

Tauhei Combined School

Annual Report

for the year ended 31 December 2019

School Directory:

Ministry Number: 1985
Principal: Chris May
School Address: 860 Tauhei Road, RD5, Morrinsville
School Postal Address: 860 Tauhei Road, RD5, Morrinsville 3375
School Phone: 07 887 6844
School Email: office@tauhei.co.nz
Ministry Number: 1985

Members of the Board of Trustees:

Name	Position	How Position Gained	Occupation	Term Expired/ Expires
Rita Dewhurst	Parent Rep, Chairperson	Elected	Dairy NZ & Home Maker	June 2022
Chris May	Principal	Appointed	Principal	June 2022
Greg Rushbrooke	Parent Rep	Elected	Builder	June 2022
Shane Latto	Parent Rep	Elected	Panel Beater	June 2022
Kuljeet Singh	Parent Rep	Elected	Home Maker	June 2022
Anne-Louise Erceg	Staff Rep	Elected	Teacher	June 2022

Accountant / Service Provider: Russell Wilkinson

Tauhei Combined School

Annual Report

for the year ended 31 December 2019

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Tauhei Combined School

Statement of Responsibility

for the year ended 31 December 2019

The Board of Trustees accepts responsibility for the preparation of the annual financial statements and the judgements used in these financial statements.

The management (including the Principal and others as directed by the Board) accepts responsibility for establishing and maintaining a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of the School's financial reporting.

It is the opinion of the Board and management that the annual financial statements for the financial year ended 31 December 2019 fairly reflects the financial position and operations of the School.

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

Rita Dewhurst

Full Name of Chairperson



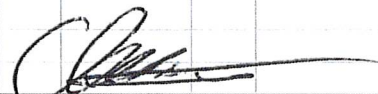
Signature of Chairperson

26.5.2020

Date

Chris May

Full Name Principal



Signature Principal

26.5.2020

Date

Tauhei Combined School

Statement of Comprehensive Revenue and Expense

for the year ended 31 December 2019

	Notes	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Revenue				
Government grants	2	457,077	442,767	477,758
Locally raised funds	3	35,129	19,913	28,899
Interest income		930	-	1,446
		<u>493,136</u>	<u>462,680</u>	<u>508,103</u>
Expenses				
Locally raised funds	3	7,647	870	8,117
Learning resources	4	301,451	274,949	303,591
Administration	5	54,578	48,724	63,248
Finance		144	-	-
Property	6	127,528	121,293	117,509
Depreciation	7	15,169	12,000	15,994
Loss on disposal of property, plant and equipment		45	-	945
		<u>506,562</u>	<u>457,836</u>	<u>509,404</u>
Net Surplus / (Deficit) for the year		<u>(13,426)</u>	<u>4,844</u>	<u>(1,301)</u>
Other comprehensive revenue and expenses		-	-	-
Total comprehensive revenue and expense for the year		<u><u>(13,426)</u></u>	<u><u>4,844</u></u>	<u><u>(1,301)</u></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.



Tauhei Combined School

Statement of Changes in Net Assets / Equity

for the year ended 31 December 2019

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Balance at 1 January	<u>177,130</u>	<u>177,130</u>	<u>176,918</u>
Total comprehensive revenue and expense for the year	(13,426)	4,844	(1,301)
Capital contributions from the Ministry of Education: Contribution - furniture and equipment grant	-	-	1,513
Equity at 31 December	<u><u>163,704</u></u>	<u><u>181,974</u></u>	<u><u>177,130</u></u>
Retained Earnings	163,704	181,974	177,130
Reserves	-	-	-
Equity at 31 December	<u><u>163,704</u></u>	<u><u>181,974</u></u>	<u><u>177,130</u></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.



Tauhei Combined School

Statement of Financial Position

as at 31 December 2019

	Notes	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Current Assets				
Cash and cash equivalents	8	63,283	101,007	53,032
Accounts receivable	9	15,160	12,856	16,008
Prepayments		1,548	1,329	1,329
Inventories	10	136	821	821
Investments	11	25,000	-	-
Funds owed for capital works	16	500	-	29,631
		<u>105,627</u>	<u>116,013</u>	<u>100,821</u>
Current Liabilities				
Accounts payable	13	24,144	18,086	18,086
GST payable		7,925	1,812	1,812
Provision for cyclical maintenance	14	28,010	-	-
Finance lease liability - current portion	15	3,646	3,012	3,012
Funds held for capital works projects	16	-	-	-
		<u>63,725</u>	<u>22,910</u>	<u>22,910</u>
Working Capital Surplus		41,902	93,103	77,911
Non Current Assets				
Property, plant and equipment	12	131,528	125,374	135,896
Non Current Liabilities				
Provision for cyclical maintenance	14	-	27,489	24,880
Finance lease liability	15	9,726	9,014	11,797
		<u>9,726</u>	<u>36,503</u>	<u>36,677</u>
Net Assets		<u>163,704</u>	<u>181,974</u>	<u>177,130</u>
Equity		<u>163,704</u>	<u>181,974</u>	<u>177,130</u>

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



Tauhei Combined School

Statement of Cash Flows

for the year ended 31 December 2019

		2019	2019	2018
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Cash flows from Operating Activities				
Government grants		140,558	122,919	158,000
Locally raised funds		30,237	19,913	28,899
Goods and Services Tax (net)		6,113	-	(18,267)
Payments to employees		(90,522)	(56,700)	(114,508)
Payments to suppliers		(74,600)	(63,527)	(66,896)
Cyclical maintenance payments in the year		-	-	-
Interest paid		(144)	-	-
Interest received		661	-	1,850
Net cash from operating activities		<u>12,303</u>	<u>22,605</u>	<u>(10,922)</u>
Cash flows from Investing Activities				
Proceeds from sale of PPE (and Intangibles)		-	-	-
Purchase of PPE (and Intangibles)		(2,840)	(1,478)	(21,123)
Purchase of investments		(25,000)	-	-
Proceeds from sale of investments		-	-	20,500
Net cash from investing activities		<u>(27,840)</u>	<u>(1,478)</u>	<u>(623)</u>
Cash flows from Financing Activities				
Furniture and equipment grant		-	-	1,513
Finance lease payments		(3,343)	(2,783)	(2,870)
Funds administered on behalf of third parties		-	-	-
Funds held for capital works projects		29,131	29,631	(111,030)
Net cash from financing activities		<u>25,788</u>	<u>26,848</u>	<u>(112,387)</u>
Net increase/(decrease) in cash and cash equivalents		<u>10,251</u>	<u>47,975</u>	<u>(123,932)</u>
Cash and cash equivalents at the beginning of the year	8	53,032	53,032	176,964
Cash and cash equivalents at the end of the year	8	<u>63,283</u>	<u>101,007</u>	<u>53,032</u>

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.



Tauhei Combined School

Notes to the Financial Statements

for the year ended 31 December 2019

1. Statement of Accounting Policies

a) Reporting entity

Tauhei Combined School (the School) is a Crown entity as specified in the Crown Entities Act 2004 and a school as described in the Education Act 1989. The Board of Trustees (the Board) is of the view the School is a public benefit entity for financial reporting purposes.

b) Basis of Preparation

Reporting Period

The financial reports have been prepared for the period 1 January 2019 to 31 December 2019 and in accordance with the requirements of the Public Finance Act 1989.

Basis of Preparation

The financial statements have been prepared on a going concern basis, and the accounting policies have been consistently applied throughout the period.

Financial reporting standards applied

The Education Act 1989 requires the School, as a Crown entity, to prepare financial statements in accordance with generally accepted accounting practice. The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand, applying Public Sector Public Benefit Entity (PBE) Standards Reduced Disclosure Regime as appropriate to public benefit entities that qualify for Tier 2 reporting. The school is considered a Public Benefit Entity as it meets the criteria specified as "having a primary objective to provide goods and/or services for community or social benefit and where any equity has been provided with a view to supporting that primary objective rather than for financial return to equity holders".

Standard early adopted

In line with the financial statements of the Government, the School has elected to early adopt PBE IFRS 9 Financial Instruments. PBE IFRS 9 replaces PBE IPSAS 29 Financial Instruments: Recognition and Measurement. Information about the adoption of PBE IFRS 9 is provided in note 25.

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement base

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

Presentation currency

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

Specific accounting policies

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



Critical Accounting Estimates and Assumptions

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

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

Useful lives of property, plant and equipment

The School reviews the estimated lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of 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 grant 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 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.

Donation, Gifts and Bequests

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

Interest revenue



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

d) Use of Land and Buildings Expense

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

e) Operating Lease Payments

Payments made under operating leases are recognised in the Statement of Comprehensive Revenue and Expense on a straight line basis over the term of the lease.

f) Finance Lease Payments

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

g) Cash and Cash Equivalents

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

h) Accounts Receivable

Short-term receivables are recorded at the amount due, less an allowance for credit losses. The school applies the simplified expected credit loss model of recognising lifetime expected credit losses for receivables. In measuring expected credit losses, short-term receivables have been assessed on a collective basis as they possess shared credit risk characteristics. They have been grouped on the days past due. Short-term receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include the debtor being in liquidation.

Prior Year Policy

Accounts receivable represents items that the School has issued invoices for or accrued for, but has not received payment for at year end. Receivables are initially recorded at fair value and subsequently recorded at the amount the School realistically expects to receive. A receivable is considered uncollectable where there is objective evidence the School will not be able to collect all the amounts due. The amount that is uncollectable (the provision for uncollectibility) is the difference between the amount due and the present value of the amounts expected to be collected.

i) Inventories

Inventories are consumable items held for sale and comprise 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 amount is not trivial.

Prior Year Policy

Bank term deposits for periods exceeding 90 days are classified as investments and are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance. After initial recognition bank term deposits are measured at amortised cost using the effective interest method less impairment.

After initial recognition any investments categorised as available for sale are measured at their fair value without any deduction for transaction costs the School may incur on sale or other disposal.



k) Property, Plant, and Equipment

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

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

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

Property, plant and equipment acquired with individual values under \$500 are not capitalised. They are recognised as an expense in the Statement of Comprehensive Revenue and Expense.

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

Finance Leases

A finance lease transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred. At the start of the lease term, finance leases are recognised as assets and liabilities in the Statement of Financial Position at the lower of the fair value of the leased asset or the present value of the minimum lease payments. The finance charge is charged to the surplus or deficit over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability. The amount recognised as an asset is depreciated over its useful life. If there is no reasonable certainty whether the school will obtain ownership at the end of the lease term, the asset is 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	40 years
Furniture and equipment	5-15 years
Information and communication technology	5 years
Leased assets held under a finance lease	3 - 5 years
Library resources	12.5% diminishing value

l) Intangible Assets

Software costs

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

Computer software with individual values under \$500 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. Its 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 estimated useful life. The useful life of software is estimated as five 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 annual leave earned but not yet taken at balance date.

p) Revenue Received in Advance

Revenue received in advance relates to fees received by the School 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.

q) 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 10-year property plan (10YPP).



r) Financial Assets and Liabilities

The School's financial assets comprise cash and cash equivalents, accounts receivable and investments. All of these financial assets, except for investments that are shares, are categorised as "loans and receivables" for accounting purposes in accordance with financial reporting standards.

Investments that are shares are categorised as "available for sale" for accounting purposes in accordance with financial reporting standards.

The School's financial liabilities comprise accounts payable, finance lease liability and funds held on behalf of the Ministry of Education. All of these financial liabilities are categorised as "financial liabilities measured at amortised cost" for accounting purposes in accordance with financial reporting standards.

s) Borrowings

Borrowings on normal commercial terms are initially recognised at the amount borrowed plus transaction costs. Interest due on the borrowings is subsequently accrued and added to the borrowings balance. Borrowings are classified as current liabilities unless the school has an unconditional right to defer settlement of the liability for at least 12 months after balance date.

Grants determined by the Minister of Education for operational activities includes all items (core components) included in the Operational Funding notice.

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

t) 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 Statement of Cash Flows.

Commitments and contingencies are disclosed exclusive of GST.

u) Budget Figures

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

v) 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.



	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
2. Government grants			
Operational grants	97,012	94,890	96,845
Teachers' salaries grants	231,436	230,000	230,401
Use of land and buildings grants	87,508	93,000	92,925
Other MOE grants	41,121	24,877	57,587
	<u>457,077</u>	<u>442,767</u>	<u>477,758</u>

3. Locally raised funds

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

Revenue

Donations	16,155	-	4,325
Fundraising	-	6,956	6,665
Other revenue	339	-	-
School house rent	14,840	12,174	14,280
Activities	2,534	783	567
Trading	1,261	-	3,062
	<u>35,129</u>	<u>19,913</u>	<u>28,899</u>

Expenses

Activities	3,936	-	1,586
Fundraising (costs of raising funds)	39	-	2,064
School house expenses	2,613	-	2,279
Trading	1,059	870	2,188
	<u>7,647</u>	<u>870</u>	<u>8,117</u>

Surplus (deficit) for the year locally raised funds

	<u>27,482</u>	<u>19,043</u>	<u>20,782</u>
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4. Learning resources

Curricular	3,211	9,306	3,242
Information and communication technology	2,455	591	3,084
Library resources	200	174	227
Employee benefits - salaries	294,279	261,400	295,288
Staff development	1,306	3,478	1,750
	<u>301,451</u>	<u>274,949</u>	<u>303,591</u>

5. Administration

Audit fees	3,700	3,043	3,400
Board of Trustees fees	1,955	1,304	-
Board of Trustees expenses	1,654	1,739	8,282
Commissioner	2,926	7,000	15,949
Communication	909	783	761
Consumables	1,476	2,696	1,517
Intervention costs and expenses	8,194	-	-
Operating lease	-	-	589
Other	5,908	6,159	3,480
Employee benefits - salaries	21,257	20,000	26,291
Insurance	925	1,652	402
Service providers, contractors, consultancy	5,674	4,348	2,577
	<u>54,578</u>	<u>48,724</u>	<u>63,248</u>



	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
6. Property			
Caretaking and cleaning consumables	1,004	1,391	1,757
Cyclical maintenance provision	3,130	2,609	(2,574)
Grounds	5,625	6,957	7,101
Heat, light, and water	6,142	7,022	7,126
Repairs and maintenance	17,583	4,579	5,194
Use of land and buildings	87,508	93,000	92,925
Security	185	435	-
Employee benefits - salaries	6,351	5,300	5,980
	<u>127,528</u>	<u>121,293</u>	<u>117,509</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 of Property, Plant and Equipment

Buildings - School	2,513	2,000	2,513
Furniture & equipment	4,303	3,000	4,164
Information and communication technology	4,189	4,000	5,106
Leased assets	3,647	3,000	3,764
Library resources	517	-	447
	<u>15,169</u>	<u>12,000</u>	<u>15,994</u>

8. Cash and Cash Equivalents

ASB Current account	7,021	53,996	6,021
ASB Rental account 51	12,752	22,682	22,682
ASB Maintenance account 50	234	232	232
ASB Account 52	31,621	12,035	12,035
ASB PTA Current account	387	814	814
ASB PTA Call account	11,268	11,248	11,248
Short term bank deposits	-	-	-
Cash and cash equivalents for Statement of Cash Flows	<u>63,283</u>	<u>101,007</u>	<u>53,032</u>

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

9. Accounts Receivable

Receivables	-	1,208	1,208
Interest receivable	269	-	-
Receivables - MOE	-	-	3,152
Teacher salaries grant receivable	14,891	11,648	11,648
	<u>15,160</u>	<u>12,856</u>	<u>16,008</u>
Receivables from exchange transactions	269	1,208	1,208
Receivables from non-exchange transactions	14,891	11,648	14,800
	<u>15,160</u>	<u>12,856</u>	<u>16,008</u>



	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
10. Inventories			
Stationery	136	161	161
School Uniforms	-	660	660
	<u>136</u>	<u>821</u>	<u>821</u>

11. Investments

The School's investment activities are classified as follows:

Current Asset:

Short term bank deposits	<u>25,000</u>	<u>-</u>	<u>-</u>
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12. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2019						
Building improvements	79,429	-	-	-	(2,513)	76,916
Furniture & equipment	28,510	7,940	-	-	(4,303)	32,147
Information & communication	10,519	-	(45)	-	(4,189)	6,285
Leased assets	14,307	1,906	-	-	(3,647)	12,566
Library resources	3,131	1,000	-	-	(517)	3,614
Balance at 31 December 2019	<u>135,896</u>	<u>10,846</u>	<u>(45)</u>	<u>-</u>	<u>(15,169)</u>	<u>131,528</u>

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2019			
Building improvements	120,522	43,606	76,916
Furniture & equipment	126,582	94,435	32,147
Information & communication	44,141	37,856	6,285
Leased assets	16,966	4,400	12,566
Library resources	25,770	22,156	3,614
Balance at 31 December 2019	<u>333,981</u>	<u>202,453</u>	<u>131,528</u>

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2018						
Building improvements	81,942	-	-	-	(2,513)	79,429
Furniture & equipment	17,227	16,783	(1,336)	-	(4,164)	28,510
Information & communication	11,321	4,304	-	-	(5,106)	10,519
Leased assets	8,031	15,060	(5,020)	-	(3,764)	14,307
Library resources	3,542	36	-	-	(447)	3,131
Balance at 31 December 2018	<u>122,063</u>	<u>36,183</u>	<u>(6,356)</u>	<u>-</u>	<u>(15,994)</u>	<u>135,896</u>



12. Property, Plant and Equipment (cont'd)

2018

	Cost or Valuation	Accumulated Depreciation	Net Book Value
Building improvements	120,522	41,093	79,429
Furniture & equipment	119,685	91,175	28,510
Information & communication	57,866	47,347	10,519
Leased assets	15,060	753	14,307
Library resources	24,770	21,639	3,131
Balance at 31 December 2018	337,903	202,007	135,896

13. Accounts Payable

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Operating Creditors	8,085	5,199	5,199
Employee entitlements - salaries	15,219	12,047	12,047
Employee entitlements - leave accrual	840	840	840
	24,144	18,086	18,086
Payables for exchange transactions	23,144	18,086	18,086
Payables for non-exchange transactions - taxes payable (PAYE and rates)	-	-	-
Payables for non-exchange transactions - other	-	-	-
	23,144	18,086	18,086

The carrying value of payables approximates their fair value

14. Provision for Cyclical Maintenance

Provision at the start of the year	24,880	24,880	27,454
Increase to the provision during the year	3,130	2,609	(2,574)
Use of the provision during the year	-	-	-
Provision at the end of the year	28,010	27,489	24,880
Cyclical maintenance - current	28,010	-	-
Cyclical maintenance - term	-	27,489	24,880
	28,010	27,489	24,880

15. Finance Lease Liability

The School has entered into finance lease agreements for a photocopier. Minimum lease payments payable:

No later than one year	3,646	3,012	3,012
Later than one year and no later than five years	9,726	9,014	11,797
Later than five years	-	-	-
	13,372	12,026	14,809



16. 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:

2019	Opening Balances	Receipts from MOE	Payments	BOT Contributions	Closing Balances
	\$	\$	\$	\$	\$
Outside Learning Station (completed)	(29,631)	12,467	-	17,164	-
Block B and C AMA project (in progress)	-	-	500	-	500
	(29,631)	12,467	500	17,164	500
Funds held on behalf of the Ministry of Education					-
Funds due from the Ministry of Education					500
					500
2018	Opening Balances	Receipts from MOE	Payments	BOT Contributions	Closing Balances
	\$	\$	\$	\$	\$
Outside Learning Station (in progress)	81,399	20,752	131,782	-	(29,631)
	81,399	20,752	131,782	-	(29,631)

17. Related Party Transactions

The school is a controlled entity of the Crown, and the Crown provides the major source of revenue to the school. The school enters into transactions with other entities also controlled by the Crown, such as government departments, state-owned enterprises and other Crown entities. Transactions with these entities are not disclosed as they occur on terms and conditions no more or less favourable than those it is reasonable to expect the school would have adopted if dealing with that entity at arms'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 conditions no more or less favourable than those that it is reasonable to expect the school would have adopted in dealing with the party at arm's length in the same circumstances. Further, transactions with other government agencies (for example Government departments and Crown entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.

18. Remuneration

Key management personnel compensation

Key management personnel of the School includes all Trustees of the Board, Principal and Deputy Principal.

	2019 Actual	2018 Actual
	\$	\$
Board Members		
Remuneration	1,955.00	-
Full time equivalent members	0.04	-
Leadership Team		
Remuneration	176,945	109,520
Full time equivalent members	2.00	1.00
Total key management personnel remuneration	178,900	109,520
Total full time equivalent personnel	2.04	1.00

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.



18. Remuneration (cont'd)

Principal

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

		2019	2018
		Actual	Actual
		\$000	\$000
Salaries and other short term employee benefits:			
Salary and other payments	(a)	90 - 100	80 - 90
	(b)	Nil	20 - 30
Benefits and other emoluments	(a)	0 - 5	0 - 5
	(b)	Nil	0 - 5
Termination benefits		Nil	0 - 10

Other Employees

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

Remuneration	2019	2018
\$000	FTE	FTE
100 - 110	Nil	Nil

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

19. Compensation and Other Benefits Upon Leaving

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

	2019	2018
	Actual	Actual
Total value	Nil	\$8,000
Number of people	Nil	1

20. Contingencies

There are no contingent liabilities (except as listed below) and no contingent assets as at 31 December 2019 (Contingent liabilities and assets at 31 December 2018 - nil).

Holidays Act Compliance - Schools Payroll

The Ministry of Education performs payroll processing on behalf of school boards of trustees, through payroll service provider Education Payroll Limited.

The Ministry has commenced a review of the schools sector payroll to ensure compliance with the Holidays Act 2003. The initial phase of this review has identified areas of non-compliance. The Ministry has recognised an estimated provision based on the analysis of sample data, which may not be wholly representative of the total dataset for Teacher and Support Staff Entitlements. A more accurate estimate will be possible after further analysis of non-compliance has been completed, and this work is ongoing. Final calculations and potential impact on any specific individual will not be known until further detailed analysis has been completed.

To the extent that any obligation cannot reasonably be quantified at 31 December 2019, a contingent liability for the school may exist.



21. Commitments

(a) Capital Commitments

As at 31 December 2019 the Board has entered into contract agreements for capital works as follows:
\$56,721 contract for Block B and C AMA Project to be completed in 2020 which will be fully funded by the Ministry of Education. \$0 has been received of which \$500 has been spent on the project to date.
(Capital commitments at 31 December 2018 - nil).

(b) Operating Commitments

As at 31 December 2019 the Board has not entered into any operating lease commitments. (2018 - Nil)

22. Managing Capital

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

23. Financial Instruments

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

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Financial assets measured at amortised cost (2018: Loans and receivables)			
Cash and cash equivalents	63,283	101,007	53,032
Receivables	15,160	12,856	16,008
Investments - term deposits	25,000	-	-
Total financial assets measured at amortised cost	103,443	113,863	69,040
Financial liabilities measured at amortised cost			
Payables	24,144	18,086	18,086
Finance leases	13,372	12,026	14,809
Total financial liabilities measured at amortised cost	37,516	30,112	32,895

24. Events After Balance Date

On March 11, 2020, the World Health Organisation declared the outbreak of COVID-19 (a novel Coronavirus) a pandemic. Two weeks later, on 26 March, New Zealand increased its' COVID-19 alert level to level 4 and a nationwide lockdown commenced. As part of this lockdown all schools were closed. While the disruption is currently expected to be temporary, there is a level of uncertainty around the duration of the closure.

At the date of issuing the financial statements, the school has been able to absorb the majority of the impact from the nationwide lockdown as it was decided to start the annual Easter School holidays early. In the periods the school is open for tuition, the school has switched to alternative methods of delivering the curriculum, so students can learn remotely.

At this time the full financial impact of the COVID-19 pandemic is not able to be determined, but is not expected to be significant to the school. The school will continue to receive funding from the Ministry of Education, even while closed.



25. Adoption of PBE IFRS 9 Financial Instruments

In accordance with the transitional provisions of PBE IFRS 9, the school has elected not to restate the information for previous years to comply with PBE IFRS 9. Adjustments arising from the adoption of PBE IFRS 9 are recognised in the opening equity at 1 January 2019. Accounting policies have been updated to comply with PBE IFRS 9. The main updates are:

- Receivables: This policy has been updated to reflect that impairment of short-term receivables is now determined by applying an expected credit loss model.
- Investments : This policy has been updated to explain that a loss allowance for expected credit losses is recognised only if the estimated loss allowance is not trivial.

Upon transition to PBE IFRS 9 there were no material adjustments to the financial statements.



Tauhei Combined School

Kiwisport Note

for the year ended 31 December 2019

Kiwisport is a government funding initiative to support students' participation in organised sport. In 2019 the school received total Kiwisport funding of \$557 excluding GST (2018 - \$588). This funding was spent on entry fees and the purchase of sports equipment.

Analysis of Variance

School Name:	Tauhei Combined	School Number:	1985
Strategic Aim:	All children are able to access the New Zealand curriculum as evidenced in national curriculum achievement levels		
Annual Aim:	To improve achievement levels in literacy with a specific focus on oral language and writing.		
Target:	<p>(See below for details)</p> <p>Targeting accelerated achievement in student learning to achieve 80% at or above expected curriculum levels within Reading and Writing. Reducing the percentage of below expected curriculum levels to 20% or lower in Reading and Writing. (Movement of 4 students in Reading, 10 Students in Writing)</p> <p>Targeting accelerated achievement in student learning to achieve 80% at or above expected curriculum levels within Mathematics. Reducing the percentage of below expected curriculum levels to 20% or lower in Mathematics. (Movement of 5 students in Mathematics)</p>		
Baseline Data:	<p>End of year data indicated that 12 children would benefit from support programmes to ensure that they achieved consistently and independently at required levels for curriculum expectations.</p> <p>Instructional Reading to focus on comprehension and close reading to lift these key components of the reading process</p>		

Actions <i>What did we do?</i>	Outcomes <i>What happened?</i>	Reasons for the variance <i>Why did it happen?</i>	Evaluation <i>Where to next?</i>
<p>Began the process of determining an assessment platform for collection and analysing of data with increased teacher ownership (eTap)</p> <p>Began process of establishing an assessment schedule to enable true and accurate baseline data</p> <p>Teachers beginning to monitor each child within their class and working to provide learning opportunities to meet specific need.</p> <p>Staffing used to allow children to work in small groups for reading and writing instructional reading.</p> <p>Group referral of students to work with RT Lit. and referral to RTLB and request for assessment at CDC.</p>	<ul style="list-style-type: none"> Boys' achievement across the school is the same i.e. 53% below in Writing and 60% below in Reading. Girls' achievement is higher than boys in Writing with 48% at in Writing and 70% at in Reading. Mathematics is the strongest curriculum area across the school Year 5 and Year 3 students are a target area for the future. Weaknesses in spelling and proofreading continue to be identified. Writing programme was only moderately successful for most students. More specific goal setting is still required for all students so that next steps are clear and monitored regularly. Focused teaching to improve writing and oral language levels Organisational changes to the way we teach writing will be made so that extra time and expertise is channelled particularly into the students 	<p>TEACHER AIDE SUPPORT Target children were able to sit in a small with a teacher aide during instructional reading time. The focus was re-working instructions, ensuring on-task behaviours, helping children to meet criteria for task and framing responses orally before recording. All children responded very well and eliminated rushing completing tasks on surface level at the greatest of speed and copying, competitive behaviours.</p> <p>RTLIT All children who worked in the group with RT Lit were extremely motivated, felt "very clever" and made notable progress. Staff worked hard to maintain the progress made and to continue the programmes and strategies modelled by RTLit.</p> <p>READING REC OVERY</p>	<p>Establish a clear and true assessment schedule that enables evidence based learning to be achievable</p> <p>Establish a clear and transparent reporting schedule that has included input from community consultation</p> <p>Nurture a culture of students willing and ready to learn within goals of Motivation to Learn and Student Agency</p> <p>Students understand the process and progressions of their learning: what we are doing, why we are doing this, where to next</p> <p>Staff allocation to maximise teacher time and learning assistant time for students especially with learning needs</p> <p>Use of digital technologies in line with student's individual needs and interest to help improve achievement and engagement</p> <p>School wide exploration of the key competencies... what they mean, how can we best make them an integral focus of teaching and learning</p>

	without adequate knowledge	<p>Weekly "hands-on" problem-solving/ challenge activities to build children's ability to meet a challenge, show resilience and problem-solving skills development.</p> <p>Staff professional development to increase knowledge, strategies and structures to:</p> <ul style="list-style-type: none"> -Understand links between language and literacy phonological awareness. -Develop oral and written language and communication skills -Create tasks designed to develop children's oral and written language abilities -Build strategies to support learners in oral and written language, listening, memory, speech and literacy skills.
Planning for next year:		
<p>Staff to attend professional development and develop knowledge and strategies in Oral Language teaching with the aim to enhance levels of attainment in literacy.</p> <p>Continue to group children into small groups for literacy instruction and to provide in-class support for targeted children.</p> <p>Referrals to relevant agencies to gain specific teaching strategies for children with high levels of need.</p> <p>Review and monitor Assessment schedule and the use of the AOV</p> <p>All students to succeed personally and achieve educational success, including Maori, Pasifika, Asian, Indian, Gifted & Talented, and Special Educational Needs.</p>		