

# ONEWHERE AREA SCHOOL

## ANNUAL REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2019

#### School Directory

Ministry Number: 108  
Principal: Simon Craggs  
School Address: 29 Hall Road, Tuakau  
School Postal Address: 29 Hall Road, Onewhero, RD 2, Tuakau  
School Phone: 09 232 8866  
School Email: [office@onewhero.school.nz](mailto:office@onewhero.school.nz)

#### Members of the Board of Trustees

Name	Position	How Position Gained	Term Expired/ Expires
Aaron Reese	Chair Person	Elected	Nov-20
Simon Craggs	Principal	ex Officio	Current
Chris Lees	Parent Rep	Elected	Jun-22
Jonelle Hewitt	Parent Rep	Elected	Jul-19
Natalie Smith	Parent Rep	Elected	Jun-19
Owein Greaves	Parent Rep	Elected	Jun-22
Rachel Hagan	Parent Rep	Elected	Nov-20
Rosemarie Costar	Parent Rep	Elected	Jun-19
Stewart Foote	Parent Rep	Elected	Jun-19
Tina Klay	Parent Rep	Elected	Jun-22
Rima Taua	Maori Rep	Co-opted	Aug-21
Rereokeroa Shaw	Maori Rep	Co-opted	Aug-21
Jo McIntosh	Risk Management & H&S Rep	Co-opted	Aug-20
Elliot Lancaster	Student Rep	Elected	Sep-19
Cushla Carey	Student Rep	Elected	Sep-20
Rebecca Bills	Staff Rep	Elected	Jun-19
Shirely Scott	Staff Rep	Elected	Dec-19

Accountant / Service Provider: Anna Rutherford - S.A.J. Services Ltd

# ONEWHERE AREA SCHOOL

Annual Report - For the year ended 31 December 2019

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# Onewhero Area 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

Aaron John Reese  
Full Name of Board Chairperson

  
Signature of Board Chairperson

28/5/2020  
Date:

Simon Croagys  
Full Name of Principal

  
Signature of Principal

28/5/2020  
Date:

**Onewhero Area School**  
**Statement of Comprehensive Revenue and Expense**  
For the year ended 31 December 2019

	Notes	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
<b>Revenue</b>				
Government Grants	2	4,951,839	4,592,164	4,825,216
Locally Raised Funds	3	344,960	181,300	461,512
Interest income		3,063	2,000	3,203
International Students	4	26,000	110,000	64,642
		<u>5,325,862</u>	<u>4,885,464</u>	<u>5,354,573</u>
<b>Expenses</b>				
Locally Raised Funds	3	195,566	64,234	239,573
International Students	4	17,648	50,000	51,637
Learning Resources	5	3,634,987	3,485,551	3,567,253
Administration	6	261,212	242,963	238,583
Finance		4,085	6,000	5,887
Property	7	1,136,362	894,900	948,208
Depreciation	8	112,820	120,000	121,937
Loss on Disposal of Property, Plant and Equipment		3,031	-	-
		<u>5,365,711</u>	<u>4,863,648</u>	<u>5,173,078</u>
<b>Net Surplus / (Deficit) for the year</b>		<b>(39,849)</b>	<b>21,816</b>	<b>181,495</b>
Other Comprehensive Revenue and Expenses		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<b><u>(39,849)</u></b>	<b><u>21,816</u></b>	<b><u>181,495</u></b>

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

**Onewhero Area School**  
**Statement of Changes in Net Assets/Equity**  
For the year ended 31 December 2019

	Notes	Actual 2019 \$	Budget (Unaudited) 2019 \$	Actual 2018 \$
Balance at 1 January		<u>1,165,066</u>	<u>1,165,066</u>	<u>983,571</u>
Total comprehensive revenue and expense for the year		(39,849)	21,816	181,495
Capital Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		14,367	-	-
<b>Equity at 31 December</b>	25	<u>1,139,584</u>	<u>1,186,882</u>	<u>1,165,066</u>
Retained Earnings		1,139,584	1,186,882	1,165,066
<b>Equity at 31 December</b>		<u>1,139,584</u>	<u>1,186,882</u>	<u>1,165,066</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.

**Onewhero Area 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	9	250,410	364,308	355,356
Accounts Receivable	10	227,357	62,561	267,075
GST Receivable		25,478	18,826	18,826
Prepayments		8,178	3,647	3,647
Inventories	11	14,238	21,200	21,200
Investments	12	32,161	31,120	31,120
		<u>557,822</u>	<u>501,662</u>	<u>697,224</u>
<b>Current Liabilities</b>				
Accounts Payable	14	306,676	183,028	387,541
Revenue Received in Advance	15	44,434	25,573	25,573
Provision for Cyclical Maintenance	16	17,000	35,389	35,389
Finance Lease Liability - Current Portion	17	33,033	30,854	30,854
Funds held in Trust	18	7,900	7,050	7,050
Funds held for Capital Works Projects	19	(19,344)	51,378	51,378
		<u>389,699</u>	<u>333,272</u>	<u>537,785</u>
<b>Working Capital Surplus/(Deficit)</b>		168,123	168,390	159,439
<b>Non-current Assets</b>				
Property, Plant and Equipment	13	1,105,985	1,093,458	1,080,593
		<u>1,105,985</u>	<u>1,093,458</u>	<u>1,080,593</u>
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	16	66,218	61,124	61,124
Finance Lease Liability	17	68,306	13,842	13,842
		<u>134,524</u>	<u>74,966</u>	<u>74,966</u>
<b>Net Assets</b>		<u>1,139,584</u>	<u>1,186,882</u>	<u>1,165,066</u>
<b>Equity</b>	25	<u>1,139,584</u>	<u>1,186,882</u>	<u>1,165,066</u>

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

**Onewhero Area School**  
**Statement of Cash Flows**  
For the year ended 31 December 2019

	Note	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
<b>Cash flows from Operating Activities</b>				
Government Grants		1,183,553	1,340,354	1,169,354
Locally Raised Funds		408,079	182,625	457,690
International Students		28,413	122,065	76,775
Goods and Services Tax (net)		(5,896)	(8,826)	(9,660)
Payments to Employees		(564,858)	(532,515)	(613,904)
Payments to Suppliers		(972,900)	(645,979)	(780,444)
Cyclical Maintenance Payments in the year		(39,172)	(188,487)	(9,302)
Interest Paid		(4,085)	(6,000)	(5,887)
Interest Received		3,065	1,977	3,186
<b>Net cash from Operating Activities</b>		<b>36,199</b>	<b>265,214</b>	<b>287,808</b>
<b>Cash flows from Investing Activities</b>				
Proceeds from Sale of PPE (and Intangibles)		(0)	55,876	-
Purchase of PPE (and Intangibles)		(48,572)	(154,992)	(128,299)
Purchase of Investments		(1,041)	3,880	(1,031)
<b>Net cash from Investing Activities</b>		<b>(49,613)</b>	<b>(95,236)</b>	<b>(129,330)</b>
<b>Cash flows from Financing Activities</b>				
Furniture and Equipment Grant		14,367	-	-
Finance Lease Payments		(36,027)	(118,550)	(40,869)
Painting contract payments		-	-	(19,281)
Funds Administered on Behalf of Third Parties		850	7,050	7,050
Funds Held for Capital Works Projects		(70,722)	1,378	51,378
<b>Net cash from Financing Activities</b>		<b>(91,532)</b>	<b>(110,122)</b>	<b>(1,722)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(104,946)</b>	<b>59,856</b>	<b>156,756</b>
Cash and cash equivalents at the beginning of the year	9	355,356	304,452	198,600
Cash and cash equivalents at the end of the year	9	<b>250,410</b>	<b>364,308</b>	<b>355,356</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..

# Onewhero Area School

## Notes to the Financial Statements

### For the year ended 31 December 2019

#### 1. Statement of Accounting Policies

##### a) Reporting Entity

Onewhero Area 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. Information about the adoption of PBE IFRS 9 is provided in Note 36.

###### *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 13.

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

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

##### *Classification of leases*

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

##### *Recognition of grants*

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

#### **c) Revenue Recognition**

##### *Government Grants*

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

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

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

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

##### *Other Grants*

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

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

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

##### *Interest Revenue*

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

#### **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 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. 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	50 years
Furniture and equipment	15 years
Information and communication technology	3 years
Motor vehicles	5 years
Leased assets held under a Finance Lease	3-4 years
Library resources	12.5% Diminishing value

#### **l) 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.

**m) 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.

**n) 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.

**o) Revenue Received in Advance**

Revenue received in advance relates to fees received from international students, students funds and grants 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.

**p) 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).

**q) 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.

**r) Goods and Services Tax (GST)**

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

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

Commitments and contingencies are disclosed exclusive of GST.

**s) Budget Figures**

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

**t) Services received in-kind**

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

## 2. Government Grants

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Operational Grants	1,024,989	1,058,112	1,011,019
Teachers' Salaries Grants	3,036,586	2,859,950	2,948,110
Use of Land and Buildings Grants	740,055	565,000	730,460
Resource Teachers Learning and Behaviour Grants	19,648	11,000	1,476
Other MoE Grants	45,090	54,773	68,872
Other Government Grants	85,471	43,329	65,279
	<u>4,951,839</u>	<u>4,592,164</u>	<u>4,825,216</u>

## 3. Locally Raised Funds

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

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
<b>Revenue</b>			
Donations	39,672	12,000	88,862
Activities	170,842	65,300	240,802
Trading	11,549	10,000	54,331
Fundraising	25,871	13,000	11,977
Other Revenue	97,026	81,000	65,540
	<u>344,960</u>	<u>181,300</u>	<u>461,512</u>
<b>Expenses</b>			
Activities	171,986	61,234	189,588
Trading	12,070	-	44,024
Fundraising (Costs of Raising Funds)	11,510	3,000	5,961
	<u>195,566</u>	<u>64,234</u>	<u>239,573</u>
<b>Surplus/ (Deficit) for the year Locally raised funds</b>	<u>149,394</u>	<u>117,066</u>	<u>221,939</u>

## 4. International Student Revenue and Expenses

	2019 Actual Number	2019 Budget (Unaudited) Number	2018 Actual Number
International Student Roll	0	0	0
	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
<b>Revenue</b>			
International Student Fees	26,000	110,000	64,642
<b>Expenses</b>			
Employee Benefit - Salaries	13,917	-	19,071
Other Expenses	3,731	50,000	32,566
	<u>17,648</u>	<u>50,000</u>	<u>51,637</u>
<b>Surplus/ (Deficit) for the year International Students'</b>	<u>8,352</u>	<u>60,000</u>	<u>13,005</u>

## 5. Learning Resources

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Curricular	199,148	225,401	199,465
Equipment Repairs	3,704	9,000	8,784
Information and Communication Technology	32,922	25,500	30,213
Employee Benefits - Salaries	3,378,757	3,191,450	3,301,402
Staff Development	20,456	34,200	27,389
	<u>3,634,987</u>	<u>3,485,551</u>	<u>3,567,253</u>

## 6. Administration

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Audit Fee	5,701	6,672	5,526
Board of Trustees Fees	5,205	7,000	5,240
Board of Trustees Expenses	13,224	14,900	16,491
Communication	10,775	11,000	12,373
Consumables	27,085	9,500	16,438
Operating Lease	8,801	8,700	13,410
Other	23,265	28,951	19,667
Employee Benefits - Salaries	145,987	140,000	127,639
Insurance	11,263	6,500	13,176
Service Providers, Contractors and Consultancy	9,906	9,740	8,623
	<u>261,212</u>	<u>242,963</u>	<u>238,583</u>

## 7. Property

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Caretaking and Cleaning Consumables	21,534	8,500	17,378
Consultancy and Contract Services	63,811	63,000	2,224
Cyclical Maintenance Provision	25,877	40,000	(134,819)
Grounds	53,101	40,000	42,114
Heat, Light and Water	55,982	46,600	46,447
Rates	508	800	924
Repairs and Maintenance	104,353	42,500	91,026
Use of Land and Buildings	740,055	565,000	730,460
Security	586	1,000	-
Employee Benefits - Salaries	70,555	87,500	152,454
	<u>1,136,362</u>	<u>894,900</u>	<u>948,208</u>

The use of land and buildings figure represents 8% of the school's total property value. Property values are established as part of the nation-wide revaluation exercise that is conducted every 30 June for the Ministry of Education's year-end reporting purposes.

### 8. Depreciation

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Building Improvements - Crown	18,991	20,200	18,991
Furniture and Equipment	16,345	17,385	28,749
Information and Communication Technology	15,638	16,633	22,444
Motor Vehicles	24,264	25,808	8,924
Leased Assets	35,587	37,852	40,549
Library Resources	1,995	2,122	2,280
	<u>112,820</u>	<u>120,000</u>	<u>121,937</u>

### 9. Cash and Cash Equivalents

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Bank Current Account	78,258	145,531	136,579
Bank Call Account	172,152	218,777	218,777
Cash and cash equivalents for Cash Flow Statement	<u>250,410</u>	<u>364,308</u>	<u>355,356</u>

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

Of the \$250,410 Cash and Cash Equivalents, \$16,820 of unspent grant funding is held by the School (Calf Club). This funding is subject to restrictions which specify how the grant is required to be spent in providing specified deliverables of the grant arrangement.

### 10. Accounts Receivable

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Receivables	7,511	54,183	54,183
Interest Receivable	21	23	23
Banking Staffing Underuse	-	8,355	8,355
Teacher Salaries Grant Receivable	219,825	-	204,514
	<u>227,357</u>	<u>62,561</u>	<u>267,075</u>
Receivables from Exchange Transactions	7,532	54,206	54,206
Receivables from Non-Exchange Transactions	219,825	8,355	212,869
	<u>227,357</u>	<u>62,561</u>	<u>267,075</u>

### 11. Inventories

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Stationery	1,248	3,792	3,792
School Uniforms	12,990	17,408	17,408
	<u>14,238</u>	<u>21,200</u>	<u>21,200</u>



## 12. Investments

The School's investment activities are classified as follows:

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Current Asset			
Short-term Bank Deposits	32,161	31,120	31,120
Total Investments	<u>32,161</u>	<u>31,120</u>	<u>31,120</u>

## 13. Property, Plant and Equipment

2019	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
Building Improvements	819,446	-	-	-	(18,991)	800,455
Furniture and Equipment	70,717	24,713	(3,031)	-	(16,345)	76,055
Information and Communication Technology	27,258	23,858	-	-	(15,638)	35,478
Motor Vehicles	105,144	-	-	-	(24,264)	80,880
Leased Assets	42,069	92,671	-	-	(35,587)	99,153
Library Resources	15,959	-	-	-	(1,995)	13,964
Balance at 31 December 2019	<u>1,080,593</u>	<u>141,242</u>	<u>(3,031)</u>	<u>-</u>	<u>(112,820)</u>	<u>1,105,985</u>

The net carrying value of equipment held under a finance lease is \$99,153 (2018: \$42,069)

2019	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
Building Improvements	1,044,652	(244,197)	800,455
Furniture and Equipment	440,704	(364,649)	76,055
Information and Communication Technology	285,531	(250,054)	35,478
Motor Vehicles	164,051	(83,170)	80,880
Leased Assets	153,789	(54,636)	99,153
Library Resources	85,140	(71,176)	13,964
Balance at 31 December 2019	<u>2,173,867</u>	<u>(1,067,882)</u>	<u>1,105,985</u>

2018	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
Building Improvements	838,437	-	-	-	(18,991)	819,446
Furniture and Equipment	89,341	10,125	-	-	(28,749)	70,717
Information and Communication Technology	36,755	12,948	-	-	(22,444)	27,258
Motor Vehicles	8,841	105,227	-	-	(8,924)	105,144
Leased Assets	73,725	8,893	-	-	(40,549)	42,069
Library Resources	18,239	-	-	-	(2,280)	15,959
<b>Balance at 31 December 2018</b>	<b>1,065,338</b>	<b>137,193</b>	<b>-</b>	<b>-</b>	<b>(121,937)</b>	<b>1,080,593</b>

The net carrying value of equipment held under a finance lease is \$42,069 (2017: \$73,725)

2018	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
Building Improvements	1,044,652	(225,206)	819,446
Furniture and Equipment	484,914	(414,197)	70,717
Information and Communication Technology	307,391	(280,133)	27,258
Motor Vehicles	164,051	(58,907)	105,144
Leased Assets	126,108	(84,039)	42,069
Library Resources	85,140	(69,181)	15,959
<b>Balance at 31 December 2018</b>	<b>2,212,256</b>	<b>(1,131,663)</b>	<b>1,080,593</b>

#### 14. Accounts Payable

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Operating Creditors	57,779	140,741	140,741
Accruals	5,977	5,802	5,802
Employee Entitlements - Salaries	236,036	29,332	233,845
Employee Entitlements - Leave Accrual	6,884	7,153	7,153
	<b>306,676</b>	<b>183,028</b>	<b>387,541</b>
Payables for Exchange Transactions	306,676	183,028	387,541
	<b>306,676</b>	<b>183,028</b>	<b>387,541</b>

The carrying value of payables approximates their fair value.

#### 15. Revenue Received in Advance

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
International Student Fees	14,479	12,065	12,065
Other	29,955	13,508	13,508
	<b>44,434</b>	<b>25,573</b>	<b>25,573</b>

16. Provision for Cyclical Maintenance

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Provision at the Start of the Year	96,513	96,513	240,634
Increase/ (decrease) to the Provision During the Year	25,877	40,000	(134,819)
Use of the Provision During the Year	(39,172)	(40,000)	(9,302)
Provision at the End of the Year	<u>83,218</u>	<u>96,513</u>	<u>96,513</u>
Cyclical Maintenance - Current	17,000	35,389	35,389
Cyclical Maintenance - Term	66,218	61,124	61,124
	<u>83,218</u>	<u>96,513</u>	<u>96,513</u>

17. Finance Lease Liability

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

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
No Later than One Year	42,321	30,854	33,524
Later than One Year and no Later than Five Years	82,466	13,842	14,487
Later than Five Years	-	-	-
	<u>124,787</u>	<u>44,696</u>	<u>48,011</u>

18. Funds held in Trust

	2019 Actual \$	2019 Budget \$	2018 Actual \$
Funds Held in Trust on Behalf of Third Parties - Current	7,900	7,050	7,050
Funds Held in Trust on Behalf of Third Parties - Non-current	-	-	-
	<u>7,900</u>	<u>7,050</u>	<u>7,050</u>

These funds relate to arrangements where the school is acting as an agent. These amounts are not revenue or expenditure of the school and therefore are not included in the Statement of Comprehensive Revenue and Expense.

## 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:

	2019	Opening Balances	Receipts from MoE	Payments	BOT Contributions	Closing Balances
		\$	\$	\$		\$
Block 1&10 Alarm Upgrade	<i>completed</i>	(617)	1,100	(483)	-	-
Blocks 2,4,6 & 10 Roof	<i>completed</i>	21,532	4,702	(26,234)	-	-
Blocks 2,6 & 10 Spouting	<i>completed</i>	7,826	2,754	(10,580)	-	-
Block 1 Water Pump	<i>completed</i>	7,365	23	(7,388)	-	-
Blocks 6 & 9 Heat Pumps	<i>completed</i>	(3,448)	5,408	(1,960)	-	-
Site Drainage	<i>in progress</i>	18,720	-	(12,305)	-	6,415
Rescrew Roof Repairs	<i>in progress</i>	-	32,495	(30,705)	-	1,790
Block 4 Toilet Refurb	<i>completed</i>	-	49,000	(49,000)	-	-
Block 10 Classroom Upgrade	<i>in progress</i>	-	76,829	(99,697)	-	(22,868)
Flood Damage	<i>in progress</i>	-	-	(4,681)	-	(4,681)
<b>Totals</b>		<b>51,378</b>	<b>172,311</b>	<b>(243,033)</b>	<b>-</b>	<b>(19,344)</b>

Represented by:

Funds Held on Behalf of the Ministry of Education  
Funds Due from the Ministry of Education

8,205  
(27,549)

(19,344)

	2018	Opening Balances	Receipts from MoE	Payments		Closing Balances
		\$	\$	\$		\$
Block 1&10 Alarm Upgrade	<i>in progress</i>	-	9,900	(10,517)	-	(617)
Blocks 2,4,6 & 10 Roof	<i>in progress</i>	-	44,118	(22,586)	-	21,532
Blocks 2,6 & 10 Spouting	<i>in progress</i>	-	44,100	(36,274)	-	7,826
Block 1 Water Pump	<i>in progress</i>	-	15,889	(8,524)	-	7,365
Blocks 6 & 9 Heat Pumps	<i>in progress</i>	-	25,200	(28,648)	-	(3,448)
Site Drainage	<i>in progress</i>	-	22,500	(3,780)	-	18,720
<b>Totals</b>		<b>-</b>	<b>161,707</b>	<b>(110,329)</b>	<b>-</b>	<b>51,378</b>

## 20. 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.

## 21. Remuneration

### *Key management personnel compensation*

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

	2019 Actual \$	2018 Actual \$
<i>Board Members</i>		
Remuneration	5,205	5,240
Full-time equivalent members	0.31	0.46
<i>Leadership Team</i>		
Remuneration	454,272	441,967
Full-time equivalent members	4	4
Total key management personnel remuneration	<u>459,477</u>	<u>447,207</u>
Total full-time equivalent personnel	<u>4.31</u>	<u>4.46</u>

The full time equivalent for Board members has been determined based on attendance at Board meetings, Committee meetings and for other obligations of the Board, such as stand downs and suspensions, plus the estimated time for Board members to prepare for meetings.

### *Principal*

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

	2019 Actual \$000	2018 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	130 - 140	130 - 140
Benefits and Other Emoluments	0 - 5	0 - 5
Termination Benefits	-	-

### *Other Employees*

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

Remuneration \$000	2019 FTE Number	2018 FTE Number
100 - 110	3.00	1.00
110 - 120	1.00	0.00
	<u>4.00</u>	<u>1.00</u>

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

## 22. 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	-	-

### 23. 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.

### 24. Commitments

#### (a) Capital Commitments

As at 31 December 2019 the Board has entered into no contract agreements for capital works.  
(Capital commitments at 31 December 2018: \$0)

#### (b) Operating Commitments

As at 31 December 2019 the Board has entered into no contracts.

### 25. 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.

## 26. 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	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Cash and Cash Equivalents	250,410	364,308	355,356
Receivables	227,357	62,561	267,075
Investments - Term Deposits	32,161	31,120	31,120
<b>Total Financial assets measured at amortised cost</b>	<b>509,928</b>	<b>457,989</b>	<b>653,551</b>

### Financial liabilities measured at amortised cost

Payables	306,676	183,028	387,541
Finance Leases	101,339	44,696	44,696
<b>Total Financial Liabilities Measured at Amortised Cost</b>	<b>408,015</b>	<b>227,724</b>	<b>432,237</b>

## 27. 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 of 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.

## 28. Adoption of PBE IFRS 9 Financial Instruments

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

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

- Note 9 Investments:

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

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