

OPAWA SCHOOL

Annual Accounts For the year ended 31 December 2019

Ministry Number: 3455
Principal: Sally Ormandy
School Address: 30 Ford Road, Christchurch
School Phone: 03 332 6374
School Email: admin@opawa.school.nz

Members of the Board of Trustees

Name	Ceased
Liz Hawes	Elected
Fiona Platt	Elected
Tom Adams	Elected
Ali Cable	Elected
Lee Hooper	Co-opted
Shevaun Karipa	Elected
Sally Ormandy - Principal	

The term finishes except for the principal in May 2022.

Accountant / Service Provider:

Geoff Gillam Consultants

Opawa School

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Opawa School
Statement of Responsibility

For the year ended 31 December 2019

The Board of Trustees (the Board) has pleasure in presenting the annual report of Opawa School incorporating the financial statements and the auditor's report, 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.

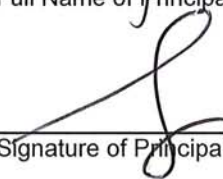
The School's 2019 financial statements are authorised for issue by the Board Chairperson and the principal.

Liz Hawes
Full Name of Board Chairperson


Signature of Board Chairperson

29.5.2020
Date:

Sally Ormrod
Full Name of Principal


Signature of Principal

29.5.2020
Date:

Opawa School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2019

	Notes	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Revenue				
Government Grants	2	2,354,708	2,261,273	2,465,856
Locally Raised Funds	3	85,586	18,800	88,944
Interest Earned		21,483	11,000	18,006
		<u>2,461,777</u>	<u>2,291,073</u>	<u>2,572,806</u>
Expenses				
Locally Raised Funds	3	53,772	250	54,722
Learning Resources	4	1,877,066	1,763,583	1,668,830
Administration	5	132,751	151,506	145,945
Finance Costs		1,232	-	3,337
Property	6	365,581	340,474	627,140
Depreciation	7	42,030	31,000	46,758
		<u>2,472,432</u>	<u>2,286,813</u>	<u>2,546,732</u>
Net Surplus / (Deficit)		(10,655)	4,260	26,074
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u><u>(10,655)</u></u>	<u><u>4,260</u></u>	<u><u>26,074</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.



Opawa School
Statement of Changes in Net Assets/Equity

For the year ended 31 December 2019

	Actual 2019 \$	Budget (Unaudited) 2019 \$	Actual 2018 \$
Balance at 1 January	<u>596,363</u>	<u>596,363</u>	<u>461,771</u>
Total comprehensive revenue and expense for the year	(10,655)	4,260	26,074
Contribution - Furniture and Equipment Grant	-	-	108,518
Equity at 31 December	<u>585,708</u>	<u>600,623</u>	<u>596,363</u>
Retained Earnings	585,708	600,623	596,363
Reserves	-	-	-
Equity at 31 December 2019	<u>585,708</u>	<u>600,623</u>	<u>596,363</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.



Opawa School

Statement of Financial Position

As at 31 December 2019

	Notes	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Current Assets				
Cash and Cash Equivalents	8	-	62,162	54,695
Accounts Receivable	9	118,967	112,000	98,338
GST Receivable		6,966	5,000	8,225
Prepayments		2,119	2,000	2,022
Investments	10	684,730	580,000	566,271
		<u>812,782</u>	<u>761,162</u>	<u>729,551</u>
Current Liabilities				
Cash and Cash Equivalents	8	24,962	-	-
Accounts Payable	12	143,510	125,000	105,851
Revenue Received in Advance	13	16,507	-	4,691
Provision for Cyclical Maintenance	14	159,167	160,455	135,455
Finance Lease Liability - Current Portion	15	27,104	5,436	7,985
		<u>371,250</u>	<u>290,891</u>	<u>253,982</u>
Working Capital Surplus or (Deficit)		441,532	470,271	475,569
Non-current Assets				
Investments (more than 12 months)	10	2,000	2,000	2,000
Property, Plant and Equipment	11	185,419	129,334	135,334
		<u>187,419</u>	<u>131,334</u>	<u>137,334</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	14	-	-	10,000
Finance Lease Liability	15	43,243	982	6,540
		<u>43,243</u>	<u>982</u>	<u>16,540</u>
Net Assets		<u>585,708</u>	<u>600,623</u>	<u>596,363</u>
Equity		<u>585,708</u>	<u>600,623</u>	<u>596,363</u>

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



Opawa School

Cash Flow Statement

For the year ended 31 December 2019

		2019	2019	2018
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Cash flows from Operating Activities				
Government Grants		670,499	580,864	588,721
Locally Raised Funds		82,886	18,800	88,944
Goods and Services Tax (net)		1,259	3,225	(2,284)
Payments to Employees		(430,877)	(327,625)	(352,217)
Payments to Suppliers		(280,350)	(228,704)	(257,270)
Interest Paid		(30)	-	(2,135)
Interest Received		19,892	12,434	17,964
Net cash from / (to) the Operating Activities		63,279	58,994	81,723
Cash flows from Investing Activities				
Proceeds from Sale of PPE (and Intangibles)		-	-	-
Purchase of PPE (and Intangibles)		(13,341)	(20,000)	(19,103)
Purchase of Investments		(118,459)	(13,729)	(252,235)
Proceeds from Sale of Investments		-	-	-
Net cash from / (to) the Investing Activities		(131,800)	(33,729)	(271,338)
Cash flows from Financing Activities				
Funds Administered on Behalf of Third Parties		11,816	(4,691)	3,708
Contribution by the Ministry of Education - Furniture and Equipment Grants		-	-	108,518
Finance Lease Payments		(22,952)	(13,107)	(24,557)
Net cash from Financing Activities		(11,136)	(17,798)	87,669
Net increase/(decrease) in cash and cash equivalents		(79,657)	7,467	(101,946)
Cash and cash equivalents at the beginning of the year	8	54,695	54,695	156,641
Cash and cash equivalents at the end of the year	8	(24,962)	62,162	54,695

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.



Opawa School

Notes to the Financial Statements

1. Statement of Accounting Policies

For the year ended 31 December 2019

a) Reporting Entity

Opawa 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 PBE Accounting Standards (PBE IPSAS) 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 24.

PBE Accounting Standards Reduced Disclosure Regime

The School qualifies for Tier 2 as the school is not publically 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 11.

Critical Judgements in applying accounting policies

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

Classification of leases



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

Recognition of grants

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

c) Revenue Recognition

Government Grants

The school receives funding from the Ministry of Education. The following are the main types of funding that the School receives; *Operational grants* are recorded as revenue when the School has the rights to the funding, which is in the year that the funding is received.

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

Other Grants

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

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.

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 three months 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) 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.

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.

j) 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 \$500 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 are depreciated over their estimated useful lives on a straight line basis. Depreciation of all assets is reported in the Statement of Comprehensive Revenue and Expense.

The estimated useful lives of the assets are:	Years
Building improvements – Crown	40
Furniture and equipment	5-10
Information and communication technology	5-10
Plant	10
Leased	3
Library resources	10

j) 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.

k) 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.

l) Revenue Received in Advance

Revenue received in advance relates to fees received from 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, should the School be unable to provide the services to which they relate.

m) 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).



n) Funds Held in Trust

Funds are held in trust where they have been received by the School for a specified purpose. The School holds sufficient funds to enable the funds to be used for their intended purpose at any time.

o) 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 "financial assets measured at fair value through other comprehensive income" for accounting purposes in accordance with financial reporting standards.

The School's financial liabilities comprise accounts payable, funds held on behalf of the Ministry of Education, 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.

p) 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.

q) Budget Figures

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

s) 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	532,554	506,273	501,104
Teachers' salaries grants	1,500,420	1,500,000	1,417,235
Use of Land and Buildings grants	185,679	185,000	454,107
Other MOE grants	136,055	70,000	93,410
	<u>2,354,708</u>	<u>2,261,273</u>	<u>2,465,856</u>

3. Locally Raised Funds

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

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
<i>Revenue</i>			
Donations	22,461	6,800	26,126
Activities	49,398	-	43,625
Trading	13,727	12,000	19,193
	<u>85,586</u>	<u>18,800</u>	<u>88,944</u>
<i>Expenses</i>			
Activities	37,734	-	49,487
Trading	2,133	-	4,310
Donation costs	13,905	250	925
	<u>53,772</u>	<u>250</u>	<u>54,722</u>
<i>Surplus for the year Locally raised funds</i>	<u>31,814</u>	<u>18,550</u>	<u>34,222</u>

4 Learning Resources

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Curricular	66,268	79,783	60,813
Employee Benefits - Salaries	1,771,521	1,668,000	1,600,505
Staff Development	39,277	15,800	7,512
	<u>1,877,066</u>	<u>1,763,583</u>	<u>1,668,830</u>

5. Administration

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Audit Fee	4,143	4,006	4,269
Board of Trustees Fees	3,825	6,000	2,360
Board of Trustees Expenses	8,156	4,050	4,943
Communication	6,712	7,150	7,178
Consumables	17,726	18,500	18,061
Operating Lease	-	-	1,669
Staff Expenses	5,749	7,500	7,531
Other	9,366	18,300	9,298
Employee Benefits - Salaries	77,074	86,000	90,636
	<u>132,751</u>	<u>151,506</u>	<u>145,945</u>



6. Property

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	6,267	6,000	6,514
Consultancy and Contract Services	2,626	6,000	7,061
Cyclical Maintenance Provision	13,712	15,000	14,546
Grounds	6,264	5,500	7,480
Heat, Light and Water	27,636	27,500	31,109
Rates	6,969	4,800	5,082
Repairs and Maintenance	33,278	17,674	20,682
Use of Land and Buildings - Non-Integrated	185,679	185,000	454,107
Employee Benefits - Salaries	83,150	73,000	80,559
	<u>365,581</u>	<u>340,474</u>	<u>627,140</u>

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

7. Depreciation of Property, Plant and Equipment

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Buildings - School	3,316	3,500	3,316
Furniture and Equipment	4,376	4,500	4,017
Information and Communication Technology	6,052	7,000	11,230
Plant	1,820	1,500	1,066
Leased Assets	22,798	11,000	22,772
Library Resources	3,668	3,500	4,357
	<u>42,030</u>	<u>31,000</u>	<u>46,758</u>

8. Cash and Cash Equivalents

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Cash on Hand	75	75	75
Bank Current Account	(27,084)	57,087	45,768
Bank Call Account	2,047	5,000	8,852
Net cash and cash equivalents and bank overdraft for Cash Flow Statement	<u>(24,962)</u>	<u>62,162</u>	<u>54,695</u>

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

9. Accounts Receivable

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Debtor Ministry of Education	1,499	-	4,591
Interest Accrued	5,025	2,000	3,434
Teacher Salaries Grant Receivable	109,743	110,000	90,313
	<u>118,967</u>	<u>112,000</u>	<u>98,338</u>
Receivables from Exchange Transactions	7,725	2,000	3,434
Receivables from Non-Exchange Transactions	111,242	110,000	94,904
	<u>118,967</u>	<u>112,000</u>	<u>98,338</u>



10. Investments

The School's investment activities are classified as follows:

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Current Asset			
Short-term Bank Deposits with Maturities Greater than Three Months and No Greater than One Year	684,730	580,000	566,271
Non-current Asset			
Long-term Bank Deposits with Maturities Greater than One Year	2,000	2,000	2,000

11. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2019						
Buildings	59,223	-	-	-	(3,316)	55,907
Furniture and Equipment	25,862	5,210	-	-	(4,376)	26,696
Information and Communication Plant	17,176	-	-	-	(6,052)	11,124
Plant	5,566	8,236	-	-	(1,820)	11,982
Leased Assets	14,464	78,669	-	-	(22,798)	70,335
Library Resources	13,043	-	-	-	(3,668)	9,375
Balance at 31 December 2019	135,334	92,115	-	-	(42,030)	185,419

	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
Buildings	132,638	(76,731)	55,907
Furniture and Equipment	191,177	(164,481)	26,696
Information and Communication Plant	175,287	(164,163)	11,124
Plant	62,158	(50,176)	11,982
Leased Assets	94,318	(23,983)	70,335
Library Resources	73,425	(64,050)	9,375
Balance at 31 December 2019	729,003	(543,584)	185,419

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2018						
Buildings	62,539	-	-	-	(3,316)	59,223
Furniture and Equipment	10,776	19,103	-	-	(4,017)	25,862
Information and Communication Plant	28,406	-	-	-	(11,230)	17,176
Plant	6,632	-	-	-	(1,066)	5,566
Leased Assets	28,717	8,519	-	-	(22,772)	14,464
Library Resources	17,400	-	-	-	(4,357)	13,043
Balance at 31 December 2018	154,470	27,622	-	-	(46,758)	135,334

	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
Buildings	132,638	(73,415)	59,223
Furniture and Equipment	185,967	(160,105)	25,862
Information and Communication Plant	175,287	(158,111)	17,176
Plant	54,027	(48,461)	5,566
Leased Assets	26,054	(11,590)	14,464
Library Resources	73,425	(60,382)	13,043
Balance at 31 December 2018	647,398	(512,064)	135,334

12. Accounts Payable

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Operating Creditors	27,694	10,000	9,913
Employee Benefits Payable - Salaries	109,743	110,000	90,313
Employee Benefits Payable - Leave Accrual	6,073	5,000	5,625
	<u>143,510</u>	<u>125,000</u>	<u>105,851</u>
Payables for Exchange Transactions	143,510	125,000	105,851
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
	<u>143,510</u>	<u>125,000</u>	<u>105,851</u>

The carrying value of payables approximates their fair value.

13. Revenue Received in Advance

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Funds Held on Behalf of Third Parties	16,507	-	4,691
	<u>16,507</u>	<u>-</u>	<u>4,691</u>

14. Provision for Cyclical Maintenance

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Provision at the Start of the Year	145,455	145,455	130,909
Increase to the Provision During the Year	13,712	15,000	-
Adjustment to the Provision	-	-	-
Use of the Provision During the Year	-	-	-
Provision at the End of the Year	<u>159,167</u>	<u>160,455</u>	<u>130,909</u>
Cyclical Maintenance - Current	159,167	160,455	135,455
Cyclical Maintenance - Term	-	-	10,000
	<u>159,167</u>	<u>160,455</u>	<u>145,455</u>

The Board has a cash management plan to ensure that sufficient cash is available to meet all maintenance obligations as they fall due over the next 10 years. The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligations at 31 December 2019. Present obligations are identified in the school's current 10-year property plan approved by the Ministry of Education. The provision has not been adjusted for inflation and the time value of money.

15. Finance Lease Liability

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

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
No Later than One Year	27,104	5,436	7,985
Later than One Year and no Later than Five Years	43,243	982	6,540
Later than Five Years	-	-	-
	<u>70,347</u>	<u>6,418</u>	<u>14,525</u>

16. 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.

17. Remuneration

Key management personnel compensation

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

	2019	2018
	Actual	Actual
	\$	\$
<i>Board Members</i>		
Remuneration	3,825	2,360
Full-time equivalent members	0.12	0.12
<i>Leadership Team</i>		
Remuneration	249,335	229,104
Full-time equivalent members	2	2
Total key management personnel remuneration	<u>253,160</u>	<u>231,464</u>
Total full-time equivalent personnel	<u>2.12</u>	<u>2.12</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	2018
	Actual	Actual
	\$000	\$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	140-150	120-130
Benefits and Other Emoluments	1-10	1-10
Termination Benefits	-	-

Other Employees

One other employee received total remuneration over \$100,000 (2018: nil).

18. 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	2018
	Actual	Actual
Total	-	-
Number of People	-	-



19. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2019 (Contingent liabilities and assets at 31 December 2018: nil).

Holidays Act Compliance – schools payroll

The Ministry of Education performs payroll processing and payments on behalf of school boards of trustees, through payroll service provider Education Payroll Limited.

The Ministry has commenced a review of the schools sector payroll to ensure compliance with the Holidays Act 2003. The initial phase of this review has identified areas of non-compliance. The Ministry has recognised an estimated provision based on the analysis of sample data, which may not be wholly representative of the total dataset for Teacher and Support Staff Entitlements. A more accurate estimate will be possible after further analysis of non-compliance has been completed, and this work is ongoing. Final calculations and potential impact on any specific individual will not be known until further detailed analysis has been completed

To the extent that any obligation cannot reasonably be quantified at 31 December 2019, a contingent liability for the school may exist.

20. Commitments

(a) Capital Commitments

As at 31 December 2019, the Board had no capital commitments.

(Capital commitments at 31 December 2018: nil)

(b) Operating Commitments

As at 31 December 2019 the Board had no operating commitments.

(Operating commitments at 31 December 2018: nil)

21. 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.

22. 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	(24,962)	62,162	54,695
Receivables	118,967	112,000	98,338
Investments - Term Deposits	686,730	582,000	568,271
Total Cash and Receivables	780,735	756,162	721,304

Financial liabilities measured at amortised cost

Payables	143,510	125,000	105,851
Finance Leases	70,347	6,418	14,525
Total Financial Liabilities Measured at Amortised Cost	213,857	131,418	120,376



23. Events After Balance Date

Impact from COVID-19

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 until 18 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.

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

24. 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 9 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 10 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

