

# SUMMERLAND PRIMARY SCHOOL

## ANNUAL REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2019

#### School Directory

<b>Ministry Number:</b>	6937
<b>Co Principals:</b>	Barb Dysart, Blair Giles
<b>School Address:</b>	Summerland Drive, Henderson, Auckland
<b>School Postal Address:</b>	62 Summerland Drive, Henderson, Auckland 0612
<b>School Phone:</b>	09 836 7460
<b>School Email:</b>	office@summerland.school.nz

#### Members of the Board of Trustees

<b>Name</b>	<b>How Position Gained</b>	<b>Position</b>	<b>Term Expires</b>
Adrienne Faulkner	Elected	Staff Rep	May-22
Antony Douglas	Elected	Parent Rep	May-19
Barb Dysart	Appointed	Co-Principal	Current
Blair Giles	Appointed	Co-Principal	Current
Brittany Teleiai (nee Masterson)	Elected	Staff Rep	May-19
Charlie Tevaga	Elected	Chairperson	May-22
Des Madeira	Co-opted	Parent Rep	May-22
Emma McCarthy	Elected	Parent Rep	May-19
Ihaperu (Pera) Adams	Co-opted	Parent Rep	May-22
Jon Sim	Elected	Parent Rep	May-22
Rikki Bendall	Selected	Parent Rep	May-19
Steve Fairweather	Co-opted	Parent Rep	May-22
Steven Khov	Elected	Parent Rep	May-22
Tanya Prague	Elected	Parent Rep	May-22
Tekweni Chataira	Elected	Parent Rep	May-22

#### Service Provider:

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

# SUMMERLAND PRIMARY SCHOOL

Annual Report - For the year ended 31 December 2019

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# Summerland Primary 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.

*Charlie Tevaga*

Full Name of Board Chairperson

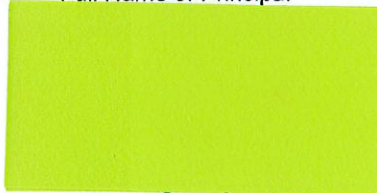


*2/6/2020*

Date:

*Blair Wiles*

Full Name of Principal



*2.6.20*

Date:

**Summerland Primary School**  
**Statement of Comprehensive Revenue and Expense**

For the year ended 31 December 2019

	Notes	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
<b>Revenue</b>				
Government Grants	2	5,373,370	5,072,091	5,247,561
Locally Raised Funds	3	339,553	297,050	251,500
Interest income		22,243	6,000	24,029
International Students	4	26,134	50,000	50,487
		<u>5,761,300</u>	<u>5,425,141</u>	<u>5,573,577</u>
<b>Expenses</b>				
Locally Raised Funds	3	78,769	96,500	131,761
International Students	4	1,306	2,290	2,011
Learning Resources	5	3,563,602	3,368,490	3,417,875
Administration	6	288,302	275,787	266,883
Finance		8,481	10,782	10,841
Property	7	1,534,916	1,655,344	1,536,414
Depreciation	8	193,097	193,000	200,041
Loss on Disposal of Property, Plant and Equipment		5,708	-	16,547
		<u>5,674,181</u>	<u>5,602,193</u>	<u>5,582,373</u>
<b>Net Surplus / (Deficit) for the year</b>		<b>87,119</b>	<b>(177,052)</b>	<b>(8,796)</b>
Other Comprehensive Revenue and Expenses		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<u><u>87,119</u></u>	<u><u>(177,052)</u></u>	<u><u>(8,796)</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.

**Summerland Primary School**  
**Statement of Changes in Net Assets/Equity**

For the year ended 31 December 2019

	Notes	Actual 2019 \$	Budget (Unaudited) 2019 \$	Actual 2018 \$
<b>Balance at 1 January</b>		<u>1,418,545</u>	<u>1,418,551</u>	<u>1,427,341</u>
Total comprehensive revenue and expense for the year		87,119	(177,052)	(8,796)
<b>Equity at 31 December</b>	24	<u>1,505,664</u>	<u>1,241,499</u>	<u>1,418,545</u>
Retained Earnings		1,505,664	1,241,499	1,418,545
<b>Equity at 31 December</b>		<u>1,505,664</u>	<u>1,241,499</u>	<u>1,418,545</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.

# Summerland Primary School

## Statement of Financial Position

As at 31 December 2019

	Notes	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
<b>Current Assets</b>				
Cash and Cash Equivalents	9	96,305	77,442	128,854
Accounts Receivable	10	219,776	194,973	194,973
GST Receivable		33,628	20,547	20,547
Prepayments		7,765	6,599	6,599
Inventories	11	5,458	5,247	5,247
Investments	12	420,471	509,702	609,702
		<u>783,403</u>	<u>814,510</u>	<u>965,922</u>
<b>Current Liabilities</b>				
Accounts Payable	14	269,877	277,426	277,435
Revenue Received in Advance	15	54,783	45,800	45,800
Provision for Cyclical Maintenance	16	28,040	10,350	10,350
Finance Lease Liability - Current Portion	17	38,619	46,032	46,032
Funds held for Capital Works Projects	18	749	77,833	77,833
		<u>392,068</u>	<u>457,441</u>	<u>457,450</u>
<b>Working Capital Surplus/(Deficit)</b>		391,335	357,069	508,472
<b>Non-current Assets</b>				
Property, Plant and Equipment	13	1,152,438	1,012,326	1,037,968
Work in Progress		110,071	27,375	27,375
		<u>1,262,509</u>	<u>1,039,701</u>	<u>1,065,343</u>
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	16	108,412	99,969	99,969
Finance Lease Liability	17	39,768	55,302	55,302
		<u>148,180</u>	<u>155,271</u>	<u>155,271</u>
<b>Net Assets</b>		<u>1,505,664</u>	<u>1,241,499</u>	<u>1,418,545</u>
<b>Equity</b>	24	<u>1,505,664</u>	<u>1,241,499</u>	<u>1,418,545</u>

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

**Summerland Primary School**  
**Statement of Cash Flows**  
For the year ended 31 December 2019

		2019	2019	2018
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
<b>Cash flows from Operating Activities</b>				
Government Grants		1,067,564	1,076,467	1,092,653
Locally Raised Funds		342,711	297,347	251,797
International Students		33,167	39,596	40,083
Goods and Services Tax (net)		(13,081)	(16,761)	(16,761)
Payments to Employees		(612,128)	(622,793)	(552,021)
Payments to Suppliers		(550,219)	(577,687)	(572,085)
Cyclical Maintenance Payments in the year		(6,360)	(11,785)	(2,516)
Interest Paid		(8,481)	(10,782)	(10,841)
Interest Received		21,048	7,244	25,273
<b>Net cash from Operating Activities</b>		<b>274,221</b>	<b>180,846</b>	<b>255,582</b>
<b>Cash flows from Investing Activities</b>				
Proceeds from Sale of PPE		-	-	14,745
Purchase of PPE		(368,809)	(306,615)	(214,814)
Purchase of Investments		-	-	(77,012)
Proceeds from Sale of Investments		189,231	22,988	-
<b>Net cash from Investing Activities</b>		<b>(179,578)</b>	<b>(283,627)</b>	<b>(277,081)</b>
<b>Cash flows from Financing Activities</b>				
Finance Lease Payments		(50,109)	(56,635)	(76,798)
Funds Held for Capital Works Projects		(77,084)	17,807	17,807
<b>Net cash from Financing Activities</b>		<b>(127,193)</b>	<b>(38,828)</b>	<b>(58,991)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(32,550)</b>	<b>(141,609)</b>	<b>(80,490)</b>
Cash and cash equivalents at the beginning of the year	9	128,854	219,051	209,345
<b>Cash and cash equivalents at the end of the year</b>	<b>9</b>	<b>96,305</b>	<b>77,442</b>	<b>128,854</b>

The statement of cash flows records only those cash flows directly within the control of the School. This means centrally funded teachers' salaries and the use of land and buildings grant and expense have been excluded.

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

# Summerland Primary School

## Notes to the Financial Statements

### For the year ended 31 December 2019

#### 1. Statement of Accounting Policies

##### a) Reporting Entity

Summerland 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 28.

###### *PBE Accounting Standards Reduced Disclosure Regime*

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

###### *Measurement Base*

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

###### *Presentation Currency*

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

###### *Specific Accounting Policies*

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

###### *Critical Accounting Estimates And Assumptions*

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

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



#### *Useful lives of property, plant and equipment*

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment as disclosed in the Significant Accounting Policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 13.

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

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

##### *Classification of leases*

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

##### *Recognition of grants*

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

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

##### ***Government Grants***

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

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

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

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

##### ***Other Grants***

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

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

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

##### ***Interest Revenue***

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

#### **d) Use of Land and Buildings Expense**

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

**e) Operating Lease Payments**

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

**f) Finance Lease Payments**

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

**g) Cash and Cash Equivalents**

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

**h) Accounts Receivable**

Short-term receivables are recorded at the amount due, less an allowance for credit losses. The school applies the simplified expected credit loss model of recognising lifetime expected credit losses for receivables. In measuring expected credit losses, short-term receivables have been assessed on a collective basis as they possess shared credit risk characteristics. They have been grouped based on the days past due. Short-term receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include the debtor being in liquidation.

**Prior Year Policy**

*Accounts Receivable represents items that the School has issued invoices for or accrued for, but has not received payment for at year end. Receivables are initially recorded at fair value and subsequently recorded at the amount the School realistically expects to receive. A receivable is considered uncollectable where there is objective evidence the School will not be able to collect all amounts due. The amount that is uncollectable (the provision for uncollectibility) is the difference between the amount due and the present value of the amounts expected to be collected.*

**i) Inventories**

Inventories are consumable items held for sale and comprise of stationery and school uniforms. They are stated at the lower of cost and net realisable value. Cost is determined on a first in, first out basis. Net realisable value is the estimated selling price in the ordinary course of activities less the estimated costs necessary to make the sale. Any write down from cost to net realisable value is recorded as an expense in the Statement of Comprehensive Revenue and Expense in the period of the write down.

**j) Investments**

Bank term deposits are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance. A loss allowance for expected credit losses is recognised if the estimated loss allowance is not trivial.

**Prior Year Policy**

*Bank term deposits for periods exceeding 90 days are classified as investments and are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance. After initial recognition bank term deposits are measured at amortised cost using the effective interest method less impairment.*

*Investments that are shares are categorised as "available for sale" for accounting purposes in accordance with financial reporting standards. Share investments are recognised initially by the School at fair value plus transaction costs. At balance date the School has assessed whether there is any evidence that an investment is impaired. Any impairment, gains or losses are recognised in the Statement of Comprehensive Revenue and Expense.*

*After initial recognition any investments categorised as available for sale are measured at their fair value without any deduction for transaction costs the school may incur on sale or other disposal.*

**k) Property, Plant and Equipment**

Land and buildings owned by the Crown are excluded from these financial statements. The Board's use of the land and buildings as 'occupant' is based on a property occupancy document.

Improvements to buildings owned by the Crown are recorded at cost, less accumulated depreciation and impairment losses.

Property, plant and equipment are recorded at cost or, in the case of donated assets, fair value at the date of receipt, less accumulated depreciation and impairment losses. Cost or fair value as the case may be, includes those costs that relate directly to bringing the asset to the location where it will be used and making sure it is in the appropriate condition for its intended use.

Property, plant and equipment acquired with individual values under \$1,000 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense.

Gains and losses on disposals (*i.e.* sold or given away) are determined by comparing the proceeds received with the carrying amounts (*i.e.* the book value). The gain or loss arising from the disposal of an item of property, plant and equipment is recognised in the Statement of Comprehensive Revenue and Expense.

**Finance Leases**

A finance lease transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred. At the start of the lease term, finance leases are recognised as assets and liabilities in the statement of financial position at the lower of the fair value of the leased asset or the present value of the minimum lease payments. The finance charge is charged to the surplus or deficit over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability. The amount recognised as an asset is depreciated over its useful life. If there is no reasonable certainty whether the school will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

**Depreciation**

Property, plant and equipment except for library resources are depreciated over their estimated useful lives on a straight line basis. Library resources are depreciated on a diminishing value basis. Depreciation of all assets is reported in the Statement of Comprehensive Revenue and Expense.

The estimated useful lives of the assets are:

Building improvements to Crown Owned Assets	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) 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.

#### **m) Accounts Payable**

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

#### **n) Employee Entitlements**

##### *Short-term employee entitlements*

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

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

##### *Long-term employee entitlements*

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

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

#### **o) Revenue Received in Advance**

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

#### **p) 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.

**q) 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).

**r) 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.

**s) 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.

**t) 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.

**u) Budget Figures**

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

**v) Services received in-kind**

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

## 2. Government Grants

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Operational Grants	944,600	943,586	933,810
Teachers' Salaries Grants	3,110,567	2,835,567	2,973,240
Use of Land and Buildings Grants	1,195,239	1,163,904	1,181,668
Resource Teachers Learning and Behaviour Grants	26,233	39,000	54,466
Other MoE Grants	96,731	90,034	104,377
	<u>5,373,370</u>	<u>5,072,091</u>	<u>5,247,561</u>

## 3. Locally Raised Funds

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

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
<b>Revenue</b>			
Donations	182,492	118,000	49,302
Activities	45,008	59,300	103,374
Trading	47,651	44,850	44,131
Fundraising	64,402	74,900	54,693
Other Revenue	-	-	-
	<u>339,553</u>	<u>297,050</u>	<u>251,500</u>
<b>Expenses</b>			
Activities	41,864	63,500	107,909
Trading	14,895	11,000	11,726
Fundraising (Costs of Raising Funds)	22,010	22,000	12,126
	<u>78,769</u>	<u>96,500</u>	<u>131,761</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>260,784</u>	<u>200,550</u>	<u>119,739</u>

## 4. International Student Revenue and Expenses

	2019 Actual Number	2019 Budget (Unaudited) Number	2018 Actual Number
International Student Roll (FTE)	2	4	4
	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
<b>Revenue</b>			
International Student Fees	26,134	50,000	50,487
<b>Expenses</b>			
Commissions	-	500	1,200
International Student Levy	1,306	1,790	811
	<u>1,306</u>	<u>2,290</u>	<u>2,011</u>
<i>Surplus/ (Deficit) for the year International Students'</i>	<u>24,828</u>	<u>47,710</u>	<u>48,476</u>

## 5. Learning Resources

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Curricular	69,118	111,434	71,127
Equipment Repairs	11,491	10,500	8,144
Overseas Trips	4,011	-	-
Library Resources	2,617	4,300	3,670
Employee Benefits - Salaries	3,424,313	3,190,327	3,280,702
Staff Development	52,052	51,929	54,232
	<b>3,563,602</b>	<b>3,368,490</b>	<b>3,417,875</b>

During the year ended 31 December 2019 the Deputy Principal and a Teacher travelled to Sydney, Australia at a cost of \$4,011 for the purpose of attending the National Future Schools Expo for professional learning for the school. The travel was funded from the school operational funding. (2018: Nil)

## 6. Administration

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Audit Fee	6,620	6,450	4,890
Board of Trustees Fees	5,590	6,800	4,110
Board of Trustees Expenses	11,678	17,676	7,177
Communication	6,400	6,000	6,121
Consumables	37,510	35,800	33,712
Operating Lease	110	-	5,301
Other	14,977	17,430	13,257
Employee Benefits - Salaries	185,420	165,094	171,526
Insurance	6,497	6,377	6,629
Service Providers, Contractors and Consultancy	13,500	14,160	14,160
	<b>288,302</b>	<b>275,787</b>	<b>266,883</b>

## 7. Property

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Caretaking and Cleaning Consumables	59,558	74,850	74,069
Cyclical Maintenance Provision	32,493	13,500	4,231
Grounds	36,904	40,550	58,230
Heat, Light and Water	39,975	43,500	42,000
Rates	96	100	88
Repairs and Maintenance	47,232	205,556	92,861
Use of Land and Buildings	1,195,239	1,163,904	1,181,668
Security	2,259	2,500	2,279
Employee Benefits - Salaries	121,160	110,884	80,988
	<b>1,534,916</b>	<b>1,655,344</b>	<b>1,536,414</b>

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

## 8. Depreciation

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Buildings - School	-	-	-
Building Improvements - Crown	9,738	9,733	9,738
Furniture and Equipment	99,870	99,820	98,411
Information and Communication Technology	28,107	28,093	24,038
Leased Assets	49,756	49,731	61,881
Library Resources	5,626	5,623	5,973
	<u>193,097</u>	<u>193,000</u>	<u>200,041</u>

## 9. Cash and Cash Equivalents

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Cash on Hand	100	100	100
Bank Current Account	96,205	77,163	128,575
Bank Call Account	-	179	179
Cash and cash equivalents for Cash Flow Statement	<u>96,305</u>	<u>77,442</u>	<u>128,854</u>

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

Of the \$96,305 Cash and Cash Equivalents, \$749 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.

## 10. Accounts Receivable

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Receivables	-	1,208	1,208
Interest Receivable	3,039	1,844	1,844
Teacher Salaries Grant Receivable	216,737	191,921	191,921
	<u>219,776</u>	<u>194,973</u>	<u>194,973</u>
Receivables from Exchange Transactions	3,039	3,052	3,052
Receivables from Non-Exchange Transactions	216,737	191,921	191,921
	<u>219,776</u>	<u>194,973</u>	<u>194,973</u>

## 11. Inventories

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Stationery	5,020	5,247	5,247
School Uniforms	438	-	-
	<u>5,458</u>	<u>5,247</u>	<u>5,247</u>



## 12. Investments

The School's investment activities are classified as follows:

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Current Asset			
Short-term Bank Deposits	420,471	509,702	609,702
<b>Total Investments</b>	<b>420,471</b>	<b>509,702</b>	<b>609,702</b>

## 13. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
<b>2019</b>						
Building Improvements	233,806	-	-	-	(9,738)	224,068
Furniture and Equipment	605,015	201,136	(3,549)	-	(99,870)	702,732
Information and Communication Technology	61,903	79,815	(187)	-	(28,107)	113,423
Leased Assets	95,430	27,162	-	-	(49,756)	72,836
Library Resources	41,814	5,164	(1,972)	-	(5,626)	39,379
<b>Balance at 31 December 2019</b>	<b>1,037,968</b>	<b>313,277</b>	<b>(5,708)</b>	<b>-</b>	<b>(193,097)</b>	<b>1,152,438</b>

	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
<b>2019</b>			
Building Improvements	389,524	(165,456)	224,068
Furniture and Equipment	1,418,611	(715,879)	702,732
Information and Communication Technology	217,106	(103,683)	113,423
Leased Assets	157,095	(84,259)	72,836
Library Resources	106,176	(66,797)	39,379
<b>Balance at 31 December 2019</b>	<b>2,288,512</b>	<b>(1,136,074)</b>	<b>1,152,438</b>

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
<b>2018</b>						
Building Improvements	251,994	-	(8,450)	-	(9,738)	233,806
Furniture and Equipment	584,662	125,166	(6,402)	-	(98,411)	605,015
Information and Communication Technology	25,085	60,856	-	-	(24,038)	61,903
Leased Assets	108,024	64,032	(14,745)	-	(61,881)	95,430
Library Resources	43,326	6,156	(1,696)	-	(5,973)	41,814
<b>Balance at 31 December 2018</b>	<b>1,013,091</b>	<b>256,210</b>	<b>(31,293)</b>	<b>-</b>	<b>(200,041)</b>	<b>1,037,968</b>

<b>2018</b>	<b>Cost or Valuation \$</b>	<b>Accumulated Depreciation \$</b>	<b>Net Book Value \$</b>
Building Improvements	389,524	(155,718)	233,806
Furniture and Equipment	1,254,970	(649,955)	605,015
Information and Communication Technology	189,606	(127,703)	61,903
Leased Assets	155,606	(60,176)	95,430
Library Resources	106,013	(64,199)	41,814
<b>Balance at 31 December 2018</b>	<b>2,095,719</b>	<b>(1,057,751)</b>	<b>1,037,968</b>

#### 14. Accounts Payable

	<b>2019 Actual \$</b>	<b>2019 Budget (Unaudited) \$</b>	<b>2018 Actual \$</b>
Operating Creditors	32,051	72,794	72,795
Accruals	6,620	6,450	6,448
Banking Staffing Overuse	6,832	-	-
Employee Entitlements - Salaries	216,737	198,182	198,192
Employee Entitlements - Leave Accrual	7,637	-	-
	<b>269,877</b>	<b>277,426</b>	<b>277,435</b>
Payables for Exchange Transactions	269,877	277,426	277,435
	<b>269,877</b>	<b>277,426</b>	<b>277,435</b>

The carrying value of payables approximates their fair value.

#### 15. Revenue Received in Advance

	<b>2019 Actual \$</b>	<b>2019 Budget (Unaudited) \$</b>	<b>2018 Actual \$</b>
International Student Fees	12,833	5,800	5,800
Other	41,950	40,000	40,000
	<b>54,783</b>	<b>45,800</b>	<b>45,800</b>

**16. Provision for Cyclical Maintenance**

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Provision at the Start of the Year	110,319	110,319	108,604
Increase/ (decrease) to the Provision During the Year	32,493	13,500	24,006
Use of the Provision During the Year	(6,360)	(13,500)	(22,291)
Provision at the End of the Year	<u>136,452</u>	<u>110,319</u>	<u>110,319</u>
Cyclical Maintenance - Current	28,040	10,350	10,350
Cyclical Maintenance - Term	108,412	99,969	99,969
	<u>136,452</u>	<u>110,319</u>	<u>110,319</u>

**17. Finance Lease Liability**

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

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
No Later than One Year	44,098	46,032	53,425
Later than One Year and no Later than Five Years	43,053	55,302	61,245
Later than Five Years	-	-	-
	<u>87,151</u>	<u>101,334</u>	<u>114,670</u>

## 18. 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
		\$	\$	\$	\$	\$
Muriwai Outdoor Learning	<i>in progress</i>	72,792	-	(76,185)	-	(3,394)
Roofing Block 9	<i>in progress</i>	(3,048)	42,280	(35,090)	-	4,143
Hall Foyer Upgrade	<i>completed</i>	8,319		(8,319)	-	-
Lighting Upgrade	<i>completed</i>	(231)	45,000	(44,769)	-	-
<b>Totals</b>		<b>77,833</b>	<b>87,280</b>	<b>(164,363)</b>	<b>-</b>	<b>749</b>

### Represented by:

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

749

-

749

	2018	Opening Balances	Receipts from MoE	Payments	BOT Contributions	Closing Balances
		\$	\$	\$	\$	\$
Muriwai Outdoor Learning	<i>in progress</i>	(231)	94,754	(21,732)	-	72,792
Muriwai Channel Drain	<i>completed</i>	-	-	-	-	1
Roofing Block 9	<i>in progress</i>	(231)	-	(2,816)	-	(3,048)
Hall Foyer Upgrade	<i>in progress</i>	-	8,550	(230)	-	8,319
Lighting Upgrade	<i>in progress</i>	-	-	-	-	(231)
Electrical & Lightings	<i>completed</i>	41,678	19,372	(61,050)	-	-
Library Entry Block	<i>completed</i>	12,650	602	(13,252)	-	-
<b>Totals</b>		<b>53,866</b>	<b>123,278</b>	<b>(99,080)</b>	<b>-</b>	<b>77,833</b>

## 19. 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.

Antony Douglas is a trustee of the Board. During the year the School employed Vanessa Douglas who is the wife of Antony Douglas as a Teacher. Vanessa was paid according to the teachers award.

During the year the school employed Kelli Tevaga as a Business Manager who is the wife of the Board Chair Charlie Tevaga. Charlie was not involved in Kelli's appointment process.

## 20. Remuneration

### Key management personnel compensation

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

	2019 Actual \$	2018 Actual \$
<i>Board Members</i>		
Remuneration	5,590	4,110
Full-time equivalent members	0.46	0.39
<i>Leadership Team</i>		
Remuneration	547,663	445,247
Full-time equivalent members	5	4
Total key management personnel remuneration	<u>553,253</u>	<u>449,357</u>
Total full-time equivalent personnel	<u>5.46</u>	<u>4.39</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
<i>Salaries and Other Short-term Employee Benefits:</i>		
<i>Principal A</i>		
Salary and Other Payments	140 - 150	130 - 140
Benefits and Other Emoluments	2 - 3	4 - 5
Termination Benefits	-	-
<i>Principal B</i>		
Salary and Other Payments	140 - 150	130 - 140
Benefits and Other Emoluments	2 - 3	4 - 5
Termination Benefits	-	-

Per the Education (School Staffing) orders and the Primary Principal's Collective Agreement there can only be one principal employed at any one time in a school. However, the school alternates the principal role between two employees on an annual basis every 30 June. The salary and other payments above reflect what each of these employees have been paid for the financial year, which includes the period where they are not in the principal's role.

### Other Employees

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

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

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

## 21. 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

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

## 22. 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.

## 23. Commitments

### (a) Capital Commitments

As at 31 December 2019 the Board has not entered into contract agreements for capital works

(Capital commitments at 31 December 2018: \$587,334)

### (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/>

## 24. 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.

## 25. Financial Instruments

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

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

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Cash and Cash Equivalents	96,305	77,442	128,854
Receivables	219,776	194,973	194,973
Investments - Term Deposits	420,471	509,702	609,702
Total Financial assets measured at amortised cost	<u>736,552</u>	<u>782,117</u>	<u>933,529</u>

### Financial liabilities measured at amortised cost

Payables	269,877	277,426	277,435
Finance Leases	78,387	101,334	101,334
Total Financial Liabilities Measured at Amortised Cost	<u>348,264</u>	<u>378,760</u>	<u>378,769</u>

## 26. Events After Balance Date

On March 11, 2020, the World Health Organisation declared the outbreak of COVID-19 (a novel Coronavirus) a pandemic. Two weeks later, on 26 March, New Zealand increased its' COVID-19 alert level to level 4 and a nationwide lockdown commenced. As part of this lockdown all schools were closed. Subsequently all schools and kura reopened on the 18th of May 2020.

At the date of issuing the financial statements, the school has been able to absorb the majority of the impact from the nationwide lockdown as it was decided to start the annual Easter School Holidays early. In the periods the school is open for tuition, the school has switched to alternative methods of delivering the curriculum, so students can learn remotely.

At this time the full financial impact of the COVID-19 pandemic is not able to be determined, but it is not expected to be significant to the school. The school will continue to receive funding from the Ministry of Education, even while closed.

## 27. Comparatives

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

## 28. Adoption of PBE IFRS 9 Financial Instruments

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

- Note 10 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 12 Investments: 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.