

# GREENPARK SCHOOL (TAURANGA)

## ANNUAL REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2019

#### School Directory

<b>Ministry Number:</b>	1729
<b>Principal:</b>	Gareth Scholes
<b>School Address:</b>	13 Lumsden Street, Greerton
<b>School Postal Address:</b>	P O Box 3209, Greerton, Tauranga, 3142
<b>School Phone:</b>	07 541 0606
<b>School Email:</b>	kymm@greenparkschool.co.nz

#### Members of the Board of Trustees

<b>Name</b>	<b>Position</b>	<b>How Position Gained</b>	<b>Occupation</b>	<b>Term Expires/ Expired</b>
Wayne Gribble	Chairperson	Appointed	Educational Consultant	Jun 2022
Gareth Scholes	Principal	ex Officio		
Rachelle Stratton	Parent Rep	Elected		Jun 2019
Amy Dickey	Parent Rep	Elected		Jun 2019
Brett Bartram	Parent Rep	Elected		Jun 2019
Kyle Jenkins	Parent Rep	Elected		Jun 2019
Shane McDermott	Parent Rep	Elected	Financial Advisor	Jun 2022
Greg Cummings	Parent Rep	Elected	Company Director	Jun 2022
Shay Rutherford	Parent Rep	Elected	Dr of Vetararian	Jun 2022
Melissa Osmond	Parent Rep	Elected	ECE	Jun 2022
Ben Brock	Staff Rep	Elected		Jun 2019
Katie Carroll	Staff Rep	Elected	Primary School Teacher	Jun 2022
Jason Mischewski	Other	Co-opted		Jun 2019
Christina Leef	Other	Co-opted		Jun 2019
Lynn Marriner	Other	Co-opted	School Administrator	Jun 2022

**Accountant / Service Provider:** Education Services Ltd



# GREENPARK SCHOOL (TAURANGA)

Annual Report - For the year ended 31 December 2019

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# Greenpark School (Tauranga)

## 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.

Wayne Gribble

Full Name of Board Chairperson

Harvath Scholes

Full Name of Principal



Signature of Board Chairperson



Signature of Principal

7/9/20

Date:

9 September 2020

Date:

**Greenpark School (Tauranga)**  
**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	5,388,155	5,127,029	5,178,565
Locally Raised Funds	3	439,316	166,700	321,018
Interest income		12,734	7,500	4,193
Gain on Sale of Property, Plant and Equipment		1,725	-	9,509
International Students	4	344,816	312,000	267,823
		<u>6,186,746</u>	<u>5,613,229</u>	<u>5,781,108</u>
<b>Expenses</b>				
Locally Raised Funds	3	284,788	23,750	161,087
International Students	4	144,349	144,000	128,738
Learning Resources	5	4,131,193	4,139,139	4,009,527
Administration	6	378,233	371,350	367,766
Finance		3,403	2,200	2,034
Property	7	766,248	736,427	880,185
Depreciation	8	190,894	165,660	176,974
Loss on Disposal of Property, Plant and Equipment		26,098	-	3,048
		<u>5,925,206</u>	<u>5,582,526</u>	<u>5,729,359</u>
<b>Net Surplus / (Deficit) for the year</b>		261,540	30,703	51,749
Other Comprehensive Revenue and Expenses		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<u><u>261,540</u></u>	<u><u>30,703</u></u>	<u><u>51,749</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.

**Greenpark School (Tauranga)**  
**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>		2,355,712	2,388,888	2,280,076
Total comprehensive revenue and expense for the year		261,540	30,703	51,749
Capital Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		-	-	23,887
Adjustment to Accumulated surplus/(deficit) from adoption of PBE IFRS 9		-	-	-
<b>Equity at 31 December</b>	24	2,617,252	2,419,591	2,355,712
Retained Earnings		2,617,252	2,419,591	2,355,712
<b>Equity at 31 December</b>		2,617,252	2,419,591	2,355,712

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.

**Greenpark School (Tauranga)**  
**Statement of Financial Position**  
As at 31 December 2019

		2019	2019	2018
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
<b>Current Assets</b>				
Cash and Cash Equivalents	9	1,356,598	487,024	708,046
Accounts Receivable	10	251,951	223,706	262,349
GST Receivable		-	14,950	16,410
Prepayments		15,943	19,346	15,905
Inventories	11	70,726	4,041	-
Investments	12	-	121,385	121,385
		<hr/>	<hr/>	<hr/>
		1,695,218	870,452	1,124,095
<b>Current Liabilities</b>				
GST Payable		29,384	-	-
Accounts Payable	14	399,720	289,299	310,639
Revenue Received in Advance	15	245,514	87,332	272,484
Provision for Cyclical Maintenance	16	31,798	27,753	56,047
Finance Lease Liability - Current Portion	17	40,440	8,702	11,867
Funds held for Capital Works Projects	18	292,048	-	-
		<hr/>	<hr/>	<hr/>
		1,038,904	413,086	651,037
<b>Working Capital Surplus/(Deficit)</b>		656,314	457,366	473,058
<b>Non-current Assets</b>				
Property, Plant and Equipment	13	2,135,630	2,058,027	2,010,181
		<hr/>	<hr/>	<hr/>
		2,135,630	2,058,027	2,010,181
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	16	93,625	91,307	120,991
Finance Lease Liability	17	81,067	4,495	6,536
		<hr/>	<hr/>	<hr/>
		174,692	95,802	127,527
<b>Net Assets</b>		<hr/>	<hr/>	<hr/>
		2,617,252	2,419,591	2,355,712
<b>Equity</b>		<hr/>	<hr/>	<hr/>
		2,617,252	2,419,591	2,355,712

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

**Greenpark School (Tauranga)**  
**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	1,239,675	1,226,623	1,255,723
Locally Raised Funds	433,381	146,700	321,616
International Students	321,237	312,000	451,559
Goods and Services Tax (net)	45,794	-	(1,460)
Payments to Employees	(655,227)	(627,370)	(614,648)
Payments to Suppliers	(963,215)	(761,188)	(908,111)
Interest Paid	(3,403)	(2,200)	(2,034)
Interest Received	12,734	7,500	4,956
Net cash from Operating Activities	430,976	302,065	507,601
<b>Cash flows from Investing Activities</b>			
Proceeds from Sale of PPE (and Intangibles)	2,356	-	12,356
Purchase of PPE (and Intangibles)	(209,645)	(206,150)	(195,858)
Proceeds from Sale of Investments	121,385	-	-
Net cash from Investing Activities	(85,904)	(206,150)	(183,502)
<b>Cash flows from Financing Activities</b>			
Furniture and Equipment Grant	-	18,000	23,887
Finance Lease Payments	(18,530)	-	(11,197)
Funds Held for Capital Works Projects	322,010	-	(1,852)
Net cash from Financing Activities	303,480	18,000	10,838
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>648,552</b>	<b>113,915</b>	<b>334,937</b>
Cash and cash equivalents at the beginning of the year	9 708,046	373,109	373,109
<b>Cash and cash equivalents at the end of the year</b>	<b>9 1,356,598</b>	<b>487,024</b>	<b>708,046</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.



# Greenpark School (Tauranga)

## Notes to the Financial Statements

### For the year ended 31 December 2019

#### 1. Statement of Accounting Policies

##### **a) Reporting Entity**

Greenpark School (Tauranga) (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.

#### *Cyclical Maintenance Provision*

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 16.

### **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 \$1000 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	10-50 years
Furniture and Equipment	5-15 years
Information and Communication	3-5 years
Motor Vehicles	5-10 years
Library Resources	12.5% DV

Leased assets are depreciated over the life of the lease.

## **l) Intangible Assets**

### *Software costs*

Computer software acquired by the School are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Costs associated with subsequent maintenance or licensing of software are recognised as an expense in the Statement of Comprehensive Revenue and Expense when incurred.

Computer software licences with individual values under \$1,000 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense when incurred.

Computer software that the school receives from the Ministry of Education is normally acquired through a non-exchange transaction and is not of a material amount. It's fair value can be assessed at time of acquisition if no other methods lead to a fair value determination. Computer software purchased directly from suppliers at market rates are considered exchange transactions and the fair value is the amount paid for the software.

The carrying value of software is amortised on a straight line basis over its useful life. The useful life of software is estimated as three years. The amortisation charge for each period and any impairment loss is recorded in the Statement of Comprehensive Revenue and Expense.

## **m) Impairment of property, plant, and equipment and intangible assets**

The school does not hold any cash generating assets. Assets are considered cash generating where their primary objective is to generate a commercial return.

### *Non cash generating assets*

Property, plant, and equipment and intangible assets held at cost that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable service amount. The recoverable service amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

If an asset's carrying amount exceeds its recoverable service amount, the asset is regarded as impaired and the carrying amount is written down to the recoverable amount. The total impairment loss is recognised in the surplus or deficit.

The reversal of an impairment loss is recognised in the surplus or deficit.

## **n) Accounts Payable**

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

## **o) Employee Entitlements**

### *Short-term employee entitlements*

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

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

### *Long-term employee entitlements*

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

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

## **p) Revenue Received in Advance**

Revenue received in advance relates to fees received from 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.

## **q) Funds Held in Trust**

Funds are held in trust where they have been received by the School for a specified purpose, or are being held on behalf of a third party and these transactions are not recorded in the Statement of Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose at any time.

## **r) Shared Funds**

Shared Funds are held on behalf of a cluster of participating schools as agreed with the Ministry of Education. The cluster of schools operate activities outside of school control. These amounts are not recorded in the Statement of Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose.

## **s) Provision for Cyclical Maintenance**

The property from which the School operates is owned by the Crown, and is vested in the Ministry. The Ministry has gazetted a property occupancy document that sets out the Board's property maintenance responsibilities. The Board is responsible for maintaining the land, buildings and other facilities on the School site in a state of good order and repair.

Cyclical maintenance, which involves painting the interior and exterior of the School, makes up the most significant part of the Board's responsibilities outside day-to-day maintenance. The provision for cyclical maintenance represents the obligation the Board has to the Ministry and is based on the Board's ten year property plan (10YPP).

## **t) Financial Assets and Liabilities**

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

Investments that are shares are categorised as "available for sale" for accounting purposes in accordance with financial reporting standards.

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

**u) Borrowings**

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

Grants determined by the Minister of Education for operational activities includes all items (core components) included in the Operational Funding notice.

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

**v) Goods and Services Tax (GST)**

The financial statements have been prepared on a GST exclusive basis, with the exception of accounts receivable and accounts payable which are stated as GST inclusive.

The net amount of GST paid to, or received from, the IRD, including the GST relating to investing and financing activities, is classified as a net operating cash flow in the statements of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

**w) Budget Figures**

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

**x) Services received in-kind**

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

## 2. Government Grants

	2019	2019 Budget	2018
	Actual	(Unaudited)	Actual
	\$	\$	\$
Operational Grants	1,066,009	1,092,023	1,124,281
Teachers' Salaries Grants	3,587,717	3,490,519	3,432,903
Use of Land and Buildings Grants	558,774	400,887	470,050
Resource Teachers Learning and Behaviour Grants	5,011	-	3,199
Other MoE Grants	152,682	143,600	142,375
Other Government Grants	17,962	-	5,757
	<u>5,388,155</u>	<u>5,127,029</u>	<u>5,178,565</u>

## 3. Locally Raised Funds

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

	2019	2019 Budget	2018
	Actual	(Unaudited)	Actual
	\$	\$	\$
<b>Revenue</b>			
Donations	45,544	40,000	69,549
Bequests & Grants	87,741	75,200	57,424
Activities	236,166	31,500	171,729
Trading	31,733	20,000	19,595
Fundraising	29,863	-	2,678
Other Revenue	7,812	-	-
Van Running Costs	457	-	43
	<u>439,316</u>	<u>166,700</u>	<u>321,018</u>
<b>Expenses</b>			
Activities	205,952	-	134,962
Trading	34,998	20,000	22,826
Fundraising (Costs of Raising Funds)	29,356	-	102
Other Locally Raised Funds Expenditure	8,318	-	-
Van Running Costs	6,164	3,750	3,197
	<u>284,788</u>	<u>23,750</u>	<u>161,087</u>
<i>Surplus for the year Locally raised funds</i>	<u>154,528</u>	<u>142,950</u>	<u>159,931</u>



#### 4. International Student Revenue and Expenses

	2019 Actual Number	2019 Budget (Unaudited) Number	2018 Actual Number
International Student Roll	27	23	24
	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
<b>Revenue</b>			
International Student Fees	344,816	312,000	267,823
<b>Expenses</b>			
Advertising	25,724	20,000	20,685
Commissions	43,961	64,100	41,356
International student levy	5,272	-	-
Employee Benefit - Salaries	56,455	48,000	57,678
Other Expenses	12,937	11,900	9,019
	144,349	144,000	128,738
<i>Surplus for the year International Students'</i>	200,467	168,000	139,085

#### 5. Learning Resources

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Curricular	68,063	133,400	104,869
Library Resources	4,636	6,100	2,510
Employee Benefits - Salaries	3,940,937	3,865,489	3,785,801
Staff Development	51,534	64,250	48,933
Class Budgets	6,523	9,900	7,853
Information And Computer Technology	59,500	60,000	59,561
	4,131,193	4,139,139	4,009,527

#### 6. Administration

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Audit Fee	6,194	6,200	6,013
Board of Trustees Fees	3,900	6,000	4,230
Board of Trustees Expenses	12,210	16,700	10,362
Communication	9,312	12,300	9,582
Consumables	42,308	24,000	48,135
Other	90,142	74,250	53,439
Employee Benefits - Salaries	180,821	194,400	195,155
Insurance	15,163	21,000	26,566
Service Providers, Contractors and Consultancy	18,183	16,500	14,284
	378,233	371,350	367,766

## 7. Property

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	21,323	23,000	18,475
Cyclical Maintenance Expense	(51,615)	26,000	146,914
Grounds	10,666	29,200	8,209
Heat, Light and Water	48,624	50,000	50,970
Rates	13,735	16,000	15,924
Repairs and Maintenance	41,594	54,340	38,274
Use of Land and Buildings	558,774	400,887	470,050
Security	4,454	8,500	1,349
Employee Benefits - Salaries	56,041	58,000	3,967
Consultancy And Contract Services	62,652	70,500	126,053
	<u>766,248</u>	<u>736,427</u>	<u>880,185</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.

## 8. Depreciation

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Building Improvements	42,122	37,928	40,518
Furniture and Equipment	46,742	40,455	43,218
Information and Communication Technology	61,713	60,730	64,878
Motor Vehicles	7,235	4,933	5,270
Leased Assets	28,324	16,241	17,350
Library Resources	4,758	5,373	5,740
	<u>190,894</u>	<u>165,660</u>	<u>176,974</u>

## 9. Cash and Cash Equivalents

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Cash on Hand	1,305	-	1,305
Bank Current Account	361,519	267,245	24,550
Bank Call Account	993,774	219,779	682,191
Cash equivalents for Cash Flow Statement	<u>1,356,598</u>	<u>487,024</u>	<u>708,046</u>

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

Of the \$1,356,598 Cash and Cash Equivalents, \$303,211 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

	<b>2019</b>	<b>2019</b>	<b>2018</b>
	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>
	<b>\$</b>	<b>(Unaudited)</b>	<b>\$</b>
Receivables	2,544	16,263	-
Banking Staffing Underuse	171	-	17,388
Interest Receivable	-	763	-
Teacher Salaries Grant Receivable	249,236	206,680	244,961
	<u>251,951</u>	<u>223,706</u>	<u>262,349</u>
Receivables from Exchange Transactions	2,544	17,026	-
Receivables from Non-Exchange Transactions	249,407	206,680	262,349
	<u>251,951</u>	<u>223,706</u>	<u>262,349</u>

## 11. Inventories

	<b>2019</b>	<b>2019</b>	<b>2018</b>
	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>
	<b>\$</b>	<b>(Unaudited)</b>	<b>\$</b>
Uniform Trading	70,025	4,041	-
Stationery	701	-	-
	<u>70,726</u>	<u>4,041</u>	<u>-</u>

## 12. Investments

The School's investment activities are classified as follows:

	<b>2019</b>	<b>2019</b>	<b>2018</b>
	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>
	<b>\$</b>	<b>(Unaudited)</b>	<b>\$</b>
Current Asset			
Short-term Bank Deposits	-	121,385	121,385
Total Investments	<u>-</u>	<u>121,385</u>	<u>121,385</u>

### 13. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2019	\$	\$	\$	\$	\$	\$
Building Improvements	1,603,105	12,856	(12,810)	-	(42,122)	<b>1,561,029</b>
Furniture and Equipment	212,031	65,080	(12,857)	-	(46,742)	<b>217,512</b>
Information and Communication Tech	136,872	78,059	(1,062)	-	(61,713)	<b>152,156</b>
Motor Vehicles	3,480	48,571	-	-	(7,235)	<b>44,816</b>
Leased Assets	16,629	132,297	-	-	(28,324)	<b>120,602</b>
Library Resources	38,064	6,209	-	-	(4,758)	<b>39,515</b>
<b>Balance at 31 December 2019</b>	<b>2,010,181</b>	<b>343,072</b>	<b>(26,729)</b>	<b>-</b>	<b>(190,894)</b>	<b>2,135,630</b>

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2019	\$	\$	\$
Building Improvements	1,877,489	(316,460)	<b>1,561,029</b>
Furniture and Equipment	523,577	(306,065)	<b>217,512</b>
Information and Communication	341,305	(189,149)	<b>152,156</b>
Motor Vehicles	101,271	(56,455)	<b>44,816</b>
Leased Assets	187,411	(66,809)	<b>120,602</b>
Library Resources	111,707	(72,192)	<b>39,515</b>
<b>Balance at 31 December 2019</b>	<b>3,142,760</b>	<b>(1,007,130)</b>	<b>2,135,630</b>

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2018	\$	\$	\$	\$	\$	\$
Building Improvements	1,543,623	100,000	-	-	(40,518)	<b>1,603,105</b>
Furniture and Equipment	216,351	41,746	(2,848)	-	(43,218)	<b>212,031</b>
Information and Communication Tech	155,034	47,543	(827)	-	(64,878)	<b>136,872</b>
Motor Vehicles	8,749	-	-	-	(5,270)	<b>3,479</b>
Leased Assets	20,824	13,156	-	-	(17,350)	<b>16,630</b>
Library Resources	39,456	6,569	(2,221)	-	(5,740)	<b>38,064</b>
<b>Balance at 31 December 2018</b>	<b>1,984,037</b>	<b>209,014</b>	<b>(5,896)</b>	<b>-</b>	<b>(176,974)</b>	<b>2,010,181</b>

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2018	\$	\$	\$
Building Improvements	1,929,710	(326,605)	<b>1,603,105</b>
Furniture and Equipment	794,840	(582,809)	<b>212,031</b>
Information and Communication	499,921	(363,049)	<b>136,872</b>
Motor Vehicles	52,700	(49,221)	<b>3,479</b>
Leased Assets	62,765	(46,135)	<b>16,630</b>
Library Resources	105,498	(67,434)	<b>38,064</b>
<b>Balance at 31 December 2018</b>	<b>3,445,434</b>	<b>(1,435,253)</b>	<b>2,010,181</b>

#### 14. Accounts Payable

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operating Creditors	114,496	38,425	22,939
Accruals	4,694	6,194	4,513
Capital Accruals for PPE items	1,129	-	-
Employee Entitlements - Salaries	249,236	206,680	244,961
Employee Entitlements - Leave Accrual	30,165	38,000	38,226
	<u>399,720</u>	<u>289,299</u>	<u>310,639</u>
Payables for Exchange Transactions	399,720	289,299	310,639
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	<u>399,720</u>	<u>289,299</u>	<u>310,639</u>

The carrying value of payables approximates their fair value.

#### 15. Revenue Received in Advance

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Income in Advance (FIC Parents)	5,122	1,975	3,391
Int'l Students Income In Advance	240,392	85,357	269,093
	<u>245,514</u>	<u>87,332</u>	<u>272,484</u>

#### 16. Provision for Cyclical Maintenance

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Provision at the Start of the Year	177,038	93,060	67,060
Increase/(decrease) to the Provision During the Year	(51,615)	26,000	146,914
Use of the Provision During the Year	-	-	(36,936)
Provision at the End of the Year	<u>125,423</u>	<u>119,060</u>	<u>177,038</u>
Cyclical Maintenance - Current	31,798	27,753	56,047
Cyclical Maintenance - Term	93,625	91,307	120,991
	<u>125,423</u>	<u>119,060</u>	<u>177,038</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	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
No Later than One Year	40,440	8,702	11,867
Later than One Year and no Later than Five Years	81,067	4,495	6,536
	<u>121,507</u>	<u>13,197</u>	<u>18,403</u>

## 18. Funds Held (Owed) 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 Contribution/ (Write-off to R&M)	Closing Balances
		\$	\$	\$		\$
Visibility Marking & External Deck	<i>in progress</i>	-	9,288	(8,742)	-	546
Admin Block	<i>in progress</i>	-	47,335	(35,670)	-	11,665
Drainage Remediation	<i>in progress</i>	-	-	(11,163)	-	(11,163)
New 6 TS Block	<i>in progress</i>	-	291,000	(13,931)	-	277,069
Toilet Refurb	<i>in progress</i>	-	15,000	(1,069)	-	13,931
Totals		-	362,623	(70,575)	-	292,048

### Represented by:

Funds Held on Behalf of the Ministry of Education	303,211
Funds Due from the Ministry of Education	(11,163)
	<u>292,048</u>

	2018	Opening Balances	Receipts from MoE	Payments	BOT Contribution/ (Write-off to R&M)	Closing Balances
		\$	\$	\$		\$
Bathroom - Special Needs	<i>completed</i>	(5,390)	-	5,390	-	-
Totals		(5,390)	-	5,390	-	-

## 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.

## 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.

	<b>2019 Actual \$</b>	<b>2018 Actual \$</b>
<i>Board Members</i>		
Remuneration	3,900	4,230
Full-time equivalent members	0.12	0.28
<i>Leadership Team</i>		
Remuneration	377,511	359,462
Full-time equivalent members	3.00	3.00
Total key management personnel remuneration	<u>381,411</u>	<u>363,692</u>
Total full-time equivalent personnel	<u>3.12</u>	<u>3.28</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:

	<b>2019 Actual \$000</b>	<b>2018 Actual \$000</b>
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	150 - 160	140 - 150
Benefits and Other Emoluments	4 - 5	4 - 5
Termination Benefits	-	-

### Other Employees

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

<b>Remuneration \$000</b>	<b>2019 FTE Number</b>	<b>2018 FTE Number</b>
110 - 120	2.00	-
100 - 110	1.00	2.00
	<u>3.00</u>	<u>2.00</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 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:

	<b>2019 Actual</b>	<b>2018 Actual</b>
Total	-	-
Number of People	-	-

## 22. 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.

## 23. Commitments

### (a) Capital Commitments

There are no capital commitments as at 31 December 2019 (Capital commitments at 31 December 2018: nil).

### (b) Operating Commitments

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

(a) operating lease of photocopiers;

	2019 Actual \$	2018 Actual \$
No later than One Year	-	576
Later than One Year and No Later than Five Years	-	-
Later than Five Years	-	-
	<u>-</u>	<u>576</u>

## 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	1,356,598	487,024	708,046
Receivables	251,951	223,706	262,349
Investments - Term Deposits	-	121,385	121,385
Total Financial assets measured at amortised cost	<u>1,608,549</u>	<u>832,115</u>	<u>1,091,780</u>

### Financial liabilities measured at amortised cost

Payables	399,720	289,299	310,639
Borrowings - Loans	-	-	-
Finance Leases	121,507	13,197	18,403
Painting Contract Liability	-	-	-
Total Financial Liabilities Measured at Amortised Cost	<u>521,227</u>	<u>302,496</u>	<u>329,042</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:

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.

## 29. Breach of Law - Statutory Reporting

The Board of Trustees has failed to comply with section 87 of the Education Act 1989, as the Board were unable to provide their audited financial statements to the Ministry of Education by 31 May 2020. The disruption caused by the Covid-19 restrictions, including the closure of the school, meant that the audit could not progress as planned. This resulted in the school missing the statutory deadline.