

# Fairfield 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	8,913,605	8,248,437	8,215,706
Locally Raised Funds	3	348,092	140,322	331,895
Interest income		2,489	7,483	13,879
International Students	4	-	30,000	-
		<u>9,264,186</u>	<u>8,426,242</u>	<u>8,561,480</u>
<b>Expenses</b>				
Locally Raised Funds	3	107,200	4,584	130,984
International Students	4	-	3,020	-
Learning Resources	5	5,576,905	5,253,148	5,226,926
Administration	6	498,614	531,569	522,669
Finance		8,024	1,922	4,613
Property	7	2,699,133	2,490,210	2,534,022
Depreciation	8	219,460	231,095	247,323
Loss on Disposal of Property, Plant and Equipment		-	-	1,582
		<u>9,109,336</u>	<u>8,515,548</u>	<u>8,668,119</u>
<b>Net Surplus / (Deficit) for the year</b>		154,850	(89,306)	(106,639)
Other Comprehensive Revenue and Expenses		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<u>154,850</u>	<u>(89,306)</u>	<u>(106,639)</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.

**Fairfield 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>		871,504	904,504	978,143
Total comprehensive revenue and expense for the year		154,850	(89,306)	(106,639)
Capital Contributions from the Ministry of Education Contribution - Furniture and Equipment Grant		33,617	-	-
<b>Equity at 31 December</b>	27	1,059,971	815,198	871,504
Retained Earnings		1,059,971	815,198	871,504
<b>Equity at 31 December</b>		1,059,971	815,198	871,504

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.

# Fairfield College

## Statement of Financial Position

As at 31 December 2020

		2020	2020	2019
	Notes	Actual	Budget (Unaudited)	Actual
		\$	\$	\$
<b>Current Assets</b>				
Cash and Cash Equivalents	9	995,779	524,470	191,346
Accounts Receivable	10	393,150	318,603	318,603
GST Receivable		38,481	36,208	36,208
Prepayments		5,425	34,017	34,017
Inventories	11	-	844	844
Investments	12	-	-	300,000
		<u>1,432,835</u>	<u>914,142</u>	<u>881,018</u>
<b>Current Liabilities</b>				
Accounts Payable	14	542,787	432,781	432,781
Borrowings - Due in one year	15	5,498	-	14,900
Revenue Received in Advance	16	50,784	71,917	71,917
Provision for Cyclical Maintenance	17	344,562	-	74,434
Painting Contract Liability - Current Portion	18	-	25,879	25,879
Finance Lease Liability - Current Portion	19	80,172	52,383	52,383
Funds held in Trust	20	50,756	69,120	58,558
Funds held for Capital Works Projects	21	259,411	-	77,947
		<u>1,333,970</u>	<u>652,080</u>	<u>808,799</u>
<b>Working Capital Surplus/(Deficit)</b>		98,865	262,062	72,219
<b>Non-current Assets</b>				
Property, Plant and Equipment	13	1,250,412	937,452	1,135,547
		<u>1,250,412</u>	<u>937,452</u>	<u>1,135,547</u>
<b>Non-current Liabilities</b>				
Borrowings - Due beyond one year	15	-	-	6,539
Provision for Cyclical Maintenance	17	138,080	367,898	305,058
Finance Lease Liability	19	144,226	9,418	17,665
Tennie Memorial		7,000	7,000	7,000
		<u>289,306</u>	<u>384,316</u>	<u>336,262</u>
<b>Net Assets</b>		<u>1,059,971</u>	<u>815,198</u>	<u>871,504</u>
<b>Equity</b>		<u>1,059,971</u>	<u>815,198</u>	<u>871,504</u>

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

**Fairfield 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		2,459,589	2,262,112	2,230,727
Locally Raised Funds		325,876	214,020	404,229
International Students		-	30,000	-
Goods and Services Tax (net)		(2,273)	-	(29,763)
Funds Administered on Behalf of Third Parties		(7,802)	10,562	-
Payments to Employees		(1,370,261)	(1,291,412)	(1,340,343)
Payments to Suppliers		(957,611)	(1,115,038)	(1,065,090)
Cyclical Maintenance Payments in the year		-	(74,434)	-
Interest Paid		(8,014)	(1,922)	(4,613)
Interest Received		3,747	7,483	12,621
Net cash from Operating Activities		<u>443,251</u>	<u>41,371</u>	<u>207,768</u>
<b>Cash flows from Investing Activities</b>				
Purchase of Property Plant & Equipment (and Intangibles)		(77,376)	(33,000)	(61,871)
Purchase of Investments		-	-	(300,000)
Proceeds from Sale of Investments		300,000	300,000	-
Net cash from Investing Activities		<u>222,624</u>	<u>267,000</u>	<u>(361,871)</u>
<b>Cash flows from Financing Activities</b>				
Furniture and Equipment Grant		33,617	33,000	-
Finance Lease Payments		(65,448)	(8,247)	(62,009)
Painting contract payments		(25,879)	-	(31,679)
Loans Received/ Repayment of Loans		(15,941)	-	(15,123)
Funds Held for Capital Works Projects		212,209	-	(40,935)
Net cash from Financing Activities		<u>138,558</u>	<u>24,753</u>	<u>(149,746)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<u><u>804,433</u></u>	<u><u>333,124</u></u>	<u><u>(303,849)</u></u>
Cash and cash equivalents at the beginning of the year	9	191,346	191,346	495,195
<b>Cash and cash equivalents at the end of the year</b>	9	<u><u>995,779</u></u>	<u><u>524,470</u></u>	<u><u>191,346</u></u>

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.

# Fairfield College

## Notes to the Financial Statements

### For the year ended 31 December 2020

#### 1. Statement of Accounting Policies

##### a) Reporting Entity

Fairfield 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 17.

#### *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 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.

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 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.

## 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	40 years
Furniture and Equipment	2-10 years
Information and Communication Technology	3-5 years
Motor Vehicles	5 years
Textbooks	4 years
Library Resources	12.5% DV
Leased assets held under a Finance Lease	Term of Lease



## **l) Intangible Assets**

### *Software costs*

Computer software acquired by the School are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Costs associated with subsequent maintenance or licensing of software are recognised as an expense in the Statement of Comprehensive Revenue and Expense when incurred.

Computer software licences with individual values under \$1,000 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense when incurred.

Computer software that the school receives from the Ministry of Education is normally acquired through a non-exchange transaction and is not of a material amount. It's fair value can be assessed at time of acquisition if no other methods lead to a fair value determination. Computer software purchased directly from suppliers at market rates are considered exchange transactions and the fair value is the amount paid for the software.

The carrying value of software is amortised on a straight line basis over its useful life. The useful life of software is estimated as three years. The amortisation charge for each period and any impairment loss is recorded in the Statement of Comprehensive Revenue and Expense.

## **m) 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.

## **n) 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.

## **o) 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.

## **p) 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.

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

## **q) 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.

## **r) 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 school 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.

## **s) 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).

## **t) Financial Instruments**

The School's financial assets comprise cash and cash equivalents, accounts receivable, and investments. All of these financial assets, 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.

**u) 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 not limited to bank overdrafts, operating leases, finance leases, painting contracts and term loans.

**v) 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.

**w) Budget Figures**

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

**x) Services received in-kind**

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

## 2. Government Grants

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operational Grants	2,067,521	1,922,945	1,876,748
Teachers' Salaries Grants	4,336,886	3,997,483	3,997,483
Use of Land and Buildings Grants	2,040,240	1,988,842	1,988,842
Resource Teachers Learning and Behaviour Grants	14,597	11,991	14,539
Other MoE Grants	319,666	197,666	208,615
Other Government Grants	134,695	129,510	129,479
	<u>8,913,605</u>	<u>8,248,437</u>	<u>8,215,706</u>

The school has opted in to the donations scheme for this year. Total amount received was \$91,650.

Other MOE Grants total includes additional COVID-19 funding totalling \$30,286 for the year ended 31 December 2020.

## 3. Locally Raised Funds

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

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
<b>Revenue</b>			
Donations	31,046	17,981	33,367
Bequests & Grants	77,000	-	-
Activities	39,560	33,760	57,013
Trading	21,157	4,718	28,707
Fundraising	83,482	32,746	77,657
Other Revenue	95,847	51,117	135,151
	<u>348,092</u>	<u>140,322</u>	<u>331,895</u>
<b>Expenses</b>			
Activities	47,147	-	132,006
Trading	3,460	4,584	6,299
Fundraising (Costs of Raising Funds)	56,593	-	37,919
	<u>107,200</u>	<u>4,584</u>	<u>176,224</u>
<i>Surplus for the year Locally raised funds</i>	<u>240,892</u>	<u>135,738</u>	<u>155,671</u>

## 4. International Student Revenue and Expenses

	2020	2020	2019
	Actual	Budget	Actual
	Number	(Unaudited)	Number
International Student Roll	0	3	0
	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
<b>Revenue</b>			
International Student Fees	-	30,000	-
<b>Expenses</b>			
Advertising	-	3,020	-
	<u>-</u>	<u>3,020</u>	<u>-</u>
<i>Surplus for the year International Students'</i>	<u>-</u>	<u>26,980</u>	<u>-</u>

## 5. Learning Resources

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Curricular	286,783	344,372	275,010
Library Resources	-	-	2,890
Employee Benefits - Salaries	5,261,171	4,866,711	4,921,150
Staff Development	13,218	22,833	15,735
Information & Communication Technology	14,348	16,501	10,265
Extra Curricular Activities	1,385	2,731	1,876
	<u>5,576,905</u>	<u>5,253,148</u>	<u>5,226,926</u>

## 6. Administration

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Audit Fee	9,543	9,797	9,865
Board of Trustees Fees	5,480	4,480	4,030
Board of Trustees Expenses	1,276	564	2,599
Communication	15,626	14,472	15,148
Consumables	55,130	63,978	76,294
Other	54,580	91,337	74,518
Employee Benefits - Salaries	338,370	327,468	325,585
Insurance	15,734	17,043	11,730
Service Providers, Contractors and Consultancy	2,875	2,430	2,900
	<u>498,614</u>	<u>531,569</u>	<u>522,669</u>

## 7. Property

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Caretaking and Cleaning Consumables	9,981	13,313	13,826
Cyclical Maintenance Expense	103,150	62,840	62,740
Grounds	48,693	50,908	55,509
Heat, Light and Water	90,070	91,792	96,325
Rates	16,244	15,338	15,339
Repairs and Maintenance	135,547	62,983	99,649
Use of Land and Buildings	2,040,240	1,988,842	1,988,842
Security	11,499	13,531	16,202
Employee Benefits - Salaries	114,246	94,716	90,565
Consultancy & Contract Services	129,463	95,947	95,025
	<u>2,699,133</u>	<u>2,490,210</u>	<u>2,534,022</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 nationwide revaluation exercise that is conducted every 30 June for the Ministry of Education's year-end reporting purposes.

## 8. Depreciation

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Building Improvements	42,249	39,175	41,926
Furniture and Equipment	34,602	33,082	35,405
Information and Communication Technology	79,197	131,319	140,540
Motor Vehicles	450	420	450
Textbooks	2,971	4,785	5,121
Leased Assets	57,539	19,695	21,078
Library Resources	2,452	2,619	2,803
	<u>219,460</u>	<u>231,095</u>	<u>247,323</u>

## 9. Cash and Cash Equivalents

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Cash on Hand	50	-	175
Bank Current Account	760	165,823	32,399
Bank Call Account	994,969	358,647	158,772
Cash equivalents for Cash Flow Statement	<u>995,779</u>	<u>524,470</u>	<u>191,346</u>

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

Of the \$995,779 Cash and Cash Equivalents \$265,729 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	32,252	17,436	17,436
Receivables from the Ministry of Education	6,049	-	-
Interest Receivable	-	1,258	1,258
Teacher Salaries Grant Receivable	354,849	299,909	299,909
	<u>393,150</u>	<u>318,603</u>	<u>318,603</u>
Receivables from Exchange Transactions	38,301	18,694	18,694
Receivables from Non-Exchange Transactions	354,849	299,909	299,909
	<u>393,150</u>	<u>318,603</u>	<u>318,603</u>

## 11. Inventories

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Stationery	-	844	844
	<u>-</u>	<u>844</u>	<u>844</u>

## 12. Investments

The School's investment activities are classified as follows:

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Current Asset			
Short-term Bank Deposits	-	-	300,000
<b>Total Investments</b>	<u>-</u>	<u>-</u>	<u>300,000</u>

## 13. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
<b>2020</b>						
Building Improvements	835,135	31,471	-	-	(42,249)	<b>824,357</b>
Furniture and Equipment	119,617	28,970	-	-	(34,602)	<b>113,985</b>
Information and Communication Technology	117,399	43,314	-	-	(79,197)	<b>81,516</b>
Motor Vehicles	1,930	-	-	-	(450)	<b>1,480</b>
Textbooks	5,984	3,685	-	-	(2,971)	<b>6,698</b>
Leased Assets	35,861	224,276	-	-	(57,539)	<b>202,598</b>
Library Resources	19,622	2,608	-	-	(2,452)	<b>19,778</b>
<b>Balance at 31 December 2020</b>	<u>1,135,548</u>	<u>334,324</u>	<u>-</u>	<u>-</u>	<u>(219,460)</u>	<u><b>1,250,412</b></u>

The net carrying value of equipment held under a finance lease is \$202,598 (2019: \$35,861)

	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
<b>2020</b>			
Building Improvements	1,708,502	(884,145)	<b>824,357</b>
Furniture and Equipment	334,763	(220,778)	<b>113,985</b>
Information and Communication Technology	376,722	(295,206)	<b>81,516</b>
Motor Vehicles	4,500	(3,020)	<b>1,480</b>
Textbooks	13,756	(7,058)	<b>6,698</b>
Leased Assets	284,629	(82,031)	<b>202,598</b>
Library Resources	114,993	(95,215)	<b>19,778</b>
<b>Balance at 31 December 2020</b>	<u>2,837,865</u>	<u>(1,587,453)</u>	<u><b>1,250,412</b></u>

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
<b>2019</b>						
Building Improvements	877,061	-	-	-	(41,926)	<b>835,135</b>
Furniture and Equipment	119,949	35,073	-	-	(35,405)	<b>119,617</b>
Information and Communication Technology	209,448	48,490	-	-	(140,540)	<b>117,398</b>
Motor Vehicles	2,380	-	-	-	(450)	<b>1,930</b>
Textbooks	6,709	4,396	-	-	(5,121)	<b>5,984</b>
Leased Assets	37,574	19,365	-	-	(21,078)	<b>35,861</b>
Library Resources	20,970	3,037	(1,582)	-	(2,803)	<b>19,622</b>
<b>Balance at 31 December 2019</b>	<u>1,274,091</u>	<u>110,361</u>	<u>(1,582)</u>	<u>-</u>	<u>(247,323)</u>	<u><b>1,135,547</b></u>

The net carrying value of equipment held under a finance lease is \$35,861 (2018: \$37,574)

	<b>Cost or Valuation</b>	<b>Accumulated Depreciation</b>	<b>Net Book Value</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>2019</b>			
Building Improvements	1,677,031	(841,896)	<b>835,135</b>
Furniture and Equipment	305,793	(186,176)	<b>119,617</b>
Information and Communication Technology	333,408	(216,010)	<b>117,398</b>
Motor Vehicles	4,500	(2,570)	<b>1,930</b>
Textbooks	10,071	(4,087)	<b>5,984</b>
Leased Assets	60,352	(24,491)	<b>35,861</b>
Library Resources	112,385	(92,763)	<b>19,622</b>
<b>Balance at 31 December 2019</b>	<b>2,503,540</b>	<b>(1,367,993)</b>	<b>1,135,547</b>

#### 14. Accounts Payable

	<b>2020</b>	<b>2020</b>	<b>2019</b>
	<b>Actual</b>	<b>Budget (Unaudited)</b>	<b>Actual</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Operating Creditors	147,545	108,498	98,418
Accruals	9,237	-	10,080
Capital Accruals for PPE items	4,644	-	-
Employee Entitlements - Salaries	354,849	299,909	299,909
Employee Entitlements - Leave Accrual	26,512	24,374	24,374
	<b>542,787</b>	<b>432,781</b>	<b>432,781</b>
Payables for Exchange Transactions	542,787	432,781	432,781
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	<b>542,787</b>	<b>432,781</b>	<b>432,781</b>

The carrying value of payables approximates their fair value.

#### 15. Borrowings

	<b>2020</b>	<b>2020</b>	<b>2019</b>
	<b>Actual</b>	<b>Budget (Unaudited)</b>	<b>Actual</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Due in One Year	5,498	-	14,900
Due Beyond One Year	-	-	6,539
	<b>5,498</b>	<b>-</b>	<b>21,439</b>

The school has borrowings at 31 December 2020 of \$5,498 (31 December 2019:1084:1084\$21,439). This loan is from the ASB Bank for the purpose of purchasing a server. The loan is unsecured, interest is 5.29% per annum and the loan is payable with interest in equal instalments of \$1,391.

#### 16. Revenue Received in Advance

	<b>2020</b>	<b>2020</b>	<b>2019</b>
	<b>Actual</b>	<b>Budget (Unaudited)</b>	<b>Actual</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
F Hausman	865	865	865
Student Automatic Payments	27,811	26,978	26,978
Trust Waikato	5,000	5,000	5,000
Grassroots Trust	4,095	9,545	9,545
WEL Energy Trust	-	12,000	12,000
Jubilee Fund	9,170	9,170	9,170
Landscaping Fund	3,843	3,843	3,843
Other	-	4,516	4,516
	<b>50,784</b>	<b>71,917</b>	<b>71,917</b>



## 17. Provision for Cyclical Maintenance

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Provision at the Start of the Year	379,492	305,058	324,401
Increase to the Provision During the Year	87,567	62,840	55,091
Adjustment to the Provision	15,583	-	-
Provision at the End of the Year	<u>482,642</u>	<u>367,898</u>	<u>379,492</u>
Cyclical Maintenance - Current	344,562	-	74,434
Cyclical Maintenance - Term	138,080	367,898	305,058
	<u>482,642</u>	<u>367,898</u>	<u>379,492</u>

## 18. Painting Contract Liability

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Current Liability	-	25,879	25,879
Non Current Liability	-	-	-
	<u>-</u>	<u>25,879</u>	<u>25,879</u>

In 2007 the Board signed an agreement with Programmed Maintenance Services Ltd (the contractor) for an agreed programme of work covering a 14 year period. The programme provides for two exterior repaints of the Ministry owned buildings in 2007 and 2014, with regular maintenance in subsequent years. The agreement has an annual commitment of \$39,900. The liability is the best estimate of the actual amount 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.

## 19. 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	86,462	52,383	52,383
Later than One Year and no Later than Five Years	158,939	9,418	17,665
	<u>245,401</u>	<u>61,801</u>	<u>70,048</u>

## 20. Funds held in Trust

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Funds Held in Trust on Behalf of Third Parties - Current	50,756	69,120	58,558
Funds Held in Trust on Behalf of Third Parties - Non-current	-	-	-
	<u>50,756</u>	<u>69,120</u>	<u>58,558</u>

These funds are held where the school is agent for representative amounts and therefore these are not included in the Statement of Comprehensive Revenue and Expense.

## 21. Funds Held (Owed) for Capital Works Projects

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

		Opening Balances	Receipts from MoE	Payments	BOT Contribution/ (Write-off to R&M)	Closing Balances
	2020	\$	\$	\$		\$
5YA: 2017 Rationalisation Project	<i>in progress</i>	490	-	-	-	490
5YA: 2017 C Block Refurbishment	<i>in progress</i>	2,320	-	-	-	2,320
5YA: D Block Refurbishment	<i>in progress</i>	70,847	-	-	-	70,847
5YA: Music M Block Update	<i>completed</i>	(1,043)	-	1,043	-	-
5YA: D Block Lighting Upgrade	<i>completed</i>	2,014	3,915	(5,929)	-	-
5YA: Y Block Boiler	<i>completed</i>	3,319	-	(3,319)	-	-
5YA: Low Level Roof Admin	<i>in progress</i>	-	34,550	-	-	34,550
5YA: Hall Re-Roofing	<i>in progress</i>	-	37,283	-	-	37,283
SIP: Astroturf	<i>in progress</i>	-	189,600	(175,278)	-	14,322
5YA: Toilets Refurbishing	<i>in progress</i>	-	-	(5,141)	-	(5,141)
5YA: E Block Partial ReRoof	<i>in progress</i>	-	80,291	(14,358)	-	65,933
5YA: Y Block West Asphalt	<i>in progress</i>	-	65,000	(25,016)	-	39,984
5YA: Tennis Courts Fencing	<i>in progress</i>	-	14,500	(15,677)	-	(1,177)
Sewerage & Stormwater Pipe	<i>completed</i>	-	29,150	(29,150)	-	-
<b>Totals</b>		<b>77,947</b>	<b>454,289</b>	<b>(272,825)</b>	<b>-</b>	<b>259,411</b>

### Represented by:

Funds Held on Behalf of the Ministry of Education  
Funds Due from the Ministry of Education

265,729  
(6,318)

259,411

		Opening Balances	Receipts from MoE	Payments	BOT Contribution/ (Write-off to R&M)	Closing Balances
	2019	\$	\$	\$		\$
5YA: 2017 Rationalisation Project	<i>in progress</i>	(27,870)	60,074	(31,714)	-	490
5YA: 2017 C Block Refurbishment	<i>in progress</i>	2,320	-	-	-	2,320
5YA: D Block Refurbishment	<i>in progress</i>	70,847	-	-	-	70,847
5YA: Music M Block Update	<i>in progress</i>	42,097	4,677	(47,817)	-	(1,043)
5YA: LSC Cladding & Roof Repair	<i>completed</i>	33,604	235	(33,839)	-	-
5YA: D Block Lighting Upgrade	<i>in progress</i>	-	42,826	(40,812)	-	2,014
5YA: School Heat Pumps	<i>completed</i>	-	28,446	(28,446)	-	-
5YA: Y Block Boiler	<i>in progress</i>	(900)	31,274	(27,055)	-	3,319
5YA: Key Replacement	<i>completed</i>	(1,216)	1,216	-	-	-
<b>Totals</b>		<b>118,882</b>	<b>168,748</b>	<b>(209,683)</b>	<b>-</b>	<b>77,947</b>

## 22. 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.

Colin Leeming is a trustee of the Board and also owns Matrix Electrical. During the year the School contracted Matrix Electrical to carry out work. The total value of all transactions for the year was \$68,818 (2019: \$118,486) and \$2,721 was outstanding at balance date. (Prior period: \$45,556). Because the amount is more than \$25,000 for the year the contract requires Ministry approval under section 103 of the Education and Training Act 2020.

### 23. Remuneration

#### Key management personnel compensation

Key management personnel of the School include all trustees of the Board, Principal, Deputy Principals and Heads of Departments.

	<b>2020 Actual \$</b>	<b>2019 Actual \$</b>
<i>Board Members</i>		
Remuneration	5,480	4,030
Full-time equivalent members	0.10	0.12
<i>Leadership Team</i>		
Remuneration	555,230	522,842
Full-time equivalent members	4.00	4.00
Total key management personnel remuneration	560,710	526,872
Total full-time equivalent personnel	4.10	4.12

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:

	<b>2020 Actual \$000</b>	<b>2019 Actual \$000</b>
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	190 - 200	180 - 190
Benefits and Other Emoluments	5 - 10	5 - 10
Termination Benefits	-	-

#### Other Employees

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

<b>Remuneration \$000</b>	<b>2020 FTE Number</b>	<b>2019 FTE Number</b>
100 - 110	9.00	3.00
110 - 120	3.00	-
	12.00	3.00

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

### 24. 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:

	<b>2020 Actual</b>	<b>2019 Actual</b>
Total	\$3,730	-
Number of People	1	-

## 25. 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.

## 26. Commitments

### (a) Capital Commitments

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

- a) contract for the 5YA: D Block Refurbishment as agent for the Ministry of Education. This project is fully funded by the Ministry and \$89,967 has been received of which \$19,120 has been spent on the project to balance date. This project has been approved by the Ministry; and
- b) contract for the 5YA: Low Level Roof Admin as agent for the Ministry of Education. This project is fully funded by the Ministry and \$34,550 has been received of which \$0 has been spent on the project to balance date. This project has been approved by the Ministry; and
- c) contract for the 5YA: Hall Re-Roofing as agent for the Ministry of Education. This project is fully funded by the Ministry and \$37,283 has been received of which \$0 has been spent on the project to balance date. This project has been approved by the Ministry; and
- d) contract for the SIP: Astroturf as agent for the Ministry of Education. This project is fully funded by the Ministry and \$189,600 has been received of which \$175,278 has been spent on the project to balance date. This project has been approved by the Ministry; and
- e) contract for the 5YA: E Block Partial ReRoof as agent for the Ministry of Education. This project is fully funded by the Ministry and \$80,291 has been received of which \$14,358 has been spent on the project to balance date. This project has been approved by the Ministry; and
- f) contract for the 5YA: Y Block West Asphalt as agent for the Ministry of Education. This project is fully funded by the Ministry and \$65,000 has been received of which \$25,016 has been spent on the project to balance date. This project has been approved by the Ministry; and
- g) contract for the 5YA: Tennis Courts Fencing as agent for the Ministry of Education. This project is fully funded by the Ministry and \$14,500 has been received of which \$15,677 has been spent on the project to balance date. This project has been approved by the Ministry.

(Capital commitments as at 31 December 2019: \$49,041).

## (b) Operating Commitments

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

(a) operating lease a vehicle;

	<b>2020 Actual \$</b>	<b>2019 Actual \$</b>
No later than One Year	6,742	-
Later than One Year and No Later than Five Years	9,551	-
Later than Five Years	-	-
	<u>16,293</u>	<u>-</u>

## 27. 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.

## 28. 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

	<b>2020 Actual \$</b>	<b>2020 Budget (Unaudited) \$</b>	<b>2019 Actual \$</b>
Cash and Cash Equivalents	995,779	524,470	191,346
Receivables	393,150	318,603	318,603
Investments - Term Deposits	-	-	300,000
Total Financial assets measured at amortised cost	<u>1,388,929</u>	<u>843,073</u>	<u>809,949</u>

### Financial liabilities measured at amortised cost

Payables	542,787	432,781	432,781
Borrowings - Loans	5,498	-	21,439
Finance Leases	224,398	61,801	70,048
Painting Contract Liability	-	25,879	25,879
Total Financial Liabilities Measured at Amortised Cost	<u>772,683</u>	<u>520,461</u>	<u>550,147</u>

## 29. Events After Balance Date

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

## 30. Comparatives

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