

STANLEY AVENUE SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

School Directory

Ministry Number:	1967
Principal:	John Byers
School Address:	Stanley Avenue, Te aroha
School Postal Address:	Stanley Avenue, Te Aroha 3320
School Phone:	07) 884 8479
School Email:	office@stanleyave.school.nz

Members of the Board of Trustees

Name	Position	How Position Gained	Occupation	Term Expired/ Expires
Mark Baillie	Chair Person	Elected May 2019	Associate Chartered Accountant	May-22
John Byers	Principal		Principal	
Sally Oldfield	Staff Rep	Elected May 2019	Teacher	May-22
Sharon Coombe	Parent Rep	Elected May 2019	Chartered Accountant	May-22
Lori Potts	Parent Rep	Elected May 2019	Home Executive	May-22
Lisa Moore	Parent Rep	Elected May 2019	Project Manager	May-22
Cassie Warburton	Parent Rep	Elected May 2019	Planner	May-22

Accountant / Service Provider: Diprose Miller Limited

STANLEY AVENUE SCHOOL

Annual Report - For the year ended 31 December 2019

Index

Page	Statement
	Financial Statements
1	Statement of Responsibility
2	Statement of Comprehensive Revenue and Expense
3	Statement of Changes in Net Assets/Equity
4	Statement of Financial Position
5	Statement of Cash Flows
6 - 11	Statement of Accounting Policies
12- 21	Notes to the Financial Statements
	Other Information
	Analysis of Variance
	Kiwisport

Stanley Avenue 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.



Mark Baillie



Signature of Board Chairperson



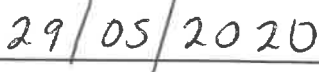
Date:



John Byers



Signature of Principal



Date:

Stanley Avenue School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2019

	Notes	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Revenue				
Government Grants	2	2,000,962	477,304	2,012,628
Locally Raised Funds	3	139,411	102,875	132,342
Interest income		6,749	2,500	6,784
Gain on Sale of Property, Plant and Equipment		-		1,927
		<u>2,147,122</u>	<u>582,679</u>	<u>2,153,681</u>
Expenses				
Locally Raised Funds	3	123,906	108,800	106,836
Learning Resources	4	1,298,935	136,500	1,312,960
Administration	5	112,601	136,450	114,742
Finance		4,423	-	7,731
Property	6	524,598	127,200	530,440
Depreciation	7	101,776	80,000	97,571
Loss on Disposal of Property, Plant and Equipment		2,530	-	1,574
		<u>2,168,770</u>	<u>588,950</u>	<u>2,171,855</u>
Net Surplus / (Deficit) for the year		(21,648)	(6,271)	(18,173)
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>(21,648)</u>	<u>(6,271)</u>	<u>(18,173)</u>

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



Stanley Avenue 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>607,461</u>	<u>585,000</u>	<u>620,228</u>
Total comprehensive revenue and expense for the year		(21,648)	(6,271)	(18,173)
Capital Contributions from the Ministry of Education Contribution - Furniture and Equipment Grant		10,535	-	5,407
Equity at 31 December	22	<u>596,348</u>	<u>578,729</u>	<u>607,461</u>
Retained Earnings		596,348	578,729	607,461
Reserves		-	-	-
Equity at 31 December		<u>596,348</u>	<u>578,729</u>	<u>607,461</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.



Stanley Avenue School

Statement of Financial Position

As at 31 December 2019

	Notes	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Current Assets				
Cash and Cash Equivalents	8	56,632	53,772	196,054
Accounts Receivable	9	82,988	79,500	69,402
GST Receivable		9,554	9,500	-
Prepayments		10,363	7,500	4,774
Inventories	10	1,224	1,300	1,561
Investments	11	213,047	205,000	206,371
		<u>373,808</u>	<u>356,572</u>	<u>478,162</u>
Current Liabilities				
GST Payable		-	-	26,046
Accounts Payable	13	103,576	99,000	87,856
Borrowings - Due in one year	14	2,917	3,000	2,790
Provision for Cyclical Maintenance	15	56,310	45,843	-
Finance Lease Liability - Current Portion	16	22,943	20,000	30,479
Funds held for Capital Works Projects	17	-	-	125,687
		<u>185,747</u>	<u>167,843</u>	<u>272,858</u>
Working Capital Surplus/(Deficit)		188,061	188,729	205,303
Non-current Assets				
Property, Plant and Equipment	12	510,799	495,000	559,366
		<u>510,799</u>	<u>495,000</u>	<u>559,366</u>
Non-current Liabilities				
Borrowings	14	-	-	2,917
Provision for Cyclical Maintenance	15	75,525	80,000	113,343
Finance Lease Liability	16	26,988	25,000	40,947
		<u>102,513</u>	<u>105,000</u>	<u>157,208</u>
Net Assets		<u>596,348</u>	<u>578,729</u>	<u>607,461</u>
Equity	22	<u>596,348</u>	<u>578,729</u>	<u>607,461</u>

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



Stanley Avenue School
Statement of Cash Flows
For the year ended 31 December 2019

		2019	2019	2018
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
		\$	\$	\$
Cash flows from Operating Activities				
Government Grants		457,645	442,304	468,602
Locally Raised Funds		138,965	102,875	131,894
Hostel		-	-	-
International Students		-	-	-
Goods and Services Tax (net)		(35,600)	(9,500)	6,999
Payments to Employees		(220,142)	(211,200)	(210,481)
Payments to Suppliers		(285,073)	(282,250)	(266,663)
Cyclical Maintenance Payments in the year		0	(16,657)	-
Interest Paid		(4,423)	-	(7,731)
Interest Received		6,922	2,000	6,038
Net cash from Operating Activities		58,294	27,572	128,658
Cash flows from Investing Activities				
Proceeds from Sale of PPE (and Intangibles)		-	-	5,353
Purchase of PPE (and Intangibles)		(39,991)	21,000	(74,238)
Purchase of Investments		(6,676)	(15,000)	(75,845)
Proceeds from Sale of Investments		-	-	-
Net cash from Investing Activities		(46,667)	6,000	(144,730)
Cash flows from Financing Activities				
Furniture and Equipment Grant		10,535	-	5,407
Finance Lease Payments		(33,074)	(24,000)	(19,573)
Painting contract payments		-	-	-
Loans Received/ Repayment of Loans		(2,790)	(2,700)	(2,668)
Funds Administered on Behalf of Third Parties		-	-	109,545
Funds Held for Capital Works Projects		(125,687)	-	-
Net cash from Financing Activities		(151,016)	(26,700)	92,711
Net increase/(decrease) in cash and cash equivalents		(139,388)	6,872	76,639
Cash and cash equivalents at the beginning of the year	8	196,049	201,325	119,418
Cash and cash equivalents at the end of the year	8	56,661	208,197	196,057

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..



Stanley Avenue School

Notes to the Financial Statements

For the year ended 31 December 2019

1. Statement of Accounting Policies

a) Reporting Entity

Stanley Avenue 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".

PBE Accounting Standards Reduced Disclosure Regime

The School qualifies for Tier 2 as the school is not publicly accountable and is not considered large as it falls below the expenditure threshold of \$30 million per year. All relevant reduced disclosure concessions have been taken.

Measurement Base

The financial statements are prepared on the historical cost basis unless otherwise noted in a specific accounting policy.

Presentation Currency

These financial statements are presented in New Zealand dollars, rounded to the nearest dollar.

Specific Accounting Policies

The accounting policies used in the preparation of these financial statements are set out below.



Critical Accounting Estimates And Assumptions

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenue and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Useful lives of property, plant and equipment

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment as disclosed in the Significant Accounting Policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 12.

Critical Judgements in applying accounting policies

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

Classification of leases

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

Recognition of grants

The School reviews the grants monies received at the end of each reporting period and whether any require a provision to 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.

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	10–40 years
Furniture and equipment	5–15 years
Information and communication technology	4–5 years
Leased assets held under a Finance Lease	4 years
Library resources	12.5% Diminishing value



l) Intangible Assets

Software costs

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

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

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

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

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

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

Non cash generating assets

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

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

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

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

n) Accounts Payable

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

o) Employee Entitlements

Short-term employee entitlements

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

These include salaries and wages accrued up to balance date, annual leave earned to but not yet taken at balance date.

Long-term employee entitlements

Employee benefits that are due to be settled beyond 12 months after the end of the period in which the employee renders the related service, such as long service leave and retirement gratuities, have been calculated on an actuarial basis. The calculations are based on:

- likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement, and contractual entitlement information; and



- the present value of the estimated future cash flows.

p) 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) Borrowings

Borrowings on normal commercial terms are initially recognised at the amount borrowed plus transaction costs. Interest due on the borrowings is subsequently accrued and added to the borrowings balance. Borrowings are classified as current liabilities unless the school has an unconditional right to defer settlement of the liability for at least 12 months after balance date.

Grants determined by the Minister of Education for operational activities includes all items (core components) included in the Operational Funding notice.

Borrowings include but not limited to bank overdrafts, operating leases, finance leases, painting contracts and term loans.

s) 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.

t) Budget Figures

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

u) 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	401,279	419,804	420,198
Teachers' Salaries Grants	1,164,217	-	1,179,892
Use of Land and Buildings Grants	379,101	-	364,134
Other MoE Grants	56,366	57,500	48,404
	<u>2,000,962</u>	<u>477,304</u>	<u>2,012,628</u>

3. Locally Raised Funds

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

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Revenue			
Donations	20,827	30,000	29,383
Activities	26,128	6,000	28,343
Trading	985	1,200	1,163
Fundraising	9,864	7,500	9,459
Other Revenue	81,608	58,175	64,001
	<u>139,411</u>	<u>102,875</u>	<u>132,349</u>
Expenses			
Activities	28,557	37,000	31,231
Trading	1,176	2,100	1,754
Fundraising (Costs of Raising Funds)	8,913	6,500	7,618
Other Locally Raised Funds Expenditure	85,260	63,200	66,233
	<u>123,906</u>	<u>108,800</u>	<u>106,836</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>15,505</u>	<u>(5,925)</u>	<u>25,513</u>

4. Learning Resources

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Curricular	27,547	33,900	29,927
Equipment Repairs	266	-	-
Extra-Curricular Activities	1,059	1,000	849
Library Resources	384	2,400	111
Employee Benefits - Salaries	1,259,221	84,700	1,267,753
Staff Development	10,458	14,500	14,320
	<u>1,298,935</u>	<u>136,500</u>	<u>1,312,960</u>



5. Administration

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Audit Fee	4,097	3,600	4,051
Board of Trustees Fees	2,780	3,000	3,575
Board of Trustees Expenses	12,817	8,000	9,924
Communication	12,921	19,700	17,267
Consumables	4,925	11,950	8,867
Operating Lease	-	25,000	1,610
Other	143	200	147
Employee Benefits - Salaries	59,409	52,000	57,029
Insurance	8,233	9,000	7,279
Service Providers, Contractors and Consultancy	7,277	4,000	4,992
	112,601	136,450	114,742

6. Property

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Caretaking and Cleaning Consumables	9,703	11,000	10,505
Cyclical Maintenance Provision	18,492	12,500	32,976
Grounds	2,123	1,800	1,538
Heat, Light and Water	12,802	12,200	13,221
Rates	3,506	2,800	3,140
Repairs and Maintenance	30,653	22,400	34,208
Use of Land and Buildings	379,101	-	364,134
Security	2,345	3,500	4,522
Employee Benefits - Salaries	65,874	61,000	66,195
	524,598	127,200	530,440

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

7. Depreciation

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Building Improvements - Crown	33,949	30,000	33,341
Furniture and Equipment	27,803	22,000	26,822
Information and Communication Technology	8,954	14,000	9,954
Leased Assets	29,020	12,000	25,512
Library Resources	2,050	2,000	1,943
	101,776	80,000	97,572



8. Cash and Cash Equivalents

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Cash on Hand	50	-	50
Bank Current Account	40,595	38,772	38,509
Bank Call Account	15,988	15,000	157,489
Cash and cash equivalents for Cash Flow Statement	56,633	53,772	196,048

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

9. Accounts Receivable

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Receivables	3,719	3,000	3,273
Interest Receivable	1,570	1,500	1,743
Banking Staffing Underuse	-	-	-
Teacher Salaries Grant Receivable	77,699	75,000	64,386
	82,988	79,500	69,402
Receivables from Exchange Transactions	5,289	4,500	5,016
Receivables from Non-Exchange Transactions	77,699	75,000	64,386
	82,988	79,500	69,402

10. Inventories

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Stationery	173	300	321
School Uniforms	1,051	1,000	1,240
	1,224	1,300	1,561

11. Investments

The School's investment activities are classified as follows:

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Current Asset			
Short-term Bank Deposits	213,047	205,000	206,371
Non-current Asset			
Long-term Bank Deposits	-	-	-
Total Investments	213,047	205,000	206,371



12. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
	\$	\$	\$	\$	\$	\$
2019						
Building Improvements	342,228	-	(205)	-	(33,949)	308,074
Furniture and Equipment	123,609	20,437	(1,766)	-	(27,803)	114,477
Information and Communication	16,411	16,243	(44)	-	(8,954)	23,656
Leased Assets	63,515	11,579	-	-	(29,020)	46,074
Library Resources	13,603	3,312	(516)	-	(2,050)	14,349
Balance at 31 December 2019	559,366	51,571	(2,531)	-	(101,776)	506,630

	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$
2019			
Building Improvements	649,191	(341,116)	308,074
Furniture and Equipment	410,674	(292,027)	118,647
Information and Communication	148,817	(125,160)	23,656
Leased Assets	100,649	(54,576)	46,074
Library Resources	34,782	(20,433)	14,349
Balance at 31 December 2019	1,344,112	(833,313)	510,799

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
	\$	\$	\$	\$	\$	\$
2018						
Building Improvements	357,470	18,099	-	-	(33,341)	342,228
Furniture and Equipment	101,806	48,625	-	-	(26,822)	123,609
Information and Communication					(9,954)	16,411
Technology	23,934	3,956	(1,525)	-		
Leased Assets	32,241	56,786	-	-	(25,512)	63,515
Library Resources	15,463	1,657	(1,574)	-	(1,943)	13,603
Balance at 31 December 2018	530,914	129,123	(3,099)	-	(97,572)	559,366

	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$
2018			
Building Improvements	651,721	(309,492)	342,228
Furniture and Equipment	419,766	(296,157)	123,609
Information and Communication Technology	171,955	(155,544)	16,411
Leased Assets	104,423	(40,909)	63,515
Library Resources	32,710	(19,107)	13,603
Balance at 31 December 2018	1,380,575	(821,210)	559,366



13. Accounts Payable

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Operating Creditors	15,095	14,000	12,747
Accruals	7,805	85,000	7,891
Banking Staffing Overuse	-	-	-
Employee Entitlements - Salaries	77,699	-	64,386
Employee Entitlements - Leave Accrual	2,977	-	2,832
	<u>103,576</u>	<u>99,000</u>	<u>87,856</u>
Payables for Exchange Transactions	103,576	99,000	87,856
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	<u>103,576</u>	<u>99,000</u>	<u>87,856</u>

The carrying value of payables approximates their fair value.

14. Borrowings

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Due in One Year	2,917	3,000	2,790
Due Beyond One Year	-	-	2,917
	<u>2,917</u>	<u>3,000</u>	<u>5,707</u>

The school has borrowings at **31 December 2019** of **\$2,917.48** (**31 December 2018: \$5,707.30**). This loan is from the Energy, Efficiency & Conservation for the purpose of installation of solar panels. The loan is unsecured, interest is 0% per annum and the loan is payable with interest in equal instalments of **\$750**.



15. Provision for Cyclical Maintenance

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Provision at the Start of the Year	113,343	113,343	80,367
Increase/ (decrease) to the Provision During the Year	35,624	12,500	32,976
Use of the Provision During the Year	-	-	-
Provision at the End of the Year	148,967	125,843	113,343
Cyclical Maintenance - Current	56,310	45,843	-
Cyclical Maintenance - Term	75,525	80,000	113,343
	131,835	125,843	113,343

16. 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	25,118	-	31,859
Later than One Year and no Later than Five Years	27,207	-	37,321
Later than Five Years	-	-	-
	52,325	-	69,180

17. Funds Held for Capital Works Projects

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

	2019	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions	Closing Balances \$
Senior Block Refurbishment	<i>completed</i>	125,687	-	125,687	-	0
Kowhai	<i>completed</i>	-	-	-	-	-
Rimu Roof	<i>in progress</i>	-	-	-	-	-
5YP	<i>in progress</i>	-	-	-	-	-
Totals		125,687	-	125,687	-	0



Represented by:

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

0

-

0

	2018	Opening Balances \$	Receipts from MoE \$	Payments \$		Closing Balances \$
Senior Block Refurbishment	<i>in progress</i>	16,142	198,864	89,280	-	125,687
Exterior Cladding	<i>completed</i>	-	18,774	18,774	-	-
Skylight Replacement	<i>completed</i>	-	8,036	8,036	-	-
Totals		16,142	225,674	116,090	-	125,687

18. Related Party Transactions

The School is a controlled entity of the Crown, and the Crown provides the major source of revenue to the school. The school enters into transactions with other entities also controlled by the Crown, such as government departments, state-owned enterprises and other Crown entities. Transactions with these entities are not disclosed as they occur on terms and conditions no more or less favourable than those that it is reasonable to expect the school would have adopted if dealing with that entity at arm's length.

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and condition no more or less favourable than those that it is reasonable to expect the school would have adopted in dealing with the party at arm's length in the same circumstances. Further, transactions with other government agencies (for example, Government departments and Crown entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.



19. Remuneration

Key management personnel compensation

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

	2019 Actual \$	2018 Actual \$
<i>Board Members</i>		
Remuneration	2,780	3,575
Full-time equivalent members	0.11	0.16
<i>Leadership Team</i>		
Remuneration	261,975	185,486
Full-time equivalent members	2	2
Total key management personnel remuneration	264,755	189,061
Total full-time equivalent personnel	2.11	2.16

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	4 to 5	3 to 4
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
0	0.00	0.00
	0.00	0.00

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



20. 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.

21. Commitments

(a) Capital Commitments

As at 31 December 2019 the Board has entered into no contract agreements

(Capital commitments at 31 December 2018: nil)

(b) Operating Commitments

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

22. 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.



23. Financial Instruments

The carrying amount of financial assets and liabilities in each of the financial instrument categories are as follows:

Financial assets measured at amortised cost (2018: Loans and receivables)

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Cash and Cash Equivalents	56,633	53,772	196,048
Receivables	82,988	79,500	69,402
Investments - Term Deposits	213,047	205,000	206,371
Total Financial assets measured at amortised cost	<u>352,669</u>	<u>338,272</u>	<u>471,821</u>

Financial liabilities measured at amortised cost

Payables	103,576	99,000	87,856
Borrowings - Loans	2,917	3,000	5,707
Finance Leases	49,931	45,000	71,426
Total Financial Liabilities Measured at Amortised Cost	<u>156,425</u>	<u>147,000</u>	<u>164,989</u>

24. Events After Balance Date

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

25. Breach of Law - Failure to meet Statutory Reporting Deadline

Section 87A (1) of the Education Act 1989 was unable to be met due to the school being closed and in lockdown as a result of the COVID-19 Pandemic.

26. Subsequent Events Disclosure

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.

