

MAUNU SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

School Directory

Ministry Number:	1050
Principal:	Paul Shepherd
School Address:	13 Austin Road, Maunu
School Postal Address:	P O Box 10048, Te Mai, Whangarei, 0143
School Phone:	09 438 8060
School Email:	carolyn@maunu.school.nz

Members of the Board of Trustees

Name	Position	How Position Gained	Term Expires/ Expired
Bridget Lambert	Chairperson	Co-opted	Feb 2020
Alison Manson	Chairperson	Elected	Jun 2022
Paul Shepherd	Principal	ex Officio	
Phil Currey	Parent Rep	Elected	Jun 2022
Kate Davies	Parent Rep	Elected	Jun 2022
Todd Leathem	Parent Rep	Elected	Jun 2022
Steven Capper	Parent Rep	Elected	Feb 2020
Rachel Wright	Parent Rep	Select one	Jun 2022
Claire Turton	Staff Rep	Elected	Jun 2022

Accountant / Service Provider: Education Services Ltd

MAUNU SCHOOL

Annual Report - For the year ended 31 December 2020

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Maunu School

Statement of Responsibility

For the year ended 31 December 2020

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 2020 fairly reflects the financial position and operations of the school.

The School's 2020 financial statements are authorised for issue by the Board.

ALISON MANSON

Full Name of Board Chairperson

Paul Shepherd

Full Name of Principal

A. E. Manson

Signature of Board Chairperson

P. Shepherd

Signature of Principal

Date:

15/06/2021

Date:

Maunu School**Statement of Comprehensive Revenue and Expense**

For the year ended 31 December 2020

		2020	2020 Budget	2019
	Notes	Actual \$	(Unaudited) \$	Actual \$
Revenue				
Government Grants	2	2,981,862	2,586,119	2,779,110
Locally Raised Funds	3	89,957	113,500	171,776
Interest income		3,680	3,000	7,241
Other Revenue		4,605	-	-
		<u>3,080,104</u>	<u>2,702,619</u>	<u>2,958,127</u>
Expenses				
Locally Raised Funds	3	9,888	7,000	24,137
Learning Resources	4	1,995,132	1,757,963	1,908,819
Administration	5	151,678	186,540	147,490
Finance		1,352	1,020	1,421
Property	6	810,969	744,643	801,005
Depreciation	7	87,178	45,000	88,498
Loss on Disposal of Property, Plant and Equipment		1,806	-	1,321
		<u>3,058,003</u>	<u>2,742,166</u>	<u>2,972,691</u>
Net Surplus / (Deficit) for the year		22,101	(39,547)	(14,564)
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>22,101</u>	<u>(39,547)</u>	<u>(14,564)</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.

Maunu School

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2020

	Notes	Actual 2020 \$	Budget (Unaudited) 2020 \$	Actual 2019 \$
Balance at 1 January		784,979	914,730	799,543
Total comprehensive revenue and expense for the year		22,101	(39,547)	(14,564)
Capital Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		8,034	-	-
Adjustment to Accumulated surplus/(deficit) from adoption of PBE IFRS 9		-	-	-
Equity at 31 December	23	815,114	875,183	784,979
Retained Earnings		815,114	875,183	784,979
Equity at 31 December		815,114	875,183	784,979

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.

Maunu School
Statement of Financial Position
As at 31 December 2020

		2020	2020	2019
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
Current Assets				
Cash and Cash Equivalents	8	387,721	78,311	100,445
Accounts Receivable	9	133,286	116,640	118,000
GST Receivable		-	5,005	9,887
Prepayments		1,575	1,855	1,396
Inventories	10	6,816	5,209	6,296
Investments	11	204,170	101,755	100,000
Funds owed for Capital Works Projects	17	-	-	15,455
		<u>733,568</u>	<u>308,775</u>	<u>351,479</u>
Current Liabilities				
GST Payable		23,483	-	-
Accounts Payable	13	214,543	150,171	194,696
Revenue Received in Advance	14	2,886	935	3,217
Provision for Cyclical Maintenance	15	63,029	46,800	15,429
Finance Lease Liability - Current Portion	16	7,913	8,447	9,833
Funds held for Capital Works Projects	17	269,979	-	-
		<u>581,833</u>	<u>206,353</u>	<u>223,175</u>
Working Capital Surplus/(Deficit)		<u>151,735</u>	<u>102,422</u>	<u>128,304</u>
Non-current Assets				
Property, Plant and Equipment	12	702,553	790,398	713,350
Work in Progress		-	-	33,277
		<u>702,553</u>	<u>790,398</u>	<u>746,627</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	15	31,898	10,496	81,330
Finance Lease Liability	16	7,276	7,141	8,622
		<u>39,174</u>	<u>17,637</u>	<u>89,952</u>
Net Assets		<u>815,114</u>	<u>875,183</u>	<u>784,979</u>
Equity		<u>815,114</u>	<u>875,183</u>	<u>784,979</u>

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

Maunu School

Statement of Cash Flows

For the year ended 31 December 2020

		2020	2020 Budget	2019
	Note	Actual \$	(Unaudited) \$	Actual \$
Cash flows from Operating Activities				
Government Grants		631,230	502,464	508,760
Locally Raised Funds		94,461	113,500	180,873
Goods and Services Tax (net)		33,370	-	(4,882)
Payments to Employees		(351,700)	(310,600)	(357,138)
Payments to Suppliers		(278,369)	(162,203)	(250,729)
Cyclical Maintenance Payments in the year		-	(70,000)	-
Interest Paid		(1,352)	(1,020)	(1,421)
Interest Received		4,355	3,000	7,828
Net cash from/(to) Operating Activities		131,995	75,141	83,291
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(37,860)	(34,000)	(109,334)
Purchase of Investments		(104,169)	-	-
Proceeds from Sale of Investments		-	-	101,755
Net cash from/(to) Investing Activities		(142,029)	(34,000)	(7,579)
Cash flows from Financing Activities				
Furniture and Equipment Grant		8,034	-	-
Finance Lease Payments		(5,963)	(7,659)	(5,504)
Funds Held for Capital Works Projects		295,239	-	(14,592)
Net cash from/(to) Financing Activities		297,310	(7,659)	(20,096)
Net increase/(decrease) in cash and cash equivalents		287,276	33,482	55,616
Cash and cash equivalents at the beginning of the year	8	100,445	44,829	44,829
Cash and cash equivalents at the end of the year	8	387,721	78,311	100,445

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 Statement of Cash Flows should be read in conjunction with the accompanying notes which form part of these financial statements.

Maunu School

Notes to the Financial Statements

For the year ended 31 December 2020

1. Statement of Accounting Policies

a) Reporting Entity

Maunu School (the School) is a Crown entity as specified in the Crown Entities Act 2004 and a school as described in the Education and Training Act 2020. 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 2020 to 31 December 2020 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 and Training Act 2020 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.

Cyclical maintenance

A school recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's long term maintenance plan which is prepared as part of its 10 Year Property Planning process. During the year, the Board assesses the reasonableness of its 10 Year Property Plan on which the provision is based. Cyclical maintenance is disclosed at note 15.

Useful lives of property, plant and equipment

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

Critical Judgements in applying accounting policies

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

Classification of leases

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

Recognition of grants

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

c) Revenue Recognition

Government Grants

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

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

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

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

Other Grants

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

Donations, Gifts and Bequests

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

Interest Revenue

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

d) Use of Land and Buildings Expense

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

e) Operating Lease Payments

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

f) Finance Lease Payments

Finance lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term on an effective interest basis.

g) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, bank balances, deposits held at call with banks, and other short term highly liquid investments with original maturities of 90 days or less, and bank overdrafts. The carrying amount of cash and cash equivalents represent fair value.

h) Accounts Receivable

Short-term receivables are recorded at the amount due, less an allowance for credit losses (uncollectable debts). The schools receivables are largely made up of funding from the Ministry of Education, therefore the level of uncollectable debts is not considered to be material. However, short-term receivables are written off when there is no reasonable expectation of recovery.

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.

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.

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 are depreciated over their estimated useful lives on a straight line basis. Depreciation of all assets is reported in the Statement of Comprehensive Revenue and Expense.

The estimated useful lives of the assets are:

Buildings	40 years
Building Improvements	18-40 years
Furniture and Equipment	5-18 years
Information and Communication	3-5 years
Leased Assets	3 - 5 years
Library Resources	8 years
Leased assets held under a Finance Lease	Term of Lease

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 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, and also annual leave earned, by non teaching staff, to but not yet taken at balance date.

Long-term employee entitlements

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

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

p) Revenue Received in Advance

Revenue received in advance relates to fees received from students and grants received where there are unfulfilled obligations for the School to provide services in the future. The fees are recorded as revenue as the obligations are fulfilled and the fees earned.

The School holds sufficient funds to enable the refund of unearned fees in relation to international students, should the School be unable to provide the services to which they relate.

q) Funds Held in Trust

Funds are held in trust where they have been received by the School for a specified purpose, or are being held on behalf of a third party and these transactions are not recorded in the Statement of Revenue and Expense.

The School holds sufficient funds to enable the funds to be used for their intended purpose at any time.

r) Shared Funds

Shared Funds are held on behalf of a cluster of participating schools as agreed with the Ministry of Education. The cluster of schools operate activities outside of the School's control. These amounts are not recorded in the Statement of Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose.

s) 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).

t) Financial Instruments

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 'financial assets measured at amortised cost' for accounting purposes in accordance with financial reporting standards.

Investments that are shares are categorised as 'financial assets at fair value through other comprehensive revenue and expense' 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.

u) 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.

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

v) 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.

w) Budget Figures

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

x) 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

	2020	2020 Budget	2019
	Actual	(Unaudited)	Actual
	\$	\$	\$
Operational Grants	502,088	439,459	447,854
Teachers' Salaries Grants	1,687,734	1,504,683	1,567,487
Use of Land and Buildings Grants	663,048	578,972	648,151
Resource Teachers Learning and Behaviour Grants	9,068	2,000	3,172
Other MoE Grants	101,034	52,505	111,546
Other Government Grants	18,890	8,500	900
	<u>2,981,862</u>	<u>2,586,119</u>	<u>2,779,110</u>

3. Locally Raised Funds

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

	2020	2020 Budget	2019
	Actual	(Unaudited)	Actual
	\$	\$	\$
Revenue			
Donations	61,750	72,000	123,170
Bequests & Grants	2,000	3,000	10,011
Activities	19,792	18,500	31,965
Trading	6,415	-	6,226
Fundraising	-	20,000	404
	<u>89,957</u>	<u>113,500</u>	<u>171,776</u>
Expenses			
Activities	4,074	7,000	18,715
Trading	5,814	-	5,021
Fundraising (Costs of Raising Funds)	-	-	401
	<u>9,888</u>	<u>7,000</u>	<u>24,137</u>
Surplus for the year Locally raised funds	<u>80,069</u>	<u>106,500</u>	<u>147,639</u>

4. Learning Resources

	2020	2020 Budget	2019
	Actual	(Unaudited)	Actual
	\$	\$	\$
Curricular	60,981	41,680	50,789
Library Resources	3,340	5,000	2,996
Employee Benefits - Salaries	1,908,983	1,679,283	1,841,968
Staff Development	14,187	17,500	8,581
Equipment Repairs	7,641	14,500	4,485
	<u>1,995,132</u>	<u>1,757,963</u>	<u>1,908,819</u>

5. Administration

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	4,650	4,600	4,550
Board of Trustees Fees	3,410	4,675	4,070
Board of Trustees Expenses	6,489	4,750	5,351
Communication	4,029	4,200	4,018
Consumables	9,004	14,500	13,000
Operating Lease	365	365	365
Other	12,860	48,300	9,814
Employee Benefits - Salaries	95,602	92,000	91,657
Insurance	3,269	-	3,205
Service Providers, Contractors and Consultancy	12,000	13,150	11,460
	<u>151,678</u>	<u>186,540</u>	<u>147,490</u>

6. Property

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	8,607	10,300	6,887
Cyclical Maintenance Expense	(1,832)	21,871	6,205
Grounds	15,227	17,700	14,401
Heat, Light and Water	16,287	18,000	18,733
Rates	532	1,600	1,032
Repairs and Maintenance	18,516	17,700	23,379
Use of Land and Buildings	663,048	578,972	648,151
Security	1,514	1,500	989
Employee Benefits - Salaries	47,576	44,000	42,160
Consultancy And Contract Services	41,494	33,000	39,068
	<u>810,969</u>	<u>744,643</u>	<u>801,005</u>

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

7. Depreciation

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Buildings	4,650	2,364	4,650
Building Improvements	22,532	9,248	18,187
Furniture and Equipment	26,029	15,648	30,772
Information and Communication Technology	19,894	10,567	20,782
Leased Assets	9,828	4,969	9,772
Library Resources	4,245	2,204	4,335
	<u>87,178</u>	<u>45,000</u>	<u>88,498</u>

8. Cash and Cash Equivalents

	2020	2020 Budget (Unaudited)	2019
	Actual \$	\$	Actual \$
Bank Current Account	386,987	77,579	(288)
Bank Call Account	734	732	733
Short-term Bank Deposits	-	-	100,000
Cash and cash equivalents for Statement of Cash Flows	<u>387,721</u>	<u>78,311</u>	<u>100,445</u>

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

Of the \$387,721 Cash and Cash Equivalents \$274,742 is held by the School on behalf of the Ministry of Education. These funds are required to be spent in 2021 on Crown owned school buildings under the School's Five Year Property Plan.

9. Accounts Receivable

	2020	2020 Budget (Unaudited)	2019
	Actual \$	\$	Actual \$
Receivables	634	7,679	897
Interest Receivable	261	1,523	936
Teacher Salaries Grant Receivable	132,391	107,438	116,167
	<u>133,286</u>	<u>116,640</u>	<u>118,000</u>
Receivables from Exchange Transactions	895	9,202	1,833
Receivables from Non-Exchange Transactions	132,391	107,438	116,167
	<u>133,286</u>	<u>116,640</u>	<u>118,000</u>

10. Inventories

	2020	2020 Budget (Unaudited)	2019
	Actual \$	\$	Actual \$
Uniforms	3,806	4,990	3,344
Stationery	3,010	219	2,952
	<u>6,816</u>	<u>5,209</u>	<u>6,296</u>

11. Investments

The School's investment activities are classified as follows:

	2020	2020 Budget (Unaudited)	2019
	Actual \$	\$	Actual \$
Current Asset			
Short-term Bank Deposits	204,170	101,755	100,000
Total Investments	<u>204,170</u>	<u>101,755</u>	<u>100,000</u>

12. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2020	\$	\$	\$	\$	\$	\$
Buildings	100,944	-	-	-	(4,650)	96,294
Building Improvements	357,008	33,277	(294)	-	(22,532)	367,459
Furniture and Equipment	174,656	23,807	(427)	-	(26,029)	172,007
Information and Communication Tech	49,578	10,072	(1,085)	-	(19,894)	38,671
Leased Assets	16,669	6,991	-	-	(9,828)	13,832
Library Resources	14,495	4,040	-	-	(4,245)	14,290
Balance at 31 December 2020	713,350	78,187	(1,806)	-	(87,178)	702,553

The net carrying value of equipment held under a finance lease is \$13,832 (2019: \$16,669)

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2020	\$	\$	\$
Buildings	185,986	(89,692)	96,294
Building Improvements	563,638	(196,179)	367,459
Furniture and Equipment	475,800	(303,793)	172,007
Information and Communication	144,719	(106,048)	38,671
Leased Assets	36,751	(22,919)	13,832
Library Resources	34,029	(19,739)	14,290
Balance at 31 December 2020	1,440,923	(738,370)	702,553

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2019	\$	\$	\$	\$	\$	\$
Buildings	105,594	-	-	-	(4,650)	100,944
Building Improvements	295,521	79,674	-	-	(18,187)	357,008
Furniture and Equipment	197,489	9,260	(1,321)	-	(30,772)	174,656
Information and Communication Tech	52,911	17,449	-	-	(20,782)	49,578
Leased Assets	13,655	12,786	-	-	(9,772)	16,669
Library Resources	15,879	2,951	-	-	(4,335)	14,495
Balance at 31 December 2019	681,049	122,120	(1,321)	-	(88,498)	713,350

The net carrying value of equipment held under a finance lease is \$16,669 (2018: \$13,655)

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2019	\$	\$	\$
Buildings	185,986	(85,042)	100,944
Building Improvements	531,450	(174,442)	357,008
Furniture and Equipment	473,782	(299,126)	174,656
Information and Communication	141,390	(91,812)	49,578
Leased Assets	34,356	(17,687)	16,669
Library Resources	29,990	(15,495)	14,495
Balance at 31 December 2019	1,396,954	(683,604)	713,350

13. Accounts Payable

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Operating Creditors	31,564	10,660	40,830
Accruals	4,650	4,450	4,550
Capital Accruals for PPE items	59	-	-
Banking Staffing Overuse	34,708	20,020	24,622
Employee Entitlements - Salaries	132,391	107,438	116,167
Employee Entitlements - Leave Accrual	11,171	7,603	8,527
	<u>214,543</u>	<u>150,171</u>	<u>194,696</u>
Payables for Exchange Transactions	214,543	150,171	194,696
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	<u>214,543</u>	<u>150,171</u>	<u>194,696</u>

The carrying value of payables approximates their fair value.

14. Revenue Received in Advance

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Revenue Received In Advance	2,886	935	3,217
	<u>2,886</u>	<u>935</u>	<u>3,217</u>

15. Provision for Cyclical Maintenance

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Provision at the Start of the Year	96,759	35,425	90,554
Increase to the Provision During the Year	12,871	21,871	6,205
Adjustment to the Provision	(14,703)	-	-
Provision at the End of the Year	<u>94,927</u>	<u>57,296</u>	<u>96,759</u>
Cyclical Maintenance - Current	63,029	46,800	15,429
Cyclical Maintenance - Term	31,898	10,496	81,330
	<u>94,927</u>	<u>57,296</u>	<u>96,759</u>

16. Finance Lease Liability

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

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
No Later than One Year	8,926	8,447	9,935
Later than One Year and no Later than Five Years	7,794	7,141	8,622
	<u>16,720</u>	<u>15,588</u>	<u>18,557</u>

17. Funds Held (Owed) for Capital Works Projects

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

		BOT Contribution/ (Write-off to R&M)				
2020		Opening Balances \$	Receipts from MoE \$	Payments \$		Closing Balances \$
Reroof Block 1	<i>in progress</i>	(14,944)	108,402	(3,455)	-	90,003
Room 10 Supply Cable to Sub Board	<i>in progress</i>	(511)	-	-	-	(511)
Flood Remediation	<i>in progress</i>	-	12,793	-	-	12,793
Lighting, Switchboard & Alarm 5ya	<i>in progress</i>	-	-	(2,764)	-	(2,764)
CCTV & Cameras SIP	<i>in progress</i>	-	-	(1,008)	-	(1,008)
SIP Canopies	<i>in progress</i>	-	71,920	(8,272)	-	63,648
Canopy and Pool Seating	<i>in progress</i>	-	109,224	(926)	-	108,298
Rm 5&6 Door install	<i>in progress</i>	-	-	(480)	-	(480)
Totals		(15,455)	302,339	(16,905)	-	269,979
Represented by:						
Funds Held on Behalf of the Ministry of Education						274,742
Funds Due from the Ministry of Education						(4,763)
						269,979

		BOT Contribution/ (Write-off to R&M)				
2019		Opening Balances \$	Receipts from MoE \$	Payments \$		Closing Balances \$
Reroof Block 1	<i>in progress</i>	(449)	-	(14,495)	-	(14,944)
Room 10 Supply Cable to Sub Board	<i>in progress</i>	-	8,169	(8,680)	-	(511)
Totals		(449)	8,169	(23,175)	-	(15,455)

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.

	2020 Actual \$	2019 Actual \$
Board Members		
Remuneration	3,410	4,070
Full-time equivalent members	0.15	0.18
Leadership Team		
Remuneration	783,623	747,820
Full-time equivalent members	7.00	8.00
Total key management personnel remuneration	787,033	751,890
Total full-time equivalent personnel	7.15	8.18

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:

	2020 Actual \$000	2019 Actual \$000
Salaries and Other Short-term Employee Benefits:	160 - 170	140 - 150
Salary and Other Payments	4 - 5	3 - 4
Benefits and Other Emoluments	-	-
Termination Benefits	-	-

Other Employees

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

Remuneration \$000	2020 FTE Number	2019 FTE Number
100 - 110	1.00	1.00
	0.00	1.00

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

20. Compensation and Other Benefits Upon Leaving

The total value of compensation or other benefits paid or payable to persons who ceased to be trustees, committee member, or employees during the financial year in relation to that cessation and number of persons to whom all or part of that total was payable was as follows:

	2020 Actual	2019 Actual
Total	-	-
Number of People	-	-

21. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2020 (Contingent liabilities and assets at 31 December 2019: 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's review of the schools sector payroll to ensure compliance with the Holidays Act 2003 is ongoing. The current phase of this review is to design potential solutions for any compliance breaches discovered in the initial phase of the Programme. Final calculations and potential impact on any specific individual will not be known until further detailed analysis and solutions have been completed.

To the extent that any obligation cannot reasonably be quantified at 31 December 2020, a contingent liability for the school may exist.

22. Commitments

(a) Capital Commitments

As at 31 December 2020 the Board has entered into contract agreements for capital works as follows:

(a) \$55,692 contract for the Reroof Block 1 as agent for the Ministry of Education. This project is fully funded by the Ministry and \$108,402 has been received of which \$18,399 has been spent on the project to balance date. This project has been approved by the Ministry; and

(b) \$9,076 contract for the Room 10 Supply Cable to Sub Board as agent for the Ministry of Education. This project is fully funded by the Ministry and \$8,169 has been received of which \$8,680 has been spent on the project to balance date. This project has been approved by the Ministry; and

(c) contract for the Flood Remediation as agent for the Ministry of Education. This project is fully funded by the Ministry and \$12,793 has been received of which \$0 has been spent on the project to balance date. This project has been approved by the Ministry; and

(d) \$88,587 contract for the Lighting, Switchboard & Alarm 5ya as agent for the Ministry of Education. This project is fully funded by the Ministry and \$0 has been received of which \$2,764 has been spent on the project to balance date. This project has been approved by the Ministry; and

(e) \$40,044 contract for the CCTV & Cameras SIP as agent for the Ministry of Education. This project is fully funded by the Ministry and \$1,008 has been spent on the project to balance date. This project has been approved by the Ministry; and

(f) \$79,911 contract for the SIP Canopies as agent for the Ministry of Education. This project is fully funded by the Ministry and \$71,920 has been received of which \$8,272 has been spent on the project to balance date. This project has been approved by the Ministry; and

(g) \$121,360 contract for the Canopy and Pool Seating as agent for the Ministry of Education. This project is fully funded by the Ministry and \$109,224 has been received of which \$926 has been spent on the project to balance date. This project has been approved by the Ministry; and

(h) contract for the Rm 5&6 Door install as agent for the Ministry of Education. This project is fully funded by the Ministry and \$0 has been received of which \$480 has been spent on the project to balance date. This project has been approved by the Ministry.

(Capital commitments as at 31 December 2019:

(a) contract for the Reroof Block 1 as agent for the Ministry of Education. This project is fully funded by the Ministry and \$0 has been received of which \$14,944 has been spent on the project to balance date. This project has been approved by the Ministry; and

(b) contract for the Room 10 Supply Cable to Sub Board as agent for the Ministry of Education. This project is fully funded by the Ministry and \$8,169 has been received of which \$8,680 has been spent on the project to balance date. This project has been approved by the Ministry.

(b) Operating Commitments

There are no operating commitments as at 31 December 2020 (Operating commitments at 31 December 2019: nil).

23. Managing Capital

The School's capital is its equity and comprises capital contributions from the Ministry of Education for property, plant and equipment and accumulated surpluses and deficits. The School does not actively manage capital but attempts to ensure that income exceeds spending in most years. Although deficits can arise as planned in particular years, they are offset by planned surpluses in previous years or ensuing years.

24. Financial Instruments

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

Financial assets measured at amortised cost

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Cash and Cash Equivalents	387,721	78,311	100,445
Receivables	133,286	116,640	118,000
Investments - Term Deposits	204,170	101,755	100,000
Total Financial assets measured at amortised cost	<u>725,177</u>	<u>296,706</u>	<u>318,445</u>

Financial liabilities measured at amortised cost

Payables	214,543	150,171	194,696
Borrowings - Loans	-	-	-
Finance Leases	15,189	15,588	18,455
Painting Contract Liability	-	-	-
Total Financial Liabilities Measured at Amortised Cost	<u>229,732</u>	<u>165,759</u>	<u>213,151</u>

25. Events After Balance Date

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

26. Comparatives

There have been a number of prior period comparatives which have been reclassified to make disclosure consistent with the current year.