

LITTLE RIVER SCHOOL



ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

Ministry Number: 3418

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Members of the Board of Trustees For the year ended 31 December 2019

<u>Name</u>	<u>Position</u>	<u>How position gained</u>	<u>Term expires</u>
Steve McLean	Chair, Parent Rep	Re-Elected May 2019	May 2022
Anna Lopas	Staff Rep	Re-Elected May 2019	May 2022
Clinton Smith	Parent Rep	Re-Elected May 2019	May 2022
John Fitch	Parent Rep	Elected May 2019	May 2022
Brendon Leslie	Parent Rep	Elected May 2019	May 2022
Shaun Mitchell	Parent Rep	Elected May 2019	May 2022
Christian Couper	Principal	Appointed July 2008	Ongoing

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LITTLE RIVER SCHOOL

Financial Statements - For the year ended 31 December 2019

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Little River School
Statement of Responsibility
For the year ended 31 December 2019

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

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

It is the opinion of the Board and management that the annual financial statements for the financial year ended 31 December 2019 fairly reflects the financial position and operations of the school.

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

STEPHEN LOUIS McLEAN
Full Name of Board Chairperson


Signature of Board Chairperson

28.5.2020
Date:

Christina Lewis Cooper
Full Name of Principal

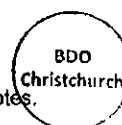

Signature of Principal

28.5.2020
Date:

Little River School
Statement of Comprehensive Revenue and Expense
For the year ended 31 December 2019

	Notes	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Revenue				
Government Grants	2	925,824	895,814	975,552
Locally Raised Funds	3	70,608	39,700	53,951
Interest Received		7,788	5,000	8,896
		<u>1,004,220</u>	<u>940,514</u>	<u>1,038,399</u>
Expenses				
Locally Raised Funds	3	15,466	12,650	34,251
Learning Resources	4	614,082	586,350	597,735
Administration	5	62,205	67,686	81,453
Finance Costs		291	-	496
Property	6	249,350	252,760	351,883
Depreciation	7	28,969	28,000	32,199
Loss on Disposal of Property, Plant and Equipment		117	-	517
		<u>970,481</u>	<u>947,446</u>	<u>1,098,534</u>
Net Surplus / (Deficit)		33,738	(6,932)	(60,135)
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>33,738</u>	<u>(6,932)</u>	<u>(60,135)</u>

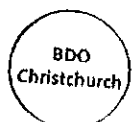
The above Statement of Comprehensive Revenue and Expense should be read in conjunction with the accompanying notes.



Little River School
Statement of Changes in Net Assets/Equity
For the year ended 31 December 2019

	Actual 2019 \$	Budget (Unaudited) 2019 \$	Actual 2018 \$
Balance at 1 January	510,760	510,760	562,310
Total comprehensive revenue and expense for the year	33,738	(6,932)	(60,135)
Capital Contributions from the Ministry of Education			
Contribution - Furniture and Equipment Grant	3,895	3,900	8,584
Equity at 31 December	548,393	507,728	510,760
Retained Earnings	548,393	507,728	510,760
Reserves	-	-	-
Equity at 31 December	548,393	507,728	510,760

The above Statement of Changes in Net Assets/Equity should be read in conjunction with the accompanying notes.



Little River School
Statement of Financial Position
As at 31 December 2019

	Notes	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Current Assets				
Cash and Cash Equivalents	8	73,664	55,657	50,685
Accounts Receivable	9	33,822	34,000	25,249
Prepayments		421	500	-
Inventories	10	656	500	913
Investments	11	270,000	270,000	240,000
		<u>378,563</u>	<u>360,657</u>	<u>316,846</u>
Current Liabilities				
GST Payable		11,970	12,000	6,785
Accounts Payable	13	54,484	55,500	39,083
Revenue Received in Advance	14	-	-	2,212
Painting Contract Liability - Current Portion	16	3,180	3,000	8,526
Finance Lease Liability - Current Portion	17	4,674	5,000	5,741
		<u>74,308</u>	<u>75,500</u>	<u>62,347</u>
Working Capital Surplus/(Deficit)		304,255	285,157	254,499
Non-current Assets				
Property, Plant and Equipment	12	276,070	265,660	293,660
		<u>276,070</u>	<u>265,660</u>	<u>293,660</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	15	13,589	24,089	13,589
Painting Contract Liability	16	14,589	15,000	18,526
Finance Lease Liability	17	3,753	4,000	5,284
		<u>31,931</u>	<u>43,089</u>	<u>37,399</u>
Net Assets		548,393	507,728	510,760
Equity		548,393	507,728	510,760

The above Statement of Financial Position should be read in conjunction with the accompanying notes.



Little River School
Statement of Cash Flows
For the year ended 31 December 2019

	Notes	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Cash flows from Operating Activities				
Government Grants		205,486	175,514	219,516
Locally Raised Funds		68,396	37,500	53,951
Goods and Services Tax (net)		5,186	5,200	634
Payments to Employees		(143,617)	(113,830)	(157,210)
Payments to Suppliers		(75,301)	(68,027)	(134,309)
Funds Administered on Behalf of Third Parties		-	-	-
Interest Paid		(291)	-	(496)
Interest Received		8,667	5,700	7,661
Net cash from / (to) the Operating Activities		68,526	42,057	(10,251)
Cash flows from Investing Activities				
Proceeds from Sale of PPE (and Intangibles)		(117)	-	(517)
Purchase of PPE (and Intangibles)		(11,380)	(34,932)	(45,131)
Purchase of Investments		(30,000)	(70,000)	(29,398)
Net cash from / (to) the Investing Activities		(41,497)	(104,932)	(75,046)
Cash flows from Financing Activities				
Furniture and Equipment Grant		3,895	3,900	8,584
Finance Lease Payments		(2,598)	(6,213)	760
Painting contract payments		(5,346)	(6,000)	8,526
Net cash from Financing Activities		(4,049)	(8,313)	17,870
Net increase/(decrease) in cash and cash equivalents		22,980	(71,188)	(67,427)
Cash and cash equivalents at the beginning of the year	8	50,685	126,845	118,112
Cash and cash equivalents at the end of the year	8	73,664	55,657	50,685

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 omitted.

The above Cash Flow Statement should be read in conjunction with the accompanying notes.



Little River School

Notes to the Financial Statements

1 Statement of Accounting Policies

For the year ended 31 December 2019

a) Reporting Entity

Little River School (the School) is a Crown entity as specified in the Crown Entities Act 2004 and a school as described in the Education Act 1989. The Board of Trustees (the Board) is of the view that the School is a public benefit entity for financial reporting purposes.

b) Basis of Preparation

Reporting Period

The financial reports have been prepared for the period 1 January 2019 to 31 December 2019 and in accordance with the requirements of the Public Finance Act 1989.

Basis of Preparation

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

Financial Reporting Standards Applied

The Education Act 1989 requires the School, as a Crown entity, to prepare financial statements in accordance with generally accepted accounting practice. The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand, applying Public Sector Public Benefit Entity (PBE) Standards Reduced Disclosure Regime as appropriate to public benefit entities that qualify for Tier 2 reporting. The school is considered a Public Benefit Entity as it meets the criteria specified as "having a primary objective to provide goods and/or services for community or social benefit and where any equity has been provided with a view to supporting that primary objective rather than for financial return to equity holders".

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.

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.

Critical Judgements in applying accounting policies

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

Classification of leases

The School reviews the details of lease agreements at the end of each reporting date. The School believes the classification of each lease as either operation or finance is appropriate and reflects the nature of the agreement in place. Finance leases are disclosed at note 17.

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

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 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.

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.

The School has met the requirements under section 28 of schedule 6 of the Education Act 1989 in relation to the acquisition of securities.

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 \$500 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense.

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

Leased Assets

Leases where the School assumes substantially all the risks and rewards of ownership are classified as finance leases. The assets acquired by way of finance lease are measured at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease, less accumulated depreciation and impairment losses. Leased assets and corresponding liability are recognised in the Statement of Financial Position and leased assets are depreciated over the period the School is expected to benefit from their use or over the term of the lease.

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	40 years
Electronic equipment	3-5 years
Furniture and fittings	5-10 years
Plant and equipment	6-10 years
Musical Equipment	3 years
Sports Equipment	3-5 years
Library resources	12.5% Dimishing Value
Leased Assets	3 years

l) 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.

m) Accounts Payable

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

n) Employee Entitlements

Short-term employee entitlements

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

Long-term employee entitlements

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

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

o) Revenue Received in Advance

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

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

p) 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).

q) 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, funds held on behalf of the Ministry of Education, 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.

r) 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.

s) Budget Figures

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

t) 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.

u) 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 26.



2 Government Grants

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Operational grants	173,082	106,922	173,604
Teachers' salaries grants	520,037	520,000	509,174
Use of Land and Buildings grants	200,301	200,300	246,862
Other MoE Grants	32,404	68,592	45,912
	<u>925,824</u>	<u>895,814</u>	<u>975,552</u>

3 Locally Raised Funds

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

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Revenue			
Donations	25,251	6,500	5,769
Fundraising	975	400	296
School House Income	19,779	16,900	20,472
Trading	5,209	4,000	8,023
Activities	19,394	11,900	19,391
	<u>70,608</u>	<u>39,700</u>	<u>53,951</u>
Expenses			
Activities	6,548	4,000	11,143
Trading	2,868	3,000	3,776
Fundraising (costs of raising funds)	689	50	-
School House Expenditure	5,362	5,600	19,333
	<u>15,466</u>	<u>12,650</u>	<u>34,251</u>
<i>Surplus for the year Locally raised funds</i>	<u>55,142</u>	<u>27,050</u>	<u>19,700</u>

4 Learning Resources

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Equipment repairs	556	1,000	753
Extra-curricular activities	-	800	4,293
Library resources	178	900	930
Employee benefits - salaries	601,999	572,430	581,068
Resource/attached teacher costs	11,350	10,720	10,690
Staff development	-	500	-
	<u>614,082</u>	<u>586,350</u>	<u>597,735</u>

5 Administration

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Audit Fee	3,021	3,474	3,112
Board of Trustees Fees	3,550	3,000	3,445
Board of Trustees Expenses	2,618	1,300	1,403
Communication	821	1,800	1,845
Consumables	3,003	6,340	3,643
Operating Lease	1,853	3,100	279
Other	7,066	6,722	6,293
Employee Benefits - Salaries	39,161	40,500	60,065
Staff Expenses	1,312	1,450	1,368
	<u>62,205</u>	<u>67,686</u>	<u>81,453</u>

6 Property

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Caretaking and Cleaning Consumables	1,638	2,000	1,585
Cyclical Maintenance Provision	-	10,500	50,093
Grounds	4,418	4,500	6,428
Heat, Light and Water	8,279	8,000	8,072
Rates	178	160	160
Repairs and Maintenance	12,088	6,300	14,403
Use of Land and Buildings	200,301	200,300	246,862
Employee Benefits - Salaries	22,447	21,000	24,280
	<u>249,350</u>	<u>252,760</u>	<u>351,883</u>

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

7 Depreciation of Property, Plant and Equipment

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Building Improvements	4,563	3,770	4,336
Furniture and Fittings	4,655	4,035	4,640
Electronic Equipment	8,547	11,085	12,748
Library Resources	320	707	813
Plant and Equipment	4,778	3,456	3,974
Sports Equipment	823	358	411
Leased IT Assets	5,283	4,588	5,276
	<u>28,969</u>	<u>28,000</u>	<u>32,199</u>

8 Cash and Cash Equivalents

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Bank Current Account	73,664	55,657	50,685
Short-term Bank Deposits	-	-	-
Net cash and cash equivalents and bank overdraft for Cash Flow Statement	<u>73,664</u>	<u>55,657</u>	<u>50,685</u>

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

9 Accounts Receivable

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Receivables	-	-	-
Provision for Uncollectibility	-	-	-
Interest Receivable	1,840	2,000	2,719
Teacher Salaries Grant Receivable	31,982	32,000	22,530
	<u>33,822</u>	<u>34,000</u>	<u>25,249</u>
Receivables from Exchange Transactions	1,840	2,000	2,719
Receivables from Non-Exchange Transactions	31,982	32,000	22,530
	<u>33,822</u>	<u>34,000</u>	<u>25,249</u>

10 Inventories

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
School Uniforms	656	500	913
	<u>656</u>	<u>500</u>	<u>913</u>

11 Investments

The School's investment activities are classified as follows:

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Current Asset			
Short-term Bank Deposits	270,000	270,000	240,000

The carrying value of long term deposits longer than 12 months approximates their fair value at 31 December 2019.

12 Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2019						
Building Improvements	182,619	-	-	-	(4,563)	178,056
Furniture and Fittings	32,793	-	-	-	(4,655)	28,138
Electronic Equipment	26,656	5,800	-	-	(8,547)	23,909
Library Resources	2,401	276	(117)	-	(320)	2,239
Plant and Equipment	34,740	2,500	-	-	(4,778)	32,462
Sports Equipment	3,702	-	-	-	(823)	2,879
Leased IT Assets	10,750	2,921	-	-	(5,283)	8,389
Balance at 31 December 2019	<u>293,660</u>	<u>11,497</u>	<u>(117)</u>	<u>-</u>	<u>(28,969)</u>	<u>276,070</u>

Accumulated Depreciation

	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
2019			
Building Improvements	244,543	(66,487)	178,056
Furniture and Fittings	76,747	(48,609)	28,137
Electronic Equipment	156,106	(132,197)	23,909
Library Resources	24,580	(22,341)	2,239
Musical Equipment	900	(900)	-
Plant and Equipment	115,882	(83,421)	32,461
Sports Equipment	6,413	(3,534)	2,879
Leased IT Assets	21,847	(13,458)	8,388
Balance at 31 December 2019	<u>647,018</u>	<u>(370,948)</u>	<u>276,070</u>

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2018						
Building Improvements	173,305	13,650	-	-	(4,336)	182,619
Furniture and Fittings	28,088	9,345	-	-	(4,640)	32,793
Electronic Equipment	41,417	-	(2,014)	-	(12,748)	26,656
Library Resources	3,344	388	(517)	-	(813)	2,401
Plant and Equipment	24,832	13,882	-	-	(3,974)	34,740
Sports Equipment	-	4,113	-	-	(411)	3,702
Leased IT Assets	5,629	10,397	-	-	(5,276)	10,750
Balance at 31 December 2018	<u>276,614</u>	<u>51,774</u>	<u>(2,531)</u>	<u>-</u>	<u>(32,199)</u>	<u>293,660</u>

Accumulated Depreciation

	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
2018			
Building Improvements	244,543	(61,924)	182,619
Furniture and Fittings	76,747	(43,954)	32,793
Electronic Equipment	150,306	(123,651)	26,656
Library Resources	25,552	(23,152)	2,401
Musical Equipment	900	(900)	-
Plant and Equipment	113,382	(78,643)	34,740
Sports Equipment	6,413	(2,711)	3,702
Leased IT Assets	18,926	(8,175)	10,750
Balance at 31 December 2018	<u>636,769</u>	<u>(343,109)</u>	<u>293,660</u>

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Christchurch

13 Accounts Payable

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Operating creditors	17,386	18,000	11,441
Accruals	3,812	4,000	3,762
Employee Entitlements - salaries	31,982	32,000	22,530
Employee Entitlements - leave accrual	1,303	1,500	1,351
	<u>54,484</u>	<u>55,500</u>	<u>39,083</u>
Payables for Exchange Transactions	54,484	55,500	39,083
	<u>54,484</u>	<u>55,500</u>	<u>39,083</u>

The carrying value of payables approximates their fair value.

14 Revenue Received in Advance

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Other	-	-	2,212
	<u>-</u>	<u>-</u>	<u>2,212</u>

15 Provision for Cyclical Maintenance

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Provision at the Start of the Year	13,589	13,589	1,435
Increase to the Provision During the Year	-	10,500	26,735
Adjustment to the Provision	-	-	-
Use of the Provision During the Year	-	-	(14,581)
Provision at the End of the Year	<u>13,589</u>	<u>24,089</u>	<u>13,589</u>
Cyclical Maintenance - Current	-	-	-
Cyclical Maintenance - Term	13,589	24,089	13,589
	<u>13,589</u>	<u>24,089</u>	<u>13,589</u>

16 Painting Contract Liability

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Current Liability	3,180	3,000	8,526
Non Current Liability	14,589	15,000	18,526
	<u>17,769</u>	<u>18,000</u>	<u>27,052</u>

17 Finance Lease Liability

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

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
No Later than One Year	4,674	5,000	5,741
Later than One Year and no Later than Five Years	3,753	4,000	5,284
Later than Five Years	-	-	-
	<u>8,427</u>	<u>9,000</u>	<u>11,025</u>



18 Related Party Transactions

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

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

19 Remuneration

Key management personnel compensation

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

	2019 Actual \$	2018 Actual \$
<i>Board Members</i>		
Remuneration	3,550	3,445
Full-time equivalent members	-	-
<i>Leadership Team</i>		
Remuneration	218,651	182,485
Full-time equivalent members	3.00	2.00
Total key management personnel remuneration	222,201	185,930
Total full-time equivalent personnel	3.00	2.00

The full time equivalent for Board members has been determined based on attendance at Board meetings, Committee meetings and for other obligations of the Board, such as stand downs and suspensions, plus the estimated time for Board members to prepare for meetings.

Principal

The total value of remuneration paid or payable to the Principal was in the following bands:

	2019 Actual \$000	2018 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	110-120	110-120
Benefits and Other Emoluments		
Termination Benefits		

Other Employees

No other employees received remuneration greater than \$100,000

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

20 Compensation and Other Benefits Upon Leaving

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

	2019 Actual \$0	2018 Actual \$0
Total	0	0
Number of People	0	0



21 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.

22 Commitments

(a) Capital Commitments

As at 31 December 2019 the Board has no capital commitments

(Capital commitments at 31 December 2018: nil)

(b) Operating Commitments

As at 31 December 2019 the Board has no operating commitments

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:

Loans and receivables

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Cash and Cash Equivalents	73,664	55,657	50,685
Receivables	33,822	34,000	25,249
Investments - Term Deposits	270,000	270,000	240,000
Total Cash and Receivables	377,486	359,657	315,933

Financial liabilities measured at amortised cost

Payables	54,484	55,500	39,083
Finance Leases	8,427	9,000	11,025
Painting Contract Liability	17,769	18,000	27,052
Total Financial Liabilities Measured at Amortised Cost	80,680	82,500	77,160

25 Funds Held for Capital Works Projects

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

	2019	Opening Balances \$	Receipts from MoE \$	Payments \$	Write-off to R&M \$	Closing Balances \$
Landscaping	<i>completed</i>	-	12,848	21,059	8,211	-
Totals		-	12,848	21,059	8,211	-

26 Adoption of PBE IFRS 9 Financial Instruments

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

- Note 9 Receivables: This policy has been updated to reflect that the impairment of short-term receivables is now determined by applying an expected credit loss model.

- Note 11 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

27 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 until 18 May 2020.

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

28 Breach of Law - Failure to meet Statutory Reporting Deadline

Note 26: Breach of Law - Failure to meet Statutory Reporting Deadline

The Board of Trustees did not comply with Section 87A of the Education Act, in that it did not submit its Annual Financial Statements for Audit by 31 March 2020 due to the COVID-19 pandemic.