

SWANSON SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

School Directory

Ministry Number: 1521

Principal: Leandro Piantelli

School Address: 703 Swanson Road, Swanson, Auckland 0612

School Postal Address: PO Box 95177, Swanson, Auckland 0612

School Phone: 09 831 0001

School Email: office@swanson.school.nz

Members of the Board of Trustees

Name	Position	How Position Gained	Term Expired/ Expire
Marsh Callum	Chairperson	Elected	May-22
Gaitau Meagan	Parent Rep	Elected	May-22
Maharajan Raj	Parent Rep	Elected	May-22
Piantelli Leandro	Principal	Principal	Current
Puka Solomon	Parent Rep	Elected	May-22
Williams Rhian	Parent Rep	Elected	May-22
Woolrich Spencer	Staff Rep	Elected	May-22

Service Provider:

Leading Edge Services (2017) Ltd, PO Box 20496, Glen Eden, Auckland

SWANSON SCHOOL

Annual Report - For the year ended 31 December 2020

Index

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

Swanson 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.

Full Name of Board Chairperson

Full Name of Principal

Signature of Board Chairperson

Signature of Principal

Date:

Date:

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

	Notes	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Revenue				
Government Grants	2	4,281,345	3,906,572	3,862,919
Locally Raised Funds	3	67,309	123,650	181,880
Interest income		8,376	15,000	17,722
		<u>4,357,030</u>	<u>4,045,222</u>	<u>4,062,521</u>
Expenses				
Locally Raised Funds	3	49,757	127,100	44,614
Learning Resources	4	2,726,513	2,517,160	2,493,895
Administration	5	209,353	217,157	262,691
Finance		2,446	2,400	2,392
Property	6	1,126,973	1,049,386	1,035,555
Depreciation	7	132,726	132,000	137,783
Loss on Disposal of Property, Plant and Equipment		8,171	-	4,182
		<u>4,255,939</u>	<u>4,045,203</u>	<u>3,981,112</u>
Net Surplus / (Deficit) for the year		101,091	19	81,409
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u><u>101,091</u></u>	<u><u>19</u></u>	<u><u>81,409</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.

Swanson School
Statement of Changes in Net Assets/Equity
For the year ended 31 December 2020

	Notes	Actual 2020 \$	Budget (Unaudited) 2020 \$	Actual 2019 \$
Balance at 1 January		<u>1,340,525</u>	<u>1,340,525</u>	<u>1,259,116</u>
Total comprehensive revenue and expense for the year		101,091	19	81,409
Capital Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		6,819	-	-
Equity at 31 December	23	<u>1,448,435</u>	<u>1,340,544</u>	<u>1,340,525</u>
Retained Earnings		1,448,435	1,340,544	1,340,525
Equity at 31 December		<u>1,448,435</u>	<u>1,340,544</u>	<u>1,340,525</u>

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.

Swanson School
Statement of Financial Position
As at 31 December 2020

		2020	2020	2019
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Current Assets				
Cash and Cash Equivalents	8	556,249	827,094	703,575
Accounts Receivable	9	247,656	194,711	194,711
GST Receivable		-	37,689	37,689
Prepayments		609	3,947	3,947
Funds due for Capital Works Projects	16	-	22,171	22,171
Inventories	10	2,599	3,414	3,414
Investments	11	454,705	50,170	50,170
		<u>1,261,818</u>	<u>1,139,196</u>	<u>1,015,677</u>
Current Liabilities				
GST Payable		5,884	-	-
Accounts Payable	13	207,252	261,326	261,326
Provision for Cyclical Maintenance	14	-	12,956	12,956
Finance Lease Liability - Current Portion	15	18,726	9,007	9,007
Funds held for Capital Works Projects	16	59,479	-	-
		<u>291,341</u>	<u>283,289</u>	<u>283,289</u>
Working Capital Surplus/(Deficit)		970,477	855,907	732,388
Non-current Assets				
Property, Plant and Equipment	12	602,411	452,309	575,811
Work in Progress		-	93,707	93,707
		<u>602,411</u>	<u>546,016</u>	<u>669,518</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	14	115,482	52,252	52,252
Finance Lease Liability	15	8,972	9,127	9,127
		<u>124,454</u>	<u>61,379</u>	<u>61,379</u>
Net Assets		<u><u>1,448,435</u></u>	<u><u>1,340,544</u></u>	<u><u>1,340,525</u></u>
Equity	23	<u><u>1,448,435</u></u>	<u><u>1,340,544</u></u>	<u><u>1,340,525</u></u>

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

Swanson School

Statement of Cash Flows

For the year ended 31 December 2020

		2020	2020	2019
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
		\$	\$	\$
Cash flows from Operating Activities				
Government Grants		1,174,103	1,240,949	985,753
Locally Raised Funds		84,033	60,794	119,025
Goods and Services Tax (net)		43,573	(24,744)	(24,744)
Payments to Employees		(572,508)	(494,276)	(475,215)
Payments to Suppliers		(453,158)	(493,271)	(436,502)
Cyclical Maintenance Payments in the year		-	(14,556)	
Interest Paid		(2,446)	(2,400)	(2,392)
Interest Received		7,641	16,038	18,760
Net cash from/(to) Operating Activities		281,238	288,534	184,685
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment		(21,681)	(268,923)	(206,343)
Purchase of Investments		(404,535)	(50,170)	368,438
Net cash from/(to) Investing Activities		(426,216)	(319,093)	162,095
Cash flows from Financing Activities				
Furniture and Equipment Grant		6,819	-	
Finance Lease Payments		(42,548)	(31,806)	(31,806)
Funds Held for Capital Works Projects		33,381	(20,769)	(20,769)
Net cash from/(to) Financing Activities		(2,348)	(52,575)	(52,575)
Net increase/(decrease) in cash and cash equivalents		(147,326)	(83,134)	294,205
Cash and cash equivalents at the beginning of the year	8	703,575	910,228	409,370
Cash and cash equivalents at the end of the year	8	556,249	827,094	703,575

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.

Swanson School

Notes to the Financial Statements

For the year ended 31 December 2020

1. Statement of Accounting Policies

a) Reporting Entity

Swanson 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.

b) 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 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 14.

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

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.

c) Revenue Recognition

Government Grants

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

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

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

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

Other Grants

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

Donations, Gifts and Bequests

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

Interest Revenue

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

d) Use of Land and Buildings Expense

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

e) Operating Lease Payments

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

f) Finance Lease Payments

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

g) Cash and Cash Equivalents

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

h) Accounts Receivable

Short-term receivables are recorded at the amount due, less an allowance for credit losses (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.

i) Inventories

Inventories are consumable items held for sale and comprised of stationery and school uniforms. They are stated at the lower of cost and net realisable value. Cost is determined on a first in, first out basis. Net realisable value is the estimated selling price in the ordinary course of activities less the estimated costs necessary to make the sale. Any write down from cost to net realisable value is recorded as an expense in the Statement of Comprehensive Revenue and Expense in the period of the write down.

j) Investments

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

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.

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 to Crown Owned Assets	40 years
Furniture and equipment	10 years
Information and communication technology	4 years
Leased assets held under a Finance Lease	3-5 years
Library resources	12.5% Diminishing value

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, 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.

n) Revenue Received in Advance

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

o) 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).

p) 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, borrowings, finance lease liability, and painting contract liability. All of these financial liabilities are categorised as 'financial liabilities measured at amortised cost' for accounting purposes in accordance with financial reporting standards.

q) 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.

r) Budget Figures

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

s) 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	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operational Grants	909,787	935,298	841,505
Teachers' Salaries Grants	2,273,207	2,049,751	2,065,841
Use of Land and Buildings Grants	845,343	799,683	811,325
Resource Teachers Learning and Behaviour Grants	82,320	61,340	54,942
Other MoE Grants	169,197	60,500	66,729
Other Government Grants	1,491	-	22,577
	<u>4,281,345</u>	<u>3,906,572</u>	<u>3,862,919</u>

The school has opted in to the donations scheme for this year. Total amount received was \$79,650.

Other MOE Grants total includes additional COVID-19 funding totalling \$39,790 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)	\$
Revenue			
Donations	3,143	-	103,789
Activities	33,386	78,500	23,168
Trading	7,888	13,950	15,610
Fundraising	22,892	31,200	39,313
	<u>67,309</u>	<u>123,650</u>	<u>181,880</u>
Expenses			
Activities	45,014	116,900	31,398
Trading	2,462	2,700	3,991
Fundraising (Costs of Raising Funds)	2,281	7,500	9,225
	<u>49,757</u>	<u>127,100</u>	<u>44,614</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>17,552</u>	<u>(3,450)</u>	<u>137,266</u>

4. Learning Resources

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	68,377	89,573	83,539
Equipment Repairs	-	-	400
Library Resources	420	1,200	928
Employee Benefits - Salaries	2,636,109	2,373,887	2,341,665
Staff Development	21,607	52,500	67,363
	<u>2,726,513</u>	<u>2,517,160</u>	<u>2,493,895</u>

5. Administration

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Audit Fee	6,030	6,190	6,190
Board of Trustees Fees	2,610	3,500	2,525
Board of Trustees Expenses	5,512	12,050	12,264
Communication	7,881	7,600	9,575
Consumables	21,009	16,950	26,321
Operating Lease	11,826	-	-
Other	32,796	34,200	48,037
Employee Benefits - Salaries	99,592	121,500	142,647
Insurance	5,067	5,067	5,022
Service Providers, Contractors and Consultancy	17,030	10,100	10,110
	<u>209,353</u>	<u>217,157</u>	<u>262,691</u>

6. Property

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Caretaking and Cleaning Consumables	54,577	52,020	51,830
Cyclical Maintenance Provision	50,274	14,000	(556)
Grounds	11,846	10,000	16,344
Heat, Light and Water	46,741	51,000	54,382
Rates	114	100	96
Repairs and Maintenance	45,684	51,583	36,128
Use of Land and Buildings	845,343	799,683	811,325
Security	2,454	6,000	4,301
Employee Benefits - Salaries	69,940	65,000	61,705
	<u>1,126,973</u>	<u>1,049,386</u>	<u>1,035,555</u>

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

7. Depreciation

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Building Improvements - Crown	3,826	3,805	3,826
Furniture and Equipment	72,467	72,070	58,382
Information and Communication Technology	31,651	31,478	39,806
Leased Assets	21,805	21,686	32,643
Library Resources	2,977	2,961	3,126
	<u>132,726</u>	<u>132,000</u>	<u>137,783</u>

8. Cash and Cash Equivalents

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Cash on Hand	200	200	200
Bank Current Account	519,051	339,919	216,400
Bank Call Account	36,998	36,975	36,975
Short-term Bank Deposits	-	450,000	450,000
Cash and cash equivalents for Statement of Cash Flows	<u>556,249</u>	<u>827,094</u>	<u>703,575</u>

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

Of the \$556,249 Cash and Cash Equivalents, \$59,479 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	67,550	35,914	35,914
Interest Receivable	1,887	1,152	1,152
Banking Staffing Underuse	-	11,399	11,399
Teacher Salaries Grant Receivable	178,219	146,246	146,246
	<u>247,656</u>	<u>194,711</u>	<u>194,711</u>
Receivables from Exchange Transactions	69,437	37,066	37,066
Receivables from Non-Exchange Transactions	178,219	157,645	157,645
	<u>247,656</u>	<u>194,711</u>	<u>194,711</u>

10. Inventories

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Stationery	368	604	604
School Uniforms	2,231	2,810	2,810
	<u>2,599</u>	<u>3,414</u>	<u>3,414</u>

11. Investments

The School's investment activities are classified as follows:

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Current Asset			
Short-term Bank Deposits	454,705	50,170	50,170
Total Investments	<u>454,705</u>	<u>50,170</u>	<u>50,170</u>

12. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2020	\$	\$	\$	\$	\$	\$
Building Improvements	76,954	-	-	-	(3,826)	73,128
Furniture and Equipment	378,187	123,518	-	-	(72,467)	429,238
Information and Communication Technology	81,755	9,787	(5,585)	-	(31,651)	54,306
Leased Assets	17,029	29,676	-	-	(21,805)	24,900
Library Resources	21,884	4,518	(2,586)	-	(2,977)	20,839
Balance at 31 December 2020	575,809	167,499	(8,171)	-	(132,726)	602,411

The net carrying value of equipment held under a finance lease is \$24,900 (2019: \$17,030)

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2020	\$	\$	\$
Building Improvements	153,036	(79,908)	73,128
Furniture and Equipment	850,623	(421,385)	429,238
Information and Communication Technology	294,151	(239,845)	54,306
Leased Assets	50,245	(25,345)	24,900
Library Resources	53,390	(32,550)	20,839
Balance at 31 December 2020	1,401,445	(799,033)	602,411

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2019	\$	\$	\$	\$	\$	\$
Building Improvements	80,780	-	-	-	(3,826)	76,954
Furniture and Equipment	388,294	48,287	(14)	-	(58,382)	378,187
Information and Communication Technology	66,371	58,838	(3,648)	-	(39,806)	81,755
Leased Assets	37,562	12,110	-	-	(32,643)	17,030
Library Resources	20,021	5,511	(521)	-	(3,126)	21,885
Balance at 31 December 2019	593,028	124,746	(4,183)	-	(137,783)	575,811

The net carrying value of equipment held under a finance lease is \$17,030 (2018: \$37,562)

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2019	\$	\$	\$
Building Improvements	153,036	(76,082)	76,954
Furniture and Equipment	728,067	(349,880)	378,187
Information and Communication Technology	348,410	(266,655)	81,755
Leased Assets	30,751	(13,722)	17,030
Library Resources	55,420	(33,536)	21,885
Balance at 31 December 2019	1,315,684	(739,875)	575,811

13. Accounts Payable

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Operating Creditors	12,763	58,576	58,576
Accruals	6,030	6,190	6,190
Employee Entitlements - Salaries	178,219	146,246	146,246
Employee Entitlements - Leave Accrual	10,240	50,314	50,314
	<u>207,252</u>	<u>261,326</u>	<u>261,326</u>

Payables for Exchange Transactions	207,252	261,326	261,326
	<u>207,252</u>	<u>261,326</u>	<u>261,326</u>

The carrying value of payables approximates their fair value.

14. Provision for Cyclical Maintenance

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Provision at the Start of the Year	65,208	65,208	65,764
Increase/ (decrease) to the Provision During the Year	50,274	14,000	(556)
Use of the Provision During the Year	-	(14,000)	-
Provision at the End of the Year	<u>115,482</u>	<u>65,208</u>	<u>65,208</u>
Cyclical Maintenance - Current	-	12,956	12,956
Cyclical Maintenance - Term	115,482	52,252	52,252
	<u>115,482</u>	<u>65,208</u>	<u>65,208</u>

15. 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	20,253	90,007	10,230
Later than One Year and no Later than Five Years	9,568	9,127	9,786
Later than Five Years	-	-	-
	<u>29,821</u>	<u>99,134</u>	<u>20,016</u>

16. 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 Contributions \$	Closing Balances \$
Block 2 Upgrade	<i>completed</i>	(22,171)	56,163	(33,992)	-	-
Library Roofing	<i>completed</i>	-	48,076	(48,076)	-	-
Hall Roofing	<i>in progress</i>	-	61,701	(24,303)	-	37,398
Hall Interior Refurbishment	<i>in progress</i>	-	36,700	(14,619)	-	22,081
Totals		<u>(22,171)</u>	<u>202,640</u>	<u>(120,990)</u>	<u>-</u>	<u>59,479</u>

Represented by:

Funds Held on Behalf of the Ministry of Education	59,479
	<u>(59,479)</u>

	2019	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions \$	Closing Balances \$
Block 2 Upgrade	<i>in progress</i>	(1,402)	522,465	(543,235)	-	(22,171)
Totals		<u>(1,402)</u>	<u>522,465</u>	<u>(543,235)</u>	<u>-</u>	<u>(22,171)</u>

17. 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.

18. 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	2,610	2,525
Full-time equivalent members	0.10	0.11
<i>Leadership Team</i>		
Remuneration	444,048	381,596
Full-time equivalent members	4	4
Total key management personnel remuneration	446,658	384,121
Total full-time equivalent personnel	4.10	4.11

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	140-150
Benefits and Other Emoluments	4-5	4-5
Termination Benefits	-	-

Other Employees

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

Remuneration \$000	2020 FTE Number	2019 FTE Number
100-110	1.00	0.00
	1.00	0.00

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

19. 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	\$0	-
Number of People	0	-

20. Contingencies

There are no contingent liabilities 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.

21. Commitments

(a) Capital Commitments

As at 31 December 2020 the Board entered into contract agreements for capital works as follows.

(a) \$48,926 contract for Hall Roof Replacement to be completed in 2021, which will be fully funded by the Ministry of Education. \$48,926 has been received of which \$20,463 has been spent on the contract to date. There is a commitment of \$28,463 at year end.

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

22. 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.

23. 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	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Cash and Cash Equivalents	556,249	827,094	703,575
Receivables	247,656	194,711	194,711
Investments - Term Deposits	454,705	50,170	50,170
Total Financial assets measured at amortised cost	<u>1,258,610</u>	<u>1,071,975</u>	<u>948,456</u>

Financial liabilities measured at amortised cost

Payables	207,252	261,326	261,326
Finance Leases	27,698	18,134	18,134
Total Financial Liabilities Measured at Amortised Cost	<u>234,950</u>	<u>279,460</u>	<u>279,460</u>

24. Events After Balance Date

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

25. Comparatives

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