

# SALFORD SCHOOL



## ANNUAL REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2020

School Directory

Ministry Number: 4014

Principal: Sarah Gibbs

School Address: 110 Lamond Street East, Hargest, Invercargill

School Postal Address: 110 Lamond Street East, Hargest, Invercargill, 9810

School Phone: 03 217 9521

School Email: [admin@salford.school.nz](mailto:admin@salford.school.nz)

# SALFORD SCHOOL

Annual Report - For the year ended 31 December 2020

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# Salford School

## Statement of Responsibility

For the year ended 31 December 2020

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

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

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

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

Mary Taubta Foley  
Full Name of Board Chairperson

Sarah Ruth Gibbs  
Full Name of Principal

[Signature]  
Signature of Board Chairperson

[Signature]  
Signature of Principal

25 May 2021  
Date:

25 May 2021  
Date:

# Salford School

## Members of the Board of Trustees

For the year ended 31 December 2020

<b>Name</b>	<b>Position</b>	<b>How Position Gained</b>	<b>Held Until</b>
Sarah Gibbs	Principal	ex Officio	
Mary Foley	Chairperson	Elected	Jun 2022
Darren Schwass	Parent Rep	Elected	Jun 2022
Nicola Boutcher	Parent Rep	Elected	Jun 2022
Amelia Edgerton	Parent Rep	Elected	Jun 2022
Scott Lindsay	Parent Rep	Elected	Jun 2022
Janine Morris	Staff Rep	Elected	Jun 2022

**Salford School**  
**Statement of Comprehensive Revenue and Expense**  
For the year ended 31 December 2020

	Notes	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
<b>Revenue</b>				
Government Grants	2	2,302,357	2,377,302	2,114,938
Locally Raised Funds	3	116,857	102,280	171,736
Interest Income		4,780	3,000	6,446
International Students	4	1,261	5,000	63,196
		<u>2,425,255</u>	<u>2,487,582</u>	<u>2,356,316</u>
<b>Expenses</b>				
Locally Raised Funds	3	36,695	40,230	91,820
International Students	4	1,290	700	4,060
Learning Resources	5	1,640,990	1,780,590	1,463,556
Administration	6	147,270	136,550	135,628
Finance		1,926	-	2,399
Property	7	509,321	471,400	494,802
Depreciation	8	51,256	41,000	46,971
Loss on Disposal of Property, Plant and Equipment		373	1,000	427
		<u>2,389,121</u>	<u>2,471,470</u>	<u>2,239,663</u>
<b>Net Surplus / (Deficit) for the year</b>		36,134	16,112	116,653
Other Comprehensive Revenue and Expenses		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<u><u>36,134</u></u>	<u><u>16,112</u></u>	<u><u>116,653</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.

**Salford School**  
**Statement of Changes in Net Assets/Equity**

For the year ended 31 December 2020

	Notes	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
<b>Balance at 1 January</b>		403,505	403,505	286,852
Total comprehensive revenue and expense for the year		36,134	16,112	116,653
<b>Equity at 31 December</b>	23	439,639	419,617	403,505
Retained Earnings		439,639	419,617	403,505
<b>Equity at 31 December</b>		439,639	419,617	403,505

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.

# Salford School Statement of Financial Position

As at 31 December 2020

	Notes	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
<b>Current Assets</b>				
Cash and Cash Equivalents	9	222,725	109,682	67,570
Accounts Receivable	10	99,187	83,549	83,549
GST Receivable		29,829	6,278	6,278
Prepayments		16,072	7,727	7,727
Inventories	11	1,002	1,401	1,401
Investments	12	205,516	181,830	181,830
Funds owing for Capital Works Projects	17	70,971	2,091	2,091
		<u>645,302</u>	<u>392,558</u>	<u>350,446</u>
<b>Current Liabilities</b>				
Accounts Payable	14	179,764	100,961	100,961
Provision for Cyclical Maintenance	15	27,792	13,996	13,996
Finance Lease Liability - Current Portion	16	13,538	19,013	19,013
Funds held for Capital Works Projects	17	158,736	-	-
		<u>379,830</u>	<u>133,970</u>	<u>133,970</u>
<b>Working Capital Surplus/(Deficit)</b>		265,472	258,588	216,476
<b>Non-current Assets</b>				
Property, Plant and Equipment	13	212,813	224,590	250,590
		<u>212,813</u>	<u>224,590</u>	<u>250,590</u>
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	15	26,109	37,486	37,486
Finance Lease Liability	16	12,537	26,075	26,075
		<u>38,646</u>	<u>63,561</u>	<u>63,561</u>
<b>Net Assets</b>		<u>439,639</u>	<u>419,617</u>	<u>403,505</u>
<b>Equity</b>	23	<u>439,639</u>	<u>419,617</u>	<u>403,505</u>

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

**Salford School**  
**Statement of Cash Flows**  
For the year ended 31 December 2020

		2020	2020	2019
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
<b>Cash flows from Operating Activities</b>				
Government Grants		587,070	519,302	471,387
Locally Raised Funds		120,427	102,280	152,493
International Students		1,261	5,000	20,260
Goods and Services Tax (net)		(23,551)	-	(4,776)
Payments to Employees		(374,442)	(297,900)	(251,887)
Payments to Suppliers		(183,728)	(269,570)	(280,624)
Funds Administered on Behalf of Third Parties		-	-	83
Cyclical Maintenance payments in the Year		(12,467)	(5,000)	(4,500)
Interest Received		4,236	3,000	6,433
Net cash from/(to) Operating Activities		118,806	57,112	108,786
<b>Cash flows from Investing Activities</b>				
Purchase of Property Plant & Equipment (and Intangibles)		(13,852)	(15,000)	(41,573)
Purchase of Investments		(23,686)	-	(30,351)
Net cash from/(to) Investing Activities		(37,538)	(15,000)	(71,924)
<b>Cash flows from Financing Activities</b>				
Finance Lease Payments		(15,969)	-	(14,157)
Funds held for Capital Works Projects		89,856	-	(2,091)
Net cash from/(to) Financing Activities		73,887	-	(16,165)
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>155,155</b>	<b>42,112</b>	<b>20,697</b>
Cash and cash equivalents at the beginning of the year	9	67,570	67,570	46,873
<b>Cash and cash equivalents at the end of the year</b>	<b>9</b>	<b>222,725</b>	<b>109,682</b>	<b>67,570</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..



# Salford School

## Notes to the Financial Statements

For the year ended 31 December 2020

### 1. Statement of Accounting Policies

#### 1.1. Reporting Entity

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

#### 1.2. Basis of Preparation

##### *Reporting Period*

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

##### *Basis of Preparation*

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

##### *Financial Reporting Standards Applied*

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

##### *PBE Accounting Standards Reduced Disclosure Regime*

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

##### *Measurement Base*

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

##### *Presentation Currency*

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

##### *Specific Accounting Policies*

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

##### *Critical Accounting Estimates And Assumptions*

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

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

##### *Useful lives of property, plant and equipment*

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment as disclosed in the Significant Accounting Policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 13.

##### *Cyclical Maintenance*

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

### ***Critical Judgements in applying accounting policies***

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

#### ***Classification of leases***

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

#### ***Recognition of grants***

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

### **1.3. Revenue Recognition**

#### ***Government Grants***

The School receives funding from the Ministry of Education. The following are the main types of funding that the School receives;

Operational grants are recorded as revenue when the School has the rights to the funding, which is in the year that the funding is received.

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

Use of Land and Buildings Grants are recorded as revenue in the period the School uses the land and buildings. These are not received in cash by the School as they equate to the deemed expense for using the land and buildings which are owned by the Crown.

#### ***Other Grants***

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

#### ***Donations, Gifts and Bequests***

Donations, gifts and bequests are recorded as revenue when their receipt is formally acknowledged by the School.

#### ***Interest Revenue***

Interest Revenue earned on cash and cash equivalents and investments is recorded as revenue in the period it is earned.

### **1.4. Use of Land and Buildings Expense**

The property from which the School operates is owned by the Crown and managed by the Ministry of Education on behalf of the Crown. The School's use of the land and buildings as occupant is based on a property occupancy document as gazetted by the Ministry. The expense is based on an assumed market rental yield on the value of land and buildings as used for rating purposes. This is a non-cash expense that is offset by a non-cash grant from the Ministry.

### **1.5. Operating Lease Payments**

Payments made under operating leases are recognised in the Statement of Comprehensive Revenue and Expense on a straight line basis over the term of the lease.

### **1.6. Finance Lease Payments**

Finance lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term on an effective interest basis.

### **1.7. Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, bank balances, deposits held at call with banks, and other short term highly liquid investments with original maturities of 90 days or less, and bank overdrafts. The carrying amount of cash and cash equivalents represent fair value.

### **1.8. Accounts Receivable**

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

### 1.9. 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.

### 1.10. Investments

Bank term deposits are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance. A loss allowance for expected credit losses is recognised if the estimated loss allowance is not trivial.

### 1.11. Property, Plant and Equipment

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

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

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

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

#### **Finance Leases**

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

#### **Depreciation**

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

The estimated useful lives of the assets are:

Building improvements – Crown	35 years
Furniture and equipment	5-15 years
Information and communication technology	4-10 years
Textbooks	15 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value

### 1.12. Impairment of property, plant and equipment and intangible assets

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

#### **Non cash generating assets**

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

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

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

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

### **1.13. Accounts Payable**

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

### **1.14. Employment Entitlements**

#### *Short-term employee entitlements*

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

#### *Long-term employee entitlements*

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

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

### **1.15. Provision for Cyclical Maintenance**

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

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

### **1.16. Financial Instruments**

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

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

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

### **1.17. Borrowings**

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

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

### **1.18. Goods and Services Tax (GST)**

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

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

Commitments and contingencies are disclosed exclusive of GST.

### **1.19. Budget Figures**

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

### **1.20. Services received in-kind**

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



## 2. Government Grants

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Operational Grants	450,295	422,391	383,555
Teachers' Salaries Grants	1,314,306	1,500,000	1,272,749
Use of Land and Buildings Grants	396,011	358,000	377,421
Other MoE Grants	141,745	96,911	81,213
	<u>2,302,357</u>	<u>2,377,302</u>	<u>2,114,938</u>

Other MOE Grants total includes additional COVID-19 funding totalling \$14,493 for the year ended 31 December 2020.

## 3. Locally Raised Funds

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

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
<b>Revenue</b>			
Donations	41,680	45,500	77,295
Fundraising	-	-	13,455
Other Revenue	30,770	28,000	42,594
Trading	1,914	5,450	5,328
Activities	42,493	23,330	33,064
	<u>116,857</u>	<u>102,280</u>	<u>171,736</u>
<b>Expenses</b>			
Activities	30,597	32,330	43,393
Trading	2,851	4,900	5,827
Fundraising (Costs of Raising Funds)	-	-	14,084
Other Locally Raised Funds Expenditure	3,247	3,000	28,516
	<u>36,695</u>	<u>40,230</u>	<u>91,820</u>
<i>Surplus for the year Locally raised funds</i>	<u>80,162</u>	<u>62,050</u>	<u>79,916</u>

## 4. International Student Revenue and Expenses

	2020 Actual Number	2020 Budget (Unaudited) Number	2019 Actual Number
International Student Roll	1	1	5
<b>Revenue</b>			
International Student Fees	\$ 1,261	\$ 5,000	\$ 63,196
<b>Expenses</b>			
Commissions	-	500	2,543
International Student Levy	725	200	1,778
Other Expenses	565	-	(261)
	<u>1,290</u>	<u>700</u>	<u>4,060</u>
<i>(Deficit)/Surplus for the year International Students</i>	<u>(29)</u>	<u>4,300</u>	<u>59,136</u>

## 5. Learning Resources

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Curricular	32,231	49,190	28,324
Equipment Repairs	-	400	696
Information and Communication Technology	9,026	12,000	5,993
Library Resources	561	2,000	453
Employee Benefits - Salaries	1,593,728	1,706,000	1,422,060
Staff Development	5,444	11,000	6,030
	<u>1,640,990</u>	<u>1,780,590</u>	<u>1,463,556</u>

## 6. Administration

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	5,054	4,000	3,481
Board of Trustees Fees	3,665	3,400	3,480
Board of Trustees Expenses	10,626	10,000	10,067
Communication	5,150	5,000	4,780
Consumables	14,867	9,100	9,399
Operating Lease	-	-	7,093
Other	23,613	20,950	17,774
Employee Benefits - Salaries	74,036	71,900	68,870
Insurance	7,769	9,200	8,274
Service Providers, Contractors and Consultancy	2,490	3,000	2,410
	<u>147,270</u>	<u>136,550</u>	<u>135,628</u>

## 7. Property

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	7,580	9,300	9,910
Consultancy and Contract Services	31,314	29,800	29,587
Cyclical Maintenance Provision	14,886	5,000	7,903
Grounds	3,492	5,000	2,991
Heat, Light and Water	18,381	19,800	20,145
Rates	4,720	5,400	3,360
Repairs and Maintenance	9,611	17,600	21,922
Use of Land and Buildings	396,011	358,000	377,421
Security	2,342	1,500	2,578
Employee Benefits - Salaries	20,984	20,000	18,985
	<u>509,321</u>	<u>471,400</u>	<u>494,802</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 of Property, Plant and Equipment

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Building Improvements	7,105	5,000	7,183
Furniture and Equipment	9,855	5,000	9,488
Information and Communication Technology	12,840	9,000	16,024
Leased Assets	19,196	21,000	12,104
Library Resources	2,260	1,000	2,172
	<u>51,256</u>	<u>41,000</u>	<u>46,971</u>

## 9. Cash and Cash Equivalents

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Bank Current Account	173,283	109,682	40,425
Bank Call Account	49,442	-	27,145
Cash and cash equivalents for Statement of Cash Flows	<u>222,725</u>	<u>109,682</u>	<u>67,570</u>

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

Of the \$222,725 Cash and Cash Equivalents, \$158,736 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.

## 10. Accounts Receivable

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Receivables	9,974	13,544	13,544
Interest Receivable	1,394	850	850
Teacher Salaries Grant Receivable	87,819	69,155	69,155
	<u>99,187</u>	<u>83,549</u>	<u>83,549</u>
Receivables from Exchange Transactions	11,368	14,394	14,394
Receivables from Non-Exchange Transactions	87,819	69,155	69,155
	<u>99,187</u>	<u>83,549</u>	<u>83,549</u>

## 11. Inventories

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
School Uniforms	1,002	1,401	1,401
	<u>1,002</u>	<u>1,401</u>	<u>1,401</u>

## 12. Investments

The School's investment activities are classified as follows:

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Current Asset			
Short-term Bank Deposits	205,516	181,830	181,830
Total Investments	<u>205,516</u>	<u>181,830</u>	<u>181,830</u>

## 13. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2020						
Building Improvements	82,680	-	(373)	-	(7,105)	75,202
Furniture and Equipment	77,861	7,107	-	-	(9,855)	75,113
Information and Communication Technology	31,734	2,973	-	-	(12,840)	21,867
Leased Assets	44,006	-	-	-	(19,196)	24,810
Library Resources	14,309	3,772	-	-	(2,260)	15,821
<b>Balance at 31 December 2020</b>	<u>250,590</u>	<u>13,852</u>	<u>(373)</u>	<u>-</u>	<u>(51,256)</u>	<u>212,813</u>

	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
2020			
Building Improvements	224,088	(148,886)	75,202
Furniture and Equipment	393,011	(317,898)	75,113
Information and Communication Technology	170,395	(148,528)	21,867
Leased Assets	46,648	(21,838)	24,810
Library Resources	72,916	(57,095)	15,821
<b>Balance at 31 December 2020</b>	<u>907,058</u>	<u>(694,245)</u>	<u>212,813</u>

The net carrying value of equipment held under a finance lease is \$24,810 (2019: \$44,006)

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
	\$	\$	\$	\$	\$	\$
<b>2019</b>						
Building Improvements	89,863	-	-	-	(7,183)	<b>82,680</b>
Furniture and Equipment	72,140	15,209	-	-	(9,488)	<b>77,861</b>
Information and Communication Technology	23,413	24,630	(285)	-	(16,024)	<b>31,734</b>
Leased Assets	27,463	28,647	-	-	(12,104)	<b>44,006</b>
Library Resources	14,889	1,734	(142)	-	(2,172)	<b>14,309</b>
<b>Balance at 31 December 2019</b>	<b>227,768</b>	<b>70,220</b>	<b>(427)</b>	<b>-</b>	<b>(46,971)</b>	<b>250,590</b>

	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$
<b>2019</b>			
Building Improvements	224,863	(142,183)	<b>82,680</b>
Furniture and Equipment	395,213	(317,352)	<b>77,861</b>
Information and Communication Technology	169,476	(137,742)	<b>31,734</b>
Leased Assets	63,288	(19,282)	<b>44,006</b>
Library Resources	69,144	(54,835)	<b>14,309</b>
<b>Balance at 31 December 2019</b>	<b>921,984</b>	<b>(671,394)</b>	<b>250,590</b>

#### 14. Accounts Payable

	2020 Actual	2020 Budget (Unaudited)	2019 Actual
	\$	\$	\$
Operating creditors	85,302	15,213	15,213
Accruals	3,585	13,535	13,535
Employee Entitlements - salaries	88,900	69,155	69,155
Employee Entitlements - leave accrual	1,977	3,058	3,058
	<b>179,764</b>	<b>100,961</b>	<b>100,961</b>
Payables for Exchange Transactions	179,764	100,961	100,961
	<b>179,764</b>	<b>100,961</b>	<b>100,961</b>

The carrying value of payables approximates their fair value.

#### 15. Provision for Cyclical Maintenance

	2020 Actual	2020 Budget (Unaudited)	2019 Actual
	\$	\$	\$
Provision at the Start of the Year	51,482	51,482	48,079
Increase/ (decrease) to the Provision During the Year	14,886	-	7,903
Adjustment to the Provision	(12,467)	-	-
Use of the Provision During the Year	-	-	(4,500)
Provision at the End of the Year	<b>53,901</b>	<b>51,482</b>	<b>51,482</b>
Cyclical Maintenance - Current	27,792	13,996	13,996
Cyclical Maintenance - Term	26,109	37,486	37,486
	<b>53,901</b>	<b>51,482</b>	<b>51,482</b>

#### 16. Finance Lease Liability

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

	2020 Actual	2020 Budget (Unaudited)	2019 Actual
	\$	\$	\$
No Later than One Year	14,499	20,938	20,938
Later than One Year and no Later than Five Years	12,845	27,344	27,344
	<b>27,344</b>	<b>48,282</b>	<b>48,282</b>



## 17. Funds Held for Capital Works

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

	2020	Opening Balances	Receipts from MoE	Payments	BOT Contributions	Closing Balances
		\$	\$	\$	\$	\$
MLE Upgrade	In Progress	(2,091)	45,640	(78,759)	-	(35,210)
SIP A,C Classroom Upgrade	In Progress	-	150,000	(185,761)	-	(35,761)
Learning Support Fencing	In Progress	-	175,000	(16,265)	-	158,736
Totals		(2,091)	370,640	(280,785)	-	87,765

### Represented by:

Funds Held on Behalf of the Ministry of Education	158,736
Funds Due from the Ministry of Education	(70,971)
	<u>87,765</u>

	2019	Opening Balances	Receipts from MoE	Payments	BOT Contributions	Closing Balances
		\$	\$	\$	\$	\$
MLE Upgrade	In Progress	-	-	(2,091)	-	(2,091)
Totals		-	-	(2,091)	-	(2,091)

## 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, and Deputy and Associate Principals and Syndicate leaders.

	2020 Actual	2019 Actual
	\$	\$
<i>Board Members</i>		
Remuneration	3,665	3,480
Full-time equivalent members	0.33	0.67
<i>Leadership Team</i>		
Remuneration	424,695	367,770
Full-time equivalent members	4.00	3.75
Total key management personnel remuneration	<u>428,360</u>	<u>371,250</u>
Total full-time equivalent personnel	<u>4.33</u>	<u>4.42</u>

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

### Principal

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

	2020 Actual \$000	2019 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	140-150	120 - 130
Benefits and Other Emoluments	4 - 5	3 - 4
Termination Benefits	0 - 0	0 - 0

### Other Employees

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

Remuneration \$000	2020 FTE Number	2019 FTE Number
100 - 110	-	-
110 - 120	-	-
120 - 130	-	-
	<hr/>	<hr/>
	-	-

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

## 20. Compensation and Other Benefits Upon Leaving

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

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

## 21. Contingencies

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

### Holidays Act Compliance - schools payroll

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

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

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

## 22. Commitments

### (a) Capital Commitments

As at 31 December 2020 the Board has entered into the following contract agreements for capital works.

(a) \$456,402 contract for Essential Infrastructure and Block B ILE Upgrade to be completed in 2021, which will be fully funded by the Ministry of Education. \$45,640 has been received of which \$80,850 has been spent on the project to balance date. This project has been approved by the Ministry.

(b) \$190,575 contract to have Blocks A and C upgraded as agent for the Ministry of Education. This project is fully funded by the Ministry; \$150,000 has been received of which \$185,761 has been spent on the project to balance date. This project has been approved by the Ministry.

(c) \$230,000 contract for perimeter fencing and gate modifications as agent for the Ministry of Education. The project is fully funded by the Ministry; \$175,000 has been received of which \$16,265 has been spent on the project to balance date. This project has been approved by the Ministry.

(Capital commitments at 31 December 2019: \$8,783)

### (b) Operating Commitments

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

(a) operating lease of a photocopier and laptops in 2019.

	2020 Actual \$	2019 Actual \$
No later than One Year	-	519
	-	519

### 23. Managing Capital

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

### 24. Financial Instruments

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

#### Financial assets measured at amortised cost

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Cash and Cash Equivalents	222,725	109,682	67,570
Receivables	99,187	83,549	83,549
Investments - Term Deposits	205,516	181,830	181,830
Total Financial assets measured at amortised cost	<u>527,428</u>	<u>375,061</u>	<u>332,949</u>

#### Financial liabilities measured at amortised cost

Payables	179,764	100,961	100,961
Finance Leases	26,075	45,088	45,088
Total Financial liabilities measured at amortised Cost	<u>205,839</u>	<u>146,049</u>	<u>146,049</u>

### 25. Events After Balance Date

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