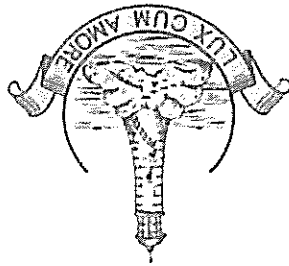


School number 312
School address East Belt
Rangiora
North Canterbury 7400
School phone (03) 311 8888
School fax (03) 311 8005
Email address admin@rangiorahigh.school.nz

Financial Statements

and

2014 Annual Report



Rangiora High School



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Rangiora High School

Statement of Responsibility For the year ended 31 December 2014

The Commissioner and Principal have pleasure in presenting the annual report of Rangiora High School (the School), incorporating the financial statements and the auditor's report, for the year ended 31 December 2014.

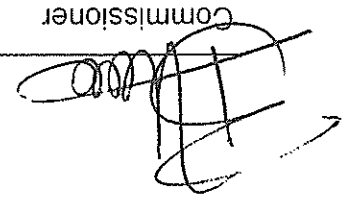
The Commissioner and Principal accepts responsibility for the preparation of the annual financial statements and the judgements used in these statements.

The management including the Principal and others as directed by the Commissioner) accepts responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of the School's financial reporting.

In the opinion of the Commissioner and the Principal, the annual financial statements for the financial year fairly reflect the financial position and operations of the School.

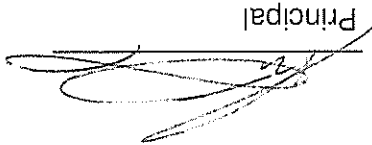
During the 2012 year the Ministry of Education introduced a new payroll system, Novopay, which has resulted in many errors. To the best of our knowledge, all material matters are properly reflected in the financial statements.

The School's 2014 financial statements are authorised for issue by the Commissioner and Principal.



Commissioner

Date 29/5/2015



Principal

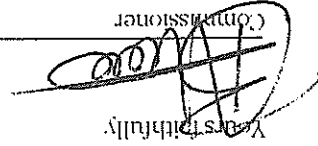
Date 29/5/2015

School

RANGIORA HIGH SCHOOL

(Commissioner

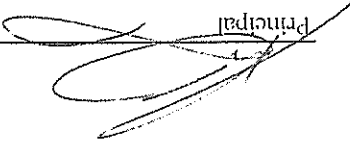
Yours faithfully,



Date

29 May 2015

Principal



The representations in this letter are made at your request, and to confirm information obtained by you from the records of the School and to confirm information given to you orally.

We consider that the financial statements adequately disclose the circumstances, and any uncertainties, surrounding the adoption of the going concern assumption by the School.

We consider that the financial statements adequately disclose the circumstances, and any uncertainties, surrounding the adoption of the going concern assumption.

occur after that date which could affect the validity of the going concern assumption.

during the period of one year from the date of signing the financial statements, and to circumstances that we know or

conclusion after making enquiries and having regard to circumstances that we consider likely to affect the School

assumption in preparing the financial statements for the year ended 31 December 2014. We have reached this

its current level for the foreseeable future. For this reason, the Commissioner continues to adopt the going concern

We confirm that, to the best of our knowledge and belief, the School has adequate resources to continue operations at

Going concern

when preparing the financial statements.

we have disclosed to you all known actual or possible litigation and claims whose effects should be considered

which we are aware of and

we have disclosed the identity of the related parties, all of their relationships and all of their transactions or

laws and regulations whose effects should be considered when preparing the financial statements;

we have disclosed to you all known actual instances of non-compliance or suspected non-compliance with

communicated by employees, former employees, analysts, regulators, or others;

we have disclosed to you all information in relation to fraud, affecting the entity's financial statements

others where the fraud could have a material effect on the financial statements;

employees who have significant roles in internal control; or

management;

affects the entity and involves;

we have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that

fraud, disclosed the results of our assessment to you;

we have, where we assessed the risk that the financial statements may be materially misstated as a result of

audit evidence;

unrestricted access to persons within the entity from whom you determined it necessary to obtain

preparing and presenting the financial statements; and

all information, such as records and documentation, and other matters that are relevant to

Responsibilities to provide information

We confirm that, to the best of our knowledge and belief, having made such enquiries as we considered necessary for

the purpose of appropriately informing ourselves;

we have provided;

we have disclosed to you all known actual instances of non-compliance or suspected non-compliance with

communicated by employees, former employees, analysts, regulators, or others;

we have disclosed to you all information in relation to fraud, affecting the entity's financial statements

others where the fraud could have a material effect on the financial statements;

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audit evidence;

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all information, such as records and documentation, and other matters that are relevant to

Rangiora High School

Statement of Responsibility For the year ended 31 December 2014

The Commissioner and Principal have pleasure in presenting the annual report of Rangiora High School (the School), incorporating the financial statements and the auditor's report, for the year ended 31 December 2014.

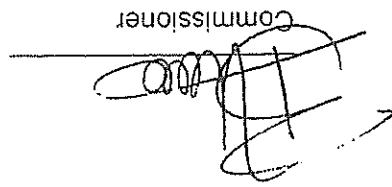
The Commissioner and Principal accepts responsibility for the preparation of the annual financial statements and the judgements used in these statements.

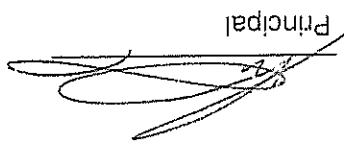
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In the opinion of the Commissioner and the Principal, the annual financial statements for the financial year fairly reflect the financial position and operations of the School.

During the 2012 year the Ministry of Education introduced a new payroll system, Novopay, which has resulted in many errors. To the best of our knowledge, all material matters are properly reflected in the financial statements.

The School's 2014 financial statements are authorised for issue by the Commissioner and Principal.


Commissioner
Date 29/5/2015


Principal
Date 29/5/2015



Rangiora High School

Members of the Board of Trustees 2014

<i>Name</i>	<i>Position</i>	<i>Held Until</i>
Matt James	Elected Representative	Nov 2014
Joanne Ashby	Chairperson	May 2014
Peggy Burrows	Elected Representative	Nov 2014
Dianne Collier-Robinson	Principal	
Justine Grey	Co-opted Representative	Feb 2015
Warren Newbury	Elected Representative	Jan 2014
Leanne Newsome	Elected Representative	Feb 2015
Mark Scown	Elected Representative	Nov 2014
Ross Sparks	Chairperson	Nov 2014
Thomas Tripp	Elected Representative	May 2014
Michael Heron	Staff Trustee	Nov 2014
Dave Turnbull	Student Trustee	Feb 2015
Simon Gulland	Chairperson	Feb 2015
Stephan Rattray	Elected Representative	Feb 2015
Mario Williams	Elected Representative	Feb 2015
Sophie March	Elected Representative	Feb 2015
Bev Moore	Commissioner appointed	Feb 2015



Rangiora High School

Statement of Significant Accounting Policies For the year ended 31 December 2014

a) Reporting Entity

Rangiora 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 is of the view the School is a public benefit entity for financial reporting purposes.

b) Basis of Preparation

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 New Zealand equivalents to International Financial Reporting Standards (NZ IFRS) as appropriate to public benefit entities.

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.

Specific accounting policies

The accounting policies used in the preparation of these financial statements are set out below. The policies have been consistently applied to all the years presented.

c) Revenue Recognition

Government Grants

Operational grants are recorded as income as received. Teachers' salaries grants are not received in cash by the school but are paid directly to teachers by the Ministry of Education (the Ministry). They are recorded as income in the salary period they relate to. Other grants are recorded as income as received unless there are unfulfilled conditions attaching to the grant, in which case the amount relating to the unfulfilled conditions is recognised as a liability and released to income as the conditions are fulfilled.

Grants for the use of land and buildings are also 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. Use of land and building grants are recorded as income in the period the school uses the land and buildings.

Donations

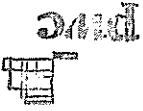
Donations, gifts and bequests are recorded as income when their receipt is formally acknowledged by the School.

Interest Income

Interest income on cash and cash equivalents and investments is recorded as income 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 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 received from the Ministry.



Payments made under operating leases are recognised in the Statement of Comprehensive Income on a straight line basis over the term of the lease.

e) Operating Lease Payments

Cash and cash equivalents include cash on hand, bank balances, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and bank overdrafts. The carrying amount of cash and cash equivalents represent fair value.

g) Accounts Receivable

'Accounts Receivable' represents items that the School has issued invoices for, but has not received payment for, at year end. Debtors are initially recorded at fair value and subsequently recorded at the amount the School realistically expects to receive. A provision for impairment of Accounts Receivable is established where there is objective evidence the School will not be able to collect all amounts due according to the original terms of the debt.

h) Inventories

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

i) Investments

Investments are held with registered trading banks and are classified as current assets if they have maturities of between three months and one year. Those with maturities greater than 12 months after the balance date are classified as non-current assets.

After initial recognition investments are measured at amortised cost using the effective interest method less impairment.

Share investments held by the School are measured at fair value. If shares do not have a quoted market price in an active market and fair value cannot be reliably measured, the shares are measured at cost. Any movements in shares measured at fair value are recognised in equity.

At balance date the School assesses whether there is any objective evidence that an investment is impaired. Any impairment losses are recorded in the Statement of Comprehensive Income.

The School has met the requirements of section 73 of the Education Act 1989 in relation to the acquisition of securities.

j) 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 750 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Income.

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 Income.



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

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.

n) Provision for Cyclical Maintenance

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. Income received in advance relates to fees received from international and New Zealand resident students 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.

m) Income Received in Advance

For non-teaching staff, the school is required to report a liability in dollar terms for the relevant leave types, where this information is readily available. Any liability is reported in the school's Current Accounts Payable note to the Financial Statements.

No provision is required to be recognised for sick leave for any teachers, irrespective of whether a school is above its teaching entitlement as in practice most teacher sick leave is grant funded by the Ministry.

Leave Accruals

Salary accruals mainly reflect annual leave owing to teachers and ancillary staff and are recognised in respect of employees' services to balance date and are measured at the amounts expected to be paid when the liabilities are settled. There is a corresponding teacher's salaries grant receivable from the Ministry to fund the liability.

Salary Accruals

l) Employee Entitlements

'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.

k) Accounts Payable

Artworks	100 years
Building improvements	40 years
Furniture and equipment	10 years
Information and communication technology	5 years
Library resources	10 years
Motor Vehicles	5-10 years
Musical equipment	5 years
Plant and equipment	10 years
Sports equipment	5 years
Text books	10 years

The estimated useful lives of the assets are:

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 Income.

epreciation



o) Financial Assets and Liabilities

The School's financial assets comprise cash and cash equivalents, accounts receivable, GST 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, funds held on behalf of the Ministry of Education, painting contract liability, provision for cyclical maintenance and GST payable. All of these financial liabilities are categorised as "financial liabilities measured at amortised cost" for accounting purposes in accordance with financial reporting standards.

p) Goods and Services Tax (GST)

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

q) Budget Figures

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

r) Funds held in trust

Funds are held in trust where they have been received by the School for a specified purpose. The School guarantees to hold sufficient funds to enable the funds to be used for their intended purpose at any time.

Rangiora High School Statement of Comprehensive Income

For the year ended 31 December 2014

	2014 Actual	2014 Budget	2013 Actual
Income			
Government grants	13,896,098	13,664,049	13,637,820
Local fundraising	193,480	299,289	250,424
Other income	1,187,058	644,762	1,145,792
Farm	81,295	61,700	59,631
International students	595,475	503,391	470,910
Rangiora High School Education Trust	54,169	54,000	54,071
Interest	467,724	440,000	439,545
Total income	16,475,299	15,667,191	16,058,193
Expenditure			
Fundraising costs of raising funds	49,611	106,221	50,219
Other income expenditure	406,995	288,442	355,258
Farm	87,292	104,717	70,521
International students	420,215	364,829	358,330
Learning resources	10,941,350	10,529,467	10,670,212
Administration	1,815,549	1,811,710	1,823,062
Property	2,394,461	2,046,107	2,267,393
Depreciation	376,792	380,500	375,053
Loss on asset disposals	76	-	128,267
Rangiora High School Education Trust	20,488	23,937	24,220
Adjustment to the cyclical maintenance provision	(155,408)	-	-
Total expenditure	16,357,421	15,655,930	16,122,535
Net (Deficit) Surplus	117,878	11,261	64,342
Total comprehensive income	117,878	11,261	64,342

The above Statement of Comprehensive

-37,530



Rangiora High School
Statement of Changes in Equity
 For the year ended 31 December 2014

	2014 Actual	2014 Budget	2013 Actual
Equity at the start of the year	11,080,374	11,080,374	11,144,716
Total comprehensive income	117,878	11,261	64,342)
Equity at the end of the year	11,198,252	11,091,635	11,080,374

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes



**Rangiora High School
Statement of Financial Position
As at 31 December 2014**

	2014 Actual	2014 Budget	2013 Actual
Equity	11,198,252	11,091,635	11,080,374

Represented by:

Current Assets	902,351	443,099	591,902
Cash and cash equivalents	945,802	901,818	901,818
Accounts receivable	66,219	65,811	65,811
Prepayments	43,809	44,193	44,193
Inventories	9,596,998	9,600,000	9,556,646
Investments	11,555,179	11,054,921	11,160,370

Current Liabilities	950,135	869,177	869,177
Accounts payable	822,217	633,339	633,339
Income received in advance	55,804	82,434	66,529
Maungatere Alternative Education cluster	77,057	67,500	67,500
Provision for cyclical maintenance	6,932	-	16,886
Capital Works Projects	1,912,145	1,652,450	1,653,431

Working Capital Surplus	9,643,034	9,402,471	9,506,939
Non-current Assets	5,106	5,106	5,106
Investments more than 12 months	1,784,009	2,015,420	1,899,691
Property, plant and equipment	1,789,115	2,020,526	1,904,797

Non-current Liabilities	233,897	331,362	331,362
Provision for cyclical maintenance	233,897	331,362	331,362

Net Assets	11,198,252	11,091,635	11,080,374
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The above Statement of Financial Position should be read in conjunction with the accompanying notes





**Rangiora High School
Statement of Cash Flows**
For the year ended 31 December 2014

	2014	2014	2013
	Actual	Budget	Actual
Cash flows from operating activities			
Government grants	4,381,126	4,486,740	4,383,224
Local funds	1,572,144	1,013,956	1,474,260
Farm	81,295	61,700	59,631
International students	595,475	503,391	470,910
Interest received	428,416	440,000	360,578
Goods and services tax (net)	5,653	-	15,896
Payments to suppliers and employees	(6,448,241)	(6,115,007)	(6,320,849)
Net cash from operating activities	615,868	390,780	443,650
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment	2,304	-	-
Purchase of property, plant and equipment	(267,371)	(496,229)	(429,171)
Net cash to investing activities	(265,067)	(496,229)	(429,171)
Net increase in cash and cash equivalents	350,801	(105,449)	14,479
Cash and cash equivalents at the beginning of the year	10,148,548	10,148,548	10,134,069
Cash and cash equivalents at the end of the year	10,499,349	10,043,099	10,148,548

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 omitted.

The notes and statement of accounting policies form part of and should be read in conjunction with this Statement

Rangiora High School Notes to the Financial Statements As at 31 December 2014

1. Government Grants

	2014	2014	2013
	Actual	Budget	Actual
Operational grants	2,964,795	3,166,128	2,951,682
Teachers' salaries grants	8,060,423	8,060,423	7,887,767
Use of Land and Buildings grants	1,444,595	1,100,000	1,377,521
Bus contract	1,178,991	1,178,991	1,156,413
Other government grants	247,294	158,507	264,437
	<u>13,896,098</u>	<u>13,664,049</u>	<u>13,637,820</u>

2. Local Fundraising

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

	2014	2014	2013
	Actual	Budget	Actual
Income	193,480	299,289	250,424
Donations and fundraising (incl. Red Cross Grant 27,776)			
Expenditure	193,480	299,289	250,424
Fundraising (costs of raising funds)			
Net surplus for the year	143,869	193,068	200,205

3. Other Income

Other activities and trading income:

	2014	2014	2013
	Actual	Budget	Actual
Income	883,510	399,762	895,409
Activities	66,077	48,700	49,198
Trading	237,471	196,300	201,185
Expenditure	1,187,058	644,762	1,145,792
Activities	155,166	104,600	155,462
Other	20,475	-	4,335
Trading including employee benefits (48,258)	231,354	183,842	195,461
Net surplus for the year	780,063	356,320	790,534

4. Farm

	2014	2014	2013
	Actual	Budget	Actual
Income	81,295	61,700	59,631
Operating income			
Expenditure	3,458	6,000	5,646
Electricity	2,567	6,000	1,736
Fertiliser	22,446	29,300	21,389
General	6,859	8,000	5,060
Pasture renewal/winter feed	17,108	18,500	8,784
Purchases	34,854	36,917	27,906
Employee benefits	87,292	104,717	70,521
Net deficit for the year	(5,997)	(43,017)	(10,890)

Notes to the Financial Statements (continued)

5. International Student Income

	2014	2014	2013
	Actual	Budget	Actual
International students	51	46	43
Number			

	2014	2014	2013
	Actual	Budget	Actual
International student fees	595,475	503,391	470,910

	2014	2014	2013
	Actual	Budget	Actual
Expenditure	18,230	16,065	10,613
International student levy	41,562	30,000	32,064
Marketing	149,750	114,200	109,656
Other	210,673	204,564	205,997
Employee benefits salaries	420,215	364,829	358,330

Net surplus for the year 175,260 138,562 112,580

6. Learning Resources

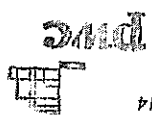
	2014	2014	2013
	Actual	Budget	Actual
Curricular	740,400	686,960	877,820
Equipment repairs and ICT (incl. employee benefits 96,309 and leases 147,487)	406,587	433,924	348,377
Extra-curricular activities	263,742	53,174	226,615
Employee benefits - salaries	9,373,269	9,164,459	9,030,630
General	73,317	64,700	88,700
Staff development (incl. employee benefits 26,698)	84,035	126,250	98,070
	10,941,350	10,529,467	10,670,212

7. Administration

	2014	2014	2013
	Actual	Budget	Actual
Audit fee	5,840	5,900	5,400
Board of Trustees fees	10,230	7,500	6,570
Board of Trustees expenses (incl. employee benefits 16,635)	45,295	28,524	41,793
Bus contract	1,178,991	1,178,991	1,156,413
Communication	25,110	30,800	28,265
Consumables	56,034	58,686	55,092
Employee benefits - salaries	365,797	387,309	392,977
Insurance	50,211	52,000	55,874
Legal	10,504	6,000	33,800
Other	19,944	30,660	28,017
Service providers, contractors and consultancy	27,603	25,340	18,861
	1,815,649	1,811,710	1,823,062

8. Property

	2014	2014	2013
	Actual	Budget	Actual
Caretaking and cleaning consumables	40,804	62,600	56,357
Cyclical maintenance provision	67,500	67,500	67,500
Employee benefits - salaries	416,760	430,407	391,377
Grounds	45,216	34,500	31,589
Heat, light and water	201,973	185,000	203,928
Rates	15,375	16,500	14,165
Repairs and maintenance	162,238	149,600	124,956
Use of land and buildings	1,444,595	1,100,000	1,377,521
	2,394,461	2,046,107	2,267,993



Notes to the Financial Statements (continued)

9. Depreciation

	2014	2014	2013
	Actual	Budget	Actual
Artworks	312	330	312
Buildings - School	33,375	33,375	33,375
Buildings improvements - Crown	5,698	5,000	3,486
Furniture and equipment	69,680	70,000	70,117
Information and communication technology	168,833	168,395	156,968
Library resources	14,451	16,000	16,780
Motor vehicles	14,147	16,000	23,444
Musical equipment	360	400	360
Plant and equipment	68,627	70,000	69,582
Sports equipment	1,309	1,000	622
Text books	-	-	7
	<u>376,792</u>	<u>380,500</u>	<u>375,053</u>

10. Cash and Cash Equivalents

	2014	2014	2013
	Actual	Budget	Actual
Current account	50,206	43,099	106,411
Call account	652,145	400,000	485,491
Short-term deposits with a maturity less than three months	200,000	-	-
Net cash and cash equivalents for statement of cashflows	<u>902,351</u>	<u>443,099</u>	<u>591,902</u>

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

Of the 902,351 Cash and Cash Equivalents and the 9,596,998 Investments, 7,154,758 is the balance of the 2007 farm sale proceeds only to be used for educational purposes and 105,478 is held by the Rangiora High School Education Trust (Note 24).

11. Accounts Receivable

	2014	2014	2013
	Actual	Budget	Actual
Debtors	66,318	25,602	25,602
Interest accrued	182,429	143,121	143,121
Teacher salaries grant	661,424	691,811	691,811
GST receivable	35,631	41,284	41,284
	<u>945,802</u>	<u>901,818</u>	<u>901,818</u>

12. Inventory

	2014	2014	2013
	Actual	Budget	Actual
Farm	23,186	22,818	22,818
Stationery	4,335	4,934	4,934
Uniforms	16,288	16,441	16,441
	<u>43,809</u>	<u>44,193</u>	<u>44,193</u>

13. Investments

The School's investment activities are classified as follows:

	2014	2014	2013
	Actual	Budget	Actual
Current Asset	9,596,998	9,600,000	9,556,646
Short-term bank deposits with maturities between three months and one year	4,906	4,906	4,906
Non Current Asset	200	200	200
Alliance Group	4,906	4,906	4,906
Combined Rural Traders Ltd	5,106	5,106	5,106

The School holds shares in the Alliance Group and Combined Rural Traders Ltd as part of its trading arrangements for the farm. The shares are not listed on an active market. The shares are measured at cost as fair value cannot be reliably measured. The School has received approval to hold the shares under section 160(1) (b) of the Crown Entities Act 2004.

Notes to the Financial Statements (continued)

14. Property, Plant and Equipment

	2014	2013	2013	2013	2013	2013
	Opening Net	Additions	Disposals	Impairment	Depreciation	Closing Net
Artworks	27,948	-	-	-	(312)	27,636
Buildings - School	192,930	37,669	-	-	(33,375)	197,424
Building Improvements - Crown	189,083	76,112	-	-	(5,998)	259,497
Furniture and equipment	297,100	25,204	-	-	(69,690)	252,624
Information and communication	495,308	71,789	-	-	(168,833)	398,264
Land	275,644	-	-	-	-	275,644
Library resources	6,798	10,096	(1,352)	-	(14,451)	1,091
Motor vehicles	15,857	4,681	-	-	(14,147)	106,391
Musical equipment	720	-	-	-	(360)	360
Plant and equipment	291,481	37,739	-	-	(68,627)	260,593
Sports equipment	5,794	-	(1,028)	-	(1,309)	4,485
Text books	1,028	-	-	-	-	1,028
Artworks	31,734	-	(3,473)	-	(312)	27,949
Buildings - School	226,305	-	-	-	(33,375)	192,930
Building Improvements - Crown	126,738	85,684	(19,853)	-	(3,486)	189,083
Furniture and equipment	352,387	(27,744)	(70,117)	-	(70,117)	297,100
Information and communication technology	516,155	185,583	(49,463)	-	(156,968)	495,307
Land	275,644	-	-	-	-	275,644
Library resources	14,876	12,211	(3,508)	-	(16,790)	6,799
Motor vehicles	76,877	62,424	(23,444)	-	(15,857)	115,857
Musical equipment	1,080	-	(360)	-	720	
Plant and equipment	355,305	29,982	(24,225)	-	(69,582)	291,480
Sports equipment	2,512	3,904	(622)	-	5,794	
Text books	1,035	-	(7)	-	1,028	
Artworks	31,176	-	(3,473)	-	(312)	27,948
Buildings - School	367,779	-	(174,849)	-	(174,849)	192,930
Building Improvements - Crown	196,616	-	(7,533)	-	(7,533)	189,083
Furniture and equipment	1,239,423	-	(942,323)	-	(297,100)	297,100
Information and communication technology	1,400,167	-	(904,859)	-	495,308	
Land	275,644	-	-	-	275,644	
Library resources	167,796	-	(160,998)	-	6,798	
Motor vehicles	270,420	-	(154,563)	-	115,857	
Musical equipment	61,932	-	(61,212)	-	720	
Plant and equipment	948,735	-	(657,254)	-	291,481	
Sports equipment	67,747	-	(61,953)	-	5,794	
Text books	92,671	-	(91,643)	-	1,028	
	5,120,106	422,362	(128,266)	-	(375,053)	1,899,691
						1,899,691



Notes to the Financial Statements (continued)

15. Accounts Payable

	2014	2014	2013
	Actual	Budget	Actual
Operating creditors and accruals	69,104	64,153	64,153
Owing for property, plant and equipment	-	3,880	3,880
Employee benefits - salaries accrual	881,031	801,144	801,144
	<u>950,135</u>	<u>869,177</u>	<u>869,177</u>

The carrying value of payables approximates their fair value.

16. Income Received in Advance

	2014	2014	2013
	Actual	Budget	Actual
International student fees	676,806	500,755	500,755
Other	145,411	132,584	132,584
	<u>822,217</u>	<u>633,339</u>	<u>633,339</u>

17. Maungatere Alternative Education Cluster

The Alternative Education Cluster is a Ministry of Education (the Ministry) scheme run by Rangiora High School (the School) for students whose educational needs are not being met in the usual secondary school environment. The programmes deliver education in a different setting and re-engage students alienated by mainstream teaching and learning. The School acts as an agent for the Ministry. The income and Expenses are not reflected in the School's Statement of Comprehensive Income.

	2014	2014	2013
	Actual	Budget	Actual
Funds held at the beginning of the year	66,529	66,529	85,923
Income	176,308	176,307	176,308
Ministry of Education Operations grant	700	5,000	7,083
Other income	177,008	181,307	183,391
Expenditure	122,837	108,282	109,163
Employee benefits	1,092	5,000	36,522
Capital expenditure	62,804	52,120	57,100
Other	187,733	165,402	202,795
	<u>55,804</u>	<u>82,434</u>	<u>66,529</u>

18. Provision for Cyclical Maintenance

	2014	2014	2013
	Actual	Budget	Actual
Provision at the start of the year	398,862	331,362	331,362
Adjustment to the provision	(155,408)	-	-
Increase to the provision during the year	67,500	67,500	67,500
Use of the provision during the year	-	-	-
Provision at the end of the year	<u>310,954</u>	<u>398,862</u>	<u>398,862</u>
Current Liability	77,057	67,500	67,500
Non Current Liability	233,897	331,362	331,362
	<u>310,954</u>	<u>398,862</u>	<u>398,862</u>

The provision for cyclical maintenance represents the obligation the Board has to the Ministry of Education. The board has a cash management plan to ensure that sufficient cash is available to meet all maintenance obligations as they fall due over the next 10 years. The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligations at 31 December 2013. In previous years it has been based on the Board's 10-year property plan (10YFP). Since the earthquakes in February 2011, the Ministry has put all property plans for the schools in the greater Christchurch area on hold until further notice. Consequently, the basis of the estimate used by the board up to and including the 2013 year was to roll forward the existing plan until such time as a new plan can be submitted to the Ministry for approval. In 2014 the Ministry assessed the condition of the schools buildings and estimated the maintenance required on these in the Conditions Assessment Report (CAR). The provision has been updated to reflect the updated estimates in the CAR.



Notes to the Financial Statements (continued)

19. Funds held for Capital Works Projects

During the year the school received and applied funding from the Ministry of Education for the following capital works projects:

	2014		2013		
	Opening Balances	Receipts from MOE	Payments	Closing Balances	
Technology block	11,319	-	-	11,319	in progress
Pool rationalisation	5,567	-	-	5,567	closed
Master Plan	-	-	-	-	in progress
Changing rooms upgrade	-	20,142	-	20,142	in progress
K Block upgrade	-	-	1,360	(1,360)	in progress
Totals	16,886	20,142	30,096	6,932	
Represented by:					
Funds received from the Ministry of Education				6,932	
2013	pening Balances	Receipts	Payments	Closing Balances	
Technology block	11,319	-	-	11,319	in progress
Pool rationalisation	(5,125)	143,179	132,487	5,567	in progress
Strengthening changing rooms	-	12,380	12,380	-	closed
Totals	6,194	155,559	144,867	16,886	

20. Reconciliation of Net Operating Surplus with Operating Cash Flow

	2014 Actual	2014 Budget	2013 Actual
Net surplus	117,878	11,261	(64,342)
Add/less non-cash items:			
Depreciation	376,792	380,500	375,053
Provision for cyclical maintenance	67,500	-	67,500
Add/less items classified as investing or financing activities:			
Loss on disposal of equipment	76	-	128,267
Add/less movements in working capital items:			
Accounts receivable and interest accrued	(80,024)	-	(57,238)
Inventories	384	-	(20,312)
Prepayments	20,026	-	8,684
Operating accounts payable	80,958	-	(42,188)
Income received in advance	178,153	15,905	21,638
GST	5,653	-	15,896
Capital works projects	3,880	(16,886)	10,692
Net increase in cash from operating activities	771,276	390,780	443,650

Notes to the Financial Statements (continued)

21. Related Party Transactions

Chris Quigley is a Deputy Principal of the school. Mr Quigley's wife, Jacqui Quigley, is employed in an administration support role at the school. Her terms of employment are as for other employees, and her remuneration is commensurate with the position held. (2013 : Same).

Bruce McMillan is Curriculum Leader, Visual Arts for the school. Mr McMillan's wife, Denise McMillan, is employed as an Arts Technician at the school. Her terms of employment are as for other employees, and her remuneration is commensurate with the position held. (2013 : Same).

Sondra Harrison is employed as a Science Technician at the school and rents the school owned house. The rental is set at 75% of the assessed market rental and complies with the Ministry of Education core housing policy. The annual rental is less than 25,000 and does not require approval under section 103 of the Education Act 1989.

The school is an entity controlled by 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.

22. Remuneration

Key management personnel compensation

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

	2014 Actual	2013 Actual
Salaries and other short-term employee benefits	615,067	495,087
Post-employment benefits	-	-
Other long-term benefits	-	-
Termination benefits	-	-
Total	615,067	495,087

The total value of the remuneration paid or payable to trustees of the Board and Committee members was as follows:

	2014 Actual	2013 Actual
Board of Trustees	10,230	6,570
Committee Members	-	-
Total	10,230	6,570

Principal

The total value of remuneration paid or payable to the Principal was in the following bands:

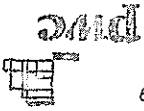
	2014 Actual	2013 Actual
Salaries and other short term employee benefits:	190 - 200 000	190 - 200 000
Salary and other payments	-	-
Benefits and other emoluments	-	-
Termination benefits	-	-

Other Employees

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

Total Remuneration 000	2014 Number	2013 Number
100 - 110	4	3

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



Notes to the Financial Statements (continued)

23. 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 members 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:

	2014	2013
Total amount	-	-
Number of people	-	-

24. Rangiora High School Education Trust

The Rangiora High School Education Trust (The Trust) is a controlled entity of the Rangiora High School Board of Trustees and its transactions are consolidated into these financial statements. The Trust was set up in November 2007 to enhance the education opportunities of past, present and future students and staff of Rangiora High School.

	2014	Budget	Actual
Income	50,000	50,000	50,000
Distribution from Farm and Funds	4,169	4,000	4,071
Investment Interest	54,169	54,000	54,071
Expenditure	2,755	3,937	2,629
Employee benefits	17,733	20,000	21,591
Other	20,468	23,937	24,220
Net Surplus / (deficit)	33,681	30,063	29,851
Funds held as cash and equivalents	105,478	-	101,198

25. Separate Nursery Preschool

A separate nursery preschool operates from the high school property. It is separately accountable with a balance date of 31 March and with its financial statements separately audited. It is not a controlled entity of the Board of Trustees.

26. Contingencies

There are no contingent liabilities or assets as at 31 December 2013. (Contingent liabilities and assets at 31 December 2012: nil).

27. Commitments

(a) Capital Commitments

As at 31 December 2013 the Board has not entered into contract agreements for capital works other than those funded by the Ministry of Education as part of the school's Five Year Property Plan.

(Capital commitments at 31 December 2012: nil)

(b) Operating Commitments

As at 31 December 2013 the Board has entered into the following contracts:

Operating lease of photocopiers and laptops for teachers:

	2014	2013
Actual	272,338	176,760
Actual	301,541	259,139
	573,879	435,899

No later than one year

Later than one year and no later than five years

Later than five years



Notes to the Financial Statements (continued)

28. Financial Instrument Risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The interest rate on the call account is a floating rate set by the bank. Bank deposits are invested at the best available terms and are disclosed in Notes 10 and 13.

Credit risk is the risk that a third party will default on its obligation to the School, causing the School to incur a loss. The School banks only with registered institutions as required under section 73 of the Education Act 1989. The School's maximum credit exposure for each class of financial instrument is represented by the total carrying amount of cash and cash equivalents (note 10), accounts receivable (note 11) and investments (note 13).

29. 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 generate a small surplus from year to year.

30. Critical Accounting Estimates And Assumptions

In preparing these financial statements the School has made estimates and assumptions concerning the future in regard to asset lives, provisions for cyclical maintenance, painting contract liability and impairment of assets. Where these estimates and assumptions are considered critical by the School, they are disclosed in the relevant note above.

31. Significant Event After Balance Date

The Minister of Education dismissed the Board of Trustees and replaced it with a Commissioner on the 26th February 2015.

An audit involves carrying out procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including our assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the School's preparation of financial statements that fairly reflect the matters to which they relate. We consider

Material misstatements are differences or omissions of amounts and disclosures that, in our judgement, are likely to influence readers' overall understanding of the financial statements. If we had found material misstatements that were not corrected, we would have referred to them in our opinion. We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and carry out our audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

Basis of opinion

The basis of our opinion is explained below. In addition, we outline the responsibilities of the Board of Trustees and our responsibilities, and we explain our independence.

Our audit was completed on 29 May 2015. This is the date at which our opinion is expressed.

- fairly reflect the School's:
- financial position as at 31 December 2014; and
- financial performance for the year ended on that date.

In our opinion the financial statements of the School on pages 5 to 21:

Opinion

We have audited the financial statements of the School on pages 5 to 21, that comprise the statement of financial position as at 31 December 2014, the statement of comprehensive income, statement of changes in equity for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

The Auditor-General is the auditor of Rangiora High School (the School). The Auditor-General has appointed me, Robert Harris, using the staff and resources of PricewaterhouseCoopers, to carry out the audit of the financial statements of the School on her behalf.

**INDEPENDENT AUDITOR'S REPORT
TO THE READERS OF
RANGIORA HIGH SCHOOLS
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**



internal control 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. An audit also involves evaluating:

- the appropriateness of accounting policies used and whether they have been consistently applied;
- the reasonableness of the significant accounting estimates and judgements made by the Board of Trustees;
- the adequacy of all disclosures in the financial statements; and
- the overall presentation of the financial statements.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements.

During our audit we assessed the risk of material misstatement arising from the Novopay payroll system that was introduced by the Ministry of Education in August 2012. Our assessment of risk acknowledges that the financial statements may contain errors arising from the Novopay payroll system, but that the cumulative effect of the errors is unlikely to influence readers' overall understanding of the financial statements. We performed audit procedures that included:

- assessing the extent to which school staff, and the Board of Trustees, have examined the year end Novopay payroll reports to satisfy themselves that the payroll total for the year, and the associated payroll related disclosures that are included in the financial statements, are materially correct; and
- carrying out other independent audit tests and procedures to examine the payroll total for the year, and the associated payroll related disclosures, as reported in the financial statements. As a result of these audit tests and procedures we have obtained all the information and explanations we have required, including obtaining sufficient information about the payroll totals and the associated payroll related disclosures, and we believe we have obtained sufficient and appropriate audit evidence to provide a basis for our opinion.

Responsibilities of the Board of Trustees

The Board of Trustees is responsible for preparing financial statements that:

- comply with generally accepted accounting practice in New Zealand; and
- fairly reflect the School's financial position and financial performance.

The Board of Trustees is also responsible for such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Board of Trustees is also responsible for the publication of the financial statements, whether in printed or electronic form.

The Board of Trustees' responsibilities arise from the Education Act 1989.





Responsibilities of the Auditor

We are responsible for expressing an independent opinion on the financial statements and reporting that opinion to you based on our audit. Our responsibility arises from section 15 of the Public Audit Act 2001 and the Education Act 1989.

Independence

When carrying out the audit, we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the External Reporting Board.

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

A handwritten signature in black ink, appearing to read 'Robert Harris'.

Robert Harris
PricewaterhouseCoopers
On behalf of the Auditor-General
Christchurch, New Zealand

