

WOODLANDS PARK SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

School Directory

Ministry Number:	1578
Principal:	Ngaria Stephenson
School Address:	202 Woodlands Park Road, Woodlands Park, Auckland
School Postal Address:	PO box 60-359, Titirangi, Auckland 0604
School Phone:	09 817 5140
School Email:	principal@woodlandspark.school.nz

Members of the Board of Trustees

Name	How Position Gained	Position	Term Expires
Joanne Lang	Elected	Chairperson	May-19
Karen Ellis	Automatic	Acting Principal	May-19
Kyle Jones	Elected	Trustee	May-22
Lesley Turner	Elected	Trustee	May-22
Marion Doherty	Elected	Trustee	May-19
Mark Blogusz	Elected	Trustee	May-19
Megan Fitter	Elected	Chairperson	May-22
Ngaria Stephenson	Automatic	Principal	May-22
Nick Gill	Elected	Staff Trustee	May-22
Peter Lehmann	Elected	Trustee	May-22
Rachel Trotman	Elected	Trustee	May-19
Tim Andrews	Elected	Trustee	May-22

Service Provider:

Leading Edge Services (2017) Ltd, PO Box 20496, Glen Eden, Auckland

WOODLANDS PARK 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
11- 19	Notes to the Financial Statements
	Other Information
	Analysis of Variance
	Kiwisport

Woodlands Park 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.

Full Name of Board Chairperson

Full Name of Principal

Signature of Board Chairperson

Signature of Principal

Date:

Date:

Woodlands Park School
Statement of Comprehensive Revenue and Expense
For the year ended 31 December 2019

		2019	2019	2018
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Revenue				
Government Grants	2	3,059,767	2,999,008	2,994,954
Locally Raised Funds	3	272,542	202,000	229,697
Interest income		7,474	6,000	14,096
		<hr/>	<hr/>	<hr/>
		3,339,783	3,207,008	3,238,747
Expenses				
Locally Raised Funds	3	108,607	117,100	74,334
Learning Resources	4	1,962,208	2,004,597	1,942,652
Administration	5	183,066	172,151	180,709
Finance		2,182	2,048	2,048
Property	6	958,841	867,835	846,924
Depreciation	7	102,136	38,000	104,120
Loss on Disposal of Property, Plant and Equipment		3,276	-	1,409
		<hr/>	<hr/>	<hr/>
		3,320,316	3,201,731	3,152,196
Net Surplus / (Deficit) for the year		19,467	5,277	86,551
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
		19,467	5,277	86,551

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

Woodlands Park 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>895,642</u>	<u>895,640</u>	<u>809,091</u>
Total comprehensive revenue and expense for the year		19,467	5,277	86,551
Capital Contributions from the Ministry of Education Contribution - Furniture and Equipment Grant		7,636	-	-
Equity at 31 December	23	<u>922,745</u>	<u>900,917</u>	<u>895,642</u>
Retained Earnings		922,745	900,917	895,642
Equity at 31 December		<u>922,745</u>	<u>900,917</u>	<u>895,642</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.

Woodlands Park School

Statement of Financial Position

As at 31 December 2019

		2019	2019	2018
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
		\$	\$	\$
Current Assets				
Cash and Cash Equivalents	8	544,343	338,523	333,246
Accounts Receivable	9	119,897	214,074	214,074
GST Receivable		16,680	(6,971)	-
Prepayments		20,180	10,821	10,821
Inventories	1	2,206	2,243	2,243
		<u>703,306</u>	<u>558,690</u>	<u>560,384</u>
Current Liabilities				
GST Payable		-	-	6,971
Accounts Payable	12	178,417	153,639	153,639
Revenue Received in Advance	13	1,333	1,860	1,860
Provision for Cyclical Maintenance	14	28,865	18,533	18,533
Painting Contract Liability - Current Portion	15	15,688	15,688	15,688
Finance Lease Liability - Current Portion	16	9,934	9,198	9,198
Funds held for Capital Works Projects	17	81,569	-	-
		<u>315,806</u>	<u>198,918</u>	<u>205,889</u>
Working Capital Surplus/(Deficit)		387,500	359,772	354,495
Non-current Assets				
Property, Plant and Equipment	11	608,778	527,152	527,154
Intangible Assets	15	-	74,770	74,770
		<u>608,778</u>	<u>601,922</u>	<u>601,924</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	14	49,392	45,963	45,963
Painting Contract Liability	15	6,674	4,396	4,396
Finance Lease Liability	16	17,467	10,418	10,418
		<u>73,533</u>	<u>60,777</u>	<u>60,777</u>
Net Assets		<u>922,745</u>	<u>900,917</u>	<u>895,642</u>
Equity	23	<u>922,745</u>	<u>900,917</u>	<u>895,642</u>

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

Woodlands Park 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		588,199	631,572	558,324
Locally Raised Funds		340,241	133,883	229,812
Goods and Services Tax (net)		(23,651)	(51,040)	(51,040)
Payments to Employees		(250,477)	(345,225)	(290,542)
Payments to Suppliers		(409,031)	(435,688)	(407,062)
Cyclical Maintenance Payments in the year		(26,291)	(47,144)	(27,409)
Interest Paid		(2,182)	(2,048)	(2,048)
Interest Received		7,287	7,463	15,559
Net cash from Operating Activities		224,095	(108,227)	25,594
Cash flows from Investing Activities				
Proceeds from Sale of PPE (and Intangibles)		(3,276)	-	-
Purchase of PPE (and Intangibles)		(102,072)	(80,618)	(126,260)
Purchase of Investments		-	462,787	-
Proceeds from Sale of Investments		-	-	150,548
Net cash from Investing Activities		(105,348)	382,169	24,288
Cash flows from Financing Activities				
Furniture and Equipment Grant		7,636	-	
Finance Lease Payments		867	(6,764)	(9,867)
Painting contract payments		2,278	(6,771)	(6,771)
Funds Held for Capital Works Projects		81,569	(482,629)	(554,197)
Net cash from Financing Activities		92,350	(496,164)	(570,835)
Net increase/(decrease) in cash and cash equivalents		211,097	(222,222)	(520,953)
Cash and cash equivalents at the beginning of the year	8	333,246	560,745	854,198
Cash and cash equivalents at the end of the year	8	544,343	338,523	333,246

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..

Woodlands Park School

Notes to the Financial Statements

For the year ended 31 December 2019

1. Statement of Accounting Policies

a) Reporting Entity

Woodlands Park School (the School) is a Crown entity as specified in the Crown Entities Act 2004 and a school as described in the Education Act 1989. The Board of Trustees (the Board) is of the view that the School is a public benefit entity for financial reporting purposes.

b) Basis of Preparation

Reporting Period

The financial reports have been prepared for the period 1 January 2019 to 31 December 2019 and in accordance with the requirements of the Public Finance Act 1989.

Basis of Preparation

The financial statements have been prepared on a going concern basis, and the accounting policies have been consistently applied throughout the period.

Financial Reporting Standards Applied

The Education Act 1989 requires the School, as a Crown entity, to prepare financial statements in accordance with generally accepted accounting practice. The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand, applying Public Sector Public Benefit Entity (PBE) Standards Reduced Disclosure Regime as appropriate to public benefit entities that qualify for Tier 2 reporting. The school is considered a Public Benefit Entity as it meets the criteria specified as "having a primary objective to provide goods and/or services for community or social benefit and where any equity has been provided with a view to supporting that primary objective rather than for financial return to equity holders".

Standard early adopted

In line with the Financial Statements of the Government, the School has elected to early adopt PBE IFRS 9 Financial Instruments. PBE IFRS 9 replaces PBE IPSAS 29 Financial Instruments: Recognition and Measurement. Information about the adoption of PBE IFRS 9 is provided in Note 36.

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

Useful lives of property, plant and equipment

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment as disclosed in the Significant Accounting Policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 14.

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.

For Non-integrated schools only:

Use of land and buildings grants are recorded as revenue in the period the School uses the land and buildings. These are

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.

For Integrated schools this note should also include the following:

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.

The property from which the School operates is owned by the Proprietor. The expense is based on an assumed

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	40 years
Furniture and equipment	10 years
Information and communication technology	4 years
Leased assets held under a Finance Lease	3 - 5 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. It's 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) Revenue Received in Advance

Revenue received in advance relates to fees received from [international, 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 school 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 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.

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.

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.

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 at the start of the year.

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

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operational Grants	494,355	461,865	463,872
Teachers' Salaries Grants	1,732,376	1,766,516	1,734,128
Use of Land and Buildings Grants	739,192	687,469	696,342
Resource Teachers Learning and Behaviour Grants	66,628	70,000	64,081
Other MoE Grants	25,389	13,158	36,531
Other Government Grants	1,827	-	-
	<u>3,059,767</u>	<u>2,999,008</u>	<u>2,994,954</u>

3. Locally Raised Funds

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

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Revenue			
Donations	106,881	48,000	73,308
Activities	79,668	85,000	52,797
Trading	23,033	21,800	23,673
Fundraising	62,960	47,200	79,919
	<u>272,542</u>	<u>202,000</u>	<u>229,697</u>
Expenses			
Activities	83,137	85,900	47,417
Trading	1,524	1,200	1,732
Fundraising (Costs of Raising Funds)	23,946	30,000	25,185
	<u>108,607</u>	<u>117,100</u>	<u>74,334</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>163,935</u>	<u>84,900</u>	<u>155,363</u>

4. Learning Resources

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	64,194	68,681	57,301
Equipment Repairs	4,451	3,200	2,679
Library Resources	2,899	5,200	780
Employee Benefits - Salaries	1,858,149	1,897,516	1,821,990
Staff Development	32,515	30,000	59,902
	<u>1,962,208</u>	<u>2,004,597</u>	<u>1,942,652</u>

5. Administration

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	5,800	4,500	5,650
Board of Trustees Fees	3,940	3,360	3,480
Board of Trustees Expenses	7,993	6,600	8,127
Communication	5,658	4,600	4,517
Consumables	16,297	17,800	15,294
Other	20,096	12,850	22,390
Employee Benefits - Salaries	104,833	101,404	100,654
Insurance	4,875	7,083	6,643
Service Providers, Contractors and Consultancy	13,574	13,954	13,954
	<u>183,066</u>	<u>172,151</u>	<u>180,709</u>

6. Property

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	64,567	59,850	55,191
Cyclical Maintenance Provision	40,052	26,431	6,696
Grounds	8,073	4,000	6,538
Heat, Light and Water	26,292	25,000	23,136
Rates	96	85	88
Repairs and Maintenance	39,486	20,500	16,298
Use of Land and Buildings	739,192	687,469	696,342
Security	1,418	2,500	1,934
Employee Benefits - Salaries	39,665	42,000	40,701
	<u>958,841</u>	<u>867,835</u>	<u>846,924</u>

7. Depreciation

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Buildings - School	-	-	-
Building Improvements - Crown	9,012	3,353	7,177
Furniture and Equipment	41,320	15,373	39,459
Information and Communication Technology	35,203	13,097	41,464
Leased Assets	10,909	4,059	10,549
Library Resources	5,692	2,118	5,471
	<u>102,136</u>	<u>38,000</u>	<u>104,120</u>

8. Cash and Cash Equivalents

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Cash on Hand	400	400	400
Bank Current Account	441,536	335,718	330,441
Bank Call Account	2,407	2,405	2,405
Short-term Bank Deposits	100,000	-	-
Cash and cash equivalents for Cash Flow Statement	<u>544,343</u>	<u>338,523</u>	<u>333,246</u>

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

Of the \$544344 Cash and Cash Equivalents, \$81569 is held by the School on behalf of the Ministry of Education. These funds are required to be spent in 2020 on Crown owned school buildings under the School's Five Year Property Plan.

9. Accounts Receivable

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Receivables	200	68,426	68,426
Interest Receivable	187	-	-
Teacher Salaries Grant Receivable	119,510	145,648	145,648
	<u>119,897</u>	<u>214,074</u>	<u>214,074</u>
Receivables from Exchange Transactions	387	68,426	68,426
Receivables from Non-Exchange Transactions	119,510	145,648	145,648
	<u>119,897</u>	<u>214,074</u>	<u>214,074</u>

10 Inventories

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Stationery	2,206	2,243	2,243
	<u>2,206</u>	<u>2,243</u>	<u>2,243</u>

11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2019	\$	\$	\$	\$	\$	\$
Building Improvements	133,567	97,886	-	-	(9,012)	222,441
Furniture and Equipment	273,031	18,676	-	-	(41,320)	250,387
Information and Communication	64,019	44,479	(3,198)	-	(35,203)	70,096
Leased Assets	18,243	25,229	(6,556)	-	(10,909)	26,007
Library Resources	38,294	7,324	(78)	-	(5,692)	39,847
Balance at 31 December 2019	527,154	193,594	(9,832)	-	(102,137)	608,778

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2019	\$	\$	\$
Building Improvements	384,949	(162,508)	222,441
Furniture and Equipment	533,642	(283,255)	250,387
Information and Communication	414,798	(344,702)	70,096
Leased Assets	42,779	(16,772)	26,007
Library Resources	105,714	(65,867)	39,847
Balance at 31 December 2019	1,481,882	(873,104)	608,778

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2018	\$	\$	\$	\$	\$	\$
Building Improvements	140,743	-	-	-	(7,177)	133,567
Furniture and Equipment	292,669	20,116	(295)	-	(39,459)	273,031
Information and Communication					(41,464)	64,019
Technology	75,831	30,766	(1,114)	-		
Leased Assets	20,878	7,915	-	-	(10,549)	18,244
Library Resources	37,030	6,734	-	-	(5,471)	38,293
Balance at 31 December 2018	567,151	65,531	(1,409)	-	(104,120)	527,154

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2018	\$	\$	\$
Building Improvements	287,063	(153,496)	133,567
Furniture and Equipment	518,747	(245,716)	273,031
Information and Communication Technology	401,417	(337,398)	64,019
Leased Assets	35,861	(17,618)	18,243
Library Resources	98,592	(60,298)	38,294
Balance at 31 December 2018	1,341,680	(814,526)	527,154

12. Accounts Payable

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operating Creditors	34,434	3,462	3,461
Accruals	5,800	5,650	5,651
Banking Staffing Overuse	16,145	-	-
Employee Entitlements - Salaries	119,510	144,527	144,527
Employee Entitlements - Leave Accrual	2,528	-	-
	<u>178,417</u>	<u>153,639</u>	<u>153,639</u>
Payables for Exchange Transactions	178,417	153,639	153,639
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	<u>178,417</u>	<u>153,639</u>	<u>153,639</u>

The carrying value of payables approximates their fair value.

13. Revenue Received in Advance

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Other	1,333	1,860	1,860
	<u>1,333</u>	<u>1,860</u>	<u>1,860</u>

14. Provision for Cyclical Maintenance

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Provision at the Start of the Year	64,496	64,496	85,209
Increase/ (decrease) to the Provision During the Year	22,086	10,743	32,736
Use of the Provision During the Year	(8,325)	(10,743)	(53,449)
Provision at the End of the Year	<u>78,257</u>	<u>64,496</u>	<u>64,496</u>
Cyclical Maintenance - Current	28,865	18,533	18,533
Cyclical Maintenance - Term	49,392	45,963	45,963
	<u>78,257</u>	<u>64,496</u>	<u>64,496</u>

15. Painting Contract Liability

	2019 Actual \$	2019 Budget \$	2018 Actual \$
Current Liability	15,688	15,688	15,688
Non Current Liability	6,674	4,396	4,396
	22,362	20,084	20,084

In 2017 the Board signed an agreement with Scheduled Maintenance Services Ltd (the contractor) for an agreed programme of work covering an seven year period. The programme provides for an interior and exterior repaint of the Ministry owned buildings in 2017, with regular maintenance in subsequent years. The agreement has an annual commitment of \$15,688. The liability is the best estimate of the actual amount of work performed by the contractor for which the contractor has not been paid at balance sheet date. The liability has not been adjusted for inflation and the effect of the time value of money.

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	9,934	9,198	15,688
Later than One Year and no Later than Five Years	17,467	10,418	4,396
Later than Five Years	-	-	-
	27,401	19,616	20,084

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 \$
MOE Project - Slip Remediation <i>in progress</i>	-	108,627	(27,058)	-	81,569
Totals	-	108,627	(27,058)	-	81,569

Represented by:

Funds Held on Behalf of the Ministry of Education	81,569
Funds Due from the Ministry of Education	-
	81,569

2018	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions \$	Closing Balances \$
Refurbish Block 3 <i>completed</i>	482,629	59,332	(616,731)	74,770	-
Totals	482,629	59,332	(616,731)	74,770	-

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.

Tim Andrew is a trustee of the Board. During the year the School employed his wife Michelle Andrew as a teacher. Michelle's salary was based on the teachers award.

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	3,940	3,480
Full-time equivalent members	0.35	0.65
<i>Leadership Team</i>		
Remuneration	200,066	480,192
Full-time equivalent members	2	5
Total key management personnel remuneration	<u>204,006</u>	<u>483,672</u>
Total full-time equivalent personnel	<u>2.35</u>	<u>5.65</u>

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

Principal

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

	2019 Actual \$000	2018 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	90-100	130-140
Benefits and Other Emoluments	1-5	1 - 10
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
	<u>0.00</u>	<u>0.00</u>

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:

	2019 Actual	2018 Actual
Total	-	-
Number of People	-	-

21. Contingencies

There are no contingent liabilities 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.

22. Commitments

(a) Capital Commitments

As at 31 December 2019 the Board has entered into contract agreements for capital works as follows:

(a) \$84,570 contract for Slip Remediation to be completed in 2020, which will be fully funded by the Ministry of Education. \$94,570 has been received of which \$0.00 has been spent on the project to date.

(Capital commitments at 31 December 2018: \$nil)

(b) Operating Commitments

As at 31 December 2019 the Board has entered into the following contracts:

	2019 Actual \$	2018 Actual \$
No later than One Year	-	-
Later than One Year and No Later than Five Years	-	-
Later than Five Years	-	-
	<hr/> <hr/>	<hr/> <hr/>

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 (2018: Loans and receivables)

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Cash and Cash Equivalents	544,343	338,523	333,246
Receivables	119,897	214,074	214,074
Total Financial assets measured at amortised cost	<u>664,240</u>	<u>552,597</u>	<u>547,320</u>

Financial liabilities measured at amortised cost

Payables	178,417	153,639	153,639
Finance Leases	27,401	19,616	19,616
Painting Contract Liability	22,362	20,084	20,084
Total Financial Liabilities Measured at Amortised Cost	<u>228,180</u>	<u>193,339</u>	<u>193,339</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.

27. Adoption of PBE IFRS 9 Financial Instruments

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

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

- Note 9 Investments:

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

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