



ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

School Directory

Ministry Number:

290

Principal:

Hugh Gully

School Address:

Lewis Street, Collingwood

School Postal Address:

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COLLINGWOOD AREA SCHOOL

Annual Report - For the year ended 31 December 2020

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Collingwood Area 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 reflect the financial position and operations of the School.

The School's 2020 financial statements are authorised for issue by the Board.

Vincent Andrew
Full Name of Board Chairperson

[Signature]
Signature of Board Chairperson

25/5/2021
Date:

Hugh Gully
Full Name of Principal

[Signature]
Signature of Principal

25/5/2021
Date:

Collingwood Area School

Members of the Board of Trustees

For the year ended 31 December 2020

Name	Position	How Position Gained	Held Until
Vincet Andrew	Chairperson	Elected	Jun 2022
Hugh Gully	Principal	ex Officio	
Joyce Wyllie	Vice Chairperson	Elected	Jun 2022
Brendan Richards	Parent Rep	Elected	Jun 2022
Renee Riley	Parent Rep	Elected	Nov 2020
Elizabeth McPherson	Parent Rep	Co-opted	Nov 2020
Mike van Lammeren	Staff Rep	Elected	Jun 2022
Sarah-Renee Van Kleef	Parent Rep	Elected	Sep 2020
In Attendance			
Irene Pomeroy	Minute Secretary		

Collingwood Area 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	2,147,840	2,022,387	1,898,475
Locally Raised Funds	3	96,753	102,340	162,826
Interest Income		5,238	900	6,821
International Students	4	17,788	-	17,768
Other Revenue		-	-	865
		<u>2,267,619</u>	<u>2,125,627</u>	<u>2,086,755</u>
Expenses				
Locally Raised Funds	3	16,040	43,792	61,688
International Students	4	1,120	1,493	2,694
Learning Resources	5	1,507,759	1,472,363	1,487,048
Administration	6	139,445	164,171	136,301
Finance		2,389	-	2,768
Property	7	323,208	456,014	138,753
Depreciation	8	95,725	50,919	92,974
Loss on Disposal of Property, Plant and Equipment		223	-	(1,873)
		<u>2,085,909</u>	<u>2,188,752</u>	<u>1,920,353</u>
Net Surplus / (Deficit) for the year		181,710	(63,125)	166,402
Total Comprehensive Revenue and Expense for the Year		<u><u>181,710</u></u>	<u><u>(63,125)</u></u>	<u><u>166,402</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.

Collingwood Area School Statement of Changes in Net Assets/Equity

For the year ended 31 December 2020

	Notes	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Balance at 1 January		<u>1,420,421</u>	<u>1,420,421</u>	<u>1,254,019</u>
Total comprehensive revenue and expense for the year		181,710	(63,125)	166,402
Capital Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		9,293	-	-
Equity at 31 December	25	<u>1,611,424</u>	<u>1,357,296</u>	<u>1,420,421</u>
Retained Earnings		1,611,424	1,357,296	1,420,421
Equity at 31 December		<u>1,611,424</u>	<u>1,357,296</u>	<u>1,420,421</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.

Collingwood Area School Statement of Financial Position

As at 31 December 2020

		2020	2020	2019
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Current Assets				
Cash and Cash Equivalents	9	426,751	237,919	250,125
Accounts Receivable	10	118,425	139,036	139,036
GST Receivable		6,203	-	-
Prepayments		7,447	5,688	5,688
Inventories	11	1,127	1,127	1,127
Investments	12	204,135	194,681	194,681
Funds owing for Capital Works Projects	19	600	-	-
		<u>764,688</u>	<u>578,451</u>	<u>590,657</u>
Current Liabilities				
GST Payable		-	6,269	6,269
Accounts Payable	14	139,044	135,003	135,003
Revenue Received in Advance	15	15,235	28,037	28,037
Provision for Cyclical Maintenance	16	-	11,777	11,777
Finance Lease Liability - Current Portion	17	11,419	12,407	12,407
Funds held in Trust	18	3,739	2,760	2,760
Funds held for Capital Works Projects	19	-	46,625	46,625
		<u>169,437</u>	<u>242,878</u>	<u>242,878</u>
Working Capital Surplus/(Deficit)		595,251	335,573	347,779
Non-current Assets				
Property, Plant and Equipment	13	1,071,141	1,097,804	1,148,723
		<u>1,071,141</u>	<u>1,097,804</u>	<u>1,148,723</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	16	44,034	53,728	53,728
Finance Lease Liability	17	10,934	22,353	22,353
		<u>54,968</u>	<u>76,081</u>	<u>76,081</u>
Net Assets		<u>1,611,424</u>	<u>1,357,296</u>	<u>1,420,421</u>
Equity	25	<u>1,611,424</u>	<u>1,357,296</u>	<u>1,420,421</u>

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

Collingwood Area School Statement of Cash Flows

For the year ended 31 December 2020

		2020	2020	2019
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Cash flows from Operating Activities				
Government Grants		603,964	508,104	465,121
Locally Raised Funds		122,011	102,340	139,963
International Students		3,997	-	31,185
Goods and Services Tax (net)		(12,472)	-	4,755
Payments to Employees		(251,534)	(301,000)	(245,075)
Payments to Suppliers		(223,708)	(305,850)	(277,023)
Funds Administered on Behalf of Third Parties		979	-	1,620
Interest Received		9,667	900	6,624
Net cash from/(to) Operating Activities		<u>252,904</u>	<u>4,494</u>	<u>127,170</u>
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(18,366)	(16,700)	(133,991)
Purchase of Investments		(9,454)	-	(6,401)
Net cash from/(to) Investing Activities		<u>(27,820)</u>	<u>(16,700)</u>	<u>(140,392)</u>
Cash flows from Financing Activities				
Finance Lease Payments		(10,526)	-	(14,399)
Funds held for Capital Works Projects		(47,225)	-	(31,935)
Net cash from/(to) Financing Activities		<u>(48,458)</u>	<u>-</u>	<u>(46,334)</u>
Net increase/(decrease) in cash and cash equivalents		<u><u>176,626</u></u>	<u><u>(12,206)</u></u>	<u><u>(59,556)</u></u>
Cash and cash equivalents at the beginning of the year	9	250,125	250,125	309,681
Cash and cash equivalents at the end of the year	9	<u><u>426,751</u></u>	<u><u>237,919</u></u>	<u><u>250,125</u></u>

The statement of cash flows records only those cash flows directly within the control of the School. This means centrally funded teachers' salaries and the use of land and buildings grant and expense have been excluded.

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

Collingwood Area School

Notes to the Financial Statements

For the year ended 31 December 2020

1. Statement of Accounting Policies

1.1. Reporting Entity

Collingwood Area 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.

1.2. 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.

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 13.

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 disclosed at note 16.

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.

1.3. Revenue Recognition

Government Grants

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

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

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

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

Other Grants

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

Donations, Gifts and Bequests

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

Interest Revenue

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

1.4. 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.

1.5. 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.

1.6. 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.

1.7. 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.

1.8. Accounts Receivable

Short-term receivables are recorded at the amount due, less an allowance for credit losses (uncollectable debts). The School's 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.

1.9. Inventories

Inventories are consumable items held for sale and comprise 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.

1.10. 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.

1.11. 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:

Buildings & Improvements	10-40 years
Furniture and equipment	5-20 years
Information and communication technology	4-5 years
Motor vehicles	8 years
Leased assets	Term of Lease
Library resources	12.5% Diminishing value

1.12. 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.

1.13. 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.

1.14. Employment Entitlements

Short-term employee entitlements

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

Long-term employee entitlements

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

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

1.15. Revenue Received in Advance

Revenue received in advance relates to fees received from students and 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 in relation to international students, should the School be unable to provide the services to which they relate.

1.16. Funds Held in Trust

Funds are held in trust where they have been received by the School for a specified purpose, or are being held on behalf of a third party and these transactions 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 at any time.

1.17. 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).

1.18. Financial Instruments

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

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

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

1.19. Borrowings

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

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

1.20. 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.

1.21. Budget Figures

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

1.22. 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	509,010	470,422	438,534
Teachers' Salaries Grants	1,380,238	1,248,463	1,302,579
Use of Land and Buildings Grants	181,589	265,820	108,554
Other MoE Grants	77,003	37,682	48,808
	<u>2,147,840</u>	<u>2,022,387</u>	<u>1,898,475</u>

The School has opted in to the donations scheme for this year. Total amount received was \$22,950.

Other MOE Grants total includes additional COVID-19 funding totalling \$13,059 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	19,629	8,000	27,793
Fundraising	98	1,000	1,110
Other Revenue	60,519	57,690	64,502
Trading	3,896	7,050	7,223
Activities	12,611	28,600	62,198
	<u>96,753</u>	<u>102,340</u>	<u>162,826</u>
Expenses			
Activities	15,963	42,792	60,580
Fundraising (Costs of Raising Funds)	77	1,000	1,108
	<u>16,040</u>	<u>43,792</u>	<u>61,688</u>
<i>Surplus for the year Locally raised funds</i>	<u>80,713</u>	<u>58,548</u>	<u>101,138</u>

4. International Student Revenue and Expenses

	2020 Actual Number	2020 Budget (Unaudited) Number	2019 Actual Number
International Student Roll	1	1	4
	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Revenue			
International Student Fees	17,788	-	17,768
Expenses			
International Student Levy	1,120	1,493	737
Other Expenses	-	-	1,957
	<u>1,120</u>	<u>1,493</u>	<u>2,694</u>
<i>Surplus (Deficit) for the year International Students</i>	<u>16,668</u>	<u>(1,493)</u>	<u>15,074</u>

5. Learning Resources

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Curricular	52,498	83,600	62,268
Equipment Repairs	-	-	629
Information and Communication Technology	878	4,000	4,593
Library Resources	2,099	2,100	2,512
Employee Benefits - Salaries	1,444,161	1,364,563	1,402,449
Staff Development	8,123	18,100	14,597
	<u>1,507,759</u>	<u>1,472,363</u>	<u>1,487,048</u>

6. Administration

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Audit Fee	4,660	4,700	4,525
Board of Trustees Fees	2,965	4,500	3,315
Board of Trustees Expenses	1,026	3,300	2,463
Communication	2,968	3,716	3,010
Consumables	5,906	11,865	4,074
Operating Lease	-	-	3,919
Legal Fees	-	1,000	-
Other	17,562	35,090	20,996
Employee Benefits - Salaries	97,141	91,000	87,008
Insurance	3,673	2,500	3,771
Service Providers, Contractors and Consultancy	3,544	6,500	3,220
	<u>139,445</u>	<u>164,171</u>	<u>136,301</u>

7. Property

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Caretaking and Cleaning Consumables	4,488	4,880	3,377
Consultancy and Contract Services	875	1,500	1,500
Cyclical Maintenance Provision	(21,471)	8,500	(104,462)
Grounds	8,265	10,400	13,922
Heat, Light and Water	22,491	18,276	21,320
Rates	7,130	8,000	6,339
Repairs and Maintenance	47,565	44,738	29,141
Use of Land and Buildings	181,589	265,820	108,554
Employee Benefits - Salaries	72,276	93,900	59,062
	<u>323,208</u>	<u>456,014</u>	<u>138,753</u>

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

8. Depreciation of Property, Plant and Equipment

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Buildings	17,600	11,400	13,650
Building Improvements	40,384	16,220	43,390
Furniture and Equipment	12,021	6,230	11,768
Information and Communication Technology	8,246	2,590	9,930
Motor Vehicles	3,536	1,350	1,613
Leased Assets	11,815	10,919	10,662
Library Resources	2,123	2,210	1,961
	<u>95,725</u>	<u>50,919</u>	<u>92,974</u>

9. Cash and Cash Equivalents

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Bank Current Account	12,248	237,919	23,466
Bank Call Account	414,503	-	226,659
Cash and cash equivalents for Statement of Cash Flows	<u>426,751</u>	<u>237,919</u>	<u>250,125</u>

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

10. Accounts Receivable

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Receivables	-	24,269	24,269
Receivables from the Ministry of Education	-	22,221	22,221
Interest Receivable	1,576	6,005	6,005
Banking Staffing Underuse	20,174	-	-
Teacher Salaries Grant Receivable	96,675	86,541	86,541
	<u>118,425</u>	<u>139,036</u>	<u>139,036</u>
Receivables from Exchange Transactions	1,576	30,274	30,274
Receivables from Non-Exchange Transactions	116,849	108,762	108,762
	<u>118,425</u>	<u>139,036</u>	<u>139,036</u>

11. Inventories

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Stationery	1,127	1,127	1,127
	<u>1,127</u>	<u>1,127</u>	<u>1,127</u>

12. Investments

The School's investment activities are classified as follows:

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Current Asset			
Short-term Bank Deposits	204,135	194,681	194,681
Total Investments	<u>204,135</u>	<u>194,681</u>	<u>194,681</u>

13. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2020						
Land	354,040	-	-	-	-	354,040
Buildings	496,883	-	-	-	(17,600)	479,283
Building Improvements	125,552	-	-	-	(40,384)	85,168
Furniture and Equipment	77,450	6,100	-	-	(12,021)	71,529
Information and Communication Technology	18,805	8,786	-	-	(8,246)	19,345
Motor Vehicles	26,672	-	-	-	(3,536)	23,136
Leased Assets	35,594	-	-	-	(11,815)	23,779
Library Resources	13,727	3,480	(223)	-	(2,123)	14,861
Balance at 31 December 2020	<u>1,148,723</u>	<u>18,366</u>	<u>(223)</u>	<u>-</u>	<u>(95,725)</u>	<u>1,071,141</u>

	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
2020			
Land	354,040	-	354,040
Buildings	705,672	(226,389)	479,283
Building Improvements	479,182	(394,014)	85,168
Furniture and Equipment	314,247	(242,718)	71,529
Information and Communication Technology	127,697	(108,352)	19,345
Motor Vehicles	28,286	(5,150)	23,136
Leased Assets	45,303	(21,524)	23,779
Library Resources	31,982	(17,121)	14,861
Balance at 31 December 2020	<u>2,086,409</u>	<u>(1,015,268)</u>	<u>1,071,141</u>

The net carrying value of equipment held under a finance lease is \$23,779 (2019: \$35,594)

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
	\$	\$	\$	\$	\$	\$
2019						
Land	354,040	-	-	-	-	354,040
Buildings	492,516	18,017	-	-	(13,650)	496,883
Building Improvements	99,510	69,432	-	-	(43,390)	125,552
Furniture and Equipment	72,270	16,948	-	-	(11,767)	77,451
Information and Communication Technology	23,668	5,067	-	-	(9,930)	18,805
Motor Vehicles	3,624	28,286	(3,625)	-	(1,613)	26,672
Leased Assets	14,494	38,357	(6,595)	-	(10,662)	35,594
Library Resources	13,949	2,764	(1,025)	-	(1,961)	13,727
Balance at 31 December 2019	1,074,071	178,871	(11,245)	-	(92,973)	1,148,724

	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$
2019			
Land	354,040	-	354,040
Buildings	705,672	(208,789)	496,883
Building Improvements	479,183	(353,631)	125,552
Furniture and Equipment	312,512	(235,062)	77,450
Information and Communication Technology	191,327	(172,522)	18,805
Motor Vehicles	28,286	(1,614)	26,672
Leased Assets	45,303	(9,709)	35,594
Library Resources	28,972	(15,245)	13,727
Balance at 31 December 2019	2,145,295	(996,572)	1,148,723

14. Accounts Payable

	2020 Actual	2020 Budget (Unaudited)	2019 Actual
	\$	\$	\$
Operating creditors	12,993	20,777	20,777
Accruals	2,960	3,249	3,249
Employee Entitlements - salaries	97,508	88,594	88,594
Employee Entitlements - leave accrual	25,583	22,383	22,383
	139,044	135,003	135,003
Payables for Exchange Transactions	139,044	135,003	135,003
	139,044	135,003	135,003

The carrying value of payables approximates their fair value.

15. Revenue Received in Advance

	2020 Actual	2020 Budget (Unaudited)	2019 Actual
	\$	\$	\$
International Student Fees	13,789	27,580	27,580
Other	1,446	457	457
	15,235	28,037	28,037

16. Provision for Cyclical Maintenance

	2020 Actual	2020 Budget (Unaudited)	2019 Actual
	\$	\$	\$
Provision at the Start of the Year	65,505	65,505	169,967
Increase/ (decrease) to the Provision During the Year	9,895	-	18,569
Adjustment to the Provision	(31,366)	-	(123,031)
Provision at the End of the Year	44,034	65,505	65,505
Cyclical Maintenance - Current	-	11,777	11,777
Cyclical Maintenance - Term	44,034	53,728	53,728
	44,034	65,505	65,505

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	13,299	14,799	14,799
Later than One Year and no Later than Five Years	-	24,241	24,241
	<u>13,299</u>	<u>39,040</u>	<u>39,040</u>

18. Funds Held in Trust

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Funds Held in Trust on Behalf of Third Parties - Current	3,739	2,760	2,760
	<u>3,739</u>	<u>2,760</u>	<u>2,760</u>

These funds relate to arrangements where the school is acting as an agent. These amounts are not revenue or expenditure of the school and therefore are not included in the Statement of Comprehensive Revenue and Expense.

19. Funds Held for Capital Works

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 \$
Louvres & Glazing	Completed	46,625	486	(47,111)	-	-
MOE Field Drainage Remediation	In Progress	-	-	(600)	-	(600)
Totals		<u>46,625</u>	<u>486</u>	<u>(47,711)</u>	<u>-</u>	<u>(600)</u>

Represented by:

Funds Due from the Ministry of Education	<u>(600)</u>
	<u>(600)</u>

	2019	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions \$	Closing Balances \$
Classroom Alterations	Completed	45,477	18,081	(63,558)	-	-
Drains	Completed	(1,101)	2,000	(899)	-	-
Toilet Installation Block K	Completed	4,799	-	(4,799)	-	-
Asbestos Removal Boiler House	Completed	21,649	-	(21,649)	-	-
Electrical Work	Completed	7,736	78	(7,814)	-	-
Louvres & Glazing	In Progress	-	48,178	(1,553)	-	46,625
Totals		<u>78,560</u>	<u>68,337</u>	<u>(100,272)</u>	<u>-</u>	<u>46,625</u>

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 and Assistant Principals.

	2020 Actual \$	2019 Actual \$
<i>Board Members</i>		
Remuneration	2,965	3,315
Full-time equivalent members	2.09	1.72
<i>Leadership Team</i>		
Remuneration	354,741	324,840
Full-time equivalent members	3.00	3.00
Total key management personnel remuneration	357,706	328,155
Total full-time equivalent personnel	5.09	4.72

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
<i>Salaries and Other Short-term Employee Benefits:</i>		
Salary and Other Payments - Principal	140 - 150	100 - 110
Salary and Other Payments - Acting Principal	0 - 0	30-40
Benefits and Other Emoluments	3 - 4	1 - 10
Termination Benefits	0 - 0	0 - 0

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	-	-
	-	-

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 (except as noted below) and no contingent assets as at 31 December 2020 (Contingent liabilities and assets at 31 December 2019: nil).

Holidays Act Compliance – Schools payroll

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

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

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

24. Commitments

(a) Capital Commitments

As at 31 December 2020 the Board has entered into the following contract agreements for capital works.

(a) \$10,864 contract for Field Drainage Remediation as agent for the Ministry of Education. The project is to be fully funded by the Ministry of Education. \$600 has been spent on the project management fee for the establishment phase to date. This project has been approved by the Ministry.

(Capital commitments at 31 December 2019: nil)

(b) Operating Commitments

As at 31 December 2020 the Board has not entered into any operating contracts:

(Operating commitments at 31 December 2019: nil)

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	426,751	237,919	250,125
Receivables	118,425	139,036	139,036
Investments - Term Deposits	204,135	194,681	194,681
Total Financial assets measured at amortised cost	<u>749,311</u>	<u>571,636</u>	<u>583,842</u>

Financial liabilities measured at amortised cost

Payables	139,044	135,003	135,003
Finance Leases	22,353	34,760	34,760
Total Financial liabilities measured at amortised Cost	<u>161,397</u>	<u>169,763</u>	<u>169,763</u>

27. Events After Balance Date

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

Analysis of Variance Reporting



School Name:	Collingwood Area School	School Number:	290
Strategic Aim:	Strategic Aim 1, Achievement: Ensure at least 85% of all students leave school with a minimum of NCEA L2 or equivalent		
Annual Aim and Target	<p>1.1 Accelerate the progress & achievement of students who are achieving below NZC expected levels, in Year 1–8 Literacy</p> <p>1.2 Accelerate the progress & achievement of Year 9 & 10 students who are unlikely to be working at Level 5 of the curriculum, by the end of year 10</p> <p>1.3 Students at risk of not achieving NCEA Level 2 or equivalent will achieve this qualification by the time they leave school</p>		
Baseline Data:	<p>Term 1 Reading : 71% at or above expected level</p> <p>Term 1 Writing: 75% at or above expected level</p> <p>Term 1 Maths: 81% at or above expected level</p>		

Actions <i>What did we do?</i>	Outcomes <i>What happened?</i>	Reasons for the variance <i>Why did it happen?</i>	Evaluation <i>Where to next?</i>
<p>1.1 Accelerate the progress & achievement of students who are achieving below NZC expected levels, in Year 1–8 Literacy</p> <ul style="list-style-type: none"> - Baseline data collated - formative assessment informed next steps and tracking throughout year - Developed Growth Mindset - 1:1 target teaching with targetted students - Modelling and scaffolding - Close whanau voice including 3 way conferences - Set learning goals - Students referred to RTLB and/or Readind Recovery - Teacher: Student relationships - IEPs - Peered teaching with buddy students 	<p>Reading:</p> <ul style="list-style-type: none"> - 75% at or above - small cohort (4%) moved from below to at/above <p>Writing:</p> <ul style="list-style-type: none"> - 74% at or above - Small cohort (1%) moved from below to at/ above 	<p>Without doubt COVID has impacted particularly on studnts who were already below the expected level. While every attempt was made upon return, we struggled to move this cohort.</p> <ul style="list-style-type: none"> - Influx of new students across levels throughout school - Targetted teaching for Priority Students - No progress on ensuring valid, reliable and consistent data across year levels - Inconsitent whānau support 	<ul style="list-style-type: none"> - Early identification of Priority students with recording of tragetted interventions at regualr syndicate meetings - Assessment for Learning Schoolwide guidelines to establish rigorous and consistent data collection - Accelerated Literacy Learning intervention continues in 2021 - Consistent timetabliong and time allocation to Literacy - Increase opportunities for moderation - Equity of access to learning devices (chromebooks)

1.2 All students working below NZC level for Year 9 and 10 will make accelerated progress towards Level 5 by the end of Year 10

Reading

- Year 9: 13% of students moved to the expected level (total 33% at or above level)
- Year 10: 45% of students moved to the expected level

Writing

- Year 9: 23% of students regressed in levels
- Year 10: 55% of students moved to the expected level

- COVID: While some students managed to access learning and continue progress, a percentage did not. Our focus was on ensuring well-being during this challenging time

- Students identified as not achieving expected level often reflected in low levels of attendance

- New enrolments throughout the year of students below the expected levels

- Unsettled Staffing with a change of teacher half way through the year

- Increase 1:1 support for precision teaching from Learning Support Teachers

- Some students expressed dislike of writing so challenge to provide interesting and authentic context to engage them

- Explore use of graphic novels

- Use of appropriate devices and technology to provide support

- Explore introduction of DMIC Maths in 2022

- Explore possible schoolwide focus on foundation skills (Tables)

1.3 Students at risk of not achieving NCEA Level 2 or equivalent will achieve this qualification by the time they leave school

- 100% of student leavers achieved NCEA Level 2

- Personalised Teaching
- Engaged students

- continue to provide personalised learning
- Explore opportunities for cross curricula intergrated learning

Planning for next year:

- Complete and embedd Assessment for Learning to ensure valid data collection and consistency
- Consistent Staffing
- Opportunities for cross curricula at NCEA level
- Development of Local curriculum



Kiwisport is a Government funding initiative to support students' participation in organized sport. In 2020, the school received total Kiwisport funding of \$2,715.01 (excluding GST).

The funding was spent on sports equipment and balls for all ages throughout the school and training / coaching for the Area School's TOSI Tournament and the Netball teams.

The number of students that participated in organized sport was thirty nine.

INDEPENDENT AUDITOR'S REPORT
TO THE READERS OF COLLINGWOOD AREA SCHOOL'S FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

The Auditor-General is the auditor of Collingwood Area School (the School). The Auditor-General has appointed me, Michael Rondel, using the staff and resources of BDO Christchurch, 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 3 to 18, that comprise the statement of financial position as at 31 December 2020, the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion the financial statements of the School:

- present fairly, in all material respects:
 - its financial position as at 31 December 2020; and
 - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Sector Public Benefit Entity Standards Reduced Disclosure Regime as applicable to entities that qualify as tier 2.

Our audit was completed on 25 May 2021. This is the date at which our opinion is expressed.

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

Basis for our opinion

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

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

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

Responsibilities of the Board for the financial statements

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

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

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

Responsibilities of the auditor for the audit of the financial statements

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

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

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

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

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

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

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

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

Our responsibilities arises from the Public Audit Act 2001.

Other information

The Board is responsible for the other information. The other information comprises the analysis of variance, kiwisport report and board of trustees listing 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.



Michael Rondel
BDO Christchurch

On behalf of the Auditor-General
Christchurch, New Zealand