



19th May 2020

Hamish Anton
Deloitte Limited
Chartered Accountants
PO Box 1990
WELLINGTON 6011

REPRESENTATION LETTER FOR THE YEAR ENDED 31 DECEMBER 2019

This representation letter is provided in connection with your audit, carried out on behalf of the Auditor-General, of the financial statements of Windley School (the School) for the year ended 31 December 2019 for the purpose of expressing an independent opinion about whether the financial statements:

- present fairly, in all material respects:
 - the financial position as at 31 December 2019; and
 - the financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Sector – Public Benefit Entity Standards, Reduced Disclosure Regime.

We understand that your audit was carried out in accordance with the Auditing Standards issued by the Auditor-General, which incorporate the International Standards on Auditing (New Zealand).

General representations

To the best of our knowledge and belief:

- the resources, activities, under our control have been operating effectively and efficiently;
- we have complied with our statutory obligations including laws, regulations and contractual requirements;
- we have carried out our decisions and actions with due regard to minimising waste;
- we have met Parliament's and the public's expectations of appropriate standards of behaviour in the public sector (that is we have carried out our decisions and actions with due regard to probity); and
- any decisions or actions have been taken with due regard to financial prudence.

We also acknowledge that we have responsibility for designing, implementing, and maintaining internal control (to the extent that is reasonably practical given the size of the School) to prevent and detect fraud.

Representations for the financial statements

146 Mungavin Avenue, Porirua East 5024
Telephone: (04) 2377095 Cellphone: 0272466765
Email: office@windley.school.nz
Facebook page: Windley School - official

We confirm that all transactions have been recorded in the accounting records and are reflected in the financial statements, and that, to the best of our knowledge and belief, having made such enquiries as we considered necessary for the purpose of appropriately informing ourselves:

- we have fulfilled our responsibilities for preparing and presenting the financial statements as required by section 87(3) of the Education Act 1989 and, in particular, that the financial statements:
 - present fairly, in all material respects:
 - the financial position as at 31 December 2019; and
 - the financial performance and cash flows for the year then ended; and
 - comply with generally accepted accounting practice in New Zealand in accordance with Public Sector – Public Benefit Entity Standards, Reduced Disclosure Regime.
- we believe the significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable;
- we have appropriately accounted for and disclosed the related party relationships and transactions in the financial statements;
- we have adjusted or disclosed all events subsequent to the date of the financial statements that require adjustment or disclosure; and
- we believe the effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole.
- we have disclosed all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements. Where applicable, such litigation and claims have been accounted for and disclosed in accordance with Public Sector – Public Benefit Entity Standards, Reduced Disclosure Regime.

Representations about the provision of information

We confirm that, to the best of our knowledge and belief, having made such enquiries as we considered necessary for the purpose of appropriately informing ourselves:

- we have provided you with:
 - all information, such as records and documentation, and other matters that are relevant to preparing and presenting the financial statements and
 - unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence;
- we have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud;
- we have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the entity and involves:
 - management;
 - employees who have significant roles in internal control; or
 - others where the fraud could have a material effect on the financial statements;
- we have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, analysts, regulators, or others;
- we have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements;
- we have disclosed the identity of the related parties, all of their relationships, and all of their transactions of which we are aware; and

- we have provided you with all the other documents ("other information") which will accompany the financial statements which are consistent with one another, and the other information does not contain any material misstatements.

Going concern basis of accounting

We confirm that, to the best of our knowledge and belief, the School has adequate resources to continue operations at its current level for the foreseeable future. For this reason, the Board of Trustees continues to adopt the going concern basis of accounting in preparing the financial statements for the year ended 31 December 2019. We have reached this conclusion after making enquiries and having regard to circumstances that we consider likely to affect the School during the period of one year from the date of signing the financial statements, and to circumstances that we know will occur after that date which could affect the validity of the going concern basis of accounting.

We consider that the financial statements adequately disclose the circumstances, and any uncertainties, surrounding the adoption of the going concern basis of accounting by the School.

The representations in this letter are made at your request, and to supplement information obtained by you from the records of the School and to confirm information given to you orally.

Publication of the financial statements and related audit report on a website

We confirm that we are responsible for the electronic presentation of the audited financial statements, and:

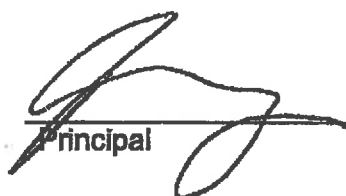
- that the electronic version of the audited financial statements and the related audit report presented on the website are the same as the final signed version of the audited financial statements and audit report.
- that the audited and unaudited information on the website has been clearly differentiated and we understand the risk of potential misrepresentation without appropriate controls.
- that we have assessed the security controls over audited financial information and the related audit report and are satisfied that procedures are adequate to ensure the integrity of the information provided.
- that the full financial statements have been provided on the website.

The representations in this letter are made at your request, and to supplement information obtained by you from the records of the School and to confirm information given to you orally.

Yours faithfully


Chairperson




Principal



146 Mungavin Avenue, Porirua East 5024
Telephone: (04) 2377095 Cellphone: 0272466765
Email: office@windley.school.nz
Facebook page: Windley School - official

WINDLEY SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

Ministry Number: 3074

Postal Address: 146 Mungavin Ave, Cannons Creek 5024

Address: 146 Mungavin Ave, Cannons Creek 5024

Phone: 04-2377095

Email: office@windley.school.nz

Members of the Board of Trustees

Name	Position	How position on Board gained	Term expires
John Woolff	Chairperson	Re elected May 2019	May 2022
Helaina Walters	Parent Representative	Re elected May 2019	May 2022
Kim Willis	Parent Representative	Re elected May 2019	May 2022
Darcy Freeman	Parent Representative	Elected May 2016	May 2019
Lui Ikenasio	Parent Representative	Re-elected May 2016	May 2019
Anau Kupa	Staff Representative	Elected May 2016	May 2019
Melanie Gill	Staff Representative	Elected May 2019	May 2022
Ramend Singh	Parent Representative	Elected May 2019	Sept 2019
Eunice Sio	Parent Representative	Elected May 2019	May 2022
Rhys McKinley	Principal		

89 Nazareth Avenue
Christchurch
Ph: 03 338 4444



WINDLEY SCHOOL

Financial Statements - For the year ended 31 December 2019

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Windley 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.

John Wolff

Full Name of Board Chairperson

Rhys McKinley

Full Name of Principal

John Wolff

Signature of Board Chairperson

[Signature]

Signature of Principal

19/5/20

Date:

19-5-20

Date:

Windley 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	2,622,275	2,614,238	2,718,117
Locally Raised Funds	3	29,761	9,800	40,946
Interest Received		14,885	10,000	15,696
		<u>2,666,921</u>	<u>2,634,038</u>	<u>2,774,759</u>
Expenses				
Locally Raised Funds	3	10,071	-	16,958
Learning Resources	4	1,940,369	1,899,667	2,016,826
Administration	5	133,096	126,400	129,706
Finance Costs		1,668	400	1,633
Property	6	530,257	532,823	526,883
Depreciation	7	80,983	72,000	83,322
Loss on Disposal of Property, Plant and Equipment		618	-	3,786
		<u>2,697,062</u>	<u>2,631,290</u>	<u>2,779,114</u>
Net Surplus / (Deficit)		(30,141)	2,748	(4,355)
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>(30,141)</u>	<u>2,748</u>	<u>(4,355)</u>

The above Statement of Comprehensive Revenue and Expense should be read in conjunction with the accompanying notes.

Windley School
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	<u>648,474</u>	<u>648,474</u>	<u>639,957</u>
Total comprehensive revenue and expense for the year	(30,141)	2,748	(4,355)
Capital Contributions from the Ministry of Education			
Contribution - Furniture and Equipment Grant	2,728	-	12,872
Equity at 31 December	<u>621,061</u>	<u>651,222</u>	<u>648,474</u>
Retained Earnings	621,061	651,222	648,474
Reserves			
Equity at 31 December	<u>621,061</u>	<u>651,222</u>	<u>648,474</u>

The above Statement of Changes in Net Assets/Equity should be read in conjunction with the accompanying notes.

Windley 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	69,702	56,785	66,092
Accounts Receivable	9	119,946	112,165	107,627
GST Receivable		9,761	-	5,139
Prepayments		9,245	-	9,472
Inventories	10	161	500	1,028
Investments	11	390,000	380,000	400,000
		<u>598,815</u>	<u>549,450</u>	<u>589,358</u>
Current Liabilities				
Accounts Payable	13	160,034	132,165	129,636
Revenue Received in Advance	14	17,667	17,000	21,836
Provision for Cyclical Maintenance	15	36,985	39,000	28,125
Finance Lease Liability - Current Portion	16	14,622	-	10,252
Funds held for Capital Works Projects	17	18,495	-	31,447
		<u>247,803</u>	<u>188,165</u>	<u>221,296</u>
Working Capital Surplus/(Deficit)		351,012	361,285	368,062
Non-current Assets				
Property, Plant and Equipment	12	342,150	350,000	349,661
		<u>342,150</u>	<u>350,000</u>	<u>349,661</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	15	60,563	60,063	54,438
Finance Lease Liability	16	11,538	-	14,811
		<u>72,101</u>	<u>60,063</u>	<u>69,249</u>
Net Assets		<u>621,061</u>	<u>651,222</u>	<u>648,474</u>
Equity		<u>621,061</u>	<u>651,222</u>	<u>648,474</u>

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

Windley School
Statement of Cash Flows
For the year ended 31 December 2019

	Notes	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Cash flows from Operating Activities				
Government Grants		757,732	762,648	826,615
Locally Raised Funds		31,259	9,800	39,575
Goods and Services Tax (net)		(4,622)	-	11,876
Payments to Employees		(414,219)	(345,600)	(455,929)
Payments to Suppliers		(311,547)	(356,506)	(411,261)
Interest Paid		(1,668)	(400)	(1,633)
Interest Received		14,111	10,000	16,057
Net cash from / (to) the Operating Activities		71,046	79,942	25,300
Cash flows from Investing Activities				
Proceeds from Sale of PPE (and Intangibles)		(618)	(4,000)	(3,786)
Purchase of PPE (and Intangibles)		(64,357)	(68,000)	(53,363)
Purchase of Investments		10,000	(50,000)	61,306
Net cash from / (to) the Investing Activities		(54,975)	(122,000)	4,157
Cash flows from Financing Activities				
Furniture and Equipment Grant		2,728	-	12,872
Finance Lease Payments		(2,236)	-	(7,302)
Funds Administered on Behalf of Third Parties		(12,953)	65,731	(30,148)
Net cash from Financing Activities		(12,461)	65,731	(24,578)
Net increase/(decrease) in cash and cash equivalents		3,610	23,673	4,879
Cash and cash equivalents at the beginning of the year	8	66,092	33,112	61,213
Cash and cash equivalents at the end of the year	8	69,702	56,785	66,092

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.

Windley School

Notes to the Financial Statements

For the year ended 31 December 2019

1 Statement of Accounting Policies

a) Reporting Entity

Windley 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 36.

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.

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

The School reviews the details of lease agreements at the end of each reporting date. The School believes the classification of each lease as either operation or finance is appropriate and reflects the nature of the agreement in place. Finance leases are disclosed at note 16.

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

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.

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.

The School has met the requirements under section 73 of the Education Act 1989 in relation to the acquisition of securities.

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 \$500 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense.

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

Leased Assets

Leases where the School assumes substantially all the risks and rewards of ownership are classified as finance leases. The assets acquired by way of finance lease are measured at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease, less accumulated depreciation and impairment losses. Leased assets and corresponding liability are recognised in the Statement of Financial Position and leased assets are depreciated over the period the School is expected to benefit from their use or over the term of the lease.

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 – Crown	20 years
Furniture and equipment	10 years
Information and communication technology	5 years
Motor vehicles	5 years
Leased assets held under a Finance Lease	3-5 years
Library resources	8 years

l) 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.

m) 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.

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

n) Revenue Received in Advance

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

The School holds sufficient funds to enable the refund of unearned fees should the School be unable to provide the services to which they relate.

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

p) 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).

q) 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.

r) 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.

s) Budget Figures

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

t) 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	649,594	676,348	688,243
Teachers' salaries grants	1,529,367	1,529,367	1,567,919
Use of Land and Buildings grants	322,223	322,223	323,583
Other government grants	121,091	86,300	138,372
	<u>2,622,275</u>	<u>2,614,238</u>	<u>2,718,117</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	16,448	7,000	17,168
Trading	9,390	-	17,507
Activities	3,923	2,800	6,271
	<u>29,761</u>	<u>9,800</u>	<u>40,946</u>
Expenses			
Trading	10,071	-	16,958
	<u>10,071</u>	<u>-</u>	<u>16,958</u>
<i>Surplus for the year Locally raised funds</i>	<u>19,690</u>	<u>9,800</u>	<u>23,988</u>

4 Learning Resources

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Curricular	67,391	69,900	69,330
Extra-curricular activities	32,188	45,000	18,287
Library resources	309	400	497
Employee benefits - salaries	1,828,857	1,770,367	1,916,328
Staff development	11,624	14,000	12,384
	<u>1,940,369</u>	<u>1,899,667</u>	<u>2,016,826</u>

5 Administration

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Audit Fee	6,047	5,000	5,561
Board of Trustees Fees	7,547	6,500	7,701
Board of Trustees Expenses	4,299	4,500	5,910
Communication	5,131	4,000	4,748
Consumables	14,350	20,500	12,230
Other	15,301	17,300	16,160
Employee Benefits - Salaries	70,797	60,600	68,618
Insurance	9,624	8,000	8,778
	<u>133,096</u>	<u>126,400</u>	<u>129,706</u>

6 Property

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	8,702	11,100	10,422
Consultancy and Contract Services	50,782	45,000	38,103
Cyclical Maintenance Provision	14,985	16,500	4,994
Grounds	13,041	9,000	11,066
Heat, Light and Water	31,290	21,000	27,538
Rates	5,298	3,000	3,556
Repairs and Maintenance	39,725	61,000	55,465
Use of Land and Buildings - Non Integrated	322,223	322,223	323,583
Employee Benefits - Salaries	44,211	44,000	52,156
	530,257	532,823	526,883

The use of land and buildings figure represents 8% of the school's total property value. This is used as a 'proxy' for the market rental of the property. 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 of Property, Plant and Equipment

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Building Improvements - Crown	13,382	12,000	13,367
Furniture and Equipment	12,773	16,000	13,207
Info and Comm Technology	29,772	30,000	34,173
Motor Vehicles	8,407	4,000	8,407
Leased Assets	13,656	7,000	11,356
Library Resources	2,993	3,000	2,812
	80,983	72,000	83,322

8 Cash and Cash Equivalents

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Cash on Hand	208	300	300
Bank Current Account	69,494	56,485	65,792
Net cash and cash equivalents and bank overdraft for Cash Flow Statement	69,702	56,785	66,092

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

9 Accounts Receivable

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Receivables	4,449	-	10,116
Interest Receivable	3,332	-	2,558
Teacher Salaries Grant Receivable	112,165	112,165	94,953
	119,946	112,165	107,627
Receivables from Exchange Transactions	7,781	-	12,674
Receivables from Non-Exchange Transactions	112,165	112,165	94,953
	119,946	112,165	107,627

10 Inventories

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Stationery	161	500	1,028
	<u>161</u>	<u>500</u>	<u>1,028</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	390,000	380,000	400,000

12 Property, Plant and Equipment

2019	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
Building Improvements - Crown	156,132		-	-	(13,382)	142,750
Furniture and Equipment	65,565	32,652	(618)	-	(12,773)	84,826
Info and Comm Technology	73,736	22,488	-	-	(29,772)	66,452
Motor Vehicles	23,120		-	-	(8,407)	14,713
Leased Assets	25,468	14,253	-	-	(13,656)	26,065
Library Resources	5,640	4,696	-	-	(2,993)	7,344
Balance at 31 December 2019	<u>349,661</u>	<u>74,089</u>	<u>(618)</u>	<u>-</u>	<u>(80,983)</u>	<u>342,150</u>

Accumulated Depreciation

2019	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
Building Improvements - Crown	364,457	(221,707)	142,750
Furniture and Equipment	278,061	(193,235)	84,826
Info and Comm Technology	230,960	(164,508)	66,452
Motor Vehicles	42,036	(27,323)	14,713
Leased Assets	75,170	(49,105)	26,065
Library Resources	55,106	(47,762)	7,344
Balance at 31 December 2019	<u>1,045,790</u>	<u>(703,640)</u>	<u>342,150</u>

2018	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
Building Improvements - Crown	165,769	3,730	-	-	(13,367)	156,132
Furniture and Equipment	59,750	19,032	(10)	-	(13,207)	65,565
Info and Comm Technology	82,884	25,025	-	-	(34,173)	73,736
Motor Vehicles	31,527	-	-	-	(8,407)	23,120
Leased Assets	18,936	20,380	(2,494)	-	(11,356)	25,466
Library Resources	7,346	2,390	(1,282)	-	(2,812)	5,642
Balance at 31 December 2018	366,212	70,557	(3,786)	-	(83,322)	349,661

Accumulated Depreciation

2018	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
Building Improvements - Crown	364,457	(208,325)	156,132
Furniture and Equipment	246,262	(180,697)	65,565
Info and Comm Technology	208,471	(134,735)	73,736
Motor Vehicles	42,036	(18,916)	23,120
Leased Assets	71,837	(46,369)	25,468
Library Resources	50,410	(44,770)	5,640
Balance at 31 December 2018	983,473	(633,812)	349,661

13 Accounts Payable

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Operating creditors	2,100	10,000	8,237
Accruals	33,376	10,000	7,161
Capital accruals for PPE items	5,782	-	-
Banking staffing overuse	-	-	12,953
Employee Entitlements - salaries	112,165	112,165	94,953
Employee Entitlements - leave accrual	6,611	-	6,332
	160,034	132,165	129,636
Payables for Exchange Transactions	160,034	132,165	129,636
	160,034	132,165	129,636

The carrying value of payables approximates their fair value.

14 Revenue Received In Advance

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Other	17,667	17,000	21,836
	17,667	17,000	21,836

15 Provision for Cyclical Maintenance

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Provision at the Start of the Year	82,563	82,563	77,569
Increase to the Provision During the Year	14,985	16,500	4,994
Adjustment to the Provision	-	-	-
Use of the Provision During the Year	-	-	-
Provision at the End of the Year	<u>97,548</u>	<u>99,063</u>	<u>82,563</u>
Cyclical Maintenance - Current	36,985	39,000	28,125
Cyclical Maintenance - Term	<u>60,563</u>	<u>60,063</u>	<u>54,438</u>
	<u>97,548</u>	<u>99,063</u>	<u>82,563</u>

16 Finance Lease Liability

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

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
No Later than One Year	14,622	-	10,252
Later than One Year and no Later than Five Years	11,538	-	14,811
	<u>26,160</u>	<u>-</u>	<u>25,063</u>

17 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 Contribution/ (Write-off to R&M) \$	Closing Balances \$
Driveway Reseal	<i>completed</i>	(9,080)			(9,080)	-
Hall Floor	<i>completed</i>	4,278		2,307	1,971	-
Special Needs Modifications	<i>completed</i>	4,964			4,964	-
Student Bathroom Warm Water	<i>completed</i>	-	30,000	32,318	(2,318)	-
Block 4 Toilet Upgrade	<i>completed</i>	32,680	325	33,005	-	-
Block A Refurbishment	<i>in progress</i>		55,402	36,907		18,495
Demolition Room 9 Block 4	<i>completed</i>	(1,395)	12,506	11,111	-	-
Totals		<u>31,447</u>	<u>98,233</u>	<u>115,648</u>	<u>(4,463)</u>	<u>18,495</u>

Represented by:

Funds Held on Behalf of the Ministry of Education	18,495
Funds Due from the Ministry of Education	-
	<u>18,495</u>

	2018	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution/ (Write-off to R&M) \$	Closing Balances \$
Driveway Reseal	<i>completed</i>	56,631	4,357	70,068	-	(9,080)
Hall Floor	<i>completed</i>	-	15,286	11,008		4,278
Special Needs Modifications	<i>completed</i>	4,964	-	-		4,964
Block H Water Damage	<i>completed</i>		6,043	6,043	-	-
Block 4 Toilet Upgrade	<i>in progress</i>	-	33,000	320		32,680
Demolition Room 9 Block 4	<i>in progress</i>	-	-	1,395	-	(1,395)
Totals		<u>61,595</u>	<u>58,686</u>	<u>88,834</u>	<u>-</u>	<u>31,447</u>

20 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	-	-

21 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 the school's board 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, however the potential impact on any specific school or individual and any associated historical liability will not be known until further detailed analysis has been completed.

The the extent that any obligation cannot reasonably be quantified at 31 December 2018, a contingent liability for the school may exist.

22 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 Block A Refurbishment to be completed in 2020, which will be fully funded by the Ministry of Education. \$55,402 has been received of which \$36,907 has been spent on the project to date.

(Capital commitments at 31 December 2018: nil)

(b) Operating Commitments

As at 31 December 2019 the Board has entered into no new contracts:

(Operating commitments at 31 December 2018: nil)

23 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.

24 Financial Instruments

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

Loans and receivables

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Cash and Cash Equivalents	69,702	56,785	66,092
Receivables	119,946	112,165	107,627
Investments - Term Deposits	390,000	380,000	400,000
Total Cash and Receivables	579,648	548,950	573,719

Financial liabilities measured at amortised cost

Payables	160,034	132,165	129,636
Finance Leases	26,160	-	25,063
Total Financial Liabilities Measured at Amortised Cost	186,194	132,165	154,699

25 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 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.

26 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 8 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 9 Investments:

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

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