

## 18. 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	-	-

## 19. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2019 (Contingent liabilities and assets at 31 December 2018: nil).

### Holidays Act Compliance – schools payroll

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

The Ministry has commenced a review of the schools sector payroll to ensure compliance with the Holidays Act 2003. The initial phase of this review has identified areas of non-compliance. The Ministry has recognised an estimated provision based on the analysis of sample data, which may not be wholly representative of the total dataset for Teacher and Support Staff Entitlements. A more accurate estimate will be possible after further analysis of non-compliance has been completed, and this work is ongoing. Final calculations and potential impact on any specific individual will not be known until further detailed analysis has been completed.

To the extent that any obligation cannot reasonably be quantified at 31 December 2019, a contingent liability for the school may exist.

## 20. Commitments

### (a) Capital Commitments

As at 31 December 2019 the Board has entered into no contractual agreements.

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

## 21. 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.

16. 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.

17. Remuneration

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

	2019	2018
	Actual	Actual
<b>Board Members</b>		
Remuneration	-	152
Full-time equivalent members	0.29	0.20
<b>Leadership Team</b>		
Remuneration	100,610	94,077
Full-time equivalent members	1	1
<b>Total key management personnel remuneration</b>	<b>100,610</b>	<b>94,229</b>
<b>Total full-time equivalent personnel</b>	<b>1.29</b>	<b>1.20</b>

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

*Principal*

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

	2019	2018
	Actual	Actual
<b>Salaries and Other Short-term Employee Benefits:</b>		
Salary and Other Payments	\$000	\$000
Benefits and Other Emoluments	100-110	90 - 100
Termination Benefits	3-4	2 - 3

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

	2019	2018
	FTE Number	FTE
<b>Remuneration</b>		
\$000	0	0
FTE Number	0.00	0.00

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



**12. Accounts Payable**

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Operating Creditors	169	681	681
Accruals	4,020	4,020	4,020
Employee Entitlements - Salaries	17,073	8,649	8,649
	21,262	13,350	13,350
Payables for Exchange Transactions	21,262	13,350	13,350
	21,262	13,350	13,350

The carrying value of payables approximates their fair value.

**13. Revenue Received in Advance**

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Other	50	76	76
	50	76	76

**14. Provision for Cyclical Maintenance**

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Provision at the Start of the Year	-	-	1,282
Increase/ (decrease) to the Provision During the Year	2,100	-	(1,282)
Use of the Provision During the Year	-	-	-
Provision at the End of the Year	2,100	-	-
Cyclical Maintenance - Current	2,100	-	-
Cyclical Maintenance - Term	-	-	-
	2,100	-	-

**15. Finance Lease Liability**

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

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
No Later than One Year	2,952	1,294	1,462
Later than One Year and no Later than Five Years	2,290	1,234	1,300
Later than Five Years	-	-	-
	5,242	2,528	2,762



11. Property, Plant and Equipment

2019	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
Furniture and Equipment	2,561	6,110	-	-	(801)	7,871
Information and Communication Technology	416	-	(208)	-	(151)	57
Leased Assets	2,236	4,596	-	-	(2,330)	4,503
Library Resources	5,720	2,644	-	-	(1,046)	7,319
<b>Balance at 31 December 2019</b>	<b>10,933</b>	<b>13,350</b>	<b>(208)</b>	<b>-</b>	<b>(4,328)</b>	<b>19,750</b>
2019	Cost or Valuation	Accumulated Depreciation	Net Book Value			
Furniture and Equipment	21,364	(13,493)	7,871			
Information and Communication Technology	9,713	(9,656)	57			
Leased Assets	12,164	(7,661)	4,503			
Library Resources	31,483	(24,164)	7,319			
<b>Balance at 31 December 2019</b>	<b>74,724</b>	<b>(54,974)</b>	<b>19,750</b>			
2018	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
Furniture and Equipment	2,997	-	-	-	(436)	2,561
Information and Communication Technology	823	-	(105)	-	(302)	416
Leased Assets	4,116	-	-	-	(1,880)	2,236
Library Resources	6,675	63	(201)	-	(817)	5,720
<b>Balance at 31 December 2018</b>	<b>14,611</b>	<b>63</b>	<b>(306)</b>	<b>-</b>	<b>(3,435)</b>	<b>10,933</b>
2018	Cost or Valuation	Accumulated Depreciation	Net Book Value			
Furniture and Equipment	15,254	(12,693)	2,561			
Information and Communication Technology	10,316	(9,900)	416			
Leased Assets	7,567	(5,331)	2,236			
Library Resources	28,839	(23,119)	5,720			
<b>Balance at 31 December 2018</b>	<b>61,976</b>	<b>(51,043)</b>	<b>10,933</b>			

**9. Accounts Receivable**

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Receivables	172	656	656
Banking Staffing Underuse	4,563	-	-
Teacher Salaries Grant Receivable	17,073	8,648	8,649
	<u>21,808</u>	<u>9,304</u>	<u>9,305</u>
Receivables from Exchange Transactions	172	656	656
Receivables from Non-Exchange Transactions	21,636	8,648	8,649
	<u>21,808</u>	<u>9,304</u>	<u>9,305</u>

**10. Inventories**

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Stationery	584	637	637
	<u>584</u>	<u>637</u>	<u>637</u>

5. Administration

	2019	Budget	2018
Audit Fee	4,020	4,020	4,020
Board of Trustees Expenses	1,188	500	152
Communication	151	180	157
Consumables	1,914	2,000	1,380
Other	1,522	1,660	1,502
Employee Benefits - Salaries	3,526	3,720	3,427
Insurance	247	180	192
Service Providers, Contractors and Consultancy	6,749	6,300	6,405
<b>Total</b>	<b>19,317</b>	<b>18,560</b>	<b>17,235</b>

6. Property

	2019	Budget	2018
Actual	1,927	1,895	2,723
Cyclical Maintenance Provision	2,100	550	(1,282)
Grounds	2,319	2,600	2,119
Heat, Light and Water	1,387	1,400	1,306
Repairs and Maintenance	453	500	271
Use of Land and Buildings	21,200	16,000	16,000
Employee Benefits - Salaries	176	-	-
<b>Total</b>	<b>29,562</b>	<b>22,945</b>	<b>21,137</b>

7. Depreciation

	2019	Budget	2018
Actual	801	370	436
Furniture and Equipment	151	70	302
Information and Communication Technology	2,330	1,077	1,880
Fixed Assets	1,046	483	817
Library Resources	4,328	2,000	3,435
<b>Total</b>	<b>4,328</b>	<b>2,000</b>	<b>3,435</b>

8. Cash and Cash Equivalents

	2019	Budget	2018
Actual	59,785	40,683	38,683
Bank Current Account	25	25	25
Bank Call Account	59,760	40,658	38,658
<b>Total</b>	<b>59,810</b>	<b>40,708</b>	<b>38,708</b>

Cash and cash equivalents for Cash Flow Statement

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

## 2. Government Grants

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Operational Grants	71,349	58,608	60,266
Teachers' Salaries Grants	170,579	112,713	115,964
Other MoE Grants	817	658	2,261
	<u>242,745</u>	<u>171,979</u>	<u>178,491</u>

## 3. Locally Raised Funds

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

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
<b>Revenue</b>			
Donations	23,516	17,600	16,442
Activities	5,233	5,500	7,472
Fundraising	3,790	500	3,598
	<u>32,539</u>	<u>23,600</u>	<u>27,512</u>
<b>Expenses</b>			
Activities	6,643	5,500	8,808
	<u>6,643</u>	<u>5,500</u>	<u>8,808</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>25,896</u>	<u>18,100</u>	<u>18,704</u>

## 4. Learning Resources

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Curricular	5,260	4,156	3,324
Equipment Repairs	812	100	461
Library Resources	286	200	348
Employee Benefits - Salaries	198,297	156,393	158,639
Staff Development	1,805	1,700	694
	<u>206,460</u>	<u>162,549</u>	<u>163,466</u>

**p) Financial Assets and Liabilities**  
The School's financial assets comprise cash and cash equivalents, accounts receivable, and investments. All of these financial assets, are categorised as "loans and receivables" 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.

**q) 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.

**r) Budget Figures**  
The budget figures are extracted from the School budget that was approved by the Board at the start of the year.

**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.



#### **l) Impairment of property, plant, and equipment**

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 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.

#### **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.

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

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

#### **o) Provision for Cyclical Maintenance**

The property from which the school operates is owned by the Proprietor. The Board is responsible for maintaining the land, building 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 provisions for cyclical maintenance represents the obligations the Board has to the Proprietor and is based on the Board's ten year property plan (10YPP).

**k) Property, Plant and Equipment**  
Land and buildings owned by the Proprietor 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 Proprietor are recorded at cost, less accumulated depreciation and impairment losses.

Property, plant and equipment are recorded at cost or, in the case of donated assets, fair value at the date of receipt, less accumulated depreciation and impairment losses. Cost or fair value as the case may be, includes those costs that relate directly to bringing the asset to the location where it will be used and making sure it is in the appropriate condition for its intended use.  
Property, plant and equipment acquired with individual values under \$1,000 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense.

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

**Finance Leases**

A finance lease transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not it 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:

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