

WHANGAREI BOYS' HIGH SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020



WHANGAREI BOYS' HIGH SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

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	Term Expired/ Expires
Don Robertson	Chair Person	Elected	Jun-22
Karen Gilbert-Smith	Principal	ex Officio	Jun-22
Greg Atkins	Parent Rep	Elected	Jun-22
Andrew Carvell	Parent Rep	Elected	Jun-22
Andre Hemara	Parent Rep	Elected	Jun-22
Derek Slatter	Parent Rep	Elected	Jun-22
Richard Harrison	Parent Rep	Co-Opted	Jun-22
Stevie Huurnink	Staff Rep	Elected	Jun-22
Sonny Sun	Parent Rep	Co-Opted	Jun-22
Ben Woodgates	Student Rep	Re-Elected	Oct-21

Accountant / Service Provider:



Auditor:

UHY Haines Norton (Auckland) Ltd

WHANGAREI BOYS' HIGH SCHOOL

Annual Report - For the year ended 31 December 2020

Index

Page	Statement
	Financial Statements
1	Statement of Responsibility
2	Statement of Comprehensive Revenue and Expense
3	Statement of Changes in Net Assets/Equity
4	Statement of Financial Position
5	Statement of Cash Flows
6 - 21	Notes to the Financial Statements
	Other Information
22	Kiwisport
23	Independent Auditor's Report
Appendix	Analysis of Variance

Whangarei Boys' High School

Statement of Responsibility

For the year ended 31 December 2020

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

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

It is the opinion of the Board and management that the annual financial statements for the financial year ended 31 December 2020 fairly reflects the financial position and operations of the school.

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

Donald Victor Robertson

Full Name of Board Chairperson

Karen Gilbert Smith

Full Name of Principal

[Signature]

Signature of Board Chairperson

[Signature]

Signature of Principal

25/5/21

Date:

25/5/2021

Date:

Whangarei Boys' High School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2020

		2020	2020 Budget (Unaudited)	2019
	Notes	Actual \$	\$	Actual \$
Revenue				
Government Grants	2	11,975,505	10,771,165	10,826,058
Locally Raised Funds	3	727,044	660,800	895,896
Interest income		5,229	24,000	22,923
Hostel	4	480,828	524,150	524,186
International Students	5	75,462	168,520	123,472
		<u>13,264,068</u>	<u>12,148,635</u>	<u>12,392,535</u>
Expenses				
Locally Raised Funds	3	275,917	407,261	521,341
Hostel	4	525,932	453,380	520,135
International Students	5	97,178	168,948	139,128
Learning Resources	6	8,917,919	7,884,082	8,179,522
Administration	7	928,880	916,751	831,988
Finance		49,224	52,000	13,159
Property	8	2,219,972	2,037,083	1,961,297
Depreciation	9	439,781	214,152	368,422
		<u>13,454,803</u>	<u>12,133,657</u>	<u>12,534,992</u>
Net Surplus / (Deficit) for the year		(190,735)	14,978	(142,457)
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>(190,735)</u>	<u>14,978</u>	<u>(142,457)</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 2020

	Notes	Actual 2020 \$	Budget (Unaudited) 2020 \$	Actual 2019 \$
Balance at 1 January		2,498,821	2,498,821	2,615,676
Total comprehensive revenue and expense for the year		(190,735)	14,978	(142,457)
Capital Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		592,230	-	25,602
Equity at 31 December	26	2,900,316	2,513,799	2,498,821
Retained Earnings		2,841,964	2,513,799	2,440,469
Reserves		58,352	-	58,352
Equity at 31 December		2,900,316	2,513,799	2,498,821

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 31/12/19	Receipts	Payments	Balance 31/12/20
Reserves				
McLaughlin Scholarship	41,185	-	-	41,185
Kerr Scholarchip	3,313	-	-	3,313
Prizegiving Trusts	13,854	-	-	13,854
	58,352	-	-	58,352

Whangarei Boys' High School

Statement of Financial Position

As at 31 December 2020

		2020	2020	2019
	Notes	Actual \$	Budget (Unaudited) \$	Actual \$
Current Assets				
Cash and Cash Equivalents	10	661,650	1,769,444	1,025,752
Accounts Receivable	11	806,076	490,080	490,080
GST Receivable		6,862	7,887	7,887
Prepayments		54,630	42,172	42,172
Investments	12	594,164	-	-
		<u>2,123,382</u>	<u>2,309,583</u>	<u>1,565,891</u>
Current Liabilities				
Accounts Payable	14	805,234	607,411	607,411
Revenue Received in Advance	15	202,590	101,003	101,003
Provision for Cyclical Maintenance	16	62,086	11,353	11,353
Painting Contract Liability - Current Portion	17	-	-	11,591
Finance Lease Liability - Current Portion	18	131,656	105,828	105,828
Funds held in Trust	19	239,495	319,114	319,114
Funds held for Capital Works Projects	20	87,706	-	63,136
		<u>1,528,767</u>	<u>1,144,709</u>	<u>1,219,436</u>
Working Capital Surplus/(Deficit)		594,615	1,164,874	346,455
Non-current Assets				
Property, Plant and Equipment	13	2,587,819	1,767,499	2,582,293
		<u>2,587,819</u>	<u>1,767,499</u>	<u>2,582,293</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	16	96,058	108,547	119,900
Finance Lease Liability	18	186,060	310,027	310,027
		<u>282,118</u>	<u>418,574</u>	<u>429,927</u>
Net Assets		<u>2,900,316</u>	<u>2,513,799</u>	<u>2,498,821</u>
Equity	26	<u>2,900,316</u>	<u>2,513,799</u>	<u>2,498,821</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 2020

		2020	2020	2019
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
Cash flows from Operating Activities				
Government Grants		3,835,552	3,379,699	3,081,890
Locally Raised Funds		581,299	642,620	877,716
Hostel		576,778	527,982	528,018
International Students		17,936	183,177	138,129
Goods and Services Tax (net)		1,025	(22,103)	(22,103)
Funds Administered on Behalf of Third Parties		(79,619)	127,624	127,624
Payments to Employees		(2,895,875)	(2,366,093)	(2,326,984)
Payments to Suppliers		(1,799,946)	(2,204,584)	(2,158,258)
Cyclical Maintenance Payments in the year		(24,000)	(72,605)	37,113
Interest Paid		(49,224)	(52,000)	(13,159)
Interest Received		4,373	24,000	22,923
Net cash from/(to) Operating Activities		168,299	167,717	292,909
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(423,593)	(109,747)	(303,252)
Purchase of Investments		(594,164)	500,000	500,000
Net cash from/(to) Investing Activities		(1,017,757)	390,253	196,748
Cash flows from Financing Activities				
Furniture and Equipment Grant		592,230	-	25,602
Finance Lease Payments		(119,853)	29,799	(165,098)
Painting contract payments		(11,591)	(18,138)	(6,547)
Funds Held for Capital Works Projects		24,570	39,826	(127,625)
Net cash from/(to) Financing Activities		485,356	51,487	(273,668)
Net increase/(decrease) in cash and cash equivalents		(364,102)	609,457	215,989
Cash and cash equivalents at the beginning of the year	10	1,025,752	1,159,987	809,763
Cash and cash equivalents at the end of the year	10	661,650	1,769,444	1,025,752

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

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

Whangarei Boys' High School

Notes to the Financial Statements

For the year ended 31 December 2020

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 and Training Act 2020. The Board of Trustees (the Board) is of the view that the School is a public benefit entity for financial reporting purposes.

b) Basis of Preparation

Reporting Period

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

Basis of Preparation

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

Financial Reporting Standards Applied

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

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

Cyclical maintenance

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

Useful lives of property, plant and equipment

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

Critical Judgements in applying accounting policies

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

Classification of leases

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

Recognition of grants

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

c) Revenue Recognition

Government Grants

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

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

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

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

Other Grants

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

Donations, Gifts and Bequests

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

Interest Revenue

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

d) Use of 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 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 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) 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.

f) 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.

g) 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.

h) 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.

i) 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.

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	Term of Lease
Library resources	10 years

j) 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.

k) Accounts Payable

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

l) Employee Entitlements

Short-term employee entitlements

Employee benefits that are due to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay. 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.

m) Revenue Received in Advance

Revenue received in advance relates to fees received from international, 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.

n) 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.

o) 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).

p) Financial Instruments

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

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

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

q) Goods and Services Tax (GST)

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

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.

r) Budget Figures

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

s) Services received in-kind

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

2. Government Grants

	2020	2020 Budget	2019
	Actual	(Unaudited)	Actual
	\$	\$	\$
Operational Grants	3,161,706	3,040,951	2,592,878
Teachers' Salaries Grants	6,690,123	5,928,000	6,384,805
Use of Buildings Grant	1,433,737	1,317,030	1,329,931
Other MoE Grants	335,195	151,921	161,263
Other Government Grants	354,744	333,263	357,181
	<u>11,975,505</u>	<u>10,771,165</u>	<u>10,826,058</u>

The school has opted in to the donations scheme for this year. Total amount received was \$172,200.

Other MOE Grants total includes additional COVID-19 funding totalling \$38,781 for the year ended 31 December 2020.

3. Locally Raised Funds

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

	2020	2020 Budget	2019
	Actual	(Unaudited)	Actual
	\$	\$	\$
Revenue			
Donations	384,423	150,000	330,419
Activities	157,255	220,000	252,907
Trading	110,648	169,000	176,929
Other Revenue	74,718	121,800	135,641
	<u>727,044</u>	<u>660,800</u>	<u>895,896</u>
Expenses			
Activities	175,594	240,000	349,958
Trading	100,323	167,261	171,383
	<u>275,917</u>	<u>407,261</u>	<u>521,341</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>451,127</u>	<u>253,539</u>	<u>374,555</u>

4. Hostel Revenue and Expenses

Hostel Financial Performance

Hostel Full Boarders

Revenue

Hostel Fees

Other Revenue

Expenses

Kitchen

Administration

Property

Employee Benefit - Salaries

Surplus/ (Deficit) for the year Hostel

2020 Actual Number	2020 Budget (Unaudited) Number	2019 Actual Number
48	50	53
2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
394,412	453,350	478,865
86,416	70,800	45,321
480,828	524,150	524,186
81,630	100,000	106,884
25,236	29,987	44,363
111,228	70,700	66,626
307,838	252,693	302,262
525,932	453,380	520,135
(45,104)	70,770	4,051

5. International Student Revenue and Expenses

International Student Roll

Revenue

International Student Fees

Expenses

Commissions

Recruitment

International Student Levy

Employee Benefit - Salaries

Other Expenses

Surplus/ (Deficit) for the year International Students

2020 Actual Number	2020 Budget (Unaudited) Number	2019 Actual Number
5	10	7
2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
75,462	168,520	123,472
8,575	12,174	10,871
8,662	20,000	17,935
2,516	1,790	(124)
70,804	99,704	89,345
6,621	35,280	21,101
97,178	168,948	139,128
(21,716)	(428)	(15,656)

6. Learning Resources

	2020	2020 Budget	2019
	Actual	(Unaudited)	Actual
	\$	\$	\$
Curricular	497,369	617,952	467,242
Equipment Repairs	649	3,100	542
Information and Communication Technology	20,335	29,200	29,814
Library Resources	3,736	5,000	5,149
Employee Benefits - Salaries	8,365,948	7,172,830	7,614,147
Staff Development	29,882	56,000	62,628
	<u>8,917,919</u>	<u>7,884,082</u>	<u>8,179,522</u>

7. Administration

	2020	2020 Budget	2019
	Actual	(Unaudited)	Actual
	\$	\$	\$
Audit Fee	10,450	9,900	9,900
Board of Trustees Fees	8,625	9,000	3,370
Board of Trustees Expenses	1,450	6,000	16,657
Communication	26,123	23,000	24,223
Consumables	17,273	14,132	25,667
Other	60,298	101,756	66,824
Employee Benefits - Salaries	781,257	727,963	660,389
Insurance	17,304	17,000	17,215
Service Providers, Contractors and Consultancy	6,100	8,000	7,743
	<u>928,880</u>	<u>916,751</u>	<u>831,988</u>

8. Property

	2020	2020 Budget	2019
	Actual	(Unaudited)	Actual
	\$	\$	\$
Caretaking and Cleaning Consumables	12,493	11,000	9,014
Consultancy and Contract Services	222,188	165,000	172,155
Cyclical Maintenance Provision	50,891	40,000	(58,365)
Grounds	48,317	35,100	54,195
Heat, Light and Water	158,823	156,000	177,765
Rates	28,080	16,000	16,050
Repairs and Maintenance	81,164	134,121	86,420
Use of Buildings	1,433,737	1,317,030	1,329,931
Security	25,597	36,000	42,557
Employee Benefits - Salaries	158,682	126,832	131,575
	<u>2,219,972</u>	<u>2,037,083</u>	<u>1,961,297</u>

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

9. Depreciation

	2020	2020 Budget (Unaudited)	2019
	Actual		Actual
	\$	\$	\$
Buildings - School	51,837	50,000	72,729
Building Improvements - Crown	5,547	5,000	5,547
Furniture and Equipment	148,017	53,000	125,404
Information and Communication Technology	87,014	20,000	42,691
Motor Vehicles	-	5,000	8,066
Textbooks	7,453	10,000	15,923
Leased Assets	136,882	70,000	94,765
Library Resources	3,031	1,152	3,297
	<u>439,781</u>	<u>214,152</u>	<u>368,422</u>

10. Cash and Cash Equivalents

	2020	2020 Budget (Unaudited)	2019
	Actual		Actual
	\$	\$	\$
Cash on Hand	150	-	-
Bank Current Account	561,119	1,669,180	925,488
Bank Current Account	100,381	100,264	100,264
Cash and cash equivalents for Statement of Cash Flows	<u>661,650</u>	<u>1,769,444</u>	<u>1,025,752</u>

Of the \$661,550 Cash and Cash Equivalents, \$91,374 is held by the School on behalf of the Ministry of Education. These funds are required to be spent in 2021 on Crown owned school buildings under the School's Five Year Property Plan.

Of the \$661,550 Cash and Cash Equivalents, \$63,000 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

	2020	2020 Budget (Unaudited)	2019
	Actual		Actual
	\$	\$	\$
Receivables	184,191	38,283	38,283
Receivables from the Ministry of Education	57,873	-	-
Interest Receivable	856	-	-
Teacher Salaries Grant Receivable	563,156	451,797	451,797
	<u>806,076</u>	<u>490,080</u>	<u>490,080</u>
Receivables from Exchange Transactions	185,047	38,283	38,283
Receivables from Non-Exchange Transactions	621,029	451,797	451,797
	<u>806,076</u>	<u>490,080</u>	<u>490,080</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	594,164	-	-
Total Investments	594,164	-	-

13. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2020						
Buildings - School	1,489,455	-	-	-	(51,837)	1,437,618
Building Improvements - Crown	141,938	-	-	-	(5,547)	136,391
Furniture and Equipment	363,567	267,610	-	95,000	(148,017)	578,160
Information and Communication Technology	100,571	148,286	-	-	(87,014)	161,843
Textbooks	10,186	1,838	-	-	(7,453)	4,571
Leased Assets	364,748	21,714	-	-	(136,882)	249,580
Library Resources	16,828	5,859	-	-	(3,031)	19,656
Capital Work in Progress - Turf Pr	95,000	-	-	(95,000)	-	-
Balance at 31 December 2020	2,582,293	445,307	-	-	(439,781)	2,587,819

The net carrying value of equipment held under a finance lease is \$249,580 (2019: \$364,748)

	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
2020			
Buildings - School	2,378,026	(940,408)	1,437,618
Building Improvements - Crown	242,018	(105,627)	136,391
Furniture and Equipment	1,590,105	(1,011,945)	578,160
Information and Communication Technology	620,338	(458,495)	161,843
Motor Vehicles	120,990	(120,990)	-
Textbooks	119,464	(114,893)	4,571
Leased Assets	427,441	(177,861)	249,580
Library Resources	37,767	(18,111)	19,656
Balance at 31 December 2020	5,536,149	(2,948,330)	2,587,819

2019	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
Buildings - School	1,562,184	-	-	-	(72,729)	1,489,455
Building Improvements - Crown	147,485	-	-	-	(5,547)	141,938
Furniture and Equipment	368,394	120,577	-	-	(125,404)	363,567
Information and Communication T	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 Pr	-	95,000	-	-	-	95,000
Balance at 31 December 2019	2,243,107	707,608	-	-	(368,422)	2,582,293

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

The net carrying value of equipment held under a finance lease is \$364,748 (2018: \$55,156)

2019	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
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

14. Accounts Payable

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Operating Creditors	54,875	43,518	43,518
Accruals	10,450	12,654	12,654
Banking Staffing Overuse	-	21,220	21,220
Employee Entitlements - Salaries	620,903	457,749	457,749
Employee Entitlements - Leave Accrual	119,006	72,270	72,270
	805,234	607,411	607,411
Payables for Exchange Transactions	805,234	607,411	599,459
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)			7,352
Payables for Non-exchange Transactions - Other			600
	805,234	607,411	607,411

The carrying value of payables approximates their fair value.

15. Revenue Received in Advance

	2020	2020	2019
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Grants in Advance - Ministry of Education	63,000	-	-
International Student Fees	13,957	71,483	71,483
Hostel Fees	109,348	13,398	13,398
Other	16,285	16,122	16,122
	<u>202,590</u>	<u>101,003</u>	<u>101,003</u>

16. Provision for Cyclical Maintenance

	2020	2020	2019
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Provision at the Start of the Year	131,253	131,253	152,505
Increase/ (decrease) to the Provision During the Year	26,891	(11,353)	(7,187)
Use of the Provision During the Year	-	-	(14,065)
Provision at the End of the Year	<u>158,144</u>	<u>119,900</u>	<u>131,253</u>
Cyclical Maintenance - Current	62,086	11,353	11,353
Cyclical Maintenance - Term	96,058	108,547	119,900
	<u>158,144</u>	<u>119,900</u>	<u>131,253</u>

17. Painting Contract Liability

	2020	2020	2019
	Actual	Budget	Actual
	\$	\$	\$
Current Liability	-	-	11,591
	<u>-</u>	<u>-</u>	<u>11,591</u>

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 contract has finished.

18. Finance Lease Liability

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

	2020	2020	2019
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
No Later than One Year	131,656	105,828	105,828
No Later than One Year - Interest	31,873	-	30,990
Later than One Year and no Later than Five Years	186,060	310,027	310,027
Later than One Year and no Later than Five Years - Interest	16,613	-	39,840
	<u>366,202</u>	<u>415,855</u>	<u>486,685</u>

19. Funds held in Trust

	2020 Actual \$	2020 Budget \$	2019 Actual \$
Funds Held in Trust on Behalf of Third Parties - Current	239,495	319,114	319,114
	<u>239,495</u>	<u>319,114</u>	<u>319,114</u>

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

20. Funds Held for Capital Works Projects

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

	2020	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions \$	Closing Balances \$
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>completed</i>	(7,489)	-	(3,276)	10,765	-
Laboratory Renovations	<i>in progress</i>	2,816	-	-	(2,816)	-
Science Block Roof	<i>completed</i>	(521)	20	-	501	-
School Rebuild	<i>in progress</i>	92,545	71,615	(72,786)	-	91,374
Flood Repairs	<i>in progress</i>	(1,441)	-	-	1,441	-
Technology Outdoor Workshop	<i>in progress</i>	(10,026)	-	-	10,026	-
Weathertightness	<i>in progress</i>	(9,953)	-	-	9,953	-
Plasma Cutter	<i>in progress</i>	(5,361)	-	-	5,361	-
5YA Projects	<i>in progress</i>	(9,723)	-	-	6,055	(3,668)
K Block Roof Repairs	<i>in progress</i>	9,249	-	(9,249)	-	-
Internal Refurbishment	<i>in progress</i>	1,611	-	-	(1,611)	-
Science Block Lighting & Power	<i>in progress</i>	(1,611)	-	-	1,611	-
Totals		<u>63,136</u>	<u>71,635</u>	<u>(85,311)</u>	<u>38,246</u>	<u>87,706</u>

Represented by:

Funds Held on Behalf of the Ministry of Education	91,374
Funds Due from the Ministry of Education	3,668
	<u>87,706</u>

	2019	Opening Balances	Receipts from MoE	Payments	BOT Contributions	Closing Balances
		\$	\$	\$	\$	\$
Roof Replacement	<i>in progress</i>	780	-	-	-	780
Electrical Upgrade	<i>in progress</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
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>	(9,723)	-	-	-	(9,723)
K Block Roof Repairs	<i>in progress</i>	89,895	-	(80,646)	-	9,249
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>completed</i>	-	9,255	(9,255)	-	-
Tech Block Stairwell	<i>completed</i>	(2,877)	2,877	-	-	-
Totals		190,761	87,667	(195,313)	(19,979)	63,136

21. Related Party Transactions

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

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

22. Remuneration

Key management personnel compensation

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

	2020 Actual \$	2019 Actual \$
<i>Board Members</i>		
Remuneration	8,625	3,370
Full-time equivalent members	0.26	0.30
<i>Leadership Team</i>		
Remuneration	1,584,951	1,490,951
Full-time equivalent members	13.53	6.90
Total key management personnel remuneration	1,593,576	1,494,321
Total full-time equivalent personnel	13.79	7.20

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

Principal

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

	2020 Actual \$000	2019 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	190 - 200	165-170
Benefits and Other Emoluments	0 - 5	15-20
Termination Benefits	-	-

Other Employees

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

Remuneration \$000	2020 FTE Number	2019 FTE Number
100 - 110	9.00	5.00
110 - 120	3.00	0.00
120 - 130	1	0
	13.00	5.00

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

23. Compensation and Other Benefits Upon Leaving

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

	2020 Actual \$0	2019 Actual \$0
Total	nil	nil
Number of People		

24. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at **31 December 2020** (Contingent liabilities and assets at **31 December 2019**: nil).

The Board was notified of ongoing mediation with support staff employee. The Board has not recognised this matter in the financial statements as the outcome is unknown as at balance date.

Holidays Act Compliance – schools payroll

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

The Ministry's review of the schools sector payroll to ensure compliance with the Holidays Act 2003 is ongoing. The current phase of this review is to design potential solutions for any compliance breaches discovered in the initial phase of the Programme. Final calculations and potential impact on any specific individual will not be known until further detailed analysis and solutions have been completed.

To the extent that any obligation cannot reasonably be quantified at 31 December 2020, a contingent liability for the school may exist.

25. Commitments

(a) Capital Commitments

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

(a) Contract for School Rebuild to be completed in 2021, which will be fully funded by the Ministry of Education. \$206,711 has been received of which \$115,337 has been spent on the project to date.

(Capital commitments at 31 December 2019: As at balance date the school had 13 Capital Works Projects in progress as per Capital Works note 20.)

(b) Operating Commitments

As at 31 December 2020 the Board has no operating commitments.

26. Managing Capital

The School's capital is its equity and comprises capital contributions from the Ministry of Education for property, plant and equipment and accumulated surpluses and deficits. The School does not actively manage capital but attempts to ensure that income exceeds spending in most years. Although deficits can arise as planned in particular years, they are offset by planned surpluses in previous years or ensuing years.

27. Financial Instruments

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

Financial assets measured at amortised cost

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Cash and Cash Equivalents	661,650	1,769,444	1,025,752
Receivables	806,076	490,080	490,080
Investments - Term Deposits	594,164	-	-
Total Financial assets measured at amortised cost	2,061,890	2,259,524	1,515,832

Financial liabilities measured at amortised cost

Payables	805,234	607,411	600,059
Finance Leases	317,716	415,855	415,855
Painting Contract Liability	-	-	11,591
Total Financial Liabilities Measured at Amortised Cost	1,122,950	1,023,266	1,027,505

28. Events After Balance Date

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

29. Comparatives

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