

# **Fairburn School**

## **Annual Report for the year ended 31 December 2020**

<b>Ministry Number:</b>	1271
<b>Principal:</b>	Paula Passfield
<b>School Address:</b>	10 Pukeora Road, Otahuhu, Auckland, 1062
<b>School Postal Address:</b>	10 Pukeora Road, Otahuhu, Auckland, 1062
<b>School Phone:</b>	09-2701130
<b>School Email:</b>	lanas@fairburn.school.nz
<b>Service Provider:</b>	Edtech Financial Services Ltd

## Fairburn School

# Members of the Board of Trustees

For the year ended 31 December 2020

Name	Position	How position on Board gained	Occupation	Term expired/expires
Paula Passfield	Principal	Entitlement	Principal	-
Natasha Pritchard	Staff representative	Elected	Assistant Principal	May 2022
Donna Wynd	Board Chair	Elected	Child Povert Action Group member	May 2022
Solomone Mahe	Parent member	Elected	Security supervisor	May 2022
Neru Leavasa	Parent member	Elected	Medical Doctor	Re-signed 2022
Adrienne Vickers	Parent member	Elected	College Facilitator Counsellor	May 2022
Molini Telua	Parent member	Elected	House administrator	May 2022

# Fairburn School

## Annual Report

For the year ended 31 December 2020

### Index

Page	Statement
	<b>Financial Statements</b>
1	Statement of Responsibility
2	Statement of Comprehensive Revenue and Expense
3	Statement of Changes in Net Assets/Equity
4	Statement of Financial Position
5	Statement of Cash Flows
6 - 18	Notes to the Financial Statements
	<b>Other Information</b>
	Analysis of Variance
	Kiwisport

**Fairburn 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 reflects the financial position and operations of the school.

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

Donna Wynd

Full Name of Board Chairperson



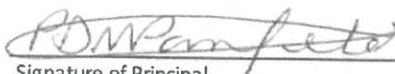
Signature of Board Chairperson

31.05.2021

Date:

Paula Passfeld

Full Name of Principal



Signature of Principal

31.05.2021.

Date:

# Fairburn School

## Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2020

		2020	2020	2019
	Notes	Actual	Budget (Unaudited)	Actual
		\$	\$	\$
<b>Revenue</b>				
Government Grants	2	5,516,668	4,528,578	5,246,864
Locally Raised Funds	3	75,923	86,300	124,982
Interest Income		18,295	16,000	19,668
		<u>5,610,886</u>	<u>4,630,878</u>	<u>5,391,514</u>
<b>Expenses</b>				
Locally Raised Funds	3	88,265	87,762	97,370
Learning Resources	4	3,602,584	2,921,840	3,616,223
Administration	5	245,617	243,664	249,868
Finance		2,622	2,000	3,159
Property	6	1,350,980	1,139,380	1,371,071
Depreciation	7	187,801	188,080	197,168
Loss on Disposal of Property, Plant and Equipment		8,934	-	12,219
		<u>5,486,803</u>	<u>4,582,726</u>	<u>5,547,078</u>
<b>Net Surplus / (Deficit) for the year</b>		124,083	48,152	(155,564)
Other Comprehensive Revenue and Expense		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<u>124,083</u>	<u>48,152</u>	<u>(155,564)</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.

# Fairburn School

## Statement of Changes in Net Assets/Equity

For the year ended 31 December 2020

		2020	2020	2019
	Notes	Actual \$	Budget (Unaudited) \$	Actual \$
<b>Balance at 1 January</b>		1,603,080	1,569,600	1,758,644
Total comprehensive revenue and expense for the year		124,083	48,152	(155,564)
Capital Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		8,577	-	-
<b>Equity at 31 December</b>	23	1,735,740	1,617,752	1,603,080
Retained Earnings		1,735,740	1,617,752	1,603,080
<b>Equity at 31 December</b>		1,735,740	1,617,752	1,603,080

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.

# Fairburn School

## Statement of Financial Position

As at 31 December 2020

		2020	2020	2019
	Notes	Actual	Budget (Unaudited)	Actual
		\$	\$	\$
<b>Current Assets</b>				
Cash and Cash Equivalents	8	165,579	97,210	67,772
Accounts Receivable	9	236,405	217,700	253,588
GST Receivable		-	10,000	21,558
Prepayments		11,967	9,000	9,210
Inventories	10	3,222	7,500	7,680
Investments	11	898,817	600,000	600,000
		1,315,990	941,410	959,808
<b>Current Liabilities</b>				
GST Payable		6,311	-	-
Accounts Payable	13	375,720	309,000	309,203
Revenue Received in Advance	14	14,267	1,000	1,053
Provision for Cyclical Maintenance	15	53,893	38,707	58,393
Finance Lease Liability - Current Portion	16	19,563	19,500	18,463
Funds Held for Capital Works Projects	17	160,638	54,900	54,922
		630,392	423,107	442,034
<b>Working Capital Surplus/(Deficit)</b>		685,598	518,303	517,774
<b>Non-current Assets</b>				
Investments	11	102,725	-	-
Property, Plant and Equipment	12	1,079,391	1,234,799	1,220,348
		1,182,116	1,234,799	1,220,348
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	15	108,536	111,850	118,636
Finance Lease Liability	16	23,438	23,500	16,406
		131,974	135,350	135,042
<b>Net Assets</b>		1,735,740	1,617,752	1,603,080
<b>Equity</b>	23	1,735,740	1,617,752	1,603,080

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



# Fairburn School

## Statement of Cash Flows

For the year ended 31 December 2020

		2020	2020 Budget	2019
	Note	Actual	(Unaudited)	Actual
		\$	\$	\$
<b>Cash flows from Operating Activities</b>				
Government Grants		1,649,378	1,650,536	1,458,338
Locally Raised Funds		74,540	86,247	124,243
Goods and Services Tax (net)		27,869	11,558	(1,021)
Payments to Employees		(835,462)	(823,599)	(940,856)
Payments to Suppliers		(474,675)	(684,994)	(575,291)
Cyclical Maintenance Payments in the year		(41,370)	-	-
Interest Paid		(2,622)	(2,000)	(3,159)
Interest Received		22,717	19,592	23,770
Net cash from/(to) Operating Activities		420,375	257,340	86,024
<b>Cash flows from Investing Activities</b>				
Purchase of Property Plant & Equipment (and Intangibles)		(160,094)	(445,154)	(128,022)
Purchase of Investments		(401,542)	-	(250,000)
Net cash from/(to) Investing Activities		(561,636)	(445,154)	(378,022)
<b>Cash flows from Financing Activities</b>				
Furniture and Equipment Grant		8,577	-	-
Finance Lease Payments		124,775	250,754	(6,646)
Funds Held for Capital Works Projects		105,716	(22)	20,563
Net cash from/(to) Financing Activities		239,068	250,732	13,917
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>97,807</b>	<b>62,918</b>	<b>(278,081)</b>
Cash and cash equivalents at the beginning of the year	8	67,772	34,292	345,853
<b>Cash and cash equivalents at the end of the year</b>	<b>8</b>	<b>165,579</b>	<b>97,210</b>	<b>67,772</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 Statement of Cash Flows should be read in conjunction with the accompanying notes which form part of these financial statements.



# Notes to the Financial Statements

For the year ended 31 December 2020

## 1. Statement of Accounting Policies

### Reporting Entity

Fairburn 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.

### 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.

### Cyclical maintenance

A school recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision of 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.

### 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.

## Notes to the Financial Statements (cont.)

For the year ended 31 December 2020

### *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 carry forward amounts unspent. The School believes all grants received have been appropriately recognised as a liability if required. Government grants are disclosed at note 2.

### **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.

#### **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.

#### **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.

#### **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.



## Notes to the Financial Statements (cont.)

For the year ended 31 December 2020

### 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.

### Accounts Receivable

Short-term receivables are recorded at the amount due, less an allowance for credit losses (uncollectable debts). The schools 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.

### 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.

### 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.

### 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:

Buildings	10-75 years
Furniture and equipment	5-10 years
Information and communication technology	5 years
Leased assets held under a Finance Lease	Term of lease
Library resources	12.5% Diminishing value

## Notes to the Financial Statements (cont.)

For the year ended 31 December 2020

### Intangible Assets

#### *Software costs*

Computer software acquired by the School is 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. Its 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.

### Impairment of property, plant, and equipment

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

#### *Non cash generating assets*

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

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

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

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

### 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.

### 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, 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.

### Revenue Received in Advance

Revenue received in advance relates to monies received from MOE funding carried forward 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.



## Notes to the Financial Statements (cont.)

For the year ended 31 December 2020

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

### 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 Comprehensive Revenue and Expense.

The School holds sufficient funds to enable the funds to be used for their intended purpose at any time.

### 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 the School's control. These amounts are not recorded in the Statement of Comprehensive Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose.

### 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).

### 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.

### 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.

### 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 Statement of Cash Flows.

Commitments and contingencies are disclosed exclusive of GST.

### Budget Figures

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

### 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.

## Notes to the Financial Statements (cont.)

For the year ended 31 December 2020

### 2 Government Grants

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operational Grants	1,379,154	1,388,678	1,247,053
Teachers' Salaries Grants	2,848,658	2,100,000	2,742,871
Use of Land and Buildings Grants	1,048,911	810,000	1,025,651
Resource Teachers Learning and Behaviour Grants	6,050	-	4,423
Other MoE Grants	214,920	214,900	211,227
Other Government Grants	18,975	15,000	15,639
	<u>5,516,668</u>	<u>4,528,578</u>	<u>5,246,864</u>

The School has opted in to the donations scheme for this year. Total amount received was \$89,700.

Other MOE Grants total includes additional COVID-19 funding totalling \$16,088 for the year ended 31 December 2020.

### 3 Locally Raised Funds

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

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
<b>Revenue</b>			
Donations	-	-	113
Activities	1,677	-	6,312
Trading	66,132	76,500	106,742
Other Revenue	8,114	9,800	11,815
	<u>75,923</u>	<u>86,300</u>	<u>124,982</u>
<b>Expenses</b>			
Activities	1,570	-	1,808
Trading	86,695	87,762	95,562
	<u>88,265</u>	<u>87,762</u>	<u>97,370</u>
<i>Surplus/ (Deficit) for the year Locally Raised Funds</i>	<u>(12,342)</u>	<u>(1,462)</u>	<u>27,612</u>

### 4 Learning Resources

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	81,161	146,550	115,912
Equipment Repairs	5,150	6,800	16,297
Information and Communication Technology	46,275	43,400	38,515
Extra-Curricular Activities	2,800	6,500	5,745
Library Resources	957	800	431
Employee Benefits - Salaries	3,453,595	2,674,290	3,423,153
Staff Development	12,646	43,500	16,170
	<u>3,602,584</u>	<u>2,921,840</u>	<u>3,616,223</u>



## Notes to the Financial Statements (cont.)

For the year ended 31 December 2020

### 5 Administration

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	6,174	6,000	5,994
Board of Trustees Fees	2,850	4,000	3,250
Board of Trustees Expenses	704	2,300	5,467
Communication	6,553	6,350	6,692
Consumables	4,533	5,400	7,318
Other	15,952	16,290	14,370
Employee Benefits - Salaries	186,110	177,624	183,803
Insurance	10,393	12,200	10,854
Service Providers, Contractors and Consultancy	12,348	13,500	12,120
	<u>245,617</u>	<u>243,664</u>	<u>249,868</u>

### 6 Property

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	29,423	28,700	23,623
Consultancy and Contract Services	74,580	75,000	86,296
Cyclical Maintenance Expense	26,770	40,000	37,930
Grounds	16,382	26,400	16,825
Heat, Light and Water	47,329	49,000	42,255
Repairs and Maintenance	24,365	25,000	43,621
Use of Land and Buildings	1,048,911	810,000	1,025,651
Security	14,834	13,500	12,170
Employee Benefits - Salaries	68,386	71,780	82,700
	<u>1,350,980</u>	<u>1,139,380</u>	<u>1,371,071</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 nationwide revaluation exercise that is conducted every 30 June for the Ministry of Education's year end reporting purposes.

### 7 Depreciation

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Buildings - School	19,490	19,710	21,084
Furniture and Equipment	89,520	97,415	91,024
Information and Communication Technology	50,516	45,525	60,876
Leased Assets	24,298	24,325	18,942
Library Resources	3,977	1,105	5,242
	<u>187,801</u>	<u>188,080</u>	<u>197,168</u>

**Notes to the Financial Statements (cont.)**

For the year ended 31 December 2020

**8 Cash and Cash Equivalents**

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Bank Current Account	165,579	97,210	67,772
Cash and cash equivalents for Statement of Cash Flows	165,579	97,210	67,772

Of the \$165,579 Cash and Cash Equivalents, \$160,638 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 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Receivables	330	-	-
Receivables from the Ministry of Education	23,319	19,700	19,703
Interest Receivable	2,170	3,000	6,592
Bank Staffing Underuse	-	-	31,955
Teacher Salaries Grant Receivable	210,586	195,000	195,338
	236,405	217,700	253,588
Receivables from Exchange Transactions	2,500	3,000	6,592
Receivables from Non-Exchange Transactions	233,905	214,700	246,996
	236,405	217,700	253,588

**10 Inventories**

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Stationery	3,222	7,500	7,680
	3,222	7,500	7,680

**11 Investments**

The School's investment activities are classified as follows:

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Current Asset			
Short-term Bank Deposits	898,817	600,000	600,000
Non-current Asset			
Long-term Bank Deposits	102,725	-	-
Total Investments	1,001,542	600,000	600,000

## Notes to the Financial Statements (cont.)

For the year ended 31 December 2020

## 12 Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2020	\$	\$	\$	\$	\$	\$
Buildings	520,550	-	-	-	(19,490)	501,060
Furniture and Equipment	513,259	16,796	(28,241)	-	(89,520)	412,294
Information and Communication Technology	115,462	41,181	(10,130)	-	(50,516)	95,997
Leased Assets	34,383	32,120	-	-	(24,298)	42,205
Library Resources	36,694	1,605	(6,487)	-	(3,977)	27,835
<b>Balance at 31 December 2020</b>	<b>1,220,348</b>	<b>91,702</b>	<b>(44,858)</b>	<b>-</b>	<b>(187,801)</b>	<b>1,079,391</b>

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2020	\$	\$	\$
Buildings	804,613	(303,553)	501,060
Furniture and Equipment	1,128,852	(716,558)	412,294
Information and Communication Technology	593,854	(497,857)	95,997
Leased Assets	138,307	(96,102)	42,205
Library Resources	75,126	(47,291)	27,835
<b>Balance at 31 December 2020</b>	<b>2,740,752</b>	<b>(1,661,361)</b>	<b>1,079,391</b>

The Board considers that no assets have suffered an impairment during the year.

The net carrying value of equipment held under a finance lease is \$42,205 (2019: \$34,383).

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2019	\$	\$	\$	\$	\$	\$
Buildings	524,754	16,880	-	-	(21,084)	520,550
Furniture and Equipment	534,742	69,541	-	-	(91,024)	513,259
Information and Communication Technology	160,738	15,600	-	-	(60,876)	115,462
Leased Assets	30,022	23,303	-	-	(18,942)	34,383
Library Resources	44,245	9,910	(12,219)	-	(5,242)	36,694
<b>Balance at 31 December 2019</b>	<b>1,294,501</b>	<b>135,234</b>	<b>(12,219)</b>	<b>-</b>	<b>(197,168)</b>	<b>1,220,348</b>

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2019	\$	\$	\$
Buildings	804,613	(284,063)	520,550
Furniture and Equipment	1,370,596	(857,337)	513,259
Information and Communication Technology	678,105	(562,643)	115,462
Leased Assets	242,623	(208,240)	34,383
Library Resources	89,310	(52,616)	36,694
<b>Balance at 31 December 2019</b>	<b>3,185,247</b>	<b>(1,964,899)</b>	<b>1,220,348</b>

The net carrying value of equipment held under a finance lease is \$34,383 (2018: \$30,022).

**Notes to the Financial Statements (cont.)**

For the year ended 31 December 2020

**13 Accounts Payable**

Operating Creditors  
Employee Entitlements - Salaries  
Employee Entitlements - Leave Accrual

2020	2020	2019
Actual	Budget	Actual
\$	(Unaudited)	\$
84,097	68,000	67,960
223,162	194,000	194,360
57,300	47,000	46,883
375,720	309,000	309,203
375,720	309,000	309,203
375,720	309,000	309,203

Payables for Exchange Transactions

The carrying value of payables approximates their fair value.

**14 Revenue Received in Advance**

Grants in Advance - Ministry of Education  
Other

2020	2020	2019
Actual	Budget	Actual
\$	(Unaudited)	\$
14,267	-	-
-	1,000	1,053
14,267	1,000	1,053
14,267	1,000	1,053

**15 Provision for Cyclical Maintenance**

Provision at the Start of the Year  
Increase/(decrease) to the Provision During the Year  
Use of the Provision During the Year  
Provision at the End of the Year

2020	2020	2019
Actual	Budget	Actual
\$	(Unaudited)	\$
177,029	177,029	139,099
26,770	40,000	37,930
(41,370)	(66,472)	-
162,429	150,557	177,029
53,893	38,707	58,393
108,536	111,850	118,636
162,429	150,557	177,029

Cyclical Maintenance - Current  
Cyclical Maintenance - Term

**16 Finance Lease Liability**

The school has entered into a number of finance lease agreements for laptops, ipads and photocopiers.  
Minimum lease payments payable (includes interest portion):

No Later than One Year  
Later than One Year and no Later than Five Years  
Later than Five Years

2020	2020	2019
Actual	Budget	Actual
\$	(Unaudited)	\$
22,685	19,500	20,849
26,478	23,500	17,391
-	-	-
49,164	43,000	38,240



## Notes to the Financial Statements (cont.)

For the year ended 31 December 2020

## 17 Funds Held for Capital Works Projects

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

2020		Opening Balances	Receipts from MoE	Payments	BOT Contribution/ (Write-off to R&M)	Closing Balances
		\$	\$	\$		\$
Breakout space Block 13	<i>In progress</i>	27,474	-	35,925	-	(8,451)
Block 10 Carpets & Vinyl	<i>Completed</i>	5,373	-	-	5,373	-
MOE Drinking Fountain	<i>Completed</i>	595	-	-	595	-
Distribution board	<i>Completed</i>	917	-	-	917	-
Airflow R15-22	<i>Completed</i>	20,563	-	20,217	346	-
Sewer Drainage	<i>In progress</i>	-	-	11,120	-	(11,120)
Block 10 Built in Storage	<i>In progress</i>	-	46,800	3,087	-	43,713
Hall Refurbishment	<i>In progress</i>	-	20,571	1,495	-	19,076
Concrete Remediation	<i>In progress</i>	-	47,700	23,882	-	23,818
Outdoor Shade Structure	<i>In progress</i>	-	76,500	2,469	-	74,031
Play Equipment & Matting	<i>In progress</i>	-	-	3,748	-	(3,748)
Totals		54,922	191,571	101,943	7,231	137,319

## Represented by:

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

160,638  
(23,319)  
137,319

2019		Opening Balances	Receipts from MoE	Payments	BOT Contribution/ (Write-off to R&M)	Closing Balances
		\$	\$	\$	\$	\$
Breakout space Block 13	<i>in progress</i>	27,474	-	-	-	27,474
Block 10 Carpets & Vinyl	<i>in progress</i>	5,373	-	-	-	5,373
MOE Drinking Fountain	<i>in progress</i>	595	-	-	-	595
Distribution board	<i>in progress</i>	917	-	-	-	917
Airflow R15-22	<i>in progress</i>	-	45,867	25,304	-	20,563
Totals		34,359	45,867	25,304	-	54,922

## 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.

## Notes to the Financial Statements (cont.)

For the year ended 31 December 2020

### 19 Remuneration

#### Key management personnel compensation

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

	2020 Actual \$	2019 Actual \$
<i>Board Members</i>		
Remuneration	2,850	3,250
Full-time equivalent members	0.03	0.12
<i>Leadership Team</i>		
Remuneration	461,896	440,408
Full-time equivalent members	4.00	4.00
Total key management personnel remuneration	464,746	443,658
Total full-time equivalent personnel	4.03	4.12

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 \$000	2019 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	150-160	140-150
Benefits and Other Emoluments	0-5	0-5
Termination Benefits	-	-

#### 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	3	-
	3	-

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

### 20 Compensation and Other Benefits Upon Leaving

There were no compensation or other benefits paid or payable to persons upon leaving.

### 21 Contingencies

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

(Contingent liabilities and assets as 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.



## Notes to the Financial Statements (cont.)

For the year ended 31 December 2020

### 22 Commitments

#### (a) Capital Commitments

As at 31 December 2020 the Board has entered into no contract agreements for capital works.

(Capital commitments as 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:

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
<b>Financial assets measured at amortised cost</b>			
Cash and Cash Equivalents	165,579	97,210	67,772
Receivables	236,405	217,700	253,588
Investments - Term Deposits	1,001,542	600,000	600,000
Total Financial assets measured at amortised cost	1,403,526	914,910	921,360
<b>Financial liabilities measured at amortised cost</b>			
Payables	375,720	309,000	309,203
Finance Leases	43,001	43,000	34,869
Total Financial Liabilities Measured at Amortised Cost	418,721	352,000	344,072

### 25 Events After Balance Date

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

### 26 Comparatives

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