

EAST GORE SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

School Directory

Ministry Number: 3946

Principal: Wendy Kitto

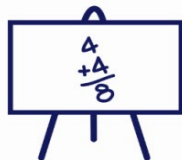
School Address: 3 Wentworth St, Gore

School Postal Address: 3 Wentworth St, Gore

School Phone: 03 208 5331

School Email: office@eastgore.school.nz

Accountant / Service Provider:



**EDUCATION
FINANCE**

www.educationfinance.co.nz

EAST GORE SCHOOL

Annual Report - For the year ended 31 December 2020

Index

Page	Statement
-------------	------------------

	Financial Statements
--	-----------------------------

1	Statement of Responsibility
2	Statement of Comprehensive Revenue and Expense
3	Statement of Changes in Net Assets/Equity
4	Statement of Financial Position
5	Statement of Cash Flows
6 - 19	Notes to the Financial Statements

	Other Information
--	--------------------------

	Analysis of Variance
--	----------------------

	Kiwisport
--	-----------

	BOT List
--	----------

East Gore 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.

Ken Willetts

Full Name of Board Chairperson

Wendy Kitto

Full Name of Principal

Ken Willetts

Signature of Board Chairperson

W Kitto

Signature of Principal

29.6.2021

Date:

28.6.2021

Date:

East Gore School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2020

	Notes	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Revenue				
Government Grants	2	1,392,104	1,263,000	1,173,129
Locally Raised Funds	3	35,053	19,900	52,680
Interest income		2,737	4,000	4,321
		<u>1,429,894</u>	<u>1,286,900</u>	<u>1,230,130</u>
Expenses				
Locally Raised Funds	3	14,451	8,400	27,501
Learning Resources	4	961,792	919,550	819,046
Administration	5	88,773	74,230	92,171
Finance		1,323	-	1,518
Property	6	291,449	255,100	247,990
Depreciation	7	17,701	23,270	17,276
Loss on Disposal of Property, Plant and Equipment		-	-	3,541
		<u>1,375,489</u>	<u>1,280,550</u>	<u>1,209,043</u>
Net Surplus / (Deficit) for the year		54,405	6,350	21,087
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u><u>54,405</u></u>	<u><u>6,350</u></u>	<u><u>21,087</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.



East Gore School

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2020

	Notes	Actual 2020 \$	Budget (Unaudited) 2020 \$	Actual 2019 \$
Balance at 1 January		<u>204,846</u>	<u>204,846</u>	<u>182,191</u>
Total comprehensive revenue and expense for the year		54,405	6,350	21,087
Capital Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		3,159	-	1,568
Adjustment to Accumulated surplus/(deficit) from adoption of PBE IFRS 9		-	-	-
Equity at 31 December	21	<u>262,410</u>	<u>211,196</u>	<u>204,846</u>
Retained Earnings		262,410	211,196	204,846
Reserves		-	-	-
Equity at 31 December		<u>262,410</u>	<u>211,196</u>	<u>204,846</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.



East Gore School

Statement of Financial Position

As at 31 December 2020

		2020	2020	2019
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Current Assets				
Cash and Cash Equivalents	8	123,899	124,755	156,161
Accounts Receivable	9	57,949	39,425	39,425
GST Receivable		13,805	7,992	7,992
Prepayments		6,918	4,424	4,424
Funds due for MOE projects	15	18,684	-	-
Investments	10	127,427	125,398	125,398
		<u>348,682</u>	<u>301,994</u>	<u>333,400</u>
Current Liabilities				
Accounts Payable	12	70,723	97,092	97,092
Provision for Cyclical Maintenance	13	35,000	-	20,191
Finance Lease Liability - Current Portion	14	5,356	4,839	4,839
Funds held for Capital Works Projects	15	-	-	18,265
		<u>111,079</u>	<u>101,931</u>	<u>140,387</u>
Working Capital Surplus/(Deficit)		237,603	200,063	193,013
Non-current Assets				
Property, Plant and Equipment	11	71,154	51,371	55,641
		<u>71,154</u>	<u>51,371</u>	<u>55,641</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	13	41,133	40,238	33,238
Finance Lease Liability	14	5,214	-	10,570
		<u>46,347</u>	<u>40,238</u>	<u>43,808</u>
Net Assets		<u>262,410</u>	<u>211,196</u>	<u>204,846</u>
Equity	21	<u>262,410</u>	<u>211,196</u>	<u>204,846</u>

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



East Gore School

Statement of Cash Flows

For the year ended 31 December 2020

		2020	2020	2019
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Cash flows from Operating Activities				
Government Grants		424,404	306,000	321,450
Locally Raised Funds		29,265	19,900	52,680
Goods and Services Tax (net)		(5,814)	-	(4,875)
Payments to Employees		(222,226)	(171,500)	(167,214)
Payments to Suppliers		(185,430)	(121,780)	(119,656)
Cyclical Maintenance Payments in the year		-	(20,191)	(46,637)
Interest Paid		(1,323)	-	(1,518)
Interest Received		2,737	4,000	4,321
Net cash from/(to) Operating Activities		41,613	16,429	38,551
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(33,214)	(19,000)	(7,684)
Purchase of Investments		(2,029)	-	(125,398)
Proceeds from Sale of Investments		-	-	-
Net cash from/(to) Investing Activities		(35,243)	(19,000)	(133,082)
Cash flows from Financing Activities				
Furniture and Equipment Grant		3,159	-	1,568
Finance Lease Payments		(4,839)	(10,570)	(9,635)
Funds Held for Capital Works Projects		(36,951)	(18,265)	(47,533)
Net cash from/(to) Financing Activities		(38,631)	(28,835)	(55,600)
Net increase/(decrease) in cash and cash equivalents		(32,261)	(31,406)	(150,131)
Cash and cash equivalents at the beginning of the year	8	156,160	156,161	306,292
Cash and cash equivalents at the end of the year	8	123,899	124,755	156,161

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.



East Gore School

Notes to the Financial Statements

For the year ended 31 December 2020

1. Statement of Accounting Policies

a) Reporting Entity

East Gore 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 13.

Useful lives of property, plant and equipment

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

Critical Judgements in applying accounting policies

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

Classification of leases

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

Recognition of grants

The School reviews the grants monies received at the end of each reporting period and whether any require a provision to carry forward amounts unspent. The School believes all grants received have been appropriately recognised as a liability if required. Government grants are disclosed at note 2.

c) Revenue Recognition

Government Grants

The school receives funding from the Ministry of Education. The following are the main types of funding that the School receives.

Operational grants are recorded as revenue when the School has the rights to the funding, which is in the year that the funding is received.

Teachers salaries grants are recorded as revenue when the School has the rights to the funding in the salary period they relate to. The grants are not received in cash by the School and are paid directly to teachers by the Ministry of Education.

Use of land and buildings grants are recorded as revenue in the period the School uses the land and buildings. These are not received in cash by the School as they equate to the deemed expense for using the land and buildings which are owned by the Crown.

Other Grants

Other grants are recorded as revenue when the School has the rights to the funding, unless there are unfulfilled conditions attached to the grant, in which case the amount relating to the unfulfilled conditions is recognised as a liability and released to revenue as the conditions are fulfilled.

Grants for the use of land and buildings are also 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 Proprietor. Use of land and building grants are recorded as income in the period the school uses the land and building.

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

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) Investments

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

j) Property, Plant and Equipment

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

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

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

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

Finance Leases

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

Depreciation

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

The estimated useful lives of the assets are:

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



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

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

Non cash generating assets

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

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

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

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

l) Accounts Payable

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

m) Employee Entitlements

Short-term employee entitlements

Employee benefits that are due to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, and also annual leave earned, by non teaching staff, to but not yet taken at balance date.

Long-term employee entitlements

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

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

n) 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).

o) 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.

p) 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.



q) Budget Figures

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

r) Services received in-kind

From time to time the School receives services in-kind, including the time of volunteers. The School has elected not to recognise services received in kind in the Statement of Comprehensive Revenue and Expense.



2. Government Grants

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operational Grants	288,548	235,450	232,440
Teachers' Salaries Grants	780,472	770,000	679,077
Use of Land and Buildings Grants	187,228	187,000	172,602
Other MoE Grants	125,469	70,550	87,607
Other Government Grants	10,387	-	1,403
	<u>1,392,104</u>	<u>1,263,000</u>	<u>1,173,129</u>

The school has opted in to the donations scheme for this year. Total amount received was \$17,550.

Other MOE Grants total includes additional COVID-19 funding totalling \$6,312 for the year ended 31 December 2020.

3. Locally Raised Funds

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

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Revenue			
Donations	17,781	11,000	21,515
Activities	2,115	4,300	22,693
Trading	10,480	3,600	3,200
Other Revenue	4,677	1,000	5,272
	<u>35,053</u>	<u>19,900</u>	<u>52,680</u>
Expenses			
Activities	3,448	4,800	26,212
Trading	11,003	3,600	1,289
	<u>14,451</u>	<u>8,400</u>	<u>27,501</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>20,602</u>	<u>11,500</u>	<u>25,179</u>

4. Learning Resources

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	14,075	20,550	16,272
Employee Benefits - Salaries	944,077	893,500	796,380
Staff Development	3,640	5,500	6,394
	<u>961,792</u>	<u>919,550</u>	<u>819,046</u>



5. Administration

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Audit Fee	3,500	4,200	3,500
Board of Trustees Fees	3,240	3,000	3,660
Board of Trustees Expenses	1,958	1,300	3,896
Communication	1,569	1,500	1,202
Consumables	2,802	3,000	3,747
Operating Lease	9,308	3,430	9,592
Other	16,073	12,500	18,922
Employee Benefits - Salaries	40,132	36,000	38,056
Insurance	5,391	4,500	4,796
Service Providers, Contractors and Consultancy	4,800	4,800	4,800
	<u>88,773</u>	<u>74,230</u>	<u>92,171</u>

6. Property

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Caretaking and Cleaning Consumables	6,087	2,000	2,802
Consultancy and Contract Services	19,231	17,100	16,468
Cyclical Maintenance Provision	22,704	7,000	12,231
Grounds	4,049	5,500	3,259
Heat, Light and Water	13,532	11,500	11,622
Rates	4,229	2,700	3,390
Repairs and Maintenance	14,794	8,500	13,262
Use of Land and Buildings	187,228	187,000	172,602
Security	1,106	1,800	499
Employee Benefits - Salaries	18,489	12,000	11,855
	<u>291,449</u>	<u>255,100</u>	<u>247,990</u>

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

7. Depreciation

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Building Improvements - Crown	2,112	2,500	2,464
Furniture and Equipment	2,438	6,000	3,000
Information and Communication Technology	5,553	3,000	4,719
Leased Assets	6,666	10,570	6,028
Library Resources	932	1,200	1,065
	<u>17,701</u>	<u>23,270</u>	<u>17,276</u>



8. Cash and Cash Equivalents

	2020	2020 Budget	2019
	Actual	(Unaudited)	Actual
	\$	\$	\$
Bank Current Account	80,073	54,755	68,360
Bank Call Account	43,826	70,000	87,801
Bank Overdraft	-	-	-
Cash and cash equivalents for Statement of Cash Flows	<u>123,899</u>	<u>124,755</u>	<u>156,161</u>

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

9. Accounts Receivable

	2020	2020 Budget	2019
	Actual	(Unaudited)	Actual
	\$	\$	\$
Receivables	5,788	-	-
Teacher Salaries Grant Receivable	52,161	39,425	39,425
	<u>57,949</u>	<u>39,425</u>	<u>39,425</u>
Receivables from Exchange Transactions	5,788	-	-
Receivables from Non-Exchange Transactions	52,161	39,425	39,425
	<u>57,949</u>	<u>39,425</u>	<u>39,425</u>

10. Investments

The School's investment activities are classified as follows:

	2020	2020 Budget	2019
	Actual	(Unaudited)	Actual
	\$	\$	\$
Current Asset			
Short-term Bank Deposits	127,427	125,398	125,398
Non-current Asset			
Long-term Bank Deposits	-	-	-
Total Investments	<u>127,427</u>	<u>125,398</u>	<u>125,398</u>



11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2020	\$	\$	\$	\$	\$	\$
Building Improvements	9,119	30,496	-	-	(2,112)	37,503
Furniture and Equipment	9,172	2,718	-	-	(2,438)	9,452
Information and Communication Technology	19,328	-	-	-	(5,553)	13,775
Leased Assets	10,563	-	-	-	(6,666)	3,897
Library Resources	7,459	-	-	-	(932)	6,527
Balance at 31 December 2020	55,641	33,214	-	-	(17,701)	71,154

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2020	\$	\$	\$
Building Improvements	103,331	(65,828)	37,503
Furniture and Equipment	103,954	(94,502)	9,452
Information and Communication Technology	52,845	(39,070)	13,775
Leased Assets	20,018	(16,121)	3,897
Library Resources	40,245	(33,718)	6,527
Balance at 31 December 2020	320,393	(249,239)	71,154

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2019	\$	\$	\$	\$	\$	\$
Building Improvements	11,583	-	-	-	(2,464)	9,119
Furniture and Equipment	14,416	-	(2,244)	-	(3,000)	9,172
Information and Communication Technology	6,788	17,259	-	-	(4,719)	19,328
Leased Assets	10,220	7,668	(1,297)	-	(6,028)	10,563
Library Resources	8,524	-	-	-	(1,065)	7,459
Balance at 31 December 2019	51,531	24,927	(3,541)	-	(17,276)	55,641

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2019	\$	\$	\$
Building Improvements	72,835	(63,716)	9,119
Furniture and Equipment	101,236	(92,064)	9,172
Information and Communication Technology	76,271	(56,943)	19,328
Leased Assets	20,018	(9,455)	10,563
Library Resources	40,245	(32,786)	7,459
Balance at 31 December 2019	310,605	(254,964)	55,641



12. Accounts Payable

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Operating Creditors	7,223	10,000	1,821
Accruals	3,500	47,667	48,007
Employee Entitlements - Salaries	52,161	39,425	39,425
Employee Entitlements - Leave Accrual	7,839	-	7,839
	<u>70,723</u>	<u>97,092</u>	<u>97,092</u>
Payables for Exchange Transactions	70,723	97,092	97,092
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	<u>70,723</u>	<u>97,092</u>	<u>97,092</u>

The carrying value of payables approximates their fair value.

13. Provision for Cyclical Maintenance

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Provision at the Start of the Year	53,429	53,429	87,835
Increase/ (decrease) to the Provision During the Year	22,704	7,000	12,231
Use of the Provision During the Year	-	(20,191)	(46,637)
Provision at the End of the Year	<u>76,133</u>	<u>40,238</u>	<u>53,429</u>
Cyclical Maintenance - Current	35,000	-	20,191
Cyclical Maintenance - Term	41,133	40,238	33,238
	<u>76,133</u>	<u>40,238</u>	<u>53,429</u>

14. 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	5,356	4,839	4,839
Later than One Year and no Later than Five Years	5,214	-	10,570
Later than Five Years	-	-	-
	<u>10,570</u>	<u>4,839</u>	<u>15,409</u>



15. Funds Held for Capital Works Projects

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

	2020	Opening Balances	Receipts from MoE	Payments	BOT Contributions	Closing Balances
		\$	\$	\$	\$	\$
Water and Carpet Upgrade	<i>completed</i>	1,355	-	1,355	-	-
Boiler/Heating Project	<i>completed</i>	16,910	-	-	-	-
Drainage Project	<i>completed</i>	-	34,553	34,553	-	-
Landscaping Project	<i>in progress</i>	-	50,825	69,509	-	(18,684)
Totals		18,265	85,378	105,417	-	(18,684)

Represented by:

Funds Held on Behalf of the Ministry of Education

Funds Due from the Ministry of Education

-

-

-

	2019	Opening Balances	Receipts from MoE	Payments	BOT Contributions	Closing Balances
		\$	\$	\$	\$	\$
Water and Carpet Upgrade	<i>in progress</i>	-	46,421	45,066	-	1,355
Boiler/Heating	<i>in progress</i>	65,798	3,985	52,873	-	16,910
Totals		65,798	50,406	97,939	-	18,265

16. 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.



17. 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	3,240	3,660
Full-time equivalent members	0.16	0.18
<i>Leadership Team</i>		
Remuneration	226,276	216,396
Full-time equivalent members	2.00	2.00
Total key management personnel remuneration	229,516	220,056
Total full-time equivalent personnel	2.16	2.18

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

Principal 1

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

	2020 Actual \$000	2019 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	120-130	120-130
Benefits and Other Emoluments	3-4	3-4
Termination Benefits	-	-

Other Employees

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

Remuneration \$000	2020 FTE Number	2019 FTE Number
0	0.00	0.00
	0.00	0.00

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

18. Compensation and Other Benefits Upon Leaving

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

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



19. 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.

20. Commitments

(a) Capital Commitments

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

- (a) \$60,993, Contract for Playground to be completed in 2021. A deposit of \$30,496 has been spent on the project to date; Funding from various trusts has been secured to cover the majority of the cost.
- (b) Contract Landscaping to be completed in 2021, which will be fully funded by the Ministry of Education. \$50,825 has been received and \$102,143 has been spent on the project to date.

(Capital commitments at 31 December 2019:)

- (a) Contract for Boiler to be completed in 2020, which will be fully funded by the Ministry of Education. \$581,548 has been received of which \$564,638 has been spent on the project to date; and
- (b) Contract for Water + Carpet Upgrade, which will be fully funded by the Ministry of Education. \$46,421 has been received of which \$45,066 has been spent on the project to date.

(b) Operating Commitments

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

21. 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.



22. Financial Instruments

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

Financial assets measured at amortised cost

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Cash and Cash Equivalents	123,899	124,755	156,161
Receivables	57,949	39,425	39,425
Investments - Term Deposits	127,427	125,398	125,398
Total Financial assets measured at amortised cost	<u>309,275</u>	<u>289,578</u>	<u>320,984</u>

Financial liabilities measured at amortised cost

Payables	70,723	97,092	97,092
Finance Leases	10,570	4,839	15,409
Total Financial Liabilities Measured at Amortised Cost	<u>81,293</u>	<u>101,931</u>	<u>112,501</u>

23. Events After Balance Date

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



INDEPENDENT AUDITOR'S REPORT

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

The Auditor-General is the auditor of East Gore School (the School). The Auditor-General has appointed me, Choose an item, using the staff and resources of Crowe, to carry out the audit of the financial statements of the School on his behalf.

Opinion

We have audited the financial statements of the School on pages 2 to 19, that comprise the Statement of Financial Position as at 31 December 2020, the Statement of Comprehensive Revenue and Expense, Statement of Changes in Net Assets/Equity and Cash Flow Statement for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion the financial statements of the School:

- present fairly, in all material respects:
 - its financial position as at 31 December 2020; and
 - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Sector – Public Benefit Entity Standards Reduced Disclosure Regime.

Our audit was completed on 29 June 2021. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Board and our responsibilities relating to the financial statements, we comment on other information, and we explain our independence.

Basis of opinion

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

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

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

Responsibilities of the Board of Trustees for the financial statements

The Board of Trustees is responsible on behalf of the School for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand. The Board of Trustees is responsible for such internal control as it determines is necessary to enable it to prepare financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Trustees is responsible on behalf of the School for assessing the School's ability to continue as a going concern. The Board of Trustees is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to close or merge the School, or there is no realistic alternative but to do so.

The Board of Trustees' responsibilities arise from the Education Act 1989.

Responsibilities of the auditor for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of these financial statements.

For the budget information reported in the financial statements, our procedures were limited to checking that the information agreed to the School's approved budget.

We did not evaluate the security and controls over the electronic publication of the financial statements.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Trustees.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Trustees and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the School to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We assess the risk of material misstatement arising from the Novopay payroll system, which may still contain errors. As a result, we carried out procedures to minimise the risk of material errors arising from the system that, in our judgement, would likely influence readers' overall understanding of the financial statements.

We communicate with the Board of Trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Board of Trustees is responsible for the other information. The other information comprises the information included on pages 20 to 25, but does not include the financial statements, and our auditor's report thereon.

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

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

Independence

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

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



Kenneth Sandri
Crowe New Zealand Audit Partnership
On behalf of the Auditor-General
Invercargill, New Zealand

**East Gore SCHOOL
BOARD OF TRUSTEES
2020**

Name	Position	How Position on Board was gained	Term Expires	Occupation
K. Willetts	<i>Board Chair</i>	<i>Re-elected May 2019</i>	<i>March 2022</i>	<i>Self Employed</i>
C. Blondell	<i>Parent rep</i>	<i>Re-elected May 2019</i>	<i>March 2022</i>	<i>Driver</i>
G. Armstrong	<i>Parent rep</i>	<i>Elected May 2019</i>	<i>March 2022</i>	<i>Water Specialist</i>
M. Robins	<i>Parent rep</i>	<i>Elected May 2019</i>	<i>March 2022</i>	<i>Office Worker</i>
S. Nicholls	<i>Parent rep</i>	<i>Elected May 2019</i>	<i>March 2022</i>	<i>Office Worker</i>
W. Kitto	<i>Principal</i>	<i>Appointed October 2014</i>		
L. Heaps	<i>Staff Rep</i>	<i>Re-elected May 2019</i>	<i>March 2022</i>	<i>Teacher</i>

East Gore SCHOOL
KIWISPORT
2020

Students participated in organised sport. In 2020 the school received Kiwisport funding of \$1740.99 (2019 \$1574.57). The funding was spent on sports equipment, coaching of teams and providing sports gear and paying fees for individual students in our school.

Anne

Analysis of Variance Reporting



Kāhui Ako Name:	Eastern Southland	Kāhui Ako Number:	99055
Strategic Aim:	Curriculum; for all students to be able to access the New Zealand Curriculum at the appropriate level, evidenced by progress in Literacy and the broader curriculum		
Annual Aim:	To accelerate the rate of progress for students in Year 3, 5, 7 and 9 not accessing the curriculum at the appropriate level. All students from the above year groups from 13 schools identified through a shared inquiry process. Schools were asked to identify their numbers in their own copy of Charter goal by completing "At OUR SCHOOL this is X number of Year X and X number of Year X"		
Target:	2018-2020 Target <ul style="list-style-type: none"> • To reduce the number of ākonga working below the expected curriculum level in reading by 15%: From 126 students in Y3, 5, 7 and 9 to 107 • To reduce the number of ākonga working below the expected curriculum level in writing by 15%: From 176 students in Y3, 5, 7 and 9 to 150 		
Baseline Data:	Baseline data (English curriculum subject) from 2019 data collection across the 13 schools in the Eastern Southland Kāhui Ako Year 3 – student total 159 Ākonga working at or above the expected curriculum level 133. Year 5 student total 199. Ākonga working at or above the expected curriculum level 148 Year 7 student total 186 Rangatahi working at or above the expected curriculum level 158 Year 9 student total 161 Rangatahi working at or above the expected curriculum level 109		

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>The Across school teachers worked in five schools to support in reading and writing. One of the schools is a support school for the Progress and Consistency School Support Network and that school supported three other schools in their plans to implementation of progress tools. Appointments of four Learning Support Coordinators supported individual schools with their identified students. Te Rito is still awaited.</p> <p>Many of the actions identified in the original strategic aim for 2020 were not completed due to the disruption that was presented across the year. Post lockdown many schools refocused on the immediate needs and welfare of their own students and whanau.</p>	<p>Year 3 – student total 169 Ākonga working at or above the expected curriculum level 131</p> <p>Year 5 student total 165 Ākonga working at or above the expected curriculum level 135</p> <p>Year 7 student total 205 Rangatahi working at or above the expected curriculum level 150</p> <p>Year 9 student total 167 Rangatahi working at or above the expected curriculum level 98</p>	<p>We have yet to see the gains of our collaborative practice at the top end of these year levels. We have now got three years of longitudinal data to support our work moving forward.</p> <p>For Year 3s we have seen a reduction in the percentage working below the expected curriculum level in English</p> <p>For the Year 5s there is a significant increase in the number of ākonga working at or above the expected curriculum level.</p> <p>Year 7 cohort for 2020 has a decrease in the number of rangatahi working at or above the expected curriculum level.</p> <p>Year 9 remains to have a large number of rangatahi not able to use their literacy skills to access the broader curriculum at the appropriate level.</p> <p>There is still work around PaCT and the Learning Progression Frameworks to be developed across a number of schools.</p> <p>The Kāhui Ako remains focused on transitions to support our young people as they move schools and across curriculum levels.</p>	<p>Schools are still developing relationships around the sharing of data. Across School moderation is needed to smooth the transition of student (and of data) across the year groups and curriculum levels. Our question for 2021 to schools is how can we be consistent in teacher judgements in the schooling environments?</p> <p>Due to the disruption of 2020 (floods, COVID, lockdown) the Kāhui Ako didn't make as much progress in collaboration and so the following would still be applicable</p> <ul style="list-style-type: none"> • Developing an Across School understanding of accelerated learning • Share expertise from within Kāhui Ako – using the schools where accelerated progress has occurred, share interventions and apply them (in that school's context) <p>With significant staffing changes late 2020 the Kāhui Ako is</p>

Tātaritanga raraunga



		<p>Strategies that have been effective include schools working together to identify their learning progressions</p> <p>The introduction of screening tools at year 7 and above has identified specific strategies to support different learning styles.</p> <p>The introduction of Learning Progression Tools and Progress Tools across the schools has provided opportunity for schools to identify that judgements made across a number of teachers can be erratic, particularly in the disrupted year of 2020.</p>	<p>revising the Achievement Aims, vision and focus areas for 2021 - 2023</p> <p>In preparation for 2021 the a small group from the Kāhui Ako reflected "school leaders have reviewed the 2019 data which has revealed the following – inconsistencies in understanding about levelling, a lack of consistency in tool used, variation and a lack of trust in judgements being made, lack of understanding around appropriate curriculum levels needing to be attained.</p>
--	--	---	--

Planning for next year:

From 2017 to early 2020 the Kāhui Ako developed relationships across schools to the point where we are sharing data and interventions that have had positive effects. Having collected and reviewed three years data in relation to accessing the curriculum at the appropriate level. The new leadership team has used the data of 2018 and 2019 to apply for Professional Learning in Literacy.

The successful application aims to:

- Clarify and bring consistency of assessment across and within schools
- Support effective transitions between and within schools by developing a shared understanding of levels through moderation
- Build teacher capacity and best practice when teaching writing to impact on student achievement
- Motivate and engage learners

It will be implemented alongside a successful Cultural Competency application. The PLD will contribute to the t growth of our ākonga and rangatahi by ensuring those most in need will receive the additional support; will target priority learners, grow leadership capability currently boys are over

Tātaritanga raraunga

represented in our data, weave local curriculum in authentic contexts and support Māori learners through tuakana teina (possible across the age range of our schools).