

# MISSION HEIGHTS JUNIOR COLLEGE

## ANNUAL REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### School Directory

<b>Ministry Number:</b>	553
<b>Principal:</b>	Ian Morrison
<b>School Address:</b>	Jeffs Road, Flat Bush
<b>School Postal Address:</b>	P O Box 64448, Botany, Manukau, 2163
<b>School Phone:</b>	09 277 7881
<b>School Email:</b>	finance@mhjc.school.nz

#### Members of the Board of Trustees

<b>Name</b>	<b>Position</b>	<b>How Position Gained</b>	<b>Term Expires/ Expired</b>
Sian Grant	Chairperson	Elected	Jun 2022
Ian Morrison	Principal	ex Officio	
John Bassano	Parent Rep	Elected	Jun 2022
Jason Tuhaka	Parent Rep	Elected	Jun 2022
Inderjeet Bajwa	Parent Rep	Elected	Jun 2022
Jenny Wang	Parent Rep	Elected	Jun 2022
Tashi Hishey	Staff Rep	Elected	Dec 2020
AJ Bassano	Student Rep	Elected	Dec 2021

**Accountant / Service Provider:** Education Services Ltd

# MISSION HEIGHTS JUNIOR COLLEGE

Annual Report - For the year ended 31 December 2020

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# Mission Heights Junior College

## Statement of Responsibility

For the year ended 31 December 2020

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

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

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

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

Mrs Sian GRANT

Full Name of Board Chairperson



Signature of Board Chairperson

06/09/2021

Date:

Mr Iain MORRISON

Full Name of Principal



Signature of Principal

06/09/2021

Date:

**Mission Heights Junior College**  
**Statement of Comprehensive Revenue and Expense**  
For the year ended 31 December 2020

		2020	2020	2019
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
<b>Revenue</b>				
Government Grants	2	10,969,640	9,236,107	9,122,455
Locally Raised Funds	3	355,354	96,000	621,843
Interest income		76,792	70,000	101,918
Gain on Sale of Property, Plant and Equipment		1,504	-	742
International Students	4	66,138	-	-
Other Revenue		796	-	311
		<u>11,470,224</u>	<u>9,402,107</u>	<u>9,847,269</u>
<b>Expenses</b>				
Locally Raised Funds	3	356,367	124,500	523,968
International Students	4	12,709	-	-
Learning Resources	5	5,793,258	4,743,103	4,952,324
Administration	6	266,248	280,393	291,682
Finance		6,666	8,000	7,320
Property	7	4,013,894	4,062,491	3,745,215
Depreciation	8	187,988	180,000	180,002
Loss on Disposal of Property, Plant and Equipment		4,226	-	29,364
		<u>10,641,356</u>	<u>9,398,487</u>	<u>9,729,875</u>
<b>Net Surplus / (Deficit) for the year</b>		<u>828,868</u>	<u>3,620</u>	<u>117,394</u>
Other Comprehensive Revenue and Expenses		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<u><u>828,868</u></u>	<u><u>3,620</u></u>	<u><u>117,394</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.

**Mission Heights Junior College**  
**Statement of Changes in Net Assets/Equity**  
For the year ended 31 December 2020

	Notes	Actual 2020 \$	Budget (Unaudited) 2020 \$	Actual 2019 \$
<b>Balance at 1 January</b>		<u>4,315,805</u>	<u>4,189,049</u>	<u>4,198,411</u>
Total comprehensive revenue and expense for the year		828,868	3,620	117,394
Capital Contributions from the Ministry of Education				
Adjustment to Accumulated surplus/(deficit) from adoption of PBE IFRS 9		-	-	-
<b>Equity at 31 December</b>	23	<u>5,144,673</u>	<u>4,192,669</u>	<u>4,315,805</u>
Retained Earnings		5,144,673	4,192,669	4,315,805
<b>Equity at 31 December</b>		<u>5,144,673</u>	<u>4,192,669</u>	<u>4,315,805</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.

**Mission Heights Junior College**  
**Statement of Financial Position**  
As at 31 December 2020

	Notes	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
<b>Current Assets</b>				
Cash and Cash Equivalents	9	92,343	70,630	558,613
Accounts Receivable	10	425,443	321,951	378,222
GST Receivable		215,380	23,310	29,128
Prepayments		24,679	17,640	19,145
Investments	11	3,403,278	2,580,716	2,600,000
Funds owed for Capital Works Projects	17	653,186	-	31,098
		<u>4,814,309</u>	<u>3,014,247</u>	<u>3,616,206</u>
<b>Current Liabilities</b>				
Accounts Payable	13	1,012,644	368,874	505,888
Revenue Received in Advance	14	64,891	6,903	79,681
Provision for Cyclical Maintenance	15	88,789	-	94,965
Finance Lease Liability - Current Portion	16	35,324	32,131	32,526
		<u>1,201,648</u>	<u>407,908</u>	<u>713,060</u>
<b>Working Capital Surplus/(Deficit)</b>		<u>3,612,661</u>	<u>2,606,339</u>	<u>2,903,146</u>
<b>Non-current Assets</b>				
Property, Plant and Equipment	12	1,611,984	1,606,381	1,460,014
		<u>1,611,984</u>	<u>1,606,381</u>	<u>1,460,014</u>
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	15	25,944	-	-
Finance Lease Liability	16	54,028	20,051	47,355
		<u>79,972</u>	<u>20,051</u>	<u>47,355</u>
<b>Net Assets</b>		<u><u>5,144,673</u></u>	<u><u>4,192,669</u></u>	<u><u>4,315,805</u></u>
<b>Equity</b>		<u><u>5,144,673</u></u>	<u><u>4,192,669</u></u>	<u><u>4,315,805</u></u>

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

**Mission Heights Junior College**  
**Statement of Cash Flows**  
For the year ended 31 December 2020

		2020	2020	2019
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
<b>Cash flows from Operating Activities</b>				
Government Grants		2,548,851	1,651,850	1,474,655
Locally Raised Funds		356,209	76,000	621,144
International Students		52,756	-	62,065
Goods and Services Tax (net)		(186,252)	-	(5,818)
Payments to Employees		(1,002,320)	(885,000)	(815,143)
Payments to Suppliers		(941,269)	(955,442)	(1,157,232)
Cyclical Maintenance Payments in the year		(20,662)	-	(13,775)
Interest Paid		(6,666)	(8,000)	(7,320)
Interest Received		85,566	70,000	98,529
Net cash from/(to) Operating Activities		886,213	(50,592)	257,105
<b>Cash flows from Investing Activities</b>				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		1,504	-	742
Purchase of Property Plant & Equipment (and Intangibles)		(376,678)	(205,100)	(122,410)
Purchase of Investments		(1,303,278)	-	(400,000)
Proceeds from Sale of Investments		500,000	-	510,715
Net cash from/(to) Investing Activities		(1,178,452)	(205,100)	(10,953)
<b>Cash flows from Financing Activities</b>				
Finance Lease Payments		(28,466)	(33,350)	(33,363)
Funds Held for Capital Works Projects		(145,565)	-	(13,848)
Net cash from/(to) Financing Activities		(174,031)	(33,350)	(47,211)
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(466,270)</b>	<b>(289,042)</b>	<b>198,941</b>
Cash and cash equivalents at the beginning of the year	9	558,613	359,672	359,672
<b>Cash and cash equivalents at the end of the year</b>	<b>9</b>	<b>92,343</b>	<b>70,630</b>	<b>558,613</b>

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.

# Mission Heights Junior College

## Notes to the Financial Statements

### For the year ended 31 December 2020

#### 1. Statement of Accounting Policies

##### **a) Reporting Entity**

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

##### **b) Basis of Preparation**

###### ***Reporting Period***

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

###### ***Basis of Preparation***

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

###### ***Financial Reporting Standards Applied***

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

###### ***PBE Accounting Standards Reduced Disclosure Regime***

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

###### ***Measurement Base***

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

###### ***Presentation Currency***

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

###### ***Specific Accounting Policies***

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

### ***Critical Accounting Estimates And Assumptions***

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

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

#### ***Cyclical maintenance***

A school recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's long term maintenance plan which is prepared as part of its 10 Year Property Planning process. During the year, the Board assesses the reasonableness of its 10 Year Property Plan on which the provision is based. Cyclical maintenance is disclosed at note 15.

#### ***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 carry forward amounts unspent. The School believes all grants received have been appropriately recognised as a liability if required. Government grants are disclosed at note 2.

## **c) Revenue Recognition**

### ***Government Grants***

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

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

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

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

**Other Grants**

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

**Donations, Gifts and Bequests**

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

**Interest Revenue**

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

**d) Use of 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 (uncollectable debts). The schools receivables are largely made up of funding from the Ministry of Education, therefore the level of uncollectable debts is not considered to be material. However, short-term receivables are written off when there is no reasonable expectation of recovery.

**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.

## 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.

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 are depreciated over their estimated useful lives on a straight line 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	40 years
Furniture and Equipment	5-40 years
Information and Communication	3-10 years
Motor Vehicles	5 years
Library Resources	8 years
Leased assets held under a Finance Lease	Term of Lease

## **l) Intangible Assets**

### *Software costs*

Computer software acquired by the School are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Costs associated with subsequent maintenance or licensing of software are recognised as an expense in the Statement of Comprehensive Revenue and Expense when incurred.

Computer software that the school receives from the Ministry of Education is normally acquired through a non-exchange transaction and is not of a material amount. Its fair value can be assessed at time of acquisition if no other methods lead to a fair value determination. Computer software purchased directly from suppliers at market rates are considered exchange transactions and the fair value is the amount paid for the software.

The carrying value of software is amortised on a straight line basis over its useful life. The useful life of software is estimated as three years. The amortisation charge for each period and any impairment loss is recorded in the Statement of Comprehensive Revenue and Expense.

## **m) 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.

## **n) 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.

#### **o) Employee Entitlements**

##### *Short-term employee entitlements*

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

These include salaries and wages accrued up to balance date, and also annual leave earned, by non teaching staff, to but not yet taken at balance date.

##### *Long-term employee entitlements*

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

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

#### **p) 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 in relation to international students, should the School be unable to provide the services to which they relate.

#### **q) Funds Held in Trust**

Funds are held in trust where they have been received by the School for a specified purpose, or are being held on behalf of a third party and these transactions are not recorded in the Statement of Revenue and Expense.

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

#### **r) 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 the School's 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.

#### **s) 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).

#### **t) Financial Instruments**

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

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

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

**u) 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.

**v) 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.

**w) Budget Figures**

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

**x) 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	1,669,635	1,525,950	1,340,003
Teachers' Salaries Grants	4,849,904	3,898,694	4,174,738
Use of Land and Buildings Grants	3,532,759	3,685,563	3,456,690
Other MoE Grants	901,459	125,900	151,024
Other Government Grants	15,883	-	-
	<u>10,969,640</u>	<u>9,236,107</u>	<u>9,122,455</u>

The school has opted in to the donations scheme for this year. Total amount received was \$139,950.

## 3. Locally Raised Funds

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

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
<b>Revenue</b>			
Donations	5,316	10,000	96,753
Bequests & Grants	1,000	-	12,257
Activities	348,242	83,000	511,168
Trading	796	3,000	1,665
	<u>355,354</u>	<u>96,000</u>	<u>621,843</u>
<b>Expenses</b>			
Activities	356,367	122,500	523,968
Trading	-	2,000	-
	<u>356,367</u>	<u>124,500</u>	<u>523,968</u>
<i>Surplus/(Deficit) for the year Locally raised funds</i>	<u>(1,013)</u>	<u>(28,500)</u>	<u>97,875</u>

## 4. International Student Revenue and Expenses

	2020	2020	2019
	Actual	Budget	Actual
	Number	(Unaudited)	Number
International Student Roll	4	0	0
	<u>2020</u>	<u>2020</u>	<u>2019</u>
	Actual	Budget	Actual
	\$	(Unaudited)	\$
<b>Revenue</b>			
International Student Fees	66,138	-	-
<b>Expenses</b>			
Commissions	10,174	-	-
International student levy	823	-	-
Other Expenses	1,712	-	-
	<u>12,709</u>	<u>-</u>	<u>-</u>
<i>Surplus for the year International Students'</i>	<u>53,429</u>	<u>-</u>	<u>-</u>

## 5. Learning Resources

	2020	2020 Budget	2019
	Actual	(Unaudited)	Actual
	\$	\$	\$
Curricular	157,839	125,000	120,507
Equipment Repairs	32,422	43,509	23,327
Library Resources	2,295	5,400	4,513
Employee Benefits - Salaries	5,585,942	4,535,694	4,757,705
Staff Development	14,760	33,500	46,272
	<u>5,793,258</u>	<u>4,743,103</u>	<u>4,952,324</u>

## 6. Administration

	2020	2020 Budget	2019
	Actual	(Unaudited)	Actual
	\$	\$	\$
Audit Fee	5,825	5,825	5,659
Board of Trustees Fees	3,515	4,000	3,370
Board of Trustees Expenses	868	2,000	5,701
Communication	21,357	21,100	19,725
Consumables	9,203	10,000	11,042
Operating Lease	5,848	-	-
Legal Fees	-	3,000	2,609
Other	47,585	64,788	71,127
Employee Benefits - Salaries	142,746	150,000	144,117
Insurance	8,553	-	7,896
Service Providers, Contractors and Consultancy	20,748	19,680	20,436
	<u>266,248</u>	<u>280,393</u>	<u>291,682</u>

## 7. Property

	2020	2020 Budget	2019
	Actual	(Unaudited)	Actual
	\$	\$	\$
Caretaking and Cleaning Consumables	84,474	90,000	87,878
Cyclical Maintenance Expense	48,768	19,928	(81,860)
Grounds	53,066	43,000	48,082
Heat, Light and Water	85,326	90,000	88,465
Repairs and Maintenance	131,564	77,000	73,017
Use of Land and Buildings	3,532,759	3,685,563	3,456,690
Security	8,343	7,000	9,743
Employee Benefits - Salaries	53,007	50,000	46,968
Consultancy & Contract Services	16,587	-	16,232
	<u>4,013,894</u>	<u>4,062,491</u>	<u>3,745,215</u>

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

## 8. Depreciation

	2020	2020 Budget	2019
	Actual	(Unaudited)	Actual
	\$	\$	\$
Buildings	1,433	1,434	1,434
Building Improvements	12,532	12,531	12,531
Furniture and Equipment	100,381	92,688	92,690
Information and Communication Technology	28,168	25,630	25,630
Motor Vehicles	886	475	475
Textbooks	2,043	1,855	1,855
Leased Assets	37,662	40,703	40,703
Library Resources	4,883	4,684	4,684
	<u>187,988</u>	<u>180,000</u>	<u>180,002</u>

## 9. Cash and Cash Equivalents

	2020	2020 Budget (Unaudited)	2019
	Actual \$	\$	Actual \$
Cash on Hand	545	-	349
Bank Current Account	80,176	(133,432)	249,795
Bank Call Account	11,622	204,062	308,469
Cash and cash equivalents for Statement of Cash Flows	92,343	70,630	558,613

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

Of the \$92,343 Cash and Cash Equivalents \$77,848 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.

## 10. Accounts Receivable

	2020	2020 Budget (Unaudited)	2019
	Actual \$	\$	Actual \$
Receivables	41,009	35,083	36,971
Interest Receivable	18,163	23,548	26,937
Teacher Salaries Grant Receivable	366,271	263,320	314,314
	425,443	321,951	378,222
Receivables from Exchange Transactions	59,172	58,631	63,908
Receivables from Non-Exchange Transactions	366,271	263,320	314,314
	425,443	321,951	378,222

## 11. Investments

The School's investment activities are classified as follows:

	2020	2020 Budget (Unaudited)	2019
	Actual \$	\$	Actual \$
Current Asset			
Short-term Bank Deposits	3,403,278	2,580,716	2,600,000
Total Investments	3,403,278	2,580,716	2,600,000

## 12. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2020	\$	\$	\$	\$	\$	\$
Buildings	24,490	13,865	-	-	(1,433)	36,922
Building Improvements	443,115	-	-	-	(12,532)	430,583
Furniture and Equipment	810,413	150,980	(4,226)	-	(100,381)	856,786
Information and Communication Tech	70,145	115,570	-	-	(28,168)	157,547
Motor Vehicles	2,773	11,965	-	-	(886)	13,852
Textbooks	13,182	-	-	-	(2,043)	11,139
Leased Assets	75,769	46,430	-	-	(37,662)	84,537
Library Resources	20,127	5,374	-	-	(4,883)	20,618
<b>Balance at 31 December 2020</b>	<b>1,460,014</b>	<b>344,184</b>	<b>(4,226)</b>	<b>-</b>	<b>(187,988)</b>	<b>1,611,984</b>

The net carrying value of equipment held under a finance lease is \$84,537 (2019: \$75,769)

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2020	\$	\$	\$
Buildings	42,534	(5,612)	36,922
Building Improvements	501,258	(70,675)	430,583
Furniture and Equipment	1,511,497	(654,711)	856,786
Information and Communication	520,761	(363,214)	157,547
Motor Vehicles	15,213	(1,361)	13,852
Textbooks	16,346	(5,207)	11,139
Leased Assets	161,555	(77,018)	84,537
Library Resources	119,731	(99,113)	20,618
<b>Balance at 31 December 2020</b>	<b>2,888,895</b>	<b>(1,276,911)</b>	<b>1,611,984</b>

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2019	\$	\$	\$	\$	\$	\$
Buildings	25,924	-	-	-	(1,434)	24,490
Building Improvements	455,646	-	-	-	(12,531)	443,115
Furniture and Equipment	786,902	145,349	(29,148)	-	(92,690)	810,413
Information and Communication Tech	40,881	55,110	(216)	-	(25,630)	70,145
Motor Vehicles	-	3,248	-	-	(475)	2,773
Textbooks	9,349	5,688	-	-	(1,855)	13,182
Leased Assets	45,935	70,537	-	-	(40,703)	75,769
Library Resources	19,044	5,767	-	-	(4,684)	20,127
<b>Balance at 31 December 2019</b>	<b>1,383,681</b>	<b>285,699</b>	<b>(29,364)</b>	<b>-</b>	<b>(180,002)</b>	<b>1,460,014</b>

The net carrying value of equipment held under a finance lease is \$75,769 (2018: \$45,935)

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2019	\$	\$	\$
Buildings	28,670	(4,180)	24,490
Building Improvements	501,258	(58,143)	443,115
Furniture and Equipment	1,390,692	(580,279)	810,413
Information and Communication	442,590	(372,445)	70,145
Motor Vehicles	8,248	(5,475)	2,773
Textbooks	16,346	(3,164)	13,182
Leased Assets	150,292	(74,523)	75,769
Library Resources	114,357	(94,230)	20,127
<b>Balance at 31 December 2019</b>	<b>2,652,453</b>	<b>(1,192,439)</b>	<b>1,460,014</b>

### 13. Accounts Payable

	2020	2020	2019
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Operating Creditors	587,548	67,260	61,551
Accruals	11,484	5,511	5,659
Capital Accruals for PPE items	14,022	-	97,566
Employee Entitlements - Salaries	366,271	263,320	314,314
Employee Entitlements - Leave Accrual	33,319	32,783	26,798
	<u>1,012,644</u>	<u>368,874</u>	<u>505,888</u>
Payables for Exchange Transactions	1,012,644	368,874	505,888
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	<u>1,012,644</u>	<u>368,874</u>	<u>505,888</u>

The carrying value of payables approximates their fair value.

### 14. Revenue Received in Advance

	2020	2020	2019
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Foreign Fees in Advance	48,683	-	62,065
MoE Income in Advance	6,288	-	11,793
Other	9,920	6,903	5,823
	<u>64,891</u>	<u>6,903</u>	<u>79,681</u>

### 15. Provision for Cyclical Maintenance

	2020	2020	2019
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Provision at the Start of the Year	94,965	(19,928)	190,600
Increase/(decrease) to the Provision During the Year	28,445	19,928	(81,860)
Adjustment to the Provision	20,323	-	-
Use of the Provision During the Year	(29,000)	-	(13,775)
Provision at the End of the Year	<u>114,733</u>	<u>-</u>	<u>94,965</u>
Cyclical Maintenance - Current	88,789	-	94,965
Cyclical Maintenance - Term	25,944	-	-
	<u>114,733</u>	<u>-</u>	<u>94,965</u>

### 16. Finance Lease Liability

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

	2020	2020	2019
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
No Later than One Year	41,582	32,131	35,647
Later than One Year and no Later than Five Years	58,419	20,051	51,558
	<u>100,001</u>	<u>52,182</u>	<u>87,205</u>

## 17. Funds Owed (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:

					BOT Contribution/ (Write-off to R&M)	
	2020	Opening Balances \$	Receipts from MoE \$	Payments \$		Closing Balances \$
Performing Arts Centre	<i>completed</i>	1,800	-	1,800	-	-
Shade Sail & Turf	<i>in progress</i>	21,741	348,300	(988,816)	-	662,257
Gates	<i>completed</i>	7,557	-	7,557	-	-
Replace all hardware to aluminium doors	<i>in progress</i>	-	19,144	(19,484)	-	340
Remedial work to Gym guttering	<i>in progress</i>	-	-	(2,292)	-	2,292
Gas Reticulation	<i>in progress</i>	-	39,436	(35,025)	-	(4,411)
Heating and Ventilation	<i>in progress</i>	-	45,000	(49,872)	-	4,872
Replace Carpet & Vinyl	<i>in progress</i>	-	67,132	(66,821)	-	(311)
S.I.P Project	<i>in progress</i>	-	360,000	(286,874)	-	(73,126)
AMS Project	<i>in progress</i>	-	-	(61,273)	-	61,273
Totals		31,098	879,012	(1,501,100)	-	653,186

### Represented by:

Funds Held on Behalf of the Ministry of Education

(77,848)

Funds Due from the Ministry of Education

731,034

653,186

					BOT Contribution/ (Write-off to R&M)	
	2019	Opening Balances \$	Receipts from MoE \$	Payments \$		Closing Balances \$
Performing Arts Centre	<i>in progress</i>	-	-	(1,800)	-	1,800
Shade Sail & Turf	<i>in progress</i>	-	-	(21,741)	-	21,741
Gates	<i>in progress</i>	-	-	(7,557)	-	7,557
Totals		-	-	(31,098)	-	31,098

## 18. 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.

## 19. Remuneration

### *Key management personnel compensation*

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

	2020 Actual \$	2019 Actual \$
<i>Board Members</i>		
Remuneration	3,515	3,370
Full-time equivalent members	0.06	0.09
<i>Leadership Team</i>		
Remuneration	1,245,707	1,130,775
Full-time equivalent members	11.00	11.00
Total key management personnel remuneration	1,249,222	1,134,145
Total full-time equivalent personnel	11.06	11.09

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	160 - 170	150 - 160
Benefits and Other Emoluments	4 - 5	4 - 5
Termination Benefits	-	-

### *Other Employees*

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

Remuneration \$000	2020 FTE Number	2019 FTE Number
100 - 110	6.00	3.00
110 - 120	2.00	-
120 - 130	1.00	-
	9.00	3.00

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

## 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:

	2020 Actual	2019 Actual
Total	-	-
Number of People	-	-

## 21. 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.

## 22. Commitments

### (a) Capital Commitments

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

\$983,000 Contract for the Shade Sail & Turf as agent for the Ministry of Education. This project is fully funded by the Ministry and \$348,300 has been received of which \$1,010,557 has been spent on the project to balance date. This project has been approved by the Ministry; and

Contract for the Replace all hardware to aluminium doors as agent for the Ministry of Education. This project is fully funded by the Ministry and \$19,144 has been received of which \$19,484 has been spent on the project to balance date. This project has been approved by the Ministry; and

Contract for the Remedial work to Gym guttering as agent for the Ministry of Education. This project is fully funded by the Ministry and has been received of which \$2,292 has been spent on the project to balance date. This project has been approved by the Ministry; and

Contract for the Gas Reticulation as agent for the Ministry of Education. This project is fully funded by the Ministry and \$39,436 has been received of which \$35,025 has been spent on the project to balance date. This project has been approved by the Ministry; and

Contract for the Heating and Ventilation as agent for the Ministry of Education. This project is fully funded by the Ministry and \$45,000 has been received of which \$49,872 has been spent on the project to balance date. This project has been approved by the Ministry; and

Contract for the Replace Carpet & Vinyl as agent for the Ministry of Education. This project is fully funded by the Ministry and \$67,132 has been received of which \$66,821 has been spent on the project to balance date. This project has been approved by the Ministry; and

Contract for the S.I.P Project as agent for the Ministry of Education. This project is fully funded by the Ministry and \$360,000 has been received of which \$286,874 has been spent on the project to balance date. This project has been approved by the Ministry; and

Contract for the AMS Project as agent for the Ministry of Education. This project is fully funded by the Ministry and has been received of which \$61,273 has been spent on the project to balance date. This project has been approved by the Ministry.

(Capital commitments at 31 December 2019: nil).

### (b) Operating Commitments

There are no operating commitments as at 31 December 2020 (Operating commitments at 31 December 2019: 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:

### Financial assets measured at amortised cost

	2020	2020	2019
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Cash and Cash Equivalents	92,343	70,630	558,613
Receivables	425,443	321,951	378,222
Investments - Term Deposits	3,403,278	2,580,716	2,600,000

Total Financial assets measured at amortised cost

3,921,064	2,973,297	3,536,835
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### Financial liabilities measured at amortised cost

Payables	1,012,644	368,874	505,888
Finance Leases	89,352	52,182	79,881

Total Financial Liabilities Measured at Amortised Cost

1,101,996	421,056	585,769
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## 25. Events After Balance Date

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

## 26. Comparatives

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