

# TE KUITI HIGH SCHOOL

## ANNUAL REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### School Directory

<b>Ministry Number:</b>	160
<b>Principal:</b>	Tim Foy
<b>School Address:</b>	Hospital Road
<b>School Postal Address:</b>	P O Box 264, Te Kuiti, 3941
<b>School Phone:</b>	07 878 6292
<b>School Email:</b>	ltaylor@tkhs.school.nz

#### Members of the Board of Trustees

<b>Name</b>	<b>Position</b>	<b>How Position Gained</b>	<b>Term Expires/ Expired</b>
Hilary Karaitiana	Chairperson	Elected	Sep 2021
Thomas Tumai	Principal	ex Officio	
Jo Randle	Parent Rep	Elected	Sep 2021
Brent Ramsey	Parent Rep	Elected	Sep 2021
Rhys Brown	Parent Rep	Elected	Sep 2021
Nikki Taylor	Parent Rep	Elected	Sep 2021
Teagan Houchen	Staff Rep	Elected	Sep 2021
Elizabeth Fetalaiga	Student Rep	Elected	Sep 2021
Raiden van Herpen	Student Rep	Elected	Sep 2020

**Accountant / Service Provider:** Education Services Ltd

# TE KUITI HIGH SCHOOL

Annual Report - For the year ended 31 December 2020

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# Te Kuiti High 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.

Hilary Karaitiana

Full Name of Board Chairperson



Signature of Board Chairperson

08/06/2022

Date:

Gareth Williams

Full Name of Principal



Signature of Principal

08/06/2022

Date:

**Te Kuiti High School**  
**Statement of Comprehensive Revenue and Expense**  
For the year ended 31 December 2020

	Notes	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
<b>Revenue</b>				
Government Grants	2	4,818,704	3,931,541	4,236,099
Locally Raised Funds	3	104,549	172,950	210,347
Interest income		13,048	13,000	22,632
International Students	4	22,889	22,760	20,242
		<u>4,959,190</u>	<u>4,140,251</u>	<u>4,489,320</u>
<b>Expenses</b>				
Locally Raised Funds	3	64,682	80,050	157,425
International Students	4	1,292	4,400	8,906
Learning Resources	5	3,117,136	2,675,302	2,827,704
Administration	6	271,518	275,950	302,803
Finance		1,249	884	1,727
Property	7	962,947	1,039,399	1,144,968
Depreciation	8	143,177	106,530	138,225
		<u>4,562,001</u>	<u>4,182,515</u>	<u>4,581,758</u>
<b>Net Surplus / (Deficit) for the year</b>		<b>397,189</b>	<b>(42,264)</b>	<b>(92,438)</b>
Other Comprehensive Revenue and Expenses		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<u><b>397,189</b></u>	<u><b>(42,264)</b></u>	<u><b>(92,438)</b></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.



**Te Kuiti High School**  
**Statement of Changes in Net Assets/Equity**  
For the year ended 31 December 2020

	Notes	Actual 2020 \$	Budget (Unaudited) 2020 \$	Actual 2019 \$
<b>Balance at 1 January</b>		<u>1,507,840</u>	<u>1,626,958</u>	<u>1,600,278</u>
Total comprehensive revenue and expense for the year		397,189	(42,264)	(92,438)
Capital Contributions from the Ministry of Education				
Adjustment to Accumulated surplus/(deficit) from adoption of PBE IFRS 9		-	-	-
<b>Equity at 31 December</b>	25	<u>1,905,029</u>	<u>1,584,694</u>	<u>1,507,840</u>
Retained Earnings		1,905,029	1,584,694	1,507,840
<b>Equity at 31 December</b>		<u>1,905,029</u>	<u>1,584,694</u>	<u>1,507,840</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.



**Te Kuiti High School**  
**Statement of Financial Position**  
As at 31 December 2020

		2020	2020	2019
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
<b>Current Assets</b>				
Cash and Cash Equivalents	9	695,078	671,302	625,400
Accounts Receivable	10	240,328	192,720	231,962
GST Receivable		34,215	26,743	32,400
Prepayments		20,838	13,804	15,834
Inventories	11	68,317	84,570	71,802
Investments	12	435,603	-	235,315
Funds owed for Capital Works Projects	19	23,709	-	-
Share Of Transport Network		43,447	13,862	7,734
		<u>1,561,535</u>	<u>1,003,001</u>	<u>1,220,447</u>
<b>Current Liabilities</b>				
Accounts Payable	14	412,589	246,990	277,064
Revenue Received in Advance	15	27,708	40,985	25,675
Provision for Cyclical Maintenance	16	4,583	92,800	167,297
Finance Lease Liability - Current Portion	17	6,495	9,570	9,330
Funds Held on behalf of Transport Network	18	121,907	66,290	19,286
		<u>573,282</u>	<u>456,635</u>	<u>498,652</u>
<b>Working Capital Surplus/(Deficit)</b>		988,253	546,366	721,795
<b>Non-current Assets</b>				
Property, Plant and Equipment	13	1,021,535	962,062	848,384
Work in Progress		-	90,300	-
		<u>1,021,535</u>	<u>1,052,362</u>	<u>848,384</u>
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	16	102,500	-	56,600
Painting Contract Liability		-	-	-
Finance Lease Liability	17	2,259	14,034	5,739
		<u>104,759</u>	<u>14,034</u>	<u>62,339</u>
<b>Net Assets</b>		<u>1,905,029</u>	<u>1,584,694</u>	<u>1,507,840</u>
<b>Equity</b>		<u>1,905,029</u>	<u>1,584,694</u>	<u>1,507,840</u>

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



**Te Kuiti High School**  
**Statement of Cash Flows**  
For the year ended 31 December 2020

		2020	2020	2019
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
<b>Cash flows from Operating Activities</b>				
Government Grants		1,460,359	1,165,486	1,262,726
Locally Raised Funds		100,524	50,950	212,475
International Students		22,889	22,760	(2,758)
Goods and Services Tax (net)		7,968	-	(5,657)
Funds Administered on Behalf of Third Parties		98,044	-	(41,442)
Payments to Employees		(511,397)	(381,013)	(492,944)
Payments to Suppliers		(745,030)	(757,929)	(824,697)
Cyclical Maintenance Payments in the year		-	(47,000)	-
Interest Paid		(1,249)	(884)	(2,746)
Interest Received		15,730	13,000	14,497
Net cash from/(to) Operating Activities		447,838	65,370	119,454
<b>Cash flows from Investing Activities</b>				
Purchase of Property Plant & Equipment (and Intangibles)		(146,645)	(189,902)	(60,138)
Purchase of Investments		(200,288)	-	(235,315)
Net cash from/(to) Investing Activities		(346,933)	(189,902)	(295,453)
<b>Cash flows from Financing Activities</b>				
Finance Lease Payments		(3,657)	(9,434)	(3,266)
Funds Held for Capital Works Projects		(27,570)	-	(603)
Net cash from/(to) Financing Activities		(31,227)	(9,434)	(3,869)
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>69,678</b>	<b>(133,966)</b>	<b>(179,868)</b>
Cash and cash equivalents at the beginning of the year	9	625,400	805,268	805,268
<b>Cash and cash equivalents at the end of the year</b>	9	<b>695,078</b>	<b>671,302</b>	<b>625,400</b>

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

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



# Te Kuiti High School

## Notes to the Financial Statements

### For the year ended 31 December 2020

#### 1. Statement of Accounting Policies

##### a) Reporting Entity

Te Kuiti High 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 16.

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

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

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

The estimated useful lives of the assets are:

Buildings	40 years
Building Improvements	10-40 Years
Furniture and Equipment	5-20 years
Information and Communication	3-5 years
Motor Vehicles	5 years
Textbooks	4 years
Library Resources	12.5% dv
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 school control. These amounts are not recorded in the Statement of Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose.

#### **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	1,103,402	957,800	922,112
Teachers' Salaries Grants	2,494,421	2,075,152	2,262,239
Use of Land and Buildings Grants	791,402	690,903	751,774
Ses Funding	-	-	825
Attendance Services	17,616	25,000	25,203
Resource Teachers Learning and Behaviour Grants	3,295	-	3,320
Other MoE Grants	201,029	137,686	49,577
Transport grants	35,713	-	31,621
Other Government Grants	36,600	45,000	52,939
Alternative Education	135,226	-	136,489
	<b>4,818,704</b>	<b>3,931,541</b>	<b>4,236,099</b>

The school has opted in to the donations scheme for this year. Total amount received was \$42,900.

Other MOE Grants total includes additional COVID-19 funding totalling \$140,693.48 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 \$
<b>Revenue</b>			
Donations	3,600	4,650	7,535
Bequests & Grants	26,638	-	600
Activities	22,075	74,000	102,906
Trading	29,129	30,000	45,246
Fundraising	8,114	4,000	10,588
Other Revenue	14,993	60,300	43,472
	<b>104,549</b>	<b>172,950</b>	<b>210,347</b>
<b>Expenses</b>			
Activities	27,128	53,050	94,004
Trading	37,554	27,000	63,377
Fundraising (Costs of Raising Funds)	-	-	44
	<b>64,682</b>	<b>80,050</b>	<b>157,425</b>
<i>Surplus for the year Locally raised funds</i>	<b>39,867</b>	<b>92,900</b>	<b>52,922</b>



#### 4. International Student Revenue and Expenses

	2020 Actual Number	2020 Budget (Unaudited) Number	2019 Actual Number
International Student Roll	2	0	3
	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
<b>Revenue</b>			
International Student Fees	22,889	22,760	20,242
<b>Expenses</b>			
International student levy	689	-	-
Other Expenses	603	4,400	8,906
	1,292	4,400	8,906
<i>Surplus for the year International Students'</i>	21,597	18,360	11,336

#### 5. Learning Resources

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Curricular	205,460	406,350	220,324
Library Resources	792	1,300	583
Employee Benefits - Salaries	2,791,147	2,252,652	2,487,849
Staff Development	11,883	15,000	14,009
Alternative Education Expenses	107,854		104,939
	3,117,136	2,675,302	2,827,704

#### 6. Administration

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Audit Fee	6,000	6,000	5,800
Board of Trustees Fees	3,680	3,800	4,935
Board of Trustees Expenses	3,845	8,870	3,931
Communication	8,909	9,550	13,242
Consumables	11,607	18,620	16,432
Operating Lease	-	4,400	-
Legal Fees	793	2,000	380
Other	38,008	33,030	42,877
Employee Benefits - Salaries	143,487	160,000	155,579
Insurance	12,908	13,900	14,932
Service Providers, Contractors and Consultancy	17,256	15,780	17,256
Computer Support	25,025		27,439
	271,518	275,950	302,803





## 7. Property

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	73,153	97,780	100,442
Consultancy and Contract Services	670	8,600	11,985
Cyclical Maintenance Expense	(116,814)	38,403	25,575
Grounds	31,840	17,200	20,781
Heat, Light and Water	47,016	64,500	55,145
Rates	11,183	11,000	5,669
Repairs and Maintenance	46,549	67,500	131,538
Use of Land and Buildings	791,402	690,903	751,774
Employee Benefits - Salaries	77,948	43,513	42,059
	<u>962,947</u>	<u>1,039,399</u>	<u>1,144,968</u>

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

## 8. Depreciation

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Buildings	16,951	13,064	16,951
Building Improvements	5,241	4,039	5,241
Furniture and Equipment	51,203	44,085	57,201
Information and Communication Technology	42,908	22,165	28,759
Motor Vehicles	9,756	10,388	13,479
Leased Assets	10,395	7,559	9,808
Library Resources	6,723	5,230	6,786
	<u>143,177</u>	<u>106,530</u>	<u>138,225</u>

## 9. Cash and Cash Equivalents

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Cash on Hand	100	-	100
Bank Current Account	694,978	671,302	425,012
Short-term Bank Deposits	-	-	200,288
Cash and cash equivalents for Statement of Cash Flows	<u>695,078</u>	<u>671,302</u>	<u>625,400</u>

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

Of the \$695,078 Cash and Cash Equivalents \$7,175 is held by the School on behalf of the Ministry of Education. These funds are required to be spent in 2022 on Crown owned school buildings under the School's Five Year Property Plan.



### 10. Accounts Receivable

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Receivables	12,479	6,421	6,421
Banking Staffing Underuse	-	49,711	56,525
Interest Receivable	5,483	30	8,165
Teacher Salaries Grant Receivable	211,051	136,558	160,851
Receivables from the MoE	11,315		
	<u>240,328</u>	<u>192,720</u>	<u>231,962</u>
Receivables from Exchange Transactions	29,277	6,451	14,586
Receivables from Non-Exchange Transactions	211,051	186,269	217,376
	<u>240,328</u>	<u>192,720</u>	<u>231,962</u>

### 11. Inventories

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Stationery	9,900	12,104	12,047
Uniform	58,417	72,466	59,755
	<u>68,317</u>	<u>84,570</u>	<u>71,802</u>

### 12. Investments

The School's investment activities are classified as follows:

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Current Asset			
Short-term Bank Deposits	435,603	-	235,315
Total Investments	<u>435,603</u>	<u>-</u>	<u>235,315</u>

### 13. Property, Plant and Equipment

2020	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
Land	39,000	-	-	-	-	39,000
Buildings	380,245	-	-	-	(16,951)	363,294
Building Improvements	73,295	-	-	-	(5,241)	68,054
Furniture and Equipment	246,937	49,019	-	-	(51,203)	244,753
Information and Communication Tech	49,148	207,909	-	-	(42,908)	214,149
Motor Vehicles	5,756	49,991	-	-	(9,756)	45,992
Leased Assets	13,892	4,626	-	-	(10,395)	8,123
Library Resources	40,111	4,784	-	-	(6,723)	38,170
<b>Balance at 31 December 2020</b>	<u>848,384</u>	<u>316,329</u>	<u>-</u>	<u>-</u>	<u>(143,177)</u>	<u>1,021,535</u>

The net carrying value of equipment held under a finance lease is \$8,123 (2019: \$13,892)



	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$
<b>2020</b>			
Land	39,000	-	39,000
Buildings	569,165	(205,871)	363,294
Building Improvements	99,925	(31,871)	68,054
Furniture and Equipment	1,255,847	(1,011,094)	244,753
Information and Communication	982,502	(768,353)	214,149
Motor Vehicles	248,175	(202,183)	45,992
Textbooks	135,797	(135,797)	-
Leased Assets	34,391	(26,268)	8,123
Library Resources	104,768	(66,598)	38,170
<b>Balance at 31 December 2020</b>	<b>3,469,570</b>	<b>(2,448,035)</b>	<b>1,021,535</b>

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
	\$	\$	\$	\$	\$	\$
<b>2019</b>						
Land	39,000	-	-	-	-	39,000
Buildings	397,195	-	-	-	(16,951)	380,245
Building Improvements	78,536	-	-	-	(5,241)	73,295
Furniture and Equipment	282,061	22,077	-	-	(57,201)	246,937
Information and Communication Technology	69,905	8,002	-	-	(28,759)	49,148
Motor Vehicles	19,236	-	-	-	(13,479)	5,756
Leased Assets	22,581	1,118	-	-	(9,808)	13,892
Library Resources	41,291	5,605	-	-	(6,786)	40,111
<b>Balance at 31 December 2019</b>	<b>949,805</b>	<b>36,802</b>	<b>-</b>	<b>-</b>	<b>(138,225)</b>	<b>848,384</b>

The net carrying value of equipment held under a finance lease is \$13,892 (2018: \$22,581)

	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$
<b>2019</b>			
Land	39,000	-	39,000
Buildings	569,165	(188,920)	380,245
Building Improvements	99,925	(26,630)	73,295
Furniture and Equipment	1,206,828	(959,891)	246,937
Information and Communication	774,593	(725,445)	49,148
Motor Vehicles	198,184	(192,428)	5,756
Textbooks	135,797	(135,797)	-
Leased Assets	29,765	(15,873)	13,892
Library Resources	99,985	(59,874)	40,111
<b>Balance at 31 December 2019</b>	<b>3,153,242</b>	<b>(2,304,858)</b>	<b>848,384</b>



#### 14. Accounts Payable

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Operating Creditors	26,549	60,250	51,427
Accruals	11,800	5,600	5,800
Capital Accruals for PPE items	44,985	-	1,128
Employee Entitlements - Salaries	211,051	136,558	160,851
Employee Entitlements - Leave Accrual	64,621	44,582	57,858
Banked Staffing Overuse	53,583		
	<u>412,589</u>	<u>246,990</u>	<u>277,064</u>
Payables for Exchange Transactions	412,589	246,990	277,064
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	<u>412,589</u>	<u>246,990</u>	<u>277,064</u>

The carrying value of payables approximates their fair value.

#### 15. Revenue Received in Advance

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Student Grants (Winz/Trusts)	10,044	17,914	20,113
Calculator-Deposits Received	-	71	-
International Students in advance	-	23,000	-
Barry Simmons Scholarships	5,564		5,562
Gateway	12,100		
	<u>27,708</u>	<u>40,985</u>	<u>25,675</u>

#### 16. Provision for Cyclical Maintenance

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Provision at the Start of the Year	223,897	54,397	198,322
Increase to the Provision During the Year	34,903	38,403	25,575
Adjustment to the Provision	(151,717)	-	-
Provision at the End of the Year	<u>107,083</u>	<u>92,800</u>	<u>223,897</u>
Cyclical Maintenance - Current	4,583	92,800	167,297
Cyclical Maintenance - Term	102,500	-	56,600
	<u>107,083</u>	<u>92,800</u>	<u>223,897</u>



### 17. Finance Lease Liability

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

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
No Later than One Year	6,936	9,570	9,330
Later than One Year and no Later than Five Years	2,400	14,034	5,739
	9,336	23,604	15,069

### 18. Funds held on behalf of Transport Network

Te Kuiti High School is the lead school and holds funds on behalf of the cluster, a group of schools funded by the Mistry

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Funds Received from MoE	385,368	413,193	392,699
Interest	482	-	1,166
	385,850	413,193	393,865
Bus Costs	281,728		306,482
Distribution of Funds			100,000
Administration Fee	1,500	3,000	5,000
GST Paid			
	283,228	310,000	411,482
Net Surplus	102,622	70,500	(17,617)
Opening Balance	19,286	(36,903)	36,903
Funds Held at Year End	121,907	66,290	19,286

These assets and liabilities form part of the school's assets and liabilities and are presented on the school's statement of financial position

#### Current Assets

Cash at bank	127,769	44,153
Accounts Recievable - Interest		3

#### Current Liabilities

GST Payable - Group portion	5,861	24,870
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Equity



**19. Funds Owed (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:

		BOT Contribution/ (Write-off to R&M)				
2020		Opening Balances \$	Receipts from MoE \$	Payments \$		Closing Balances \$
Black Mould Admin Block	<i>in progress</i>	-	55,000	(85,884)	-	30,884
Heatpumps	<i>in progress</i>	-	30,229	(27,481)	-	(2,748)
Drainage & Plumbing Staff Toilets	<i>in progress</i>	-	13,147	(8,720)	-	(4,427)
Flood works/Staffroom	<i>completed</i>	-	20,917	(24,778)	(3,861)	-
<b>Totals</b>		-	119,293	(146,863)	(3,861)	23,709

**Represented by:**

Funds Held on Behalf of the Ministry of Education	(7,175)
Funds Due from the Ministry of Education	30,884
	<u>23,709</u>

		BOT Contribution/ (Write-off to R&M)				
2019		Opening Balances \$	Receipts from MoE \$	Payments \$		Closing Balances \$
Black Mould Admin Block	<i>completed</i>	(603)	-	(603)	-	-
<b>Totals</b>		(603)	-	(603)	-	-

**20. 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.

Hillary Karaitiana is Chairperson of the Board and also owns Karaitiana Community Solutions. During the year the Karaitiana Community Solutions provided service to the school for managing the Alternative Education programme. The total value of all transactions paid during the year was \$11,500 GST exclusive (2019: \$11,500). Because this amount is less than \$25,000 (inc. GST) for the year, the transaction does not require Ministry approval under Schedule 23 Clause 10 of the Education and Training Act 2020.

Thomas Tumai was the Principal of the School during 2020 year. He occupied a school house. The rental was set at \$225 per week. The annual rental is than \$25,000 and does not require Ministry approval under Schedule Clause 10 of the Education and Training Act 2020.



## 21. 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	3,680	4,935
Full-time equivalent members	0.15	0.15
<i>Leadership Team</i>		
Remuneration	554,582	484,267
Full-time equivalent members	5.00	5.00
Total key management personnel remuneration	558,262	489,202
Total full-time equivalent personnel	5.15	5.15

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

### Principal

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

	2020 Actual \$000	2019 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	150 - 160	140 - 150
Benefits and Other Emoluments	4 - 5	4 - 5
Termination Benefits	-	-

### Other Employees

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

Remuneration \$000	2020 FTE Number	2019 FTE Number
100 - 110	3.00	1.00
110 - 120	2.00	-
	5.00	1.00

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

## 22. 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	\$7,500	\$4,500
Number of People	1	1



### 23. 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.

### 24. Commitments

#### (a) Capital Commitments

There are no capital commitments, except for capital works in note 19, as at 31 December 2020 ( Capital commitments 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).

### 25. 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.





## 26. 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	695,078	671,302	625,400
Receivables	240,328	192,720	231,962
Investments - Term Deposits	435,603	-	235,315
Total Financial assets measured at amortised cost	<u>1,371,009</u>	<u>864,022</u>	<u>1,092,677</u>

### Financial liabilities measured at amortised cost

Payables	412,589	246,990	277,064
Borrowings - Loans	-	-	-
Finance Leases	8,754	23,604	15,069
Painting Contract Liability	-	-	-
Total Financial Liabilities Measured at Amortised Cost	<u>421,343</u>	<u>270,594</u>	<u>292,133</u>

## 27. Events After Balance Date

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

## 28. Comparatives

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

