

RANDWICK SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

School Directory

Ministry Number: 2969

Principal: Simonne Goodall

School Address: 59 Randwick Road, Moera

School Postal Address: 59 Randwick Road, Moera, Lower Hutt, 5010

School Phone: 04 568 5621

School Email: office@randwick.school.nz

Members of the Board of Trustees

Name	Position	How Position Gained	Term Expires/ Expired
Angus Onslow-Osborne	Chairperson	Elected	Jul 2020
Rebecca Rice	Chairperson	Elected	Jun 2022
Simonne Goodall	Principal	ex Officio	
Laura Sanchez	Parent Rep	Elected	Jun 2022
Rachael Wilson	Parent Rep	Co-opted	Jun 2022
Moe Tafili	Parent Rep	Elected	May 2020
Shawn de Boer	Parent Rep	Elected	Jun 2022
DamionThompson	Parent Rep	Elected	Jun 2022
Oliver Thompson	Parent Rep	Elected	Jun 2022
Cherie Brown	Staff Rep	Elected	Jul 2020
Jo Sawyer	Staff Rep	Elected	Jun 2022
Wendy Schollum	Minute Secretary	Co-opted	Jun 2022

Accountant / Service Provider: Education Services Ltd

RANDWICK SCHOOL

Annual Report - For the year ended 31 December 2020

Index

Page	Statement
	Financial Statements
1	Statement of Responsibility
2	Statement of Comprehensive Revenue and Expense
3	Statement of Changes in Net Assets/Equity
4	Statement of Financial Position
5	Statement of Cash Flows
6 - 21	Notes to the Financial Statements
	Other Information
	Analysis of Variance
	Kiwisport

Randwick 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.

Rebecca Jane Rice

Full Name of Board Chairperson

SIMONNE MARIE GOODALL

Full Name of Principal

[Signature]

Signature of Board Chairperson

[Signature]

Signature of Principal

31/5/2021

Date:

31/5/2021

Date:

Randwick 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	1,779,227	1,428,448	1,488,916
Locally Raised Funds	3	51,584	24,630	76,733
Interest income		6,352	5,000	10,202
Gain on Sale of Property, Plant and Equipment		-	-	1,441
International Students	4	7,609	-	9,076
Other Revenue		1,907	-	-
		<u>1,846,679</u>	<u>1,458,078</u>	<u>1,586,368</u>
Expenses				
Locally Raised Funds	3	20,604	17,500	16,494
International Students	4	-	-	205
Learning Resources	5	1,079,463	906,668	908,245
Administration	6	112,125	107,800	100,711
Finance		1,433	1,400	1,451
Property	7	530,542	391,592	463,923
Depreciation	8	68,565	60,000	61,550
Loss on Disposal of Property, Plant and Equipment		622	-	1,251
		<u>1,813,354</u>	<u>1,484,960</u>	<u>1,553,830</u>
Net Surplus / (Deficit) for the year		33,325	(26,882)	32,538
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>33,325</u>	<u>(26,882)</u>	<u>32,538</u>

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

Randwick 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		<u>693,815</u>	<u>632,130</u>	<u>661,277</u>
Total comprehensive revenue and expense for the year		33,325	(26,882)	32,538
Capital Contributions from the Ministry of Education				
Adjustment to Accumulated surplus/(deficit) from adoption of PBE IFRS 9		-	-	-
Equity at 31 December	24	<u>727,140</u>	<u>605,248</u>	<u>693,815</u>
Retained Earnings		727,140	605,248	693,815
Equity at 31 December		<u>727,140</u>	<u>605,248</u>	<u>693,815</u>

The above Statement of Changes in Net Assets/Equity should be read in conjunction with the accompanying notes which form part of these financial statements.

Randwick School
Statement of Financial Position
As at 31 December 2020

	Notes	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Current Assets				
Cash and Cash Equivalents	9	166,954	115,724	224,291
Accounts Receivable	10	55,533	44,608	71,856
GST Receivable		13,254	10,126	-
Prepayments		5,694	5,016	3,925
Inventories	11	1,024	2,269	-
Investments	12	248,941	300,525	310,625
Funds owed for Capital Works Projects	18	3,054	-	-
		<u>494,454</u>	<u>478,268</u>	<u>610,697</u>
Current Liabilities				
GST Payable		-	-	629
Accounts Payable	14	63,335	63,273	81,616
Revenue Received in Advance	15	2,460	11,626	7,602
Provision for Cyclical Maintenance	16	5,333	-	6,000
Finance Lease Liability - Current Portion	17	3,520	6,127	4,527
Funds held for Capital Works Projects	18	-	-	102,656
		<u>74,648</u>	<u>81,026</u>	<u>203,030</u>
Working Capital Surplus/(Deficit)		419,806	397,242	407,667
Non-current Assets				
Property, Plant and Equipment	13	359,149	271,342	330,716
		<u>359,149</u>	<u>271,342</u>	<u>330,716</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	16	50,476	56,000	41,733
Finance Lease Liability	17	1,339	7,336	2,835
		<u>51,815</u>	<u>63,336</u>	<u>44,568</u>
Net Assets		<u>727,140</u>	<u>605,248</u>	<u>693,815</u>
Equity		<u>727,140</u>	<u>605,248</u>	<u>693,815</u>

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

Randwick 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		549,337	433,201	408,222
Locally Raised Funds		51,135	23,130	71,518
International Students		3,261	-	8,913
Goods and Services Tax (net)		(13,883)	-	10,755
Payments to Employees		(283,058)	(236,500)	(239,656)
Payments to Suppliers		(225,927)	(182,129)	(166,586)
Cyclical Maintenance Payments in the year		300	-	-
Interest Paid		(1,357)	(1,400)	(1,451)
Interest Received		7,991	5,000	10,506
Net cash from/(to) Operating Activities		87,799	41,302	102,221
Cash flows from Investing Activities				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		-	-	2,899
Purchase of Property Plant & Equipment (and Intangibles)		(98,150)	(26,000)	(97,805)
Purchase of Investments		(55,355)	-	(10,100)
Proceeds from Sale of Investments		117,039	-	-
Net cash from/(to) Investing Activities		(36,466)	(26,000)	(105,006)
Cash flows from Financing Activities				
Finance Lease Payments		(2,960)	(5,434)	(4,406)
Funds Held for Capital Works Projects		(105,710)	-	125,626
Net cash from/(to) Financing Activities		(108,670)	(5,434)	121,220
Net increase/(decrease) in cash and cash equivalents		(57,337)	9,868	118,435
Cash and cash equivalents at the beginning of the year	9	224,291	105,856	105,856
Cash and cash equivalents at the end of the year	9	166,954	115,724	224,291

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.

Randwick School

Notes to the Financial Statements

For the year ended 31 December 2020

1. Statement of Accounting Policies

a) Reporting Entity

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

b) Basis of Preparation

Reporting Period

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

Basis of Preparation

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

Financial Reporting Standards Applied

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

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

Cyclical maintenance

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

Useful lives of property, plant and equipment

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment as disclosed in the Significant Accounting Policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 13.

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

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 are depreciated over their estimated useful lives on a straight line 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	33 years
Furniture and Equipment	5 - 10 years
Information and Communication	5 years
Library Resources	8 years
Leased assets held under a Finance Lease	Term of Lease

l) Intangible Assets

Software costs

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

Computer software licences with individual values under \$1,000 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense when incurred.

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

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

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

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

Non cash generating assets

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

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

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

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

n) Accounts Payable

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

o) Employee Entitlements

Short-term employee entitlements

Employee benefits that are due to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date, and also annual leave earned, by non teaching staff, to but not yet taken at balance date.

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.

p) Revenue Received in Advance

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

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

q) Funds Held In Trust

Funds are held in trust where they have been received by the School for a specified purpose, or are being held on behalf of a third party and these transactions are not recorded in the Statement of Revenue and Expense.

The School holds sufficient funds to enable the funds to be used for their intended purpose at any time.

r) Shared Funds

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

s) 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).

t) 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.

u) 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.

v) 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.

w) Budget Figures

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

x) 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	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operational Grants	332,495	280,571	275,851
Teachers' Salaries Grants	793,041	722,915	674,399
Use of Land and Buildings Grants	450,560	287,332	348,935
Resource Teachers Learning and Behaviour Grants	9,165	4,500	4,678
Other MoE Grants	192,847	133,130	184,507
Other Government Grants	1,119	-	546
	<u>1,779,227</u>	<u>1,428,448</u>	<u>1,488,916</u>

The school has opted in to the donations scheme for this year. Total amount received was \$21,450.

Other MOE Grants total includes additional COVID-19 funding totalling \$14,176 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	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Revenue			
Donations	2,828	1,000	19,301
Bequests & Grants	14,000	5,000	28,500
Activities	15,290	4,130	6,575
Trading	2,963	1,500	2,699
Fundraising	16,503	13,000	19,658
	<u>51,584</u>	<u>24,630</u>	<u>76,733</u>
Expenses			
Activities	16,590	16,000	10,179
Trading	2,825	1,500	4,304
Fundraising (Costs of Raising Funds)	1,189	-	2,011
	<u>20,604</u>	<u>17,500</u>	<u>16,494</u>
Surplus for the year Locally raised funds	<u>30,980</u>	<u>7,130</u>	<u>60,239</u>

4. International Student Revenue and Expenses

	2020	2020	2019
	Actual	Budget	Actual
	Number	(Unaudited)	Number
International Student Roll	1	1	1
	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Revenue			
International Student Fees	7,609	-	9,076
Expenses			
International student levy	-	-	205
	<u>-</u>	<u>-</u>	<u>205</u>
Surplus for the year International Students'	<u>7,609</u>	<u>-</u>	<u>8,871</u>

5. Learning Resources

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	60,240	15,853	9,862
Library Resources	813	900	801
Employee Benefits - Salaries	998,789	878,915	889,388
Staff Development	19,621	11,000	8,194
	<u>1,079,463</u>	<u>906,668</u>	<u>908,245</u>

6. Administration

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	6,715	6,715	6,520
Board of Trustees Fees	4,500	4,500	3,200
Board of Trustees Expenses	2,396	1,200	1,761
Communication	3,481	2,000	1,717
Consumables	4,781	7,600	7,074
Legal Fees	833	965	946
Other	11,939	9,340	8,609
Employee Benefits - Salaries	65,905	65,000	59,480
Insurance	4,675	4,000	4,804
Service Providers, Contractors and Consultancy	6,900	6,480	6,600
	<u>112,125</u>	<u>107,800</u>	<u>100,711</u>

7. Property

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	2,579	4,950	3,460
Cyclical Maintenance Expense	10,076	14,000	19,733
Grounds	3,628	4,650	4,821
Heat, Light and Water	8,149	10,500	10,425
Repairs and Maintenance	10,433	17,000	24,412
Use of Land and Buildings	450,560	287,332	348,935
Security	2,594	7,000	4,798
Contractor & Consulting	42,523	46,160	47,339
	<u>530,542</u>	<u>391,592</u>	<u>463,923</u>

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

8. Depreciation

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Buildings	3,180	3,100	3,180
Building Improvements	3,548	3,460	3,549
Furniture and Equipment	34,730	23,116	23,714
Information and Communication Technology	19,436	23,154	23,752
Leased Assets	6,381	5,741	5,889
Library Resources	1,290	1,429	1,466
	<u>68,565</u>	<u>60,000</u>	<u>61,550</u>

9. Cash and Cash Equivalents

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Cash on Hand	250	-	250
Bank Current Account	11,661	16,974	13,180
Bank Call Account	155,043	98,750	210,861
Cash and cash equivalents for Statement of Cash Flows	<u>166,954</u>	<u>115,724</u>	<u>224,291</u>

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

10. Accounts Receivable

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Receivables	8,654	2,474	3,828
Banking Staffing Underuse	12,752	-	19,319
Interest Receivable	-	1,943	1,639
Teacher Salaries Grant Receivable	34,127	40,191	47,070
	<u>55,533</u>	<u>44,608</u>	<u>71,856</u>
Receivables from Exchange Transactions	8,654	4,417	5,467
Receivables from Non-Exchange Transactions	46,879	40,191	66,389
	<u>55,533</u>	<u>44,608</u>	<u>71,856</u>

11. Inventories

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Stationery	1,024	2,269	-
	<u>1,024</u>	<u>2,269</u>	<u>-</u>

12. Investments

The School's investment activities are classified as follows:

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Current Asset			
Short-term Bank Deposits	248,941	300,525	310,625
Total Investments	<u>248,941</u>	<u>300,525</u>	<u>310,625</u>

13. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2020	\$	\$	\$	\$	\$	\$
Buildings	38,690	-	-	-	(3,180)	35,510
Building Improvements	62,990	-	-	-	(3,548)	59,440
Furniture and Equipment	180,559	81,848	-	-	(34,730)	227,677
Information and Communication Tech	34,769	12,297	-	-	(19,436)	27,631
Leased Assets	9,856	2,617	(622)	-	(6,381)	5,471
Library Resources	3,852	858	-	-	(1,290)	3,420
Balance at 31 December 2020	330,716	97,620	(622)	-	(68,565)	359,149

The net carrying value of equipment held under a finance lease is \$5,471 (2019: \$9,856)

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2020	\$	\$	\$
Buildings	106,000	(70,490)	35,510
Building Improvements	70,987	(11,547)	59,440
Furniture and Equipment	593,450	(365,773)	227,677
Information and Communication	202,416	(174,785)	27,631
Leased Assets	23,514	(18,043)	5,471
Library Resources	10,299	(6,879)	3,420
Balance at 31 December 2020	1,006,666	(647,517)	359,149

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2019	\$	\$	\$	\$	\$	\$
Buildings	41,870	-	-	-	(3,180)	38,690
Building Improvements	66,539	-	-	-	(3,549)	62,990
Furniture and Equipment	107,923	96,350	-	-	(23,714)	180,559
Information and Communication Tech	49,169	12,061	(2,708)	-	(23,752)	34,769
Leased Assets	13,952	1,794	-	-	(5,889)	9,856
Library Resources	4,890	427	-	-	(1,466)	3,852
Balance at 31 December 2019	284,343	110,632	(2,708)	-	(61,550)	330,716

The net carrying value of equipment held under a finance lease is \$9,856 (2018: \$13,952)

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2019	\$	\$	\$
Buildings	106,000	(67,310)	38,690
Building Improvements	70,987	(7,997)	62,990
Furniture and Equipment	511,601	(331,042)	180,559
Information and Communication	190,119	(155,350)	34,769
Leased Assets	22,561	(12,705)	9,856
Library Resources	86,588	(82,736)	3,852
Balance at 31 December 2019	987,856	(657,140)	330,716

14. Accounts Payable

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Operating Creditors	6,544	14,566	10,279
Accruals	6,715	6,330	6,520
Capital Accruals for PPE items	12,764	-	15,911
Employee Entitlements - Salaries	34,127	40,191	47,070
Employee Entitlements - Leave Accrual	3,185	2,186	1,836
	<u>63,335</u>	<u>63,273</u>	<u>81,616</u>
Payables for Exchange Transactions	63,335	63,273	81,616
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	<u>63,335</u>	<u>63,273</u>	<u>81,616</u>

The carrying value of payables approximates their fair value.

15. Revenue Received in Advance

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Income in Advance	286	4,941	1,080
International Fees in Advance	2,174	6,685	6,522
	<u>2,460</u>	<u>11,626</u>	<u>7,602</u>

16. Provision for Cyclical Maintenance

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Provision at the Start of the Year	47,733	42,000	28,000
Increase to the Provision During the Year	17,476	14,000	19,733
Adjustment to the Provision	(7,400)	-	-
Use of the Provision During the Year	(2,000)	-	-
Provision at the End of the Year	<u>55,809</u>	<u>56,000</u>	<u>47,733</u>
Cyclical Maintenance - Current	5,333	-	6,000
Cyclical Maintenance - Term	50,476	56,000	41,733
	<u>55,809</u>	<u>56,000</u>	<u>47,733</u>

17. Finance Lease Liability

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

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
No Later than One Year	4,207	6,127	5,434
Later than One Year and no Later than Five Years	1,418	7,336	3,289
	<u>5,625</u>	<u>13,463</u>	<u>8,723</u>

18. Funds Owed (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 Contribution/ (Write-off to R&M)	Closing Balances
		\$	\$	\$		\$
Roof Vandalism Remediation	<i>completed</i>	5,213	5,213	-	-	-
AMS Blocks B and E refurbish classro	<i>in progress</i>	(108,769)	373,685	(484,414)	-	1,980
Damage gas pipe	<i>completed</i>	900	-	900	-	-
Solar Panels	<i>in progress</i>	-	23,720	(24,814)	-	1,094
Totals		(102,656)	402,618	(508,328)	-	3,054

Represented by:

Funds Held on Behalf of the Ministry of Education

Funds Due from the Ministry of Education

-
3,054

3,054

	2019	Opening Balances	Receipts from MoE	Payments	BOT Contribution/ (Write-off to R&M)	Closing Balances
		\$	\$	\$		\$
Damage to Hall 2014	<i>completed</i>	18,008	14,625	3,383	-	-
Roof Vandalism Remediation	<i>in progress</i>	5,213	-	-	-	5,213
Block 1 & 2 Fire Event	<i>completed</i>	1,676	11,186	(9,510)	-	-
Block A Replace Gas Heater	<i>completed</i>	-	6,670	(6,670)	-	-
AMS Blocks B and E refurbish classro	<i>in progress</i>	-	110,144	(1,375)	-	(108,769)
Damage gas pipe	<i>in progress</i>	-	6,908	(7,808)	-	900
Totals		24,897	149,533	(21,980)	-	(102,656)

19. 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.

20. 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	4,500	3,200
Full-time equivalent members	0.12	0.12
<i>Leadership Team</i>		
Remuneration	479,497	376,284
Full-time equivalent members	4.93	4.00
Total key management personnel remuneration	483,997	379,484
Total full-time equivalent personnel	5.05	4.12

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	130 - 140	120 - 130
Benefits and Other Emoluments	3 - 4	3 - 4
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	-	-
	0.00	0.00

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

21. 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	-	-

22. 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.

23. Commitments

(a) Capital Commitments

There are no capital commitments as at 31 December 2020 (Capital commitments at 31 December 2019: nil).

(b) Operating Commitments

There are no operating commitments as at 31 December 2020 (Operating commitments at 31 December 2019: nil).

24. 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.

25. 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	166,954	115,724	224,291
Receivables	55,533	44,608	71,856
Investments - Term Deposits	248,941	300,525	310,625
Total Financial assets measured at amortised cost	471,428	460,857	606,772

Financial liabilities measured at amortised cost

Payables	63,335	63,273	81,616
Borrowings - Loans	-	-	-
Finance Leases	4,859	13,463	7,362
Painting Contract Liability	-	-	-
Total Financial Liabilities Measured at Amortised Cost	68,194	76,736	88,978

26. Events After Balance Date

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

27. Comparatives

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

Randwick School

Kiwisport

Kiwisport is a Government funding initiative to support students' participation in organised sport. In 2020, the school received total Kiwisport funding of \$1,934 (excluding GST). The funding was spent on sporting endeavours.

INDEPENDENT AUDITOR'S REPORT

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

The Auditor-General is the auditor of Randwick School (the School). The Auditor-General has appointed me, Henry McClintock, using the staff and resources of BDO Wellington Audit Limited, to carry out the audit of the financial statements of the School on his behalf.

Opinion

We have audited the financial statements of the School on pages 2 to 21, 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 (PBE) Standards Reduced Disclosure Regime as appropriate to public benefit entities that qualify for Tier 2 reporting.

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 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 Analysis of Variance, Board of Trustees Listing and Kiwisport Report, but does not include the financial statements, and our auditor's report thereon.

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

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

Independence

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

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

A handwritten signature in black ink, appearing to be 'Henry McClintock', written over a horizontal line.

Henry McClintock
BDO WELLINGTON AUDIT LIMITED
On behalf of the Auditor-General
Wellington, New Zealand