

ORANGA SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

School Directory

Ministry Number:	1403
Principal:	Bridget Lummins
School Address:	21 Rangipawa Road, One Tree Hill, Auckland
School Postal Address:	21 Rangipawa Road, One Tree Hill, Auckland
School Phone:	09-579 41 89
School Email:	admin@oranga.school.nz

Members of the Board of Trustees

Name	Position	How Position Gained	Term Expired/ Expires
Paul Ruediger	Chair Person	Elected	Jun-22
Bridget Lummis	Principal	Ex Officio	
Dominique Corford	Parent Rep	Elected	Jun-22
Sita Lino	Parent Rep	Elected	Jun-22
Christopher Wall	Parent Rep	Elected	Jun-22
Carla Sheen	Parent Rep	Elected	Jun-22
David Noyer	Parent Rep	Co-opted	Jun-22
Sarah Gundesen	Staff Rep	Elected	Jun-22

Accountant / Service Provider:	Shore Chartered Accountants Limited
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ORANGA SCHOOL

Annual Report - For the year ended 31 December 2020

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Oranga 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.

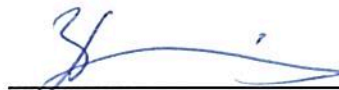
The School's 2020 financial statements are authorised for issue by the Board.


Full Name of Board Chairperson


Signature of Board Chairperson

31 May 2021
Date:


Full Name of Principal


Signature of Principal

31 May 2021
Date:

Oranga School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2020

		2020	2020	2019
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
Revenue				
Government Grants	2	3,996,733	3,186,763	3,644,856
Locally Raised Funds	3	28,494	58,200	105,560
Interest income		1,550	4,400	2,652
		<hr/>	<hr/>	<hr/>
		4,026,777	3,249,363	3,753,068
Expenses				
Locally Raised Funds	3	11,435	23,700	61,320
Learning Resources	4	2,123,468	1,821,060	2,133,351
Administration	5	165,910	167,040	181,530
Finance		1,231	-	2,809
Property	6	1,371,239	1,131,136	1,357,744
Depreciation	7	92,755	90,000	94,209
Loss on Disposal of Property, Plant and Equipment		3,475	-	141
		<hr/>	<hr/>	<hr/>
		3,769,513	3,232,936	3,831,104
Net Surplus / (Deficit) for the year		257,264	16,427	(78,036)
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
		257,264	16,427	(78,036)

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

Oranga 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	411,596	411,596	473,002
Total comprehensive revenue and expense for the year	257,264	16,427	(78,036)
Capital Contributions from the Ministry of Education			
Contribution - Furniture and Equipment Grant	49,000	-	16,630
Equity at 31 December	717,860	428,023	411,596

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.

Oranga School

Statement of Financial Position

As at 31 December 2020

		2020	2020	2019
	Notes	Actual \$	Budget (Unaudited) \$	Actual \$
Current Assets				
Cash and Cash Equivalents	8	681,782	341,543	224,954
Accounts Receivable	9	169,455	125,000	108,937
Prepayments		3,714	3,000	2,948
Inventories	10	1,389	3,000	2,593
Investments	11	100,000	-	-
		<u>956,340</u>	<u>472,543</u>	<u>339,432</u>
Current Liabilities				
GST Payable		3,667	5,000	1,894
Accounts Payable	13	295,652	182,000	126,705
Finance Lease Liability - Current Portion	15	8,260	8,360	9,321
Funds held for Capital Works Projects	16	69,950	-	(18,908)
		<u>377,529</u>	<u>195,360</u>	<u>119,012</u>
Working Capital Surplus/(Deficit)		578,811	277,183	220,420
Non-current Assets				
Property, Plant and Equipment	12	263,111	280,783	305,479
		<u>263,111</u>	<u>280,783</u>	<u>305,479</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	14	122,767	129,943	105,943
Finance Lease Liability	15	1,295	-	8,360
		<u>124,062</u>	<u>129,943</u>	<u>114,303</u>
Net Assets		<u>717,860</u>	<u>428,023</u>	<u>411,596</u>
Equity	22	<u>717,860</u>	<u>428,023</u>	<u>411,596</u>

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

Oranga 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		1,062,474	911,763	864,782
Locally Raised Funds		43,864	59,487	79,560
Goods and Services Tax (net)		1,773	3,106	14,240
Payments to Employees		(464,179)	(426,203)	(500,336)
Payments to Suppliers		(162,467)	(380,247)	(404,039)
Interest Paid		(1,231)	-	(2,809)
Interest Received		724	4,400	2,707
Net cash from/(to) Operating Activities		480,958	172,306	54,105
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(52,460)	(65,304)	(33,817)
Purchase of Investments		(100,000)	-	-
Net cash from/(to) Investing Activities		(152,460)	(65,304)	(33,817)
Cash flows from Financing Activities				
Furniture and Equipment Grant		49,000	-	16,630
Finance Lease Payments		(9,528)	(9,321)	(9,628)
Funds Held for Capital Works Projects		88,858	18,908	6,759
Net cash from/(to) Financing Activities		128,330	9,587	13,761
Net increase/(decrease) in cash and cash equivalents		456,828	116,589	34,049
Cash and cash equivalents at the beginning of the year	8	224,954	224,954	190,905
Cash and cash equivalents at the end of the year	8	681,782	341,543	224,954

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.

Oranga School

Notes to the Financial Statements

For the year ended 31 December 2020

1. Statement of Accounting Policies

a) Reporting Entity

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

b) Basis of Preparation

Reporting Period

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

Basis of Preparation

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

Financial Reporting Standards Applied

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

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

Cyclical maintenance

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

Useful lives of property, plant and equipment

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

Critical Judgements in applying accounting policies

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

Classification of leases

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

Recognition of grants

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

c) Revenue Recognition

Government Grants

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

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

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

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

Other Grants

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

Donations, Gifts and Bequests

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

Interest Revenue

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

d) Use of Land and Buildings Expense

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

e) Finance Lease Payments

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

f) Cash and Cash Equivalents

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

g) Accounts Receivable

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

h) 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.

i) Investments

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

j) Property, Plant and Equipment

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

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

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

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

Finance Leases

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

Depreciation

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

The estimated useful lives of the assets are:

Building improvements to Crown Owned Assets	10–20 years
Furniture and equipment	4–10 years
Information and communication technology	2–10 years
Leased assets held under a Finance Lease	2–3 years
Library resources	12.5% Diminishing value

k) 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.

l) 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.

m) 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.

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.

n) Provision for Cyclical Maintenance

The property from which the School operates is owned by the Crown, and is vested in the Ministry. The Ministry has gazetted a property occupancy document that sets out the Board's property maintenance responsibilities. The Board is responsible for maintaining the land, buildings and other facilities on the School site in a state of good order and repair.

Cyclical maintenance, which involves painting the interior and exterior of the School, makes up the most significant part of the Board's responsibilities outside day-to-day maintenance. The provision for cyclical maintenance represents the obligation the Board has to the Ministry and is based on the Board's ten year property plan (10YPP).

o) Financial Instruments

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

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

The School's financial liabilities comprise accounts payable, 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.

p) 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.

q) 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.

r) Budget Figures

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

s) Services received in-kind

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

2. Government Grants

	2020	2020 Budget	2019
	Actual	(Unaudited)	Actual
	\$	\$	\$
Operational Grants	801,554	677,300	643,070
Teachers' Salaries Grants	1,763,729	1,400,000	1,675,777
Use of Land and Buildings Grants	1,164,395	875,000	1,108,854
Other MoE Grants	267,055	234,463	217,155
	<u>3,996,733</u>	<u>3,186,763</u>	<u>3,644,856</u>

The school has opted in to the donations scheme for this year. Total amount received was \$57,300.

Other MOE Grants total includes additional COVID-19 funding totalling \$5,728 for the year ended 31 December 2020.

3. Locally Raised Funds

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

	2020	2020 Budget	2019
	Actual	(Unaudited)	Actual
	\$	\$	\$
Revenue			
Donations	1,217	16,000	13,970
Activities	24,860	34,200	60,038
Trading	235	-	2,059
Fundraising	2,182	8,000	29,493
	<u>28,494</u>	<u>58,200</u>	<u>105,560</u>
Expenses			
Activities	7,907	16,900	49,736
Trading	1,203	-	998
Fundraising (Costs of Raising Funds)	2,325	6,800	10,586
	<u>11,435</u>	<u>23,700</u>	<u>61,320</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>17,059</u>	<u>34,500</u>	<u>44,240</u>

4. Learning Resources

	2020	2020 Budget	2019
	Actual	(Unaudited)	Actual
	\$	\$	\$
Curricular	21,177	59,360	32,734
Library Resources	1,783	1,100	407
Employee Benefits - Salaries	2,094,462	1,741,600	2,074,181
Staff Development	6,046	19,000	26,029
	2,123,468	1,821,060	2,133,351

5. Administration

	2020	2020 Budget	2019
	Actual	(Unaudited)	Actual
	\$	\$	\$
Audit Fee	6,036	6,040	6,039
Board of Trustees Fees	2,980	4,000	3,958
Board of Trustees Expenses	13,678	8,500	23,975
Communication	1,708	2,500	2,356
Consumables	18,252	21,050	19,387
Other	15,830	35,050	26,289
Employee Benefits - Salaries	87,841	72,600	80,330
Insurance	3,287	3,300	3,280
Service Providers, Contractors and Consultancy	16,298	14,000	15,916
	165,910	167,040	181,530

6. Property

	2020	2020 Budget	2019
	Actual	(Unaudited)	Actual
	\$	\$	\$
Caretaking and Cleaning Consumables	19,337	19,250	18,184
Consultancy and Contract Services	42,923	43,056	58,727
Cyclical Maintenance Provision	16,824	24,000	16,741
Grounds	7,750	12,960	9,006
Heat, Light and Water	35,535	53,500	60,552
Repairs and Maintenance	23,041	46,370	30,800
Use of Land and Buildings	1,164,395	875,000	1,108,854
Security	21,588	12,000	12,891
Employee Benefits - Salaries	39,846	45,000	41,989
	1,371,239	1,131,136	1,357,744

7. Depreciation

	2020	2020 Budget	2019
	Actual	(Unaudited)	Actual
	\$	\$	\$
Building Improvements - Crown	28,749	28,847	28,847
Furniture and Equipment	30,064	26,000	28,234
Information and Communication Technology	21,464	22,153	24,447
Leased Assets	9,487	10,000	9,623
Library Resources	2,991	3,000	3,058
	92,755	90,000	94,209

8. Cash and Cash Equivalents

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Cash on Hand	400	400	400
Bank Current Account	595,316	251,143	140,155
Bank Call Account	86,066	90,000	84,399
Cash and cash equivalents for Statement of Cash Flows	681,782	341,543	224,954

Of the \$681,782 Cash and Cash Equivalents, \$203,876 is held by the School on behalf of the Ministry of Education. These funds are required to be spent in 2021 on Crown owned school buildings under the School's Five Year Property Plan.

9. Accounts Receivable

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Receivables	10,917	25,000	26,287
Interest Receivable	826	-	-
Banking Staffing Underuse	19,519	-	13,384
Teacher Salaries Grant Receivable	138,193	100,000	69,266
	169,455	125,000	108,937
Receivables from Exchange Transactions	11,743	25,000	26,287
Receivables from Non-Exchange Transactions	157,712	100,000	82,650
	169,455	125,000	108,937

10. Inventories

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Stationery	674	-	-
School Uniforms	715	3,000	2,593
	1,389	3,000	2,593

11. Investments

The School's investment activities are classified as follows:

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Current Asset			
Short-term Bank Deposits	100,000	-	-
Total Investments	100,000	-	-

12. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2020	\$	\$	\$	\$	\$	\$
Building Improvements	110,947	-	-	-	(28,791)	82,156
Furniture and Equipment	122,653	28,413	-	-	(30,022)	121,044
Information and Communication Technology	35,243	18,050	-	-	(21,464)	31,829
Leased Assets	15,227	1,402	-	-	(9,487)	7,142
Library Resources	21,409	5,997	(3,475)	-	(2,991)	20,940
Balance at 31 December 2020	305,479	53,862	(3,475)	-	(92,755)	263,111

The net carrying value of equipment held under a finance lease is \$7,142 (2019: \$15,227)

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2020	\$	\$	\$
Building Improvements	561,658	(479,502)	82,156
Furniture and Equipment	553,870	(432,826)	121,044
Information and Communication Technology	263,760	(231,931)	31,829
Leased Assets	28,932	(21,790)	7,142
Library Resources	45,217	(24,277)	20,940
Balance at 31 December 2020	1,453,437	(1,190,326)	263,111

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2019	\$	\$	\$	\$	\$	\$
Building Improvements	139,794	-	-	-	(28,847)	110,947
Furniture and Equipment	124,713	26,174	-	-	(28,234)	122,653
Information and Communication Technology	57,425	2,265	-	-	(24,447)	35,243
Leased Assets	22,037	2,955	(142)	-	(9,623)	15,227
Library Resources	19,230	5,237	-	-	(3,058)	21,409
Balance at 31 December 2019	363,199	36,631	(142)	-	(94,209)	305,479

The following note can be used for each class of asset that are held under a finance lease:

The net carrying value of equipment held under a finance lease is \$15,227 (2018: \$22,037)

2019

	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
Building Improvements	561,658	(450,711)	110,947
Furniture and Equipment	525,280	(402,627)	122,653
Information and Communication Technology	245,710	(210,467)	35,243
Leased Assets	33,284	(18,057)	15,227
Library Resources	46,819	(25,410)	21,409
Balance at 31 December 2019	1,412,751	(1,107,272)	305,479

13. Accounts Payable

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Operating Creditors	130,859	30,000	25,220
Accruals	11,972	12,000	11,832
Employee Entitlements - Salaries	143,516	125,000	74,756
Employee Entitlements - Leave Accrual	9,305	15,000	14,897
	295,652	182,000	126,705
Payables for Exchange Transactions	295,652	182,000	126,705
	295,652	182,000	126,705

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	105,943	105,943	89,201
Increase/ (decrease) to the Provision During the Year	16,824	24,000	24,000
Use of the Provision During the Year	-	-	(7,258)
Provision at the End of the Year	122,767	129,943	105,943
Cyclical Maintenance - Term	122,767	129,943	105,943
	122,767	129,943	105,943

15. Finance Lease Liability

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

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
No Later than One Year	8,260	8,360	9,321
Later than One Year and no Later than Five Years	1,295	-	8,360
	<u>9,555</u>	<u>8,360</u>	<u>17,681</u>

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 \$
Security Upgrade	<i>in progress</i>	6,538		113	-	6,651
Roofing	<i>in progress</i>	(7,607)	215,667	(10,834)	-	197,225
Block 2 Refurbishment	<i>in progress</i>	(17,839)	-	(8,904)	-	(26,743)
Project AMZ ILE	<i>in progress</i>	-	128,250	(233,231)	-	(104,981)
Playground	<i>in progress</i>	-	49,760	(51,592)	-	(1,832)
New Build	<i>in progress</i>	-	-	(370)	-	(370)
Totals		<u>(18,908)</u>	<u>393,677</u>	<u>(304,818)</u>	<u>-</u>	<u>69,950</u>

Represented by:

Funds Held on Behalf of the Ministry of Education	203,876
Funds Due from the Ministry of Education	(133,926)
	<u>69,950</u>

	2019	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions \$	Closing Balances \$
Security Upgrade	<i>in progress</i>	-	6,538	-	-	6,538
Roofing	<i>in progress</i>	(7,607)	-	-	-	(7,607)
Block 2 Refurbishment	<i>in progress</i>	(18,060)	-	-	221	(17,839)
						-
Totals		<u>(25,667)</u>	<u>6,538</u>	<u>-</u>	<u>221</u>	<u>(18,908)</u>

17. Related Party Transactions

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

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

18. Remuneration

Key management personnel compensation

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

	2020 Actual \$	2019 Actual \$
<i>Board Members</i>		
Remuneration	2,980	3,958
Full-time equivalent members	0.07	0.08
<i>Leadership Team</i>		
Remuneration	433,457	292,621
Full-time equivalent members	3.00	3.00
Total key management personnel remuneration	436,437	296,579
Total full-time equivalent personnel	3.07	3.08

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

Principal 1

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

	2020 Actual \$000	2019 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	130 - 140	90 - 100
Benefits and Other Emoluments	1 - 10	1 - 10
Termination Benefits	-	-

Principal 2

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	-	18 - 45
Benefits and Other Emoluments	-	1 - 10
Termination Benefits	-	-

Other Employees

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

Remuneration \$000	2020 FTE Number	2019 FTE Number
100 - 110	1.00	0.00
	1.00	0.00

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

19. Compensation and Other Benefits Upon Leaving

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

	2020 Actual	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'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.

21. Commitments

(a) Capital Commitments

As at 31 December 2020 the Board had entered into contract agreements for capital works as follows.

- a) A \$236,166 contract for Roofing which will be fully funded by Ministry of Education. \$215,667 has been received of which \$18,441 has been spent on the project till date
- b) A \$665,818 contract for Project AMZ ILE which will be fully funded by Ministry of Education. \$128,250 has been received of which \$233,321 has been spent on the project till date

(Capital commitments at 31 December 2019: nil)

(b) Operating Commitments

As at 31 December 2020 the Board has not entered into contracts.

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	681,782	341,543	224,954
Receivables	169,455	125,000	108,937
Investments - Term Deposits	100,000	-	-
Total Financial assets measured at amortised cost	<u>951,237</u>	<u>466,543</u>	<u>333,891</u>

Financial liabilities measured at amortised cost

Payables	295,652	182,000	126,705
Finance Leases	9,555	8,360	17,681
Total Financial Liabilities Measured at Amortised Cost	<u>305,207</u>	<u>190,360</u>	<u>144,386</u>

24. Events After Balance Date

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

Independent Auditor's Report

To the readers of Oranga School's Financial statements For the year ended 31 December 2020

The Auditor-General is the auditor of Oranga School (the School). The Auditor-General has appointed me, Brendon Foy, using the staff and resources of RSM Hayes Audit, to carry out the audit of the financial statements of the School on his behalf.

Opinion

We have audited the financial statements of the School on pages 2 to 18, that comprise the statement of financial position as at 31 December 2020, the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion the financial statements of the School:

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

Our audit was completed on 31 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 of 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 of Trustees is responsible for the other information. The other information includes the statement of responsibility, board member list, analysis of variance, and kiwisport report, but does not include the financial statements, and our auditor's report thereon.

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

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

Independence

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

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

A handwritten signature in blue ink, appearing to read 'Brendon Foy'.

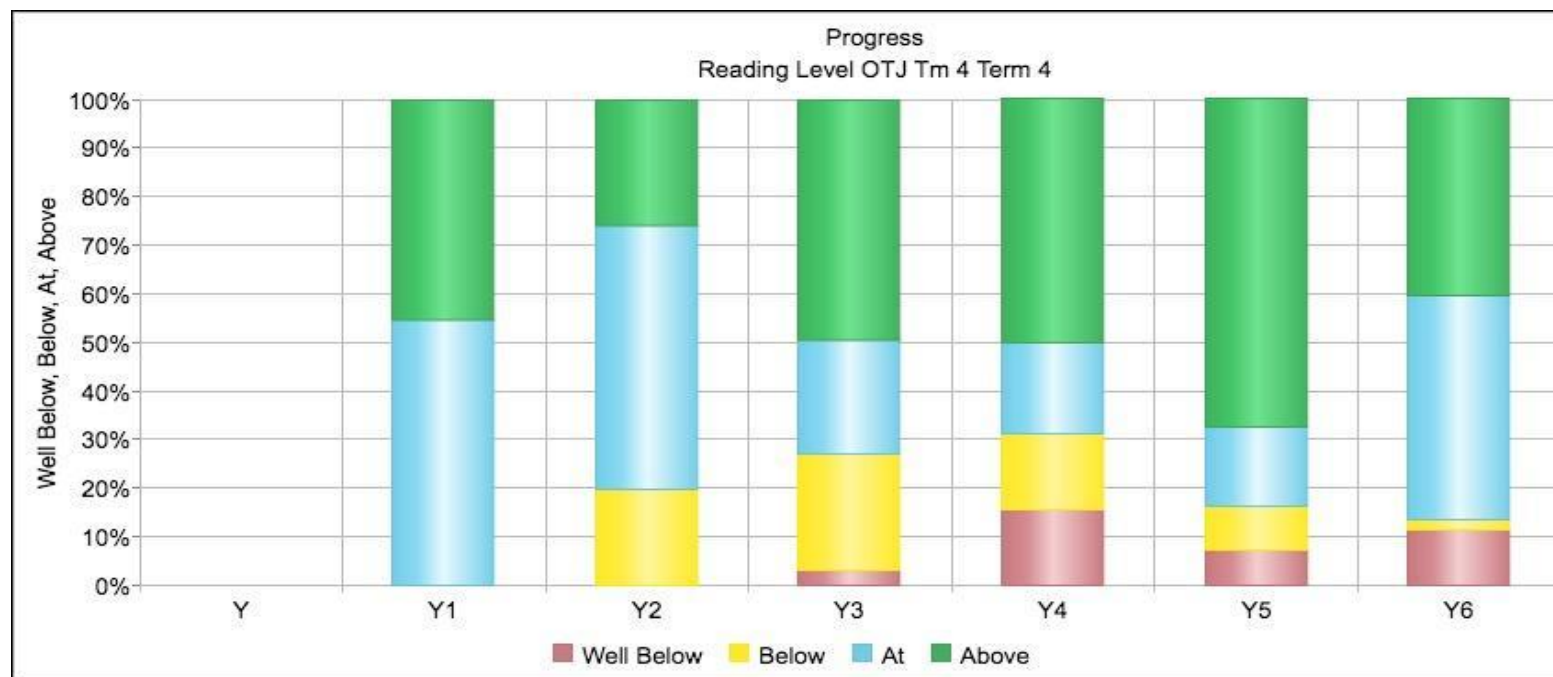
Brendon Foy
RSM Hayes Audit
On behalf of the Auditor-General
Auckland, New Zealand

Analysis of Variance Reporting



School Name:	Oranga School	School Number:	1403
Strategic Aim:	<p>To increase learning for all by</p> <ol style="list-style-type: none"> 1. providing high quality teaching and learning in Reading, Writing and Mathematics. 2. Accelerating achievement for our Māori and Pasifika students 		
Annual Aim:	<p>To increase the number of students achieving at or above Oranga School's expectations for Reading.</p> <p>Accelerate the achievement of Māori and Pasifika students identified as 'at risk of not achieving.'</p>		
Target:	<p>80% of students achieving at or above Oranga School's expectations for Reading through a deliberate focus on the Kahui Ako eight key drivers.</p>		
Baseline Data:	<p>Data collection</p> <p>The data was collated on Monday 9th December 2019. On this date there were 388 students enrolled at Oranga School. There is a disparity between the total number of students within the data reports and the school summary generated on the 9th December. The disparity lies with 17 students in total. Of these students; 15 students did not receive an End of year report as they started school after our End of Year Report cut-off date or were new to school and 2 students were not here for last 13 weeks</p> <p>At this time 82.5% of all students at Oranga School were achieving at or above the school expectation.</p>		

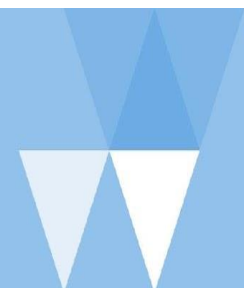
Tātaritanga raraunga



This was an improvement from 2018 when 70% of all students at Oranga School were achieving at or above the school expectation in reading.

In 2018, the target set for Pasifika students was for at least 70% to be achieving At or Above Oranga School expectation. In 2018, 58% of Pasifika students achieved this. In 2019, 72.1% of Pasifika students achieved At or Above expectation.

Tātaritanga raraunga



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>All teachers targeted and focused on at-risk Pasifika students in literacy as part of their Teaching As Inquiry.</p>	<p>93% of Year 1 and 2 students achieved At or Above in Reading</p> <p>87% of Year 5 and 6 students achieved At or Above in Reading</p> <p>72.1% of Pasifika students achieved At or Above expectation.</p>	<p>In team meetings the learning behavior of at-risk students was closely reviewed and discussed with a view to try different strategies to engage these students – this action was recorded in team minutes.</p>	<p>Professional learning for 2020 will target increasing learning outcomes for at-risk pasifika students.</p> <p>Teachers will continue to plan for implementing quality writing practices and student agency so that students are motivated to learn and have agency in their learning.</p> <p>Senior Leadership Team to lead data review with teams.</p> <p>The leadership team will work with a Student Achievement Function (SAF) practitioner from the MOE to strengthen culturally responsive practices.</p>
<p>Strengthen home and school partnerships</p> <p>Appointed a community engagement leader</p> <p>Implementation of SeeSaw across the school so that whanau have access to their child/children's learning</p>	<p>Fono were held termly to encourage whānau to become involved in their child's education</p> <p>Parents visited Seesaw 28105 times with a total of 20647 likes and 3715 comments.</p>	<p>15 whānau attended to at least one of the fono</p>	<p>Continue to build positive relationships with whānau by organising and holding hui /Fono / Talanoa/hui termly</p> <p>Engage with community and staff around the current Pasifika Achievement Plan with the intention to develop a new plan beginning in 2021.</p>

Tātaritanga raraunga

			Support whanau to use SeeSaw to communicate and provide feedback on their child's learning.
<p>Focus on the attendance of pasifika group</p> <p>An at-risk register was created and was regularly monitored and reviewed by school leaders.</p> <p>A process was also developed aimed to strengthen communication with whanau where students were attending less than 80%</p>	<p>The at-risk register contained 50 pasifika students whose attendance was less than 80%.</p>	<p>6 students had 5% - 15% improved attendance</p> <p>11 had slightly improved attendance</p>	<p>Monitor attendance regularly</p> <p>Meet regularly at the start of the year with whānau of students whose attendance is poor</p> <p>Strengthening student attendance and punctuality of priority students will also be explored.</p>
<p>Planning for next year:</p> <p>Build on systems that ensure clear and consistent monitoring, analysis and tracking of student achievement with a specific focus on Pasifika students. Teachers will identify students in their class who are at-risk and will follow the inquiry process to put interventions in place that will improve outcomes for these students.</p> <p>Te iti Kahurangi Kahui Ako</p> <ul style="list-style-type: none"> • identify at-risk students in Years 0, 2 and 5 within each of the 10 Kahui Ako schools to track and monitor. • teachers from all schools will have opportunities to moderate samples of work. • in-school leaders will investigate Progress and Consistency Tool (PaCT) and how this can be used to increase positive outcomes for students. 			

Kiwisport Report

For the year ended 31 December 2020

Kiwisport is a Government funded initiative to support students' participation in organised sport.

In 2020 the Oranga School received total Kiwisport funding of \$5,748.03 (excluding GST). The funding was put into equipment to resource the school to support and initiate student participation in a variety of sports. Some of the funding was also spent on releasing the PE leader to work alongside teachers to upskill and develop their professional knowledge.