

TIKOKINO SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020



School Directory

Ministry Number: 2704
Principal: Hamish Natusch
School Address: 43 Owen Street
School Postal Address: RD3, Waipawa, 4273
School Phone: 06 856 5833
School Email: office@tikokino.school.nz

Members of the Board of Trustees

Name	Position	How Position Gained	Term Expired/Expires
Grant Charteris	Chairperson	Elected May 2019	May 2022
Hamish Natusch	Principal		
Anne Frater	Staff Rep	Elected May 2019	May 2022
Charly Butler	Parent Rep	Re-elected May 2019	May 2022
Sam Bradley	Parent Rep	Elected May 2019	May 2022
James Butler	Parent Rep	Elected May 2019	May 2022
Kath Keir	Staff Rep	Re-elected 2019	May 2022

Accountant / Service Provider:

Eclipse Solutions 4 Schools Ltd

TIKOKINO 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 - 18	Notes to the Financial Statements

Other Information

Kiwisport

Analysis of Variance

Tikokino 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.

Grant Joseph Charteris
Full Name of Board Chairperson


Signature of Board Chairperson

22.04.2021
Date:

Hannah Michael Natusch
Full Name of Principal


Signature of Principal

22/4/21
Date:

Tikokino 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	563,540	524,000	520,372
Locally Raised Funds	3	36,525	32,190	86,174
Interest income		2,458	3,000	5,194
Other Revenue		1,157	-	-
		<u>603,680</u>	<u>559,190</u>	<u>611,740</u>
Expenses				
Locally Raised Funds	3	16,532	14,000	20,653
Learning Resources	4	359,498	344,805	342,047
Administration	5	51,317	53,876	55,194
Finance		1,037	-	490
Property	6	109,783	113,808	137,332
Depreciation	7	18,495	18,000	20,741
		<u>556,662</u>	<u>544,489</u>	<u>576,457</u>
Net Surplus / (Deficit) for the Year		47,018	14,701	35,283
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u><u>47,018</u></u>	<u><u>14,701</u></u>	<u><u>35,283</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.

Tikokino 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		456,372	456,372	486,729
Total Comprehensive Revenue and Expense for the Year		47,018	14,701	35,283
Capital Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		2,017	-	-
Distribution - Property Project		-	-	(65,640)
Equity at 31 December	22	505,407	471,073	456,372
Retained Earnings		505,407	471,073	456,372
Reserves		-	-	-
Equity at 31 December		505,407	471,073	456,372

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.

Tikokino School

Statement of Financial Position

As at 31 December 2020

	Notes	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Current Assets				
Cash and Cash Equivalents	8	247,135	90,372	185,905
Accounts Receivable	9	26,734	19,000	24,640
GST Receivable		1,365	2,409	3,610
Prepayments		5,618	3,000	-
Investments	10	99,211	100,000	96,924
		<u>380,063</u>	<u>214,781</u>	<u>311,079</u>
Current Liabilities				
Accounts Payable	12	37,343	21,000	46,670
Revenue Received in Advance	13	10,560	-	5
Provision for Cyclical Maintenance	14	16,800	-	-
Finance Lease Liability - Current Portion	15	3,981	2,200	3,950
Funds Held for Capital Works Projects	16	-	-	784
		<u>68,684</u>	<u>23,200</u>	<u>51,409</u>
Working Capital Surplus/(Deficit)		311,379	191,581	259,670
Non-current Assets				
Property, Plant and Equipment	11	219,598	300,000	235,074
		<u>219,598</u>	<u>300,000</u>	<u>235,074</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	14	20,008	12,508	30,981
Finance Lease Liability	15	5,562	8,000	7,391
		<u>25,570</u>	<u>20,508</u>	<u>38,372</u>
Net Assets		<u><u>505,407</u></u>	<u><u>471,073</u></u>	<u><u>456,372</u></u>
Equity	22	<u><u>505,407</u></u>	<u><u>471,073</u></u>	<u><u>456,372</u></u>

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

Tikokino 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		157,084	103,013	135,227
Locally Raised Funds		47,331	34,190	86,766
Goods and Services Tax (net)		2,245	940	(1,881)
Funds Administered on Behalf of Third Parties		-	-	784
Payments to Employees		(59,142)	(49,035)	(52,798)
Payments to Suppliers		(82,056)	(117,549)	(67,549)
Cyclical Maintenance Payments in the Year		-	(1,092)	-
Interest Paid		(1,037)	-	(490)
Interest Received		2,676	3,300	5,001
Net Cash from/(to) Operating Activities		67,101	(26,233)	105,060
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(1,628)	(57,000)	(21,387)
Purchase of Investments		(2,287)	(5,000)	(2,984)
Net Cash from/(to) Investing Activities		(3,915)	(62,000)	(24,371)
Cash flows from Financing Activities				
Furniture and Equipment Grant		2,017	-	(65,640)
Finance Lease Payments		(3,189)	(7,300)	2,604
Funds Held for Capital Works Projects		(784)	-	-
Net Cash from/(to) Financing Activities		(1,956)	(7,300)	(63,036)
Net increase/(decrease) in Cash and Cash Equivalents		61,230	(95,533)	17,653
Cash and Cash Equivalents at the Beginning of the Year	8	185,905	185,905	168,252
Cash and Cash Equivalents at the End of the Year	8	247,135	90,372	185,905

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.

Tikokino School

Notes to the Financial Statements

For the year ended 31 December 2020

1. Statement of Accounting Policies

a) Reporting Entity

Tikokino School (the School) is a Crown entity as specified in the Crown Entities Act 2004 and a school as described in the Education and Training Act 2020. The Board of Trustees (the Board) is of the view that the School is a public benefit entity for financial reporting purposes.

b) Basis of Preparation

Reporting Period

The financial reports have been prepared for the period 1 January 2020 to 31 December 2020 and in accordance with the requirements of the Public Finance Act 1989.

Basis of Preparation

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

Financial Reporting Standards Applied

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

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

Cyclical maintenance

A school recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's long term maintenance plan which is prepared as part of its 10 Year Property Planning process. During the year, the Board assesses the reasonableness of its 10 Year Property Plan on which the provision is based. Cyclical maintenance is disclosed at note 14.

Useful lives of property, plant and equipment

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

Critical Judgements in applying accounting policies

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

Classification of leases

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

Recognition of grants

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

c) Revenue Recognition

Government Grants

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

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

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

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

Other Grants

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

Donations, Gifts and Bequests

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

Interest Revenue

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

d) Use of Land and Buildings Expense

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

e) Finance Lease Payments

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

f) Cash and Cash Equivalents

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

g) Accounts Receivable

Short-term receivables are recorded at the amount due, less an allowance for credit losses (uncollectable debts). The schools receivables are largely made up of funding from the Ministry of Education, therefore the level of uncollectable debts is not considered to be material. However, short-term receivables are written off when there is no reasonable expectation of recovery.

h) 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.

i) 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	10-50 years
Furniture and equipment	5-10 years
Information and communication technology	3-5 years
Motor vehicles	5 years
Textbooks	3 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value

j) 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.

k) 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.

l) 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.

m) Revenue Received in Advance

Revenue received in advance relates to grants received where there are unfulfilled obligations for the School to provide services in the future. The fees are recorded as revenue as the obligations are fulfilled and the fees earned.

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 and finance lease 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	136,832	127,900	124,250
Teachers' Salaries Grants	316,280	299,442	299,442
Use of Land and Buildings Grants	88,698	90,958	90,958
Resource Teachers Learning and Behaviour Grants	-	-	348
Other MoE Grants	21,730	5,700	4,649
Other Government Grants	-	-	725
	<u>563,540</u>	<u>524,000</u>	<u>520,372</u>

The school has opted in to the donations scheme for this year. Total amount received was \$6,900.

Other MOE Grants total includes additional COVID-19 funding totalling \$18,680 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	14,406	10,000	60,080
Afcare	5,593	4,000	5,198
Activities	3,769	5,700	9,880
Trading	-	-	148
Fundraising	3,917	3,650	2,028
Other Revenue	8,840	8,840	8,840
	<u>36,525</u>	<u>32,190</u>	<u>86,174</u>
Expenses			
Activities	8,932	6,600	13,670
Trading	-	300	-
Fundraising (Costs of Raising Funds)	1,723	1,600	1,394
Afcare	5,877	5,500	5,589
	<u>16,532</u>	<u>14,000</u>	<u>20,653</u>
Surplus/ (Deficit) for the year Locally raised funds	<u>19,993</u>	<u>18,190</u>	<u>65,521</u>

4. Learning Resources

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	9,076	14,200	10,893
Equipment Repairs	586	1,500	175
Information and Communication Technology	1,381	2,300	2,596
Library Resources	880	1,094	875
Employee Benefits - Salaries	342,942	321,211	322,005
Staff Development	4,633	4,500	5,503
	<u>359,498</u>	<u>344,805</u>	<u>342,047</u>

5. Administration

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	3,990	4,000	4,995
Board of Trustees Fees	2,690	3,200	4,005
Board of Trustees Expenses	644	600	1,297
Communication	871	1,450	1,287
Consumables	1,807	3,900	2,375
Other	2,285	2,550	2,679
Employee Benefits - Salaries	33,139	28,576	31,023
Insurance	406	4,000	2,433
Service Providers, Contractors and Consultancy	5,485	5,600	5,100
	<u>51,317</u>	<u>53,876</u>	<u>55,194</u>

6. Property

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	1,918	1,150	1,661
Consultancy and Contract Services	-	-	550
Cyclical Maintenance Provision	5,827	4,000	24,455
Grounds	3,079	5,200	6,533
Heat, Light and Water	8,181	8,500	7,575
Rates	3	-	-
Repairs and Maintenance	2,077	4,000	5,600
Use of Land and Buildings	88,698	90,958	90,958
	<u>109,783</u>	<u>113,808</u>	<u>137,332</u>

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

7. Depreciation

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Buildings - School	5,277	4,000	5,177
Furniture and Equipment	5,874	6,000	6,595
Information and Communication Technology	3,127	5,000	5,021
Leased Assets	3,377	2,000	3,114
Library Resources	840	1,000	834
	<u>18,495</u>	<u>18,000</u>	<u>20,741</u>

8. Cash and Cash Equivalents

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Bank Current Account	102,945	60,000	66,711
Bank Call Account	144,190	30,372	119,194
Cash and cash equivalents for Statement of Cash Flows	<u>247,135</u>	<u>90,372</u>	<u>185,905</u>

Of the \$247,135 Cash and Cash Equivalents, \$10,000 of unspent grant funding is held by the School. This funding is subject to restrictions which specify how the grant is required to be spent in providing specified deliverables of the grant arrangement.

9. Accounts Receivable

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Receivables	2,063	-	1,157
Interest Receivable	117	-	335
Teacher Salaries Grant Receivable	24,554	19,000	23,148
	<u>26,734</u>	<u>19,000</u>	<u>24,640</u>
Receivables from Exchange Transactions	2,180	-	1,492
Receivables from Non-Exchange Transactions	24,554	19,000	23,148
	<u>26,734</u>	<u>19,000</u>	<u>24,640</u>

10. Investments

The School's investment activities are classified as follows:

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Current Asset			
Short-term Bank Deposits	99,211	100,000	96,924
Total Investments	<u>99,211</u>	<u>100,000</u>	<u>96,924</u>

11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2020	\$	\$	\$	\$	\$	\$
Buildings	194,327	-	-	-	(5,277)	189,050
Furniture and Equipment	19,738	1,131	-	-	(5,874)	14,995
Information and Communication Technology	3,405	-	(1)	-	(3,127)	277
Leased Assets	10,925	1,391	-	-	(3,377)	8,939
Library Resources	6,679	498	-	-	(840)	6,337
Balance at 31 December 2020	235,074	3,020	(1)	-	(18,495)	219,598

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2020	\$	\$	\$
Buildings	263,866	(74,816)	189,050
Furniture and Equipment	135,608	(120,613)	14,995
Information and Communication Technology	71,929	(71,652)	277
Leased Assets	12,739	(3,800)	8,939
Library Resources	28,701	(22,364)	6,337
Balance at 31 December 2020	512,843	(293,245)	219,598

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2019	\$	\$	\$	\$	\$	\$
Buildings	190,928	8,576	-	-	(5,177)	194,327
Furniture and Equipment	20,533	5,800	-	-	(6,595)	19,738
Information and Communication Technology	8,425	1	-	-	(5,021)	3,405
Leased Assets	2,691	11,348	-	-	(3,114)	10,925
Library Resources	6,595	918	-	-	(834)	6,679
Balance at 31 December 2019	229,172	26,643	-	-	(20,741)	235,074

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2019	\$	\$	\$
Buildings	263,865	(69,538)	194,327
Furniture and Equipment	140,244	(120,506)	19,738
Information and Communication Technology	84,973	(81,568)	3,405
Leased Assets	18,187	(7,262)	10,925
Library Resources	28,203	(21,524)	6,679
Balance at 31 December 2019	535,472	(300,398)	235,074

12. Accounts Payable

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operating Creditors	8,140	2,000	18,174
Accruals	3,990	-	3,870
Banking Staffing Overuse	659	-	1,478
Employee Entitlements - Salaries	24,554	19,000	23,148
	<u>37,343</u>	<u>21,000</u>	<u>46,670</u>
Payables for Exchange Transactions	37,343	21,000	46,670
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	<u>37,343</u>	<u>21,000</u>	<u>46,670</u>

The carrying value of payables approximates their fair value.

13. Revenue Received in Advance

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Other	10,560	-	5
	<u>10,560</u>	<u>-</u>	<u>5</u>

14. Provision for Cyclical Maintenance

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Provision at the Start of the Year	30,981	30,981	6,526
Increase/ (decrease) to the Provision During the Year	5,827	4,000	24,455
Use of the Provision During the Year	-	(22,473)	-
Provision at the End of the Year	<u>36,808</u>	<u>12,508</u>	<u>30,981</u>
Cyclical Maintenance - Current	16,800	-	-
Cyclical Maintenance - Term	20,008	12,508	30,981
	<u>36,808</u>	<u>12,508</u>	<u>30,981</u>

15. Finance Lease Liability

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

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
No Later than One Year	3,981	2,200	3,960
Later than One Year and no Later than Five Years	7,038	8,000	9,694
	11,019	10,200	13,654

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:

	2020	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions \$	Closing Balances \$
Water Filtration Project	<i>completed</i>	784	-	(784)	-	-
Totals		784	-	(784)	-	-

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 Filtration Project	<i>in progress</i>	-	10,980	(10,196)	-	784
Totals		-	10,980	(10,196)	-	784

17. Related Party Transactions

The School is a controlled entity of the Crown, and the Crown provides the major source of revenue to the school. The school enters into transactions with other entities also controlled by the Crown, such as government departments, state-owned enterprises and other Crown entities. Transactions with these entities are not disclosed as they occur on terms and conditions no more or less favourable than those that it is reasonable to expect the school would have adopted if dealing with that entity at arm's length.

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and condition no more or less favourable than those that it is reasonable to expect the school would have adopted in dealing with the party at arm's length in the same circumstances. Further, transactions with other government agencies (for example, Government departments and Crown entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.

18. Remuneration

Key management personnel compensation

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

	2020 Actual \$	2019 Actual \$
<i>Board Members</i>		
Remuneration	2,690	4,005
Full-time equivalent members	0.08	0.14
<i>Leadership Team</i>		
Remuneration	109,461	106,473
Full-time equivalent members	1.00	1.00
Total key management personnel remuneration	112,151	110,478
Total full-time equivalent personnel	1.08	1.14

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	100 - 110	100 - 110
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
	-	-
	0.00	0.00

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

19. Compensation and Other Benefits Upon Leaving

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

	2020 Actual \$0	2019 Actual \$0
Total	-	-
Number of People	-	-

20. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2020 (Contingent liabilities and assets at 31 December 2019: \$1,125).

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

21. Commitments

(a) Capital Commitments

As at 31 December 2020 the Board has not entered into contract agreements for capital works.

(Capital commitments at 31 December 2019: \$784)

22. Managing Capital

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

23. Financial Instruments

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

Financial assets measured at amortised cost

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Cash and Cash Equivalents	247,135	90,372	185,905
Receivables	26,734	19,000	24,640
Investments - Term Deposits	99,211	100,000	96,924
Total Financial assets measured at amortised cost	<u>373,080</u>	<u>209,372</u>	<u>307,469</u>

Financial liabilities measured at amortised cost

Payables	37,343	21,000	46,670
Finance Leases	9,543	10,200	11,341
Total Financial Liabilities Measured at Amortised Cost	<u>46,886</u>	<u>31,200</u>	<u>58,011</u>

24. Events After Balance Date

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

25. Comparatives

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

Tikokino School

Kiwisport Report

For the year ended 31 December 2020

During the year the Board was the recipient of additional Government funding for specific purposes:

Kiwisport is a Government funded initiative to support students' participation in organised sport. In 2020 the school received total Kiwisport funding of \$608 (excluding GST). The funding was put towards a range of sports equipment to resource the school to support and initiate student participation in a variety of sports.

The number of students participating in organised sport continues to be at excellent levels.

Analysis of Variance 2020

Target 1

Strategic Aim: All students are able to access the New Zealand Curriculum.

Baseline Data Start End of Year.	Annual Aim No 1			
90% 93% of all students are operating at or above the expectations in maths.	All students underachieving in mathematics will make accelerated progress.			
	Targets:			
	<ul style="list-style-type: none"> • Students under achieving in mathematics will make accelerated progress. • All other students will make at least one year's progress. 			
Actions to achieve targets	Progress	Led by	Resourcing	Timeframe
<p>Make changes where we see we need it in mathematics, particularly around the use of equipment.</p> <p>Cater for individual students by grouping children with similar achieving students.</p> <p>Closely monitor assessment data and use it to plan next learning intentions. Target students assessed at least termly.</p> <p>Continue to implement number knowledge books for all students.</p> <p>Home Learning to have a maths component to it.</p> <p>Maths camp for students achieving highly in mathematics and entering mathematics.</p>	<p>93% of students are at or above in meeting expectations.</p> <p>Students are now assessed and monitored termly to ensure students are making the desired progress.</p> <p>Our students competed well in Mathematics. Although we were not placed, they can be proud of their efforts.</p> <p>All students complete maths as part of a balanced Home Learning programme. This is a knowledge based programme.</p> <p>Covid did not disrupt student progress as all students continued with PRIME or Studyladder Maths which worked well.</p>	Hamish	\$1000	<p>Term 1 – 4</p> <p>Term 1 – 4</p> <p>Term 1 - 4</p> <p>Term 1 - 4</p> <p>Term 2</p>



Analysis of Variance 2020

Target 2

Strategic Aim: All students are able to access the New Zealand Curriculum

Baseline Data Start End of Year.	Annual Aim No 2			
<p>90% 89% (Reading) and 90% 93% (writing) of students are operating at or above expectations.</p>	<p>All students underachieving in literacy will make accelerated progress. All other students will make at least one year's progress.</p>			
	<p>Targets:</p> <ul style="list-style-type: none"> • Students underachieving in reading and writing will make accelerated progress. • All other students make at least one year's progress. 			
Actions to achieve targets	Progress	Led by	Resourcing	Timeframe
<p>Continue to implement Lexia Reading Programme.</p> <p>Continue to implement Sheena Cameron Reading Programme.</p> <p>Seek RTLB support.</p> <p>Closely monitor all students who are underachieving. Meet with parents termly to discuss progress and next steps.</p> <p>Implement Booster Reading Programme with Anne Frater</p> <p>Assess target students at least termly</p> <p>Home learning activities to have reading/ writing focus.</p>	<p>79% of students at or above expectations in reading.</p> <p>83% of students are at or above expectations in writing.</p> <p>Boys writing is improving with some of our boys being the top writers in the school.</p> <p>Google Docs are part of everyday writing.</p> <p>Both Rooms 2 & 3 complete written skills daily.</p> <p>All students complete reading and spelling as a balanced Home Learning Programme.</p> <p>Our Booster Reading Programme run by Anne Frater has been fantastic.</p>	<p>Hamish & Rachelle</p>	<p>\$1000</p> <p>This does not include budget available for staff PD</p>	<p>Term 1 - 4</p>



Analysis of Variance 2020

Target 3

Strategic Aim: Encourage and nurture the student’s creativity, critical thinking, problem solving, individual expression and enjoyment of learning.

Baseline Data Start of Year.	Annual Aim No 3			
It is a requirement that all schools implement the new Digital Curriculum at the beginning of 2020.	To implement the new Digital Curriculum.			
	Targets:			
	All students are confident users of technology in their everyday learning.			
Actions to achieve targets	Progress	Led by	Resourcing	Timeframe
<p>Seek funds from MOE for professional Development with other local schools.</p> <p>Develop plan of Professional development with other local schools.</p> <p>Implement professional development plan.</p>	<p>PD with five local schools has begun after a slow start due to Covid. This will continue throughout 2021 as we were successful in securing more funding through the MOE.</p> <p>Need more resourcing to purchase 10 ipads so we can deliver a more varied ICT programme in all classrooms.</p>	Hamish and Anne	Currently 20 hours has been granted by MOE for the four schools.	



Independent auditor's report

To the readers of Tikokino School's Financial Statements for the year ended
31 December 2020

The Auditor-General is the auditor of Tikokino School (the School). The Auditor-General has appointed me, Maxwell John Dixon, using the staff and resources of PricewaterhouseCoopers, 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 18, that comprise the statement of financial position as at 31 December 2020, the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion the financial statements of the School:

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

Our audit was completed on 22 April 2021. This is the date at which our opinion is expressed.

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

Basis for our opinion

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

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

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

Responsibilities of the Board for the financial statements

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

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

The Board's responsibilities, in terms of the requirements of the Education and Training Act 2020, arise from section 87 of the Education Act 1989.



Responsibilities of the auditor for the audit of the financial statements

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

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

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

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

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

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

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

Our responsibilities arises 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 within the Analysis of Variance, the Kiwisport Statement, and the Board of Trustees List which form part of the Annual Report, but does not include the financial statements, and our auditor's report thereon.

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

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

Independence

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

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

A handwritten signature in black ink, appearing to read 'M. J. Dixon', is written in a cursive style.

Maxwell John Dixon
PricewaterhouseCoopers
On behalf of the Auditor-General
Napier, New Zealand