

WHANGAREI BOYS' HIGH SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019



WHANGAREI BOYS' HIGH SCHOOL

Annual Report - For the year ended 31 December 2019

School Directory

Ministry Number: 15

Principal: K Gilbert-Smith

School Address: Kent Road, Regent, Whangarei

School Postal Address: P O Box 5034, Whangarei

School Phone: (09) 430-4170

School Email: y.nees@wbhs.school.nz (Business & Finance Manager)

Members of the Board of Trustees

Name	Position	How Position Gained	Occupation	Term Expired/ Expires
Don Robertson	Chair Person	Elected	Operations Manager, DHB	Jun-22
Karen Gilbert-Smith	Principal ex Officio	ex Officio	Principal	Jun-22
Greg Atkins	Parent Rep	Elected	Director - Accountant	Jun-22
Andrew Carvell	Parent Rep	Elected	Engineer	Jun-22
Andre Hemara	Parent Rep	Elected	WDC Maori Engagement Officer	Jun-22
Derek Slatter	Parent Rep	Elected	Director	Jun-22
Richard Harrison	Co-Opted	Co-Opted	Lawyer	Jun-22
Stevie Huurnink	Staff Rep	Elected	Teacher	Jun-22
Ben Woodgates	Student Rep	Elected	Student	Oct-20

Auditor: UHY Haines Norton (Auckland) Ltd

WHANGAREI BOYS' HIGH SCHOOL

Annual Report - For the year ended 31 December 2019

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Whangarei Boys' High School

Statement of Responsibility

For the year ended 31 December 2019

The Board of Trustees accepts responsibility for the preparation of the annual financial statements and the judgements used in these financial statements.

The management (including the principal and others as directed by the Board) accepts responsibility for establishing and maintaining a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of the school's financial reporting.

It is the opinion of the Board and management that the annual financial statements for the financial year ended 31 December 2019 fairly reflects the financial position and operations of the school.

The School's 2019 financial statements are authorised for issue by the Board.

Donald Victor Robertson

Full Name of Board Chairperson



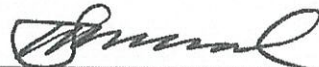
Signature of Board Chairperson

05/11/2020

Date:

Karen Gilbert-Smith

Full Name of Principal



Signature of Principal

05/11/2020

Date:

Whangarei Boys' High School
Statement of Comprehensive Revenue and Expense
For the year ended 31 December 2019

	Notes	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Revenue				
Government Grants	2	10,826,058	10,159,744	9,904,322
Locally Raised Funds	3	895,896	774,000	742,314
Interest income		22,923	24,000	38,181
Hostel	4	524,186	615,730	667,552
International Students	5	123,472	133,892	161,421
		<u>12,392,535</u>	<u>11,707,366</u>	<u>11,513,790</u>
Expenses				
Locally Raised Funds	3	495,102	420,900	486,187
Hostel	4	520,135	536,732	535,143
International Students	5	139,128	143,650	148,239
Learning Resources	6	8,205,761	7,477,000	7,338,274
Administration	7	831,988	782,295	831,171
Finance		13,159	50,000	49,401
Property	8	1,961,297	1,925,438	1,971,396
Depreciation	9	368,422	371,202	396,419
		<u>12,534,992</u>	<u>11,707,217</u>	<u>11,756,230</u>
Net Surplus / (Deficit) for the year		(142,457)	149	(242,440)
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>(142,457)</u>	<u>149</u>	<u>(242,440)</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.

Whangarei Boys' High School

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2019

	Notes	Actual 2019 \$	Budget (Unaudited) 2019 \$	Actual 2018 \$
Balance at 1 January		<u>2,615,676</u>	<u>2,615,676</u>	<u>2,858,116</u>
Total comprehensive revenue and expense for the year		(142,457)	149	(242,440)
Capital Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		25,602	-	-
Equity at 31 December	26	<u>2,498,821</u>	<u>2,615,825</u>	<u>2,615,676</u>
Retained Earnings		2,440,469	2,615,825	2,557,324
Reserves		58,352	-	58,352
Equity at 31 December		<u>2,498,821</u>	<u>2,615,825</u>	<u>2,615,676</u>

The above Statement of Changes in Net Assets/Equity should be read in conjunction with the accompanying notes which form part of these financial statements.

Reserved Equity

The Reserved Equity relates to funds received by the school from bequests. These funds are not required to be repaid. In accordance with the terms in the bequests the funds are to be held in term deposits with the interest being used for specific purposes relating directly to the students of WBHS and to assist families of students in the boarding hostel who are undergoing financial hardship.

	Balance 31/12/18	Receipts	Payments	Balance 31/12/19
Reserves				
McLaughlin Scholarship	41,185	-	-	41,185
Kerr Scholarchip	3,313	-	-	3,313
Prizegiving Trusts	13,854	-	-	13,854
	<u>58,352</u>	<u>-</u>	<u>-</u>	<u>58,352</u>

Whangarei Boys' High School

Statement of Financial Position

As at 31 December 2019

	Notes	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Current Assets				
Cash and Cash Equivalents	10	1,025,752	1,159,987	809,763
Accounts Receivable	11	490,080	395,104	395,104
GST Receivable		7,887	-	-
Prepayments		42,172	33,689	33,689
Investments	12	-	500,000	500,000
		<u>1,565,891</u>	<u>2,088,780</u>	<u>1,738,556</u>
Current Liabilities				
GST Payable		-	14,216	14,216
Accounts Payable	14	607,411	518,672	518,672
Revenue Received in Advance	15	101,003	103,608	103,608
Provision for Cyclical Maintenance	16	11,353	51,788	51,788
Painting Contract Liability - Current Portion	17	11,591	11,591	11,591
Finance Lease Liability - Current Portion	18	105,828	76,027	131,154
Funds held in Trust	19	319,114	191,490	191,490
Funds held for Capital Works Projects	20	63,136	(39,826)	190,761
		<u>1,219,436</u>	<u>927,566</u>	<u>1,213,280</u>
Working Capital Surplus/(Deficit)		<u>346,455</u>	<u>1,161,214</u>	<u>525,276</u>
Non-current Assets				
Property, Plant and Equipment	13	<u>2,582,293</u>	<u>1,871,904</u>	<u>2,243,106</u>
		<u>2,582,293</u>	<u>1,871,904</u>	<u>2,243,106</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	16	119,900	100,717	100,717
Painting Contract Liability	17	-	6,547	6,547
Finance Lease Liability	18	310,027	310,029	45,442
		<u>429,927</u>	<u>417,293</u>	<u>152,706</u>
Net Assets		<u><u>2,498,821</u></u>	<u><u>2,615,825</u></u>	<u><u>2,615,676</u></u>
Equity	26	<u><u>2,498,821</u></u>	<u><u>2,615,825</u></u>	<u><u>2,615,676</u></u>

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

Whangarei Boys' High School

Statement of Cash Flows

For the year ended 31 December 2019

		2019	2019	2018
	Note	Actual	Budget (Unaudited)	Actual
		\$	\$	\$
Cash flows from Operating Activities				
Government Grants		3,081,890	3,105,807	2,919,318
Locally Raised Funds		877,716	944,321	935,902
Hostel		528,018	602,402	654,224
International Students		138,129	60,588	88,117
Goods and Services Tax (net)		(22,103)	76,098	76,098
Payments to Employees		(2,326,984)	(2,399,692)	(2,441,353)
Payments to Suppliers		(2,158,258)	(2,137,937)	(2,037,872)
Cyclical Maintenance Payments in the year		37,113	(46,423)	(51,788)
Interest Paid		(13,159)	(50,000)	(49,401)
Interest Received		22,923	24,000	38,181
Net cash from Operating Activities		165,285	179,164	131,426
Cash flows from Investing Activities				
Proceeds from Sale of PPE (and Intangibles)		-	24,198	
Purchase of PPE (and Intangibles)		(303,252)	221,627	(149,225)
Purchase of Investments		500,000	58,352	58,352
Net cash from Investing Activities		196,748	304,177	(90,873)
Cash flows from Financing Activities				
Furniture and Equipment Grant		25,602	-	
Finance Lease Payments		(165,098)	109,233	(101,596)
Painting contract payments		(6,547)	(9,088)	(9,088)
Funds Administered on Behalf of Third Parties		127,624	(47,331)	(47,331)
Funds Held for Capital Works Projects		(127,625)	(39,826)	261,118
Net cash from Financing Activities		(146,044)	12,988	103,103
Net increase/(decrease) in cash and cash equivalents		215,989	496,329	143,656
Cash and cash equivalents at the beginning of the year	10	809,763	663,658	666,107
Cash and cash equivalents at the end of the year	10	1,025,752	1,159,987	809,763

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..

Whangarei Boys' High School

Notes to the Financial Statements

For the year ended 31 December 2019

1. Statement of Accounting Policies

a) Reporting Entity

Whangarei Boys' High School (the School) is a Crown entity as specified in the Crown Entities Act 2004 and a school as described in the Education Act 1989. The Board of Trustees (the Board) is of the view that the School is a public benefit entity for financial reporting purposes.

b) Basis of Preparation

Reporting Period

The financial reports have been prepared for the period 1 January 2019 to 31 December 2019 and in accordance with the requirements of the Public Finance Act 1989.

Basis of Preparation

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

Financial Reporting Standards Applied

The Education Act 1989 requires the School, as a Crown entity, to prepare financial statements in accordance with generally accepted accounting practice. The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand, applying 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".

Standard early adopted

In line with the Financial Statements of the Government, the School has elected to early adopt PBE IFRS 9 Financial Instruments. PBE IFRS 9 replaces PBE IPSAS 29 Financial Instruments: Recognition and Measurement. Information about the adoption of PBE IFRS 9 is provided in Note 30.

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.

Critical Judgements in applying accounting policies

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

Classification of leases

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

Recognition of grants

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

c) Revenue Recognition

Government Grants

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

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

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

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

Other Grants

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

Donations, Gifts and Bequests

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

Interest Revenue

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

d) Use of Buildings Expense

The buildings from which the School operates is owned by the Crown and managed by the Ministry of Education on behalf of the Crown. The land is owned by the school Board of Trustees. The School's use of the 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 buildings as used for rating purposes. This is a non-cash expense that is offset by a non-cash grant from the Ministry.

e) Operating Lease Payments

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

f) Finance Lease Payments

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

g) Cash and Cash Equivalents

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

h) Accounts Receivable

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

Prior Year Policy

Accounts Receivable represents items that the School has issued invoices for or accrued for, but has not received payment for at year end. Receivables are initially recorded at fair value and subsequently recorded at the amount the School realistically expects to receive. A receivable is considered uncollectable where there is objective evidence the School will not be able to collect all amounts due. The amount that is uncollectable (the provision for collectability) is the difference between the amount due and the present value of the amounts expected to be collected.

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.

Prior Year Policy

Bank term deposits for periods exceeding 90 days are classified as investments and are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance. After initial recognition bank term deposits are measured at amortised cost using the effective interest method less impairment.

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

After initial recognition any investments categorised as available for sale are measured at their fair value without any deduction for transaction costs the School may incur on sale or other disposal.

k) Property, Plant and Equipment

Buildings owned by the Crown are excluded from these financial statements. The Board's use of the buildings as 'occupant' is based on a property occupancy document. The land is owned by the school Board of Trustees and is recorded as a nil value as it is gifted land.

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

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

Property, plant and equipment acquired with individual values under \$500 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense.

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

Finance Leases

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

Depreciation

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

The estimated useful lives of the assets are:

Building improvements to Crown Owned Assets	10–75 years
Furniture and equipment	4-20 years
Information and communication technology	3 years
Motor vehicles	5 years
Textbooks	4 years
Leased assets held under a Finance Lease	3 years
Library resources	10 years

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, annual leave earned 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 international students, hostel 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.

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 buildings from which the School operates is owned by the Crown, and is vested in the Ministry. The land is owned by the school Board of Trustees. 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 Assets and Liabilities

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

Investments that are shares are categorised as "available for sale" for accounting purposes in accordance with financial reporting standards.

The School's financial liabilities comprise accounts payable, 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 at the start of the year.

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

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Operational Grants	2,592,878	2,722,566	2,507,883
Teachers' Salaries Grants	6,384,805	5,800,000	5,644,770
Use of Buildings Grants	1,329,931	1,254,000	1,317,030
Other MoE Grants	161,263	99,000	88,425
Other Government Grants	357,181	284,178	346,214
	<u>10,826,058</u>	<u>10,159,744</u>	<u>9,904,322</u>

3. Locally Raised Funds

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

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Revenue			
Donations	330,419	165,000	155,280
Activities	252,907	250,000	281,319
Trading	176,929	169,000	173,809
Other Revenue	135,641	190,000	131,906
	<u>895,896</u>	<u>774,000</u>	<u>742,314</u>
Expenses			
Activities	323,719	257,000	320,670
Trading	171,383	163,900	165,517
	<u>495,102</u>	<u>420,900</u>	<u>486,187</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>400,794</u>	<u>353,100</u>	<u>256,127</u>

4. Hostel Revenue and Expenses

	2019 Actual Number	2019 Budget (Unaudited) Number	2018 Actual Number
Hostel Financial Performance			
Hostel Full Boarders	53	60	46
	<u>2019 Actual \$</u>	<u>2019 Budget (Unaudited) \$</u>	<u>2018 Actual \$</u>
Revenue			
Hostel Fees	478,865	544,865	618,448
Other Revenue	45,321	70,865	49,104
	<u>524,186</u>	<u>615,730</u>	<u>667,552</u>
Expenses			
Kitchen	106,884	110,000	99,701
Administration	44,363	30,187	40,664
Property	66,626	73,700	64,527
Employee Benefit - Salaries	302,262	322,845	330,251
	<u>520,135</u>	<u>536,732</u>	<u>535,143</u>
<i>Surplus/ (Deficit) for the year Hostel</i>	<u>4,051</u>	<u>78,998</u>	<u>132,409</u>

5. International Student Revenue and Expenses

	2019 Actual Number 7	2019 Budget (Unaudited) Number 8	2018 Actual Number 8
International Student Roll			
Revenue	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
International Student Fees	123,472	133,892	161,421
Expenses			
Advertising	-	-	-
Commissions	10,871	5,500	10,668
Recruitment	17,935	26,000	11,533
International Student Levy	(124)	2,500	1,530
Employee Benefit - Salaries	89,345	83,500	85,396
Other Expenses	21,101	26,150	39,112
	139,128	143,650	148,239
<i>Surplus/ (Deficit) for the year International Students'</i>	<i>(15,656)</i>	<i>(9,758)</i>	<i>13,182</i>

6. Learning Resources

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Curricular	467,242	548,781	386,773
Equipment Repairs	542	-	1,119
Information and Communication Technology	29,814	32,850	30,426
Extra-Curricular Activities	26,239	24,000	27,094
Library Resources	5,149	5,000	4,249
Employee Benefits - Salaries	7,614,147	6,811,019	6,833,629
Staff Development	62,628	55,350	54,984
	8,205,761	7,477,000	7,338,274

Overseas Travel Expenditure:

1. International Marketing Trip to Thailand & Europe - Total Expenses of \$9,846 were paid fully by the school and charged to the International Student Marketing Account.

2. Professional Development: The Deputy Principal attended the Future Schools Expo in Melbourne. The total expenses of \$1,452 were fully paid by the school and charged to the Senior Leadership Team Professional Development account.

7. Administration

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Audit Fee	9,900	10,450	11,234
Board of Trustees Fees	3,370	5,150	2,850
Board of Trustees Expenses	16,657	25,027	12,563
Communication	24,223	23,000	23,732
Consumables	25,667	18,000	15,387
Legal Fees	-	-	1,252
Other	66,824	66,618	91,832
Employee Benefits - Salaries	660,389	609,050	635,523
Insurance	17,215	17,000	17,408
Service Providers, Contractors and Consultancy	7,743	8,000	19,390
	<u>831,988</u>	<u>782,295</u>	<u>831,171</u>

8. Property

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Caretaking and Cleaning Consumables	9,014	11,000	10,449
Consultancy and Contract Services	172,155	160,000	166,206
Cyclical Maintenance Provision	(58,365)	40,000	45,365
Grounds	54,195	31,200	30,500
Heat, Light and Water	177,765	125,000	127,932
Rates	16,050	16,000	16,193
Repairs and Maintenance	86,420	130,226	98,403
Use of Buildings	1,329,931	1,254,000	1,317,030
Security	42,557	31,700	35,326
Employee Benefits - Salaries	131,575	126,312	123,992
	<u>1,961,297</u>	<u>1,925,438</u>	<u>1,971,396</u>

The use of 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.

9. Depreciation

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Buildings - School	72,729	74,629	74,629
Building Improvements - Crown	5,547	5,547	5,547
Furniture and Equipment	125,404	90,305	117,693
Information and Communication Technology	42,691	64,517	61,966
Motor Vehicles	8,066	24,198	24,198
Textbooks	15,923	22,238	22,238
Leased Assets	94,765	86,122	86,502
Library Resources	3,297	3,646	3,646
	<u>368,422</u>	<u>371,202</u>	<u>396,419</u>

10. Cash and Cash Equivalents

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Bank Current Account	925,488	1,083,093	732,869
Bank Current Account	100,264	76,894	76,894
Cash and cash equivalents for Cash Flow Statement	<u>1,025,752</u>	<u>1,159,987</u>	<u>809,763</u>

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

The following notes should be used where applicable:

Of the \$1,025,752 Cash and Cash Equivalents, \$63,135 is held by the School on behalf of the Ministry of Education. These funds are required to be spent in 2020 on Crown owned school buildings under the School's Five Year Property Plan and the school rebuild project.

Of the \$1,025,752 Cash and Cash Equivalents, \$319,114 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.

11. Accounts Receivable

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Receivables	38,283	11,765	11,765
Teacher Salaries Grant Receivable	451,797	383,339	383,339
	<u>490,080</u>	<u>395,104</u>	<u>395,104</u>
Receivables from Exchange Transactions	38,283	11,765	11,765
Receivables from Non-Exchange Transactions	451,797	383,339	383,339
	<u>490,080</u>	<u>395,104</u>	<u>395,104</u>

12. Investments

The School's investment activities are classified as follows:

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Current Asset			
Short-term Bank Deposits	-	500,000	500,000
Total Investments	<u>-</u>	<u>500,000</u>	<u>500,000</u>

13. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2019	\$	\$	\$	\$	\$	\$
Land	-	-	-	-	-	-
Buildings - School	1,562,183	-	-	-	(72,729)	1,489,455
Building Improvements - Crown	147,485	-	-	-	(5,547)	141,938
Furniture and Equipment	368,394	215,577	-	-	(125,404)	458,567
Information and Communication Technology	59,364	83,898	-	-	(42,691)	100,571
Motor Vehicles	8,066	-	-	-	(8,066)	-
Textbooks	25,790	319	-	-	(15,923)	10,186
Leased Assets	55,156	404,357	-	-	(94,765)	364,748
Library Resources	16,668	3,457	-	-	(3,297)	16,828
Capital Work in Progress - Turf Project	-	95,000	-	-	-	95,000
Balance at 31 December 2019	2,243,106	802,608	-	-	(368,422)	2,677,293

The net carrying value of equipment held under a finance lease is \$280,335 (2018: \$55,156)

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2019	\$	\$	\$
Land	-	-	-
Buildings - School	2,378,026	(888,571)	1,489,455
Building Improvements - Crown	242,018	(100,080)	141,938
Furniture and Equipment	1,227,444	(863,877)	363,567
Information and Communication Technology	472,052	(371,481)	100,571
Motor Vehicles	120,990	(120,990)	-
Textbooks	152,635	(142,449)	10,186
Leased Assets	664,092	(299,344)	364,748
Library Resources	70,604	(53,776)	16,828
Capital Work in Progress - Turf Project	95,000	-	95,000
Balance at 31 December 2019	5,422,861	(2,840,568)	2,582,293

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2018	\$	\$	\$	\$	\$	\$
Land	-	-	-	-	-	-
Buildings - School	1,636,812	-	-	-	(74,629)	1,562,183
Building Improvements - Crown	153,032	-	-	-	(5,547)	147,485
Furniture and Equipment	415,363	70,724	-	-	(117,693)	368,394
Information and Communication Technology	50,884	70,446	-	-	(61,966)	59,364
Motor Vehicles	32,264	-	-	-	(24,198)	8,066
Textbooks	44,156	3,872	-	-	(22,238)	25,790
Leased Assets	140,289	1,369	-	-	(86,502)	55,156
Library Resources	16,131	4,183	-	-	(3,646)	16,668
Balance at 31 December 2018	2,488,931	150,594	-	-	(396,419)	2,243,106

The net carrying value of equipment held under a finance lease is \$55,156 (2017: \$140,289)

2018	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
Land	-	-	-
Buildings - School	2,378,026	(815,843)	1,562,183
Building Improvements - Crown	242,018	(94,533)	147,485
Furniture and Equipment	1,070,229	(701,835)	368,394
Information and Communication Technology	388,154	(328,790)	59,364
Motor Vehicles	120,990	(112,924)	8,066
Textbooks	152,316	(126,526)	25,790
Leased Assets	259,735	(204,579)	55,156
Library Resources	67,147	(50,479)	16,668
Balance at 31 December 2018	4,678,615	(2,435,509)	2,243,106

14. Accounts Payable

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Operating Creditors	43,518	70,032	70,032
Accruals	12,654	51,788	51,788
Banking Staffing Overuse	21,220	-	-
Employee Entitlements - Salaries	457,749	329,502	329,502
Employee Entitlements - Leave Accrual	72,270	67,350	67,350
	607,411	518,672	518,672
Payables for Exchange Transactions	599,459	518,672	510,067
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	7,352	-	8,135
Payables for Non-exchange Transactions - Other	600	-	470
	607,411	518,672	518,672

The carrying value of payables approximates their fair value.

15. Revenue Received in Advance

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Grants in Advance - Ministry of Education	-	29,432	29,432
International Student Fees	71,483	56,826	56,826
Hostel Fees	13,398	9,566	9,566
Other	16,122	7,784	7,784
	101,003	103,608	103,608

16. Provision for Cyclical Maintenance

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Provision at the Start of the Year	152,505	152,505	158,928
Increase/ (decrease) to the Provision During the Year	(7,187)	40,000	38,942
Use of the Provision During the Year	(14,065)	(40,000)	(45,365)
Provision at the End of the Year	131,253	152,505	152,505
Cyclical Maintenance - Current	11,353	51,788	51,788
Cyclical Maintenance - Term	119,900	100,717	100,717
	131,253	152,505	152,505

17. Painting Contract Liability

	2019 Actual \$	2019 Budget \$	2018 Actual \$
Current Liability	11,591	11,591	11,591
Non Current Liability	-	6,547	6,547
	11,591	18,138	18,138

In 2008 the Board signed an agreement with Programmed Maintenance Services Ltd (the contractor) for an agreed programme of work covering a fourteen year period. The programme provided for an interior and exterior repaint of Caruth in 2008 and 2015, with regular maintenance in subsequent years. The agreement has an annual commitment of \$8,819. 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.

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:

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
No Later than One Year	105,828	76,027	131,154
No Later than One Year - Interest	30,990	52,000	2,749
Later than One Year and no Later than Five Years	310,027	310,029	45,442
Later than One Year and no Later than Five Years - Interest	39,840	40,000	4,616
	486,685	478,056	183,961

19. Funds held in Trust

	2019 Actual \$	2019 Budget \$	2018 Actual \$
Funds Held in Trust on Behalf of Third Parties - Current	319,114	191,490	191,490
Funds Held in Trust on Behalf of Third Parties - Non-current	-	-	-
	319,114	191,490	191,490

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 Projects

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

	2019	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions	Closing Balances \$
Roof Replacement	<i>completed</i>	780	-	-	-	780
Electrical Upgrade	<i>completed</i>	2,959	-	-	-	2,959
Heat & Ventilation	<i>in progress</i>	(699)	-	-	-	(699)
Special Needs Modifications	<i>in progress</i>	36,461	-	(43,950)	-	(7,489)
Laboratory Renovations	<i>in progress</i>	2,816	-	-	-	2,816
Tech Block Stairwell	<i>in progress</i>	(2,877)	2,877	-	-	-
Science Block Roof	<i>in progress</i>	(521)	-	-	-	(521)
School Rebuild	<i>in progress</i>	65,931	52,749	(26,135)	-	92,545
Flood Repairs	<i>in progress</i>	(1,441)	-	-	-	(1,441)
Technology Outdoor Workshop	<i>in progress</i>	5,551	-	(5,551)	10,026	(10,026)
Weathertightness	<i>in progress</i>	(8,655)	8,655	-	9,953	(9,953)
Plasma Cutter	<i>in progress</i>	(5,361)	-	-	-	(5,361)
5YA Projects	<i>in progress</i>	(9,722)	-	-	-	(9,722)
K Block Roof Repairs	<i>in progress</i>	89,894	-	(80,646)	-	9,248
Internal Refurbishment	<i>in progress</i>	18,086	11,690	(28,165)	-	1,611
Science Block Lighting & Power	<i>in progress</i>	(2,441)	2,441	(1,611)	-	(1,611)
Caretaker House Heating	<i>in progress</i>	-	9,255	(9,255)	-	-
Totals		190,761	87,667	(195,313)	19,979	63,136

Represented by:

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

109,959
(46,823)

63,136

	2018	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions	Closing Balances \$
Roof Replacement	<i>completed</i>	780	-	-	-	780
Electrical Upgrade	<i>completed</i>	2,959	-	-	-	2,959
Heat & Ventilation	<i>completed</i>	(699)	-	-	-	(699)
Special Needs Modifications	<i>completed</i>	(157,268)	1,169,623	(975,894)	-	36,461
Laboratory Renovations	<i>completed</i>	2,816	-	-	-	2,816
Tech Block Stairwell	<i>completed</i>	(855)	-	(2,022)	-	(2,877)
Science Block Roof	<i>completed</i>	27,700	37,760	(65,981)	-	(521)
School Rebuild	<i>in progress</i>	52,765	24,348	(11,182)	-	65,931
Flood Repairs	<i>completed</i>	1,445	-	(2,886)	-	(1,441)
Technology Outdoor Workshop	<i>completed</i>	-	81,154	(75,603)	-	5,551
Weathertightness	<i>completed</i>	-	82,730	(91,385)	-	(8,655)
Plasma Cutter	<i>completed</i>	-	-	(5,361)	-	(5,361)
5YA Projects	<i>completed</i>	-	-	(9,722)	-	(9,722)
K Block Roof Repairs	<i>completed</i>	-	135,000	(45,106)	-	89,894
Internal Refurbishment	<i>completed</i>	-	44,550	(26,464)	-	18,086
Science Block Lighting & Power	<i>completed</i>	-	9,624	(12,065)	-	(2,441)
Totals		(70,357)	1,584,789	(1,323,671)	-	190,761

21. Related Party Transactions

The School is a controlled entity of the Crown, and the Crown provides the major source of revenue to the school. The school enters into transactions with other entities also controlled by the Crown, such as government departments, state-owned enterprises and other Crown entities. Transactions with these entities are not disclosed as they occur on terms and conditions no more or less favourable than those that it is reasonable to expect the school would have adopted if dealing with that entity at arm's length.

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and condition no more or less favourable than those that it is reasonable to expect the school would have adopted in dealing with the party at arm's length in the same circumstances. Further, transactions with other government agencies (for example, Government departments and Crown entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.

22. Remuneration

Key management personnel compensation

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

	2019 Actual \$	2018 Actual \$
<i>Board Members</i>		
Remuneration	3,370	2,850
Full-time equivalent members	0.30	0.45
<i>Leadership Team</i>		
Remuneration	1,490,951	1,515,354
Full-time equivalent members	6.90	16.00
Total key management personnel remuneration	1,494,321	1,518,204
Total full-time equivalent personnel	7.20	16.45

The full time equivalent for Board members has been determined based on attendance at Board meetings, Committee meetings and for other obligations of the Board, such as stand downs and suspensions, plus the estimated time for Board members to prepare for meetings.

Principal

The total value of remuneration paid or payable to the Principal was in the following bands:

	2019 Actual \$000	2018 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	165-170	160 - 165
Benefits and Other Emoluments	15-20	15 - 20
Termination Benefits	-	-

Other Employees

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

Remuneration \$000	2019 FTE Number	2018 FTE Number
100-110	5.00	4.00
	5.00	4.00

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

23. Compensation and Other Benefits Upon Leaving

The total value of compensation or other benefits paid or payable to persons who ceased to be trustees, committee member, or employees during the financial year in relation to that cessation and number of persons to whom all or part of that total was payable was as follows:

	2019 Actual	2018 Actual
Total	\$0	\$0
Number of People	nil	nil

24. Contingencies

There are no contingent liabilities and no contingent assets as at 31 December 2019 (Contingent liabilities and assets at 31 December 2018: nil).

Holidays Act Compliance – schools payroll

The Ministry of Education performs payroll processing and payments on behalf of school boards of trustees, through payroll service provider Education Payroll Limited.

The Ministry has commenced a review of the schools sector payroll to ensure compliance with the Holidays Act 2003. The initial phase of this review has identified areas of non-compliance. The Ministry has recognised an estimated provision based on the analysis of sample data, which may not be wholly representative of the total dataset for Teacher and Support Staff Entitlements. A more accurate estimate will be possible after further analysis of non-compliance has been completed, and this work is ongoing. Final calculations and potential impact on any specific individual will not be known until further detailed analysis has been completed

To the extent that any obligation cannot reasonably be quantified at 31 December 2019, a contingent liability for the school may exist.

25. Commitments

(a) Capital Commitments

As at 31 December 2019 the Board has entered into contract agreements for capital works as follows:

The school has 13 Capital Works projects entered into but not completed by the end of the 2019 school year. The majority of these projects are to be completed by early 2020. The following are the most substantial projects.

(a) 3 of these projects are due to watertightness - roof repairs, leaky building etc. And have been ongoing for more than one year. These projects will not be closed until, in extreme weather conditions, the building are deemed fit for purpose.

(b) The school will be undergoing a rebuild / refurbishment. Prior to commencement of the physical rebuild the MOE has provided funds for ongoing release of the Principal and other related costs that are outside of our 5YA. This funding will be ongoing and retained from year to year until the completion of the rebuild

(c) There are still 9 5YA projects that are in the final stages of closure and sign off. We await the final 10% funding from the MOE on some of these projects

(d) In November 2019, the school has entered into a contract with Tiger Turf Limited. \$95,000 was paid during the year 2019. The project was ongoing as of 31 December 2019.

(b) Operating Commitments

There are no operating lease commitments as at 31 December 2019 (2018: 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 (2018: Loans and receivables)

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Cash and Cash Equivalents	1,025,752	1,159,987	809,763
Receivables	490,080	395,104	395,104
Investments - Term Deposits	-	500,000	500,000
Total Financial assets measured at amortised cost	<u>1,515,832</u>	<u>2,055,091</u>	<u>1,704,867</u>

Financial liabilities measured at amortised cost

Payables	600,059	518,672	510,537
Finance Leases	415,855	386,056	176,596
Painting Contract Liability	11,591	18,138	18,138
Total Financial Liabilities Measured at Amortised Cost	<u>1,027,505</u>	<u>922,866</u>	<u>705,271</u>

28. Events After Balance Date

On March 11, 2020, the World Health Organisation declared the outbreak of COVID-19 (a novel Coronavirus) a pandemic. Two weeks later, on 26 March, New Zealand increased its' COVID-19 alert level to level 4 and a nationwide lockdown commenced. As part of this lockdown all schools were closed. Subsequently all schools and kura reopened on the 18th of May 2020.

At the date of issuing the financial statements, the school has been able to absorb the majority of the impact from the nationwide lockdown as it was decided to start the annual Easter School holidays early. In the periods the school is open for tuition, the school has switched to alternative methods of delivering the curriculum, so students can learn remotely.

At this time the full financial impact of the COVID-19 pandemic is not able to be determined. The school will continue to receive funding from the Ministry of Education, even while closed. However, economic uncertainties have arisen which are likely to negatively affect the operations and services of the school. We describe below the possible effects on the school that we have identified, resulting from the COVID-19 pandemic:

- A reduction in locally raised funds revenue because the schools ability to undertake fund raising events in the community and/ or collect donations or other contributions from parents, may be compromised. Costs already incurred arranging future events may not be recoverable.
- A reduction in revenue from student fees & charges from International students, including the potential loss of current and prospective students due to the disruption and/or pressures created by Covid-19

29. Comparatives

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

30. Adoption of PBE IFRS 9 Financial Instruments

In accordance with the transitional provisions of PBE IFRS 9, the school has elected not to restate the information for previous years to comply with PBE IFRS 9. Adjustments arising from the adoption of PBE IFRS 9 are recognised in opening equity at 1 January 2019. Accounting policies have been updated to comply with PBE IFRS 9. The main updates are:

- Note 1 (j) Receivables: This policy has been updated to reflect that the impairment of short-term receivables is now determined by applying an expected credit loss model.

- Note 1 (h) Investments:

Term deposits: This policy has been updated to explain that a loss allowance for expected credit losses is recognised only if the estimated loss allowance is not trivial.

31. Breach of Law - Statutory Reporting

The Board of Trustees did not comply with section 87C(1) of the Education Act 1989, which require the Board to provide its audited financial statements to the Ministry of Education by 31 May 2020. The Board of Trustees was unable to meet its statutory deadline because of delays caused by the school being in lockdown as a result of the COVID-19 pandemic.

Whangarei Boys' High School
Kiwisport Statement
As at 31 December 2019

The 2019 Kiwisport Funding of \$24,210 (2018: \$25,790) excluding GST, has been utilised by providing part of the salary of a Sports Coordinator. The primary objective of the Sports Coordinator is to enhance the profile of sports and physical recreation within the school, to facilitate the running of non curricular sports programmes and to increase student participation and parent involvement.