

# WESTPORT NORTH SCHOOL

## Annual Report For the year ended 31 December 2019

Ministry Number: 3235  
Principal: Cath O'Loughlin  
School Address: 65 Cobden Street, Westport  
School Postal Address: 65 Cobden Street, Westport  
School Phone: 03 7897172  
School Email: office@westportnorth.school.nz

### Members of the Board of Trustees

Name	Ceased
Kerry Paterson	May-19
Campbell Robertson	May-19
Rick Barry	May-19
Tim Manawatu	May-19
Lynley Roberts	
Emma Walker	
Andrea Aitcheson	
Warwick Knox	
Sean Walsh	
Cath O'Loughlin - Principal	

The term finishes except for the principal in May 2022.

### Accountant / Service Provider:

Geoff Gillam Consultants

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**Westport North School**  
**Statement of Responsibility**

For the year ended 31 December 2019

The Board of Trustees (the Board) has pleasure in presenting the annual report of Westport North School incorporating the financial statements and the auditor's report, 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 Chairperson and the principal.

\_\_\_\_\_  
Full Name of Board Chairperson

\_\_\_\_\_  
Full Name of Principal

\_\_\_\_\_  
Signature of Board Chairperson

\_\_\_\_\_  
Signature of Principal

\_\_\_\_\_  
Date:

\_\_\_\_\_  
Date:

**Westport North School**  
**Statement of Comprehensive Revenue and Expense**  
For the year ended 31 December 2019

	Notes	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
<b>Revenue</b>				
Government Grants	2	1,680,987	1,611,925	1,548,025
Locally Raised Funds	3	35,147	16,352	38,626
Interest Earned		13,638	8,000	12,209
		<hr/>	<hr/>	<hr/>
		1,729,772	1,636,277	1,598,860
<b>Expenses</b>				
Locally Raised Funds	3	20,878	5,000	26,004
Learning Resources	4	1,132,134	1,084,156	1,011,655
Administration	5	112,156	125,068	114,872
Finance Costs		368	-	138
Property	6	402,932	401,775	401,881
Depreciation	7	32,755	19,500	38,959
		<hr/>	<hr/>	<hr/>
		1,701,223	1,635,499	1,593,509
<b>Net Surplus / (Deficit)</b>		28,549	778	5,351
Other Comprehensive Revenue and Expenses		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
		28,549	778	5,351

The above Statement of Comprehensive Revenue and Expense should be read in conjunction with the accompanying notes which form part of these financial statements.

**Westport North School**  
**Statement of Changes in Net Assets/Equity**  
For the year ended 31 December 2019

	Actual 2019 \$	Budget (Unaudited) 2019 \$	Actual 2018 \$
<b>Balance at 1 January</b>	528,910	528,910	523,559
Total comprehensive revenue and expense for the year	28,549	778	5,351
<b>Equity at 31 December</b>	557,459	529,688	528,910
Retained Earnings	557,459	529,688	528,910
Reserves	-	-	-
<b>Equity at 31 December 2019</b>	557,459	529,688	528,910

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.

**Westport North School**  
**Statement of Financial Position**  
As at 31 December 2019

		2019	2019	2018
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
<b>Current Assets</b>				
Cash and Cash Equivalents	8	80,949	59,332	52,829
Accounts Receivable	9	64,545	46,000	48,598
GST Receivable		2,525	6,000	4,037
Prepayments		5,339	5,000	5,044
Funds owing for Capital Works Projects	16	(20,217)	-	-
Investments	10	372,698	320,000	312,607
		<u>505,839</u>	<u>436,332</u>	<u>423,115</u>
<b>Current Liabilities</b>				
Accounts Payable	12	81,276	52,500	56,723
Revenue Received in Advance		-	-	-
Finance Lease Liability - Current Portion	14	12,235	13,000	11,916
		<u>117,415</u>	<u>85,500</u>	<u>68,639</u>
<b>Working Capital Surplus or (Deficit)</b>		388,424	350,832	354,476
<b>Non-current Assets</b>				
Property, Plant and Equipment	11	277,514	286,410	294,410
		<u>277,514</u>	<u>286,410</u>	<u>294,410</u>
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	13	99,516	98,554	99,554
Finance Lease Liability	14	8,963	9,000	20,422
		<u>108,479</u>	<u>107,554</u>	<u>119,976</u>
<b>Net Assets</b>		<u>557,459</u>	<u>529,688</u>	<u>528,910</u>
<b>Equity</b>		<u>557,459</u>	<u>529,688</u>	<u>528,910</u>

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

## Westport North School

### Cash Flow Statement

For the year ended 31 December 2019

		2019	2019	2018
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
<b>Cash flows from Operating Activities</b>				
Government Grants		423,171	356,925	363,441
Locally Raised Funds		35,147	16,352	38,626
Goods and Services Tax (net)		1,512	(1,963)	10,392
Payments to Employees		(229,096)	(177,893)	(221,082)
Payments to Suppliers		(147,551)	(167,358)	(165,278)
Interest Paid		(368)	-	(138)
Interest Received		12,178	9,671	10,816
Net cash from / (to) the Operating Activities		94,993	35,734	36,777
<b>Cash flows from Investing Activities</b>				
Purchase of PPE (and Intangibles)		(15,859)	(11,500)	(6,695)
Purchase of Investments		(60,091)	(7,393)	(69,559)
Net cash from / (to) the Investing Activities		(75,950)	(18,893)	(76,254)
<b>Cash flows from Financing Activities</b>				
Finance Lease Payments		(11,140)	(10,338)	(9,869)
Funds Administered on Behalf of Third Parties		20,217	-	24,662
Net cash from Financing Activities		9,077	(10,338)	14,793
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>28,120</b>	<b>6,503</b>	<b>(24,684)</b>
Cash and cash equivalents at the beginning of the year	8	52,829	52,829	77,513
<b>Cash and cash equivalents at the end of the year</b>	<b>8</b>	<b>80,949</b>	<b>59,332</b>	<b>52,829</b>

The statement of cash flows records only those cash flows directly within the control of the School. This means centrally funded teachers' salaries and the use of land and buildings grant and expense have been excluded.

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

# Westport North School

## Notes to the Financial Statements

### 1. Statement of Accounting Policies

For the year ended 31 December 2019

#### a) Reporting Entity

Westport North 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 PBE Accounting Standards (PBE IPSAS) 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 publically 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 11.

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

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

##### *Classification of leases*

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



### *Recognition of grants*

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

## **c) Revenue Recognition**

### **Government Grants**

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

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

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

### **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.

*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.

### **Donations**

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

### **Interest Revenue**

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

## **d) Use of Land and Buildings Expense**

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

## **e) Operating Lease Payments**

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

## **f) Finance Lease Payments**

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

## **g) Cash and Cash Equivalents**

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

## **h) Accounts Receivable**

Short-term receivables are recorded at the amount due, less an allowance for credit losses. The school applies the simplified expected credit loss model of recognising lifetime expected credit losses for receivables. In measuring expected credit losses, short-term receivables have been assessed on a collective basis as they possess shared credit risk characteristics. They have been grouped based on the days past due. Short-term receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include the debtor being in liquidation.

## **i) 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.

Investments that are shares are categorised as "available for sale" for accounting purposes in accordance with financial reporting standards. Share investments are recognised initially by the School at fair value plus transaction costs. At balance date the School has assessed whether there is any evidence that an investment is impaired. Any impairment, gains or losses are recognised in the Statement of Comprehensive Revenue and Expense.

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

## **j) 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.

## **Finance Leases**

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 are depreciated over their estimated useful lives on a straight line basis. Depreciation of all assets is reported in the Statement of Comprehensive Revenue and Expense.

The estimated useful lives of the assets are:	Years
Building improvements – Crown	40
Furniture and equipment	5-10
Information and communication technology	5
Plant	10
Leased	3
Library resources	10

## **k) 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.

## **l) 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.

## **m) 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.

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

## **n) 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).

## **o) Funds Held in Trust**

Funds are held in trust where they have been received by the School for a specified purpose. The School holds sufficient funds to enable the funds to be used for their intended purpose at any time.

**p) 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 and funds held on behalf of the Ministry of Education. 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.

**r) Budget Figures**

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

**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

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Operational grants	389,778	356,925	368,947
Teachers' salaries grants	966,722	965,000	857,379
Use of Land and Buildings grants	291,094	290,000	287,430
Other government grants	33,393	-	34,269
	<u>1,680,987</u>	<u>1,611,925</u>	<u>1,548,025</u>

## 3. Locally Raised Funds

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

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
<i>Revenue</i>			
Donations	50	1,500	1,157
Activities	19,642	748	21,894
School houses	7,803	8,320	7,528
Trading	7,652	5,784	8,047
	<u>35,147</u>	<u>16,352</u>	<u>38,626</u>
<i>Expenses</i>			
Activities	15,708	-	17,117
Trading	174	-	4,979
School houses	4,996	5,000	3,908
	<u>20,878</u>	<u>5,000</u>	<u>26,004</u>
<i>Surplus for the year Locally raised funds</i>	<u>14,269</u>	<u>11,352</u>	<u>12,622</u>

## 4 Learning Resources

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Curricular	28,777	33,156	24,418
Employee Benefits - Salaries	1,098,240	1,047,000	983,737
Staff Development	5,117	4,000	3,500
	<u>1,132,134</u>	<u>1,084,156</u>	<u>1,011,655</u>

## 5. Administration

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Audit Fee	4,018	4,018	3,901
Board of Trustees Fees	1,960	3,000	2,150
Board of Trustees Expenses	2,076	3,800	1,597
Communication	3,749	3,500	2,620
Consumables	5,019	5,050	2,924
Operating Lease	3,031	14,000	9,577
Staff Expenses	6,876	7,450	6,848
Other	11,213	11,250	11,011
Employee Benefits - Salaries	74,214	73,000	74,244
	<u>112,156</u>	<u>125,068</u>	<u>114,872</u>

## 6. Property

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Caretaking and Cleaning Consumables	5,934	6,500	6,569
Consultancy and Contract Services	14,596	15,000	16,159
Cyclical Maintenance Provision	23,868	19,000	23,868
Grounds	8,048	8,500	7,720
Heat, Light and Water	12,437	16,000	13,754
Rates	10,856	10,000	10,083
Repairs and Maintenance	13,417	13,775	15,268
Use of Land and Buildings - Non-Integrated	291,094	290,000	287,430
Employee Benefits - Salaries	22,682	23,000	21,030
	<u>402,932</u>	<u>401,775</u>	<u>401,881</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 \$
Buildings - School	4,469	2,000	4,470
Furniture and Equipment	5,494	2,000	5,213
Information and Communication Technology	2,215	5,000	6,294
Plant	5,854	2,000	5,855
Leased Assets	11,885	6,500	14,339
Library Resources	2,838	2,000	2,788
	<u>32,755</u>	<u>19,500</u>	<u>38,959</u>

## 8. Cash and Cash Equivalents

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Cash on Hand	200	200	200
Bank Current Account	80,732	59,032	40,717
Bank Call Account	17	100	11,912
	<u>80,949</u>	<u>59,332</u>	<u>52,829</u>

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

## 9. Accounts Receivable

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Interest Accrued	4,131	1,000	2,671
Teacher Salaries Grant Receivable	60,414	45,000	45,927
	<u>64,545</u>	<u>46,000</u>	<u>48,598</u>
Receivables from Exchange Transactions	4,131	1,000	2,671
Receivables from Non-Exchange Transactions	60,414	45,000	45,927
	<u>64,545</u>	<u>46,000</u>	<u>48,598</u>

## 10. Investments

The School's investment activities are classified as follows:

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Current Asset			
Short-term Bank Deposits with Maturities Greater than Three Months and No Greater than One Year	372,698	320,000	312,607

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

## 11. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
<b>2019</b>						
Land	28,750	-	-	-	-	28,750
Buildings	147,117	-	-	-	(4,469)	142,648
Furniture and Equipment	19,115	14,743	-	-	(5,494)	28,364
Information and Communication Plant	6,152	-	-	-	(2,215)	3,937
Leased Assets	45,167	-	-	-	(5,854)	39,313
Library Resources	33,590	1,116	-	-	(11,885)	22,821
Library Resources	14,519	-	-	-	(2,838)	11,681
<b>Balance at 31 December 2019</b>	294,410	15,859	-	-	(32,755)	277,514

	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
Land	28,750	-	28,750
Buildings	191,724	(49,076)	142,648
Furniture and Equipment	90,789	(62,425)	28,364
Information and Communication Plant	100,492	(96,555)	3,937
Leased Assets	84,839	(45,526)	39,313
Library Resources	57,139	(34,318)	22,821
Library Resources	46,918	(35,237)	11,681
<b>Balance at 31 December 2019</b>	600,651	(323,137)	277,514

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
<b>2018</b>						
Land	28,750	-	-	-	-	28,750
Buildings	151,587	-	-	-	(4,470)	147,117
Furniture and Equipment	24,328	-	-	-	(5,213)	19,115
Information and Communication Plant	10,789	1,657	-	-	(6,294)	6,152
Leased Assets	51,022	-	-	-	(5,855)	45,167
Library Resources	43,441	4,488	-	-	(14,339)	33,590
Library Resources	16,757	550	-	-	(2,788)	14,519
<b>Balance at 31 December 2018</b>	326,674	6,695	-	-	(38,959)	294,410

	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
Land	28,750	-	28,750
Buildings	191,724	(44,607)	147,117
Furniture and Equipment	76,046	(56,931)	19,115
Information and Communication Plant	100,492	(94,340)	6,152
Leased Assets	84,839	(39,672)	45,167
Library Resources	57,923	(24,333)	33,590
Library Resources	46,918	(32,399)	14,519
<b>Balance at 31 December 2018</b>	586,692	(292,282)	294,410

## 12. Accounts Payable

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Operating Creditors	20,151	6,000	9,403
Banking Staffing Overuse	-	-	-
Employee Benefits Payable - Salaries	60,414	45,000	45,927
Employee Benefits Payable - Leave Accrual	711	1,500	1,393
	<u>81,276</u>	<u>52,500</u>	<u>56,723</u>
Payables for Exchange Transactions	81,276	52,500	56,723
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	<u>81,276</u>	<u>52,500</u>	<u>56,723</u>

The carrying value of payables approximates their fair value.

## 13. Provision for Cyclical Maintenance

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Provision at the Start of the Year	99,554	99,554	75,686
Increase to the Provision During the Year	23,868	19,000	23,868
Adjustment to the Provision	-	-	-
Use of the Provision During the Year	-	-	-
Provision at the End of the Year	<u>123,422</u>	<u>118,554</u>	<u>99,554</u>
Cyclical Maintenance - Current	23,904	20,000	-
Cyclical Maintenance - Term	99,516	98,554	99,554
	<u>123,420</u>	<u>118,554</u>	<u>99,554</u>

The Board has a cash management plan to ensure that sufficient cash is available to meet all maintenance obligations as they fall due over the next 10 years. The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligations at 31 December 2019. Present obligations are identified in the school's current 10-year property plan approved by the Ministry of Education. The provision has not been adjusted for inflation and the time value of money.

## 14. Finance Lease Liability

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

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
No Later than One Year	12,235	13,000	11,916
Later than One Year and no Later than Five Years	8,963	9,000	20,422
Later than Five Years	-	-	-
	<u>21,198</u>	<u>22,000</u>	<u>32,338</u>

## 15. 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	Closing Balances
		\$	\$	\$	\$
Carpets Room 7/8	<i>in progress</i>	-	21,417	(1,200)	20,217
Totals		-	21,417	(1,200)	20,217

  

	2018	Opening Balances	Receipts from MoE	Payments	Closing Balances
		\$	\$	\$	\$
Flooring	<i>completed</i>	-	13,120	(13,120)	-
Lighting	<i>completed</i>	(1,227)	1,227	-	-
Library upgrade	<i>completed</i>	(17,033)	17,033	-	-
Block A roof	<i>completed</i>	(7,303)	7,303	-	-
Totals		(25,563)	38,683	(13,120)	-

## 16. 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.

## 17. 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	1,960	2,150
Full-time equivalent members	0.13	0.13
<i>Leadership Team</i>		
Remuneration	325,135	313,761
Full-time equivalent members	3	3
Total key management personnel remuneration	327,095	315,911
Total full-time equivalent personnel	3.13	3.13

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	2018 Actual
	\$000	\$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	130-140	120-130
Benefits and Other Emoluments	1-10	1-10
Termination Benefits	-	-

### Other Employees

One other employee received total remuneration over \$100,000 (2018: nil).



## 18. 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	2018 Actual
Total	\$0	\$0
Number of People	-	-

## 19. 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, however the potential impact on any specific school or individual and any associated historical liability 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.

## 20. Commitments

### (a) Capital Commitments

As at 31 December 2019 the Board had no capital commitments.

(Capital commitments at 31 December 2018: nil)

### (b) Operating Commitments

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

(a) operating lease of laptops;

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

## 21. 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 generate a small surplus from year to year.

## 22. Financial Instruments

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

### Cash and receivables

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Cash and Cash Equivalents	80,949	59,332	52,829
Receivables	64,545	46,000	48,598
Investments - Term Deposits	372,698	320,000	312,607
Total Cash and Receivables	518,192	425,332	414,034

### Financial liabilities measured at amortised cost

Payables	81,276	52,500	56,723
Finance Leases	21,198	22,000	32,338
Total Financial Liabilities Measured at Amortised Cost	102,474	74,500	89,061

## 23. Events After Balance Date

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