

# TE KURA KAUPAPA MAORI O RUAMATA

## ANNUAL REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### School Directory

<b>Ministry Number:</b>	1165
<b>Principal:</b>	Catherine Dewes
<b>School Address:</b>	1005 Te Ngae Road, Rotokawa
<b>School Postal Address:</b>	P O Box 2213, Rotorua, 3040
<b>School Phone:</b>	07 345 9063
<b>School Email:</b>	mandy@ruamata.school.nz
<b>Accountant / Service Provider:</b>	Education Services Ltd

# Te Kura Kaupapa Maori o Ruamata

## 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.

Thomasina Pirika.  
Full Name of Board Chairperson

Dr Cathy Davies  
Full Name of Principal

S. Pirika  
Signature of Board Chairperson

[Signature]  
Signature of Principal

11.06.2021  
Date:

11/06/2021  
Date:

**Te Kura Kaupapa Maori o Ruamata**  
**Statement of Changes in Net Assets/Equity**  
For the year ended 31 December 2020

	Notes	Actual 2020 \$	Budget (Unaudited) 2020 \$	Actual 2019 \$
<b>Balance at 1 January</b>		<u>2,192,904</u>	<u>1,930,916</u>	<u>2,040,178</u>
Total comprehensive revenue and expense for the year		384,882	4,471	152,726
Capital Contributions from the Ministry of Education				
Adjustment to Accumulated surplus/(deficit) from adoption of PBE IFRS 9		-	-	-
<b>Equity at 31 December</b>	21	<u>2,577,786</u>	<u>1,935,387</u>	<u>2,192,904</u>
Retained Earnings		2,577,786	1,935,387	2,192,904
<b>Equity at 31 December</b>		<u>2,577,786</u>	<u>1,935,387</u>	<u>2,192,904</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.

**Te Kura Kaupapa Maori o Ruamata**  
**Statement of Cash Flows**  
For the year ended 31 December 2020

		2020	2020	2019
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
		\$	\$	\$
<b>Cash flows from Operating Activities</b>				
Government Grants		1,488,146	1,246,700	1,345,238
Locally Raised Funds		52,393	4,600	29,419
Goods and Services Tax (net)		(427)	-	(16,850)
Payments to Employees		(510,788)	(466,132)	(509,497)
Payments to Suppliers		(499,592)	216,518	(568,196)
Interest Paid		(1,357)	(861)	(1,305)
Interest Received		30,973	22,900	34,339
<b>Net cash from/(to) Operating Activities</b>		<b>559,348</b>	<b>1,023,725</b>	<b>313,148</b>
<b>Cash flows from Investing Activities</b>				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		-	-	3,593
Purchase of Property Plant & Equipment (and Intangibles)		(12,418)	(1,073,191)	(53,587)
Purchase of Investments		(28,669)	-	(32,764)
<b>Net cash from/(to) Investing Activities</b>		<b>(41,087)</b>	<b>(1,073,191)</b>	<b>(82,758)</b>
<b>Cash flows from Financing Activities</b>				
Finance Lease Payments		(12,211)	(15,882)	(13,041)
Funds Held for Capital Works Projects		14,771	-	(97,193)
<b>Net cash from/(to) Financing Activities</b>		<b>2,560</b>	<b>(15,882)</b>	<b>(110,234)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>520,821</b>	<b>(65,348)</b>	<b>120,156</b>
Cash and cash equivalents at the beginning of the year	8	262,700	142,544	142,544
<b>Cash and cash equivalents at the end of the year</b>	<b>8</b>	<b>783,521</b>	<b>77,196</b>	<b>262,700</b>

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.

### ***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 13.

#### ***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 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.

## j) Investments

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

## k) Property, Plant and Equipment

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

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

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

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

### **Finance Leases**

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

### **Depreciation**

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

The estimated useful lives of the assets are:

Building Improvements	18-50 Years
Furniture and Equipment	4-15 Years
Information and Communication	5 Years
Motor Vehicles	5 Years
Textbooks	4 Years
Library Resources	12.5% DV
Leased assets held under a Finance Lease	Term of Lease

#### **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.

## 2. Government Grants

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operational Grants	963,699	960,000	904,850
Teachers' Salaries Grants	2,021,883	1,578,114	2,017,935
Use of Land and Buildings Grants	209,254	282,722	279,714
Resource Teachers Learning and Behaviour Grants	726	-	-
Other MoE Grants	48,638	5,150	12,386
Transport grants	353,347	281,550	322,593
	<b>3,597,547</b>	<b>3,107,536</b>	<b>3,537,478</b>

The school has opted in to the donations scheme for this year. Total amount received was \$32,400.

## 3. Locally Raised Funds

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

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
<b>Revenue</b>			
Donations	3,620	600	300
Bequests & Grants	2,880	3,000	2,990
Activities	7,733	1,000	72
Trading	38,160	30,000	26,057
	<b>52,393</b>	<b>34,600</b>	<b>29,419</b>
<b>Expenses</b>			
Activities	99,310	143,000	-
Trading	23,603	30,000	53,618
	<b>122,913</b>	<b>173,000</b>	<b>53,618</b>
<i>Surplus/(Deficit) for the year Locally raised funds</i>	<b>(70,520)</b>	<b>(138,400)</b>	<b>(24,199)</b>

## 4. Learning Resources

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	55,523	74,600	136,317
Library Resources	846	800	1,176
Employee Benefits - Salaries	2,177,083	1,809,776	2,172,255
Staff Development	3,378	10,000	(1,449)
Kura Teina	91,739	88,275	90,866
Equipment Repairs	6,238	25,500	13,283
	<b>2,334,807</b>	<b>2,008,951</b>	<b>2,412,448</b>



## 9. Accounts Receivable

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Receivables	-	128,587	-
Banking Staffing Underuse	146,531	-	133,922
Teacher Salaries Grant Receivable	162,406	126,271	146,044
	<u>308,937</u>	<u>254,858</u>	<u>279,966</u>
Receivables from Exchange Transactions	-	128,587	-
Receivables from Non-Exchange Transactions	308,937	126,271	279,966
	<u>308,937</u>	<u>254,858</u>	<u>279,966</u>

## 10. Investments

The School's investment activities are classified as follows:

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Current Asset			
Short-term Bank Deposits	1,061,433	2,456	1,032,764
Trustpower Shares	2,456	-	2,456
Total Investments	<u>1,063,889</u>	<u>2,456</u>	<u>1,035,220</u>

## 12. Accounts Payable

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Operating Creditors	38,375	18,310	12,487
Accruals	4,780	-	4,509
Capital Accruals for PPE items	-	-	600
Employee Entitlements - Salaries	162,406	126,271	146,044
	<u>205,561</u>	<u>144,581</u>	<u>163,640</u>
Payables for Exchange Transactions	205,561	144,581	163,640
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	<u>205,561</u>	<u>144,581</u>	<u>163,640</u>

The carrying value of payables approximates their fair value.

## 13. Provision for Cyclical Maintenance

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Provision at the Start of the Year	77,515	(4,006)	47,494
Increase to the Provision During the Year	5,906	4,006	30,021
Adjustment to the Provision	(3,427)	-	-
Provision at the End of the Year	<u>79,994</u>	<u>-</u>	<u>77,515</u>
Cyclical Maintenance - Current	79,994	-	48,982
Cyclical Maintenance - Term	-	-	28,533
	<u>79,994</u>	<u>-</u>	<u>77,515</u>

## 14. 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	23,003	16,647	16,540
Later than One Year and no Later than Five Years	52,724	21,060	11,727
	<u>75,727</u>	<u>37,707</u>	<u>28,267</u>

## 17. 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		
Full-time equivalent members	-	-
<i>Leadership Team</i>		
Remuneration	158,707	147,411
Full-time equivalent members	1.00	1.00
Total key management personnel remuneration	158,707	147,411
Total full-time equivalent personnel	1.00	1.00

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	150 - 160	140 - 150
Benefits and Other Emoluments	-	0 - 1
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	7.00	-
	7.00	0.00

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

## 18. Compensation and Other Benefits Upon Leaving

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

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

### 23. Events After Balance Date

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

### 24. Comparatives

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

## TE PURONGO TATARIA WHAKATUTUKITANGA

### MO TE TAU 2020

#### Kupu Whakataki

Kaore tetahi o a matou whaingā mo te tau 2020 i tutuki!

1. Te Kura o Mokoia - whakaoti whare - kaukau waiariki -	\$ 30,000.00	Tata te oti Kore i tutuki
2. Te Whare Oranga	\$794,000.00	Kore i tutuki
3. Ramaru	\$13,000.00	Kore i tutuki
4. Pa Tuwatawata	\$ 6,000.00	Kore i tutuki
5. Wapu	\$15,000.00	Kore i tutuki
6. Peita Whare	\$35,000.00	Kore i tutuki
7. Whakapai Whenua (Wahanga IV)	\$52,000.00	Kore i tutuki

He aha pera ai?

- Mo Te Kura o Mokoia, i whakatauria mā BOP Plumbing me Bioloo – Roy Holmes e whakaoti. Mo te marama o Aperira. 2020 ka whakaoti (te tikanga ia).
- Mo te peita whare he putea ano kua whakatapua, (\$700,000), te tikanga ia ka whakapaua i mua i te paunga o Noema 2019, heoi kei te taria tonutia.
  - He take whakatika whare maturuturu wai (leaky building). Kei te MOE te take nei
  - He take whakangu whare hoihoi (sound proofing). Ko te Kaunihere me te MOE e whakawhitiwhiti korero ana mo tenei.
  - Ko ta Ruamata Kura, he tatari, ano ano ano, kia mutu ta ratou whakarite / whakatau!
- Mo te toenga o nga take, kei te tatari kia oti te rori ki te kura. Kua oti ke te whakawhanui kuhunga. Mo te paunga o Aperira 2020, ka timata te hanga i te rori (te tikanga ia).

In preparing the financial statements, the Board of Trustees is responsible on behalf of the School for assessing the School's ability to continue as a going concern. The Board of Trustees 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 of Trustees' responsibilities arise from 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 of Trustees.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Trustees 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.