



Beckenham
Te Kura o Pūroto
ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

Ministry Number:	3291
Principal:	Sandy Hastings
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BECKENHAM TE KURA O PŪROTO

Annual Report - For the year ended 31 December 2019

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Beckenham Te Kura o Pūroto

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 statements.

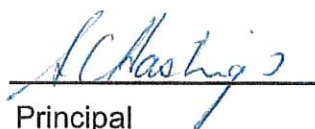
The management (including the principal and others as directed by the Board) accepts responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of the School's financial reporting.

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

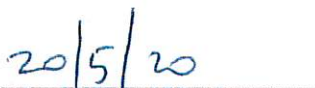
The School's 2019 financial statements are authorised for issue by the Board.



Chairperson



Principal



Date



Date

Beckenham Te Kura o Pūroto

Members of the Board of Trustees

For the year ended 31 December 2019

Name	Position	How Position Gained	Held Until
Ester Vallero	Chairperson	Elected Member	Nov 2020
Sandy Hastings	Principal	ex Officio	
Marcel Frei	Parent Rep	Elected Member	Jun 2022
Jude Clarke	Parent Rep	Elected Member	Nov 2020
Samson Karst	Whanau and Iwi Trustee	Appointed Member	Jun 2022
Jules May	Staff Rep	Elected Member	Jun 2022
Matthew MacDonald	Parent Rep	Elected Member	Nov 2020
Lisa Taylor	Parent Rep	Elected Member	Jun 2022
Carmel Wade	Parent Rep	Elected Member	Jun 2022
Michael Balmer	Chairperson	Elected Member	Jun 2019
Miranda Knapton	Parent Rep	Elected Member	Jun 2019
Raewyn Davis	Parent Rep	Elected Member	Jun 2019
Catherine Barrie	Staff Rep	Elected Member	Jun 2019

Beckenham Te Kura o Pūroto

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2019

		2019	2019	2018
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Revenue				
Government Grants	2	3,844,793	2,916,044	3,583,038
Locally Raised Funds	3	138,154	155,930	175,584
Interest Income		10,421	6,000	9,827
International Students	4	2,717	-	-
		<u>3,996,085</u>	<u>3,077,974</u>	<u>3,768,449</u>
Expenses				
Locally Raised Funds	3	6,267	3,000	3,543
Learning Resources	5	2,616,730	2,304,153	2,363,573
Administration	6	171,966	176,386	163,923
Finance Costs		1,814	1,000	1,611
Property	7	1,153,528	533,516	1,136,217
Depreciation	8	89,124	61,000	75,006
Loss on Disposal of Property, Plant and Equipment		1,106	-	3,382
		<u>4,040,535</u>	<u>3,079,055</u>	<u>3,747,255</u>
Net (Deficit) / Surplus		(44,450)	(1,081)	21,194
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>(44,450)</u>	<u>(1,081)</u>	<u>21,194</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.

Beckenham Te Kura o Pūroto
Statement of Changes in Net Assets/Equity

For the year ended 31 December 2019

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Balance at 1 January	635,260	635,260	610,628
Total comprehensive revenue and expense for the year	(44,450)	(1,081)	21,194
Capital Contributions from the Ministry of Education Contribution - Furniture and Equipment Grant	12,485	-	3,438
Equity at 31 December	603,295	634,179	635,260
Retained Earnings	603,295	634,179	635,260
Equity at 31 December	603,295	634,179	635,260

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.

Beckenham Te Kura o Pūroto
Statement of Financial Position
As at 31 December 2019

	Notes	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Current Assets				
Cash and Cash Equivalents	9	100,975	164,831	104,912
Accounts Receivable	10	154,129	140,618	140,618
GST Receivable		7,579	12,351	12,351
Prepayments		7,956	6,778	6,778
Inventories	11	1,200	1,193	1,193
Investments	12	196,257	262,368	262,368
		<u>468,096</u>	<u>588,139</u>	<u>528,220</u>
Current Liabilities				
Accounts Payable	14	185,167	195,308	195,308
Revenue Received in Advance	15	3,986	2,766	2,766
Provision for Cyclical Maintenance	16	5,191	4,888	4,888
Painting Contract Liability - Current Portion	17	16,961	16,961	16,961
Finance Lease Liability - Current Portion	18	19,280	9,704	9,704
Funds held in Trust	19	314	928	928
		<u>230,899</u>	<u>230,555</u>	<u>230,555</u>
Working Capital Surplus/(Deficit)		237,197	357,584	297,665
Non-current Assets				
Property, Plant and Equipment	13	477,319	353,231	414,231
		<u>477,319</u>	<u>353,231</u>	<u>414,231</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	16	44,976	29,994	29,994
Painting Contract Liability	17	26,657	37,915	37,915
Finance Lease Liability	18	39,588	8,727	8,727
		<u>111,221</u>	<u>76,636</u>	<u>76,636</u>
Net Assets		<u><u>603,295</u></u>	<u><u>634,179</u></u>	<u><u>635,260</u></u>
Equity		<u><u>603,295</u></u>	<u><u>634,179</u></u>	<u><u>635,260</u></u>

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

Beckenham Te Kura o Pūroto

Statement of Cash Flows

For the year ended 31 December 2019

		2019	2019	2018
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Cash flows from Operating Activities				
Government Grants		765,941	689,804	704,445
Locally Raised Funds		148,222	155,930	164,229
International Students		2,717	-	-
Goods and Services Tax (net)		4,772	-	2,069
Payments to Employees		(488,018)	(394,385)	(379,865)
Payments to Suppliers		(395,360)	(396,430)	(368,662)
Cyclical Maintenance payments in the Year		(5,703)	-	(5,435)
Interest Received		11,463	6,000	8,090
Net cash from / (to) the Operating Activities		44,034	60,919	124,871
Cash flows from Investing Activities				
Proceeds from Sale of PPE (and Intangibles)		1,236	-	-
Purchase of PPE (and Intangibles)		(106,211)	-	(128,561)
Redemption/ (Purchase) of Investments		66,111	-	(262,368)
Net cash from the Investing Activities		(38,864)	-	(390,929)
Cash flows from Financing Activities				
Furniture and Equipment Grant		12,485	-	3,438
Finance Lease Payments		(9,720)	(1,000)	-
Painting contract payments		(11,258)	-	(1,130)
Loans Received/ Repayment of Loans		-	-	(44,006)
Funds Administered on Behalf of Third Parties		(614)	-	-
Net cash from Financing Activities		(9,107)	(1,000)	(41,698)
Net increase/(decrease) in cash and cash equivalents				
		(3,937)	59,919	(307,756)
Cash and cash equivalents at the beginning of the year	9	104,912	104,912	412,668
Cash and cash equivalents at the end of the year	9	100,975	164,831	104,912

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 omitted.

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

Beckenham Te Kura o Pūroto

Notes to the Financial Statements

1. Statement of Accounting Policies

For the year ended 31 December 2019

1.1. Reporting Entity

Beckenham Te Kura o Pūroto (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.

1.2. 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.

Cyclical Maintenance

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

Critical Judgements in applying accounting policies

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

Classification of leases

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

Recognition of grants

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

1.3. Revenue Recognition

Government Grants

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

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

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

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

Other Grants

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

Donations, Gifts and Bequests

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

Interest Revenue

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

1.4. Use of Land and Buildings Expense

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

1.5. Finance Lease Payments

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

1.6. Cash and Cash Equivalents

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

1.7. 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 grouped 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 uncollectibility) is the difference between the amount due and the present value of the amounts expected to be collected.

1.8. Inventories

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

1.9. 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 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.

The School has met the requirements of Schedule 6 para 28 of the Education Act 1989 in relation to the acquisition of investment securities.

1.10. Property, Plant and Equipment

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

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

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

Property, plant and equipment acquired with individual values under \$1,000 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense, except for sets like Furniture and ICT where the collective worth exceeds \$1,000.

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	2 - 20 % Diminishing value
Furniture and equipment	10-20 % Diminishing value
Information and communication technology	25 % Diminishing value
Motor vehicles	20 % Diminishing value
Leased assets held under a Finance Lease	33 % Diminishing value
Library resources	12.5% Diminishing value

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

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

Non cash generating assets

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

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

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

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

1.12. Accounts Payable

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

1.13. Employment Entitlements

Short-term employee entitlements

Employee benefits that are due to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, 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

1.14. Revenue Received in Advance

Revenue received in advance relates to fees received from students and grants received where there are unfulfilled obligations for the School to provide services in the future. The fees are recorded as revenue as the obligations are fulfilled and the fees earned.

1.15. Funds Held in Trust

Funds are held in trust where they have been received by the School for a specified purpose, or are being held on behalf of a third party and these transactions are not recorded in the Statement of Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose at any time.

1.16. Provision for Cyclical Maintenance

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

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

1.17. 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, and finance lease liability. All of these financial liabilities are categorised as "financial liabilities measured at amortised cost" for accounting purposes in accordance with financial reporting standards.

1.18. Goods and Services Tax (GST)

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

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

Commitments and contingencies are disclosed exclusive of GST.

1.19. Budget Figures

The budget figures are extracted from the School budget that was approved by the Board at the start of the year.

1.20. 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	639,300	620,384	603,625
Teachers' salaries grants	2,112,397	1,876,000	1,910,180
Use of Land and Buildings grants	939,901	326,205	925,136
Other MoE Grants	138,215	86,855	137,659
Other government grants	14,980	6,600	6,438
	<u>3,844,793</u>	<u>2,916,044</u>	<u>3,583,038</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	44,223	70,500	48,597
Fundraising	9,834	2,600	4,779
Bequests & Grants	217	-	10,478
Other revenue	17,043	14,230	22,630
Trading	10,820	7,000	6,632
Activities	56,017	61,600	82,468
	<u>138,154</u>	<u>155,930</u>	<u>175,584</u>
Expenses			
Trading	3,053	2,000	2,178
Fundraising (costs of raising funds)	3,214	1,000	1,365
	<u>6,267</u>	<u>3,000</u>	<u>3,543</u>
<i>Surplus for the year Locally raised funds</i>	<u>131,887</u>	<u>152,930</u>	<u>172,041</u>

4. International Student Revenue and Expenses

	2019 Actual Number	2019 Budget (Unaudited) Number	2018 Actual Number
International Student Roll	1	0	0
	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Revenue			
International student fees	2,717	-	-
<i>Surplus for the year International Students</i>	<u>2,717</u>	<u>-</u>	<u>-</u>

5. Learning Resources

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Curricular	114,126	107,403	111,238
Equipment repairs	10,001	12,000	13,251
Information and communication technology	15,571	14,300	12,805
Extra-curricular activities	6,921	2,930	31,877
Library resources	2,125	2,100	1,680
Employee benefits - salaries	2,459,089	2,148,420	2,178,700
Staff development	8,897	17,000	14,022
	<u>2,616,730</u>	<u>2,304,153</u>	<u>2,363,573</u>

6. Administration

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Audit Fee	3,150	3,150	3,000
Board of Trustees Fees	4,385	4,320	4,190
Board of Trustees Expenses	12,364	10,376	7,967
Communication	4,307	4,150	4,125
Consumables	31,206	28,300	32,098
Operating Lease	5,444	10,830	11,684
Other	1,945	2,300	1,292
Employee Benefits - Salaries	95,236	99,000	89,470
Insurance	10,556	11,000	7,262
Service Providers, Contractors and Consultancy	3,373	2,960	2,835
	<u>171,966</u>	<u>176,386</u>	<u>163,923</u>

7. Property

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Caretaking and Cleaning Consumables	11,411	10,400	7,417
Consultancy and Contract Services	54,548	55,250	52,120
Cyclical Maintenance Provision	20,988	17,661	20,988
Adjustment to the Provision	-	-	-
Grounds	8,690	11,400	12,951
Heat, Light and Water	45,222	37,000	40,439
Rates	9,847	4,600	6,829
Repairs and Maintenance	22,701	24,000	19,577
Use of Land and Buildings	939,901	326,205	925,136
Employee Benefits - Salaries	40,220	47,000	50,760
	<u>1,153,528</u>	<u>533,516</u>	<u>1,136,217</u>

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

8. Depreciation of Property, Plant and Equipment

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Building Improvements	6,764	6,000	2,295
Furniture and Equipment	23,649	20,000	21,428
Information and Communication Technology	32,950	20,000	33,809
Leased Assets	18,890	15,000	10,857
Library Resources	6,871	-	6,617
	<u>89,124</u>	<u>61,000</u>	<u>75,006</u>

9. Cash and Cash Equivalents

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Bank Current Account	25,975	164,831	16,009
Bank Call Account	-	-	24
Short-term Bank Deposits	75,000	-	88,879
Net cash and cash equivalents and bank overdraft for Cash Flow Statement	<u>100,975</u>	<u>164,831</u>	<u>104,912</u>

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

10. Accounts Receivable

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Receivables	1,193	10,041	10,041
Receivables from the Ministry of Education	2,519	-	-
Interest Receivable	901	1,943	1,943
Teacher Salaries Grant Receivable	149,516	128,634	128,634
	<u>154,129</u>	<u>140,618</u>	<u>140,618</u>
Receivables from Exchange Transactions	2,094	11,984	11,984
Receivables from Non-Exchange Transactions	152,035	128,634	128,634
	<u>154,129</u>	<u>140,618</u>	<u>140,618</u>

11. Inventories

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
School Uniforms	1,200	1,193	1,193
	<u>1,200</u>	<u>1,193</u>	<u>1,193</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	196,257	262,368	262,368
Total Investments	<u>196,257</u>	<u>262,368</u>	<u>262,368</u>

13. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2019						
Building Improvements	57,736	10,845	-	-	(6,764)	61,817
Furniture and Equipment	157,733	40,270	(1,095)	-	(23,649)	173,259
Information and Communication	133,387	29,092	-	-	(32,950)	129,529
Leased Assets	19,056	58,652	-	-	(18,890)	58,818
Library Resources	46,319	9,902	(1,248)	-	(6,871)	48,102
Work in Progress	-	5,794	-	-	-	5,794
Balance at 31 December 2019	<u>414,231</u>	<u>154,555</u>	<u>(2,343)</u>	<u>-</u>	<u>(89,124)</u>	<u>477,319</u>

	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
2019			
Building Improvements	81,287	(19,470)	61,817
Furniture and Equipment	490,459	(317,200)	173,259
Information and Communication	445,025	(315,496)	129,529
Leased Assets	78,455	(19,637)	58,818
Library Resources	100,537	(52,435)	48,102
Work in Progress	5,794	-	5,794
Balance at 31 December 2019	<u>1,201,557</u>	<u>(724,238)</u>	<u>477,319</u>

The net carrying value of equipment held under a finance lease is \$58,818 (2018: \$19,056)

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
	\$	\$	\$	\$	\$	\$
2018						
Building Improvements	7,105	52,926	-	-	(2,295)	57,736
Furniture and Equipment	146,962	32,199	-	-	(21,428)	157,733
Information and Communication	139,851	27,345	-	-	(33,809)	133,387
Leased Assets	11,787	18,126	-	-	(10,857)	19,056
Library Resources	52,366	3,952	(3,382)	-	(6,617)	46,319
Balance at 31 December 2018	358,071	134,548	(3,382)	-	(75,006)	414,231

	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$
2018			
Building Improvements	70,442	(12,706)	57,736
Furniture and Equipment	451,477	(293,744)	157,733
Information and Communication	415,934	(282,547)	133,387
Leased Assets	30,112	(11,056)	19,056
Library Resources	93,143	(46,824)	46,319
Balance at 31 December 2018	1,061,108	(646,877)	414,231

14. Accounts Payable

	2019 Actual	2019 Budget (Unaudited)	2018 Actual
	\$	\$	\$
Operating creditors	10,692	12,653	12,653
Accruals	12,080	11,237	11,237
Banking staffing overuse	-	24,035	24,035
Employee Entitlements - salaries	152,078	133,936	133,936
Employee Entitlements - leave accrual	10,317	13,447	13,447
	185,167	195,308	195,308
Payables for Exchange Transactions	185,167	195,308	195,308
	185,167	195,308	195,308

The carrying value of payables approximates their fair value.

15. Revenue Received in Advance

	2019 Actual	2019 Budget (Unaudited)	2018 Actual
	\$	\$	\$
Other	3,986	2,766	2,766
	3,986	2,766	2,766

16. Provision for Cyclical Maintenance

	2019 Actual	2019 Budget (Unaudited)	2018 Actual
	\$	\$	\$
Provision at the Start of the Year	34,882	34,882	19,329
Increase/ (decrease) to the Provision During the Year	20,988	-	20,988
Use of the Provision During the Year	(5,703)	-	(5,435)
Provision at the End of the Year	50,167	34,882	34,882
Cyclical Maintenance - Current	5,191	4,888	4,888
Cyclical Maintenance - Term	44,976	29,994	29,994
	50,167	34,882	34,882

17. Painting Contract Liability

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Current Liability	16,961	16,961	16,961
Non Current Liability	26,657	37,915	37,915
	<u>43,618</u>	<u>54,876</u>	<u>54,876</u>

In 2017 the Board signed an agreement with Programmed Maintenance Services Ltd (the contractor) for an agreed programme of work covering a seven year period. The programme provides for two exterior repaints of nominated areas in 2017 and 2023, with regular maintenance in subsequent years. The agreement has an annual commitment of \$16,961. 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 on 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	20,673	11,092	11,092
Later than One Year and no Later than Five Years	40,256	9,423	9,423
	<u>60,929</u>	<u>20,515</u>	<u>20,515</u>

19. Funds Held in Trust

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Funds Held in Trust on Behalf of Third Parties - Current	314	928	928
	<u>314</u>	<u>928</u>	<u>928</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. 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.

21. Remuneration

Key management personnel compensation

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

	2019 Actual \$	2018 Actual \$
<i>Board Members</i>		
Remuneration	4,385	4,190
Full-time equivalent members	0.14	0.15
<i>Leadership Team</i>		
Remuneration	356,645	233,232
Full-time equivalent members	3.00	2.00
Total key management personnel remuneration	361,030	237,422
Total full-time equivalent personnel	3.14	2.15

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
<i>Salaries and Other Short-term Employee Benefits:</i>		
Salary and Other Payments	140-150	130-140
Benefits and Other Emoluments	4-5	4 - 5
Termination Benefits	0 - 0	0 - 0

Other Employees

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

Remuneration \$000	2019 FTE Number	2018 FTE Number
100 -110	1.00	-
	1.00	-

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

22. 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	-	-
Number of People	-	-

23. Contingencies

There are no contingent liabilities (except as noted below) 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.

24. Commitments

(a) Capital Commitments

As at 31 December 2019 the Board has not entered into any contract agreements for capital works.

(Capital commitments at 31 December 2018: nil)

(b) Operating Commitments

As at 31 December 2019 the Board has entered into the following contracts:

25. 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.

26. 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

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Cash and Cash Equivalents	100,975	164,831	104,912
Receivables	154,129	140,618	140,618
Investments - Term Deposits	196,257	262,368	262,368
Total Financial assets measured at amortised cost	<u>451,361</u>	<u>567,817</u>	<u>507,898</u>

Financial liabilities measured at amortised cost

Payables	185,167	195,308	195,308
Finance Leases	58,868	18,431	18,431
Painting Contract Liability	43,618	54,876	54,876
Total Financial liabilities measured at amortised Cost	<u>287,653</u>	<u>268,615</u>	<u>268,615</u>

27. Events After Balance Date

Impact from COVID-19

On the 11th March 2020, the World Health Organisation declared the outbreak of COVID-19 (a novel Coronavirus) a pandemic. Two weeks later, on the 26th 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 until 18 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, but it is not expected to be significant to the school. The school will continue to receive funding from the Ministry of Education, even while closed.

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:

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.

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.

Upon transition to PBE IFRS9 there were no material adjustments to these financial statements.