



Specialising in teaching students with diverse needs

Sara Cohen School

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

School Directory

Ministry Number:

3816

Principal:

Matthew Tofia

School Address:

44 Rutherford Street, Caversham, Dunedin 9012

School Phone:

03 455 8347

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SARA COHEN SCHOOL

Annual Report - For the year ended 31 December 2020

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Sara Cohen School

Statement of Responsibility

For the year ended 31 December 2020

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

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

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

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



Full Name of Board Chairperson



Full Name of Principal



Signature of Board Chairperson



Signature of Principal



Date:



Date:

Sara Cohen School

Members of the Board of Trustees

For the year ended 31 December 2020

Name	Position	How Position Gained	Held Until
Sharon Oliver	Chairperson	Elected	Jun 2022
Matthew Tofia	Principal	ex Officio	
Doug McConaughy	Parent Rep	Elected	Jun 2022
Sue Gates	Parent Rep	Elected	Jun 2022
Kelly Cross	Staff Rep	Elected	Jun 2022
Cleave Hay	Parent Rep	Co-opted	Jun 2022

Sara Cohen School
Statement of Comprehensive Revenue and Expense
For the year ended 31 December 2020

	Notes	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Revenue				
Government Grants	2	2,851,798	2,344,711	2,317,447
Locally Raised Funds	3	44,936	9,600	47,573
Interest Income		6,249	4,000	5,020
Gain on Sale of Property, Plant and Equipment		10,654	-	-
		<u>2,913,637</u>	<u>2,358,311</u>	<u>2,370,040</u>
Expenses				
Learning Resources	4	2,361,783	2,008,721	1,961,998
Administration	5	108,257	115,148	120,396
Finance		5,566	-	2,043
Property	6	205,533	206,849	213,833
Depreciation	7	55,030	27,593	38,638
		<u>2,736,169</u>	<u>2,358,311</u>	<u>2,336,908</u>
Net Surplus / (Deficit) for the year		177,468	-	33,132
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u><u>177,468</u></u>	<u><u>-</u></u>	<u><u>33,132</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.

Sara Cohen School
Statement of Changes in Net Assets/Equity
For the year ended 31 December 2020

	Notes	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Balance at 1 January		421,540	421,540	311,908
Total comprehensive revenue and expense for the year		177,468	-	33,132
Capital Contributions from the Ministry of Education Contribution - Furniture and Equipment Grant		-	-	76,500
BOT Contribution - Capital Works		(7,093)	-	-
Equity at 31 December	20	591,915	421,540	421,540
Retained Earnings		591,915	421,540	421,540
Equity at 31 December		591,915	421,540	421,540

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.

Sara Cohen School
Statement of Financial Position
As at 31 December 2020

	Notes	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Current Assets				
Cash and Cash Equivalents	8	34,643	117,832	90,239
Accounts Receivable	9	175,300	123,293	123,293
GST Receivable		840	-	-
Prepayments		5,658	4,001	4,001
Investments	10	259,104	172,989	172,989
Funds owing for Capital Works Projects	14	23,819	8,253	8,253
		<u>499,364</u>	<u>426,368</u>	<u>398,775</u>
Current Liabilities				
GST Payable		-	5,316	5,316
Accounts Payable	12	120,188	105,899	105,899
Finance Lease Liability - Current Portion	13	14,398	15,296	15,296
Funds held for Capital Works Projects	14	227	-	-
		<u>134,813</u>	<u>126,511</u>	<u>126,511</u>
Working Capital Surplus/(Deficit)		364,551	299,857	272,264
Non-current Assets				
Property, Plant and Equipment	11	255,790	160,080	187,673
		<u>255,790</u>	<u>160,080</u>	<u>187,673</u>
Non-current Liabilities				
Finance Lease Liability	13	28,426	38,397	38,397
		<u>28,426</u>	<u>38,397</u>	<u>38,397</u>
Net Assets		<u>591,915</u>	<u>421,540</u>	<u>421,540</u>
Equity	20	<u>591,915</u>	<u>421,540</u>	<u>421,540</u>

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

Sara Cohen School
Statement of Cash Flows
For the year ended 31 December 2020

		2020	2020	2019
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Cash flows from Operating Activities				
Government Grants		1,275,406	939,054	938,359
Locally Raised Funds		69,725	9,600	12,478
Goods and Services Tax (net)		(6,156)	-	5,723
Payments to Employees		(929,513)	(721,202)	(693,449)
Payments to Suppliers		(237,589)	(127,359)	(222,407)
Interest Received		4,936	4,000	5,392
Net cash from/(to) Operating Activities		<u>176,809</u>	<u>104,093</u>	<u>46,096</u>
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(110,399)	(76,500)	(54,876)
Purchase of Investments		(86,115)	-	(54,611)
Net cash from/(to) Investing Activities		<u>(196,514)</u>	<u>(76,500)</u>	<u>(109,487)</u>
Cash flows from Financing Activities				
Furniture and Equipment Grant		-	-	76,500
BOT Contribution - Capital Works		(7,093)	-	-
Finance Lease Payments		(13,459)	-	(5,337)
Funds held for Capital Works Projects		(15,339)	-	49,688
Net cash from/(to) Financing Activities		<u>(35,891)</u>	<u>-</u>	<u>120,851</u>
Net increase/(decrease) in cash and cash equivalents		<u>(55,596)</u>	<u>27,593</u>	<u>57,460</u>
Cash and cash equivalents at the beginning of the year	8	90,239	90,239	32,779
Cash and cash equivalents at the end of the year	8	<u>34,643</u>	<u>117,832</u>	<u>90,239</u>

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

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

Sara Cohen School

Notes to the Financial Statements

For the year ended 31 December 2020

1. Statement of Accounting Policies

1.1. Reporting Entity

Sara Cohen School (the School) is a Crown entity as specified in the Crown Entities Act 2004 and a school as described in the Education and Training Act 2020. The Board of Trustees (the Board) is of the view that the School is a public benefit entity for financial reporting purposes.

1.2. Basis of Preparation

Reporting Period

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

Basis of Preparation

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

Financial Reporting Standards Applied

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

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

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 11.

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. 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.

1.6. 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.

1.7. 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.

1.8. Accounts Receivable

Short-term receivables are recorded at the amount due, less an allowance for credit losses (uncollectable debts). The School's receivables are largely made up of funding from the Ministry of Education, therefore the level of uncollectable debts is not considered to be material. However, short-term receivables are written off when there is no reasonable expectation of recovery.

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.

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.

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	10–75 years
Furniture and equipment	10–15 years
Information and communication technology	4–5 years
Motor vehicles	5 years
Textbooks	3 years
Leased assets held under a Finance Lease	Term of Lease
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, and also annual leave earned, by non teaching staff, to but not yet taken at balance date.

Long-term employee entitlements

Employee benefits that are due to be settled beyond 12 months after the end of the period in which the employee renders the related service, such as long service leave and retirement gratuities, have been calculated on an actuarial basis. The calculations are based on:

- likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement, and contractual entitlement information; and
- the present value of the estimated future cash flows

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. Financial Instruments

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

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

The School's financial liabilities comprise accounts payable, 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.

1.16. Borrowings

Borrowings on normal commercial terms are initially recognised at the amount borrowed plus transaction costs. Interest due on the borrowings is subsequently accrued and added to the borrowings balance. Borrowings are classified as current liabilities unless the school has an unconditional right to defer settlement of the liability for at least 12 months after balance date.

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

1.17. 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.

1.18. Budget Figures

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

1.19. Services received in-kind

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

2. Government Grants

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operational Grants	406,264	240,000	229,856
Teachers' Salaries Grants	1,434,700	1,259,192	1,259,192
Use of Land and Buildings Grants	108,163	146,465	146,465
Other MoE Grants	779,319	594,054	597,918
Other Government Grants	123,352	105,000	84,016
	<u>2,851,798</u>	<u>2,344,711</u>	<u>2,317,447</u>

The School has opted in to the donations scheme for this year. Total amount received was \$6,450.

Other MOE Grants total includes additional COVID-19 funding totalling \$85,166 for the year ended 31 December 2020.

3. Locally Raised Funds

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

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Revenue			
Donations	26,353	6,600	33,173
Other Revenue	18,583	3,000	14,400
	<u>44,936</u>	<u>9,600</u>	<u>47,573</u>
<i>Surplus for the year Locally raised funds</i>	<u>44,936</u>	<u>9,600</u>	<u>47,573</u>

4. Learning Resources

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	57,744	69,102	57,601
Information and Communication Technology	19,413	20,225	24,352
Employee Benefits - Salaries	2,272,218	1,900,194	1,867,397
Staff Development	12,408	19,200	12,648
	<u>2,361,783</u>	<u>2,008,721</u>	<u>1,961,998</u>

5. Administration

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	2,950	3,000	2,850
Board of Trustees Fees	3,900	3,425	3,375
Board of Trustees Expenses	20,726	13,800	17,032
Communication	6,026	7,750	7,355
Consumables	3,829	4,000	5,773
Operating Lease	450	3,450	3,313
Other	12,796	6,920	7,392
Employee Benefits - Salaries	48,220	61,700	62,257
Insurance	6,260	6,103	4,974
Service Providers, Contractors and Consultancy	3,100	5,000	6,075
	<u>108,257</u>	<u>115,148</u>	<u>120,396</u>

6. Property

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	4,247	2,800	3,190
Consultancy and Contract Services	6,017	2,000	6,244
Heat, Light and Water	7,318	10,184	10,495
Rates	2,925	2,900	2,909
Repairs and Maintenance	47,339	21,500	24,632
Use of Land and Buildings	108,163	146,465	146,465
Security	3,981	2,500	1,432
Employee Benefits - Salaries	25,543	18,500	18,466
	<u>205,533</u>	<u>206,849</u>	<u>213,833</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 of Property, Plant and Equipment

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Building Improvements	250	250	250
Furniture and Equipment	6,915	2,000	6,128
Information and Communication Technology	12,142	5,000	15,831
Motor Vehicles	16,673	10,000	11,558
Leased Assets	19,050	10,343	4,871
	<u>55,030</u>	<u>27,593</u>	<u>38,638</u>

8. Cash and Cash Equivalents

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Cash on Hand	822	-	822
Bank Current Account	33,811	117,832	7,055
Bank Call Account	10	-	32,362
Short-term Bank Deposits	-	-	50,000
Cash and cash equivalents for Statement of Cash Flows	<u>34,643</u>	<u>117,832</u>	<u>90,239</u>

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

Of the \$34,643 Cash and Cash Equivalents, \$227 is held by the School on behalf of the Ministry of Education. These funds are required to be spent in 2021 on Crown owned school buildings under the School's Five Year Property Plan.

9. Accounts Receivable

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Receivables	24,133	48,922	48,922
Receivables from the Ministry of Education	28,459	-	-
Interest Receivable	1,769	456	456
Banking Staffing Underuse	19,849	-	-
Teacher Salaries Grant Receivable	101,090	73,915	73,915
	<u>175,300</u>	<u>123,293</u>	<u>123,293</u>
Receivables from Exchange Transactions	25,902	49,378	49,378
Receivables from Non-Exchange Transactions	149,398	73,915	73,915
	<u>175,300</u>	<u>123,293</u>	<u>123,293</u>

10. Investments

The School's investment activities are classified as follows:

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Current Asset			
Short-term Bank Deposits	259,104	172,989	172,989
Total Investments	259,104	172,989	172,989

11. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2020						
Building Improvements	2,677	-	-	-	(250)	2,427
Furniture and Equipment	51,538	12,911	-	-	(6,915)	57,534
Information and Communication Technology	26,257	27,912	(4,374)	-	(12,142)	37,653
Motor Vehicles	70,542	52,174	-	-	(16,673)	106,043
Leased Assets	36,659	17,124	-	-	(19,050)	34,733
Work in Progress	-	17,400	-	-	-	17,400
Balance at 31 December 2020	187,673	127,521	(4,374)	-	(55,030)	255,790

	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
2020			
Building Improvements	6,246	(3,819)	2,427
Furniture and Equipment	95,990	(38,456)	57,534
Information and Communication Technology	102,039	(64,386)	37,653
Motor Vehicles	147,695	(41,652)	106,043
Leased Assets	58,654	(23,921)	34,733
Work in Progress	17,400	-	17,400
Balance at 31 December 2020	428,024	(172,234)	255,790

The net carrying value of equipment held under a finance lease is \$34,733 (2019: \$36,659)

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2019						
Building Improvements	2,927	-	-	-	(250)	2,677
Furniture and Equipment	44,972	12,694	-	-	(6,128)	51,538
Information and Communication Technology	35,254	6,834	-	-	(15,831)	26,257
Motor Vehicles	46,752	35,348	-	-	(11,558)	70,542
Leased Assets	-	41,530	-	-	(4,871)	36,659
Balance at 31 December 2019	129,905	96,406	-	-	(38,638)	187,673

	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
2019			
Building Improvements	6,246	(3,569)	2,677
Furniture and Equipment	83,719	(32,181)	51,538
Information and Communication Technology	97,673	(71,416)	26,257
Motor Vehicles	95,521	(24,979)	70,542
Leased Assets	41,530	(4,871)	36,659
Balance at 31 December 2019	324,689	(137,016)	187,673

12. Accounts Payable

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Operating creditors	6,161	20,337	20,337
Accruals	2,950	3,277	3,277
Employee Entitlements - salaries	101,090	73,915	73,915
Employee Entitlements - leave accrual	9,987	8,370	8,370
	<u>120,188</u>	<u>105,899</u>	<u>105,899</u>
Payables for Exchange Transactions	120,188	105,899	105,899
	<u>120,188</u>	<u>105,899</u>	<u>105,899</u>

The carrying value of payables approximates their fair value.

13. Finance Lease Liability

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

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
No Later than One Year	18,531	19,088	19,088
Later than One Year and no Later than Five Years	32,493	45,284	45,284
	<u>51,024</u>	<u>64,372</u>	<u>64,372</u>

14. Funds Held for Capital Works

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

	2020	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions \$	Closing Balances \$
Classroom & Hall Upgrade	Completed	(5,569)	-	-	5,569	-
Boiler Project	Completed	(1,524)	-	-	1,524	-
Heat Pump Project	Completed	(516)	516	-	-	-
School Rebuild	In Progress	(644)	2,759	(1,888)	-	227
SIP Playground Upgrade	In Progress	-	-	(23,819)	-	(23,819)
Totals		<u>(8,253)</u>	<u>3,275</u>	<u>(25,707)</u>	<u>7,093</u>	<u>(23,592)</u>

Represented by:

Funds Held on Behalf of the Ministry of Education	227
Funds Due from the Ministry of Education	(23,819)
	<u>(23,592)</u>

	2019	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contributions \$	Closing Balances \$
Classroom & Hall Upgrade	In Progress	(75,366)	69,797	-	-	(5,569)
Boiler Project	In Progress	15,144	-	(16,668)	-	(1,524)
Heat Pump Project	In Progress	1,223	-	(1,739)	-	(516)
School Rebuild	In Progress	1,058	6,306	(8,008)	-	(644)
Totals		<u>(57,941)</u>	<u>76,103</u>	<u>(26,415)</u>	<u>-</u>	<u>(8,253)</u>

15. 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.

16. Remuneration

Key management personnel compensation

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

	2020 Actual \$	2019 Actual \$
<i>Board Members</i>		
Remuneration	3,900	3,375
Full-time equivalent members	0.46	0.46
<i>Leadership Team</i>		
Remuneration	481,258	387,067
Full-time equivalent members	5.00	4.00
Total key management personnel remuneration	<u>485,158</u>	<u>390,442</u>
Total full-time equivalent personnel	<u>5.46</u>	<u>4.46</u>

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

Principal

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

	2020 Actual \$000	2019 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	130 - 140	120 - 130
Benefits and Other Emoluments	3 - 4	3 - 4
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	2020 FTE Number	2019 FTE Number
100 -110	1.00	-
	<u>1.00</u>	<u>-</u>

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

17. Compensation and Other Benefits Upon Leaving

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

	2020 Actual \$	2019 Actual \$
Total	7,391	-
Number of People	1	-

18. Contingencies

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

Holidays Act Compliance - schools payroll

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

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

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

Contingent Liability - Cyclical Maintenance

The School has an obligation to the Ministry of Education to maintain in good order and repair at all times the land, buildings and other facilities on the School site. The School is part of a rebuild programme which will result in a complete school rebuild due to be completed in early 2023. As a result, the school does not expect to incur any costs related to the maintenance of the School's buildings prior to the completion of the rebuild, so no cyclical maintenance provision has been recognised.

19. Commitments

(a) Capital Commitments

As at 31 December 2020 the Board has entered into the following contract agreements for capital works.

(a) \$75,770 contract for playground upgrades to be completed in 2021, which will be fully funded by the Ministry of Education. No funding has been received but \$23,819 has been spent on the project to date.

(Capital commitments at 31 December 2019: nil)

(b) Operating Commitments

As at 31 December 2020 the Board has not entered into any operating contracts:

(Operating commitments at 31 December 2019: nil)

20. 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.

21. Financial Instruments

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

Financial assets measured at amortised cost

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Cash and Cash Equivalents	34,643	117,832	90,239
Receivables	175,300	123,293	123,293
Investments - Term Deposits	259,104	172,989	172,989
Total Financial assets measured at amortised cost	<u>469,047</u>	<u>414,114</u>	<u>386,521</u>

Financial liabilities measured at amortised cost

Payables	120,188	105,899	105,899
Finance Leases	42,824	53,693	53,693
Total Financial liabilities measured at amortised Cost	<u>163,012</u>	<u>159,592</u>	<u>159,592</u>

22. Events After Balance Date

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