

# ORMISTON SENIOR COLLEGE

## ANNUAL REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### School Directory

**Ministry Number:** 564

**Principal:** Diana Patience

**School Address:** 275 Ormiston Road Flat Bush Auckland

**School Postal Address:** PO BOX 217107, Botany Junction, Auckland 2164

**School Phone:** 09 551 2430

**School Email:** lzimer@ormiston.school.nz

#### Members of the Board of Trustees

Name	Position	How Position Gained	Term Expired/ Expires
Chireen Chetty	Chair Person	Elected	2022
Diana Patience	Principal ex Officio	Officio	
John Bassano	Parent Rep	Elected	2022
Clifford Wadsworth	Parent Rep	Elected	2022
Jason Tuhaka	Parent Rep	Elected	2022
Sibylle Townsend	Parent Rep	Elected	2022
Keith Rushbrook	Parent Rep	Seconded	2020
Faizal Mohammed	Parent Rep	Seconded	
Vimal Singh	Staff Rep	Elected	2022
Manprit Singh	Student Rep	Elected by July	2021
Ricki Bassano	Student Rep	Elected July	2022

# ORMISTON SENIOR COLLEGE

Annual Report - For the year ended 31 December 2020

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# Ormiston Senior College

## 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.

SIBYLLE TOWNSEND

Full Name of Board Chairperson

DIANA MIRIAM PATIENCE

Full Name of Principal

*Sibylle Townsend*

Signature of Board Chairperson

*Diana Miriam Patience*

Signature of Principal

28/05/2021

Date:

28 May 2021

Date:



# Ormiston Senior College

## 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	9,738,733	1,666,277	8,870,655
Locally Raised Funds	3	336,899	526,309	390,520
Interest income		94,476	87,009	119,335
Gain on Sale of Property, Plant and Equipment		78,385	-	-
International Students	4	508,695	719,107	490,801
		<u>10,757,188</u>	<u>2,998,702</u>	<u>9,871,311</u>
<b>Expenses</b>				
Locally Raised Funds	3	131,271	223,860	213,630
International Students	4	195,807	450,222	190,772
Learning Resources	5	5,229,521	1,263,340	4,536,227
Administration	6	342,568	363,364	306,502
Finance		27,009	46,704	23,128
Property	7	4,044,582	692,336	3,835,106
Depreciation	8	271,532	314,816	297,438
Loss on Disposal of Property, Plant and Equipment		-	-	965
		<u>10,242,290</u>	<u>3,354,642</u>	<u>9,403,768</u>
<b>Net Surplus / (Deficit) for the year</b>		514,898	(355,940)	467,543
Other Comprehensive Revenue and Expense		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<u>514,898</u>	<u>(355,940)</u>	<u>467,543</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.



# Ormiston Senior College

## Statement of Changes in Net Assets/Equity

For the year ended 31 December 2020

	Notes	Actual 2020 \$	Budget (Unaudited) 2020 \$	Actual 2019 \$
<b>Balance at 1 January</b>		3,620,794	3,620,794	3,153,251
Total comprehensive revenue and expense for the year		514,898	(355,940)	467,543
<b>Equity at 31 December</b>	26	4,135,692	3,264,854	3,620,794
Retained Earnings		4,135,692	3,264,854	3,620,794
Reserves		-	-	-
<b>Equity at 31 December</b>		4,135,692	3,264,854	3,620,794

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.

# Ormiston Senior College

## 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	546,472	316,042	517,280
Accounts Receivable	10	400,322	347,000	331,099
Prepayments		11,777	15,000	20,160
Inventories	11	1,014	1,250	1,318
Investments	12	4,053,334	3,625,823	3,625,823
		5,012,919	4,305,115	4,495,680
<b>Current Liabilities</b>				
GST Payable		7,534	10,000	14,859
Accounts Payable	14	511,359	430,500	383,627
Revenue Received in Advance	15	260,567	400,000	392,776
Finance Lease Liability - Current Portion	17	67,954	70,000	74,662
Funds held in Trust	18	79,137	80,000	97,362
Funds held for Capital Works Projects	19	31,665	-	-
Funds held on behalf of Third Parties	20	65,425	-	120,568
		1,023,641	990,500	1,083,854
<b>Working Capital Surplus/(Deficit)</b>		3,989,278	3,314,615	3,411,826
<b>Non-current Assets</b>				
Property, Plant and Equipment	13	791,000	574,353	765,471
		791,000	574,353	765,471
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	16	513,038	554,114	485,224
Finance Lease Liability	17	131,548	70,000	71,279
		644,586	624,114	556,503
<b>Net Assets</b>		4,135,692	3,264,854	3,620,794
<b>Equity</b>	26	4,135,692	3,264,854	3,620,794

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

# Ormiston Senior College

## 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		1,926,783	1,682,393	1,944,414
Locally Raised Funds		335,073	526,073	402,935
International Students		376,486	605,763	633,160
Goods and Services Tax (net)		(7,325)	(4,859)	(2,048)
Funds Administered on Behalf of Third Parties		(73,368)	(17,362)	(20,128)
Payments to Employees		(1,017,590)	(1,193,094)	(919,921)
Payments to Suppliers		(1,037,241)	(1,721,852)	(1,327,824)
Interest Paid		(27,009)	(46,704)	(23,128)
Interest Received		114,344	98,043	116,641
Net cash from/(to) Operating Activities		590,153	(71,599)	804,101
<b>Cash flows from Investing Activities</b>				
Purchase of Property Plant & Equipment (and Intangibles)		(106,480)	(68,637)	(174,852)
Purchase of Investments		(427,511)	-	(675,823)
Net cash from/(to) Investing Activities		(533,991)	(68,637)	(850,675)
<b>Cash flows from Financing Activities</b>				
Finance Lease Payments		(58,635)	(61,002)	(64,229)
Funds Held for Capital Works Projects		31,665	-	-
Net cash from/(to) Financing Activities		(26,970)	(61,002)	(64,229)
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>29,192</b>	<b>(201,238)</b>	<b>(110,803)</b>
Cash and cash equivalents at the beginning of the year	9	517,280	517,280	628,083
<b>Cash and cash equivalents at the end of the year</b>	<b>9</b>	<b>546,472</b>	<b>316,042</b>	<b>517,280</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.



# Ormiston Senior College

## Notes to the Financial Statements

### For the year ended 31 December 2020

#### 1. Statement of Accounting Policies

##### **a) Reporting Entity**

Ormiston Senior College (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 16.

#### *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.

#### **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	10–75 years
Furniture and equipment	10–15 years
Information and communication technology	4–5 years
Motor vehicles	5 years
Textbooks	3 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value
Uniforms	3 years
Artwork	NIL



#### **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.

#### **o) Revenue Received in Advance**

Revenue received in advance relates to fees received from international, homestay students and 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 in relation to international students, should the School be unable to provide the services to which they relate.

#### **p) Funds Held in Trust**

Funds are held in trust where they have been received by the School for a specified purpose, or are being held on behalf of a third party and these transactions are not recorded in the Statement of Revenue and Expense.

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

**q) Shared Funds**

Shared Funds are held on behalf of a cluster of participating schools as agreed with the Ministry of Education. The cluster of schools operate activities outside of the School's control. These amounts are not recorded in the Statement of Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose.

**r) 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).

**s) 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.

**t) 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.

**u) 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.

**v) Budget Figures**

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

**w) 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 Budget	2019
	Actual	(Unaudited)	Actual
	\$	\$	\$
Operational Grants	1,496,439	1,298,190	1,286,367
Teachers' Salaries Grants	4,419,234	-	3,754,580
Use of Land and Buildings Grants	3,387,517	-	3,171,661
Other MoE Grants	435,543	368,087	658,047
	<u>9,738,733</u>	<u>1,666,277</u>	<u>8,870,655</u>

The school has not opted in to the donations scheme for this year.

Other MOE Grants total includes additional COVID-19 funding totalling \$60,897.38 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 Budget	2019
	Actual	(Unaudited)	Actual
	\$	\$	\$
<b>Revenue</b>			
Donations	45,197	57,750	54,685
Activities	174,540	323,479	222,518
Trading	115,089	139,980	112,087
Fundraising	2,073	5,100	1,230
	<u>336,899</u>	<u>526,309</u>	<u>390,520</u>
<b>Expenses</b>			
Activities	131,271	223,860	213,630
	<u>131,271</u>	<u>223,860</u>	<u>213,630</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>205,628</u>	<u>302,449</u>	<u>176,890</u>

#### 4. International Student Revenue and Expenses

	2020 Actual Number	2020 Budget (Unaudited) Number	2019 Actual Number
International Student Roll	28	33	27
	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
<b>Revenue</b>			
International Student Fees	508,695	719,107	490,801
<b>Expenses</b>			
Advertising	40,049	47,943	51,100
International Student Levy	9,612	14,000	10,313
Employee Benefit - Salaries	106,368	99,869	81,481
Other Expenses	39,778	288,410	47,878
	195,807	450,222	190,772
<i>Surplus/ (Deficit) for the year International Students</i>	312,888	268,885	300,029

#### 5. Learning Resources

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Curricular	238,916	409,157	180,804
Information and Communication Technology	103,118	121,500	109,463
Library Resources	2,959	6,700	5,414
Employee Benefits - Salaries	4,880,110	663,683	4,219,501
Staff Development	4,418	62,300	21,045
	5,229,521	1,263,340	4,536,227

#### 6. Administration

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Audit Fee	5,859	6,000	5,554
Board of Trustees Fees	4,305	5,300	3,788
Board of Trustees Expenses	9,307	18,500	29,125
Communication	4,415	5,000	5,014
Consumables	7,949	13,500	11,208
Other	17,847	31,200	13,842
Employee Benefits - Salaries	284,456	274,521	220,910
Insurance	8,430	9,343	10,813
Service Providers, Contractors and Consultancy	-	-	6,248
	342,568	363,364	306,502

## 7. Property

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	125,475	126,500	116,846
Cyclical Maintenance Provision	68,890	68,890	66,884
Grounds	26,070	45,990	31,352
Heat, Light and Water	90,173	109,000	100,099
Repairs and Maintenance	172,125	177,610	187,307
Use of Land and Buildings	3,387,517	-	3,171,661
Security	13,265	13,500	14,165
Employee Benefits - Salaries	161,067	150,846	146,792
	<u>4,044,582</u>	<u>692,336</u>	<u>3,835,106</u>

## 8. Depreciation

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Buildings - School	2,990	9,815	2,814
Furniture and Equipment	150,292	144,902	148,770
Information and Communication Technology	34,792	41,123	39,385
Motor Vehicles	1,976	1,976	1,976
Textbooks	5,462	6,000	5,562
Leased Assets	61,017	88,600	89,488
Library Resources	8,722	9,000	9,227
UNIFORM	6,281	13,400	216
	<u>271,532</u>	<u>314,816</u>	<u>297,438</u>

## 9. Cash and Cash Equivalents

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Cash on Hand	3	-	-
Bank Current Account	257,973	41,865	107,558
Bank Call Account	288,496	274,177	409,722
Cash and cash equivalents for Statement of Cash Flows	<u>546,472</u>	<u>316,042</u>	<u>517,280</u>

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

Of the \$546,472 Cash and Cash Equivalents, \$31,665 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	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Receivables	3,591	2,000	1,764
Interest Receivable	36,166	45,000	56,034
Banking Staffing Underuse	21,314	-	16,116
Teacher Salaries Grant Receivable	339,251	300,000	257,185
	<u>400,322</u>	<u>347,000</u>	<u>331,099</u>
Receivables from Exchange Transactions	39,757	47,000	57,798
Receivables from Non-Exchange Transactions	360,565	300,000	273,301
	<u>400,322</u>	<u>347,000</u>	<u>331,099</u>

## 11. Inventories

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
School Uniforms	1,014	1,250	1,318
	<u>1,014</u>	<u>1,250</u>	<u>1,318</u>

## 12. Investments

The School's investment activities are classified as follows:

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Current Asset			
Short-term Bank Deposits	4,053,334	3,625,823	3,625,823
Total Investments	<u>4,053,334</u>	<u>3,625,823</u>	<u>3,625,823</u>



### 13. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2020	\$	\$	\$	\$	\$	\$
Buildings	26,424	-	-	-	(2,990)	23,434
Furniture and Equipment	465,421	70,104	-	-	(150,292)	385,233
Information and Communication Technology	54,910	22,993	-	-	(34,792)	43,111
Motor Vehicles	4,282	-	-	-	(1,976)	2,306
Textbooks	73,889	4,136	-	-	(5,462)	72,563
Leased Assets	60,402	191,906	-	-	(61,017)	191,291
Library Resources	64,591	5,959	(1,354)	-	(8,722)	60,474
Uniforms	8,672	3,318	-	-	(6,281)	5,709
Artwork	6,880	-	-	-	-	6,880
<b>Balance at 31 December 2020</b>	<b>765,471</b>	<b>298,416</b>	<b>(1,354)</b>	<b>-</b>	<b>(271,532)</b>	<b>791,001</b>

The net carrying value of equipment held under a finance lease is \$191,291 (2019: \$60,402)

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2020	\$	\$	\$
Buildings	31,830	(8,396)	23,434
Furniture and Equipment	1,490,347	(1,105,114)	385,233
Information and Communication Technology	725,793	(682,682)	43,111
Motor Vehicles	71,034	(68,728)	2,306
Textbooks	122,037	(49,474)	72,563
Leased Assets	374,402	(183,112)	191,290
Library Resources	135,990	(75,516)	60,474
Uniforms	45,773	(40,064)	5,709
Artwork	6,880	-	6,880
<b>Balance at 31 December 2020</b>	<b>3,004,086</b>	<b>(2,213,086)</b>	<b>791,000</b>

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2019	\$	\$	\$	\$	\$	\$
Buildings	8,121	21,117	-	-	(2,814)	26,424
Furniture and Equipment	519,326	94,865	-	-	(148,770)	465,421
Information and Communication Technology	47,468	46,827	-	-	(39,385)	54,910
Motor Vehicles	6,258	-	-	-	(1,976)	4,282
Textbooks	73,699	5,752	-	-	(5,562)	73,889
Leased Assets	85,682	64,208	-	-	(89,488)	60,402
Library Resources	65,606	7,247	965	-	(9,227)	64,591
Uniforms	11,775	-	(2,887)	-	(216)	8,672
Artwork	6,880	-	-	-	-	6,880
<b>Balance at 31 December 2019</b>	<b>824,815</b>	<b>240,016</b>	<b>(1,922)</b>	<b>-</b>	<b>(297,438)</b>	<b>765,471</b>

The following note can be used for each class of asset that are held under a finance lease:

The net carrying value of equipment held under a finance lease is \$60,402 (2018: \$85,682)

2019	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
Buildings	31,830	(5,406)	26,424
Furniture and Equipment	1,420,244	(954,823)	465,421
Information and Communication Technology	704,736	(649,826)	54,910
Motor Vehicles	71,034	(66,752)	4,282
Textbooks	117,902	(44,013)	73,889
Leased Assets	344,939	(284,537)	60,402
Library Resources	132,816	(68,225)	64,591
Uniforms	42,455	(33,783)	8,672
Artwork	6,880	-	6,880
<b>Balance at 31 December 2019</b>	<b>2,872,836</b>	<b>(2,107,365)</b>	<b>765,471</b>

#### 14. Accounts Payable

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Operating Creditors	88,151	50,000	43,651
Accruals	19,605	15,500	13,616
Employee Entitlements - Salaries	395,999	350,000	306,851
Employee Entitlements - Leave Accrual	7,604	15,000	19,509
	<b>511,359</b>	<b>430,500</b>	<b>383,627</b>
Payables for Exchange Transactions	511,359	430,500	383,627
	<b>511,359</b>	<b>430,500</b>	<b>383,627</b>

The carrying value of payables approximates their fair value.

#### 15. Revenue Received in Advance

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
International Student Fees	260,567	400,000	392,776
	<b>260,567</b>	<b>400,000</b>	<b>392,776</b>

#### 16. Provision for Cyclical Maintenance

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Provision at the Start of the Year	485,224	485,224	418,340
Increase/ (decrease) to the Provision During the Year	68,890	68,890	66,884
Use of the Provision During the Year	(41,076)	-	-
Provision at the End of the Year	513,038	554,114	485,224
Cyclical Maintenance - Term	513,038	554,114	485,224
	513,038	554,114	485,224

#### 17. 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	67,954	70,000	74,662
Later than One Year and no Later than Five Years	131,548	70,000	71,279
	199,502	140,000	145,941

#### 18. Funds held in Trust

	2020 Actual \$	2020 Budget \$	2019 Actual \$
Funds Held in Trust on Behalf of Third Parties - Current	79,137	80,000	97,362
	79,137	80,000	97,362

These funds relate to arrangements where the school is acting as an agent. These amounts are not revenue or expenditure of the school and therefore are not included in the Statement of Comprehensive Revenue and Expense.

## 19. 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 \$
Canopy Structure Project	<i>in progress</i>	-	40,000	8,335	-	31,665
Installation of Heat Pumps	<i>completed</i>	-	13,000	13,000	-	-
Totals		-	53,000	21,335	-	31,665

### Represented by:

Funds Held on Behalf of the Ministry of Education	31,665
Funds Due from the Ministry of Education	-
	<u>31,665</u>

	2019	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions \$	Closing Balances \$
No projects for 2019						

## 20. Funds Held on Behalf of Third Parties

	2020 Actual \$	2019 Actual \$
Funds held on behalf of Third Party - Current	65,425	120,568
Funds held on behalf of Third Party - Non-Current Current	-	-

These funds relate to Homestay arrangements where the school is acting as an agent. These amounts are not revenue and expenditure of the school and therefore are not included in the statement of comprehensive revenue and expenses.



## 21. 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.

## 22. 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	4,305	3,250
Full-time equivalent members	0.13	0.13
<i>Leadership Team</i>		
Remuneration	858,732	641,913
Full-time equivalent members	7	6
Total key management personnel remuneration	863,037	645,163
Total full-time equivalent personnel	7.13	6.13

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 1

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	180 - 190	140 - 150
Benefits and Other Emoluments	6 - 7	6 - 7
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	11.00	2.00
120 - 130	2.00	-
	13.00	2.00

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

## 23. 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	-	-

## 24. 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.

## 25. Commitments

### (a) Capital Commitments

As at 31 December 2020 the Board has not entered into contract agreements for capital works.

(Capital commitments at 31 December 2019: nil)

### (b) Operating Commitments

As at 31 December 2020 the Board has entered into the following contracts:

(a) operating lease of a Toyota Hiace van;

	2020 Actual \$	2019 Actual \$
No later than One Year	9,000	-
Later than One Year and No Later than Five Years	13,500	-
	<u>22,500</u>	<u>-</u>

## 26. 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.

## 27. 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	546,472	316,042	517,280
Receivables	400,322	347,000	331,099
Investments - Term Deposits	4,053,334	3,625,823	3,625,823
Total Financial assets measured at amortised cost	<u>5,000,128</u>	<u>4,288,865</u>	<u>4,474,202</u>

### Financial liabilities measured at amortised cost

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Payables	511,359	430,500	383,627
Finance Leases	199,502	140,000	145,941
Total Financial Liabilities Measured at Amortised Cost	<u>710,861</u>	<u>570,500</u>	<u>529,568</u>

## 28. Events After Balance Date

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

## 29. Comparatives

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

## 30. Prior period error

During the year ended 31 December 2019, an amount of \$137,008 received from International Students, relating to their homestays, was incorrectly recorded as income and a corresponding expense by the School.

This error has been corrected by reclassifying these receipts and payments in the comparative financial statements as below:

	Unadjusted Audited Financial Statements 2019 \$	Prior year adjustment 2019 \$	Restated amount 2019 \$
<b>Statement of Comprehensive Revenue and Expenses</b>			
Decrease in Revenue from International Students	(627,809)	(137,008)	(490,801)
Decrease in Expenses from International Students	327,780	137,008	190,772