

RANGIORA BOROUGH SCHOOL

Annual Report For the year ended 31 December 2019

Ministry Number: 3481
Principal: Alan Sutton
School Address: King Street, Rangiora
School Postal Address: PO Box 68, Rangiora
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Members of the Board of Trustees

Name	Ceased
Louise Courtnay	
Emma Symons	
Catherine George	
Jo Hillson-Barratt	May-19
Shane Wildermoth	May-19
Bruce McLaren	May-19
Matt Boddy	Dec-19
Gert Hendriks	
Alan Sutton - Principal	

The term finishes except for the principal in May 2022.

Accountant / Service Provider:

Geoff Gillam Consultants

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Rangiora Borough School

Statement of Responsibility

For the year ended 31 December 2019

The Board of Trustees (the Board) has pleasure in presenting the annual report of Rangiora Borough School incorporating the financial statements and the auditor's report, for the year ended 31 December 2019.

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

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

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

The School's 2019 financial statements are authorised for issue by the Board Chairperson and the principal.

Louise Courtney

Full Name of Board Chairperson

Alan Sutton

Full Name of Principal

[Handwritten Signature]

Signature of Board Chairperson

[Handwritten Signature]

Signature of Principal

26.5.20

Date:

26.5.20

Date:

Rangiora Borough School
Statement of Comprehensive Revenue and Expense
For the year ended 31 December 2019

	Notes	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Revenue				
Government Grants	2	4,834,919	4,705,915	4,623,492
Locally Raised Funds	3	423,806	74,000	370,892
Interest Earned		17,097	12,000	17,115
Gain on Sale of Property, Plant and Equipment		705	-	-
		<u>5,276,527</u>	<u>4,791,915</u>	<u>5,011,499</u>
Expenses				
Locally Raised Funds	3	267,489	-	215,502
Learning Resources	4	3,500,377	3,349,590	3,315,798
Administration	5	204,807	223,750	199,768
Finance Costs		6,212	-	3,938
Property	6	1,091,492	1,162,540	1,283,384
Depreciation	7	166,453	56,000	170,886
		<u>5,236,830</u>	<u>4,791,880</u>	<u>5,189,276</u>
Net Surplus / (Deficit)		39,697	35	(177,777)
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u><u>39,697</u></u>	<u><u>35</u></u>	<u><u>(177,777)</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.

Rangiora Borough School
Statement of Changes in Net Assets/Equity
For the year ended 31 December 2019

	Actual 2019 \$	Budget (Unaudited) 2019 \$	Actual 2018 \$
Balance at 1 January	<u>1,353,153</u>	<u>1,353,153</u>	<u>1,513,966</u>
Total comprehensive revenue and expense for the year	39,697	35	(177,777)
Owner transactions			
Contribution - Furniture and Equipment Grant	-	-	16,964
Equity at 31 December	<u>1,392,850</u>	<u>1,353,188</u>	<u>1,353,153</u>
Retained Earnings	1,392,850	1,353,188	1,353,153
Reserves	-	-	-
Equity at 31 December 2019	<u>1,392,850</u>	<u>1,353,188</u>	<u>1,353,153</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.



Rangiora Borough School Statement of Financial Position

As at 31 December 2019

	Notes	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Current Assets				
Cash and Cash Equivalents	8	126,278	143,039	171,811
Accounts Receivable	9	493,319	201,000	194,535
GST Receivable		-	5,000	3,757
Prepayments		2,378	3,000	3,624
Investments	10	538,721	450,000	436,892
		<u>1,160,696</u>	<u>802,039</u>	<u>810,619</u>
Current Liabilities				
GST Payable		27,094	-	-
Accounts Payable	12	270,071	270,000	241,973
Provision for Cyclical Maintenance	13	6,300	-	-
Funds held for Capital Works Projects	15	253,107	-	39,753
Finance Lease Liability - Current Portion	14	47,838	41,000	42,911
		<u>604,410</u>	<u>311,000</u>	<u>324,637</u>
Working Capital Surplus or (Deficit)		556,286	491,039	485,982
Non-current Assets				
Investments (more than 12 months)	10	-	-	-
Property, Plant and Equipment	11	927,264	1,014,594	1,025,594
		<u>927,264</u>	<u>1,014,594</u>	<u>1,025,594</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	13	42,250	107,445	84,445
Finance Lease Liability	14	48,450	45,000	73,978
		<u>90,700</u>	<u>152,445</u>	<u>158,423</u>
Net Assets		<u>1,392,850</u>	<u>1,353,188</u>	<u>1,353,153</u>
Equity		<u>1,392,850</u>	<u>1,353,188</u>	<u>1,353,153</u>

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

Rangiora Borough School

Cash Flow Statement

For the year ended 31 December 2019

	2019	2019	2018
Note	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Cash flows from Operating Activities			
Government Grants	651,365	815,915	853,616
Locally Raised Funds	424,110	74,304	377,518
Goods and Services Tax (net)	30,851	(1,243)	4,055
Payments to Employees	(556,557)	(399,573)	(495,324)
Payments to Suppliers	(638,635)	(404,825)	(685,748)
Interest Received	20,546	15,400	17,516
Net cash from / (to) the Operating Activities	(68,320)	99,978	71,633
Cash flows from Investing Activities			
Purchase of PPE (and Intangibles)	(47,409)	(45,000)	(103,649)
Purchase of Investments	(101,829)	(13,108)	129,686
Proceeds from Sale of Investments	-	-	30,000
Net cash from / (to) the Investing Activities	(148,533)	(58,108)	56,037
Cash flows from Financing Activities			
Contribution by the Ministry of Education - Furniture and Equipment Grants	-	-	16,964
Finance Lease Payments	(42,034)	(30,889)	(36,206)
Funds Administered on Behalf of Third Parties	213,354	(39,753)	35,993
Net cash from Financing Activities	171,320	(70,642)	16,751
Net increase/(decrease) in cash and cash equivalents	(45,533)	(28,772)	144,421
Cash and cash equivalents at the beginning of the year	8 171,811	171,811	27,390
Cash and cash equivalents at the end of the year	8 126,278	143,039	171,811

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

Rangiora Borough School

Notes to the Financial Statements

1. Statement of Accounting Policies

For the year ended 31 December 2019

a) Reporting Entity

Rangiora Borough School (the School) is a Crown entity as specified in the Crown Entities Act 2004 and a school as described in the Education Act 1989. The Board of Trustees (the Board) is of the view 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 2019 to 31 December 2019 and in accordance with the requirements of the Public Finance Act 1989.

Basis of Preparation

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

Financial Reporting Standards Applied

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

Standard early adopted

In line with the Financial Statements of the Government, the School has elected to early adopt PBE IFRS 9 Financial Instruments. PBE IFRS 9 replaces PBE IPSAS 29 Financial Instruments: Recognition and Measurement. Information about the adoption of PBE IFRS 9 is provided in Note 24.

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

Useful lives of property, plant and equipment

The School reviews the estimated 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 carryforward 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.

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.

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.

Donations

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

Interest Revenue

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

d) Use of Land and Buildings Expense

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

e) Operating Lease Payments

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

f) Finance Lease Payments

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

g) Cash and Cash Equivalents

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

h) Accounts Receivable

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

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.

Investments that are shares are categorised as "available for sale" for accounting purposes in accordance with financial reporting standards. Share investments are recognised initially by the School at fair value plus transaction costs. At balance date the School has assessed whether there is any evidence that an investment is impaired. Any impairment, gains or losses are recognised in the Statement of Comprehensive Revenue and Expense.

After initial recognition bank term deposits are measured at amortised cost using the effective interest method less impairment. After initial recognition any investments categorised as available for sale are measured at their fair value without any deduction for transaction costs the school may incur on sale or other disposal.

The School has met the requirements under schedule 6 section 28 of the Education Act 1989 in relation to the acquisition of securities.

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.

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

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

Finance Leases

Leases where the School assumes substantially all the risks and rewards of ownership are classified as finance leases. The assets acquired by way of finance lease are measured at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease, less accumulated depreciation and impairment losses. Leased assets and corresponding liability are recognised in the Statement of Financial Position and leased assets are depreciated over the period the School is expected to benefit from their use or over the term of the lease.

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:	Rate
Building improvements – Crown	50
Furniture and equipment	5
Information and communication technology	3
Plant	5
Leased	3-5
Library resources	12.5% Diminishing value

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, annual leave earned 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

m) Revenue Received in Advance

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

The School holds sufficient funds to enable the refund of unearned fees, should the School be unable to provide the services to which they relate.

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) Funds Held in Trust

Funds are held in trust where they have been received by the School for a specified purpose. The School holds sufficient funds to enable the funds to be used for their intended purpose at any time.

p) Financial Assets and Liabilities

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

Investments that are shares are categorised as "financial assets measured at fair value through other comprehensive income" for accounting purposes in accordance with financial reporting standards.

The School's financial liabilities comprise accounts payable, funds held on behalf of the Ministry of Education, 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.

r) 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.

s) Budget Figures

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

t) 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

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Operational grants	824,246	815,915	784,753
Teachers' salaries grants	2,974,187	2,975,000	2,807,755
Use of Land and Buildings grants	916,104	915,000	956,628
Other government grants	120,382	-	74,356
	<u>4,834,919</u>	<u>4,705,915</u>	<u>4,623,492</u>

3. Locally Raised Funds

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

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
<i>Revenue</i>			
Donations	16,838	12,000	19,833
Activities	113,173	-	83,053
Other revenue	30,000	30,000	29,364
Trading	69,111	32,000	50,275
OSCAR grants	35,360	-	33,150
OSCAR fees	159,324	-	155,217
	<u>423,806</u>	<u>74,000</u>	<u>370,892</u>
<i>Expenses</i>			
Activities	80,443	-	35,298
Trading	12,092	-	9,858
Fundraising (costs of raising funds)	-	-	3,659
OSCAR	174,954	-	166,687
	<u>267,489</u>	<u>-</u>	<u>215,502</u>
<i>Surplus for the year Locally raised funds</i>	<u>156,317</u>	<u>74,000</u>	<u>155,390</u>

4 Learning Resources

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Curricular	160,099	149,916	205,008
Employee Benefits - Salaries	3,330,107	3,168,410	3,099,214
Staff Development	10,171	31,264	11,576
	<u>3,500,377</u>	<u>3,349,590</u>	<u>3,315,798</u>

5. Administration

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Audit Fee	3,723	3,700	3,614
Board of Trustees Fees	4,690	6,000	5,870
Board of Trustees Expenses	4,917	500	87
Communication	5,670	8,500	6,699
Consumables	18,255	31,500	17,650
Operating Lease	4,606	5,000	5,297
Staff Expenses	5,893	6,200	5,821
Other	14,420	12,350	13,201
Employee Benefits - Salaries	142,633	150,000	141,529
	<u>204,807</u>	<u>223,750</u>	<u>199,768</u>

6. Property

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	5,297	5,000	5,197
Consultancy and Contract Services	51,764	54,000	49,072
Cyclical Maintenance Provision	(26,365)	23,000	84,445
Grounds	6,002	7,040	4,896
Heat, Light and Water	34,900	40,000	33,667
Rates	7,118	6,000	6,011
Repairs and Maintenance	35,388	52,500	85,100
Use of Land and Buildings - Non-Integrated	916,104	915,000	956,628
Employee Benefits - Salaries	61,284	60,000	58,368
	<u>1,091,492</u>	<u>1,162,540</u>	<u>1,283,384</u>

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

7. Depreciation of Property, Plant and Equipment

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Buildings - School	9,068	4,000	9,293
Furniture and Equipment	27,094	11,000	33,236
Information and Communication Technology	39,270	15,000	47,428
Plant	35,261	12,000	38,412
Leased Assets	50,840	12,000	38,022
Library Resources	4,920	2,000	4,495
	<u>166,453</u>	<u>56,000</u>	<u>170,886</u>

8. Cash and Cash Equivalents

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Bank Current Account	47,350	63,039	40,416
Bank Call Account	78,928	80,000	131,395
Net cash and cash equivalents and bank overdraft for Cash Flow Statement	<u>126,278</u>	<u>143,039</u>	<u>171,811</u>

The carrying value of short-term deposits with maturity dates of three months or less approximates their fair value.

9. Accounts Receivable

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Debtors	-	-	304
Debtor Ministry of Education	287,770	-	-
Interest Accrued	951	1,000	4,400
Teacher Salaries Grant Receivable	204,598	200,000	189,831
	<u>493,319</u>	<u>201,000</u>	<u>194,535</u>
Receivables from Exchange Transactions	951	1,000	4,704
Receivables from Non-Exchange Transactions	492,368	200,000	189,831
	<u>493,319</u>	<u>201,000</u>	<u>194,535</u>

10. Investments

The School's investment activities are classified as follows:

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Current Asset			
Short-term Bank Deposits with Maturities Greater than Three Months and No Greater than One Year	538,721	450,000	436,892
Non-current Asset			
Long-term Bank Deposits with Maturities Greater than One Year	-	-	-

The carrying value of long term deposits longer than 12 months approximates their fair value at 31 December 2019.

11. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2019						
Buildings	396,001	-	-	-	(9,068)	386,933
Furniture and Equipment	135,208	789	-	-	(27,094)	108,903
Information and Communication	113,762	34,873	-	-	(39,270)	109,365
Plant	234,329	7,991	(6,345)	-	(35,261)	200,714
Leased Assets	117,665	27,059	-	-	(50,840)	93,884
Library Resources	28,629	3,756	-	-	(4,920)	27,465
Balance at 31 December 2019	1,025,594	74,468	(6,345)	-	(166,453)	927,264
				Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
Buildings				452,754	(65,821)	386,933
Furniture and Equipment				431,591	(322,688)	108,903
Information and Communication				807,396	(698,031)	109,365
Plant				545,704	(344,990)	200,714
Leased Assets				172,161	(78,277)	93,884
Library Resources				70,870	(43,405)	27,465
Balance at 31 December 2019				2,480,476	(1,553,212)	927,264
	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2018						
Buildings	405,294	-	-	-	(9,293)	396,001
Furniture and Equipment	158,068	10,376	-	-	(33,236)	135,208
Information and Communication	138,566	22,624	-	-	(47,428)	113,762
Plant	207,121	65,620	-	-	(38,412)	234,329
Leased Assets	83,725	71,962	-	-	(38,022)	117,665
Library Resources	28,095	5,029	-	-	(4,495)	28,629
Balance at 31 December 2018	1,020,869	175,611	-	-	(170,886)	1,025,594
				Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
Buildings				452,754	(56,753)	396,001
Furniture and Equipment				430,802	(295,594)	135,208
Information and Communication				772,523	(658,761)	113,762
Plant				544,763	(310,434)	234,329
Leased Assets				175,925	(58,260)	117,665
Library Resources				67,114	(38,485)	28,629
Balance at 31 December 2018				2,443,881	(1,418,287)	1,025,594

12. Accounts Payable

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Operating Creditors	31,030	35,000	20,979
Employee Benefits Payable - Salaries	204,598	200,000	189,831
Employee Benefits Payable - Leave Accrual	34,443	35,000	31,163
	<u>270,071</u>	<u>270,000</u>	<u>241,973</u>
Payables for Exchange Transactions	270,071	270,000	241,973
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	<u>270,071</u>	<u>270,000</u>	<u>241,973</u>

The carrying value of payables approximates their fair value.

13. Provision for Cyclical Maintenance

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Provision at the Start of the Year	84,445	84,445	-
Provision for the Year	(26,365)	23,000	84,445
Adjustment to the Provision	-	-	-
Use of the Provision During the Year	(9,530)	-	-
Provision at the End of the Year	<u>48,550</u>	<u>107,445</u>	<u>84,445</u>
Cyclical Maintenance - Current	6,300	-	-
Cyclical Maintenance - Term	42,250	107,445	84,445
	<u>48,550</u>	<u>107,445</u>	<u>84,445</u>

The Board has a cash management plan to ensure that sufficient cash is available to meet all maintenance obligations as they fall due over the next 10 years. The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligations at 31 December 2019. Present obligations are identified in the school's current 10-year property plan approved by the Ministry of Education. The provision has not been adjusted for inflation and the time value of money.

14. Finance Lease Liability

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

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
No Later than One Year	47,838	41,000	42,911
Later than One Year and no Later than Five Years	48,450	45,000	73,978
	<u>96,288</u>	<u>86,000</u>	<u>116,889</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:

	2019	Opening Balances \$	Receipts from MoE \$	Payments \$	Closing Balances \$
Library	<i>in progress</i>	-	398,638	(145,531)	253,107
Heatpumps	<i>completed</i>	25,323	3,869	(29,192)	-
Carpet	<i>completed</i>	14,430	3,175	(17,605)	-
Totals		<u>39,753</u>	<u>405,682</u>	<u>(192,328)</u>	<u>253,107</u>

	2018	Opening Balances \$	Receipts from MoE \$	Payments \$	Closing Balances \$
Drain	<i>completed</i>		7,097	(7,097)	-
Heatpumps	<i>in progress</i>	-	25,823	(500)	25,323
Carpet	<i>in progress</i>	-	28,573	(14,143)	14,430
Blocks 8&24	<i>completed</i>	3,760		(3,760)	-
Totals		3,760	61,493	(25,500)	39,753

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.

Joanne Hillson-Barratt a Board member is employed as a reliever in the after school program, under standard terms and conditions of employment.

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.

	2019 Actual \$	2018 Actual \$
<i>Board Members</i>		
Remuneration	4,690	5,870
Full-time equivalent members	0.10	0.10
<i>Leadership Team</i>		
Remuneration	363,413	347,080
Full-time equivalent members	3	3
Total key management personnel remuneration	368,103	352,950
Total full-time equivalent personnel	3.10	3.10

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

Principal

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

	2019 Actual \$000	2018 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	140-150	140-150
Benefits and Other Emoluments	-	-
Termination Benefits	-	-

Other Employees

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

Remuneration \$000	2019 FTE Number	2018 FTE Number
100 - 110	3	1
	3	1

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:

	2019 Actual	2018 Actual
Total	\$0	\$0
Number of People	-	-

19. Contingencies

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

Holidays Act Compliance – schools payroll

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

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

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

20. Commitments

(a) Capital Commitments

As at 31 December 2019 the Board had no capital commitments.

(Capital commitments at 31 December 2018: nil)

(b) Operating Commitments

As at 31 December 2019 the Board has entered into the following contracts:

(a) operating lease of a photocopier and laptops;

	2019 Actual \$	2018 Actual \$
No later than One Year	-	-
Later than One Year and No Later than Five Years	-	-
	-	-

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 (2018: Loans and receivables)	2019	2019	2018
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Cash and Cash Equivalents	126,278	143,039	171,811
Receivables	493,319	201,000	194,535
Investments - Term Deposits	538,721	450,000	436,892
Total Cash and Receivables	1,158,318	794,039	803,238
Financial liabilities measured at amortised cost			
Payables	270,071	270,000	241,973
Finance leases	96,288	86,000	116,889
Total Financial Liabilities Measured at Amortised Cost	366,359	356,000	358,862

23. Events After Balance Date

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

24. Adoption of PBE IFRS 9 Financial Instruments

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

- Note 9 Receivables: This policy has been updated to reflect that the impairment of short-term receivables is now determined by applying an expected credit loss model.

- Note 10 Investments:

Term deposits: This policy has been updated to explain that a loss allowance for expected credit losses is recognised only if the estimated loss allowance is not trivial.

Upon transition to PBE IFRS9 there were no material adjustments to these financial statements

25. Impact from COVID-19

On March 11, 2020, the World Health Organisation declared the outbreak of COVID-19 (a novel Coronavirus) a pandemic. Two weeks later, on 26 March, New Zealand increased its' COVID-19 alert level to level 4 and a nationwide lockdown commenced. As part of this lockdown all schools were closed until 18 May 2020.

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

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



ANALYSIS OF VARIANCE 2019

ANALYSIS OF VARIANCE FOR THE YEAR ENDING DECEMBER 31st 2019

- In the plans and targets set out in our Charter, the Board describes the school's priorities and goals for the learning outcomes of our students
- Our core business is to focus on student achievement and progress and to ensure that all students reach their potential, both academically and socially.
- This analysis of variance describes how Rangiora Borough School has gone about our priorities for improving student achievement and progress as set out in the 2019 Charter.

The analysis clearly demonstrates

Actions (What did we do?)

Outcomes (What happened?).

Reasons for Variance (Why did it happen?)

Evaluation (Where to next?)

OBJECTIVE OR TARGET: Students making 1 year's progress in Literacy and Maths Making progress in learner Competencies, Values and Key Competencies

Baseline Data: End of 2018 Pasifika – 60% At or above
End of 2018 Maori – 77% At or above
All Students 2018 – 80% At or above

Actions (What did we do?)	Outcomes (What happened?)	Reasons for Variance (Why did it happen?)	Evaluation (Where to next?)
<ul style="list-style-type: none"> Focus on Numicon System to reinforce Maths Programme. Resources Increased Māori – Achievement – Raised through Within School & Curriculum Committee. Cultural Responsive Programmes 	<ul style="list-style-type: none"> All Staff had increased PLD in Numicon Pasifika – End of 2019 – 85% achievement. Māori Target 85% - 86% achievement All Students Target 85% - 86% achievement 	<ul style="list-style-type: none"> Pasifika Students 12/14 students at 85% Achievement Māori Target Achieved 76/86 Māori Students at or above 86% <p>ACHIEVEMENT: The use of Numicon in a visual way to show Maths Concepts was a success story.</p>	<ul style="list-style-type: none"> Continue to grow both the Teaching and Support Staff capacity in Numicon Increase Numicon equipment and use. Build on Pasifika success along with ESOL input.

PLANNING FOR 2020:

- Further develop Linc-Ed SMS understanding and tools.
- Strengthen Cultural Responsive Programmes – via 2020 Puketeraki (Kāhui ako) Focus & PLD

OBJECTIVE OR TARGET: Raise the levels of achievement and skills in Writing

Baseline Data: 2018: End of Year – Boys 77% End of Year – Māori Students 79%

Actions (What did we do?)	Outcomes (What happened?)	Reasons for Variance (Why did it happen?)	Evaluation (Where to next?)
<ul style="list-style-type: none"> Implement and use the Writing section (Best Practice) of Our Curriculum – completed in December 2017 School-wide assessment and delivery focused on this document in 2019 for consistency. Growth in understanding of 4 elements of Boys Writing <ul style="list-style-type: none"> - humour - group writing - team book - non-fiction writing Engagement in authentic writing i.e. Māori perspective 	<p><u>Boys Writing</u> End of 2018 77% (at or above Progression)</p> <p>2019 Result 77% at or above Target 80% (Not Achieved)</p> <p><u>Writing – Māori Achievement</u> 2018 – 79% Target – 80%</p> <p>2019 – 72% (Not Achieved)</p>	<p>In 2019 the Writing Achievement in Years 3,4,5 Boys shared 30% below the writing progression. Not Achieved</p> <p>In 2019 the Writing Achievement for Māori in Years 4 (40% Below) and Year 7 (55% Below) emphasised a weakness in the consistency of result.</p>	<ul style="list-style-type: none"> Continue to use the 4 element of Boys Writing. Humour/Group/Team/Non-fiction writing to engage our students, especially in 2020 in Years 4/5/6. 2 Areas of student classified as Below will be highlighted. 2020 – Year 5) and - Year 8) as cohorts Re-visit the Written Language Plan Keep up with PLD in Boys Writing and overview by the Within School Teacher

PLANNING FOR 2020:

- Focus on Boys Writing in 2 Cohorts – Year 5 and Year 8
- Also Māori Writing in 2 Cohorts Year 4 and Year 7

OBJECTIVE OR TARGET: Cohort Group of Year 3 Students (Rua Team) will reach 90% At or Above the Curriculum Progression

Baseline Data: In 2019 90% of Year 2 Students achieved At or Above in Reading

Actions (What did we do?)	Outcomes (What happened?)	Reasons for Variance (Why did it happen?)	Evaluation (Where to next?)
<ul style="list-style-type: none"> • Focused on best practice and the great result of 2019 of 90% Achievement in 2019. • Utilised the school's MiniLit and MacqLit system for children in the Priority/At Risk/Below Category • Group Work – summarising Students skills/understandings and responses on a weekly basis. 	<ul style="list-style-type: none"> • At the end of 2019 65 out of 66 Year 3 students were classified Above the Reading Progressions. • This equates to 98.5% above Target Achieved. 	<ul style="list-style-type: none"> • Best Practice in use. • Daily Reading programme was dynamic and monitored. • This group is a shining light at Rangiora Borough School and the results are excellent. 	<ul style="list-style-type: none"> • Set a target of this cohort in Year 4 to maintain this very high level of achievement. Target will be two-fold <ul style="list-style-type: none"> (a) Students in Rangiora Borough School in 2019 (b) New Year 4 Students to our school.

PLANNING FOR 2020:

- Monitor ALL School Reading Progress in Year 4 – Especially achievement in Asttle Reading

OBJECTIVE OR TARGET: Building on Authentic Curriculum at Rangiora Borough School

Baseline Data: Establishment of 'Our Curriculum' Document

Actions (What did we do?)	Outcomes (What happened?)	Reasons for Variance (Why did it happen?)	Evaluation (Where to next?)
<ul style="list-style-type: none"> Focus on Re-Visiting Our Curriculum at Rangiora Borough School. Revisit and refine 2018/19 Guiding Documents (See Section 1. of this Charter. 	<ul style="list-style-type: none"> BOT Surveys and PLD resulted in the production of two Guiding Documents: <ol style="list-style-type: none"> 3 Pathways to Life-Long Learning. Purpose (Why), Place (Where) and People (Who) 	<ul style="list-style-type: none"> The establishment of these Guiding Documents Our Curriculum & Guiding Documents has seen a resurgence in collaboration across teams at the school. The continued focus on the school values. Manaakitanga (Respect) Whanaungatanga (Community) Hauora (Healthy) Kaitiakitanga (Environment) Kairangi (Excellence) 	<ul style="list-style-type: none"> Next steps will be entry into the PB4L (Positive Behaviour 4 Learning) Programme to ensure a consistency of approach around <ul style="list-style-type: none"> Positive Behaviour Expectations Programmes

PLANNING FOR 2020:

- All Staff and Leadership in PB4L Programme as a major PLD project
- Refinement of School Values Programmes/rewards/celebrations/visibility

OBJECTIVE OR TARGET: Community, Buildings & Projects

Baseline Data: In 2019 the following projects/goals were commenced

Actions (What did we do?)	Outcomes (What happened?)	Reasons for Variance (Why did it happen?)	Evaluation (Where to next?)
<ul style="list-style-type: none"> School Community Garden Project 	<ul style="list-style-type: none"> The School Community Garden Project was completed and in operation by Term 3, 2019. 	<ul style="list-style-type: none"> Project – Achieved and in practice. Achieved 	<ul style="list-style-type: none"> Team use of garden areas. Teaching children best practice in food production/tending/harvesting etc.
<ul style="list-style-type: none"> New School Library planning 	<ul style="list-style-type: none"> In 2019 – Plans and contracts were decided for construction in 2020. 	<ul style="list-style-type: none"> Project planning phase was completed – including design/costing/demolition. 	<ul style="list-style-type: none"> Commence the final clearance in Term 1, 2020. Construction to commence March/April 2020.
<ul style="list-style-type: none"> Senior Playground Project 	<ul style="list-style-type: none"> In 2019 the process of consideration of the viability and costing of the senior playground was started. 	<ul style="list-style-type: none"> Project on hold pending 5YA/SIP 	<ul style="list-style-type: none"> SIP funding application in 2020
<ul style="list-style-type: none"> Technology Provision 	<ul style="list-style-type: none"> In Term 4, 2019 an Education Consultant ,(Gabrielle Wall), surveyed local North Canterbury Schools on the future of Technology Education. 	<ul style="list-style-type: none"> No goals set. Clear feedback from 9 – 10 schools <ul style="list-style-type: none"> - New Buildings - Te Matauru site chosen - Negotiations with Boards and Unions over staffing. 	<ul style="list-style-type: none"> Next Steps: <ul style="list-style-type: none"> - negotiation - staffing - Te Matauru & Rangiora Borough Boards to enter into agreement.

PLANNING FOR 2020:

- Continued negotiation on Technology Provision
- Library and Playground projects to be actioned and completed.

2019 VARIANCE REPORT – From Strategic & Annual Plans

Actions (What did we do?)	Outcomes (What happened?)	Reasons for Variance (Why did it happen?)	Evaluation (Where to next?)
3 Pathways - Values - Dispositions - Key Competencies	<ul style="list-style-type: none"> • Imbedded into programmes. • Key Competencies – part of reporting/assessment process 	<ul style="list-style-type: none"> • Successful approach especially inclusion of Key Competencies 	<ul style="list-style-type: none"> • To continue in 2020
Our Curriculum (Authentic)	<ul style="list-style-type: none"> • Continued work on Authentic Curriculum direction 	<ul style="list-style-type: none"> • Curriculum Inquiry in teams is focused and includes Values. 	<ul style="list-style-type: none"> • Continued in 2020 with infusion of Inquiry skills G.P.S.
Student Self Regulation and Self Reporting	<ul style="list-style-type: none"> • Self Reporting 	<ul style="list-style-type: none"> • 100% of students prepared and included in the 'Reporting to Parents' programme with data/goals/next steps. 	<ul style="list-style-type: none"> • Very important factor in children/whānau have a clear understanding of achievements and next steps.
A well designed and flexible physical environment	<ul style="list-style-type: none"> • Library design • School Garden Practice 	<ul style="list-style-type: none"> • Enhancing the school environment and modernising our school. 	<ul style="list-style-type: none"> • School Garden – connecting with 'Our Curriculum'.
Positive Behaviour	<ul style="list-style-type: none"> • Decision to implement full school programme by major PDL in PB4L Programme. 	<ul style="list-style-type: none"> • Needed to bring all levels of school together. • Consistency of approach. 	<ul style="list-style-type: none"> • Leaders with Management Units. <ol style="list-style-type: none"> 1. Junior – Caitlin Macpherson 2. Senior – Steph Craighead To attend PB4L days/PLD with Senior Management. • Teacher Only Day in Term 3 for all staff.

Linc-Ed Development	<ul style="list-style-type: none"> Development of Linc Ed for data collection and reporting. 	<ul style="list-style-type: none"> New aspect/upgrade of Linc-Ed to Hero in 2019 – 20. 	<ul style="list-style-type: none"> Upgrade all staff on new Hero concept. Ensure online reporting to Whānau in Term 2 and Term 4, 2020
Puketeraki (Kāhui Ako)	<ul style="list-style-type: none"> <ul style="list-style-type: none"> Closer co-operation and alignment with the COL <ul style="list-style-type: none"> Workshops for all Teachers (each term). Teacher Only Day – November Closer Links between Principals/Across School and Within School Teachers 2 Projects Āhuatanga Whaioro and Ngai Tahu IOS (Indication of Success 	<ul style="list-style-type: none"> Clarity between COL Projects and Classroom Teachers – beginning to be noticed/ talked about. The work around transitions in 2019/workshops now being noticed and contributed to. 	<ul style="list-style-type: none"> Two 2020 PLD projects from Kāhui Ako will be in practice with Principals/Within School Teachers and Teachers involved.