

WHITIORA SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

School Directory

Ministry Number: 2091

Principal: Paul Cooper

School Address: 38 Willoughby Street Whitiora Hamilton 3200

School Postal Address: 38 Willoughby Street Whitiora Hamilton 3200

School Phone:
07-839-5579

School Email:

Members of the Board of Trustees

Name	Position	How Position Gained	Occupation	Term Expired/ Expires
Annika Going` Paul Cooper	Chair Person Principal ex Officio	Elected	ECE Owner/operator	Jun-22
Jenna Riley-Rata	Parent Rep	Elected	Account Manager	Jun-22
Natalie Muller	Parent Rep	Elected	Teacher	Jun-22
Serenity Cooper	Parent Rep	Elected	Non Employed	Sep-19
Alison Stockton	Staff Rep	Elected	Teacher	Jun-22

Accountant / Service Provider: Granville & She Ltd

WHITIORA SCHOOL

Annual Report - For the year ended 31 December 2019

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Whitiora 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.

Annika Going
Full Name of Board Chairperson

PAUL DOUGLAS LEWIS COOPER
Full Name of Principal

Annika Going
Signature of Board Chairperson

Paul Douglas Lewis Cooper
Signature of Principal

29/05/2020
Date:

29/05/2020
Date:

Whitiora 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	2,286,829	2,237,650	2,186,858
Locally Raised Funds	3	100,366	90,700	128,888
Interest Revenue		17,296	3,000	16,034
Other Revenue		-	-	-
		<u>2,404,491</u>	<u>2,331,350</u>	<u>2,331,780</u>
Expenses				
Locally Raised Funds	3	68,369	50,600	50,149
Learning Resources	4	1,549,681	1,477,350	1,387,453
Administration	5	91,673	119,700	105,963
Finance		1,301	-	1,598
Property	6	643,768	665,400	648,289
Depreciation	7	45,282	40,520	43,551
Loss on Disposal of Property, Plant and Equipment		-	-	818
		<u>2,400,074</u>	<u>2,353,570</u>	<u>2,237,821</u>
Net Surplus for the year		4,417	(22,220)	93,959
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u><u>4,417</u></u>	<u><u>(22,220)</u></u>	<u><u>93,959</u></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.



Whitiora 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>643,820</u>	<u>643,820</u>	<u>549,861</u>
Total comprehensive revenue and expense for the year		4,417	(22,220)	93,959
Capital Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		-	-	-
Equity at 31 December	25	<u>648,237</u>	<u>621,600</u>	<u>643,820</u>
Retained Earnings		648,237	621,600	643,820
Reserves		-	-	-
Equity at 31 December		<u>648,237</u>	<u>621,600</u>	<u>643,820</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.



Whitiora School
Statement of Financial Position
As at 31 December 2019

	Notes	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Current Assets				
Cash and Cash Equivalents	8	40,096	34,000	386,619
Accounts Receivable	9	104,928	91,500	98,963
GST Receivable		4,844	2,290	8,150
Prepayments		10,352	10,000	3,967
Inventories	10	727	700	986
Investments	11	518,914	522,949	200,000
Funds held for Capital Works Projects	18	1,440	-	-
		<u>681,301</u>	<u>661,439</u>	<u>698,685</u>
Current Liabilities				
Accounts Payable	13	138,327	135,700	181,096
Revenue Received in Advance	14	10,848	8,000	-
Provision for Cyclical Maintenance	15	-	52,000	42,199
Painting Contract Liability - Current Portion	16	12,586	-	-
Finance Lease Liability - Current Portion	17	14,753	8,225	7,955
Funds for RTLit services	19	14,951	13,800	11,895
		<u>191,465</u>	<u>217,725</u>	<u>243,145</u>
Working Capital Surplus		489,836	443,714	455,540
Non-current Assets				
Property, Plant and Equipment	12	202,737	183,231	195,633
		<u>202,737</u>	<u>183,231</u>	<u>195,633</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	15	-	-	1,800
Painting Contract Liability	16	24,012	-	-
Finance Lease Liability	17	20,324	5,345	5,553
		<u>44,336</u>	<u>5,345</u>	<u>7,353</u>
Net Assets		<u>648,237</u>	<u>621,600</u>	<u>643,820</u>
Equity				
	25	<u>648,237</u>	<u>621,600</u>	<u>643,820</u>

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



Whitiora School
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		466,351	516,549	422,060
Locally Raised Funds		114,027	95,400	128,558
Goods and Services Tax (net)		3,305	5,510	(1,951)
Payments to Employees		(319,112)	(238,650)	(170,496)
Payments to Suppliers		(275,175)	(287,450)	(242,837)
Cyclical Maintenance Payments in the year		-	8,000	-
Interest Paid		(1,301)	-	(1,598)
Interest Received		16,922	2,650	15,948
Net cash from Operating Activities		5,017	102,009	149,684
Cash flows from Investing Activities				
Purchase of PPE (and Intangibles)		(20,629)	(36,416)	(33,681)
Purchase of Investments		(318,914)	(522,949)	137,455
Net cash from Investing Activities		(339,543)	(559,365)	103,774
Cash flows from Financing Activities				
Finance Lease Payments		(10,466)	2,735	(8,494)
Painting contract payments		(3,147)	-	(3,173)
Funds Administered on Behalf of Third Parties		3,056	1,800	(3,971)
Funds Held for Capital Works Projects		(1,440)	-	-
Net cash from Financing Activities		(11,997)	4,535	(15,638)
Net increase/(decrease) in cash and cash equivalents		(346,523)	(452,821)	237,820
Cash and cash equivalents at the beginning of the year	8	386,619	486,821	148,799
Cash and cash equivalents at the end of the year	8	40,096	34,000	386,619

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..



Whitiora School

Notes to the Financial Statements

For the year ended 31 December 2019

1. Statement of Accounting Policies

a) Reporting Entity

Whitiora 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 29.

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 12.



Critical Judgements in applying accounting policies

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

Classification of leases

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

Recognition of grants

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

c) Revenue Recognition

Government Grants

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

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

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

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

Other Grants

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

Donations, Gifts and Bequests

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

Interest Revenue

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

d) Use of Land and Buildings Expense

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

e) Operating Lease Payments

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

f) Finance Lease Payments

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



g) Cash and Cash Equivalents

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

h) Accounts Receivable

Short-term receivables are recorded at the amount due, less an allowance for credit losses. 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.

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.

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

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.

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	10–15 years
Information and communication technology	4–5 years
Leased assets held under a Finance Lease	3-5 years
Library resources	12.5% Diminishing value

The carrying value of software is amortised on a straight line basis over its useful life. The useful life of software is estimated as

l) 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.

m) 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.

n) 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.

o) Revenue Received in Advance

Revenue received in advance relates to 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 revenue, should the School be unable to provide the services to which they relate.

p) 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.



q) 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).

r) 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.

s) 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.

Grants determined by the Minister of Education for operational activities includes all items (core components) included in the Operational Funding notice.

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

t) 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.

u) Budget Figures

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

v) 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	355,345	365,000	339,831
Teachers' Salaries Grants	1,280,471	1,280,500	1,227,738
Use of Land and Buildings Grants	539,155	539,150	528,290
Other MoE Grants	101,256	40,000	78,347
Other Government Grants	10,602	13,000	12,652
	<u>2,286,829</u>	<u>2,237,650</u>	<u>2,186,858</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	39,458	29,000	38,105
Activities	10,336	100	574
Trading	5,029	-	8,992
Other Revenue	45,543	61,600	81,217
	<u>100,366</u>	<u>90,700</u>	<u>128,888</u>
Expenses			
Activities	24,834	-	-
Trading	4,489	-	11,956
Other Locally Raised Funds Expenditure	39,046	50,600	38,193
	<u>68,369</u>	<u>50,600</u>	<u>50,149</u>
	<u>31,997</u>	<u>40,100</u>	<u>78,739</u>

Surplus/ (Deficit) for the year Locally raised funds

4. Learning Resources

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Curricular	44,776	48,400	31,455
Information and Communication Technology	20,755	19,350	11,696
Extra-Curricular Activities	1,987	400	10,918
Library Resources	1,705	3,000	2,893
Employee Benefits - Salaries	1,460,863	1,384,500	1,311,291
Staff Development	19,595	21,700	19,200
	<u>1,549,681</u>	<u>1,477,350</u>	<u>1,387,453</u>

5. Administration

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Audit Fee	3,900	3,700	3,700
Board of Trustees Fees	3,780	6,000	4,180
Board of Trustees Expenses	5,449	9,100	2,359
Communication	5,511	9,200	7,333
Consumables	9,337	14,000	11,994
Other	9,325	11,700	8,786
Employee Benefits - Salaries	40,309	51,000	53,435
Insurance	3,622	4,500	3,956
Service Providers, Contractors and Consultancy	10,440	10,500	10,220
	<u>91,673</u>	<u>119,700</u>	<u>105,963</u>



6. Property

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Caretaking and Cleaning Consumables	2,387	3,000	1,721
Consultancy and Contract Services	12,989	24,000	18,333
Cyclical Maintenance Provision	(7,401)	-	7,333
Grounds	9,877	9,250	13,272
Heat, Light and Water	11,643	13,000	11,994
Rates	6,506	8,000	6,379
Repairs and Maintenance	15,617	13,000	11,185
Use of Land and Buildings	539,155	539,150	528,290
Security	5,057	6,000	5,580
Employee Benefits - Salaries	47,938	50,000	44,202
	<u>643,768</u>	<u>665,400</u>	<u>648,289</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.

7. Depreciation

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Buildings - School	1,889	1,700	1,889
Furniture and Equipment	24,044	21,650	22,095
Information and Communication Technology	10,791	10,680	12,370
Leased Assets	7,933	5,925	6,483
Library Resources	625	565	714
	<u>45,282</u>	<u>40,520</u>	<u>43,551</u>

8. Cash and Cash Equivalents

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Cash on Hand	400	400	400
Bank Current Account	4,091	3,000	62,076
Bank Call Account	35,605	30,600	20,491
Short-term Bank Deposits	-	-	303,652
Cash and cash equivalents for Cash Flow Statement	<u>40,096</u>	<u>34,000</u>	<u>386,619</u>

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

Of the \$40,096 Cash and Cash Equivalents, \$14,951 is held by the School on behalf of the RTLit cluster. See note 19 for details of how the funding received for the cluster has been spent in the year.

9. Accounts Receivable

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Receivables	7,836	7,800	10,649
Interest Receivable	3,725	3,700	3,351
Teacher Salaries Grant Receivable	93,367	80,000	84,963
	<u>104,928</u>	<u>91,500</u>	<u>98,963</u>
Receivables from Exchange Transactions	11,561	11,500	14,000
Receivables from Non-Exchange Transactions	93,367	80,000	84,963
	<u>104,928</u>	<u>91,500</u>	<u>98,963</u>



10. Inventories

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Stationery	727	700	986
	<u>727</u>	<u>700</u>	<u>986</u>

11. Investments

The School's investment activities are classified as follows:

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Current Asset Short-term Bank Deposits	518,914	522,949	200,000
Total Investments	<u>518,914</u>	<u>522,949</u>	<u>200,000</u>

12. Property, Plant and Equipment

2019	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
Buildings	50,422	-	-	-	(1,889)	48,533
Furniture and Equipment	99,836	12,381	-	-	(24,044)	88,173
Information and Comm	26,623	7,970	-	-	(10,791)	23,802
Leased Assets	13,752	32,035	-	-	(7,933)	37,854
Library Resources	5,000	-	-	-	(625)	4,375
Balance at 31 December 2019	<u>195,633</u>	<u>52,386</u>	<u>-</u>	<u>-</u>	<u>(45,282)</u>	<u>202,737</u>

The net carrying value of equipment held under a finance lease is \$37,854 (2018: \$13,752)

The net carrying value of RTLit Assets held under a finance lease is \$21,639 (2018: Nil)

2019	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
Buildings	75,560	(27,027)	48,533
Furniture and Equipment	237,556	(149,383)	88,173
Information and Communication Technology	72,935	(49,133)	23,802
Leased Assets	63,282	(25,428)	37,854
Library Resources	38,262	(33,887)	4,375
Balance at 31 December 2019	<u>487,595</u>	<u>(284,858)</u>	<u>202,737</u>

2018	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
Buildings	52,311	-	-	-	(1,889)	50,422
Furniture and Equipment	104,738	17,193	-	-	(22,095)	99,836
Information and Comm	22,505	16,488	-	-	(12,370)	26,623
Leased Assets	14,489	5,746	-	-	(6,483)	13,752
Library Resources	6,532	-	(818)	-	(714)	5,000
Balance at 31 December 2018	<u>200,575</u>	<u>39,427</u>	<u>(818)</u>	<u>-</u>	<u>(43,551)</u>	<u>195,633</u>



2018	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
Buildings	75,560	(25,138)	50,422
Furniture and Equipment	257,942	(158,106)	99,836
Information and Communication Technology	71,554	(44,931)	26,623
Leased Assets	31,247	(17,495)	13,752
Library Resources	38,262	(33,262)	5,000
Balance at 31 December 2018	474,565	(278,932)	195,633

The net carrying value of equipment held under a finance lease is \$13,752 (2018: \$14,489)

13. Accounts Payable

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Operating Creditors	22,365	15,000	12,652
Accruals	7,015	8,000	6,785
Banking Staffing Overuse	4,685	4,700	10,643
Employee Entitlements - Salaries	93,367	96,000	144,713
Employee Entitlements - Leave Accrual	10,895	12,000	6,303
	138,327	135,700	181,096
Payables for Exchange Transactions	138,327	135,700	181,096
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	138,327	135,700	181,096

The carrying value of payables approximates their fair value.

14. Revenue Received in Advance

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Other	10,848	8,000	-
	10,848	8,000	-

15. Provision for Cyclical Maintenance

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Provision at the Start of the Year	43,999	43,999	36,666
Increase/ (decrease) to the Provision During the Year	5,233	8,001	7,333
Use of the Provision During the Year	(49,232)	-	-
Provision at the End of the Year	-	52,000	43,999
Cyclical Maintenance - Current	-	52,000	42,199
Cyclical Maintenance - Term	-	-	1,800
	-	52,000	43,999



16. Painting Contract Liability

	2019 Actual \$	2019 Budget \$	2018 Actual \$
Current Liability	12,586	-	-
Non Current Liability	24,012	-	-
	<u>36,598</u>	<u>-</u>	<u>-</u>

In 2018 the Board signed an agreement with Programmed Maintenance Services Ltd (the contractor) for an agreed programme of work covering an even year period. The programme provides for an exterior repaint of the Ministry owned buildings in 2019, with regular maintenance in subsequent years. The agreement has an annual commitment of \$10,788. 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.

17. Finance Lease Liability

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

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
No Later than One Year	14,753	8,225	7,955
Later than One Year and no Later than Five Years	20,324	5,345	5,553
	<u>35,077</u>	<u>13,570</u>	<u>13,508</u>

18. 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 \$
Block F-ILE Conversion	<i>in progress</i>	-	-	1,440	-	(1,440)
Totals		<u>-</u>	<u>-</u>	<u>1,440</u>	<u>-</u>	<u>(1,440)</u>

Represented by:

Funds Held on Behalf of the Ministry of Education

Funds Due from the Ministry of Education

	2018	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution	Closing Balances \$
Admin Block Refurbishment	<i>completed</i>	(2,805)	6,702	5,852	1,955	-
Totals		<u>(2,805)</u>	<u>6,702</u>	<u>5,852</u>	<u>1,955</u>	<u>-</u>



19. Funds for RTLit Services

Whitiora School is the lead school funded by the Ministry of Education to provide Resource Teachers of Literature to its cluster of schools.

	2019 Actual \$	2019 (Unaudited) \$	2018 Actual \$
Funds held at beginning of the year	11,895	11,895	15,866
<i>Revenue</i>			
Administration Grant	6,696	6,700	6,591
Travel Grant	18,654	18,605	17,893
	<u>25,350</u>	<u>25,305</u>	<u>24,484</u>
Finance Lease Advance	22,991		-
Total funds available	<u>60,236</u>	<u>37,200</u>	<u>40,350</u>
<i>Expenses</i>			
Administration	3,607	3,600	5,430
Learning Support	2,416	2,500	6,367
Travel	15,477	17,300	15,847
Other Expenses	794	-	811
	<u>22,294</u>	<u>23,400</u>	<u>28,455</u>
Purchase of Fixed Assets	22,991	-	-
Funds Held at Year End	<u>14,951</u>	<u>13,800</u>	<u>11,895</u>
Current Assets			
Cash at bank	14,951	-	11,895
Non Current Assets			
Property Plant and Equipment	21,639	-	-
Current Liabilities			
Finance Lease- Current	6,836	-	-
Non Current Liabilities			
Finance Lease- Term	15,182	-	-
Equity	<u>14,572</u>	<u>-</u>	<u>11,895</u>

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, Deputy Principals and Heads of Departments.

	2019 Actual \$	2018 Actual \$
<i>Board Members</i>		
Remuneration	3,780	4,180
Full-time equivalent members	0.38	0.21
<i>Leadership Team</i>		
Remuneration	474,412	478,054
Full-time equivalent members	5	5
Total key management personnel remuneration	478,192	482,234
Total full-time equivalent personnel	5.38	5.21

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	130-140	130-140
Benefits and Other Emoluments	3-4	3-4

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	0.00
	1.00	0.00

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 entered into contract agreements for capital works as follows:

(a) A contract for Conversion of Block B-ILE. \$1,440 has been spent on the project to date.

(Capital commitments at 31 December 2018: \$0.00)

(b) Operating Commitments

As at 31 December 2019 the Board had entered into the following contracts:
Programmed Property Services for the exterior repaint of the school

	2019 Actual \$	2018 Actual \$
No later than One Year	5,407	39,744
Later than One Year and No Later than Five Years	23,297	23,297
Later than Five Years	7,068	12,475
	35,772	75,516

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 (2018: Loans and receivables)

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Cash and Cash Equivalents	40,096	34,000	386,619
Receivables	104,928	91,500	98,963
Investments - Term Deposits	518,914	522,949	200,000
Total Financial assets measured at amortised cost	663,938	648,449	685,582
Financial liabilities measured at amortised cost			
Payables	138,327	135,700	181,096
Finance Leases	35,077	13,570	13,508
Painting Contract Liability	36,598	-	-
Total Financial Liabilities Measured at Amortised Cost	210,002	149,270	194,604



27. 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, 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.

28. Comparatives

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

29. 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 9 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 11 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

30. Breach of Law-Failure to meet Statutory Reporting Deadline

The Board of Trustees did not comply with section 87A (1) of the Education Act 1989 in that it did not submit its annual financial statements for audit by 31 March 2020. 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 which has caused time delays and resulted in a breach of Section 87A (1) of the Education Act. As this situation is out of the Board of Trustee's control no audit qualification has been issued for breach of Section 87A(1) of the Education Act.

