

ROXBURGH AREA SCHOOL



ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

School Directory

Ministry Number:

375

Principal:

Gary Pasco

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ROXBURGH AREA SCHOOL

Annual Report - For the year ended 31 December 2020

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Roxburgh Area School

Statement of Responsibility

For the year ended 31 December 2020

The Board of Trustees accepts responsibility for the preparation of the annual financial statements and the judgements used in these financial statements.

The management (including the principal and others as directed by the Board) accepts responsibility for establishing and maintaining a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of the School's financial reporting.

It is the opinion of the Board and management that the annual financial statements for the financial year ended 31 December 2020 fairly reflect the financial position and operations of the School.

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

COLLEEN BUCHAN

Full Name of Board Chairperson

Paul McDowall

Full Name of Principal

Colleen Buchan

Signature of Board Chairperson

Paul McDowall

Signature of Principal

25.5.21

Date:

25.5.21

Date:

Roxburgh Area School

Members of the Board of Trustees

For the year ended 31 December 2020

Name	Position	How Position Gained	Held Until
Colleen Buchan	Chairperson	Elected	Apr 2022
Gary Pasco	Principal	ex Officio	
Vicki Richards	Parent Rep	Elected	Apr 2022
Nardia Weeds	Parent Rep	Elected	Apr 2022
Glen McDonald	Parent Rep	Elected	Apr 2022
Timea Welsh	Parent Rep	Elected	Apr 2022
Deborah Darling	Staff Rep	Elected	Apr 2021
Katie Gunn	Student Rep	Elected	Sep 2020
Georgia Buchan	Student Rep	Elected	Sep 2021
In attendance			
Debbie Bradley	Minute Secretary		

Roxburgh Area School
Statement of Comprehensive Revenue and Expense
For the year ended 31 December 2020

		2020	2020	2019
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Revenue				
Government Grants	2	2,730,770	2,508,104	2,541,566
Locally Raised Funds	3	119,062	121,493	140,511
Interest Income		9,207	15,000	11,434
		<u>2,859,039</u>	<u>2,644,597</u>	<u>2,693,511</u>
Expenses				
Locally Raised Funds	3	56,001	87,350	83,975
Learning Resources	4	1,827,796	1,786,483	1,705,081
Administration	5	151,856	134,150	135,474
Finance		2,118	1,500	1,819
Property	6	482,404	628,561	625,499
Depreciation	7	91,709	73,000	84,266
Loss on Disposal of Property, Plant and Equipment		571	-	1,750
Transport		1,665	2,000	1,395
		<u>2,614,120</u>	<u>2,713,044</u>	<u>2,639,259</u>
Net Surplus / (Deficit) for the year		244,919	(68,447)	54,252
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>244,919</u>	<u>(68,447)</u>	<u>54,252</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.

Roxburgh Area School

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2020

	Notes	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Balance at 1 January		628,584	628,584	574,332
Total comprehensive revenue and expense for the year		244,919	(68,447)	54,252
Capital Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		14,187	-	-
Equity at 31 December	23	887,690	560,137	628,584
Retained Earnings		887,690	560,137	628,584
Equity at 31 December		887,690	560,137	628,584

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.

Roxburgh Area School

Statement of Financial Position

As at 31 December 2020

		2020	2020	2019
	Notes	Actual	Budget (Unaudited)	Actual
		\$	\$	\$
Current Assets				
Cash and Cash Equivalents	8	174,523	103,371	98,818
Accounts Receivable	9	153,069	159,858	159,858
GST Receivable		-	6,710	6,710
Prepayments		7,567	4,860	4,860
Inventories	10	21,674	19,420	19,420
Investments	11	415,489	346,850	346,850
		<u>772,322</u>	<u>641,069</u>	<u>636,516</u>
Current Liabilities				
GST Payable		2,480	-	-
Accounts Payable	13	158,018	142,037	142,037
Revenue Received in Advance	14	8,382	6,967	6,967
Provision for Cyclical Maintenance	15	21,500	21,083	21,083
Finance Lease Liability - Current Portion	16	43,173	42,367	42,367
Funds held for Capital Works Projects	17	58,591	11,926	11,926
		<u>292,144</u>	<u>224,380</u>	<u>224,380</u>
Working Capital Surplus/(Deficit)		480,178	416,689	412,136
Non-current Assets				
Property, Plant and Equipment	12	503,696	429,415	502,415
		<u>503,696</u>	<u>429,415</u>	<u>502,415</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	15	78,122	233,380	233,380
Finance Lease Liability	16	18,062	52,587	52,587
		<u>96,184</u>	<u>285,967</u>	<u>285,967</u>
Net Assets		<u>887,690</u>	<u>560,137</u>	<u>628,584</u>
Equity	23	<u>887,690</u>	<u>560,137</u>	<u>628,584</u>

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

Roxburgh Area School
Statement of Cash Flows
For the year ended 31 December 2020

		2020	2020	2019
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
		\$	\$	\$
Cash flows from Operating Activities				
Government Grants		754,644	642,959	610,955
Locally Raised Funds		125,273	121,493	163,830
Goods and Services Tax (net)		9,190	-	(1,129)
Payments to Employees		(414,196)	(414,632)	(298,865)
Payments to Suppliers		(271,948)	(355,267)	(312,833)
Cyclical Maintenance payments in the Year		(4,654)	-	(10,000)
Interest Received		10,435	15,000	13,073
Net cash from/(to) Operating Activities		208,744	9,553	165,031
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(82,521)	(5,000)	(54,463)
Purchase of Investments		(68,639)	-	(10,783)
Net cash from/(to) Investing Activities		(151,160)	(5,000)	(65,246)
Cash flows from Financing Activities				
Furniture and Equipment Grant		14,187	-	-
Finance Lease Payments		(42,731)	-	(23,878)
Funds held for Capital Works Projects		46,665	-	(2,807)
Net cash from/(to) Financing Activities		18,121	-	(26,685)
Net increase/(decrease) in cash and cash equivalents		75,705	4,553	73,100
Cash and cash equivalents at the beginning of the year	8	98,818	98,818	25,718
Cash and cash equivalents at the end of the year	8	174,523	103,371	98,818

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

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

Roxburgh Area School

Notes to the Financial Statements

For the year ended 31 December 2020

1. Statement of Accounting Policies

1.1. Reporting Entity

Roxburgh Area School (the School) is a Crown entity as specified in the Crown Entities Act 2004 and a school as described in the Education and Training Act 2020. The Board of Trustees (the Board) is of the view that the School is a public benefit entity for financial reporting purposes.

1.2. Basis of Preparation

Reporting Period

The financial reports have been prepared for the period 1 January 2020 to 31 December 2020 and in accordance with the requirements of the Public Finance Act 1989.

Basis of Preparation

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

Financial Reporting Standards Applied

The Education and Training Act 2020 requires the School, as a Crown entity, to prepare financial statements in accordance with generally accepted accounting practice. The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand, applying Public Sector Public Benefit Entity (PBE) Standards Reduced Disclosure Regime as appropriate to public benefit entities that qualify for Tier 2 reporting. The School is considered a Public Benefit Entity as it meets the criteria specified as "having a primary objective to provide goods and/or services for community or social benefit and where any equity has been provided with a view to supporting that primary objective rather than for financial return to equity holders".

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

Useful lives of property, plant and equipment

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

Cyclical Maintenance

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

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.

1.3. 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.

1.4. 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.

1.5. 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.

1.6. 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.

1.7. 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.

1.8. Accounts Receivable

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

1.9. 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.

1.10. Property, Plant and Equipment

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

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

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

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

Finance Leases

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

Depreciation

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

The estimated useful lives of the assets are:

Building improvements	10-50 years
Furniture and equipment	5-20 years
Information and communication technology	4-20 years
Motor vehicles	5 years
Textbooks	3 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value

1.11. 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.

1.12. 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.

1.13. Employment Entitlements

Short-term employee entitlements

Employee benefits that are due to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, and also annual leave earned, by non teaching staff, to but not yet taken at balance date.

Long-term employee entitlements

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

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

1.14. Revenue Received in Advance

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

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

1.15. 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).

1.16. Financial Instruments

The School's financial assets comprise cash and cash equivalents, accounts receivable, and investments. All of these financial assets, except for investments that are shares, are categorised as 'financial assets measured at amortised cost' for accounting purposes in accordance with financial reporting standards.

Investments that are shares are categorised as 'financial assets at fair value through other comprehensive revenue and expense' for accounting purposes in accordance with financial reporting standards.

The School's financial liabilities comprise accounts payable, and finance lease liability. All of these financial liabilities are categorised as "financial liabilities measured at amortised cost" for accounting purposes in accordance with financial reporting standards.

1.17. Borrowings

Borrowings on normal commercial terms are initially recognised at the amount borrowed plus transaction costs. Interest due on the borrowings is subsequently accrued and added to the borrowings balance. Borrowings are classified as current liabilities unless the school has an unconditional right to defer settlement of the liability for at least 12 months after balance date.

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

1.18. 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.

1.19. Budget Figures

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

1.20. Services received in-kind

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

2. Government Grants

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Operational Grants	611,763	527,905	474,198
Teachers' Salaries Grants	1,555,933	1,466,216	1,515,248
Use of Land and Buildings Grants	465,079	447,961	447,961
Other MoE Grants	34,021	4,400	49,084
Other Government Grants	63,974	61,622	55,075
	<u>2,730,770</u>	<u>2,508,104</u>	<u>2,541,566</u>

The School has opted in to the donations scheme for this year. Total amount received was \$23,850.

Other MOE Grants total includes additional COVID-19 funding totalling \$3,792 for the year ended 31 December 2020.

3. Locally Raised Funds

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

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Revenue			
Donations	3,392	-	16,121
Bequests & Grants	31,791	26,637	18,629
Other Revenue	8,930	11,356	13,859
Trading Activities	8,066	7,000	6,954
	66,883	76,500	84,948
	<u>119,062</u>	<u>121,493</u>	<u>140,511</u>
Expenses			
Activities	44,888	77,350	75,341
Trading	11,113	10,000	8,634
	56,001	87,350	83,975
	<u>63,061</u>	<u>34,143</u>	<u>56,536</u>

Surplus for the year Locally raised funds

4. Learning Resources

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Curricular	79,023	105,367	95,857
Information and Communication Technology	3,175	2,500	2,090
Library Resources	586	500	514
Employee Benefits - Salaries	1,735,089	1,659,616	1,595,611
Staff Development	9,923	18,500	11,009
	<u>1,827,796</u>	<u>1,786,483</u>	<u>1,705,081</u>

5. Administration

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Audit Fee	3,950	3,950	3,850
Board of Trustees Fees	3,280	3,600	3,555
Board of Trustees Expenses	354	1,400	1,322
Communication	5,651	5,950	4,916
Consumables	4,017	5,300	7,684
Operating Lease	46	-	3,224
Other	22,158	22,750	24,430
Employee Benefits - Salaries	101,369	80,200	75,674
Insurance	5,110	5,000	4,931
Service Providers, Contractors and Consultancy	5,921	6,000	5,888
	<u>151,856</u>	<u>134,150</u>	<u>135,474</u>

6. Property

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	6,167	6,000	4,395
Cyclical Maintenance Provision	12,307	20,000	20,023
Adjustment to the Provision	(162,494)	-	-
Grounds	4,660	5,500	5,097
Heat, Light and Water	27,832	31,500	27,572
Rates	1,487	1,300	681
Repairs and Maintenance	21,051	24,300	26,299
Use of Land and Buildings	465,079	447,961	447,961
Employee Benefits - Salaries	106,315	92,000	93,471
	<u>482,404</u>	<u>628,561</u>	<u>625,499</u>

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

7. Depreciation of Property, Plant and Equipment

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Building Improvements	4,743	3,000	4,744
Furniture and Equipment	20,273	20,000	19,871
Information and Communication Technology	16,688	12,000	8,882
Motor Vehicles	1,065	1,000	1,065
Leased Assets	45,138	35,000	46,155
Library Resources	3,802	2,000	3,549
	<u>91,709</u>	<u>73,000</u>	<u>84,266</u>

8. Cash and Cash Equivalents

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Cash on Hand	50	-	50
Bank Current Account	83,155	103,371	56,060
Bank Call Account	91,318	-	42,708
Cash and cash equivalents for Statement of Cash Flows	<u>174,523</u>	<u>103,371</u>	<u>98,818</u>

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

Of the \$174,523 Cash and Cash Equivalents, \$58,591 is held by the School on behalf of the Ministry of Education. These funds are required to be spent in 2021 on Crown owned school buildings under the School's Five Year Property Plan.

9. Accounts Receivable

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Receivables	1,901	6,697	6,697
Interest Receivable	1,340	2,568	2,568
Banking Staffing Underuse	32,926	49,032	49,032
Teacher Salaries Grant Receivable	116,902	101,561	101,561
	<u>153,069</u>	<u>159,858</u>	<u>159,858</u>
Receivables from Exchange Transactions	3,241	9,265	9,265
Receivables from Non-Exchange Transactions	149,828	150,593	150,593
	<u>153,069</u>	<u>159,858</u>	<u>159,858</u>

10. Inventories

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
School Uniforms	21,674	19,420	19,420
	<u>21,674</u>	<u>19,420</u>	<u>19,420</u>

11. Investments

The School's investment activities are classified as follows:

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Current Asset Short-term Bank Deposits	415,489	346,850	346,850
Total Investments	<u>415,489</u>	<u>346,850</u>	<u>346,850</u>

12. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2020						
Land	36,750	-	-	-	-	36,750
Building Improvements	132,063	-	-	-	(4,743)	127,320
Furniture and Equipment	176,183	13,127	(196)	-	(20,273)	168,841
Information and Communication Technology	26,958	43,881	-	-	(16,688)	54,151
Motor Vehicles	8,010	19,565	-	-	(1,065)	26,510
Leased Assets	97,609	11,040	-	-	(45,138)	63,511
Library Resources	24,842	5,947	(374)	-	(3,802)	26,613
Balance at 31 December 2020	<u>502,415</u>	<u>93,560</u>	<u>(570)</u>	<u>-</u>	<u>(91,709)</u>	<u>503,696</u>

	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
2020			
Land	36,750	-	36,750
Building Improvements	251,782	(124,462)	127,320
Furniture and Equipment	573,006	(404,165)	168,841
Information and Communication Technology	138,179	(84,028)	54,151
Motor Vehicles	34,930	(8,420)	26,510
Leased Assets	185,584	(122,073)	63,511
Library Resources	98,982	(72,369)	26,613
Balance at 31 December 2020	<u>1,319,213</u>	<u>(815,517)</u>	<u>503,696</u>

The net carrying value of equipment held under a finance lease is \$63,511 (2019: \$97,609)

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2019						
Land	36,750	-	-	-	-	36,750
Building Improvements	136,807	-	-	-	(4,744)	132,063
Furniture and Equipment	183,748	13,359	(1,053)	-	(19,871)	176,183
Information and Communication Technology	23,533	12,307	-	-	(8,882)	26,958
Motor Vehicles	9,075	-	-	-	(1,065)	8,010
Leased Assets	122,640	21,124	-	-	(46,155)	97,609
Library Resources	24,604	4,484	(697)	-	(3,549)	24,842
Balance at 31 December 2019	<u>537,157</u>	<u>51,274</u>	<u>(1,750)</u>	<u>-</u>	<u>(84,266)</u>	<u>502,415</u>

	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
2019			
Land	36,750	-	36,750
Building Improvements	260,373	(128,310)	132,063
Furniture and Equipment	559,297	(383,114)	176,183
Information and Communication Technology	94,297	(67,339)	26,958
Motor Vehicles	16,430	(8,420)	8,010
Leased Assets	185,239	(87,630)	97,609
Library Resources	94,458	(69,616)	24,842
Balance at 31 December 2019	<u>1,246,844</u>	<u>(744,429)</u>	<u>502,415</u>

13. Accounts Payable

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Operating creditors	14,058	18,511	18,511
Accruals	3,950	4,427	4,427
Banking staffing overuse	35,298	-	-
Employee Entitlements - salaries	83,138	105,415	105,415
Employee Entitlements - leave accrual	21,574	13,684	13,684
	<u>158,018</u>	<u>142,037</u>	<u>142,037</u>
Payables for Exchange Transactions	158,018	142,037	142,037
	<u>158,018</u>	<u>142,037</u>	<u>142,037</u>

The carrying value of payables approximates their fair value.

14. Revenue Received in Advance

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Other	8,382	6,967	6,967
	<u>8,382</u>	<u>6,967</u>	<u>6,967</u>

15. Provision for Cyclical Maintenance

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Provision at the Start of the Year	254,463	254,463	244,440
Increase/ (decrease) to the Provision During the Year	12,307	-	20,023
Adjustment to the Provision	(162,494)	-	-
Use of the Provision During the Year	(4,654)	-	(10,000)
Provision at the End of the Year	<u>99,622</u>	<u>254,463</u>	<u>254,463</u>
Cyclical Maintenance - Current	21,500	21,083	21,083
Cyclical Maintenance - Term	78,122	233,380	233,380
	<u>99,622</u>	<u>254,463</u>	<u>254,463</u>

16. Finance Lease Liability

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

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
No Later than One Year	44,437	44,030	44,030
Later than One Year and no Later than Five Years	18,413	53,447	53,447
	<u>62,850</u>	<u>97,477</u>	<u>97,477</u>

17. Funds Held for Capital Works

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

	2020	Opening Balances	Receipts from MoE	Payments	BOT Contributions	Closing Balances
		\$	\$	\$	\$	\$
MOE Junior Block Upgrade	Completed	11,926	-	(11,926)	-	-
Junior Block Upgrade 2020	In Progress	-	63,591	(5,000)	-	58,591
Boiler Repairs	Completed	-	9,000	(9,000)	-	-
Totals		<u>11,926</u>	<u>72,591</u>	<u>(25,926)</u>	<u>-</u>	<u>58,591</u>

Represented by:

Funds Held on Behalf of the Ministry of Education	<u>58,591</u>
	<u>58,591</u>

	2019	Opening Balances	Receipts from MoE	Payments	BOT Contributions	Closing Balances
		\$	\$	\$	\$	\$
MOE Junior Block Upgrade	In Progress	14,733	285,757	(288,564)	-	11,926
Totals		<u>14,733</u>	<u>285,757</u>	<u>(288,564)</u>	<u>-</u>	<u>11,926</u>

18. Related Party Transactions

The School is a controlled entity of the Crown, and the Crown provides the major source of revenue to the School. The School enters into transactions with other entities also controlled by the Crown, such as government departments, state-owned enterprises and other Crown entities. Transactions with these entities are not disclosed as they occur on terms and conditions no more or less favourable than those that it is reasonable to expect the School would have adopted if dealing with that entity at arm's length.

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and condition no more or less favourable than those that it is reasonable to expect the school would have adopted in dealing with the party at arm's length in the same circumstances. Further, transactions with other government agencies (for example, Government departments and Crown entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.

19. Remuneration

Key management personnel compensation

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

	2020 Actual	2019 Actual
	\$	\$
<i>Board Members</i>		
Remuneration	3,280	3,555
Full-time equivalent members	0.25	0.12
<i>Leadership Team</i>		
Remuneration	591,405	549,393
Full-time equivalent members	5.00	5.00
Total key management personnel remuneration	<u>594,685</u>	<u>552,948</u>
Total full-time equivalent personnel	<u>5.25</u>	<u>5.12</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:

	2020 Actual	2019 Actual
	\$000	\$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	140-150	130 - 140
Benefits and Other Emoluments	20-25	19 - 20
Termination Benefits	0 - 0	0 - 0

Other Employees

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

Remuneration \$000	2020 FTE Number	2019 FTE Number
100 -110	4.00	-
	4.00	-

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

20. Compensation and Other Benefits Upon Leaving

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

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

21. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2020 (Contingent liabilities and assets at 31 December 2019: nil).

Holidays Act Compliance - schools payroll

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

The Ministry's review of the schools sector payroll to ensure compliance with the Holidays Act 2003 is ongoing. The current phase of this review is to design potential solutions for any compliance breaches discovered in the initial phase of the Programme. Final calculations and potential impact on any specific individual will not be known until further detailed analysis and solutions have been completed.

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

22. Commitments

(a) Capital Commitments

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

The school is holding funds of \$58,591 being the balance of income received to undertake design & cost estimations for the upgrade of the Junior Block. The total projected cost of the work is \$635,908 but no contracts have yet been entered into.

(Capital commitments at 31 December 2019: \$325,953)

(b) Operating Commitments

As at 31 December 2020 the Board has not entered into any operating contracts.

(Operating commitments at 31 December 2019: \$nil)

23. Managing Capital

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

24. Financial Instruments

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

Financial assets measured at amortised cost

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Cash and Cash Equivalents	174,523	103,371	98,818
Receivables	153,069	159,858	159,858
Investments - Term Deposits	415,489	346,850	346,850
Total Financial assets measured at amortised cost	<u>743,081</u>	<u>610,079</u>	<u>605,526</u>

Financial liabilities measured at amortised cost

Payables	158,018	142,037	142,037
Finance Leases	61,235	94,954	94,954
Total Financial liabilities measured at amortised Cost	<u>219,253</u>	<u>236,991</u>	<u>236,991</u>

25. Events After Balance Date

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