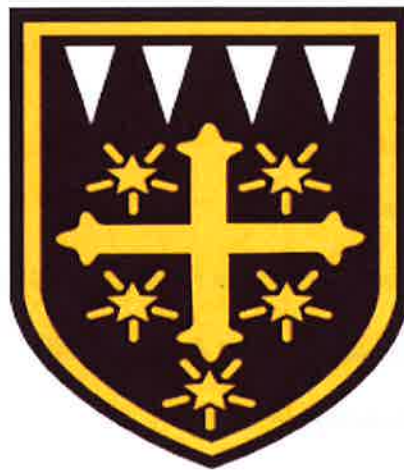


OTOROHANGA COLLEGE

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020



| | |
|---------------------------------------|--|
| Ministry Number: | 157 |
| Principal: | Traci Liddall |
| School Address: | Bledisloe Avenue Otorohanga |
| School Postal Address: | P O Box 115 Otorohanga 3940 |
| School Phone: | 07 873 8029 |
| School Email: | admin@otocoll.school.nz |
| Accountant / Service Provider: | Accounting For Schools Ltd |

OTOROHANGA COLLEGE

Annual Report - For the year ended 31 December 2020

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Otorohanga College
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.

Mark Edward Pitts-Brown
Full Name of Board Chairperson


Signature of Board Chairperson

3/6/21.
Date:

Tran Marie Liddall
Full Name of Principal


Signature of Principal

3/6/21
Date:

Otorohanga College

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2020

| | Notes | 2020 Actual \$ | 2020 Budget (Unaudited) \$ | 2019 Actual \$ |
|---|-------|----------------------|-------------------------------------|----------------------|
| Revenue | | | | |
| Government Grants | 2 | 4,903,977 | 4,344,468 | 4,311,184 |
| Locally Raised Funds | 3 | 118,747 | 76,408 | 233,732 |
| Interest income | | 2,094 | 600 | 1,069 |
| Hostel | 4 | 205,229 | 255,782 | 271,859 |
| Other Revenue | | (1,627) | - | 21,504 |
| | | 5,228,420 | 4,677,258 | 4,839,348 |
| Expenses | | | | |
| Locally Raised Funds | 3 | 107,657 | 63,384 | 131,632 |
| Hostel | 4 | 305,837 | 296,604 | 302,987 |
| Learning Resources | 5 | 3,086,510 | 2,917,692 | 2,794,886 |
| Administration | 6 | 257,406 | 199,871 | 236,887 |
| Finance | | 7,167 | - | 8,972 |
| Property | 7 | 1,140,152 | 1,124,233 | 1,087,083 |
| Depreciation | 8 | 92,977 | 115,000 | 103,863 |
| Loss on Disposal of Property, Plant and Equipment | 11 | - | - | 865 |
| | | 4,997,706 | 4,716,784 | 4,667,175 |
| Net Surplus / (Deficit) for the year | | 230,714 | (39,526) | 172,173 |
| Other Comprehensive Revenue and Expenses | | - | - | - |
| Total Comprehensive Revenue and Expense for the Year | | 230,714 | (39,526) | 172,173 |

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



Otorohanga College
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 | | 743,457 | 743,457 | 571,284 |
| Total comprehensive revenue and expense for the year | | 230,714 | (39,526) | 172,173 |
| Capital Contributions from the Ministry of Education Furniture & Equipment Grant | | 16,565 | - | - |
| Equity at 31 December | 23 | 990,736 | 703,931 | 743,457 |
| Retained Earnings | | 990,736 | 703,931 | 743,457 |
| Reserves | | - | - | - |
| Equity at 31 December | | 990,736 | 703,931 | 743,457 |

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.



Otorohanga College
Statement of Financial Position
As at 31 December 2020

| | Notes | 2020 Actual \$ | 2020 Budget (Unaudited) \$ | 2019 Actual \$ |
|---|-------|-----------------------|-------------------------------------|-----------------------|
| Current Assets | | | | |
| Cash and Cash Equivalents | 9 | 751,147 | 579,231 | 534,687 |
| Accounts Receivable | 10 | 270,247 | 200,000 | 217,484 |
| GST Receivable | | 25,101 | 13,000 | 12,974 |
| Prepayments | | 25,655 | 25,000 | 22,816 |
| Funds held for Capital Works Projects | 17 | 13,090 | - | - |
| | | <u>1,085,240</u> | <u>817,231</u> | <u>787,961</u> |
| Current Liabilities | | | | |
| Accounts Payable | 12 | 448,048 | 377,000 | 365,524 |
| Revenue Received in Advance | 13 | 6,314 | 20,000 | 24,000 |
| Finance Lease Liability - Current Portion | 15 | 26,323 | 25,000 | 30,230 |
| Funds held in Trust | 16 | 496 | 500 | 360 |
| Funds held for Capital Works Projects | 17 | - | - | 48,304 |
| | | <u>481,181</u> | <u>422,500</u> | <u>468,418</u> |
| Working Capital Surplus/(Deficit) | | 604,059 | 394,731 | 319,543 |
| Non-current Assets | | | | |
| Property, Plant and Equipment | 11 | 530,065 | 470,000 | 575,864 |
| | | <u>530,065</u> | <u>470,000</u> | <u>575,864</u> |
| Non-current Liabilities | | | | |
| Provision for Cyclical Maintenance | 14 | 106,560 | 100,800 | 88,800 |
| Finance Lease Liability | 15 | 36,828 | 60,000 | 63,150 |
| | | <u>143,388</u> | <u>160,800</u> | <u>151,950</u> |
| Net Assets | | <u>990,736</u> | <u>703,931</u> | <u>743,457</u> |
| Equity | 23 | <u>990,736</u> | <u>703,931</u> | <u>743,457</u> |

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



Otorohanga College
Statement of Cash Flows
For the year ended 31 December 2020

| | 2020 | 2020 | 2019 |
|---|------------------|-----------------------------|-----------------|
| Note | Actual \$ | Budget (Unaudited) \$ | Actual \$ |
| Cash flows from Operating Activities | | | |
| Government Grants | 1,406,934 | 967,393 | 1,029,901 |
| Locally Raised Funds | 63,570 | 76,301 | 238,060 |
| Hostel | 205,229 | 255,782 | 271,859 |
| Goods and Services Tax (net) | (12,127) | (26) | (3,426) |
| Payments to Employees | (740,226) | (613,627) | (602,095) |
| Payments to Suppliers | (579,748) | (576,199) | (634,416) |
| Interest Paid | (7,167) | - | (8,972) |
| Interest Received | 2,094 | 600 | 1,069 |
| Net cash from Operating Activities | 338,559 | 110,224 | 291,980 |
| Cash flows from Investing Activities | | | |
| Proceeds from Sale of PPE (and Intangibles) | - | - | 865 |
| Purchase of PPE (and Intangibles) | (47,177) | (9,136) | (30,362) |
| Net cash from Investing Activities | (47,177) | (9,136) | (29,497) |
| Cash flows from Financing Activities | | | |
| Furniture & Equipment Grant | 16,565 | - | - |
| Finance Lease Payments | (30,229) | (8,380) | (28,193) |
| Funds Administered on Behalf of Third Parties | 136 | 140 | 360 |
| Funds Held for Capital Works Projects | (61,394) | (48,304) | 43,200 |
| Net cash from Financing Activities | (74,922) | (56,544) | 15,367 |
| Net increase/(decrease) in cash and cash equivalents | 216,460 | 44,544 | 277,850 |
| Cash and cash equivalents at the beginning of the year | 9 534,687 | 534,687 | 256,837 |
| Cash and cash equivalents at the end of the year | 9 751,147 | 579,231 | 534,687 |

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

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



Otorohanga College

Notes to the Financial Statements

For the year ended 31 December 2020

1. Statement of Accounting Policies

a) Reporting Entity

Otorohanga College (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.



Otorohanga College

Notes to the Financial Statements

For the year ended 31 December 2020

1. Statement of Accounting Policies

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 11.

Critical Judgements in applying accounting policies

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

Classification of leases

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

Recognition of grants

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

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.



Otorohanga College

Notes to the Financial Statements

For the year ended 31 December 2020

1. Statement of Accounting Policies

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) 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.

Property, plant and equipment acquired with individual values under \$1,000 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense.

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.



Otorohanga College

Notes to the Financial Statements

For the year ended 31 December 2020

1. Statement of Accounting Policies

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 | 20-40 years |
| Furniture and equipment | 10-15 years |
| Information and communication technology | 4-5 years |
| Motor vehicles | 5 years |
| Textbooks | 3 years |
| Leased assets held under a Finance Lease | 3-5 years |
| Library resources | 12.5% Diminishing value |

j) 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.

k) 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.

l) 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.

m) Revenue Received in Advance

Revenue received in advance relates to fees received from hostel 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.



Otorohanga College

Notes to the Financial Statements

For the year ended 31 December 2020

1. Statement of Accounting Policies

n) 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.

o) Provision for Cyclical Maintenance

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

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

p) Financial Instruments

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

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

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

q) Borrowings

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

Grants determined by the Minister of Education for operational activities includes all items (core components) included in the Operational Funding notice.

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

r) Goods and Services Tax (GST)

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

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

Commitments and contingencies are disclosed exclusive of GST.

s) Budget Figures

The budget figures are extracted from the School budget that was approved by the Board at the start of the year.

t) Services received in-kind

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



Otorohanga College
Notes to the Financial Statements
For the year ended 31 December 2020

2. Government Grants

| | 2020 | 2020 | 2019 |
|---|------------------|------------------|------------------|
| | Actual | Budget | Actual |
| | \$ | (Unaudited) | \$ |
| Operational Grants | 1,093,869 | 844,335 | 815,302 |
| Teachers' Salaries Grants | 2,613,528 | 2,500,000 | 2,445,528 |
| Use of Land and Buildings Grants | 900,998 | 900,000 | 847,643 |
| Resource Teachers Learning and Behaviour Grants | 4,190 | - | 697 |
| Other MoE Grants | 230,563 | 22,000 | 143,881 |
| Other Government Grants | 60,829 | 78,133 | 58,133 |
| | 4,903,977 | 4,344,468 | 4,311,184 |

The school has opted in to the donations scheme for this year. Total amount received was \$47,100.

Other MOE Grants total includes additional COVID-19 funding totalling \$15,150 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 | 13,808 | 750 | 5,409 |
| Overseas Travel | - | - | 41,955 |
| Activities | 69,695 | 33,646 | 103,041 |
| Trading | - | - | 934 |
| Fundraising | 8,479 | 4,000 | 16,310 |
| Other Revenue | 26,765 | 38,012 | 66,083 |
| | 118,747 | 76,408 | 233,732 |
| Expenses | | | |
| Activities | 71,885 | 17,500 | 72,310 |
| Trading | - | - | 888 |
| Fundraising (Costs of Raising Funds) | 7,892 | 7,872 | 5,832 |
| Overseas Travel | - | - | 40,387 |
| Other Locally Raised Funds Expenditure | 27,880 | 38,012 | 12,215 |
| | 107,657 | 63,384 | 131,632 |
| <i>Surplus for the year Locally raised funds</i> | 11,090 | 13,024 | 102,100 |

2020

During the year the school had no overseas trips.



Otorohanga College
Notes to the Financial Statements
For the year ended 31 December 2020

4. Hostel Revenue and Expenses

| | 2020 | 2020 | 2019 |
|---|------------------|-----------------|-----------------|
| | Actual | Budget | Actual |
| | Number | (Unaudited) | Number |
| Hostel Financial Performance | | | |
| Hostel Full Boarders | - | - | - |
| Hostel Weekly Boarders | 46 | - | 46 |
| | 2020 | 2020 | 2019 |
| | Actual | Budget | Actual |
| | \$ | (Unaudited) | \$ |
| Revenue | | | |
| Hostel Fees | 204,696 | 255,782 | 262,785 |
| Other Revenue | 533 | - | 9,074 |
| | <u>205,229</u> | <u>255,782</u> | <u>271,859</u> |
| Expenses | | | |
| Kitchen | 41,804 | 45,120 | 54,887 |
| Laundry | 3,846 | 4,000 | 5,574 |
| Welfare | 70 | - | 234 |
| Supervision | 4,936 | - | 6,751 |
| Administration | 27,990 | 37,870 | 29,574 |
| Property | 8,223 | 7,200 | 7,895 |
| Employee Benefit - Salaries | 218,968 | 202,414 | 198,072 |
| | <u>305,837</u> | <u>296,604</u> | <u>302,987</u> |
| Surplus/ (Deficit) for the year Hostel | <u>(100,608)</u> | <u>(40,822)</u> | <u>(31,128)</u> |

5. Learning Resources

| | 2020 | 2020 | 2019 |
|--|------------------|------------------|------------------|
| | Actual | Budget | Actual |
| | \$ | (Unaudited) | \$ |
| Curricular | 177,053 | 171,154 | 137,879 |
| Information and Communication Technology | 43,341 | 50,980 | 24,821 |
| Extra-Curricular Activities | - | - | 387 |
| Library Resources | 1,117 | 2,720 | 1,077 |
| Employee Benefits - Salaries | 2,850,429 | 2,675,788 | 2,622,674 |
| Staff Development | 14,570 | 17,050 | 8,048 |
| | <u>3,086,510</u> | <u>2,917,692</u> | <u>2,794,886</u> |

6. Administration

| | 2020 | 2020 | 2019 |
|--|----------------|----------------|----------------|
| | Actual | Budget | Actual |
| | \$ | (Unaudited) | \$ |
| Audit Fee | 5,597 | 7,000 | 14,138 |
| Board of Trustees Fees | 4,501 | 6,000 | 4,895 |
| Board of Trustees Expenses | 16,639 | 8,000 | 16,652 |
| Intervention Costs & Expenses | 30,570 | - | - |
| Communication | 5,509 | 6,900 | 6,270 |
| Consumables | 11,700 | 8,000 | 11,006 |
| Operating Lease | 317 | 100 | - |
| Other | 6,269 | 8,350 | 19,414 |
| Employee Benefits - Salaries | 147,619 | 124,021 | 135,415 |
| Insurance | 9,006 | 8,400 | 11,353 |
| Service Providers, Contractors and Consultancy | 19,679 | 23,100 | 17,744 |
| | <u>257,406</u> | <u>199,871</u> | <u>236,887</u> |

Otorohanga College
Notes to the Financial Statements
For the year ended 31 December 2020

7. Property

| | 2020 | 2020 | 2019 |
|-------------------------------------|------------------|--------------------|------------------|
| | Actual | Budget | Actual |
| | \$ | (Unaudited) | \$ |
| Caretaking and Cleaning Consumables | 8,410 | 4,500 | 4,256 |
| Consultancy and Contract Services | - | - | 4,200 |
| Cyclical Maintenance Provision | 17,760 | 12,000 | 17,760 |
| Grounds | 6,617 | 8,200 | 8,675 |
| Heat, Light and Water | 45,138 | 60,000 | 57,971 |
| Rates | 5,521 | 4,000 | 4,498 |
| Repairs and Maintenance | 30,429 | 24,000 | 37,947 |
| Use of Land and Buildings | 900,998 | 900,000 | 847,643 |
| Security | 2,940 | 1,200 | 5,182 |
| Employee Benefits - Salaries | 122,339 | 110,333 | 98,951 |
| | <u>1,140,152</u> | <u>1,124,233</u> | <u>1,087,083</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 - School | 15,632 | 20,000 | 14,880 |
| Furniture and Equipment | 22,584 | 28,000 | 28,291 |
| Information and Communication Technology | 22,299 | 27,500 | 21,137 |
| Motor Vehicles | 2,286 | 3,000 | 7,654 |
| Textbooks | - | - | 602 |
| Leased Assets | 26,500 | 32,000 | 27,229 |
| Library Resources | 3,676 | 4,500 | 4,070 |
| | <u>92,977</u> | <u>115,000</u> | <u>103,863</u> |

9. Cash and Cash Equivalents

| | 2020 | 2020 | 2019 |
|---|----------------|--------------------|----------------|
| | Actual | Budget | Actual |
| | \$ | (Unaudited) | \$ |
| Cash on Hand | 400 | 200 | 200 |
| Bank Current Account | 197,527 | 129,031 | 82,594 |
| Bank Call Account | 553,220 | 450,000 | 451,893 |
| Cash and cash equivalents for Cash Flow Statement | <u>751,147</u> | <u>579,231</u> | <u>534,687</u> |

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



Otorohanga College
Notes to the Financial Statements
For the year ended 31 December 2020

10. Accounts Receivable

| | 2020 Actual \$ | 2020 Budget (Unaudited) \$ | 2019 Actual \$ |
|--|----------------------|-------------------------------------|----------------------|
| Receivables | 64,758 | 40,000 | 43,893 |
| Banking Staffing Underuse | - | - | 22,925 |
| Teacher Salaries Grant Receivable | 205,489 | 160,000 | 150,666 |
| | <u>270,247</u> | <u>200,000</u> | <u>217,484</u> |
| Receivables from Exchange Transactions | 64,758 | 40,000 | 43,893 |
| Receivables from Non-Exchange Transactions | 205,489 | 160,000 | 173,591 |
| | <u>270,247</u> | <u>200,000</u> | <u>217,484</u> |

11. Property, Plant and Equipment

| | Opening Balance (NBV) \$ | Additions \$ | Disposals \$ | Impairment \$ | Depreciation \$ | Total (NBV) \$ |
|------------------------------------|-----------------------------------|-----------------|-----------------|------------------|--------------------|-------------------|
| 2020 | | | | | | |
| Land | 43,000 | - | - | - | - | 43,000 |
| Buildings | 270,697 | 16,045 | - | - | (15,632) | 271,110 |
| Furniture and Equipment | 80,045 | 4,594 | - | - | (22,584) | 62,055 |
| Information and Comm Tech | 64,616 | 25,537 | - | - | (22,299) | 67,854 |
| Motor Vehicles | 4,112 | - | - | - | (2,286) | 1,826 |
| Leased Assets | 84,585 | - | - | - | (26,500) | 58,085 |
| Library Resources | 28,809 | 1,002 | - | - | (3,676) | 26,135 |
| Balance at 31 December 2020 | <u>575,864</u> | <u>47,178</u> | <u>-</u> | <u>-</u> | <u>(92,977)</u> | <u>530,065</u> |

The net carrying value of equipment held under a finance lease is \$58,085 (2019: \$84,585).

| | Cost or Valuation \$ | Accumulated Depreciation \$ | Net Book Value \$ |
|--|----------------------------|-----------------------------------|-------------------------|
| 2020 | | | |
| Land | 43,000 | - | 43,000 |
| Buildings | 528,677 | (257,567) | 271,110 |
| Furniture and Equipment | 345,129 | (283,074) | 62,055 |
| Information and Communication Technology | 304,533 | (236,679) | 67,854 |
| Motor Vehicles | 126,972 | (125,146) | 1,826 |
| Textbooks | 59,739 | (59,739) | - |
| Leased Assets | 230,784 | (172,699) | 58,085 |
| Library Resources | 114,223 | (88,088) | 26,135 |
| Balance at 31 December 2020 | <u>1,753,057</u> | <u>(1,222,992)</u> | <u>530,065</u> |



Otorohanga College
Notes to the Financial Statements
For the year ended 31 December 2020

11. Property, Plant and Equipment (Cont.)

| | Opening Balance (NBV) \$ | Additions \$ | Disposals \$ | Impairment \$ | Depreciation \$ | Total (NBV) \$ |
|------------------------------------|-----------------------------------|-----------------|-----------------|------------------|--------------------|-------------------|
| 2019 | | | | | | |
| Land | 43,000 | - | - | - | - | 43,000 |
| Buildings | 277,867 | 7,710 | - | - | (14,880) | 270,697 |
| Furniture and Equipment | 104,385 | 3,952 | - | - | (28,292) | 80,045 |
| Information and Comm Tech | 70,060 | 15,693 | - | - | (21,137) | 64,616 |
| Motor Vehicles | 11,766 | - | - | - | (7,654) | 4,112 |
| Textbooks | 601 | - | - | - | (601) | - |
| Leased Assets | 81,111 | 63,746 | (33,043) | - | (27,229) | 84,585 |
| Library Resources | 31,600 | 1,279 | - | - | (4,070) | 28,809 |
| Balance at 31 December 2019 | 620,390 | 92,380 | (33,043) | - | (103,863) | 575,864 |

| | Cost or Valuation \$ | Accumulated Depreciation \$ | Net Book Value \$ |
|--|----------------------------|-----------------------------------|-------------------------|
| 2019 | | | |
| Land | 43,000 | - | 43,000 |
| Buildings | 512,632 | (241,935) | 270,697 |
| Furniture and Equipment | 341,087 | (261,042) | 80,045 |
| Information and Communication Technology | 278,855 | (214,239) | 64,616 |
| Motor Vehicles | 126,972 | (122,860) | 4,112 |
| Textbooks | 59,739 | (59,739) | - |
| Leased Assets | 230,784 | (146,199) | 84,585 |
| Library Resources | 113,263 | (84,454) | 28,809 |
| Balance at 31 December 2019 | 1,706,332 | (1,130,468) | 575,864 |

12. Accounts Payable

| | 2020 Actual \$ | 2020 Budget (Unaudited) \$ | 2019 Actual \$ |
|---------------------------------------|----------------------|-------------------------------------|----------------------|
| Operating Creditors | 65,471 | 30,000 | 27,330 |
| Accruals | 6,966 | 12,000 | 11,457 |
| Accounts Payable to the Ministry | 121,996 | 135,000 | 136,995 |
| Employee Entitlements - Salaries | 205,489 | 160,000 | 150,667 |
| Employee Entitlements - Leave Accrual | 48,126 | 40,000 | 39,075 |
| | 448,048 | 377,000 | 365,524 |
| Payables for Exchange Transactions | 448,048 | 377,000 | 365,524 |
| | 448,048 | 377,000 | 365,524 |

The carrying value of payables approximates their fair value.

13. Revenue Received in Advance

| | 2020 Actual \$ | 2020 Budget (Unaudited) \$ | 2019 Actual \$ |
|-------|----------------------|-------------------------------------|----------------------|
| Other | 6,314 | 20,000 | 24,000 |
| | 6,314 | 20,000 | 24,000 |

Otorohanga College
Notes to the Financial Statements
For the year ended 31 December 2020

14. Provision for Cyclical Maintenance

| | 2020 Actual \$ | 2020 Budget (Unaudited) \$ | 2019 Actual \$ |
|---|----------------------|-------------------------------------|----------------------|
| Provision at the Start of the Year | 88,800 | 88,800 | 71,040 |
| Increase/ (decrease) to the Provision During the Year | 17,760 | 12,000 | 17,760 |
| Provision at the End of the Year | <u>106,560</u> | <u>100,800</u> | <u>88,800</u> |
| Cyclical Maintenance - Current | - | - | - |
| Cyclical Maintenance - Term | 106,560 | 100,800 | 88,800 |
| | <u>106,560</u> | <u>100,800</u> | <u>88,800</u> |

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 | 26,323 | 32,375 | 30,230 |
| Later than One Year and no Later than Five Years | 36,828 | 67,625 | 63,150 |
| | <u>63,151</u> | <u>100,000</u> | <u>93,380</u> |

16. Funds held in Trust

| | 2020 Actual \$ | 2020 Budget (Unaudited) \$ | 2019 Actual \$ |
|--|----------------------|-------------------------------------|----------------------|
| Funds Held in Trust on Behalf of Third Parties - Current | 496 | 500 | 360 |
| | <u>496</u> | <u>500</u> | <u>360</u> |

17. 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 \$ |
|-------------------------------|--------------------|---------------------------|----------------------------|------------------|----------------------------|---------------------------|
| SNM Visual Project | <i>completed</i> | 5,104 | - | - | - | 5,104 |
| Block A B D E1 Reroofing | <i>in progress</i> | 24,040 | 200,000 | (233,271) | - | (9,231) |
| Block B Toilet Reconstruction | <i>in progress</i> | 19,160 | 200,000 | (267,438) | - | (48,278) |
| LSC Refurbishment | <i>in progress</i> | - | 39,315 | - | - | 39,315 |
| Totals | | <u>48,304</u> | <u>439,315</u> | <u>(500,709)</u> | <u>-</u> | <u>(13,090)</u> |

Represented by:

| | |
|---|-----------------|
| Funds Held on Behalf of the Ministry of Education | 44,419 |
| Funds Due from the Ministry of Education | 57,509 |
| | <u>(13,090)</u> |

Otorohanga College
Notes to the Financial Statements
For the year ended 31 December 2020

17. Funds Held for Capital Works Projects (Cont.)

| | 2019 | Opening Balances \$ | Receipts from MoE \$ | Payments \$ | BOT Contributions \$ | Closing Balances \$ |
|-------------------------------|--------------------|------------------------|-------------------------|----------------|-------------------------|------------------------|
| SNM Visual Project | <i>completed</i> | 5,104 | - | - | - | 5,104 |
| Buildings Re-roofing | <i>completed</i> | (31,825) | 16,225 | - | 15,600 | - |
| Block A B D E1 Reroofing | <i>in progress</i> | - | 25,000 | (960) | - | 24,040 |
| Block B Toilet Reconstruction | <i>in progress</i> | - | 25,000 | (5,840) | - | 19,160 |
| Totals | | (26,721) | 66,225 | (6,800) | 15,600 | 48,304 |

18. 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.

19. 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 | 4,501 | 4,895 |
| Full-time equivalent members | 0.17 | 0.12 |
| <i>Leadership Team</i> | | |
| Remuneration | 1,310,196 | 1,106,712 |
| Full-time equivalent members | 12 | 11 |
| Total key management personnel remuneration | 1,314,697 | 1,111,607 |
| Total full-time equivalent personnel | 12.17 | 11.12 |

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.

Otorohanga College
Notes to the Financial Statements
For the year ended 31 December 2020

19. Remuneration (Cont.)

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 | | |
| Principal 1 | 190 - 200 | 50-60 |
| Principal 2 | - | 50-60 |
| Benefits and Other Emoluments | | |
| Principal 1 | 5 - 10 | 1-2 |
| Principal 2 | - | 1-2 |
| 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 | 5.00 | 1.00 |
| 110 - 120 | 2.00 | 1.00 |
| | 7.00 | 2.00 |

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

20. 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 | \$50,178 | - |
| Number of People | 1 | - |

21. 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.

Otorohanga College

Notes to the Financial Statements

For the year ended 31 December 2020

22. Commitments

(a) Capital Commitments

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

(a) A \$265,879 contract for Re-roofing of blocks A B D and E1 which will be fully funded by the Ministry of Education. To date \$234,231 has been spent on the project; and

(b) A \$274,983 contract for Block B Toilet Reconstruction which will be fully funded by the Ministry of Education. To date \$273,278 has been spent on the project; and

(c) A \$69,386 contract for SNM Visual upgrade which will be fully funded by the Ministry of Education. To date \$64,282 has been spent on the project.

(d) A \$43,683 contract for LSC Refurbishment which will be fully funded by the Ministry of Education. To date \$39,315 has been received and \$0 has been spent on the project.

(Capital commitments at 31 December 2019: \$50,000).

(b) Operating Commitments

As at 31 December 2020 the Board has no operating commitments. (2019: Nil).

23. 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.

24. 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 | 751,147 | 579,231 | 534,687 |
| Receivables | 270,247 | 200,000 | 217,484 |
| Total Financial assets measured at amortised cost | 1,021,394 | 779,231 | 752,171 |

Financial liabilities measured at amortised cost

| | | | |
|---|----------------|----------------|----------------|
| Payables | 448,048 | 377,000 | 365,524 |
| Finance Leases | 63,151 | 85,000 | 93,380 |
| Total Financial Liabilities Measured at Amortised Cost | 511,199 | 462,000 | 458,904 |

25. Events After Balance Date

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

Otorohanga College
Members of the Board of Trustees
For the year ended 31 December 2020

| Name | Position | How Position Gained | Term Expires |
|----------------------|-----------------|----------------------------|-------------------------|
| Lorraine Fox | Chair Person | Elected | June 2022 |
| Traci Liddall | Principal | | |
| Anthea Tata | Parent Rep | Elected | Resigned March 2020 |
| Chris Van der Heyden | Parent Rep | Elected | June 2022 |
| Corey Wilson | Parent Rep | Elected | Resigned February 2020 |
| Mark Pitts-Brown | Parent Rep | Elected | June 2022 |
| Rex Fare | Parent Rep | Elected | Resigned September 2020 |
| Michael Ritch | Parent Rep | Elected | June 2022 |
| Anthony Wanoa | Parent Rep | Co-opted November 2020 | June 2022 |
| Shani Whitora | Parent Rep | Co-opted June 2020 | June 2022 |
| Emily O'Reilly | Student Rep | Elected September 2020 | September 2021 |
| Emma Rye | Student Rep | Elected September 2019 | September 2020 |

Otorohanga College
Members of the Board of Trustees
For the year ended 31 December 2020

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

In 2020 the College received total Kiwisport funding of \$6,643 (2019: \$7,917). This funding was used as part of the schoolwide sports programme to encourage students to participate in a variety of sporting endeavours.

INDEPENDENT AUDITOR'S REPORT**TO THE READERS OF OTOROHANGA COLLEGE'S
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020**

The Auditor-General is the auditor of Otorohanga College (the School). The Auditor-General has appointed me, Richard Currie, using the staff and resources of Crowe, to carry out the audit of the financial statements of the School on his behalf.

Opinion

We have audited the financial statements of the School on pages 2 to 19, that comprise the Statement of Financial Position as at 31 December 2020, the Statement of Comprehensive Revenue and Expense, Statement of Changes in Net Assets/Equity and Statement of cash flows for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion the financial statements of the School:

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

Our audit was completed on 3 June 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.

The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is the Crowe Australasia external audit division. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

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Services are provided by Crowe New Zealand Audit Partnership an affiliate of Findex (Aust) Pty Ltd.

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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 Board of Trustees Members, the Kiwisport and Analysis of Variance information, 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.



Richard Currie
Crowe New Zealand Audit Partnership
On behalf of the Auditor-General
Hamilton, New Zealand



Otorohanga College

Ko te mana mō mua i te whakamana ~ Honour before Honours

Otorohanga College Analysis of Variance 2020

Narrative

2020 was a year of significant change and change management. Many parts of the school were reviewed to ensure opportunities for quality teaching and learning were maximised. This included a review of pastoral care systems and processes, review of the Senior Leadership structure, the taking on of an LSC based within the school, reinvigorated curriculum review and considerable consultation across the school and wider community. Some of this work was hampered by COVID and the various stages of lockdown, however other aspects such as online learning and rationalising NCEA were advanced and enhanced.

Staffing

We are fully staffed having finally appointed an HoF maths. Staffing is stable with no resignations at the end of 2020.

Kiwisport Funding

\$6700 of kiwisport funding was used to support purchase of sports equipment and to enhance access of sport for students who would otherwise not participate.

2020 - 2021 Year 9 and 10 Goals and Analysis and Variance

| | 2020 Goal | Did we achieve our Goal? | Next Steps |
|---|---|--|--|
| Attendance | Our goal is for 90% of all Year 9 and 10 students to attend school regularly 90% or more. | <p>We did not achieve this goal.</p> <ul style="list-style-type: none"> Year 9 = 37 % at 90% Attendance or more Year 10 = 38% at 90% Attendance or more <p>However what can be celebrated is the majority of both cohorts are attending and are attending 80% or more.</p> <ul style="list-style-type: none"> Year 9 = 76 % at 80% Attendance or more Year 10 = 72% at 80% Attendance or more <p>We need to have better systems and processes to monitor and address students attending less than 90%.</p> | <p>Goal for 2021: Our goal remains at 90% of all Year 9 and 10 students to attend school regularly 90% or more.</p> <ul style="list-style-type: none"> Deans will continue to work with whanau to support student attendance. Deans/SLT are aware of the issues related to individual students who are not currently meeting the set expectation. Continue to provide kai. Continue to make College a vibrant, inclusive and engaging place where all students are supported in their pathway by improving curriculum and assessment opportunities alongside our systems and structures. |
| Literacy Reading and Writing | Accelerated progress for all students towards curriculum expectation in Reading, | <p>In hindsight this goal only focuses on students below or well below expected Curriculum age as all students are not expected to make accelerated progress in one year. Changes in staff and assessment tools and procedures adds to our inability to measure progress against this goal. However what can be celebrated is;</p> <p>Reading PAT Stanine Snapshot:</p> <ul style="list-style-type: none"> Year 9: 39/54 = 72% of students are Average to Above average Stanine 4 - 9 Year 9 Māori: 26/35= 74% of students are Average to Above average Stanine 4 - 9 Year 10: 48/64 = 75% of students are Average to Above average Stanine 4 - 9 Year 10 Māori: 26/36 72% of students are Average to Above average Stanine 4 - 9 <p>Writing E-AsTtle Snapshot</p> <ul style="list-style-type: none"> Year 9: 22/49 = 45% of students are At or Above expected Curriculum level | <p>Goal for 2021:</p> <ul style="list-style-type: none"> To increase the number of students at, or above the expected curriculum levels in Reading, Writing and Mathematics. <p>Literacy</p> <ul style="list-style-type: none"> JA to provide Literacy PD during JLP hui - investigate PACT tool RR to moderate writing in English Faculty Writing is a Priority Learning area across the College Support all Curriculum Areas to make writing a Priority Support JLP Daily Writing initiative - get in Authors to engage students in the writing process <p>Collate the following data:</p> <ul style="list-style-type: none"> Reading OTJ each term |

| | | | |
|-------------|----------------------------|---|---|
| | Writing, Maths and Science | <ul style="list-style-type: none"> Year 9 Māori: 10/23 43% of students are At or Above expected level Year 9 - 4/41 students made Accelerated progress Year 10: 48/64 = 15% of students are At or Above expected Curriculum level Year 10 Māori : 6/32 18% of students are At or Above expected Curriculum level Year 10 - 13/53 Made Accelerated Progress (all of these students still remain under the expected Curriculum level for their age) | <ul style="list-style-type: none"> Probe Test All T1 Target Students Term 2 - 4 PAT Reading T4 Writing AstTle sample Literacy Goals - Portfolio |
| Mathematics | | <p>Similar to Literacy goals in Mathematics all students are not expected to make accelerated progress in one year.</p> <p>Mathematics Snapshot:</p> <ul style="list-style-type: none"> Year 9: 38/54= 70% of students are Average to Above average Stanine 4 - 9 Year 9 Māori: 24/31 (77%) are Average to Above average Stanine 4 - 9 Year 10: 45/65 = 69% of students are Average to Above average Stanine 4 - 9 Year 10 Māori: 23/37 = 62% of students are Average to Above average Stanine 4 - 9 | <p>Numeracy</p> <ul style="list-style-type: none"> AWS programme alongside HoF Units/lessons SW to lead PD with Faculty Faculty to use Portfolio to share progress and next steps <p>Collate the following data</p> <ul style="list-style-type: none"> Numeracy Goals - Portfolio AWS Assessments for formative feedback Easttle every term/PAT T4 BM to oversee AstTle <ul style="list-style-type: none"> DPJunior to ensure all staff are aware of assessment procedures, where to store data/assessments, what the deadlines are and how to administer the assessments DP to run catchup Assessment if Teacher is unable to. |

2020 - 2021 Year 11,12 and 13 Goals and Analysis and Variance

| Schoolwide Targets | | | |
|--------------------|--|--|--|
| | 2020 Goal | Did We Achieve Our Goal? | Next Steps |
| Attendance | 90% of Year 11, 12 and 13 students attending regularly | <p>We did not achieve this goal:</p> <ul style="list-style-type: none"> • Year 11 - 32.4% • Year 12 - 16.7% • Year 13 - 12.2% | <p>Our goal remains for all Year 11, 12 and 13 students to attend school regularly 90% or more.</p> <ul style="list-style-type: none"> • Deans will continue to work with whanau to support student attendance. Deans/SLT are aware of the issues related to individual students who are not currently meeting the set expectation. • Continue to make College a vibrant, inclusive and engaging place where all students are supported in their pathway by improving curriculum and assessment opportunities alongside our systems and structures. |

| | | | |
|----------------------------------|---|---|---|
| Maori Boys / NCEA Level 1 | All Maori boys will achieve NCEA Level 1 | Of the 19 students tracked 12 students gained Level 1 | Track the 7 students who did not gain Level 1 as students now sitting Level 2 remembering that when a student gains Level 2, Level 1 is gained at the same time. Track in terms of attendance as well as achievement. |
| Maori Boys / NCEA Level 2 | All Maori boys will leave the College with Level 2 | Of the 4 students tracked at Level 2 all 4 gained Level 2 NCEA | Track the Maori boys as Level 3 students in terms of Pathway - University Entrance or workforce. |
| Year 11 Endorsements | 50% of Year 11 students will gain a Certificate Endorsement | When the decision was made to pair back NCEA for Year 11 students this goal folded, however, of the 33 students in the original group 17 students gained a Certificate Endorsement - 10 at Merit and 7 at Excellence. | Academic tracking and mentoring with the Year 12 Dean for Level 2 Certificate and Course Endorsements. |

Level 1 NCEA For The Remainder Of 2020

Introduction

Our most important priority during these extraordinary times is the wellbeing of both students and staff.

Staff experienced a demanding workload as they prepared for lockdown and the delivery of online learning and continue to experience digital interactions with students on a daily basis. We need to "...recognise and respond to the wellbeing needs of adults..." in the College. (ERO Wellbeing For Success)

When staff and students return to the College we will need a strong focus on whanaungatanga as some may be grieving while some may be facing economic uncertainty.

Despite our best efforts all learners will be spread over the full continuum of how much learning progress they made during the lockdown. It would be good to remove this added layer of anxiety for our Year 11 students by "...reviewing our teaching and learning programmes and using the flexibility of the qualification..." and "...prioritising qualifications for potential leavers..." (NZQA Covid 19 Update #5) by sidelining/parking the enormous workload that exists around Level 1 NCEA thus reducing marking, moderating and stress levels for staff as well as anxiety levels for students.

We need to be mindful that "Students do not need to complete a lower level qualification before moving to the next level. If students do not manage to achieve sufficient credits, those they subsequently achieve from a higher level can fill any gaps in achievement at a lower level...Students can catch up and be awarded their Certificate in 2021 if they are returning to school." (NZQA Covid 19 Update #5)

What we are going to do

- Sideline NCEA Level 1 for 2020.
- Each Faculty is to offer a maximum of 2 Internal Assessments - prioritise assessment which is gathered over longer time intervals such as projects, research and portfolios rather than one-off assessment events. If more able students require extension then a Level 2 Standard can be offered.
- Teachers continue to teach the Year 11 Programme covering content and skills/depth of understanding - this becomes the foundation for Level 2.
- No External Assessments at the end of the year - sitting examinations is not a high level skill.
- When Year 12 and 13 students go on exam leave any Year 11s without Numeracy and/or Literacy will be encouraged to stay at school to achieve these.
- Current Year 11s will gain Level 1 and Level 2 credits over 2 years.

Let's all work together. Let's have our staff and students wellbeing at the core of our decision making.

NCEA 2020

Achievement In NCEA And UE (Enrolment Based Cumulative Overall Results)

| Academic Year | Year 11 NCEA L1 | Year 12 NCEA L2 | Year 13 NCEA L3 | Year 13 UE |
|---------------|-----------------|-----------------|-----------------|------------|
| 2016 | 73.8 | 66.2 | 39.6 | 14.6 |
| 2017 | 70.7 | 81.7 | 44.4 | 25.9 |
| 2018 | 70.3 | 80.9 | 66.7 | 22.9 |
| 2019 | 82.3 | 77.9 | 26.1 | 13.0 |
| 2020 | 45.3 | 81.3 | 57.1 | 22.4 |

Key Findings

Level 2

There is an increase in Level 2 achievement from 77.9% to 81.3% which is slightly above National results which stand at 79.1% and very nearly on a par with Decile 4-7 schools which is at 82.9%. This was due to tracking as well as Pathways opportunities.

Key Findings

Level 3

There is a significant increase in Level 3 achievement from 26.1 % to 57.1%. This was due to tracking, academic counselling and mentoring by both the Dean and the THRIVE Mentors as well as Pathways opportunities. To continue this upward trend course design as well as non-academic pathways need to be looked at. The increase in UE can be enhanced through course conversations and the positives of UE even if it is not a goal at the start of the year.

NCEA 2020**Achievement In NCEA And UE**

(Enrolment Based Cumulative Results By Gender)

| Academic Year (Male) | Year 11 NCEA L1 | Year 12 NCEA L2 | Year 13 NCEA L3 | Year 13 UE |
|---------------------------------|----------------------------|----------------------------|----------------------------|-----------------------|
| 2016 | 69.7 | 70.5 | 33.3 | 16.7 |
| 2017 | 78.9 | 84.0 | 41.9 | 25.8 |
| 2018 | 79.2 | 84.8 | 69.2 | 23.1 |
| 2019 | 70.8 | 81.6 | 9.5 | 4.8 |
| 2020 | 51.4 | 94.4 | 40.7 | 7.4 |

| Academic Year (Female) | Year 11 NCEA L1 | Year 12 NCEA L2 | Year 13 NCEA L3 | Year 13 UE |
|-----------------------------------|----------------------------|----------------------------|----------------------------|-----------------------|
| 2016 | 76.5 | 58.6 | 43.3 | 13.3 |
| 2017 | 62.2 | 80.4 | 45.5 | 22.7 |
| 2018 | 57.9 | 77.1 | 65.7 | 22.9 |
| 2019 | 89.5 | 75.9 | 40.0 | 20.0 |
| 2020 | 38.7 | 73.3 | 77.3 | 40.9 |

Key Findings**Male**

Male students gaining NCEA Level 2 increased from 81.6% to 94.4% - the National average was 76.7% and Decile 4-7 schools was 80.3%. Male students gaining NCEA Level 3 increased from 9.5% to 40.7% and University Entrance increased from 4.8% to 7.4%. This was in part due to Pathways opportunities lending themselves to boys' aspirations and also academic tracking.

Key Findings**Female**

Female students gaining NCEA Level 2 dropped from 75.9% to 73.3% while female students gaining NCEA Level 3 increased from 40.0% to 77.3% and University Entrance increased from 20.0% to 40.9%. Encouraging girls' involvement in Level 2 Pathways Programmes needs to be a next step.

NCEA 2020

Achievement In NCEA And UE

(Enrolment Based Cumulative Results By Ethnicity)

| Academic Year (European) | Year 11 NCEA L1 | Year 12 NCEA L2 | Year 13 NCEA L3 | Year 13 UE |
|-----------------------------|--------------------|--------------------|--------------------|---------------|
| 2016 | 82.6 | 66.7 | 43.3 | 23.3 |
| 2017 | 78.0 | 84.2 | 53.3 | 40.0 |
| 2018 | 78.8 | 84.2 | 64.3 | 28.6 |
| 2019 | 90.2 | 95.0 | 36.8 | 31.6 |
| 2020 | 55.3 | 82.8 | 60.6 | 30.3 |

| Academic Year (Māori) | Year 11 NCEA L1 | Year 12 NCEA L2 | Year 13 NCEA L3 | Year 13 UE |
|--------------------------|--------------------|--------------------|--------------------|---------------|
| 2016 | 64.7 | 67.4 | 36.4 | 4.5 |
| 2017 | 62.2 | 79.1 | 38.7 | 22.6 |
| 2018 | 66.0 | 79.1 | 72.0 | 4.0 |
| 2019 | 70.4 | 64.9 | 16.7 | 3.3 |
| 2020 | 38.1 | 75.0 | 54.5 | 4.5 |

Key Findings

Māori

It is pleasing to see that Māori students gaining NCEA Level 2 has increased from 64.9% to 75% - the National average is 70.5%. Māori students gaining NCEA Level 3 has increased from 16.7% to 54.5% - the National average is 59.9%. University Entrance for Māori students is displeasing with 4.5 % gaining University Entrance - the National average is 32.5% while Decile 4-7 schools is 33.1%. A next step is to increase mentoring and goal setting with Māori students and subsequent tracking.

Key Findings

European

The percentage of European students gaining NCEA Level 2 has dropped from 95.0% to 82.8% while NCEA Level 3 has increased from 36.8% to 60.6%. University Entrance is at 30.3%, a difference of 25.8% between Maori and European.

NCEA 2020

Level 1 Literacy And Numeracy (Cumulative Results By Percentages)

| Academic Year (Literacy) | Year 11 NCEA L1 | Year 12 NCEA L2 | Year 13 NCEA L3 |
|-----------------------------|--------------------|--------------------|--------------------|
| 2016 | 86.9 | 98.6 | 89.6 |
| 2017 | 85.3 | 94.4 | 98.1 |
| 2018 | 92.3 | 94.1 | 97.9 |
| 2019 | 86.7 | 98.1 | 93.9 |
| 2020 | 78.8 | 95.8 | 98.0 |
| Academic Year (Numeracy) | Year 11 NCEA L1 | Year 12 NCEA L2 | Year 13 NCEA L3 |
| 2016 | 83.3 | 85.1 | 87.5 |
| 2017 | 84.0 | 94.4 | 88.9 |
| 2018 | 85.7 | 98.5 | 97.9 |
| 2019 | 93.3 | 96.2 | 100.0 |
| 2020 | 80.3 | 95.8 | 95.9 |

Key Findings

Literacy

The 78.8% of Year 11 students gaining Level 1 Literacy is disappointing because much work was done by classroom teachers, HOFs and the Dean to track credits and offer additional Standards. Poor attendance of students requiring Literacy played a key role in this result despite a range of strategies put in place. In 2021 tracking needs to begin much earlier.

Key Findings

Numeracy

The 80.3% of Year 11 students gaining Level 1 Numeracy is disappointing because much work was done by classroom teachers, HOFs and the Dean to track credits and offer additional Numeracy Standards. Poor attendance of students requiring Numeracy played a key role in this result despite a range of strategies put in place. In 2021 tracking needs to begin much earlier.

NCEA 2020

Certificate Endorsement (Cumulative Results By Percentages)

| Academic Year (Excellence) | Year 11 NCEA L1 | Year 12 NCEA L2 | Year 13 NCEA L3 |
|-------------------------------|--------------------|--------------------|--------------------|
| 2016 | 16.1 | 10.2 | 21.1 |
| 2017 | 3.8 | 13.8 | 8.3 |
| 2018 | 6.3 | 5.5 | 9.4 |
| 2019 | 17.6 | 5.7 | 8.3 |
| 2020 | 23.3 | 15.4 | 3.6 |
| Academic Year (Merit) | Year 11 NCEA L1 | Year 12 NCEA L2 | Year 13 NCEA L3 |
| 2016 | 25.8 | 10.2 | 5.3 |
| 2017 | 13.2 | 10.3 | 25.0 |
| 2018 | 14.1 | 7.3 | 15.6 |
| 2019 | 25.5 | 15.1 | 8.3 |
| 2020 | 33.3 | 10.3 | 14.3 |

Key Findings

Level 2

An increase from 5.7% to 15.4% (National 17.6% and Decile 4-7 schools 14.5%) in Certificate Endorsement with Excellence - the highest percentage of students to gain a Certificate Endorsement with Excellence in the last five years. 25% of the Level 2 cohort gained a Certificate Endorsement. This was due to, in part, to COVID and the paring back of programmes as well as tracking and monitoring.

Key Findings

Level 3

The Certificate Endorsements with Excellence have dropped from 8.3% to 3.6% (National 17.6% and Decile 4-7 schools 15%).
The Certificate Endorsements with Merit have increased from 8.3% to 14.3% (National 26.6% and Decile 4-7 schools 24%). Due to COVID many students were still completing Internal Standards during Term Four when preparation for External Examinations should have been taking place. In 2021 all Internal Standards need to be completed by the end of Term Three.