

GORGE ROAD SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

School Directory

Ministry Number: 3957

Principal: Jenny Craig

School Address: 4 Factory Road, Invercargill

School Postal Address: Factory Road, R D 5, Invercargill 9875

School Phone: (03) 239 5763

School Email: office@gorgeroad.school.nz

Members of the Board of Trustees

Name	Position	How Position Gained	Occupation	Term Expired/ Expires
Dianne McFaul	Chair Person	Co-opted	Retired Teacher	May-22
Jenny Craig	Principal	ex Officio		
Jo Bruce	Parent Rep	Elected	Shee/Beef Farmer	May-22
Thomas Mead	Parent Rep	Elected	Dairy Farmer	May-22
Andre Egbers	Parent Rep	Elected	Dairy Farmer	May-22
Reza Abdul Jabbar	Parent Rep	Co-opted	Dairy Farmer	May-22
Sharon Evans	Staff Rep	Elected	Teacher	May-22
Sonia Marshall				Resigned Dec 20
Ruth Bruinsma				Resigned Feb 20

Accountant / Service Provider: Maggie Turnhout

GORGE ROAD SCHOOL

Annual Report - For the year ended 31 December 2020

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Gorge Road 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.

Dianne McFaul
Full Name of Board Chairperson


Signature of Board Chairperson

7 April 2021
Date:

Jenny Craig
Full Name of Principal


Signature of Principal

7th April 2021
Date:

Gorge Road 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	509,440	504,258	514,124
Locally Raised Funds	3	30,653	28,842	34,296
Interest income		2,880	3,155	4,197
		<hr/>	<hr/>	<hr/>
		542,973	536,255	552,618
Expenses				
Locally Raised Funds	3	35,771	23,001	29,128
Learning Resources	4	298,759	309,374	315,702
Administration	5	30,950	35,090	31,861
Finance		143	184	39
Property	6	176,066	154,023	150,680
Depreciation	7	8,133	10,000	11,667
Loss on Disposal of Property, Plant and Equipment		2	-	1,440
		<hr/>	<hr/>	<hr/>
		549,824	531,672	540,517
Net Surplus / (Deficit) for the year		(6,851)	4,583	12,101
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
		(6,851)	4,583	12,101

The above Statement of Comprehensive Revenue and Expense should be read in conjunction with the accompanying notes which form part of these financial statements.

Gorge Road 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		194,063	194,063	181,127
Total comprehensive revenue and expense for the year		(6,851)	4,583	12,101
Capital Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		-	-	835
Equity at 31 December	22	187,212	198,646	194,063
Retained Earnings		187,212	198,646	194,063
Equity at 31 December		187,212	198,646	194,063

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.

Gorge Road 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	143,600	77,382	61,843
Accounts Receivable	9	19,614	19,592	19,592
GST Receivable		-	13,224	13,225
Inventories	10	785	733	733
Investments	11	57,838	122,103	122,103
Funds Due for Capital Works Projects	16	3,519	-	-
		<u>225,354</u>	<u>233,035</u>	<u>217,497</u>
Current Liabilities				
GST Payable		5,637	-	-
Accounts Payable	13	29,636	23,776	23,776
Provision for Cyclical Maintenance	14	60,958	61,700	59,804
Finance Lease Liability - Current Portion	15	960	795	940
		<u>97,190</u>	<u>86,271</u>	<u>84,520</u>
Working Capital Surplus/(Deficit)		128,164	146,764	132,977
Non-current Assets				
Property, Plant and Equipment	12	68,857	59,882	69,882
		<u>68,857</u>	<u>59,882</u>	<u>69,882</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	14	8,667	8,000	8,000
Finance Lease Liability	15	1,143	-	795
		<u>9,810</u>	<u>8,000</u>	<u>8,795</u>
Net Assets		<u>187,212</u>	<u>198,646</u>	<u>194,063</u>
Equity	22	<u>187,212</u>	<u>198,646</u>	<u>194,063</u>

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

Gorge Road 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		143,759	108,379	113,864
Locally Raised Funds		30,128	28,842	34,918
Goods and Services Tax (net)		18,862	-	(16,275)
Payments to Employees		(75,029)	(51,298)	(53,335)
Payments to Suppliers		(94,669)	(73,225)	(72,741)
Cyclical Maintenance Payments in the year		-	-	(860)
Interest Paid		(143)	(184)	(39)
Interest Received		3,968	3,155	2,879
Net cash from Operating Activities		26,876	15,669	8,411
Cash flows from Investing Activities				
Purchase of PPE (and Intangibles)		(5,698)	-	(1,163)
Purchase of Investments		-	-	(37,819)
Proceeds from Sale of Investments		64,265	-	-
Net cash from Investing Activities		58,567	-	(38,982)
Cash flows from Financing Activities				
Furniture and Equipment Grant		-	-	835
Finance Lease Payments		(166)	(131)	(286)
Funds Held for Capital Works Projects		(3,519)	-	10,844
Net cash from Financing Activities		(3,685)	(131)	11,393
Net increase/(decrease) in cash and cash equivalents		81,757	15,538	(19,177)
Cash and cash equivalents at the beginning of the year	8	61,843	61,843	81,020
Cash and cash equivalents at the end of the year	8	143,600	77,381	61,843

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

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

Gorge Road School

Notes to the Financial Statements

For the year ended 31 December 2020

1. Statement of Accounting Policies

a) Reporting Entity

Gorge Road 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 15.

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. Finance leases are disclosed at note 15.

Recognition of grants

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

c) Revenue Recognition

Government Grants

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

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

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

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

Other Grants

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

Donations, Gifts and Bequests

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

Interest Revenue

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

d) Use of Land and Buildings Expense

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

e) 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 School Owned	50 years
Building improvements to Crown Owned Assets	10–20 years
Furniture and equipment	3–25 years
Information and communication technology	3 years
Leased assets held under a Finance Lease	3 years
Library resources	12.5% Diminishing value

l) 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.

m) 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.

n) 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.

o) 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).

p) 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.

q) 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.

r) Goods and Services Tax (GST)

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

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.

s) Budget Figures

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

t) Services received in-kind

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

2. Government Grants

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Operational Grants	110,173	98,299	97,120
Teachers' Salaries Grants	239,793	270,000	271,829
Use of Land and Buildings Grants	128,019	125,069	124,489
Resource Teachers Learning and Behaviour Grants	720	-	1,161
Other MoE Grants	30,735	10,890	19,525
	<u>509,440</u>	<u>504,258</u>	<u>514,124</u>

Other MOE Grants total includes additional COVID-19 funding totalling \$19,941 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	4,079	3,800	6,947
Bequests & Grants	1,600	1,000	1,512
Activities	8,044	11,711	12,385
Trading	15,339	10,231	10,392
Fundraising	616	-	217
Other Revenue	976	2,100	2,843
	<u>30,653</u>	<u>28,842</u>	<u>34,296</u>
Expenses			
Activities	11,072	14,351	23,162
Trading	4,250	8,650	3,927
Fundraising (Costs of Raising Funds)	209	-	4
School House Costs	20,239	-	2,034
	<u>35,771</u>	<u>23,001</u>	<u>29,128</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>(5,117)</u>	<u>5,841</u>	<u>5,168</u>

4. Learning Resources

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Curricular	2,602	5,150	7,992
Equipment Repairs	103	100	-
Information and Communication Technology	1,359	1,284	1,215
Library Resources	12	250	62
Employee Benefits - Salaries	293,486	299,190	302,887
Staff Development	1,198	3,400	3,546
	<u>298,759</u>	<u>309,374</u>	<u>315,702</u>

5. Administration

	2020	2020 Budget	2019
	Actual	(Unaudited)	Actual
	\$	\$	\$
Audit Fee	3,022	2,700	3,125
Board of Trustees Fees	1,025	2,500	1,150
Board of Trustees Expenses	496	1,350	374
Communication	1,465	1,500	1,403
Consumables	1,075	930	380
Operating Lease	3,611	3,000	3,522
Other	6,710	6,360	6,355
Employee Benefits - Salaries	12,547	13,000	12,609
Service Providers, Contractors and Consultancy	1,000	3,750	2,943
	30,950	35,090	31,861

6. Property

	2020	2020 Budget	2019
	Actual	(Unaudited)	Actual
	\$	\$	\$
Caretaking and Cleaning Consumables	1,156	1,000	1,072
Consultancy and Contract Services	852	850	852
Cyclical Maintenance Provision	1,821	1,896	3,640
Grounds	3,450	4,000	2,623
Heat, Light and Water	6,370	8,500	7,950
Rates	1,542	1,300	1,423
Repairs and Maintenance	20,136	2,300	173
Use of Land and Buildings	128,019	125,069	124,489
Employee Benefits - Salaries	12,722	9,108	8,459
	176,066	154,023	150,680

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

7. Depreciation

	2020	2020 Budget	2019
	Actual	(Unaudited)	Actual
	\$	\$	\$
Buildings - School	1,100	1,000	1,100
Building Improvements - Crown	1,005	1,000	1,187
Furniture and Equipment	2,958	5,000	5,326
Information and Communication Technology	1,448	1,500	1,945
Leased Assets	992	1,000	1,389
Library Resources	630	500	720
	8,133	10,000	11,667

8. Cash and Cash Equivalents

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Bank Current Account	3,777	48,612	33,073
Bank Call Account	96,392	28,770	28,770
Short-term Bank Deposits	43,431	-	-
Cash and cash equivalents for Cash Flow Statement	<u>143,600</u>	<u>77,382</u>	<u>61,843</u>

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

9. Accounts Receivable

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Receivables	525	-	-
Interest Receivable	231	1,318	1,318
Banking Staffing Underuse	-	3,010	3,010
Teacher Salaries Grant Receivable	18,858	15,264	15,264
	<u>19,614</u>	<u>19,592</u>	<u>19,592</u>
Receivables from Exchange Transactions	756	1,318	1,318
Receivables from Non-Exchange Transactions	18,858	18,274	18,274
	<u>19,614</u>	<u>19,592</u>	<u>19,592</u>

10. Inventories

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Stationery	656	655	655
Canteen	129	78	78
	<u>785</u>	<u>733</u>	<u>733</u>

11. Investments

The School's investment activities are classified as follows:

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Current Asset			
Short-term Bank Deposits	57,838	122,103	122,103
Total Investments	<u>57,838</u>	<u>122,103</u>	<u>122,103</u>

12. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2020	\$	\$	\$	\$	\$	\$
Buildings	38,775	-	-	-	(1,100)	37,675
Building Improvements	9,933	5,698	-	-	(1,005)	14,626
Furniture and Equipment	12,805	-	-	-	(2,958)	9,847
Information and Communication Technology	1,708	-	-	-	(1,448)	260
Leased Assets	1,622	1,412	-	-	(992)	2,042
Library Resources	5,039	-	(2)	-	(630)	4,407
Balance at 31 December 2020	69,882	7,110	(2)	-	(8,133)	68,857

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2020	\$	\$	\$
Buildings	55,000	(17,325)	37,675
Building Improvements	60,889	(46,263)	14,626
Furniture and Equipment	246,291	(236,444)	9,847
Information and Communication Technology	6,081	(5,821)	260
Leased Assets	2,908	(866)	2,042
Library Resources	32,899	(28,492)	4,407
Balance at 31 December 2020	404,067	(335,210)	68,857

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2019	\$	\$	\$	\$	\$	\$
Buildings	39,875	-	-	-	(1,100)	38,775
Building Improvements	12,113	-	(993)	-	(1,187)	9,933
Furniture and Equipment	18,578	-	(447)	-	(5,326)	12,805
Information and Communication Technology	3,102	551	-	-	(1,945)	1,708
Leased Assets	1,515	1,496	-	-	(1,389)	1,622
Library Resources	5,161	611	(13)	-	(720)	5,039
Balance at 31 December 2019	80,343	2,658	(1,453)	-	(11,667)	69,882

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2019	\$	\$	\$
Buildings	55,000	(16,225)	38,775
Building Improvements	55,191	(45,258)	9,933
Furniture and Equipment	246,291	(233,486)	12,805
Information and Communication Technology	6,081	(4,373)	1,708
Leased Assets	3,186	(1,564)	1,622
Library Resources	32,910	(27,871)	5,039
Balance at 31 December 2019	398,659	(328,777)	69,882

13. Accounts Payable

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Operating Creditors	2,824	5,478	5,478
Accruals	4,022	3,034	3,034
Banking Staffing Overuse	3,932	-	-
Employee Entitlements - Salaries	18,858	15,264	15,264
	29,636	23,776	23,776
Payables for Exchange Transactions	29,636	23,776	23,776
	29,636	23,776	23,776

The carrying value of payables approximates their fair value.

14. Provision for Cyclical Maintenance

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Provision at the Start of the Year	67,804	67,804	65,024
Increase/ (decrease) to the Provision During the Year	1,821	1,896	1,821
Use of the Provision During the Year	-	-	(861)
Adjustment to the Provision	-	-	1,820
Provision at the End of the Year	69,625	69,700	67,804
Cyclical Maintenance - Current	60,958	61,700	59,804
Cyclical Maintenance - Term	8,667	8,000	8,000
	69,625	69,700	67,804

15. Finance Lease Liability

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

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
No Later than One Year	1,109	795	1,053
Later than One Year and no Later than Five Years	1,227	-	855
Later than Five Years	-	-	-
	2,336	795	1,908

16. Funds Held for Capital Works Projects

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

	2020	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions	Closing Balances \$
Water Treatment Upgrade	<i>completed</i>	-	31,235	(31,427)	192	-
Fencing Upgrade	<i>completed</i>	-	13,599	(13,886)	287	-
Food Tech & Staffroom Upgrade	<i>in progress</i>	-	45,000	(48,519)	-	(3,519)
Replacement Veranda	<i>completed</i>	-	23,645	(23,645)	-	-
Totals		-	113,479	(117,477)	479	(3,519)

Represented by:

Funds Due from the Ministry of Education	(3,519)
	<u>3,519</u>

	2019	Opening Balances \$	Receipts from MoE \$	Payments \$		Closing Balances \$
Boiler Upgrade	<i>completed</i>	1,912	-	(1,912)	-	-
Classroom Upgrade	<i>completed</i>	(12,756)	12,756	-	-	-
Fencing Upgrade	<i>completed</i>	-	146,126	(146,126)	-	-
Totals		(10,844)	158,882	(148,038)	-	-

17. Related Party Transactions

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

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

18. Remuneration

Key management personnel compensation

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

	2020 Actual \$	2019 Actual \$
<i>Board Members</i>		
Remuneration	1,025	1,150
Full-time equivalent members	0.03	0.04
<i>Leadership Team</i>		
Remuneration	200,229	193,099
Full-time equivalent members	2	2
Total key management personnel remuneration	<u>201,254</u>	<u>194,249</u>
Total full-time equivalent personnel	<u>2.03</u>	<u>2.04</u>

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	110 - 120	110 - 120
Benefits and Other Emoluments	0 - 5	0 - 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
110 - 120	-	-
100 - 110	-	-
	<u>-</u>	<u>-</u>

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

19. Compensation and Other Benefits Upon Leaving

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

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

20. Contingencies

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

Holidays Act Compliance – schools payroll

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

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

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

21. Commitments

(a) Capital Commitments

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

(a) \$49,500 contract for the Food Tech and Staffroom upgrade to be completed in 2021, which will be fully funded by the Ministry of Education. \$45,000 has been received of which \$48,519 has been spent on the project to balance date.

(Capital commitments at 31 December 2019: \$31,235)

(b) Operating Commitments

As at 31 December 2020 the Board has entered into the following contracts:

(a) operating lease of computer equipment and a photocopier;

	2020 Actual \$	2019 Actual \$
No later than One Year	81	1,824
Later than One Year and No Later than Five Years	-	81
Later than Five Years	-	-
	<u>81</u>	<u>1,905</u>

22. Managing Capital

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

23. Financial Instruments

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

Financial assets measured at amortised cost

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Cash and Cash Equivalents	143,600	77,382	61,843
Receivables	19,614	19,592	19,592
Investments - Term Deposits	57,838	122,103	122,103
Total Financial assets measured at amortised cost	<u>221,051</u>	<u>219,077</u>	<u>203,538</u>

Financial liabilities measured at amortised cost

Payables	29,636	23,776	23,776
Finance Leases	2,103	795	1,736
Total Financial Liabilities Measured at Amortised Cost	<u>31,738</u>	<u>24,571</u>	<u>25,511</u>

24. Events After Balance Date

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

25. Comparatives

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

INDEPENDENT AUDITOR'S REPORT

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

The Auditor-General is the auditor of Gorge Road School (the School). The Auditor-General has appointed me, Kenneth Sandri, using the staff and resources of Crowe, to carry out the audit of the financial statements of the School on his behalf.

Opinion

We have audited the financial statements of the School on pages 2 to 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 Cash Flow Statement for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion the financial statements of the School:

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

Our audit was completed on 07 April 2021. This is the date at which our opinion is expressed.

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

Basis for our opinion

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

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

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

Responsibilities of the Board for the financial statements

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

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

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

Responsibilities of the auditor for the audit of the financial statements

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

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

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

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

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

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

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

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

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Board is responsible for the other information. The other information comprises the information included on pages 19 to 22, 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.



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

Gorge Road School Kiwisport Statement

31 December 2020

2020 was a non-starter year for our Zone events due to Covid-19. We did manage to have Athletics in Term 4 with only the top four from each School competing. We had Cricket Southland come to our School and take a coaching lesson as well as REAP for swimming in Term 1 and 4. Rugby and Netball did happen on a shorter schedule.

Our money this year (\$566.51) was spent on purchasing two soccer/football goals and the kids were out on the field playing this most morning tea and lunchtime times so this was very beneficial to them, and supported them in developing skills to participate confidently in this sport. We held a mini Futsal tournament and invited our Zone Schools who unfortunately were all busy so we just had Glenham School join us, a great day was had.

School Name:	Gorge Road School	School Number:	3957
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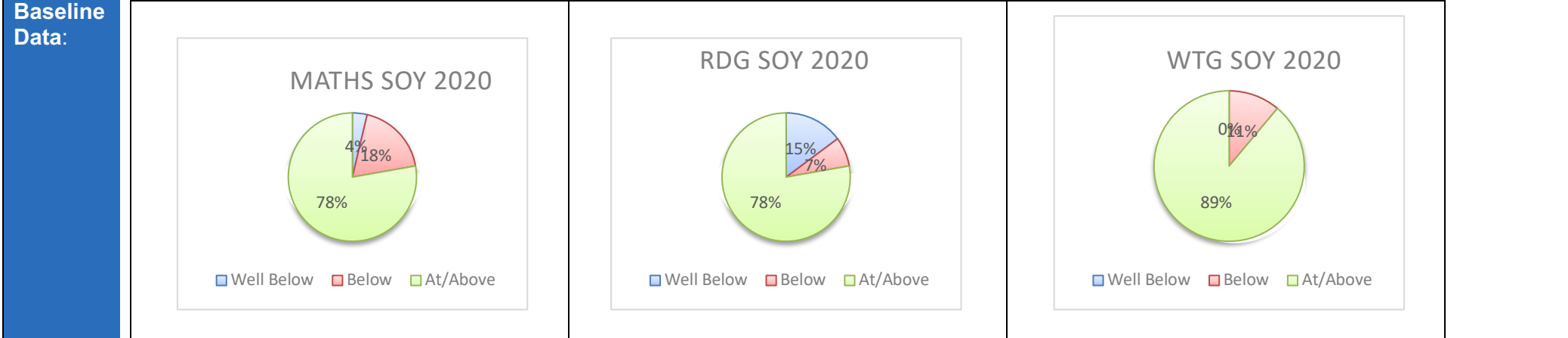
Strategic Aim: To enhance student achievement by providing a student-centred, future-focused, culturally responsive curriculum.

Annual Aim: To attain high levels of student achievement in numeracy and literacy

Target: *In 2020 all students will make sufficient **progress** in reading, writing and mathematics, through quality learning programmes, appropriate assessment & reporting systems, and the provision of additional support if needed. (ideally at least one year's) Following the setting of specific, challenging and realistic achievement expectations for students' progress will be reported to the BOT and MOE through the regular on-going collection and analysis of individual and school-wide data.*

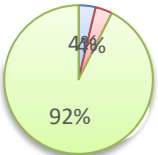
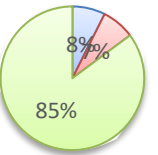
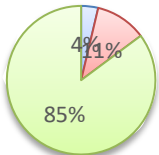
At the SOY 2020 teachers identified what 'sufficient progress' would look like for individual students. ERO indicated that *achievement* is less relevant than *progress* and so our target data is based around this premise. Nevertheless we have also considered achievement levels and identified those students most at risk of not succeeding. Maori achievement not reported due to cohort size being too small.

%	Maths	Reading	Writing
Below	06= 22%	07= 22%	03= 11%
At/above	21= 78%	20= 78%	23= 89%
Boys below	4/13= 31%	3/13= 23%	3/13= 31%
Girls below	2/14= 14%	2/14= 14%	0/14= 00%



Actions
What did we do?

Actions to achieve targets	Led by	Resourcing	Timeframe
• Teachers will provide targeted instruction to individual students to accelerate progress.	Teaching Staff	Professional Development Budget	Ongoing
• Data will be collected using OTJ	Teaching Staff		EOY/SOY data used
• Analysis and reflection on data will occur regularly to inform progress and to assist in planning to meet student needs.	Principal		Ongoing
• There will be regular reporting to the board on progress	Principal		Terms 1, 2 and Term 4
• Teachers will participate in Professional Development as available and appropriate	Teaching Staff		Ongoing
• Additional resources will be purchased as needed	Teaching Staff		Ongoing

End of Year Data:	%	Maths	Reading	Writing		
	Below	02= 08%	04= 15%	04= 12%		
	At/above	25= 92%	23= 85%	23= 85%		
	Boys below	1/13= 8%	3/13= 24%	4/13= 31%		
	Girls below	1/14= 7%	1/14= 07%	0/14= 00%		
	MATHS EOY 2020  ■ Well Below ■ Below ■ At/Above		RDG EOY 2020  ■ Well Below ■ Below ■ At/Above		WTG EOY 2020  ■ Well Below ■ Below ■ At/Above	

Outcomes -What happened Reasons for the variance - Why did it happen?	Evaluation Where to next?
<p>Data shows that children who were actively engaged with their teachers and class during their home learning opportunities have made the most significant gains, children less engaged have been the target of intensive classroom teaching in order to raise achievement. Overall in maths and reading children have made progress in spite of the 4 months drastically affected by the covid-19 crisis. Writing, particularly boys' writing, has proven to have suffered the most. The figures show an increase in numbers of students 'below', however 3 of the 4 children are not the same ones who were 'below' at the beginning of the year. These now 'below' children were 'at' initially; they have really stayed put and not shifted at all.</p> <p>This is more of a problem in the senior room where students must</p> <ol style="list-style-type: none"> 1. attend school in order to be taught the next stages to improve their writing 2. actually reflect what they have been taught to do in their writing and 3. use the success criteria in order to achieve a satisfactory product. <p>Some children are naturally better writers, however all children should be able to embrace the mechanics of what is needed to achieve 'success'.</p>	<p>One child who was 'below' at the beginning of the year has fallen further behind their cohort. An application for ICS was successful, so an additional 5 hrs TA time is now available to support this learner to have access to the curriculum in the afternoon programme.</p> <p>Writing will be the target for 2021. All children who are 'below' or 'just at' will receive focussed teachers' attention during writing. Children who are 'well below' will have an application for support from outside agencies.</p>
Planning for next year: - 2021	
<p>The figures compare remaining children at GRS, ones who have left or been enrolled in 2020 are not included here.</p> <p>When looking at data for children who will be enrolled in 2021 at GRS teachers have identified a need for a focus on writing. There is a significant portion of children who are 'just at' who are going to need support to maintain or accelerate their progress in order to be at a satisfactory level by the end of 2021.</p> <p>This will mean a concentrated effort through attending the same PD and teaching writing in a united manner. So children have a consistent approach. This may involve a Teacher Only Day. Staff are already considering how to alter the daily timetable to allow this focus.</p> <p>Reading and Maths will continue to be of importance, however the focus will be writing.</p>	