

# KARAMU HIGH SCHOOL

## ANNUAL REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2019

#### School Directory

**Ministry Number:** 229

**Principal:** Michael Leitch

**School Address:** Windsor Avenue, Parkvale, Hastings 4122

**School Postal Address:** P O Box 346, Hastings 4156

**School Phone:** 06 8787139

**School Email:** [admin@karamu.school.nz](mailto:admin@karamu.school.nz)

#### Members of the Board of Trustees

Name	Position	How Position Gained	Occupation	Term Expired/ Expires
David de Lange	Chair Person	Elected	NZ Police	2022
Dionne Thomas	Principal ex Officio		Principal	
Jonathan Brookes	Parent Rep	Elected	Horticulture Consultant	2022
Jonathan Marks	Parent Rep	Elected	Engineer	2022
Tanya Douglas	Parent Rep	Elected	Accountant	2022
Nic Richards	Parent Rep	Elected	QC	2022
Michael Leitch	Principal ex Officio	Elected	Principal	27/01/2020
Ian Horsefield	Parent Rep	Elected	Export Manager	2019
Kate Holden	Parent Rep	Elected	Teacher	2019
Amy Walford	Parent Rep	Elected	Hospital Play Specialist	Resigned 2019
Brad MacDonald	Parent Rep	Elected	Finance	Resigned 2019
Les Buckley	Parent Rep	Elected	Lecturer	Resigned 2019
Sarah Gunn	Staff Rep	Elected	Teacher	2022
Shakoa Puketapu	Student Trustee	Elected	Student	2019
Abigail Kilkolly	Student Trustee	Elected	Student	2019
Charlene Fun-nell	Student Trustee	Elected	Student	2020

#### Accountant / Service Provider:

Epplett & Co Limited  
Chartered Accountants

# KARAMU HIGH SCHOOL

Annual Report - For the year ended 31 December 2019

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# Karamu High School

## Statement of Responsibility

For the year ended 31 December 2019

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 2019 fairly reflects the financial position and operations of the school.

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

DAVID LAURUS DE LAURE

Full Name of Board Chairperson



Signature of Board Chairperson

29/5/2020

Date:

MICHAEL PAUL LEITCH

Full Name of Principal



Signature of Principal

29/5/2020

Date:

# Karamu High School

## Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2019

		2019	2019	2018
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
<b>Revenue</b>				
Government Grants	2	8,550,328	1,924,500	8,159,162
Locally Raised Funds	3	1,002,206	551,958	868,005
Interest income		9,642	2,000	8,464
Other Revenue		-	-	-
		<hr/>	<hr/>	<hr/>
		9,562,176	2,478,458	9,035,631
<b>Expenses</b>				
Locally Raised Funds	3	545,138	240,756	437,193
Learning Resources	4	6,279,256	967,986	5,998,572
Administration	5	580,924	501,211	556,343
Finance		10,945	-	6,766
Property	6	1,860,962	505,500	1,733,909
Depreciation	7	238,663	220,000	230,533
Loss on Disposal of Property, Plant and Equipment		48,809	-	16,013
		<hr/>	<hr/>	<hr/>
		9,564,697	2,435,453	8,979,329
<b>Net Surplus / (Deficit) for the year</b>		(2,521)	43,005	56,302
Other Comprehensive Revenue and Expenses		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
		(2,521)	43,005	56,302

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

**Karamu High School**  
**Statement of Changes in Net Assets/Equity**

For the year ended 31 December 2019

	Notes	Actual 2019 \$	Budget (Unaudited) 2019 \$	Actual 2018 \$
<b>Balance at 1 January</b>		<u>2,002,260</u>	<u>2,002,260</u>	<u>1,945,958</u>
Total comprehensive revenue and expense for the year		(2,521)	43,005	56,302
Capital Contributions from the Ministry of Education Contribution - Furniture and Equipment Grant		19,960	20,000	-
<b>Equity at 31 December</b>	23	<u>2,019,699</u>	<u>2,065,265</u>	<u>2,002,260</u>
Retained Earnings		2,019,699	2,065,265	2,002,260
<b>Equity at 31 December</b>		<u>2,019,699</u>	<u>2,065,265</u>	<u>2,002,260</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.

# Karamu High School

## 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	565,228	565,090	201,298
Funds Due for Capital Works Projects	17			10,764
Accounts Receivable	9	385,959	386,550	384,924
GST Receivable		9,067	8,500	34,387
Prepayments		29,767	29,000	144,107
Inventories	10	134,483	130,750	143,635
Investments	11	364,084	365,000	256,602
		<u>1,488,588</u>	<u>1,484,890</u>	<u>1,175,717</u>
<b>Current Liabilities</b>				
Accounts Payable	13	597,046	585,500	534,678
Revenue Received in Advance	14	128,723	130,000	271,205
Provision for Cyclical Maintenance	15	16,150	18,000	16,716
Finance Lease Liability - Current Portion	16	45,651	40,000	50,954
Funds held for Capital Works Projects	17	259,799	250,025	2,013
		<u>1,047,369</u>	<u>1,023,525</u>	<u>875,566</u>
<b>Working Capital Surplus/(Deficit)</b>		441,219	461,365	300,151
<b>Non-current Assets</b>				
Investments	11	-	-	-
Property, Plant and Equipment	12	1,787,194	1,801,400	1,910,274
		<u>1,787,194</u>	<u>1,801,400</u>	<u>1,910,274</u>
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	15	113,599	102,500	92,447
Finance Lease Liability	16	95,114	95,000	115,718
		<u>208,713</u>	<u>197,500</u>	<u>208,165</u>
<b>Net Assets</b>		<u>2,019,700</u>	<u>2,065,265</u>	<u>2,002,260</u>
<b>Equity</b>	23	<u>2,019,699</u>	<u>2,065,265</u>	<u>2,002,260</u>

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

**Karamu High School**  
**Statement of Cash Flows**  
For the year ended 31 December 2019

		<b>2019</b>	<b>2019</b>	<b>2018</b>
	<b>Note</b>	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>
		<b>\$</b>	<b>(Unaudited)</b>	<b>\$</b>
			<b>\$</b>	
<b>Cash flows from Operating Activities</b>				
Government Grants		1,942,658	1,924,500	1,874,919
Locally Raised Funds		857,609	539,773	903,459
Funds Collected from Students for future overseas trips		-	(130,316)	92,201
International Students		-	-	-
Goods and Services Tax (net)		25,320	25,887	(32,766)
Payments to Employees		(730,113)	(630,192)	(780,812)
Payments to Suppliers		(1,719,603)	(1,302,403)	(1,989,013)
Cyclical Maintenance Payments in the year		(0)	(91,663)	(9,198)
Interest Paid		(10,945)	-	(6,766)
Interest Received		8,274	626	10,287
<b>Net cash from Operating Activities</b>		<b>373,200</b>	<b>336,213</b>	<b>62,311</b>
<b>Cash flows from Investing Activities</b>				
Proceeds from Sale of PPE (and Intangibles)		-	(119)	1,762
Purchase of PPE (and Intangibles)		(132,349)	(131,315)	(125,713)
Purchase of Investments		(107,482)	(108,398)	(9,412)
Proceeds from Sale of Investments		-	-	-
<b>Net cash from Investing Activities</b>		<b>(239,830)</b>	<b>(239,832)</b>	<b>(133,363)</b>
<b>Cash flows from Financing Activities</b>				
Furniture and Equipment Grant		19,960	20,000	-
Finance Lease Payments		(57,948)	(11,363)	(28,444)
Painting contract payments		-	-	-
Loans Received/ Repayment of Loans		-	-	-
Funds Administered on Behalf of Third Parties		-	-	-
Funds Held for Capital Works Projects		268,549	258,776	(526,908)
<b>Net cash from Financing Activities</b>		<b>230,562</b>	<b>267,413</b>	<b>(555,352)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>363,931</b>	<b>363,793</b>	<b>(626,404)</b>
Cash and cash equivalents at the beginning of the year	8	201,298	201,298	827,702
<b>Cash and cash equivalents at the end of the year</b>	<b>8</b>	<b>565,229</b>	<b>565,090</b>	<b>201,298</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..

# Karamu High School

## Notes to the Financial Statements

### For the year ended 31 December 2019

#### 1. Statement of Accounting Policies

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

Karamu High School (the School) is a Crown entity as specified in the Crown Entities Act 2004 and a school as described in the Education Act 1989. 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 2019 to 31 December 2019 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 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. PBE IFRS 9 is provided in Note 26.

###### ***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 12.

### ***Critical Judgements in applying accounting policies***

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

#### ***Classification of leases***

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

#### ***Recognition of grants***

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

### **c) Revenue Recognition**

#### ***Government Grants***

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

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

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

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

#### ***Other Grants***

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

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

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

### **Interest Revenue**

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

### **d) Use of Land and Buildings Expense**

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

### **e) 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. 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.*

### **i) Inventories**

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

## **j) Investments**

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

### **Prior Year Policy**

*Bank term deposits for periods exceeding 90 days are classified as investments and are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance. After initial recognition bank term deposits are measured at amortised cost using the effective interest method less impairment.*

*Investments that are shares are categorised as “available for sale” for accounting purposes in accordance with financial reporting standards. Share investments are recognised initially by the School at fair value plus transaction costs. At balance date the School has assessed whether there is any evidence that an investment is impaired. Any impairment, gains or losses are recognised in the Statement of Comprehensive Revenue and Expense.*

*After initial recognition any investments categorised as available for sale are measured at their fair value without any deduction for transaction costs the school may incur on sale or other disposal.*

## **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.

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.

### **Depreciation**

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

The estimated useful lives of the assets are:

Building improvements to Crown Owned Assets	10–75 years
Furniture and equipment	10–15 years
Information and communication technology	10 Years
Motor vehicles	10 Years
Textbooks	8 Years
Leased assets held under a Finance Lease	3 Years
Library resources	12.5% Diminishing value

## **l) Intangible Assets**

### *Software costs*

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

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

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

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

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

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

### *Non cash generating assets*

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

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

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

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

## **n) Accounts Payable**

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

## **o) Employee Entitlements**

### *Short-term employee entitlements*

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

These include salaries and wages accrued up to balance date, annual leave earned 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 for Overseas trips, Uniforms and other school items 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 Comprehensive Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose at any time.

**r) 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).

**s) Financial Assets and Liabilities**

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 "loans and receivables" for accounting purposes in accordance with financial reporting standards.

Investments that are shares are categorised as "available for sale" 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.

**t) 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.

**u) Budget Figures**

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

**v) Services received in-kind**

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

## 2. Government Grants

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operational Grants	1,839,725	1,850,000	1,782,130
Teachers' Salaries Grants	5,149,663	-	4,892,687
Use of Land and Buildings Grants	1,446,568	-	1,379,062
Resource Teachers Learning and Behaviour Grants	85,691	55,000	50,510
Other MoE Grants	28,681	19,500	50,860
Other Government Grants	-	-	3,913
	<b>8,550,328</b>	<b>1,924,500</b>	<b>8,159,162</b>

## 3. Locally Raised Funds

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

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
<b>Revenue</b>			
Donations	91,717	87,000	95,531
Curriculum Recoveries	132,981	125,620	127,805
Activities	156,256	55,000	203,914
Trading	331,547	284,138	287,193
Overseas Travel Contributions	260,831	-	145,471
Other Revenue	28,875	200	8,091
	<b>1,002,206</b>	<b>551,958</b>	<b>868,005</b>
<b>Expenses</b>			
Activities	4,747	-	1,550
Trading	279,560	240,756	258,390
Overseas Travel	260,831	-	146,025
Other Locally Raised Funds Expenditure	-	-	31,229
	<b>545,138</b>	<b>240,756</b>	<b>437,193</b>
	<b>457,068</b>	<b>311,202</b>	<b>430,812</b>

*Surplus/ (Deficit) for the year Locally raised funds*

### History Trip to London, Europe 2019

The purpose of this trip was to broaden the students' horizons and help them understand historical concepts by travelling to places with rich historical backgrounds, in particular areas of the curriculum studied at Karamu. As well as looking at historical sights they also had the opportunity to extend their personal view of the world by being a tourist in Europe and also it helped them to develop their personal and group skills as a result of spending three weeks away from home on the other side of the world.

The trip was for students who were in Year 12 or 13 in 2019. There were 15 students ( 11 female and 4 male) and 2 staff.

### Science Trip to Europe 2019

The nature of the trip was to enable the students to see science in the real world, exposure to aspects of the curriculum, visit future focussed issues/sustainability/projects, engage with global communities, encourage curiosity, develop competencies within students, exposure to possible career or further learning pathways, making connections Experiencing the values of other cultures

18 Students (9 Female/9 Male) & 3 teachers (2 female, 1 male) went on the trip.

The trip was funded by the students with fundraising and the school covered relief costs for SGU.

#### 4. Learning Resources

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	469,318	410,500	420,038
Equipment Repairs	-	-	86
Information and Communication Technology	6,437	43,000	40,978
Extra-Curricular Activities	199,557	165,134	205,685
Library Resources	46,308	37,136	42,161
Employee Benefits - Salaries	5,525,182	290,216	5,267,587
Staff Development	32,454	22,000	22,036
	<u>6,279,256</u>	<u>967,986</u>	<u>5,998,572</u>

#### 5. Administration

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	10,204	9,000	9,577
Board of Trustees Fees	3,555	5,000	4,490
Board of Trustees Expenses	16,531	12,800	9,432
Communication	9,426	10,000	11,487
Consumables	14,734	17,000	14,508
Other	142,463	89,411	128,907
Employee Benefits - Salaries	319,241	300,000	314,753
Insurance	16,181	18,000	15,900
Service Providers, Contractors and Consultancy	48,589	40,000	47,289
	<u>580,924</u>	<u>501,211</u>	<u>556,343</u>

#### 6. Property

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	140,263	143,000	140,868
Cyclical Maintenance Provision	20,586	103,000	(54,483)
Grounds	19,717	21,000	17,746
Heat, Light and Water	92,528	81,500	84,424
Rates	2,284	3,000	2,622
Repairs and Maintenance	38,109	59,000	65,727
Use of Land and Buildings	1,446,568	-	1,379,062
Security	5,178	7,000	5,544
Employee Benefits - Salaries	95,730	88,000	92,399
	<u>1,860,962</u>	<u>505,500</u>	<u>1,733,909</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.



## 7. Depreciation

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Buildings - School	-	-	-
Building Improvements - Crown	18,666	18,000	19,156
Furniture and Equipment	84,519	78,700	88,679
Information and Communication Technology	66,932	60,300	66,438
Motor Vehicles	15,607	15,000	15,868
Textbooks	-	-	75
Leased Assets	44,162	40,000	31,431
Library Resources	8,777	8,000	8,886
	<u>238,663</u>	<u>220,000</u>	<u>230,533</u>

## 8. Cash and Cash Equivalents

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Cash on Hand	285	300	187
Bank Current Account	35,934	35,000	33,875
Bank Call Account	529,009	529,790	167,236
Short-term Bank Deposits	-	-	-
Cash and cash equivalents for Cash Flow Statement	<u>565,228</u>	<u>565,090</u>	<u>201,298</u>

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

Of the \$565,228 Cash and Cash Equivalents, \$259,799 is held by the School on behalf of the Ministry of Education. These funds are required to be spent in 2020 on Crown owned school buildings under the School's Five Year Property Plan.

Of the \$565,228 Cash and Cash Equivalents, \$2,430 of unspent grant funding is held by the School. This funding is subject to restrictions which specify how the grant is required to be spent in providing specified deliverables of the grant arrangement.

## 9. Accounts Receivable

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Receivables	5,869	5,050	3,754
Interest Receivable	1,494	1,500	126
Banking Staffing Underuse	-	-	-
Teacher Salaries Grant Receivable	378,596	380,000	381,044
	<u>385,959</u>	<u>386,550</u>	<u>384,924</u>
Receivables from Exchange Transactions	7,363	6,550	3,880
Receivables from Non-Exchange Transactions	<u>378,596</u>	<u>380,000</u>	<u>381,044</u>
	<u>385,959</u>	<u>386,550</u>	<u>384,924</u>

## 10. Inventories

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
School Uniforms	133,733	130,000	140,808
Canteen	750	750	2,827
	<u>134,483</u>	<u>130,750</u>	<u>143,635</u>

## 11. Investments

The School's investment activities are classified as follows:

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Current Asset			
Short-term Bank Deposits	364,084	365,000	256,602
Non-current Asset			
Long-term Bank Deposits	-	-	-
Total Investments	<u>364,084</u>	<u>365,000</u>	<u>256,602</u>

## 12. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2019	\$	\$	\$	\$	\$	\$
Land	-	-	-	-	-	-
Buildings	-	-	-	-	-	-
Building Improvements	707,274	-	-	(16,614)	(18,666)	671,994
Furniture and Equipment	510,077	64,964	(1,245)	-	(84,519)	489,277
Information and Communication	376,698	60,648	(12,528)	-	(66,932)	357,886
Motor Vehicles	88,557	-	(1,696)	-	(15,607)	71,254
Textbooks	524	-	(524)	-	-	(0)
Leased Assets	160,715	32,041	(16,419)	-	(44,162)	132,175
Library Resources	66,429	6,955	-	-	(8,777)	64,607
<b>Balance at 31 December 2019</b>	<u>1,910,274</u>	<u>164,608</u>	<u>(32,412)</u>	<u>(16,614)</u>	<u>(238,663)</u>	<u>1,787,193</u>

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

The net carrying value of equipment held under a finance lease is \$132,175 (2018: \$160,715)

	<b>Cost or Valuation</b>	<b>Accumulated Depreciation</b>	<b>Net Book Value</b>
<b>2019</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Land	-	-	-
Buildings	-	-	-
Building Improvements	914,662	(242,668)	<b>671,994</b>
Furniture and Equipment	1,500,214	(1,010,936)	<b>489,278</b>
Information and Communication	713,177	(355,291)	<b>357,886</b>
Motor Vehicles	156,067	(84,813)	<b>71,255</b>
Textbooks	-	-	-
Leased Assets	191,097	(58,922)	<b>132,175</b>
Library Resources	344,191	(279,585)	<b>64,607</b>
<b>Balance at 31 December 2019</b>	<b>3,819,409</b>	<b>(2,032,214)</b>	<b>1,787,194</b>

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
<b>2018</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Land	-	-	-	-	-	-
Buildings	-	-	-	-	-	-
Building Improvements	715,990	10,815	-	(375)	(19,156)	<b>707,274</b>
Furniture and Equipment	575,710	24,147	(1,613)	515	(88,679)	<b>510,080</b>
Information and Communication Technology	377,908	81,579	(15,444)	(908)	(66,438)	<b>376,697</b>
Motor Vehicles	104,426	-	-	-	(15,868)	<b>88,558</b>
Textbooks	598	-	-	-	(75)	<b>523</b>
Leased Assets	37,130	154,998	-	18	(31,431)	<b>160,715</b>
Library Resources	66,108	9,172	-	34	(8,886)	<b>66,428</b>
<b>Balance at 31 December 2018</b>	<b>1,877,870</b>	<b>280,711</b>	<b>(17,057)</b>	<b>(716)</b>	<b>(230,533)</b>	<b>1,910,275</b>

	<b>Cost or Valuation</b>	<b>Accumulated Depreciation</b>	<b>Net Book Value</b>
<b>2018</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Land	-	-	-
Buildings	-	-	-
Building Improvements	939,662	(232,387)	<b>707,274</b>
Furniture and Equipment	1,555,834	(1,045,757)	<b>510,077</b>
Information and Communication Technology	722,185	(345,487)	<b>376,698</b>
Motor Vehicles	158,676	(70,119)	<b>88,557</b>
Textbooks	3,887	(3,363)	<b>524</b>
Leased Assets	211,308	(50,593)	<b>160,715</b>
Library Resources	337,236	(270,807)	<b>66,429</b>
<b>Balance at 31 December 2018</b>	<b>3,928,788</b>	<b>(2,018,514)</b>	<b>1,910,274</b>

### 13. Accounts Payable

	2019	2019	2018
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Operating Creditors	96,941	93,500	81,630
Accruals	30,596	22,000	30,029
Banking Staffing Overuse	-	-	-
Employee Entitlements - Salaries	419,741	420,000	387,034
Employee Entitlements - Leave Accrual	49,768	50,000	35,986
	<u>597,046</u>	<u>585,500</u>	<u>534,678</u>
Payables for Exchange Transactions	597,046	585,500	534,678
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	<u>597,046</u>	<u>585,500</u>	<u>534,678</u>

The carrying value of payables approximates their fair value.

### 14. Revenue Received in Advance

	2019	2019	2018
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Overseas Trip Funds	59,471	60,000	190,316
Other	69,252	70,000	80,889
	<u>128,723</u>	<u>130,000</u>	<u>271,205</u>

### 15. Provision for Cyclical Maintenance

	2019	2019	2018
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Provision at the Start of the Year	109,163	109,163	172,844
Increase/ (decrease) to the Provision During the Year	20,586	103,000	(54,483)
Use of the Provision During the Year	-	(91,663)	(9,198)
Provision at the End of the Year	<u>129,749</u>	<u>120,500</u>	<u>109,163</u>
Cyclical Maintenance - Current	16,150	18,000	16,716
Cyclical Maintenance - Term	113,599	102,500	92,447
	<u>129,749</u>	<u>120,500</u>	<u>109,163</u>

## 16. Finance Lease Liability

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

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
No Later than One Year	57,942	52,000	8,936
Later than One Year and no Later than Five Years	105,245	105,000	621
Later than Five Years	-	-	-
	163,187	157,000	9,557

## 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

	2019	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions	Closing Balances \$
Special Needs Bathroom	<i>completed</i>	2,013	-	2,013	-	-
Reroof and Air Conditioning	<i>completed</i>	(3,269)	3,269	-	-	(0)
T1 & T5 Upgrade	<i>completed</i>	(7,495)	7,973	478	-	(0)
Hall Toilet Upgrade	<i>in progress</i>	-	99,501	6,361	-	93,140
Lighting Fixture Replacement	<i>completed</i>	-	51,750	51,750	-	-
Recladding Tech 2 & 3	<i>in progress</i>	-	168,162	1,504	-	166,659
Totals		(8,751)	330,656	62,106	-	259,799

### Represented by:

Funds Held on Behalf of the Ministry of Education	259,799
Funds Due from the Ministry of Education	(0)
	259,799

	2018	Opening Balances \$	Receipts from MoE \$	Payments \$	Closing Balances \$
Learners Support Area	<i>completed</i>	53,289	-	53,289	-
Special Needs Bathroom	<i>completed</i>	135,689	9,393	143,069	2,013
Reroof and Air Conditioning	<i>completed</i>	140,337	32,762	176,369	(3,269)
T1 & T5 Upgrade	<i>completed</i>	188,842	94,659	290,995	(7,495)
Totals		518,157	136,814	663,722	(8,751)

## 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.

	<b>2019 Actual \$</b>	<b>2018 Actual \$</b>
<i>Board Members</i>		
Remuneration	3,555	4,490
Full-time equivalent members	0.13	0.10
<i>Leadership Team</i>		
Remuneration	1,162,637	644,527
Full-time equivalent members	11	7
Total key management personnel remuneration	1,166,192	649,017
Total full-time equivalent personnel	11.13	7.10

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:

	<b>2019 Actual \$000</b>	<b>2018 Actual \$000</b>
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	160-170	150-160
Benefits and Other Emoluments	4-5	4-5
Termination Benefits	-	-

### *Other Employees*

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

<b>Remuneration \$000</b>	<b>2019 FTE Number</b>	<b>2018 FTE Number</b>
100-110	2.00	2.00
110-120	2.00	1.00
	4.00	3.00

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:

	2019 Actual	2018 Actual
Total	-	-
Number of People	-	-

## 21. 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.

## 22. Commitments

### (a) Capital Commitments

As at 31 December 2019 the Board has entered into contract agreements for capital works as follows:

(a) \$99,501 contract for Hall Toilet Upgrade to be completed in 2020, which will be fully funded by the Ministry of Education. \$99,501 has been received of which \$6,361 has been spent on the project to date; and

(b) \$168,162 contract to have the T2 & 3 Buildings Reclad to be completed in 2020. This project is fully funded by the Ministry and \$168,162 has been received of which \$1,504 has been spent on the project to balance date. This project has been approved by the Ministry.

(Capital commitments at 31 December 2018: \$Nil)

### (b) Operating Commitments

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

(a) operating lease of photocopiers and computer equipment;

	2019 Actual \$	2018 Actual \$
No later than One Year	-	8,935
Later than One Year and No Later than Five Years	-	621
Later than Five Years	-	-
	-	9,556

## 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 (2018: Loans and receivables)

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Cash and Cash Equivalents	565,228	565,090	201,298
Receivables	385,959	386,550	384,924
Investments - Term Deposits	364,084	365,000	256,602
Total Financial assets measured at amortised cost	<u>1,315,271</u>	<u>1,316,640</u>	<u>842,824</u>

### Financial liabilities measured at amortised cost

Payables	597,046	585,500	534,678
Finance Leases	140,765	135,000	166,671
Total Financial Liabilities Measured at Amortised Cost	<u>737,812</u>	<u>720,500</u>	<u>701,349</u>

## 25. Events After Balance Date

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. Subsequently all schools and kura reopened on the 18th 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 is open for tuition, the school has 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.

## 26. 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 9 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 11 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



# KARAMU HIGH SCHOOL



## STATEMENT of VARIANCE

### *2019 Annual Targets*

Reviewed: February 2020

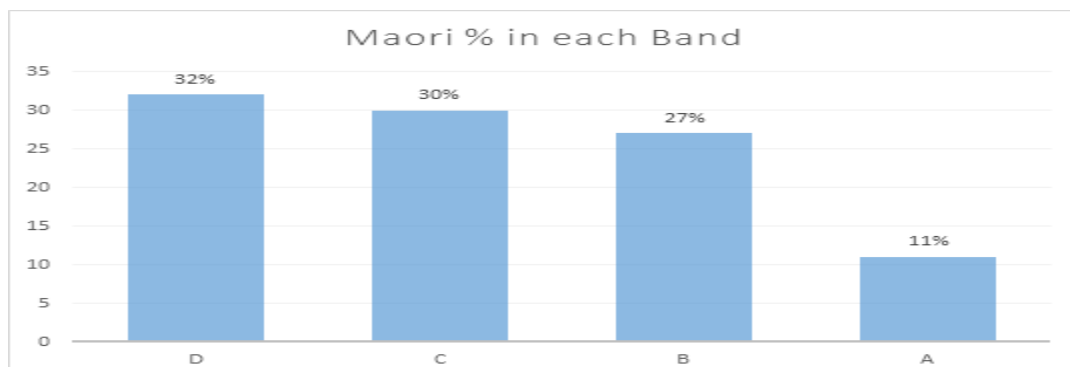
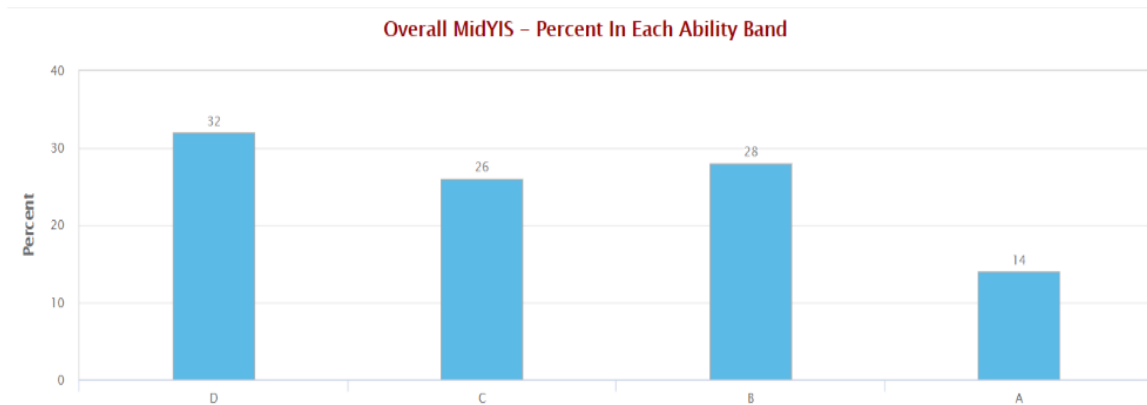
**Strategic Aim:** Promote a culture of Excellence  
Providing multiple pathways to success  
Valuing positive professional relationships as the core fabric of the school  
Embracing and accepting diversity in all its forms

**Core Strategies:**

- Aim to have the highest quality, professional staff with a commitment to professional development and self review
- Commit resourcing that will accelerate learning for at risk students
- Focus on self –management skills and high attendance
- Ensure there is flexibility in the structure and content of the curriculum to cater for our range of students
- Acknowledge student successes
- Foster supportive mentoring and tutoring programme
- Ensure the Treaty of Waitangi informs our decision making
- Ensure the Tataiako Competencies become part of the culture of our school

**Annual Target:** - Raise Year 11 Maori student achievement to above the 2017 overall MIDYIS ability band predictions.

**Baseline Data**



<b>ACTION PLAN</b>			
<b>When</b>	<b>What</b>	<b>Who</b>	<b>Indicators of Progress</b>
Term 1	Student Course Selection	Senior Deans DP Curriculum	Student Results
Term 1	Green Weeks added to timetable (no external events or trips) <ul style="list-style-type: none"> <li>- Week 9 Term 1</li> <li>- Week 8 Term 2</li> <li>- Week 8 Term 3</li> </ul>	SLT	Feedback gathered from staff
Term 1	Student Attendance Plan <ul style="list-style-type: none"> <li>- Deans interview students with attendance issues</li> <li>- In negotiation with whanau/SLT reduce barriers to low attendance ie: adjust courses etc</li> <li>- Letters sent to high attendance issues</li> <li>- Rewards for those with high attendance rates</li> </ul>	Deans	Attendance Rates
Week 8 Term 1 & Week 9 Term 3	Student Achievement Conferences	Yr 11 Form Teachers	Student /Parent Participation Student/Parent Feedback  <i>Presented to the Board at the May meeting.</i>
Term 1	Additional support staff employed to assist with students with higher needs ie: ESOL, Learning Support	DTH / RTI	ESOL student achievement  Enhanced Learners (EL) student achievement  <i>SENCO Report presented to the BoT at July / Dec meetings</i>
Term 1	Target groups identified	SLT	Publish to staff. <i>Presented to the Board at the April meeting.</i>

Term 1	Faculties to set goals and teaching strategies around identified target groups.	HOF's / Teaching Staff	2019 Faculty Goals  <i>Presented to Board during HoF presentations.</i>  <i>PE, Tech, SoS and Maths Presented to the Board in May/June</i>
Term 1-4	Tracking of target groups progress with internal achievement standards	SLT HoFs	Internal Assessment Review Sheets  <i>All Faculties share with DP –Curriculum as completed</i>
Term 1-4	Acknowledgement of student success in assemblies	SLT	Endorsement Assembly Term 1  Milestone Assemblies Term 1-3  Prizegiving Term 4  <i>Increased numbers of acknowledgements</i>
Term 3-4	Employ specific external Examination Strategies ie: Study skills, tutor groups	DP – Curriculum HoFs	All Year 11 students will partake in Study Skills tutorials  <i>Completed Term 3</i>

### Summary:

#### Level 1 NCEA predictions and results for Maori: 2019

Band	Level 1	Predicted	Actual	National	Decile 4-7	2018
C	A	68%	63.9%	56.3%	60.2%	73.6%
B	M	27%	35.9%	28.4%	27.5%	20.8%
A	E	11%	12.8%	9.7%	8.6%	9.4%
	Literacy		90.2%	78.1%	82.2%	93.1%
	Numeracy		83.6%	75.6%	80.1%	83.3%

### Variance:

- Predicted to have 68% pass Level 1 NCEA but 63.9% passed.
- Level 1 with Merit endorsement was higher with 35.9% than the predicted 27%.
- Level 1 with Excellence endorsement was higher with 12.8% than the predicted 11%.
- Level 1 Literacy decreased from 93.1% to 90.2 % from 2018.
- Level 1 Numeracy increased from 83.3% to 83.6 % from 2018.

- Goal not achieved for overall Level 1 NCEA. Higher than National & Decile 4-7. Lower than 2018.
- Level 1 Literacy lower than 2018. Numeracy higher than 2018. Higher than National & Decile 4-7.
- Goal achieved for Level 1 Merit & Excellence endorsements. Higher than National & Decile 4-7. Higher than 2018.

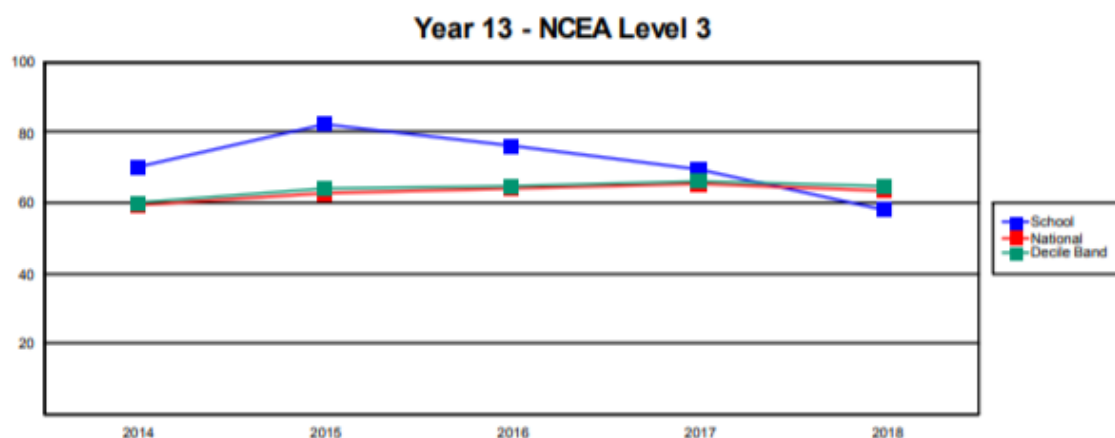
### **Overall Evaluation**

- Regular tracking of students highlighted Maori and those at risk, and strategies were put in place to support them.
- Student Conferences continue with small changes. Another opportunity to inform and reinforce expectations.
- Attendance goal of 90% was encouraged and reiterated by Form Teachers, Deans & SLT. Needs to continue.
- More work is needed around increasing Overall Level 1 NCEA above overall Midyis ability band predictions.

**Goal 2:**

<p><b>Strategic Aim:</b></p>	<p>Promote a culture of Excellence</p> <p><b>Providing multiple pathways to success</b></p> <p>Valuing positive professional relationships as the core fabric of the school</p>
<p><b>Core Strategies:</b></p>	<ul style="list-style-type: none"> <li>• Aim to have the highest quality, professional staff with a commitment to professional development and self review</li> <li>• Commit resourcing that will accelerate learning for at risk students</li> <li>• Focus on self –management skills and high attendance</li> <li>• Ensure there is flexibility in the structure and content of the curriculum to cater for our range of students</li> <li>• Acknowledge student successes</li> <li>• Foster supportive mentoring and tutoring programme</li> </ul>
<p><b>Annual Target:</b></p>	<p>- Raise Level 3 NCEA achievement to at least 10% higher than the Decile 4-7 average.</p>

**Baseline Data**

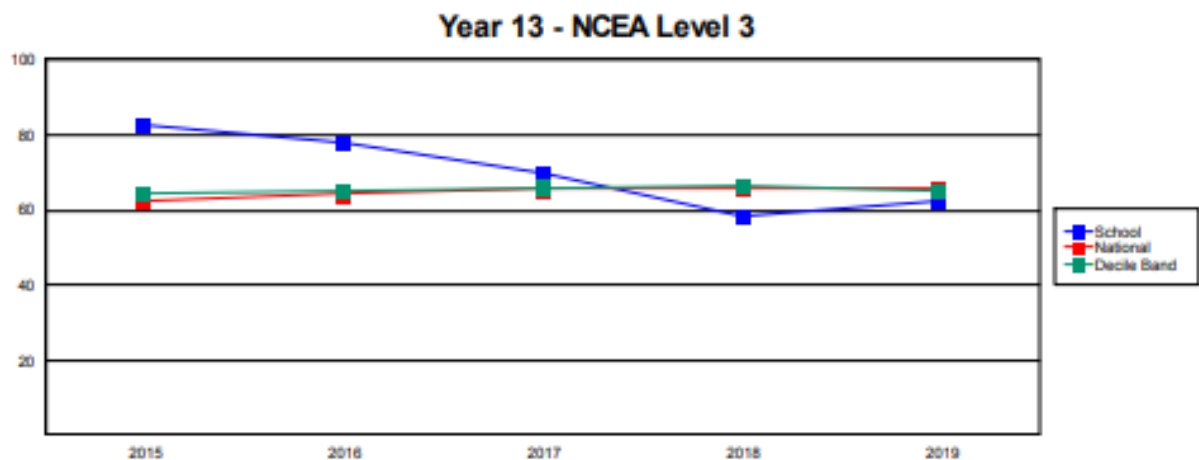


<b>ACTION PLAN</b>			
<b>When</b>	<b>What</b>	<b>Who</b>	<b>Indicators of Progress</b>
Term 1	Student Course Selection	Senior Deans DP Curriculum	Student Results
Week 3/4 Term 1	Year 13 Teachers Brainstorm Strategies	HoFs leads Year 13 teachers	Strategies are shared
Term 1	Green Weeks added to timetable (no external events or trips) - Week 9 Term 1 - Week 8 Term 2 - Week 8 Term 3	SLT	Feedback gathered from staff

Term 1	Teachers with classes of greater than 26pax average are met and solutions mutually agreed	MIL	<i>Completed Feb 2019</i>
Term 1	Additional support staff employed to assist with students with higher needs ie: ESOL, Learning Support	DTH / RTI	ESOL student achievement  Enhanced Learners (EL) student achievement  <i>SENCO Report presented to the BoT at July / Dec meetings</i>
Term 1	Assessment Calendar		<i>Published on Google calendar on Website by 1 March for Term 1, remainder of year by 1 April</i>
Term 1	Target groups identified	SLT	<i>Published to staff. Presented to the Board at the April meeting.</i>
Term 1	Faculties to set goals and teaching strategies around identified target groups.	HOF's / Teaching Staff	<i>Faculty Goals presented to Board during HoF presentations.</i>
Term 2	Vocational Pathways highlighted at key times ie: EIT mid term entry; Speed dating Apprenticeship opportunities; EIT Open Days	JOH/DTH	Career Report
Term 1-4	Tracking of target groups progress with internal achievement standards	SLT HoFs	Internal Assessment Review Sheets  <i>All Faculties share with DP –Curriculum as completed</i>
Term 1-4	Tracking of student attendance	Class teachers/ Form teachers / Deans / WWO/ MIL	Fortnightly reporting to the Principal  Reporting of attendance data to BOT at each meeting.

Term 1-4	Acknowledgement of student success in assemblies	SLT	Endorsement Assembly Term 1  Milestone Assemblies Term 1-3  Prizegiving Term 4 <i>Increased numbers of acknowledgements</i>
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### Summary:



### Variance:

- 2019 Level 3 result (62.7%) is 2.7% lower than the Decile 4-7 average – goal not achieved

### Overall Evaluation

- While the Level 3 percentage has increased (62.7% in 2019 compared to 58.2% in 2018) it is still tracking below the Decile 4-7 (65.4%) and National (65.5%) rates
- Of the 45 students who did not achieve Level 3. Their breakdown is as follows:
  - 20\* left during the year.
  - 2 were aiming for Level 2.
  - 13 need less than 10 credits to achieve Level 3. Of those 5 need less than 5 credits.
  - \* 3 students out of 20 were still on our roll, but had not been attending.
- If we are to make progress on this we must look to employ more explicit strategies in 2020



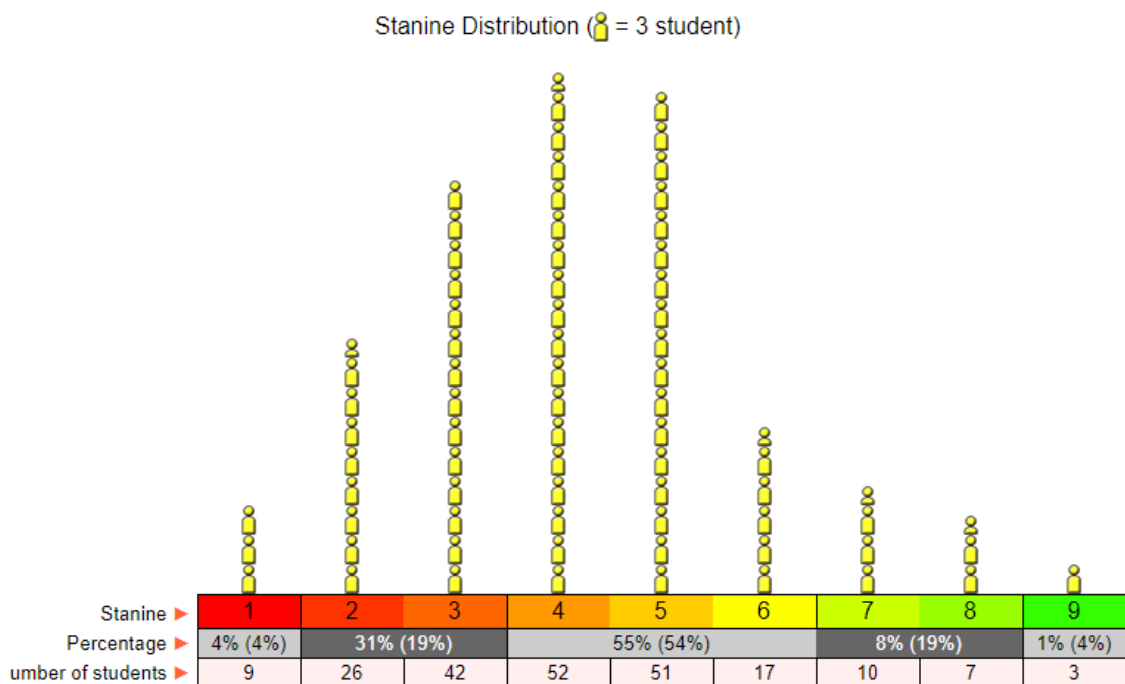
**Goal 3:**

<p><b>Strategic Aim:</b></p>	<p><b>Promote a culture of Excellence</b></p> <p><b>Providing multiple pathways to success</b></p> <p><b>Valuing positive professional relationships as the core fabric of the school</b></p>
<p><b>Core Strategies:</b></p>	<ul style="list-style-type: none"> <li>• Aim to have the highest quality, professional staff with a commitment to professional development and self review</li> <li>• Commit resourcing that will accelerate learning for at risk students</li> <li>• Focus on self –management skills and high attendance</li> <li>• <b>Ensure there is flexibility in the structure and content of the curriculum to cater for our range of students</b></li> <li>• <b>Acknowledge student successes</b></li> </ul>
<p><b>Annual Target:</b> - Progress Year 9 Mathematics achievement at least one stanine.</p>	

**Baseline Data**

**Beginning of Year testing data**

*Numbers in brackets provide statistics for all students in the national reference group*



\* Percentages may not add up to 100 percent due to rounding.

Mean Stanine is 4.1

<b>ACTION PLAN</b>			
<b>When</b>	<b>What</b>	<b>Who</b>	<b>Indicators of Progress</b>
Term 1	<p>Results from CEM Entrance testing re shared</p> <p>PAT Feb testing Results</p> <p>Teachers of Mathematics use the PAT tool to identify the needs of each student</p> <p>Target groups of students identified</p> <p>Twice per term Poutama Pounamu Cohort meet to co construct initiatives around a core target group. Teacher observations and coaching conversations</p>	<p>Curriculum DP</p> <p>Curriculum DP</p> <p>Teacher/Faculty HOF Mathematics</p> <p>Curriculum DP</p> <p>Poutama Pounamu Cohort</p>	<p>Results for PAT Stanine and Scaled Score are uploaded in KAMAR</p> <p><i>Completed 2 March</i></p> <p>Teacher files should contain analysis sheet for student/class</p> <p>Published lists of target students</p> <p><i>Completed 5 March</i></p> <p>An increase in culturally responsive pedagogy</p> <p><i>Term 1 PLD</i></p>
Term 1	Year 13s work with Year 9s on peer tutoring	RTLb	<p>An increase in small group achievement</p> <p><i>RTLb Workshops Term 2</i></p>
Term 1 / 2	Work with contributing schools on collecting useful data for transition	DTH / Principals or DPs of HNI and Heretaunga Int SENCO	<p>Transition Data shared</p> <p><i>Across School COL Work Term 3</i></p>
Term 2/3	<p>Work scaffolded at the appropriate level for students.</p> <p>On-going assessment of the skills needed</p>	Classroom Teacher HOF Mathematics	Evidence in teachers plan book
Term 2/3	Professional development with staff /work alongside students	Within school Kahui Ako facilitator	An increase in small group achievement

	Information shared around mathematics cross curricular.		
Term 3	Education Perfect		Report of usage to BoT  <i>Term 4</i>
Term 4	Students are re-tested using PAT tests  After marking –change in PAT for target Yr9 group is analysed  Teachers use results in their Inquiry	Curriculum DP and Faculties  Curriculum DP  Teacher/Faculty HOF Mathematics	New Stanine and Scaled Score in KAMAR  Excel analysis of comparison  Teacher Inquiry contains evidence

## Summary

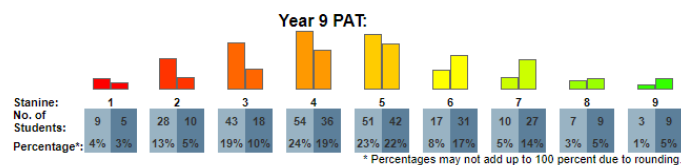
### Stanine Progress Over Time Report Progressive Achievement Test of Mathematics

Filtered by Year 9, All Gender, All Ethnicities, Whole Cohort, 2019 Term 1, 2019 Term 4

Filters

	Number of Students	Mean Stanine	Year Level	Test	Time of Year
Time 1	222	4.1 (5.0)	9	Year 7 - 9	Term 1
Time 2	187	5.1 (5.0)	9	Year 7 - 9	Term 4

Numbers in brackets provide statistics for all students in the national reference group.



#### Key

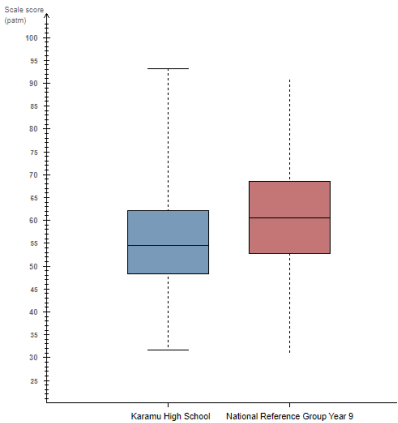
- Time Point One
- Time Point Two

## Evaluation

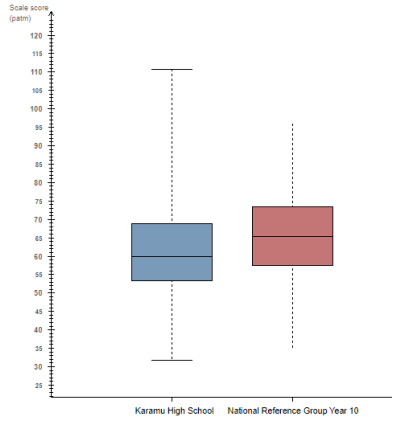
### Mathematics

- The mean stanine increased from 4.1 to 5.1 - goal achieved
- The mean scale score improved from 55.8 to 61.8 (still however below the expected national mean of 65.4)
- We still have a greater spread than the national reference group and this strengthens our need for differentiated programmes (learning support and extension)

# Term 1



# Term 4



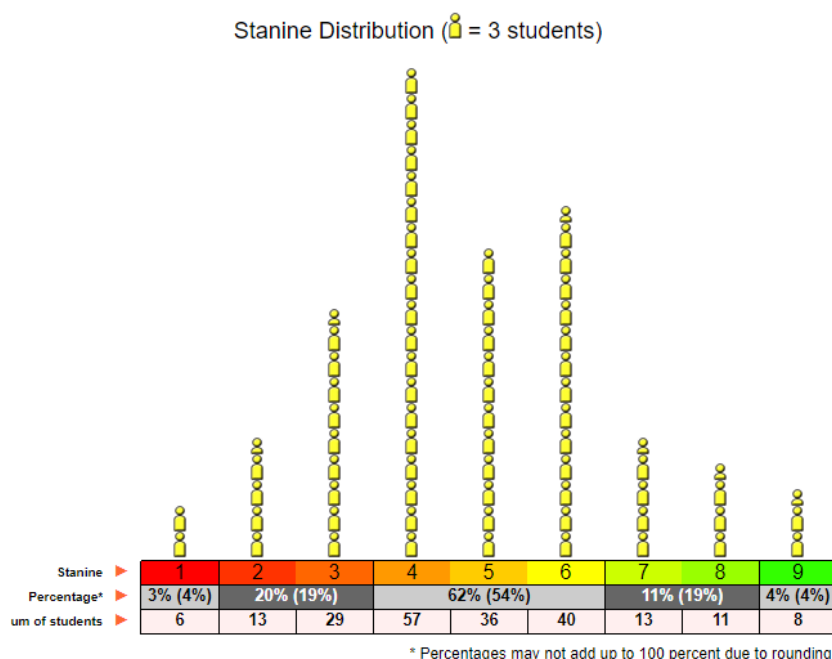
**Goal 4:**

<p><b>Strategic Aim:</b></p>	<p>Promote a culture of Excellence</p> <p>Providing multiple pathways to success</p> <p>Valuing positive professional relationships as the core fabric of the school</p>
<p><b>Core Strategies:</b></p>	<ul style="list-style-type: none"> <li>Aim to have the highest quality, professional staff with a commitment to professional development and self review</li> <li>Commit resourcing that will accelerate learning for at risk students</li> <li>Focus on self –management skills and high attendance</li> <li>Ensure there is flexibility in the structure and content of the curriculum to cater for our range of students</li> <li>Acknowledge student successes</li> </ul>
<p><b>Annual Target:</b></p>	<p>- Progress Year 9 English Comprehension achievement at least one stanine.</p>

**Baseline Data**

Beginning of Year testing data

Numbers in brackets provide statistics for all students in the national reference group



Mean Stanine is 4.8

<b>ACTION PLAN</b>			
<b>When</b>	<b>What</b>	<b>Who</b>	<b>Indicators of Progress</b>
Term 1	<p>Results from CEM Entrance testing are shared</p> <p>PAT Feb testing Results</p> <p>Teachers of English use the PAT tool to identify the needs of each student</p> <p>Target groups of students identified</p> <p>Twice per term Poutama Pounamu Cohort meet to co construct initiatives around a core target group. Teacher observations and coaching conversations</p>	<p>Curriculum DP</p> <p>Curriculum DP</p> <p>Teacher/Faculty HOF ELF</p> <p>Curriculum DP</p> <p>Poutama Pounamu Cohort</p>	<p>Results for PAT Stanine and Scaled Score are uploaded in KAMAR</p> <p><i>Completed 2 March</i></p> <p>Teacher files should contain analysis sheet for student/class</p> <p>Published lists of target students</p> <p><i>Completed 5 March</i></p> <p>An increase in culturally responsive pedagogy</p> <p><i>Term 1 PLD</i></p>
Term 2/3	<p>Work scaffolded at the appropriate level for students.</p> <p>On-going assessment of the skills needed</p>	<p>Classroom Teacher HOF ELF</p>	<p>Evidence in teachers plan book</p>
Term 2/3	<p>Professional development with staff /work alongside students</p>	<p>Literacy Group</p>	<p>Report to BoT</p>
Term 4	<p>Students are re-tested using PAT tests</p> <p>After marking –change in PAT for target Yr9 group is analysed</p> <p>Teachers use results in their Inquiry</p>	<p>Curriculum DP and Faculties</p> <p>Curriculum DP</p> <p>Teacher/Faculty HOF ELF</p>	<p>New Stanine and Scaled Score in KAMAR</p> <p>Excel analysis of comparison</p> <p>Teacher Inquiry contains evidence</p>

## Summary

# Stanine Progress Over Time Report

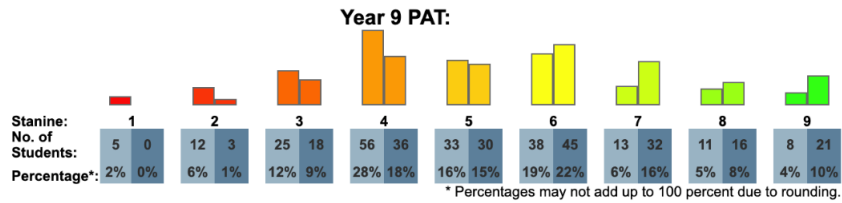
## Progressive Achievement Test of Reading Comprehension

Filters

Filtered by Year 9, All Gender, All Ethnicities, Matched, 2019 Term 1, 2019 Term 4

	Number of Students	Mean Stanine	Year Level	Test	Time of Year
Time 1	201	4.8 (5.0)	9	Year 7 - 9	Term 1
Time 2	201	5.8 (5.0)	9	Year 7 - 9	Term 4

Numbers in brackets provide statistics for all students in the national reference group.



### Key

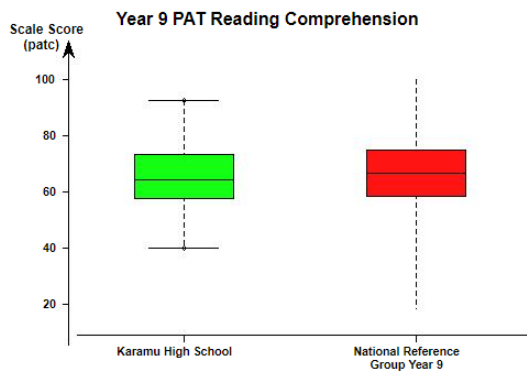
- Time Point One
- Time Point Two

## Evaluation

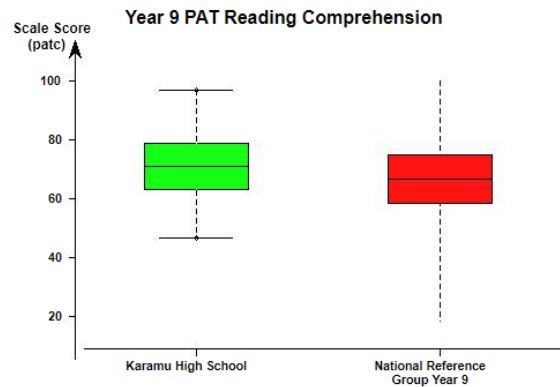
### Comprehension

- There was an increase in the comprehension results.
- The term 1 average stanine was 4.8 and this increased to 5.8. - goal achieved
- The Scale score increased from 65.8 to 72.3 but is still below the national expected scale score of 76.5

### Term 1



### Term 4



**Kiwisport**

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

In 2019, the school received total Kiwisport funding of \$21,905.69 (excluding GST). The funding was spent on sports uniform, equipment and part funded a sports co-ordinator.

There has been an increase in participation of students in a number of sports.

The standouts for the 2019 year were futsal (4 teams), softball (2 teams), and initiatives with junior rugby.



## INDEPENDENT AUDITOR'S REPORT

### TO THE READERS OF KARAMU HIGH SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

The Auditor-General is the auditor of Karamu High School (the School). The Auditor-General has appointed me, Philip Pinckney, using the staff and resources of Baker Tilly Staples Rodway Audit Limited, to carry out the audit of the financial statements of the School on his behalf.

#### Opinion

We have audited the financial statements of the School on pages 2 to 22, 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 Public Sector – Public Benefit Entity 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. 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 25 on page 22 which outline 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.

#### 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 arises from the Public Audit Act 2001.

### **Other information**

The Board of Trustees is responsible for the other information. The other information obtained at the date of our report is the Analysis of Variance, the Kiwisport statement, 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.



Philip Pinckney  
Baker Tilly Staples Rodway Audit Limited  
On behalf of the Auditor-General  
Hastings, New Zealand