

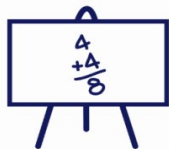
TAHUNA SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

School Directory

Ministry Number:	1972
Principal:	Jeremy Pollard
School Address:	43 Tahuna Ohinewai Road, RD3, Morrinsville
School Postal Address:	43 Tahuna Ohinewai Road, RD3, Morrinsville
School Phone:	027 333 6186
School Email:	admin@tahunaschool.school.nz
Accountant / Service Provider:	Education Finance Ltd



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TAHUNA SCHOOL

Annual Report - For the year ended 31 December 2020

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Tahuna 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.

Anna Mills

Full Name of Board Chairperson

[Signature]

Signature of Board Chairperson

11/11/2021

Date:

Phillip Otto

Full Name of Principal

[Signature]

Signature of Principal

11/11/2021

Date:

Tahuna School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2020

		2020	2020	2019
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
Revenue				
Government Grants	2	960,732	756,135	885,605
Locally Raised Funds	3	58,182	55,100	65,712
Interest income		2,082	1,000	1,174
		<hr/>	<hr/>	<hr/>
		1,020,996	812,235	952,491
Expenses				
Locally Raised Funds	3	19,850	15,750	12,517
Learning Resources	4	692,404	514,440	633,335
Administration	5	91,045	84,724	69,030
Finance		-	-	1,352
Property	6	151,561	149,150	165,802
Depreciation	7	38,196	33,500	39,187
Loss on Disposal of Property, Plant and Equipment		-	-	18
		<hr/>	<hr/>	<hr/>
		993,056	797,564	921,241
Net Surplus / (Deficit) for the year		27,940	14,671	31,250
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		<hr/>	<hr/>	<hr/>
		27,940	14,671	31,250

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

Tahuna 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>461,533</u>	<u>461,533</u>	<u>427,550</u>
Total comprehensive revenue and expense for the year		27,940	14,671	31,250
Capital Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		-	-	2,733
Adjustment to Accumulated surplus/(deficit) from adoption of PBE IFRS 9		-	-	-
Equity at 31 December	23	<u>489,473</u>	<u>476,204</u>	<u>461,533</u>
Retained Earnings		489,473	476,204	461,533
Reserves		-	-	-
Equity at 31 December		<u>489,473</u>	<u>476,204</u>	<u>461,533</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.

Tahuna School

Statement of Financial Position

As at 31 December 2020

		2020	2020 Budget	2019
	Notes	Actual \$	(Unaudited) \$	Actual \$
Current Assets				
Cash and Cash Equivalents	8	338,723	34,655	15,984
Accounts Receivable	9	44,460	39,286	39,286
GST Receivable		-	1,588	1,588
Prepayments		7,500	-	-
Inventories	10	1,003	-	-
Investments	11	47,682	129,172	129,172
		<hr/> 439,368	<hr/> 204,701	<hr/> 186,030
Current Liabilities				
GST Payable		32,882	-	-
Accounts Payable	13	72,450	47,302	47,302
Revenue Received in Advance	14	-	-	23,000
Finance Lease Liability - Current Portion	16	6,223	3,801	3,801
Funds held for Capital Works Projects	17	173,838	-	-
		<hr/> 285,393	<hr/> 51,103	<hr/> 74,103
Working Capital Surplus/(Deficit)		153,975	153,598	111,927
Non-current Assets				
Property, Plant and Equipment	12	386,528	368,275	395,275
		<hr/> 386,528	<hr/> 368,275	<hr/> 395,275
Non-current Liabilities				
Provision for Cyclical Maintenance	15	34,575	34,218	30,218
Finance Lease Liability	16	16,455	11,451	15,451
		<hr/> 51,030	<hr/> 45,669	<hr/> 45,669
Net Assets		<hr/> 489,473	<hr/> 476,204	<hr/> 461,533
Equity	23	<hr/> 489,473	<hr/> 476,204	<hr/> 461,533

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

Tahuna 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		265,704	213,635	209,483
Locally Raised Funds		33,922	55,100	65,712
Goods and Services Tax (net)		34,470	-	(13,902)
Payments to Employees		(155,843)	(140,439)	(120,374)
Payments to Suppliers		(87,238)	(99,788)	(57,507)
Cyclical Maintenance Payments in the year		-	-	-
Interest Paid		-	-	(1,352)
Interest Received		2,419	663	1,857
Net cash from/(to) Operating Activities		93,434	29,171	83,917
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(23,058)	(6,500)	(134,990)
Purchase of Investments		81,490	-	(1,349)
Net cash from/(to) Investing Activities		58,432	(6,500)	(136,339)
Cash flows from Financing Activities				
Furniture and Equipment Grant		-	-	2,733
Finance Lease Payments		(2,965)	(4,000)	(14,675)
Funds Held for Capital Works Projects		173,838	-	(17,263)
Net cash from/(to) Financing Activities		170,873	(4,000)	(29,205)
Net increase/(decrease) in cash and cash equivalents		322,739	18,671	(81,627)
Cash and cash equivalents at the beginning of the year	8	15,984	15,984	97,611
Cash and cash equivalents at the end of the year	8	338,723	34,655	15,984

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.

Tahuna School

Notes to the Financial Statements

For the year ended 31 December 2020

1. Statement of Accounting Policies

a) Reporting Entity

Tahuna 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 15.

Useful lives of property, plant and equipment

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

Critical Judgements in applying accounting policies

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

Classification of leases

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

Recognition of grants

The School reviews the grants monies received at the end of each reporting period and whether any require a provision to 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.

d) 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.

e) 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.

f) 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.

g) 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.

h) Inventories

Inventories are consumable items held for sale and comprised 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.

i) Investments

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

j) Property, Plant and Equipment

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

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

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

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

Finance Leases

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

Depreciation

Property, plant and equipment except for library resources are depreciated over their estimated useful lives on a straight line basis. Library resources are depreciated on a diminishing value basis. Depreciation of all assets is reported in the Statement of Comprehensive Revenue and Expense.

The estimated useful lives of the assets are:

Building improvements to Crown Owned Assets	20–50 years
Furniture and equipment	5–10 years
Information and communication technology	5 years
Motor vehicles	5 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value

k) 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.

l) 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.

m) 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.

n) Revenue Received in Advance

Revenue received in advance relates to fees received from [international, hostel students and grants received] (delete as appropriate) 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.

o) Provision for Cyclical Maintenance

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

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

p) Financial 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.

q) 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.

r) Budget Figures

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

s) 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	2020 Budget	2019
	Actual	(Unaudited)	Actual
	\$	\$	\$
Operational Grants	207,115	183,635	161,575
Teachers' Salaries Grants	567,845	425,000	542,938
Use of Land and Buildings Grants	127,183	117,500	130,118
Other MoE Grants	58,589	30,000	50,974
	<u>960,732</u>	<u>756,135</u>	<u>885,605</u>

The school has opted in to the donations scheme for this year. Total amount received was \$13,200.

Other MOE Grants total includes additional COVID-19 funding totalling \$2,616 for the year ended 31 December 2020.

3. Locally Raised Funds

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

	2020	2020 Budget	2019
	Actual	(Unaudited)	Actual
	\$	\$	\$
Revenue			
Donations	27,506	27,000	39,852
Activities	10,286	7,300	1,355
Trading	3,569	3,300	5,140
Other Revenue	16,821	17,500	19,365
	<u>58,182</u>	<u>55,100</u>	<u>65,712</u>
Expenses			
Activities	13,884	8,500	786
Trading	(900)	2,550	3,850
Transport (Local)	3,605	-	4,875
Other Locally Raised Funds Expenditure	3,261	4,700	3,006
	<u>19,850</u>	<u>15,750</u>	<u>12,517</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u><u>38,332</u></u>	<u><u>39,350</u></u>	<u><u>53,195</u></u>

4. Learning Resources

	2020	2020 Budget	2019
	Actual	(Unaudited)	Actual
	\$	\$	\$
Curricular	13,356	23,450	14,750
Employee Benefits - Salaries	673,312	480,490	615,203
Staff Development	5,736	10,500	3,382
	<u>692,404</u>	<u>514,440</u>	<u>633,335</u>

5. Administration

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Audit Fee	4,495	3,400	4,399
Board of Trustees Fees	3,650	4,500	5,350
Board of Trustees Expenses	-	1,880	5,474
Communication	1,564	1,440	1,925
Consumables	3,759	5,000	497
Other	21,344	20,354	1,011
Employee Benefits - Salaries	52,885	46,000	47,247
Insurance	1,148	150	1,227
Service Providers, Contractors and Consultancy	2,200	2,000	1,900
	<u>91,045</u>	<u>84,724</u>	<u>69,030</u>

6. Property

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Caretaking and Cleaning Consumables	3,144	1,800	2,551
Consultancy and Contract Services	-	-	490
Cyclical Maintenance Provision	4,357	4,000	4,000
Grounds	6,310	10,100	11,152
Heat, Light and Water	6,534	8,700	5,950
Rates	-	-	1,846
Repairs and Maintenance	4,033	7,050	9,695
Use of Land and Buildings	127,183	117,500	130,118
	<u>151,561</u>	<u>149,150</u>	<u>165,802</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 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Building Improvements - Crown	17,294	15,000	10,627
Furniture and Equipment	4,048	4,500	4,776
Information and Communication Technology	3,919	4,000	4,391
Motor Vehicles	3,659	9,000	8,785
Leased Assets	9,113	1,000	10,422
Library Resources	163	-	186
	<u>38,196</u>	<u>33,500</u>	<u>39,187</u>

8. Cash and Cash Equivalents

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Bank Current Account	18,047	34,655	2,702
Bank Call Account	320,676	-	13,282
Cash and cash equivalents for Statement of Cash Flows	<u>338,723</u>	<u>34,655</u>	<u>15,984</u>

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

Of the \$338,723 Cash and Cash Equivalents, \$166,338 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	1,260	-	-
Interest Receivable	-	337	337
Teacher Salaries Grant Receivable	43,200	38,949	38,949
	<u>44,460</u>	<u>39,286</u>	<u>39,286</u>
Receivables from Exchange Transactions	1,260	337	337
Receivables from Non-Exchange Transactions	43,200	38,949	38,949
	<u>44,460</u>	<u>39,286</u>	<u>39,286</u>

10. Inventories

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Stationery	1,003	-	-
	<u>1,003</u>	<u>-</u>	<u>-</u>

11. Investments

The School's investment activities are classified as follows:

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Current Asset			
Short-term Bank Deposits	47,682	129,172	129,172
Non-current Asset			
Long-term Bank Deposits	-	-	-
Total Investments	<u>47,682</u>	<u>129,172</u>	<u>129,172</u>

12. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2020	\$	\$	\$	\$	\$	\$
Land	15,000	-	-	-	-	15,000
Buildings	325,255	-	-	-	(17,294)	307,961
Furniture and Equipment	22,943	20,046	-	-	(4,048)	38,941
Information and Communication Technology	8,660	3,012	-	-	(3,919)	7,753
Motor Vehicles	3,659	-	-	-	(3,659)	-
Leased Assets	18,455	6,391	-	-	(9,113)	15,733
Library Resources	1,303	-	-	-	(163)	1,140
Balance at 31 December 2020	395,275	29,449	-	-	(38,196)	386,528

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2020	\$	\$	\$
Land	15,000	-	15,000
Buildings	408,194	(100,233)	307,961
Furniture and Equipment	75,078	(36,137)	38,941
Information and Communication Technology	44,510	(36,757)	7,753
Motor Vehicles	43,923	(43,923)	-
Leased Assets	32,007	(16,274)	15,733
Library Resources	23,632	(22,492)	1,140
Balance at 31 December 2020	642,344	(255,816)	386,528

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2019	\$	\$	\$	\$	\$	\$
Land	15,000	-	-	-	-	15,000
Building Improvements	202,534	133,348	-	-	(10,627)	325,255
Furniture and Equipment	27,719	-	-	-	(4,776)	22,943
Information and Communication Technology	11,409	1,642	-	-	(4,391)	8,660
Motor Vehicles	12,444	-	-	-	(8,785)	3,659
Leased Assets	10,395	18,500	(18)	-	(10,422)	18,455
Library Resources	1,489	-	-	-	(186)	1,303
Balance at 31 December 2019	280,990	153,490	(18)	-	(39,187)	395,275

	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
2019			
Land	15,000	-	15,000
Building Improvements	408,194	(82,939)	325,255
Furniture and Equipment	63,676	(40,733)	22,943
Information and Communication Technology	61,500	(52,840)	8,660
Motor Vehicles	43,923	(40,264)	3,659
Leased Assets	25,616	(7,161)	18,455
Library Resources	23,632	(22,329)	1,303
Balance at 31 December 2019	641,541	(246,266)	395,275

13. Accounts Payable

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Operating Creditors	26,741	47,302	7,225
Banking Staffing Overuse	1,128	-	1,128
Employee Entitlements - Salaries	43,200	-	38,949
Employee Entitlements - Leave Accrual	1,381	-	-
	72,450	47,302	47,302
Payables for Exchange Transactions	72,450	47,302	47,302
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	72,450	47,302	47,302

The carrying value of payables approximates their fair value.

14. Revenue Received in Advance

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Grants	-	-	23,000
	-	-	23,000

15. Provision for Cyclical Maintenance

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Provision at the Start of the Year	30,218	30,218	26,218
Increase/ (decrease) to the Provision During the Year	4,357	4,000	26,218
Use of the Provision During the Year	-	-	4,000
Provision at the End of the Year	<u>34,575</u>	<u>34,218</u>	<u>30,218</u>
Cyclical Maintenance - Current	-	-	-
Cyclical Maintenance - Term	34,575	34,218	30,218
	<u>34,575</u>	<u>34,218</u>	<u>30,218</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:

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
No Later than One Year	6,223	3,801	4,644
Later than One Year and no Later than Five Years	16,455	11,451	15,867
Later than Five Years	-	-	-
	<u>22,678</u>	<u>15,252</u>	<u>20,511</u>

17. Funds Held for Capital Works Projects

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

	2020	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions \$	Closing Balances \$
Tech Block Upgrade	<i>in progress</i>	-	185,413	11,575	-	173,838
Court	<i>completed</i>	-	47,720	47,720	-	-
Solar Panels	<i>completed</i>	-	22,295	22,295	-	-
Totals		<u>-</u>	<u>255,428</u>	<u>81,590</u>	<u>-</u>	<u>173,838</u>

Represented by:

Funds Held on Behalf of the Ministry of Education	173,838
Funds Due from the Ministry of Education	-
	<u>173,838</u>

	2019	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions \$	Closing Balances \$
Learning Area	<i>completed</i>	3,893	-	3,893	-	-
Shower	<i>completed</i>	13,370	-	13,370	485	-
		<u>17,263</u>	<u>-</u>	<u>17,263</u>	<u>485</u>	<u>-</u>

18. 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.

19. 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	3,650	5,350
Full-time equivalent members	0.19	0.22
<i>Leadership Team</i>		
Remuneration	128,473	113,379
Full-time equivalent members	1.00	1.00
Total key management personnel remuneration	132,123	118,729
Total full-time equivalent personnel	1.00	1.22

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 1

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:		
Salary and Other Payments	120-130	110-120
Benefits and Other Emoluments	3-4	3-4
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
0	0.00	0.00
	0.00	0.00

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

20. 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	-	-

21. 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.

22. Commitments

(a) Capital Commitments

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

- (a) \$171,814 contract for Building Upgrade to be completed in 2021, which will be fully funded by the Ministry of Education. \$185,413 has been received of which \$11,575 has been spent on the project to date; and
- (b) \$25,000 contract for Turf Project to be completed in 2021. A deposit of \$7,500 has been paid for the project to date;

(Capital commitments at 31 December 2019: Nil)

(b) Operating Commitments

As at 31 December 2020 there are no operating commitments. (2019: Nil)

23. 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.

24. 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 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Cash and Cash Equivalents	338,723	34,655	15,984
Receivables	44,460	39,286	39,286
Investments - Term Deposits	47,682	129,172	129,172
Total Financial assets measured at amortised cost	<u>430,865</u>	<u>203,113</u>	<u>184,442</u>

Financial liabilities measured at amortised cost

Payables	72,450	47,302	47,297
Finance Leases	22,678	15,252	19,257
Total Financial Liabilities Measured at Amortised Cost	<u>95,128</u>	<u>62,554</u>	<u>66,554</u>

25. Events After Balance Date

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

26. Comparatives

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

INDEPENDENT AUDITOR'S REPORT**TO THE READERS OF TAHUNA SCHOOL'S FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

The Auditor-General is the auditor of Tahuna School (the School). The Auditor-General has appointed me, Richard Currie, using the staff and resources of Crowe New Zealand Audit Partnership, to carry out the audit of the financial statements of the School on his behalf.

Opinion

We have audited the financial statements of the School on pages 2 to 19, that comprise the statement of financial position as at 31 December 2020, 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 2020; and
 - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Sector – Public Benefit Entity Standards, Reduced Disclosure Regime.

Our audit was completed on 17 November 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.

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

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

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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 is responsible for the other information. The other information comprises the information included in the Analysis of Variance and Kiwi Sport Report, but does not include the financial statements, and our auditor's report thereon.

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

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

Independence

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

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



Richard Currie
Crowe New Zealand Audit Partnership
On behalf of the Auditor-General
Hamilton, New Zealand

Analysis of Variance Reporting



School Name:	Tahuna School	School Number:	1972
Strategic Aim:	All students are successfully able to access the New Zealand Curriculum as evidenced by achievement in relation to the National Standards.		
Annual Aim:	To increase the number of boys demonstrating accelerated progress for Reading and Writing.		
Target:	To have no more than 25% of boys across the school achieving below or Well below their appropriate Curriculum level in both Reading and Writing.		
Baseline Data:	School wide data shows 11/40 below or well below in Reading, 9/40 boys below in Writing - Dec 2019.		

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"> •Reviewed assessment data with staff to determine particular students learning needs. We subscribed to NZCER marking site and used their 'next steps' information. •Monitored the students' progress on a regular basis. This included detailed reports to the BoT and regular meetings with the classroom teacher. •School wide focus on Reading, Reading together programme, lots of talk about reading at Assemblies etc. •We subscribed to Reading eggs and PM reading as a tool to encourage reading work at home and also used it for teaching new concepts and reinforcing basic facts. •Student voice was used in selecting and revising current programmes and reading Reading material for the Library. •End of Year data was analysed to inform and develop the planning for the following year. <ul style="list-style-type: none"> • Whole school PLD with Yolanda Soryl and Phonics programme. 	<p>The analysis of the end of year data shows some gains in levels of achievement in boys Literacy</p> <p>Writing 8/39 (20%) boys are still writing below their expected curriculum level. Of these 8 students, 5 show accelerated achievement and have progressed at a greater rate than expected in a twelve month period.</p> <p>Reading 11/39 (28%) boys are still reading below their expected curriculum level. Of these 11 students, 7 show accelerated achievement and have progressed at a greater rate than expected in a twelve month period.</p>	<p>Motivation for boys to read and write continues to be an area to develop. Many of these target boys were not actively involved in their lessons during lockdown and we were surprised to see that the majority made accelerated progress in spite of this unusual year.</p>	<p>Student goals need to be specific and clearly understood.</p> <p>Continue to utilise the Reading programmes currently in use.</p> <p>Continue Quick 60 as a programme to meet the needs of our at risk readers.</p> <p>Implement the Yolanda Soryl Phonics programme to meet the Literacy needs of our target students.</p>
Planning for next year: <ul style="list-style-type: none"> • Focus on analysing NZCER data and identifying individual next steps. • Fostering the wider use of student voice in learning programmes. • Implement the Yolanda Soryl Phonics programme to meet the Literacy needs of our target students. 			

Kiwi Sport

Kiwi Sport is a Government funding initiative to support students' participation in organised sport..

The funding was \$1,395 and used for travel costs to; interschool swimming sports, athletics day and interschool athletics and hockey and soccer fun day,

We purchased tennis balls and balloonies.

Board of Trustees

Name	Address	Occupation	Position on Board	Date started and finished	Date re-election
CURRENT MEMBERS					
Jeremy Pollard	Tahuna Road R D 3 Morrinsville	Principal	Principal	January 2014	
Greg Mills	Tahuna Morrinsville Rd R D 3 Morrinsville	Consultant	Chairperson	June 2019	
Simon Pearce	191 Maukoro Landing Road R D 3 Morrinsville	Farmer	Property	June 2019	
Gavin Austin	98 Herbert Road R D 5 Morrinsville	Pricing Analyst	Treasurer	June 2019	
Andrew Kay	449 Matuku Road R D 5 Morrinsville	Dairycraft Coach	FOS Liaison	June 2019	
Nick Kraenzlin	321a Quine Road R D 3 Morrinsville	Music Teacher / Musician	Secretary	June 2019	
Debra-Lee Foster	26 Tahuna Ohinewai Rd R D 3 Morrinsville	Office Administrator	Staff Rep	June 2019	
SERVICE CENTRE					
Education Finance	Auckland	Accountant			
PRINCIPAL					
Jeremy Pollard	Full year				