

# Te Kapehu Whetu

Consolidated - Teina & Tuakana

## ANNUAL REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2019

#### School Directory

**Ministry Number:**

869/870

**Principal:**

Maia Henare(Tuakana-Effective 14 July 2019)  
Hoana Te Aika

**School Address:**

173 Lower Dent St.

**School Postal Address:**

PO Box 6020, Otaika

**School Phone:**

(09) 438 8033

**School Email:**

info@tkw.ac.nz

**Members of the Board of Trustees**

Name	Position	How Position Gained	Occupation	Term Expired/ Expires
Kaye Taylor	Chair Person	Re-elected - November 2019		
Maia Henare (14 Jul 19)	Principal ex Officio			
Hoana Te Aika	Principal ex Officio			
Raewyn Tipene	Trustee	Elected - March 2019		
Jason Pou	Trustee			November 2019
James Nair	Trustee	Re-elected - November 2019		
Adrian Warren	Trustee			
Nathan Matthews	Trustee			
Elisa Kawiti	Trustee	Re-elected - November 2019		
Richard Abel	MoE Advisor			
Matio Sword	Governance Facilitator			

**Accountant / Service Provider:**

He Puna Marama Trust

# Te Kapehu Whetu

## Consolidated - Teina & Tuakana

Annual Report - For the year ended 31 December 2019

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# Te Kapehu Whetu

## Consolidated - Teina & Tuakana

For the year ended 31 December 2019

The Board of Trustees accepts responsibility for the preparation of the consolidated 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 consolidated annual financial statements for the financial year ended 31 December 2019 fairly reflects the financial position and operations of the school.

The School's 2019 financial statements are authorised for issue by the Board.

Kaye Taylor

Full Name of Board Chairperson



Signature of Board Chairperson

29 May 2020

Date:

James Nair

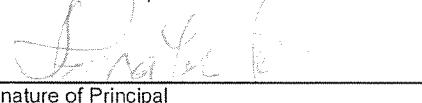
Representative - Tuakana

29 May 2020

Date:

Hoana Te Aika

Full Name of Principal - Teina



Signature of Principal

29 May 2020

Date:

# Te Kapehu Whetu - Consolidated Teina & Tuakana

## Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2019

		2019	2019	2018
	Notes	Actual \$	Budget (Unaudited) \$	Actual \$
<b>Revenue</b>				
Government Grants	2	3,656,598	3,452,761	842,113
Locally Raised Funds	3	73,596	-	-
Interest income		12,820	-	8,064
Other Revenue		5,762	-	-
		<u>3,748,776</u>	<u>3,452,761</u>	<u>850,177</u>
<b>Expenses</b>				
Locally Raised Funds	3	71,703	48,500	-
Learning Resources	4	2,571,367	2,486,245	158,897
Administration	5	860,884	755,885	106,879
Property	6	144,412	142,520	-
Depreciation	7	57,033	-	-
		<u>3,705,399</u>	<u>3,433,150</u>	<u>265,776</u>
<b>Net Surplus / (Deficit) for the year</b>		<b>43,378</b>	<b>19,611</b>	<b>584,401</b>
Other Comprehensive Revenue and Expenses		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<u><b>43,378</b></u>	<u><b>19,611</b></u>	<u><b>584,401</b></u>

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



# Te Kapehu Whetu - Consolidated Teina & Tuakana Statement of Changes in Net Assets/Equity

For the year ended 31 December 2019

	Notes	Actual 2019 \$	Budget (Unaudited) 2019 \$	Actual 2018 \$
Balance at 1 January		1,391,865	1,391,865	-
Total comprehensive revenue and expense for the year		43,378	19,611	584,401
Capital Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		-	-	807,464
Adjustment to Accumulated surplus/(deficit) from adoption of PBE IFRS 9				
Equity at 31 December	17	1,435,243	1,411,476	1,391,865
Retained Earnings		1,435,243	1,411,476	1,391,865
Equity at 31 December		1,435,243	1,411,476	1,391,865

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 Kapehu Whetu - Consolidated Teina & Tuakana

## Statement of Financial Position

As at 31 December 2019

	Notes	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
<b>Current Assets</b>				
Cash and Cash Equivalents	8	1,025,426	1,000,000	1,381,229
Accounts Receivable	9	301,716	300,000	-
GST Receivable		18,383	15,000	14,046
		<u>1,345,524</u>	<u>1,315,000</u>	<u>1,395,275</u>
<b>Current Liabilities</b>				
Accounts Payable	12	264,498	258,524	3,410
		<u>264,498</u>	<u>258,524</u>	<u>3,410</u>
<b>Working Capital Surplus/(Deficit)</b>		1,081,026	1,056,476	1,391,865
<b>Non-current Assets</b>				
Property, Plant and Equipment	10	354,217	355,000	-
		<u>354,217</u>	<u>355,000</u>	<u>-</u>
<b>Non-current Liabilities</b>				
		<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Assets</b>		<u>1,435,243</u>	<u>1,411,476</u>	<u>1,391,865</u>
<b>Equity</b>	17	<u>1,435,243</u>	<u>1,411,476</u>	<u>1,391,865</u>

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

BDO Northland  
ASSURANCE 

# Te Kapehu Whetu - Consolidated Teina & Tuakana

## Statement of Cash Flows

For the year ended 31 December 2019

	Note	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
<b>Cash flows from Operating Activities</b>				
Government Grants		1,289,170	1,100,000	683,542
Locally Raised Funds		64,100	-	-
Goods and Services Tax (net)		(4,336)	10,000	(14,046)
Payments to Employees		(373,435)	(300,000)	-
Payments to Suppliers		(932,874)	(791,230)	(103,795)
Interest Received		12,820	-	8,064
Net cash from Operating Activities		55,446	18,770	573,765
<b>Cash flows from Investing Activities</b>				
Purchase of PPE (and Intangibles)		(411,249)	(400,000)	-
Net cash from Investing Activities		(411,249)	(400,000)	-
<b>Cash flows from Financing Activities</b>				
Furniture and Equipment Grant		-	-	807,464
Finance Lease Payments		-	-	-
Net cash from Financing Activities		-	-	807,464
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(355,803)</b>	<b>(381,230)</b>	<b>1,381,229</b>
Cash and cash equivalents at the beginning of the year	8	1,381,230	1,381,230	-
<b>Cash and cash equivalents at the end of the year</b>	<b>8</b>	<b>1,025,427</b>	<b>1,000,000</b>	<b>1,381,229</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 Cash Flow Statement should be read in conjunction with the accompanying notes which form part of these financial statements..

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# Te Kapehu Whetu - Consolidated Teina & Tuakana

## Notes to the Financial Statements

### For the year ended 31 December 2019

#### 1. Statement of Accounting Policies

These financial statements comprise the consolidated financial information of Te Kapehu whetu Teina & Tuakana. A combined Board was established to govern these entities.

##### **a) Reporting Entity**

The Combined Board of Trustees (the Board) is of the view that the Schools are public benefit entities for financial reporting purposes.

##### **b) Basis of Preparation**

###### ***Reporting Period***

The financial reports have been prepared for the period 1 January 2019 to 31 December 2019 and in accordance with the requirements of the Public Finance Act 1989.

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###### ***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 Act 1989 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".

###### ***Standard early adopted***

In line with the Financial Statements of the Government, the School has elected to early adopt PBE IFRS 9 Financial Instruments. PBE IFRS 9 replaces PBE IPSAS 29 Financial Instruments: Recognition and Measurement. Information about the adoption of PBE IFRS 9 is provided in Note 20.

###### ***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.

*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 10.

#### **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.

*Establishment grants* in regard to the setup costs of the new schools were recorded in the year of receipt.

##### **Other Grants**

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

##### **Donations, Gifts and Bequests**

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

##### **Interest Revenue**

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

#### **d) 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.

#### **e) 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.

#### **f) Accounts Receivable**

Short-term receivables are recorded at the amount due, less an allowance for credit losses. The school applies the simplified expected credit loss model of recognising lifetime expected credit losses for receivables. In measuring expected credit losses, short-term receivables have been assessed on a collective basis as they possess shared credit risk characteristics. They have been grouped based on the days past due. Short-term receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include the debtor being in liquidation.



### **Prior Year Policy**

*Accounts Receivable represents items that the School has issued invoices for or accrued for, but has not received payment for at year end. Receivables are initially recorded at fair value and subsequently recorded at the amount the School realistically expects to receive. A receivable is considered uncollectable where there is objective evidence the School will not be able to collect all amounts due. The amount that is uncollectable (the provision for uncollectibility) is the difference between the amount due and the present value of the amounts expected to be collected.*

### **g) Property, Plant and Equipment**

Land and buildings owned by He Puna Marama Trust 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.

### **Depreciation**

Property, plant and equipment are depreciated over their estimated useful lives 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:

Furniture and equipment	10-67% DV
Information and communication technology	10-50% DV
Leasehold Alterations	10-36% DV

### **h) Impairment of property, plant, and equipment**

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

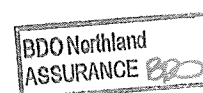
#### *Non cash generating assets*

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.



**i) 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.

**j) 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, annual leave earned to but not yet taken at balance date.

**k) Financial Assets and Liabilities**

The School's financial assets comprise cash and cash equivalents and accounts receivable. All of these financial assets are categorised as "loans and receivables" for accounting purposes in accordance with financial reporting standards.

The School's financial liabilities comprise accounts payable. All of these financial liabilities are categorised as "financial liabilities measured at amortised cost" for accounting purposes in accordance with financial reporting standards.

**l) 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.

**m) Budget Figures**

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

**n) 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.

**o) Comparative Financial Information**

The combined Board was established in July 2018. 2019 represents the first full year of operation. The 2018 comparatives represents a partial year in which the schools were setting up only.



## 2. Government Grants

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Operational Grants	1,099,494	1,072,899	-
Teachers' Salaries Grants	2,367,428	2,300,000	158,571
Other MoE Grants	146,654	35,862	-
Establishment Grant	-	-	683,542
Other Government Grants	43,022	44,000	-
	<u>3,656,598</u>	<u>3,452,761</u>	<u>842,113</u>

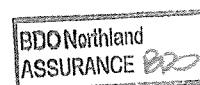
## 3. Locally Raised Funds

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

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
<b>Revenue</b>			
Donations	2,100	-	-
Activities	53,578	-	-
Other Revenue	17,918	-	-
	<u>73,596</u>	<u>-</u>	<u>-</u>
<b>Expenses</b>			
Activities	71,207	48,500	-
Transport (Local)	497	-	-
	<u>71,703</u>	<u>48,500</u>	<u>-</u>
<b>Surplus/ (Deficit) for the year Locally raised funds</b>	<u>1,893</u>	<u>(48,500)</u>	<u>-</u>

## 4. Learning Resources

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Curricular	90,054	69,245	326
Information and Communication Technology	89,571	101,500	-
Extra-Curricular Activities	6,854	4,500	-
Library Resources	29,741	-	-
Employee Benefits - Salaries	2,331,656	2,300,000	158,571
Staff Development	23,491	11,000	-
	<u>2,571,367</u>	<u>2,486,245</u>	<u>158,897</u>



## 5. Administration

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Audit Fee	6,800	10,000	3,250
Board of Trustees Fees	11,600	33,600	800
Communication	5,370	7,000	-
Consumables	5,877	9,700	3,240
Operating Lease	73,908	50,400	-
Legal Fees	1,357	1,000	-
Other	20,143	28,705	98,189
Employee Benefits - Salaries	313,514	304,251	-
Insurance	23,112	20,000	-
Service Providers, Contractors and Consultancy	399,204	291,229	1,400
	<u>860,884</u>	<u>755,885</u>	<u>106,879</u>

## 6. Property

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Caretaking and Cleaning Consumables	68,880	68,070	-
Grounds	30,507	25,950	-
Heat, Light and Water	31,920	32,500	-
Repairs and Maintenance	5,838	9,500	-
Security	7,267	6,500	-
	<u>144,412</u>	<u>142,520</u>	<u>-</u>

## 7. Depreciation

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Buildings - School	35,258	-	-
Furniture and Equipment	15,749	-	-
Information and Communication Technology	6,026	-	-
	<u>57,033</u>	<u>-</u>	<u>-</u>

## 8. Cash and Cash Equivalents

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Bank Current Account	82,460	50,000	1,381,230
Bank Call Account	942,966	950,000	-
Cash and cash equivalents for Cash Flow Statement	<u>1,025,426</u>	<u>1,000,000</u>	<u>1,381,230</u>



## 9. Accounts Receivable

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Receivables	15,258	-	-
Banking Staffing Underuse	102,999	-	-
Teacher Salaries Grant Receivable	183,458	300,000	-
	<u>301,716</u>	<u>300,000</u>	<u>-</u>
Receivables from Exchange Transactions	15,258	-	-
Receivables from Non-Exchange Transactions	286,458	300,000	-
	<u>301,716</u>	<u>300,000</u>	<u>-</u>

## 10. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2019						
Leasehold Improvements	-	291,628	-	-	(35,258)	256,370
Furniture and Equipment	-	104,669	-	-	(15,749)	88,920
Information and Communication	-	14,953	-	-	(6,026)	8,926
Balance at 31 December 2019	<u>-</u>	<u>411,249</u>	<u>-</u>	<u>-</u>	<u>(57,033)</u>	<u>354,217</u>

	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
2019			
Leasehold Improvements	291,628	(35,258)	256,370
Furniture and Equipment	104,669	(15,749)	88,920
Information and Communication	14,953	(6,026)	8,926
Balance at 31 December 2019	<u>411,249</u>	<u>(57,033)</u>	<u>354,217</u>

## 11. Accounts Payable

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Operating Creditors	23,018	77,524	160
Accruals	50,715	25,000	3,250
Employee Entitlements - Salaries	183,458	150,000	-
Employee Entitlements - Leave Accrual	7,305	6,000	-
	<u>264,496</u>	<u>258,524</u>	<u>3,410</u>
Payables for Exchange Transactions	264,471	258,524	3,410
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	25	-	-
	<u>264,496</u>	<u>258,524</u>	<u>3,410</u>

The carrying value of payables approximates their fair value.



## 12. 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.

He Puna Marama Trust are the landlord of the buildings leased by the Ministry. Three members of the Board from He Puna Marama Trust are also a member of the Board of Trustees in Te Kapehu Whetu Combined namely, Raewyn Tipene, James Nair & Adrian Warren. Te Kapehu Whetu Combined pays He Puna Marama Trust by way of administration fees for providing Accounting, HR Support, H&S Support, Property and IT Support. This is reflected in note 5 of these financial statements under service providers, contractors and consultancy.

## 13. Remuneration

### Key management personnel compensation

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

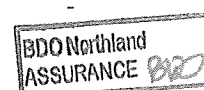
	2019 Actual \$	2018 Actual \$
<i>Board Members</i>		
Remuneration	11,600	800
Full-time equivalent members	0.19	0.01
<i>Leadership Team</i>		
Remuneration	915,885	-
Full-time equivalent members	8	-
Total key management personnel remuneration	927,485	800
Total full-time equivalent personnel	8.19	0.01

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:

	2019 Actual \$000	2018 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Principal A		
Salary and Other Payments	130 - 140	-
Benefits and Other Emoluments	4	-
Termination Benefits	-	-
Principal B		
Salary and Other Payments	100 - 110	-
Benefits and Other Emoluments	3	-
Termination Benefits	22	-
Principal C (Part Year)		
Salary and Other Payments	60 - 70	-
Benefits and Other Emoluments	-	-
Termination Benefits	-	-



#### Other Employees

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

Remuneration \$000	2019 FTE Number	2018 FTE Number
100 - 110	4.00	0.00
110 - 120	1.00	0.00
	5.00	0.00

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

#### 14. 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:

	2019 Actual	2018 Actual
Total	\$ 47,253	-
Number of People	2	-

#### 15. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2019 (Contingent liabilities and assets at 31 December 2018: nil).

##### Holidays Act Compliance – schools payroll

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

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

To the extent that any obligation cannot reasonably be quantified at 31 December 2019, a contingent liability for the school may exist.

#### 16. Commitments

##### (a) Capital Commitments

As at 31 December 2019 the Board has not entered into any contract agreements for capital works.

(Capital commitments at 31 December 2018; committed to the purchase of agreed items of property, plant and equipment from He Puna Marama Trust)





## (b) Operating Commitments

As at 31 December 2019 the Board has entered into the following contracts:

(a) operating lease of vehicles, copier and computers;

	2019 Actual \$	2018 Actual \$
No later than One Year	82,501	-
Later than One Year and No Later than Five Years	85,255	-
Later than Five Years	-	-
	<u>167,756</u>	<u>-</u>

## 17. 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.

## 18. 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 (2018: Loans and receivables)

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Cash and Cash Equivalents	1,025,426	1,000,000	1,381,230
Receivables	301,716	300,000	-
Total Financial assets measured at amortised cost	<u>1,327,141</u>	<u>1,300,000</u>	<u>1,381,230</u>

### Financial liabilities measured at amortised cost

Payables	264,471	258,524	3,410
Total Financial Liabilities Measured at Amortised Cost	<u>264,471</u>	<u>258,524</u>	<u>3,410</u>

## 19. Events After Balance Date

- The Principal of Te Kapehu Whetu Tuakana has resigned and a replacement is being recruited.

- On March 11, 2020, the World Health Organisation declared the outbreak of COVID-19 (a novel Coronavirus) a pandemic. Two weeks later, on 26 March, New Zealand increased its' COVID-19 alert level to level 4 and a nationwide lockdown commenced. As part of this lockdown all schools were closed until 18 May 2020.

At the date of issuing the financial statements, the school has been able to absorb the majority of the impact from the nationwide lockdown as it was decided to start the annual Easter School holidays early. In the periods the school was physically closed but open for tuition, the school switched to alternative methods of delivering the curriculum, so students can learn remotely.

At this time the full financial impact of the COVID-19 pandemic is not able to be determined, but it is not expected to be significant to the school. The school will continue to receive funding from the Ministry of Education, even while closed.

## 20. Adoption of PBE IFRS 9 Financial Instruments

In accordance with the transitional provisions of PBE IFRS 9, the school has elected not to restate the information for previous years to comply with PBE IFRS 9. Adjustments arising from the adoption of PBE IFRS 9 are recognised in opening equity at 1 January 2019. Accounting policies have been updated to comply with PBE IFRS 9. The main updates are:

- Note 8 Receivables: This policy has been updated to reflect that the impairment of short-term receivables is now determined by applying an expected credit loss model.

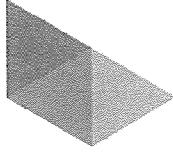
- Note 9 Investments:

Term deposits: This policy has been updated to explain that a loss allowance for expected credit losses is recognised only if the estimated loss allowance is not trivial.

Upon transition to PBE IFRS9 there were no material adjustments to these financial statements



# Analysis of Variance Reporting



<b>School Name:</b>	Te Kāpehu Whetū – Kura Tuakana		<b>School Number:</b> 870
<b>Strategic Aim:</b>	To affirm and strengthen our special designated character across all aspects of kura life.		
<b>Annual Aim:</b>	To cultivate and strengthen learning partnerships between and among ākonga, pouako, and our kura whanau whanui.		
<b>Target:</b>	Provide a programme/pathway within the Leadership Academy for boys enrolled at kura Tuakana. Provide a Mareikura programme for girls enrolled at kura Tuakana. Mentoring programme for Pouarahi (Senior Prefects)		
<b>Baseline Data:</b>	Total School Roll  86	Academy Participants	37
		Mareikura Participants	49
		Pouarahi (Senior Prefects)	12

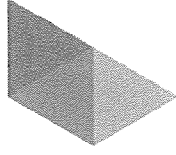
<b>Actions</b> <i>What did we do?</i>	<b>Outcomes</b> <i>What happened?</i>	<b>Reasons for the variance</b> <i>Why did it happen?</i>	<b>Evaluation</b> <i>Where to next?</i>
<p>Implemented and monitored participation in the following initiatives;</p> <ul style="list-style-type: none"> <li>✓ Leadership Academy of A Company – weekly programme</li> <li>✓ Mareikura Leadership Programme – weekly programme</li> <li>✓ Pouarahi (Prefect) Development Programme – Fortnightly</li> </ul>	<p>Participation in these programmes resulted in increased confidence and participation in various cultural activities within the kura, and gave ākonga clarity of their roles and responsibilities within a kura context.</p> <p>Academy cadets are the face of the Leadership Academy of A Company. Mentoring of these ākonga is done by Academy personnel.</p> <p>Mareikura participants play a crucial role within our kura (from a tikanga perspective).</p> <p>Empowerment and connectedness continues to be a focus for this group of learners.</p> <p>Pouarahi participants are the face of our senior school leadership group. They have assumed leadership roles maintaining the mana of nga pou e toru</p> <ul style="list-style-type: none"> <li>- Kia Māori</li> <li>- Kia Mātāu</li> <li>- Kia Tu Rangatira ai</li> </ul>	<p>In order to meet our obligations under Te Tiriti O Waitangi (Article 3) as outlined in our Charter, (which grants us the rights of citizenship which were affirmed by the men of the 28 (Māori) Battalion), the focus will continue to be the delivery key leadership initiatives within kura Tuakana.</p> <p>Improving educational outcomes for Māori learners is our priority. We aim to continue to do this through cultivating and strengthening learning partnerships.</p> <p>The outcomes for these targeted initiatives are being met with some degree of variance which were impacted by:</p> <ul style="list-style-type: none"> <li>- Attendance &amp; participation</li> <li>- Sharing of information across programmes to ensure an alignment of targeted outcomes was being reached</li> <li>- Future focus (Planning)</li> </ul>	<p>Strengthen and develop a seamless transition between kura teina and kura tuakana with regard to;</p> <ul style="list-style-type: none"> <li>- Leadership Academy</li> <li>- Mareikura Development</li> <li>- Pouarahi Leadership &amp; Recruitment</li> </ul> <p>Build pouako/ākonga efficacy in collaborative ways of working through targeted PLD opportunities.</p> <p>Conduct a review of pouako, ākonga &amp; whānau wellbeing and participation/feedback to inform future programme development.</p>

Planning for next year:

Self-review;

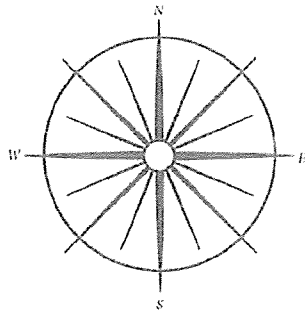
- Staff
  - Students
  - Whanau voice
- Support PLD initiatives for staff
  - Support participation at external leadership programmes for rangatahi
  - Provide a platform for whanau to contribute in governance matters

# Tuku Pūrongo Tātaritanga



Ingoa o te Kura:	Te Kāpehu Whetū Teina	Tau o te Kura:	00869
<b>Whāinga Ratutaki:</b>	Ki te whakawhanake i ngā putanga ako Reo Matatini mo ngā ākonga.		
<b>Te whāinga ā-tau:</b>	Ki te whakawhanake i ngā putanga ako Reo Matatini mo ngā ākonga Tau 5.		
<b>Keo:</b>	Kia ū tonu 85% on ngā ākonga Tau 5 ki te Manawa ora/ Mānawa Toa mo te Reo Kōrero. Kia eke 85% on ngā ākonga Tau 5 ki te Manawa ora/ Mānawa Toa mo te Reo Pānui.		
<b>Te Papa Raraunga:</b>	<p>I Tātari ngā raraunga Reo Matatini mo te Kura whānau i te Kohitātea, i tautuhi he nui ngā ākonga kei te Manawa Aki/ Manawa Taki mo te pānui. O ngā roopu tau katoa ko ngā tau 5 te keo mo te tau 2019: Tau 5, 16 (18.8%).</p> <p>Ka kitea mai i ngā raraunga:</p> <ul style="list-style-type: none"><li>• Kahore he nui ngā rerekētanga o te raraunga ki waenganui i ngā tama me ngā kōtiro (Kōtiro 25.0%, tama 12.5%).</li><li>• Āta arohaehae i ngā tukanga aromatawai</li><li>• Āta arohaehae i ngā tukana whakamahere i ngā whainga ako hāngai ki ngā akoranga whanaketanga pānui</li><li>• Āta arohaehae i ngā tukanga whakaako i te pānui.</li></ul>		

<p><b>Ngā Mahi</b> <i>I aha mātou?</i></p>	<p><b>Ngā Whakataunga</b> <i>I ahatia?</i></p>	<p><b>Ngā take mō te rerekētanga</b> <i>He aha i pērā ai?</i></p>	<p><b>Arotakenga</b> <i>Me ahu pēhea ināianei?</i></p>
<p>Whakangungu ki te taha a ngā pouako ki ngā tukanga a te aromatawai pānui haere.</p>	<p>I whakaharatau ngā pouako ki te rauemi pūkete pānui haere.</p>	<p>Kia mātatika ngā tukunga a ngā pouako katoa o te kura.</p>	<p>Whakaharatau i ngā tikanga tukanga pānui haere i a wāhanga tuatahi, tuatoru o te tau.</p>
<p>Whakangungu me ngā pouako ki te arohaehae i ngā raraunga mai i ngā pānui haere.</p>	<p>I whakaharatau ngā pouako ki te wetewete i ngā raraunga arohaehae kātahi ka whakarite māhere e hāngai tika ana ki ngā kitenga.</p>	<p>Kia hāngai tōtika ngā akoranga ki ngā whanaketanga akoranga pānui a ngā tamariki.</p>	<p>Ki te whakapakari i ngā pukenga a ngā pouako i roto i te reo matatini.</p>
<p>Whakaritea he hōtaka whakapiki mo rātou kei ngā taumata akoranga o te Manawa Aki/Taki.</p>	<p>I whakaritea he hōtaka TTT (tatari, tautoko, tauawhi)</p>	<p>Kia noho tuakana/ teina ngā ākonga pakari i te pānui ki a rātou e ako tonu i ngā ahuatanga o te kai pānui.</p>	<p>Kua whakawātea he wā (20meneti) kia noho tahi tuakana/ teina i raro i te hōtaka TTT.</p>
<p>Arohaehae i ngā raraunga ā kura i a wāhanga. Āta aro kia rātou kei te Manawa aki/ Taki e pānui ana.</p>	<p>Whakatauiria i ngā whanonga/ ahuatanga o te hunga pānui. He aha ngā mahi, te āhua o te hunga mōhio ki te pānui.</p>	<p>Kia tūhura ngā ākonga ki ngā momo o te kai pānui, he tauira.</p>	<p>Hoko rauemi e hānagi ana ki ngā kaupapa ngākaunuitia e ngā ākonga. Hoko rauemi kei ngā taumata e tika ana, anō hoki e wero ana i ngā ākonga.</p>
<p>I whakaritea he rōpu i runga i ngā taumata akoranga mo te pānui.</p>	<p>Ka noho tahi ngā ākonga ki ngā roopu akoranga 5-6 ākonga ki ia te roopu. Ka mahi tahi ngā roopu nei ki te taha o tētahi pouako i a te rā.</p>	<p>Kia kitea ā kanohi te pouako i ngā ākonga me te tautoko whakawhiti kōrero e ahu pēhea ana ngā akoranga.</p>	<p>Hui tahi ki te wānanga i ngā whanaketanga o ia roopu.</p>
<p><b>Te Whakamahere mō tērā tau:</b></p> <ul style="list-style-type: none"> <li>• Tautoko tonu i ngā ākonga kei te tau 6 a tērā tau.</li> <li>• Tātari i ngā raraunga ā Kura, kātahi ka whakaritea he wā ki roto i ngā hui a whare ki te whakawhiti kōrero e hāngai ana ki ngā akoranga o ngā tauira.</li> <li>• Whakarite he wā whakangungu i ngā tukanga aromatawai o te kura.</li> <li>• Tautoko tonu i te hōtaka TTT, ēngari whakawhānui atu i ngā tau 7-8 hoki.</li> <li>• Whakarite he manuhiri pānui tahi ki ngā ākonga.</li> </ul>			



# TE KĀPEHU WHETŪ

*Navigating Māori Futures*

25 May 2020

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## KiwiSport Funding Report 2019/2020

KiwiSport Funding is used to support student participation in organised sport within our kura alongside the following programmes;

- High performance sports programme (Tuesday & Thursday – 7.30am-8.30am)
- Participation in regional senior volleyball competitions & entry into locally run volleyball competitions

KiwiSport funding is used to fund part of the Sport Coordinator's salary. This is an integral role in our kura and is pivotal to ensuring that our students have access to sporting opportunities both locally and regionally.

Maia Cooper

## **Te Kapehu Whetu - Teina**

Kiwi sport is a Government funding initiative to support ākonga participation in organized sport. The funds were used to develop new sports such as Basketball, badminton, table tennis and Ki O Rahi and to purchase equipment to support these codes. In 2019 we introduced swimming to our years 7/8 and also took all of our year 7/8 to Tauranga to participate in AIMS games.

All of our year 3-8 ākonga partake in interschool competitions. We also have a large number of ākonga who participate in afterschool and weekend competitions.

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## INDEPENDENT AUDITOR'S REPORT

### TO THE READERS OF TE KAPEHU WHETU'S CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

The Auditor-General is the auditor of Te Kapehu Whetu Consolidated Teina & Tuakana (the School). The Auditor-General has appointed me, Adelle Allbon, using the staff and resources of BDO Northland, 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 4 to 17, that comprise the statement of financial position as at 31 December 2019, 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 2019; 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 PBE Accounting Standards Reduced Disclosure Regime.

Our audit was completed on 29 May 2020. This is the date at which our opinion is expressed.

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

#### Emphasis of Matter - COVID-19

Without modifying our opinion, we draw attention to the disclosures in note 19 on page 17 which outlines the possible effects of the Alert Level 4 lockdown as a result of the COVID-19 pandemic.

#### Basis for our opinion

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

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

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

PARTNERS: Adelle Allbon    Greg Atkins    Angela Edwards    Scott Kennedy    Robyn Terlesk

BDO New Zealand Ltd, a New Zealand limited liability company, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms. BDO New Zealand is a national association of independent member firms which operate as separate legal entities.

## Responsibilities of the Board of Trustees for the financial statements

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

Our responsibilities arise from the Public Audit Act 2001.

#### Other information

The Board of Trustees is responsible for the other information. The other information comprises the Analysis of Variance reports, the Kiwi Sport Statements, the List of Trustees and Statement of Responsibility which form part of the Annual Report, but does not include the financial statements, and our auditor's report thereon.

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

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

#### Independence

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

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



Adelle Allbon  
BDO Northland  
On behalf of the Auditor-General  
Whangarei, New Zealand