71,128 contract for the Playground as agent for the Ministry of Education. This project is partly funded by the Ministry of \$50,000 and \$45,000 has been received of which \$0 has been spent on the project to balance date. This project has been approved by the Ministry.

(Capital commitments as at 31 December 2019: Nil).

(b) Operating Commitments

There are no operating commitments as at 31 December 2020 (Operating commitments at 31 December 2019: nil).

22. 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.



23. 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

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Cash and Cash Equivalents	228,148	106,215	145,197
Receivables	21,915	33,399	7,758
Investments - Term Deposits	-	-	-
Total Financial assets measured at amortised cost	<u>250,063</u>	<u>139,614</u>	<u>152,955</u>

Financial liabilities measured at amortised cost

Payables	30,344	26,163	17,698
Borrowings - Loans	-	-	-
Finance Leases	9,791	4,974	11,528
Painting Contract Liability	-	-	-
Total Financial Liabilities Measured at Amortised Cost	<u>40,135</u>	<u>31,137</u>	<u>29,226</u>

24. Events After Balance Date

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

25. Comparatives

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

26. Transport Network

Rangitoto School is a member of the Te Kuiti School Transport Network along with a number of other school in the Te Kuiti area. The schools share of the Te Kuiti Transport network is as follows:

Opening balance	16,509
School share of net surplus	13,341
School Payout	-13,000
Closing Balance	16,850



Analysis of Variance Reporting

School Name:	Rangitoto School	School Number:	1920
Strategic Aim:	Māori students are engaged in their learning and are achieving educational success, with pride in their unique identity, language and culture as Māori.		
Annual Aim:	<p>Numeracy and Literacy: All students are successfully able to access the NZ Curriculum as evidenced by achievement in relation to the NZC achievement objectives.</p> <p>Maori and Student Achievement: Continue to focus on the principles of Ka Hikitia in providing opportunities for engagement and success of all Māori students.</p>		
Target:	To accelerate the learning of students that are identified as achieving 'below' and 'well below' the expected curriculum level in reading, writing and mathematics.		
Baseline Data:	<ul style="list-style-type: none"> - 84% (20/24) of students are achieving at/above the expected curriculum level in Reading. - 54% (13/24) of students are achieving at/above the expected curriculum level in Writing. - 58% (14/24) of students are achieving at/above the expected curriculum level in Mathematics. 		

Actions

What did we do?

BoT funded Teacher Aide to enable more teacher and student time because of smaller teacher to student ratios.

Purchase of 'Little Learners Love Literacy' programme aimed at the Junior School. A decodable reading series that teach sequential reading sounds. A researched 'Science of Reading' resource recommended by literacy experts.

Teacher Aide hours to help build up number knowledge and place value of Junior students that are priority learners for mathematics.

Use of Nessy.com to implement a spelling programme which taught a scope and sequence to teach and improve spelling skills.

Classroom programmes are tailored to teach to the students' needs.

Development of skills and knowledge through teaching a scope and sequence in reading, writing and maths.

Outcomes

What happened?

87.5% (21/24) of students are achieving at/above the expected curriculum level in Reading. This is an increase from 84% at midyear.

66% (16/24) of students are achieving at/above the expected curriculum level in Writing. This is an increase from 54% at midyear.

83% (20/24) of students are achieving at/above the expected curriculum level in Mathematics. This is an increase from 58% at midyear.

80% (4/5) of Maori students are achieving at or above the expected curriculum level in reading (20% increase).

60% (3/5) of Maori students are achieving at or above the expected curriculum level (20% increase) in writing.

80% (4/5) of Maori students are achieving at or above the expected curriculum level (20% increase) in maths.

Reasons for the variance

Why did it happen?

In 2020 our country went into lockdown from the 25th of March until the 27th of April. School students stayed at home from Tuesday 24th of March until 29th of April 2020 and some students were off school for even longer.

During this time students were engaged in online learning but learning tasks did not always reflect the same type of learning students participate in at school, therefore, our midyear results reflected this.

During the terms three and four the BoT funded a teacher aide who worked alongside the teachers to improve student achievement in reading, writing and maths. Our data shows an increase of student achievement in all areas of reading, writing and maths.

During these terms, our priority students were targeted to spend one on one or small group time with either the teacher or the teacher aide in their area of learning need.

Student attendance was high for Rangitoto School compared to other schools in the area. This has helped the students to achieve and progress academically as they are at school each day learning.

Our testing used standardised tests at midyear and at the end of the year. Therefore, the results are easily analysed over time.

Evaluation

Where to next?

✓ Whole staff professional development in the "Science of Reading". This will enable our staff to develop a scope and sequence to teach literacy throughout the school.

✓ Use of decodable readers in the Junior and with priority learners in the senior room.

✓ Our teacher aide is continuing to work with Junior room students, assisting the classroom teacher with her programme and working one on one with priority learners.

✓ Explicit teaching of phonics in the Junior room and spelling rules in the senior room (with some cross over).

✓ Routined and consistent teaching and programmes in reading, writing and mathematics.

✓ Use of mathletics.com to enable students to practice maths skills and extend those that need extension.

Planning for next year:

- Increase focus on teaching a scope and sequence in literacy.
- Increase focus on teaching number knowledge and basic facts.
- Explicit teaching of writing structures and the use of grammar.

Rangitoto School

Kiwisport

Kiwisport is a Government funding initiative to support students' participation in organised sport. In 2020, the school received total Kiwisport funding of \$332 (excluding GST). The funding was spent on sporting endeavours.

INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF RANGITOTO SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

The Auditor-General is the auditor of Rangitoto School (the School). The Auditor-General has appointed me, Jonathan Hurst, using the staff and resources of Finnz Audit Limited, to carry out the audit of the financial statements of the School on his behalf.

Opinion

We have audited the financial statements of the School on pages 2 to 20 that comprise the statement of financial position as at 31 December 2020, the statement of comprehensive revenue & expense, statement of changes in net assets/equity, and statement of cashflows 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 2020; and
 - financial performance and cashflows for the year then ended; and
 -
- comply with generally accepted accounting practice in New Zealand in accordance with Public Sector - Public Benefit Entity (PBE) Standards, Reduced Disclosure Regime.

Our audit was completed on 31st May 2021. 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 and our responsibilities relating to the financial statements, we comment on other information, and we explain our independence.

Basis for our opinion

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

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

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

Responsibilities of the Board for the financial statements

The Board 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 is responsible on behalf of the School for assessing the School's ability to continue as a going concern. The Board 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's responsibilities, in terms of the requirements of the Education and Training Act 2020, arise from section 87 of 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.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board 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 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 Report, Kiwisport Note, and Trustee list, but does not include the financial statements, and our auditor's report thereon.

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

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

Independence

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

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



Jonathan Hurst
Finnz Audit Limited
On behalf of the Auditor-General
Te Awamutu, New Zealand