

ROSEBANK SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

School Directory

Ministry Number:	1471
Principal:	Paul Pirihi
School Address:	217 Rosebank Road, Avondale, Auckland
School Postal Address:	217 Rosebank Road, Avondale, Auckland
School Phone:	09 828 6319
School Email:	principal@rosebank.school.nz

Members of the Board of Trustees

Name	Position	How Position Gained	Term Expired/ Expires
Amelia Carter	Chairperson	Elected	May-22
Dayne Smith	Parent Rep	Elected	May-22
Jasmin Hansen-McKay	Staff & Maori Rep	Co-opted	May-22
Megan Meecham	Staff Rep	Elected	Dec-20
Nabeel Albahbooh	Parent Rep	Elected	May-22
Noel Edmonds	Parent Rep	Elected	May-22
Paul Pirihi	Principal	Appointed	Current
Pippa Van Paauwe	Parent Rep	Elected	May-22

Service Provider:

Leading Edge Services (2017) Ltd, PO Box 20496, Glen Eden, Auckland

ROSEBANK SCHOOL

Annual Report - For the year ended 31 December 2020

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Rosebank 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.

Amelia Carter

Full Name of Board Chairperson



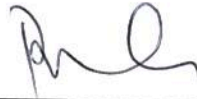
Signature of Board Chairperson

13 September 2021

Date:

PAUL PIRHALLI

Full Name of Principal



Signature of Principal

13 September 2021

Date:

Rosebank 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	4,708,624	4,278,838	4,343,066
Locally Raised Funds	3	187,127	174,154	326,741
Interest income		8,839	14,000	11,758
		<u>4,904,590</u>	<u>4,466,992</u>	<u>4,681,565</u>
Expenses				
Locally Raised Funds	3	151,567	144,602	248,417
Learning Resources	4	2,601,239	2,501,283	2,433,263
Administration	5	218,835	200,991	208,292
Finance		8,194	8,040	8,037
Property	6	1,596,400	1,473,302	1,570,359
Depreciation	7	97,748	85,000	85,277
Loss on Disposal of Property, Plant and Equipment		1,707	-	1,115
		<u>4,675,690</u>	<u>4,413,218</u>	<u>4,554,760</u>
Net Surplus / (Deficit) for the year		228,900	53,774	126,805
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u><u>228,900</u></u>	<u><u>53,774</u></u>	<u><u>126,805</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.

Rosebank 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		838,959	838,959	699,796
Total comprehensive revenue and expense for the year		228,900	53,774	126,805
Capital Contributions from the Ministry of Education Contribution - Furniture and Equipment Grant		-	-	12,358
Equity at 31 December	25	1,067,859	892,733	838,959
Retained Earnings		1,067,859	892,733	838,959
Equity at 31 December		1,067,859	892,733	838,959

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.

Rosebank School

Statement of Financial Position

As at 31 December 2020

		2020	2020	2019
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Current Assets				
Cash and Cash Equivalents	8	329,678	536,541	408,767
Accounts Receivable	9	179,736	161,840	161,840
GST Receivable		14,685	7,972	7,971
Prepayments		14,956	6,343	6,343
Funds due for Capital Works Projects	18	68,580	3,194	3,194
Inventories	10	924	196	196
Investments	11	454,650	250,000	250,000
		<u>1,063,209</u>	<u>966,086</u>	<u>838,311</u>
Current Liabilities				
Accounts Payable	14	268,196	246,322	246,321
Revenue Received in Advance	15	2,654	3,000	3,000
Provision for Cyclical Maintenance	16	1,326	9,359	9,359
Finance Lease Liability - Current Portion	17	43,408	38,340	38,340
Funds held on behalf of Urgent Response Cluster	19	53,920	-	-
		<u>369,504</u>	<u>297,021</u>	<u>297,020</u>
Working Capital Surplus/(Deficit)		693,705	669,065	541,291
Non-current Assets				
Property, Plant and Equipment	12	607,271	468,825	542,825
Work in Progress		-	10,125	10,125
		<u>607,271</u>	<u>478,950</u>	<u>552,950</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	16	202,500	192,160	192,160
Finance Lease Liability	17	30,617	63,122	63,122
		<u>233,117</u>	<u>255,282</u>	<u>255,282</u>
Net Assets		<u>1,067,859</u>	<u>892,733</u>	<u>838,959</u>
Equity	25	<u>1,067,859</u>	<u>892,733</u>	<u>838,959</u>

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

Rosebank School

Statement of Cash Flows

For the year ended 31 December 2020

	Note	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Cash flows from Operating Activities				
Government Grants		1,442,643	1,082,047	1,102,850
Locally Raised Funds		186,394	175,671	328,258
Goods and Services Tax (net)		(6,713)	(4,332)	(4,332)
Funds Administered on Behalf of Third Parties		53,920	-	(2,917)
Payments to Employees		(742,961)	(604,587)	(580,687)
Payments to Suppliers		(533,624)	(462,247)	(598,734)
Cyclical Maintenance Payments in the year		(17,003)	15,535	
Interest Paid		(8,194)	(8,040)	(8,037)
Interest Received		7,699	14,537	12,295
Net cash from/(to) Operating Activities		382,161	208,584	248,696
Cash flows from Investing Activities				
Proceeds from Sale of Property Plant & Equipment		(1,707)	-	(1,115)
Purchase of Property Plant & Equipment		(144,952)	(76,298)	(48,280)
Purchase of Investments		(204,650)	83,589	83,589
Net cash from/(to) Investing Activities		(351,309)	7,291	34,194
Cash flows from Financing Activities				
Furniture and Equipment Grant		-	-	12,358
Finance Lease Payments		(44,553)	(17,559)	(32,430)
Funds Held for Capital Works Projects		(65,388)	(2,917)	-
Net cash from/(to) Financing Activities		(109,941)	(20,476)	(20,072)
Net increase/(decrease) in cash and cash equivalents		(79,089)	195,399	262,818
Cash and cash equivalents at the beginning of the year	8	408,767	341,142	145,949
Cash and cash equivalents at the end of the year	8	329,678	536,541	408,767

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.

Rosebank School

Notes to the Financial Statements

For the year ended 31 December 2020

1. Statement of Accounting Policies

a) Reporting Entity

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

b) Basis of Preparation

Reporting Period

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

Basis of Preparation

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

Financial Reporting Standards Applied

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

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

Cyclical maintenance

A school recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's long term maintenance plan which is prepared as part of its 10 Year Property Planning process. During the year, the Board assesses the reasonableness of its 10 Year Property Plan on which the provision is based. Cyclical maintenance is disclosed at note 16.

Useful lives of property, plant and equipment

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment as disclosed in the significant accounting policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 12.

Critical Judgements in applying accounting policies

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

Classification of leases

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

Recognition of grants

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

c) Revenue Recognition

Government Grants

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

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

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

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

Other Grants

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

Grants for the use of land and buildings are also not received in cash by the School as they equate to the deemed expense for using the land and buildings which are owned by the Proprietor. Use of land and building grants are recorded as income in the period the school uses the land and building.

Donations, Gifts and Bequests

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

Interest Revenue

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

d) Use of Land and Buildings Expense

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

e) Operating Lease Payments

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

f) Finance Lease Payments

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

g) Cash and Cash Equivalents

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

h) Accounts Receivable

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

i) Inventories

Inventories are consumable items held for sale and comprised of stationery and school uniforms. They are stated at the lower of cost and net realisable value. Cost is determined on a first in, first out basis. Net realisable value is the estimated selling price in the ordinary course of activities less the estimated costs necessary to make the sale. Any write down from cost to net realisable value is recorded as an expense in the Statement of Comprehensive Revenue and Expense in the period of the write down.

j) Investments

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

k) Property, Plant and Equipment

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

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

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

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

Finance Leases

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

Depreciation

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

The estimated useful lives of the assets are:

Building improvements to Crown Owned Assets	40 years
Furniture and equipment	10 years
Information and communication technology	4 years
Leased assets held under a Finance Lease	3-5 years
Library resources	12.5% Diminishing value

l) Intangible Assets

Software costs

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

Computer software that the school receives from the Ministry of Education is normally acquired through a non-exchange transaction and is not of a material amount. Its fair value can be assessed at time of acquisition if no other methods lead to a fair value determination. Computer software purchased directly from suppliers at market rates are considered exchange transactions and the fair value is the amount paid for the software.

The carrying value of software is amortised on a straight line basis over its useful life. The useful life of software is estimated as three years. The amortisation charge for each period and any impairment loss is recorded in the Statement of Comprehensive Revenue and Expense.

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

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

Non cash generating assets

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

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

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

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

n) Accounts Payable

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

o) Employee Entitlements

Short-term employee entitlements

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

p) Revenue Received in Advance

Revenue received in advance relates to fees received from [international, hostel students and grants received] (delete as appropriate) where there are unfulfilled obligations for the School to provide services in the future. The fees are recorded as revenue as the obligations are fulfilled and the fees earned.

q) Shared Funds

Shared Funds are held on behalf of a cluster of participating schools as agreed with the Ministry of Education. The cluster of schools operate activities outside of the School's control. These amounts are not recorded in the Statement of Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose.

r) 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).

s) Financial Instruments

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

Investments that are shares are categorised as 'financial assets at fair value through other comprehensive revenue and expense' for accounting purposes in accordance with financial reporting standards.

The School's financial liabilities comprise accounts payable, borrowings, finance lease liability, and painting contract liability. All of these financial liabilities are categorised as 'financial liabilities measured at amortised cost' for accounting purposes in accordance with financial reporting standards.

t) Goods and Services Tax (GST)

The financial statements have been prepared on a GST exclusive basis, with the exception of accounts receivable and accounts payable which are stated as GST inclusive.

The net amount of GST paid to, or received from, the IRD, including the GST relating to investing and financing activities, is classified as a net operating cash flow in the statements of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

u) Budget Figures

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

v) Services received in-kind

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

2. Government Grants

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Operational Grants	1,038,415	905,840	874,494
Teachers' Salaries Grants	2,042,073	2,007,746	2,047,653
Use of Land and Buildings Grants	1,228,440	1,184,102	1,192,563
Resource Teachers Learning and Behaviour Grants	34,350	16,000	88,206
Other MoE Grants	363,429	165,150	136,710
Other Government Grants	1,917	-	3,440
	<u>4,708,624</u>	<u>4,278,838</u>	<u>4,343,066</u>

The school has opted in to the donations scheme for this year. Total amount received was \$68,700.

Other MOE Grants total includes additional COVID-19 funding totalling \$6,309 for the year ended 31 December 2020.

3. Locally Raised Funds

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

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Revenue			
Donations	8,194	-	48,018
Activities	126,563	121,677	139,210
Trading	25,566	36,200	28,837
Fundraising	26,804	16,277	110,676
	<u>187,127</u>	<u>174,154</u>	<u>326,741</u>
Expenses			
Activities	128,904	127,677	145,734
Trading	15,902	16,425	15,596
Fundraising (Costs of Raising Funds)	6,761	500	87,087
	<u>151,567</u>	<u>144,602</u>	<u>248,417</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>35,560</u>	<u>29,552</u>	<u>78,324</u>

4. Learning Resources

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Curricular	49,488	48,537	47,532
Equipment Repairs	4,962	3,000	3,851
Overseas Travel	-	-	2,101
Library Resources	308	1,000	501
Employee Benefits - Salaries	2,524,744	2,412,746	2,356,656
Staff Development	21,737	36,000	22,622
	<u>2,601,239</u>	<u>2,501,283</u>	<u>2,433,263</u>

5. Administration

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Audit Fee	6,561	6,600	6,370
Board of Trustees Fees	2,725	3,850	3,040
Board of Trustees Expenses	1,409	1,800	4,750
Communication	3,584	5,300	2,968
Consumables	44,422	42,000	48,687
Operating Lease	1,839	-	-
Other	30,385	29,450	22,229
Employee Benefits - Salaries	104,538	89,000	98,137
Insurance	7,754	8,191	7,696
Service Providers, Contractors and Consultancy	15,618	14,800	14,415
	218,835	200,991	208,292

6. Property

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Caretaking and Cleaning Consumables	17,253	14,950	14,430
Cyclical Maintenance Provision	19,310	-	15,535
Grounds	51,277	19,000	27,046
Heat, Light and Water	45,688	54,000	102,662
Repairs and Maintenance	43,524	37,250	40,806
Use of Land and Buildings	1,228,440	1,184,102	1,192,563
Security	9,331	9,000	8,355
Employee Benefits - Salaries	181,577	155,000	168,962
	1,596,400	1,473,302	1,570,359

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

7. Depreciation

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Building Improvements - Crown	12,891	11,210	12,891
Furniture and Equipment	29,876	25,980	23,772
Information and Communication Technology	9,044	7,865	11,582
Leased Assets	43,361	37,705	34,714
Library Resources	2,576	2,240	2,318
	97,748	85,000	85,277

8. Cash and Cash Equivalents

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Bank Current Account	246,185	533,097	405,323
Bank Call Account	3,446	3,444	3,444
Short-term Bank Deposits	80,047	-	-
Cash and cash equivalents for Statement of Cash Flows	<u>329,678</u>	<u>536,541</u>	<u>408,767</u>

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

Of the \$329,678 Cash and Cash Equivalents, \$53,920 is held by the School on behalf of the Ministry of Education Urgent Response Funding. These funds are required to be spent in 2021.

9. Accounts Receivable

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Receivables	387	-	-
Interest Receivable	1,720	580	580
Banking Staffing Underuse	21,873	26,405	26,405
Teacher Salaries Grant Receivable	155,756	134,855	134,855
	<u>179,736</u>	<u>161,840</u>	<u>161,840</u>
Receivables from Exchange Transactions	2,107	580	580
Receivables from Non-Exchange Transactions	177,629	161,260	161,260
	<u>179,736</u>	<u>161,840</u>	<u>161,840</u>

10. Inventories

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Stationery	924	196	196
	<u>924</u>	<u>196</u>	<u>196</u>

11. Investments

The School's investment activities are classified as follows:

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Current Asset			
Short-term Bank Deposits	454,650	250,000	250,000
Total Investments	<u>454,650</u>	<u>250,000</u>	<u>250,000</u>

12. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2020	\$	\$	\$	\$	\$	\$
Building Improvements	274,005	-	-	-	(12,891)	261,114
Furniture and Equipment	139,003	119,139	(1,018)	-	(29,876)	227,248
Information and Communication Technology	15,046	29,383	(536)	-	(9,044)	34,849
Leased Assets	98,548	13,162	-	-	(43,361)	68,349
Library Resources	16,223	2,216	(152)	-	(2,576)	15,711
Balance at 31 December 2020	542,825	163,900	(1,706)	-	(97,748)	607,271

The net carrying value of equipment held under a finance lease is \$68,349 (2019: \$98,548)

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2020	\$	\$	\$
Building Improvements	515,653	(254,540)	261,114
Furniture and Equipment	780,170	(552,922)	227,248
Information and Communication Technology	211,526	(176,677)	34,849
Motor Vehicles	44,913	(44,913)	-
Leased Assets	140,564	(72,215)	68,349
Library Resources	73,059	(57,348)	15,711
Balance at 31 December 2020	1,765,885	(1,158,615)	607,271

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2019	\$	\$	\$	\$	\$	\$
Building Improvements	286,896	-	-	-	(12,891)	274,005
Furniture and Equipment	118,102	44,685	(12)	-	(23,772)	139,003
Information and Communication Technology	22,890	3,999	(261)	-	(11,582)	15,046
Leased Assets	46,274	86,988	-	-	(34,714)	98,548
Library Resources	18,873	511	(843)	-	(2,318)	16,223
Balance at 31 December 2019	493,035	136,183	(1,116)	-	(85,277)	542,825

The net carrying value of equipment held under a finance lease is \$98,548 (2018: \$46,274)

2019	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
Building Improvements	515,654	(241,649)	274,005
Furniture and Equipment	673,188	(534,185)	139,003
Information and Communication Technology	185,641	(170,595)	15,046
Motor Vehicles	44,913	(44,913)	-
Leased Assets	138,276	(39,728)	98,548
Library Resources	71,429	(55,206)	16,223
Balance at 31 December 2019	1,629,101	(1,086,276)	542,825

14. Accounts Payable

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Operating Creditors	12,340	37,382	37,382
Accruals	6,561	6,370	6,370
Employee Entitlements - Salaries	181,264	159,614	159,613
Employee Entitlements - Leave Accrual	68,031	42,956	42,956
	268,196	246,322	246,321

Payables for Exchange Transactions

268,196	246,322	246,321
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The carrying value of payables approximates their fair value.

268,196	246,322	246,321
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15. Revenue Received in Advance

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Other	2,654	3,000	3,000
	2,654	3,000	3,000

16. Provision for Cyclical Maintenance

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Provision at the Start of the Year	201,519	201,519	185,984
Increase/ (decrease) to the Provision During the Year	19,310	-	15,535
Use of the Provision During the Year	(17,003)	-	-
Provision at the End of the Year	203,826	201,519	201,519
Cyclical Maintenance - Current	1,326	9,359	9,359
Cyclical Maintenance - Term	202,500	192,160	192,160
	203,826	201,519	201,519

17. Finance Lease Liability

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

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
No Later than One Year	48,360	38,340	45,930
Later than One Year and no Later than Five Years	32,482	63,122	68,656
Later than Five Years	-	-	-
	<u>80,842</u>	<u>101,462</u>	<u>114,586</u>

18. 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 \$
Shade Cover <i>in progress</i>		(1,845)	-	-	-	(1,845)
Roofing Replacement (Rms 5,15-1) <i>in progress</i>		26,935	5,526	(29,996)	-	2,465
Block 8 Rationalisation <i>in progress</i>		(19,597)	-	(325)	-	(19,922)
Boiler Pipework <i>in progress</i>		(8,687)	26,587	(23,671)	-	(5,771)
Upgrade Blocks 3 & 4 <i>in progress</i>		-	201,714	(239,821)	-	(38,107)
School Lighting Replacement <i>in progress</i>		-	-	(9,102)	-	(9,102)
Security Upgrade <i>in progress</i>		-	-	(10,647)	-	(10,647)
Enclose Walkway <i>in progress</i>		-	8,100	(8,594)	-	(494)
Signage <i>in progress</i>		-	18,000	(16,457)	-	1,543
Heat Pumps <i>in progress</i>		-	21,630	(22,091)	-	(461)
Te Whanau Room <i>in progress</i>		-	-	(35,464)	-	(35,464)
Allweather Turf <i>in progress</i>		-	28,224	(1,827)	-	26,397
Junior Playground <i>in progress</i>		-	72,000	(31,194)	-	40,806
Heat Pumps Admin and Staffroom <i>in progress</i>		-	-	(9,854)	-	(9,854)
Carpet Replacement <i>completed</i>		-	6,300	(6,435)	-	(135)
Court Area Modifications <i>completed</i>		-	9,330	(9,330)	-	-
Barrier Arm <i>completed</i>		-	27,000	(34,989)	-	(7,989)
Totals		<u>(3,194)</u>	<u>424,411</u>	<u>(489,797)</u>	<u>-</u>	<u>(68,580)</u>

Represented by:

Funds Due on from the Ministry of Education

68,580

	2019	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions \$	Closing Balances \$
Shade Cover <i>in progress</i>		(1,845)	-	-	-	(1,845)
Roofing Replacement (Rms 5,15-1) <i>in progress</i>		1,568	100,142	(74,775)	-	26,935
Block 8 Rationalisation <i>in progress</i>		-	117,000	(136,597)	-	(19,597)
Boiler Pipework <i>in progress</i>		-	-	(8,687)	-	(8,687)
Totals		<u>(277)</u>	<u>217,142</u>	<u>(220,059)</u>	<u>-</u>	<u>(3,194)</u>

19. Funds Held on Behalf of Cluster

Rosebank School is the lead school and holds funds on behalf of the Urgent Response cluster, a group of schools funded by the Ministry.

	2020 Actual \$	2020 Budget \$	2019 Actual \$
Funds Received from MoE	64,500	-	-
Distribution of Funds			
Rosebank School	10,580	-	-
Funds Held at Year End	53,920	-	-

20. Related Party Transactions

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

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

21. Remuneration

Key management personnel compensation

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

	2020 Actual \$	2019 Actual \$
<i>Board Members</i>		
Remuneration	2,725	3,040
Full-time equivalent members	0.04	0.10
<i>Leadership Team</i>		
Remuneration	464,200	348,977
Full-time equivalent members	4	3
Total key management personnel remuneration	466,925	352,017
Total full-time equivalent personnel	4.04	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:

	2020 Actual \$000	2019 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	140-150	130-140
Benefits and Other Emoluments	4-5	4-5
Termination Benefits	-	-

Other Employees

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

Remuneration \$000	2020 FTE Number	2019 FTE Number
100-110	3.00	2.00
	<u>3.00</u>	<u>2.00</u>

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

22. Compensation and Other Benefits Upon Leaving

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

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

23. Contingencies

There are no contingent liabilities and no contingent assets as at 31 December 2020 (Contingent liabilities and assets at 31 December 2019: nil).

Holidays Act Compliance – schools payroll

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

The Ministry's review of the schools sector payroll to ensure compliance with the Holidays Act 2003 is ongoing. The current phase of this review is to design potential solutions for any compliance breaches discovered in the initial phase of the Programme. Final calculations and potential impact on any specific individual will not be known until further detailed analysis and solutions have been completed.

To the extent that any obligation cannot reasonably be quantified at 31 December 2020, a contingent liability for the school may exist.

24. Commitments

(a) Capital Commitments

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

25. Managing Capital

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

26. Financial Instruments

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

Financial assets measured at amortised cost

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Cash and Cash Equivalents	329,678	536,541	408,767
Receivables	179,736	161,840	161,840
Investments - Term Deposits	454,650	250,000	250,000
Total Financial assets measured at amortised cost	<u>964,064</u>	<u>948,381</u>	<u>820,607</u>

Financial liabilities measured at amortised cost

Payables	268,196	246,322	246,321
Finance Leases	74,025	101,462	101,462
Total Financial Liabilities Measured at Amortised Cost	<u>342,221</u>	<u>347,784</u>	<u>347,783</u>

27. Events After Balance Date

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

28. Comparatives

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



INDEPENDENT AUDITOR'S REPORT

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

The Auditor-General is the auditor of Rosebank School (the School). The Auditor-General has appointed me, Melissa Youngson, using the staff and resources of Deloitte Limited, to carry out the audit of the financial statements of the School on his behalf.

Opinion

We have audited the financial statements of the School on pages 2 to 19, that comprise the statement of financial position as at 31 December 2020, the statement of comprehensive revenue and expense statement of changes in net assets/equity and 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 Sector – Public Benefit Entity Standards, Reduced Disclosure Regime.

Our audit was completed on 13 September 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 of Trustees 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 of Trustees for the financial statements

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



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

The Board of Trustees' responsibilities, 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 of Trustees.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Trustees and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the School to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



- We assess the risk of material misstatement arising from the Novopay payroll system, which may still contain errors. As a result, we carried out procedures to minimise the risk of material errors arising from the system that, in our judgement, would likely influence readers' overall understanding of the financial statements.

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

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Board of Trustees is responsible for the other information. The other information comprises the information including List of Board of Trustees, Statement of Responsibility, Analysis of Variance Report and KiwiSport 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. Youngson".

Melissa Youngson

Partner

for Deloitte Limited

On behalf of the Auditor-General

Hamilton, New Zealand