

**DRAFT**

# **Rongomai School**

## **Annual Report for the year ended 31 December 2020**

<b>Ministry Number:</b>	1468
<b>Principal:</b>	Pae Johnson
<b>School Address:</b>	20 Rongomai Road, Auckland
<b>School Postal Address:</b>	20 Rongomai Road, Manukau, 2023
<b>School Phone:</b>	09-274 6055
<b>School Email:</b>	admin@rongomai.school.nz
<b>Service Provider:</b>	Edtech Financial Services Ltd

## Rongomai School

# Members of the Board of Trustees

For the year ended 31 December 2020

<b>Name</b>	<b>Position</b>	<b>How position on Board gained</b>	<b>Term expired/expires</b>
Karl Tusini-Rex	Chairman	Elected June 2019	Jun-22
Paeariki Johnson	Principal	Principal	
Sarah Faifua	Staff Rep	Re-elected June 2019	
Lieni Iosua	Parent Rep	Re-elected June 2019	Jun-22
Memory Andrew-Fariu	Parent Rep	Elected June 2019	Jun-22
Daisy Tiatia	Parent Rep		
Joshua Murrahi	Parent Rep	Re-elected June 2019	May-20

# **Rongomai School**

## **Annual Report**

For the year ended 31 December 2020

### **Index**

<b>Page</b>	<b>Statement</b>
	<b>Financial Statements</b>
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 - 18	Notes to the Financial Statements
	<b>Other Information</b>
	Analysis of Variance
	Kiwisport

**Rongomai School**  
**Statement of Responsibility**  
For the year ended 31 December 2020

**DRAFT**

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.

\_\_\_\_\_  
Full Name of Board Chairperson

\_\_\_\_\_  
Full Name of Principal

\_\_\_\_\_  
Signature of Board Chairperson

\_\_\_\_\_  
Signature of Principal

\_\_\_\_\_  
Date:

\_\_\_\_\_  
Date:

## Statement of Comprehensive Revenue and Expense

**DRAFT**

For the year ended 31 December 2020

	Notes	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
<b>Revenue</b>				
Government Grants	2	2,459,029	2,323,024	2,254,337
Locally Raised Funds	3	30,014	60,500	49,941
Interest Income		3,962	8,000	10,344
Gain on Sale of Property, Plant and Equipment		2,620	-	-
		<u>2,495,625</u>	<u>2,391,524</u>	<u>2,314,622</u>
<b>Expenses</b>				
Locally Raised Funds	3	43,528	42,630	45,587
Learning Resources	4	1,310,940	1,217,451	1,149,676
Administration	5	144,788	140,320	125,015
Finance		4,005	-	3,945
Property	6	924,711	901,110	884,917
Depreciation	7	72,897	90,000	63,648
Loss on Disposal of Property, Plant and Equipment		-	-	1,887
		<u>2,500,869</u>	<u>2,391,511</u>	<u>2,274,675</u>
<b>Net Surplus / (Deficit) for the year</b>		(5,244)	13	39,947
Other Comprehensive Revenue and Expense		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<u><u>(5,244)</u></u>	<u><u>13</u></u>	<u><u>39,947</u></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.

**Statement of Changes in Net Assets/Equity****DRAFT**

For the year ended 31 December 2020

	Notes	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
<b>Balance at 1 January</b>		894,762	894,762	854,815
Total comprehensive revenue and expense for the year		(5,244)	13	39,947
<b>Equity at 31 December</b>	22	889,518	894,775	894,762
Retained Earnings		889,518	894,775	894,762
<b>Equity at 31 December</b>		889,518	894,775	894,762

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.

**Rongomai School**  
**Statement of Financial Position**

**DRAFT**

As at 31 December 2020

	Notes	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
<b>Current Assets</b>				
Cash and Cash Equivalents	8	651,257	657,703	521,082
Accounts Receivable	9	71,972	69,000	71,795
GST Receivable		6,974	3,900	3,900
Prepayments		1,647	600	616
Investments	10	-	-	125,302
		<hr/>	<hr/>	<hr/>
		731,850	731,203	722,695
<b>Current Liabilities</b>				
Accounts Payable	12	103,768	95,000	94,666
Revenue Received in Advance	13	10,206	17,000	19,266
Provision for Cyclical Maintenance	14	22,000	20,429	20,309
Finance Lease Liability - Current Portion	15	13,514	12,500	13,473
		<hr/>	<hr/>	<hr/>
		149,488	144,929	147,714
<b>Working Capital Surplus/(Deficit)</b>		582,362	586,274	574,981
<b>Non-current Assets</b>				
Property, Plant and Equipment	11	361,540	361,737	361,737
		<hr/>	<hr/>	<hr/>
		361,540	361,737	361,737
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	14	22,236	22,236	16,309
Finance Lease Liability	15	32,148	31,000	25,647
		<hr/>	<hr/>	<hr/>
		54,384	53,236	41,956
<b>Net Assets</b>		<hr/>	<hr/>	<hr/>
		889,518	894,775	894,762
<b>Equity</b>	22	<hr/>	<hr/>	<hr/>
		889,518	894,775	894,762

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

**Rongomai School**  
**Statement of Cash Flows**

**DRAFT**

For the year ended 31 December 2020

	2020	2020	2019
Note	Actual \$	Budget (Unaudited) \$	Actual \$
<b>Cash flows from Operating Activities</b>			
Government Grants	720,092	648,123	594,898
Locally Raised Funds	20,797	58,277	42,207
Goods and Services Tax (net)	(3,074)	-	2,978
Payments to Employees	(418,033)	(323,936)	(287,153)
Payments to Suppliers	(258,783)	(295,760)	(225,306)
Interest Paid	(4,005)	-	(3,945)
Interest Received	7,508	10,235	12,028
Net cash from/(to) Operating Activities	64,502	96,939	135,707
<b>Cash flows from Investing Activities</b>			
Purchase of Property Plant & Equipment (and Intangibles)	(71,041)	(151,106)	(69,125)
Purchase of Investments	125,302	-	-
Proceeds from Sale of Investments	-	125,302	168,868
Net cash from/(to) Investing Activities	54,261	(25,804)	99,743
<b>Cash flows from Financing Activities</b>			
Finance Lease Payments	11,412	65,486	(7,598)
Net cash from/(to) Financing Activities	11,412	65,486	(7,598)
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>130,175</b>	<b>136,621</b>	<b>227,852</b>
Cash and cash equivalents at the beginning of the year	8	521,082	293,230
<b>Cash and cash equivalents at the end of the year</b>	8	<b>651,257</b>	<b>521,082</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 Statement of Cash Flows should be read in conjunction with the accompanying notes which form part of these financial statements.



For the year ended 31 December 2020

## 1. Statement of Accounting Policies

### Reporting Entity

Rongomai 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.

### 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 of 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 11.

For the year ended 31 December 2020

***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.

**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.

**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.

**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.

**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.

For the year ended 31 December 2020

### 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.

### 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.

### 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.

### 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.

### 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 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:

Buildings	25 years
Furniture and equipment	5-20 years
Information and communication technology	5-10 years
Leased assets held under a Finance Lease	3-5 years
Library resources	8 years

For the year ended 31 December 2020

#### **Impairment of property, plant, and equipment**

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 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.

#### **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.

#### **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.

#### **Revenue Received in Advance**

Revenue received in advance relates to fees received from ALL/ALIM (accelerated learning) 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 this revenue received in advance, should the School be unable to provide the services to which they relate.

For the year ended 31 December 2020

## **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).

## **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 and finance lease liability. All of these financial liabilities are categorised as 'financial liabilities measured at amortised cost' for accounting purposes in accordance with financial reporting standards.

## **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 Statement of Cash Flows.

Commitments and contingencies are disclosed exclusive of GST.

## **Budget Figures**

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

## **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.

## Notes to the Financial Statements (cont.)

**DRAFT**

For the year ended 31 December 2020

**2 Government Grants**

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operational Grants	603,945	510,962	461,854
Teachers' Salaries Grants	955,426	916,469	919,403
Use of Land and Buildings Grants	780,776	758,993	758,993
Resource Teachers Learning and Behaviour Grants	-	5,000	5,874
Other MoE Grants	114,407	131,600	108,213
Other Government Grants	4,475	-	-
	<u>2,459,029</u>	<u>2,323,024</u>	<u>2,254,337</u>

The School has opted in to the donations scheme for this year. Total amount received was \$28,500.

Other MOE Grants total includes additional COVID-19 funding totalling \$9,062 for the year ended 31 December 2020.

**3 Locally Raised Funds**

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

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
<b>Revenue</b>			
Donations	5,876	6,000	8,274
Activities	1,339	29,000	18,699
Trading	19,509	15,500	10,865
Fundraising	3,290	10,000	12,103
	<u>30,014</u>	<u>60,500</u>	<u>49,941</u>
<b>Expenses</b>			
Activities	21,858	20,130	21,984
Trading	19,382	15,500	19,957
Fundraising (Costs of Raising Funds)	2,288	7,000	3,646
	<u>43,528</u>	<u>42,630</u>	<u>45,587</u>
<i>Surplus/ (Deficit) for the year Locally Raised Funds</i>	<u>(13,514)</u>	<u>17,870</u>	<u>4,354</u>

**4 Learning Resources**

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	46,485	41,282	31,090
Equipment Repairs	732	1,000	-
Information and Communication Technology	14,760	28,900	13,037
Library Resources	1,623	1,500	934
Employee Benefits - Salaries	1,240,171	1,118,769	1,090,080
Staff Development	7,169	26,000	14,535
	<u>1,310,940</u>	<u>1,217,451</u>	<u>1,149,676</u>

## Notes to the Financial Statements (cont.)

**DRAFT**

For the year ended 31 December 2020

**5 Administration**

	2020	2020 Budget	2019
	Actual	(Unaudited)	Actual
	\$	\$	\$
Audit Fee	6,300	6,300	5,800
Board of Trustees Fees	12,450	12,600	2,985
Communication	5,279	4,600	4,592
Consumables	4,514	12,750	5,835
Other	3,783	4,420	6,344
Employee Benefits - Salaries	94,787	78,100	77,552
Insurance	1,917	-	1,808
Service Providers, Contractors and Consultancy	6,492	6,500	6,360
	<u>144,788</u>	<u>140,320</u>	<u>125,015</u>

**6 Property**

	2020	2020 Budget	2019
	Actual	(Unaudited)	Actual
	\$	\$	\$
Caretaking and Cleaning Consumables	6,028	8,350	8,335
Consultancy and Contract Services	37,047	40,000	36,797
Cyclical Maintenance Expense	7,618	10,000	6,070
Grounds	282	550	290
Heat, Light and Water	16,917	19,000	20,291
Repairs and Maintenance	24,829	20,596	15,162
Use of Land and Buildings	780,776	758,993	758,993
Employee Benefits - Salaries	51,214	43,621	38,979
	<u>924,711</u>	<u>901,110</u>	<u>884,917</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 nationwide revaluation exercise that is conducted every 30 June for the Ministry of Education's year end reporting purposes.

**7 Depreciation**

	2020	2020 Budget	2019
	Actual	(Unaudited)	Actual
	\$	\$	\$
Buildings - School	1,803	2,135	1,804
Furniture and Equipment	46,240	57,985	46,822
Information and Communication Technology	9,799	14,470	3,919
Leased Assets	14,083	14,385	10,543
Library Resources	972	1,025	560
	<u>72,897</u>	<u>90,000</u>	<u>63,648</u>

**Notes to the Financial Statements (cont.)****DRAFT**

For the year ended 31 December 2020

**8 Cash and Cash Equivalents**

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Cash on Hand	400	400	400
Bank Current Account	458,338	489,303	477,797
Bank Call Account	42,519	43,000	42,885
Short-term Bank Deposits	150,000	125,000	-
Cash and cash equivalents for Statement of Cash Flows	<u>651,257</u>	<u>657,703</u>	<u>521,082</u>

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

**9 Accounts Receivable**

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Receivables	200	-	43
Receivables from the Ministry of Education	4,387	5,000	5,561
Interest Receivable	189	1,500	3,735
Teacher Salaries Grant Receivable	67,196	62,500	62,456
	<u>71,972</u>	<u>69,000</u>	<u>71,795</u>
Receivables from Exchange Transactions	389	1,500	3,778
Receivables from Non-Exchange Transactions	71,583	67,500	68,017
	<u>71,972</u>	<u>69,000</u>	<u>71,795</u>

**10 Investments**

The School's investment activities are classified as follows:

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Current Asset			
Short-term Bank Deposits	-	-	125,302
Total Investments	<u>-</u>	<u>-</u>	<u>125,302</u>



## Notes to the Financial Statements (cont.)

DRAFT

For the year ended 31 December 2020

## 11 Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2020	\$	\$	\$	\$	\$	\$
Buildings	21,957	-	-	-	(1,803)	20,154
Furniture and Equipment	247,499	19,682	-	-	(46,240)	220,941
Information and Communication Technology	51,801	27,403	-	-	(9,799)	69,405
Leased Assets	36,556	32,388	(10,624)	-	(14,083)	44,237
Library Resources	3,924	3,964	(113)	-	(972)	6,803
<b>Balance at 31 December 2020</b>	<b>361,737</b>	<b>83,437</b>	<b>(10,737)</b>	<b>-</b>	<b>(72,897)</b>	<b>361,540</b>

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2020	\$	\$	\$
Buildings	45,091	(24,937)	20,154
Furniture and Equipment	790,174	(569,233)	220,941
Information and Communication Technology	245,517	(176,112)	69,405
Leased Assets	73,502	(29,265)	44,237
Library Resources	21,467	(14,664)	6,803
<b>Balance at 31 December 2020</b>	<b>1,175,751</b>	<b>(814,211)</b>	<b>361,540</b>

The net carrying value of equipment held under a finance lease is \$44,237 (2019: \$36,556).

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2019	\$	\$	\$	\$	\$	\$
Buildings	23,761	-	-	-	(1,804)	21,957
Furniture and Equipment	252,769	41,552	-	-	(46,822)	247,499
Information and Communication Technology	28,336	27,384	-	-	(3,919)	51,801
Leased Assets	19,649	27,450	-	-	(10,543)	36,556
Library Resources	5,982	390	(1,888)	-	(560)	3,924
<b>Balance at 31 December 2019</b>	<b>330,497</b>	<b>96,776</b>	<b>(1,888)</b>	<b>-</b>	<b>(63,648)</b>	<b>361,737</b>

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2019	\$	\$	\$
Buildings	45,091	(23,134)	21,957
Furniture and Equipment	770,489	(522,990)	247,499
Information and Communication Technology	218,116	(166,315)	51,801
Leased Assets	61,106	(24,550)	36,556
Library Resources	18,023	(14,099)	3,924
<b>Balance at 31 December 2019</b>	<b>1,112,825</b>	<b>(751,088)</b>	<b>361,737</b>

The net carrying value of equipment held under a finance lease is \$36,556 (2018: \$19,649).

**Notes to the Financial Statements (cont.)****DRAFT**

For the year ended 31 December 2020

**12 Accounts Payable**

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Operating Creditors	7,644	16,500	16,495
Accruals	6,300	6,000	5,800
Employee Entitlements - Salaries	68,583	63,500	63,373
Employee Entitlements - Leave Accrual	21,241	9,000	8,998
	<u>103,768</u>	<u>95,000</u>	<u>94,666</u>
Payables for Exchange Transactions	103,768	95,000	94,666
	<u>103,768</u>	<u>95,000</u>	<u>94,666</u>

The carrying value of payables approximates their fair value.

**13 Revenue Received in Advance**

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Other	10,206	17,000	19,266
	<u>10,206</u>	<u>17,000</u>	<u>19,266</u>

**14 Provision for Cyclical Maintenance**

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Provision at the Start of the Year	36,618	36,618	30,548
Increase/(decrease) to the Provision During the Year	7,618	10,000	6,070
Use of the Provision During the Year	-	(3,953)	-
Provision at the End of the Year	<u>44,236</u>	<u>42,665</u>	<u>36,618</u>
Cyclical Maintenance - Current	22,000	20,429	20,309
Cyclical Maintenance - Term	22,236	22,236	16,309
	<u>44,236</u>	<u>42,665</u>	<u>36,618</u>

**15 Finance Lease Liability**

The school has entered into a number of finance lease agreements for TELA laptops and Canon Equipment.

Minimum lease payments payable (includes interest portion):

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
No Later than One Year	16,989	12,500	10,186
Later than One Year and no Later than Five Years	36,303	31,000	17,327
	<u>53,292</u>	<u>43,500</u>	<u>27,513</u>

## Notes to the Financial Statements (cont.)

DRAFT

For the year ended 31 December 2020

## 16 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:

	2020	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution/ (Write-off to R&M)	Closing Balances \$
Roofing Remedials	<i>Completed</i>	-	27,202	27,202	-	-
Carpet Flooring Replacement	<i>Completed</i>	-	15,051	15,051	-	-
Toilet upgrade	<i>In progress</i>	-	-	-	-	-
Totals		-	42,253	42,253	-	-

	2019	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution/ (Write-off to R&M) \$	Closing Balances \$
Heating	<i>Complete</i>	-	21,078	21,078	-	-
Footpath replacement	<i>Complete</i>	-	61,439	64,553	3,114	-
Fire & Security	<i>Complete</i>	-	28,764	28,764	-	-
Drainlaying	<i>Complete</i>	-	23,145	23,145	-	-
Toilet upgrade	<i>In progress</i>	-	3,500	3,500	-	-
Totals		-	137,926	141,040	3,114	-

## 17 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.

## Notes to the Financial Statements (cont.)

**DRAFT**

For the year ended 31 December 2020

**18 Remuneration***Key management personnel compensation*

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

	<b>2020</b> <b>Actual</b> <b>\$</b>	<b>2019</b> <b>Actual</b> <b>\$</b>
<i>Board Members</i>		
Remuneration	12,450	2,985
Full-time equivalent members	0.05	0.05
<i>Leadership Team</i>		
Remuneration	507,556	488,521
Full-time equivalent members	5.00	5.00
Total key management personnel remuneration	520,006	491,506
Total full-time equivalent personnel	5.05	5.05

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

*Principal*

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

	<b>2020</b> <b>Actual</b> <b>\$000</b>	<b>2019</b> <b>Actual</b> <b>\$000</b>
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	130-140	130-140
Benefits and Other Emoluments	4-5	4-5
Termination Benefits	-	-

*Other Employees*

No other employee received total remuneration over \$100,000 (2019: Nil).

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

**19 Compensation and Other Benefits Upon Leaving**

There were no compensation or other benefits paid or payable to persons upon leaving.

**20 Contingencies**

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2020.

(Contingent liabilities and assets as 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.

**Notes to the Financial Statements (cont.)****DRAFT**

For the year ended 31 December 2020

**21 Commitments****(a) Capital Commitments**

As at 31 December 2020 the Board has entered into no contract agreements for capital works.

(Capital commitments as at 31 December 2019: nil)

**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:

	<b>2020</b>	<b>2020</b>	<b>2019</b>
	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>
	<b>\$</b>	<b>(Unaudited)</b>	<b>\$</b>
<b>Financial assets measured at amortised cost</b>			
Cash and Cash Equivalents	651,257	657,703	521,082
Receivables	71,972	69,000	71,795
Investments - Term Deposits	-	-	125,302
Total Financial assets measured at amortised cost	<u>723,229</u>	<u>726,703</u>	<u>718,179</u>
<b>Financial liabilities measured at amortised cost</b>			
Payables	103,768	95,000	94,666
Finance Leases	45,662	43,500	39,120
Total Financial Liabilities Measured at Amortised Cost	<u>149,430</u>	<u>138,500</u>	<u>133,786</u>

**24 Events After Balance Date**

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