



Kaikorai Valley College

OPPORTUNITY AND SUCCESS FOR ALL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

School Directory

Ministry Number:

381

Principal:

Rick Geerlofs

School Address:

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School Phone:

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Solutions & Services
Collaborative School Administration

KAIKORAI VALLEY COLLEGE

Annual Report - For the year ended 31 December 2020

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Kaikorai Valley 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 reflect the financial position and operations of the School.

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

MARK ROGERS

Full Name of Board Chairperson

m. Rogers

Signature of Board Chairperson

26 May 21

Date:

RICHARD GEERLOFS

Full Name of Principal

R.N. Geerlofs

Signature of Principal

20/5/21

Date:

Kaikorai Valley College

Members of the Board of Trustees

For the year ended 31 December 2020

Name	Position	How Position Gained	Held Until
Mark Rogers	Chairperson	Elected	May 2022
Gail Arthur	Parent Rep	Elected	May 2022
Rick Geerlofs	Principal	ex Officio	
Duane Donovan	Parent Rep	Elected	May 2022
Wendy Ellis	Parent Rep	Elected	May 2022
Sefton Vuli	Parent Rep	Elected	May 2022
Michele Bennett	Staff Rep	Elected	May 2022
Jayden Rumpler	Student Rep	Elected	Sep 2020
Mallak Momani	Student Rep	Elected	Sep 2021
Chris Bernhardt	Parent Rep	Appointed	May 2022
Ruth Harrison	Parent Rep	Elected	May 2022

Kaikorai Valley College

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	6,630,950	5,956,000	5,970,535
Locally Raised Funds	3	468,069	617,050	579,230
Interest Income		4,951	600	4,083
International Students	4	364,458	541,800	612,631
		<u>7,468,428</u>	<u>7,115,450</u>	<u>7,166,479</u>
Expenses				
Locally Raised Funds	3	102,635	145,450	142,005
International Students	4	266,122	405,900	388,246
Learning Resources	5	5,150,415	4,736,245	4,700,576
Administration	6	391,112	395,415	368,862
Finance		3,087	12,000	10,031
Property	7	1,342,535	1,376,440	1,401,534
Depreciation	8	117,374	72,000	115,084
Loss on Disposal of Property, Plant and Equipment		4,870	-	6,357
		<u>7,378,150</u>	<u>7,143,450</u>	<u>7,132,695</u>
Net Surplus / (Deficit) for the year		90,278	(28,000)	33,784
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>90,278</u>	<u>(28,000)</u>	<u>33,784</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.

Kaikorai Valley College

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2020

	Notes	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Balance at 1 January		484,668	484,668	419,069
Total comprehensive revenue and expense for the year		90,278	(28,000)	33,784
Capital Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		-	-	31,815
Equity at 31 December	26	574,946	456,668	484,668
Retained Earnings		574,946	456,668	484,668
Equity at 31 December		574,946	456,668	484,668

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.

Kaikorai Valley College
Statement of Financial Position
As at 31 December 2020

		2020	2020	2019
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Current Assets				
Cash and Cash Equivalents	9	960,620	1,183,855	1,139,855
Accounts Receivable	10	296,878	333,894	333,894
GST Receivable		21,329	-	-
Prepayments		11,804	15,626	15,626
Inventories	11	3,869	3,422	3,422
Investments	12	17,000	234,249	234,249
Funds owing for Capital Works Projects	20	5,740	-	-
		<u>1,317,240</u>	<u>1,771,046</u>	<u>1,727,046</u>
Current Liabilities				
GST Payable		-	89,577	89,577
Accounts Payable	14	479,521	379,944	379,944
Revenue Received in Advance	15	295,692	374,809	374,809
Provision for Cyclical Maintenance	16	55,000	42,160	42,160
Painting Contract Liability - Current Portion	17	-	39,982	39,982
Finance Lease Liability - Current Portion	18	12,937	28,150	28,150
Funds held in Trust	19	199,081	310,310	310,310
Funds held for Capital Works Projects	20	337,363	648,607	648,607
		<u>1,379,594</u>	<u>1,913,539</u>	<u>1,913,539</u>
Working Capital (Deficit) / Surplus		(62,354)	(142,493)	(186,493)
Non-current Assets				
Investments	12	198	198	198
Property, Plant and Equipment	13	954,073	938,871	1,010,871
		<u>954,271</u>	<u>939,069</u>	<u>1,011,069</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	16	311,714	327,427	327,427
Finance Lease Liability	18	5,257	12,481	12,481
		<u>316,971</u>	<u>339,908</u>	<u>339,908</u>
Net Assets		<u>574,946</u>	<u>456,668</u>	<u>484,668</u>
Equity	26	<u>574,946</u>	<u>456,668</u>	<u>484,668</u>

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

Kaikorai Valley College
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		1,987,142	1,378,233	1,451,891
Locally Raised Funds		574,005	617,050	495,530
International Students		228,688	541,800	676,503
Goods and Services Tax (net)		(110,906)	-	21,628
Payments to Employees		(1,618,473)	(1,232,723)	(1,272,436)
Payments to Suppliers		(903,948)	(1,240,960)	(1,104,960)
Funds Administered on Behalf of Third Parties		(111,229)	-	45,150
Cyclical Maintenance payments in the Year		(11,839)	(20,000)	(11,839)
Interest Received		4,951	600	4,083
Net cash from/(to) Operating Activities		38,391	44,000	305,550
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(58,253)	-	(77,271)
Purchase of Investments		217,249	-	(215,592)
Net cash from/(to) Investing Activities		158,996	-	(292,863)
Cash flows from Financing Activities				
Furniture and Equipment Grant		-	-	31,815
Finance Lease Payments		(19,656)	-	(13,899)
Painting Contract Payments		(39,982)	-	(16,305)
Loans Received/ Repayment of Loans		-	-	(180,585)
Funds held for Capital Works Projects		(316,984)	-	562,998
Net cash (to) / from Financing Activities		(376,622)	-	384,024
Net (decrease) / increase in cash and cash equivalents		(179,235)	44,000	396,711
Cash and cash equivalents at the beginning of the year	9	1,139,855	1,139,855	743,144
Cash and cash equivalents at the end of the year	9	960,620	1,183,855	1,139,855

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.

Kaikorai Valley College

Notes to the Financial Statements

For the year ended 31 December 2020

1. Statement of Accounting Policies

1.1. Reporting Entity

Kaikorai Valley 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.

1.2. Basis of Preparation

Reporting Period

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

Basis of Preparation

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

Financial Reporting Standards Applied

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

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

Useful lives of property, plant and equipment

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

Cyclical Maintenance

A school recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's long term maintenance plan which is prepared as part of its 10 Year Property Planning process. During the year, the Board assesses the reasonableness of its 10 Year Property Plan on which the provision is based. Cyclical maintenance is disclosed at note 16.

Critical Judgements in applying accounting policies

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

Classification of leases

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

Recognition of grants

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

1.3. Revenue Recognition

Government Grants

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

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

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

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

Other Grants

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

Donations, Gifts and Bequests

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

Interest Revenue

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

1.4. Use of Land and Buildings Expense

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

1.5. Operating Lease Payments

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

1.6. Finance Lease Payments

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

1.7. Cash and Cash Equivalents

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

1.8. Accounts Receivable

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

1.9. Inventories

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

1.10. Investments

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

1.11. Property, Plant and Equipment

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

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

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

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

Finance Leases

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

Depreciation

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

The estimated useful lives of the assets are:

Building improvements	15-50 years
Furniture and equipment	3-20 years
Information and communication technology	4-5 years
Motor vehicles	5 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value

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

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

Non cash generating assets

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

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

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

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

1.13. Accounts Payable

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

1.14. Employment Entitlements

Short-term employee entitlements

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

Long-term employee entitlements

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

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

1.15. Revenue Received in Advance

Revenue received in advance relates to fees received from 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.

1.16. 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.

1.17. Provision for Cyclical Maintenance

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

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

1.18. Financial Instruments

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

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

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

1.19. Borrowings

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

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

1.20. Goods and Services Tax (GST)

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

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

Commitments and contingencies are disclosed exclusive of GST.

1.21. Budget Figures

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

1.22. Services received in-kind

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

2. Government Grants

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Operational Grants	1,392,873	1,162,200	1,198,546
Teachers' Salaries Grants	3,768,332	3,600,000	3,532,472
Use of Land and Buildings Grants	952,362	933,960	934,169
Other MoE Grants	419,667	16,000	44,297
Other Government Grants	97,716	243,840	261,051
	<u>6,630,950</u>	<u>5,956,000</u>	<u>5,970,535</u>

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

Other MOE Grants total includes additional COVID-19 funding totalling \$116,270 for the year ended 31 December 2020.

3. Locally Raised Funds

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

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Revenue			
Donations	96,197	152,800	125,081
Fundraising	43,651	55,500	54,381
Other Revenue	240,385	277,000	296,173
Transport Revenue	8,770	14,000	13,828
Trading	13,525	17,500	15,085
Activities	65,541	100,250	74,682
	<u>468,069</u>	<u>617,050</u>	<u>579,230</u>
Expenses			
Activities	75,323	105,950	108,926
Trading	352	6,500	3,115
Fundraising (Costs of Raising Funds)	-	2,000	832
Transport (Local)	26,960	31,000	29,132
	<u>102,635</u>	<u>145,450</u>	<u>142,005</u>
<i>Surplus for the year Locally raised funds</i>	<u>365,434</u>	<u>471,600</u>	<u>437,225</u>

4. International Student Revenue and Expenses

	2020 Actual Number	2020 Budget (Unaudited) Number	2019 Actual Number
International Student Roll	25	34	36
	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Revenue			
International Student Fees	364,458	541,800	612,631
Expenses			
Advertising	27,838	60,000	42,640
Commissions	31,851	56,400	50,750
Recruitment - Overseas Travel	-	-	59,614
International Student Levy	6,722	12,000	16,236
Employee Benefit - Salaries	162,414	158,500	168,349
Other Expenses	37,297	119,000	50,657
	<u>266,122</u>	<u>405,900</u>	<u>388,246</u>
<i>Surplus for the year International Students</i>	<u>98,336</u>	<u>135,900</u>	<u>224,385</u>

5. Learning Resources

	2020	2020 Budget	2019
	Actual	(Unaudited)	Actual
	\$	\$	\$
Curricular	292,343	353,410	321,997
Equipment Repairs	5,251	5,000	5,471
Information and Communication Technology	17,856	13,200	18,375
Employee Benefits - Salaries	4,824,082	4,354,635	4,346,529
Staff Development	10,883	10,000	8,204
	<u>5,150,415</u>	<u>4,736,245</u>	<u>4,700,576</u>

6. Administration

	2020	2020 Budget	2019
	Actual	(Unaudited)	Actual
	\$	\$	\$
Audit Fee	5,994	8,000	5,987
Board of Trustees Fees	5,535	4,800	4,500
Board of Trustees Expenses	7,129	6,350	10,167
Communication	10,700	13,520	10,770
Consumables	64,623	58,500	67,179
Operating Lease	268	30,800	8,849
Other	104,394	86,200	81,660
Employee Benefits - Salaries	167,864	159,945	158,737
Insurance	18,820	18,900	13,713
Service Providers, Contractors and Consultancy	5,785	8,400	7,300
	<u>391,112</u>	<u>395,415</u>	<u>368,862</u>

7. Property

	2020	2020 Budget	2019
	Actual	(Unaudited)	Actual
	\$	\$	\$
Caretaking and Cleaning Consumables	8,290	6,600	5,899
Consultancy and Contract Services	8,400	-	-
Cyclical Maintenance Provision	8,966	20,000	75,621
Grounds	9,062	8,000	8,454
Heat, Light and Water	75,575	76,700	79,562
Rates	32,312	34,700	32,485
Repairs and Maintenance	20,577	93,030	58,718
Use of Land and Buildings	952,362	933,960	934,169
Employee Benefits - Salaries	226,991	203,450	206,626
	<u>1,342,535</u>	<u>1,376,440</u>	<u>1,401,534</u>

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

8. Depreciation of Property, Plant and Equipment

	2020	2020 Budget	2019
	Actual	(Unaudited)	Actual
	\$	\$	\$
Building Improvements	23,380	15,000	23,351
Furniture and Equipment	36,951	24,000	36,450
Information and Communication Technology	17,040	8,000	10,950
Motor Vehicles	11,012	8,000	11,012
Leased Assets	25,616	15,000	29,751
Library Resources	3,375	2,000	3,570
	<u>117,374</u>	<u>72,000</u>	<u>115,084</u>

9. Cash and Cash Equivalents

	2020	2020 Budget	2019
	Actual	(Unaudited)	Actual
	\$	\$	\$
Bank Current Account	18,862	1,183,855	13,410
Bank Call Account	600,701	-	1,126,445
Short-term Bank Deposits	341,057	-	-
Cash and cash equivalents for Statement of Cash Flows	<u>960,620</u>	<u>1,183,855</u>	<u>1,139,855</u>

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

Of the \$960,620 Cash and Cash Equivalents, \$337,363 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.

Of the \$960,620 Cash and Cash Equivalents, \$53,749 of unspent grant funding is held by the School. This funding is subject to restrictions which specify how the grant is required to be spent in providing specified deliverables of the grant arrangement.

10. Accounts Receivable

	2020	2020 Budget	2019
	Actual	(Unaudited)	Actual
	\$	\$	\$
Receivables	3,048	106,080	106,080
Receivables from the Ministry of Education	2,857	-	-
Teacher Salaries Grant Receivable	<u>290,973</u>	<u>227,814</u>	<u>227,814</u>
	<u>296,878</u>	<u>333,894</u>	<u>333,894</u>
Receivables from Exchange Transactions	3,048	106,080	106,080
Receivables from Non-Exchange Transactions	<u>293,830</u>	<u>227,814</u>	<u>227,814</u>
	<u>296,878</u>	<u>333,894</u>	<u>333,894</u>

11. Inventories

	2020	2020 Budget	2019
	Actual	(Unaudited)	Actual
	\$	\$	\$
Stationery	3,869	3,422	3,422
	<u>3,869</u>	<u>3,422</u>	<u>3,422</u>

12. Investments

The School's investment activities are classified as follows:

	2020	2020 Budget	2019
	Actual	(Unaudited)	Actual
	\$	\$	\$
Current Asset			
Short-term Bank Deposits	17,000	234,249	234,249
Non-current Asset			
Long-term Bank Deposits	198	198	198
Total Investments	<u>17,198</u>	<u>234,447</u>	<u>234,447</u>

13. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2020	\$	\$	\$	\$	\$	\$
Building Improvements	754,304	3,385	-	-	(23,380)	734,309
Furniture and Equipment	125,597	13,259	-	-	(36,951)	101,905
Information and Communication Technology	43,160	34,733	-	-	(17,040)	60,853
Motor Vehicles	25,149	-	-	-	(11,012)	14,137
Leased Assets	37,668	7,193	-	-	(25,616)	19,245
Library Resources	24,993	6,876	(4,870)	-	(3,375)	23,624
Balance at 31 December 2020	1,010,871	65,446	(4,870)	-	(117,374)	954,073

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2020	\$	\$	\$
Building Improvements	1,170,956	(436,647)	734,309
Furniture and Equipment	794,116	(692,211)	101,905
Information and Communication Technology	323,329	(262,476)	60,853
Motor Vehicles	211,401	(197,264)	14,137
Leased Assets	75,111	(55,866)	19,245
Library Resources	86,167	(62,543)	23,624
Balance at 31 December 2020	2,661,080	(1,707,007)	954,073

The net carrying value of equipment held under a finance lease is \$19,245 (2019: \$37,668)

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2019	\$	\$	\$	\$	\$	\$
Building Improvements	777,655	-	-	-	(23,351)	754,304
Furniture and Equipment	150,169	11,878	-	-	(36,450)	125,597
Information and Communication Technology	17,130	36,980	-	-	(10,950)	43,160
Motor Vehicles	36,161	-	-	-	(11,012)	25,149
Leased Assets	55,199	12,220	-	-	(29,751)	37,668
Library Resources	28,129	6,791	(6,357)	-	(3,570)	24,993
Balance at 31 December 2019	1,064,443	67,869	(6,357)	-	(115,084)	1,010,871

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2019	\$	\$	\$
Building Improvements	1,167,572	(413,268)	754,304
Furniture and Equipment	780,857	(655,260)	125,597
Information and Communication Technology	288,595	(245,435)	43,160
Motor Vehicles	211,401	(186,252)	25,149
Leased Assets	79,581	(41,913)	37,668
Library Resources	98,480	(73,487)	24,993
Balance at 31 December 2019	2,626,486	(1,615,615)	1,010,871

14. Accounts Payable

	2020 Actual	2020 Budget (Unaudited)	2019 Actual
	\$	\$	\$
Operating creditors	24,754	16,497	16,497
Accruals	5,494	10,934	10,934
Banking staffing overuse	82,862	43,807	43,807
Employee Entitlements - salaries	294,911	257,998	257,998
Employee Entitlements - leave accrual	71,500	50,708	50,708
	479,521	379,944	379,944
Payables for Exchange Transactions	479,521	379,944	379,944
	479,521	379,944	379,944

The carrying value of payables approximates their fair value.

15. Revenue Received in Advance

	2020	2020 Budget	2019
	Actual	(Unaudited)	Actual
	\$	\$	\$
Grants in Advance - Ministry of Education	53,749	-	-
International Student Fees	219,801	355,571	355,571
Other	22,142	19,238	19,238
	<u>295,692</u>	<u>374,809</u>	<u>374,809</u>

16. Provision for Cyclical Maintenance

	2020	2020 Budget	2019
	Actual	(Unaudited)	Actual
	\$	\$	\$
Provision at the Start of the Year	369,587	369,587	305,805
Increase/ (decrease) to the Provision During the Year	8,966	-	75,621
Use of the Provision During the Year	(11,839)	-	(11,839)
Provision at the End of the Year	<u>366,714</u>	<u>369,587</u>	<u>369,587</u>
Cyclical Maintenance - Current	55,000	42,160	42,160
Cyclical Maintenance - Term	<u>311,714</u>	<u>327,427</u>	<u>327,427</u>
	<u>366,714</u>	<u>369,587</u>	<u>369,587</u>

17. Painting Contract Liability

	2020	2020 Budget	2019
	Actual	(Unaudited)	Actual
	\$	\$	\$
Current Liability	-	39,982	39,982
	<u>-</u>	<u>39,982</u>	<u>39,982</u>

In 2020, the Board signed an agreement with Programmed Maintenance Services (the Contractor) for an agreed programme of work covering a three year period. The programme provides for an annual visit to wash the paintwork and repaint any areas that require rectification. The agreement has an annual commitment of \$26,915. The liability is the best estimate of work performed by the contractor for which the contractor has not been paid at balance sheet date. The liability has not been adjusted for inflation and the effect of the time value of money.

18. 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	2020 Budget	2019
	Actual	(Unaudited)	Actual
	\$	\$	\$
No Later than One Year	14,016	30,803	30,803
Later than One Year and no Later than Five Years	5,586	13,164	13,164
	<u>19,602</u>	<u>43,967</u>	<u>43,967</u>

19. Funds Held in Trust

	2020	2020 Budget	2019
	Actual	(Unaudited)	Actual
	\$	\$	\$
Funds Held in Trust on Behalf of Third Parties - Current	199,081	310,310	310,310
	<u>199,081</u>	<u>310,310</u>	<u>310,310</u>

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.

20. Funds Held for Capital Works

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

	2020	Opening Balances	Receipts from MoE	Payments	BOT Contributions	Closing Balances
		\$	\$	\$	\$	\$
Music Block Rationalisation	Completed	30,459	-	-	(30,459)	-
Library and Toilet Refurbish	In Progress	614,061	-	(585,736)	32,686	61,011
Boiler System Refurbishment	Completed	2,550	-	-	(2,550)	-
Special Needs Refurbishment	Completed	1,537	19,562	(30,616)	9,517	-
Visual Impairment Improvements	In Progress	-	106,771	(16,664)	(9,474)	80,633
D Block Toilet Refurbishment	In Progress	-	53,800	(59,540)	-	(5,740)
SIP Career Office	Completed	-	9,483	(9,483)	-	-
SIP Site Asphaltting	In Progress	-	202,233	(70,196)	-	132,037
D Block Refurbish	In Progress	-	27,042	-	-	27,042
Science Lab Refurbishment	In Progress	-	36,640	-	-	36,640
Totals		648,607	455,531	(772,235)	(280)	331,623

Represented by:

Funds Held on Behalf of the Ministry of Education	337,363
Funds Due from the Ministry of Education	(5,740)
	331,623

	2019	Opening Balances	Receipts from MoE	Payments	BOT Contributions	Closing Balances
		\$	\$	\$	\$	\$
Music Block Rationalisation	In Progress	20,633	47,001	(23,947)	(13,228)	30,459
Library and Toilet Refurbish	In Progress	(2,345)	633,512	(27,473)	10,367	614,061
Boiler Emissions Rebuild	Completed	49,291	2,424	(51,715)	-	-
Boiler System Refurbishment	In Progress	17,082	8,996	(23,528)	-	2,550
D & F Block Refurbishment	Completed	15,810	315	(12,777)	(3,348)	-
Replace Underground Cabling	Completed	(14,862)	16,046	(4,045)	2,861	-
Special Needs Refurbishment	In Progress	-	324,219	(322,682)	-	1,537
Totals		85,609	1,032,513	(466,167)	(3,348)	648,607

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, and Deputy Principal.

	2020 Actual \$	2019 Actual \$
Board Members		
Remuneration	5,535	4,500
Full-time equivalent members	0.50	0.50
Leadership Team		
Remuneration	504,972	464,016
Full-time equivalent members	4.00	4.00
Total key management personnel remuneration	510,507	468,516
Total full-time equivalent personnel	4.50	4.50

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	160 - 170	160 - 170
Benefits and Other Emoluments	0 - 10	0 - 10
Termination Benefits	0 - 0	0 - 0

Other Employees

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

Remuneration \$000	2020 FTE Number	2019 FTE Number
100 -110	4.00	2.00
110 -120	3.00	-
	<u>7.00</u>	<u>2.00</u>

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 entered into the following contract agreements for capital works.

(a) \$703,902 project for Library relocation and demolition to be completed in 2021, which is fully funded by the Ministry of Education. \$633,512 has been received of which \$605,187 has been spent on the project to date; and

(b) The School Investment Programme continues with the Asphaltting contract totalling \$220,000. This project is fully funded by the Ministry and \$202,233 has been received of which \$70,196 has been spent on the project to balance date.

(c) \$106,771 Visual Impairment Project begun in 2020. The project is fully funded by the Ministry and \$106,771 has been received of which \$16,664 has been spent on the project to balance date; and

(d) \$207,423 D Block Refurbishment Project begun in 2020. the project is fully funded by the Ministry and \$27,042 has been received on the project to balance date; and

(e) \$366,409 Science Lab Refurbishment Project begun in 2020. The project is fully funded by the Ministry and \$36,640 has been received on the project to balance date.

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

(b) Operating Commitments

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

(Operating commitments at 31 December 2019: nil)

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	960,620	1,183,855	1,139,855
Receivables	296,878	333,894	333,894
Investments - Term Deposits	17,198	234,447	234,447
Total Financial assets measured at amortised cost	1,274,696	1,752,196	1,708,196

Financial liabilities measured at amortised cost

Payables	479,521	379,944	379,944
Finance Leases	18,194	40,631	40,631
Painting Contract Liability	-	39,982	39,982
Total Financial liabilities measured at amortised Cost	497,715	460,557	460,557

28. Events After Balance Date

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

