

# TARAWERA HIGH SCHOOL

## ANNUAL REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### School Directory

<b>Ministry Number:</b>	661
<b>Principal:</b>	Helen Tuhoro
<b>School Address:</b>	58-122 River Road
<b>School Postal Address:</b>	P O Box 12, Kawerau, 3127
<b>School Phone:</b>	07 323 6553
<b>School Email:</b>	karlene.robertson@tarawera.school.nz

#### Members of the Board of Trustees

<b>Name</b>	<b>Position</b>	<b>How Position Gained</b>	<b>Term Expires/ Expired</b>
Pari Maxwell	Chairperson	Elected	Jun 2022
Helen Tuhoro	Principal	ex Officio	
Willie Mitai	Parent Rep	Elected	Jun 2022
Shakirra Thomas	Parent Rep	Elected	Jun 2022
Darrel Leaf	Parent Rep	Elected	Jun 2022
Melany Dowie	Parent Rep	Appointed	Jun 2022
Rachael Savage	Parent Rep	Co-opted	Jun 2022
Aaron Rangihika	Parent Rep	Co-opted	Jun 2022
Carol Dyer	Parent Rep	Co-opted	Jun 2022
Matt Sheaff	Staff Rep	Appointed	Jun 2022
Majeane Rogers	Student Rep	Elected	Sep 2020

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

# TARAWERA HIGH SCHOOL

Annual Report - For the year ended 31 December 2020

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# Tarawera High 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 reflects the financial position and operations of the school.

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

PARI MAXWELL

Full Name of Board Chairperson

LM Maxwell

Signature of Board Chairperson

8-6-2021

Date:

Julie Mees

Full Name of Principal (Acting Principal)

Julie Mees

Signature of Principal

8-6-2021

Date:

# Tarawera High School

## 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	8,138,813	7,402,847	6,752,967
Locally Raised Funds	3	141,705	141,092	78,862
Interest income		21,543	-	25,701
Gain on Sale of Property, Plant and Equipment		435	-	-
		<u>8,302,496</u>	<u>7,543,939</u>	<u>6,857,530</u>
<b>Expenses</b>				
Locally Raised Funds	3	54,076	98,100	86,624
Learning Resources	4	4,599,478	4,245,802	4,028,994
Administration	5	775,657	864,366	395,887
Finance		3,240	2,571	4,021
Property	6	2,060,235	2,044,643	1,979,876
Depreciation	7	398,502	340,232	394,393
Loss on Disposal of Property, Plant and Equipment		2,944	-	194
		<u>7,894,132</u>	<u>7,595,714</u>	<u>6,889,989</u>
<b>Net Surplus / (Deficit) for the year</b>		<u>408,364</u>	<u>(51,775)</u>	<u>(32,459)</u>
Other Comprehensive Revenue and Expenses		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<u><u>408,364</u></u>	<u><u>(51,775)</u></u>	<u><u>(32,459)</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.

## Tarawera High School

### 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>		3,684,309	3,342,267	3,716,768
Total comprehensive revenue and expense for the year		408,364	(51,775)	(32,459)
Capital Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		1,875	-	-
Adjustment to Accumulated surplus/(deficit) from adoption of PBE IFRS 9		-	-	-
<b>Equity at 31 December</b>	22	4,094,548	3,290,492	3,684,309
Retained Earnings		4,094,548	3,290,492	3,684,309
<b>Equity at 31 December</b>		4,094,548	3,290,492	3,684,309

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.

**Tarawera High School**  
**Statement of Financial Position**  
As at 31 December 2020

		2020	2020	2019
	Notes	Actual \$	Budget (Unaudited) \$	Actual \$
<b>Current Assets</b>				
Cash and Cash Equivalents	8	557,832	5,750	963,524
Accounts Receivable	9	298,270	241,193	238,494
GST Receivable		23,424	23,205	24,614
Prepayments		2,878	29,646	2,259
Investments	10	1,086,652	396,488	344,374
Funds owed for Capital Works Projects	16	-	-	24,380
		<u>1,969,056</u>	<u>696,282</u>	<u>1,597,645</u>
<b>Current Liabilities</b>				
Accounts Payable	12	352,446	300,774	330,334
Revenue Received in Advance	13	46,068	27,337	64,338
Provision for Cyclical Maintenance	14	61,067	-	17,105
Finance Lease Liability - Current Portion	15	30,378	7,853	35,950
Funds held for Capital Works Projects	16	62,954	-	-
		<u>552,913</u>	<u>335,964</u>	<u>447,727</u>
<b>Working Capital Surplus/(Deficit)</b>		<u>1,416,143</u>	<u>360,318</u>	<u>1,149,918</u>
<b>Non-current Assets</b>				
Property, Plant and Equipment	11	2,685,822	2,933,115	2,620,863
		<u>2,685,822</u>	<u>2,933,115</u>	<u>2,620,863</u>
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	14	2,428	2,093	56,008
Finance Lease Liability	15	4,989	848	30,464
		<u>7,417</u>	<u>2,941</u>	<u>86,472</u>
<b>Net Assets</b>		<u>4,094,548</u>	<u>3,290,492</u>	<u>3,684,309</u>
<b>Equity</b>		<u>4,094,548</u>	<u>3,290,492</u>	<u>3,684,309</u>

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



**Tarawera High School**  
**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		2,792,937	2,521,972	1,901,857
Locally Raised Funds		111,565	130,000	127,502
Goods and Services Tax (net)		1,190	-	(378)
Payments to Employees		(946,650)	(838,939)	(784,781)
Payments to Suppliers		(1,218,146)	(1,676,956)	(826,831)
Cyclical Maintenance Payments in the year		(22,863)	(89,534)	503
Interest Paid		(3,240)	(2,571)	(4,021)
Interest Received		21,543	-	25,701
Net cash from/(to) Operating Activities		736,336	43,972	439,552
<b>Cash flows from Investing Activities</b>				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		435	-	-
Purchase of Property Plant & Equipment (and Intangibles)		(449,145)	(421,500)	(212,541)
Purchase of Investments		(762,278)	-	-
Proceeds from Sale of Investments		20,000	-	332,114
Net cash from/(to) Investing Activities		(1,190,988)	(421,500)	119,573
<b>Cash flows from Financing Activities</b>				
Furniture and Equipment Grant		1,875	-	-
Finance Lease Payments		(27,598)	(37,914)	(9,491)
Funds Held for Capital Works Projects		74,683	-	(7,302)
Net cash from/(to) Financing Activities		48,960	(37,914)	(16,793)
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(405,692)</b>	<b>(415,442)</b>	<b>542,332</b>
Cash and cash equivalents at the beginning of the year	8	963,524	421,192	421,192
<b>Cash and cash equivalents at the end of the year</b>	<b>8</b>	<b>557,832</b>	<b>5,750</b>	<b>963,524</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.

# **Tarawera High School**

## **Notes to the Financial Statements**

### **For the year ended 31 December 2020**

#### **1. Statement of Accounting Policies**

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

Tarawera High 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.

##### **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 14.

#### ***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 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 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	18-40 years
Furniture and Equipment	5-15 years
Information and Communication	5 years
Motor Vehicles	5 years
Library Resources	12.5% DV
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 licences with individual values under \$1,000 are not capitalised, they 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 Budget (Unaudited)	2019
	Actual \$	\$	Actual \$
Operational Grants	1,632,170	1,541,817	1,402,821
Teachers' Salaries Grants	3,522,948	3,203,102	3,146,589
Use of Land and Buildings Grants	1,740,676	1,695,773	1,687,098
Other MoE Grants	1,150,354	917,883	477,263
Other Government Grants	92,665	44,272	39,196
	<u>8,138,813</u>	<u>7,402,847</u>	<u>6,752,967</u>

The school has opted in to the donations scheme for this year. Total amount received was \$63,000.

## 3. Locally Raised Funds

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

	2020	2020 Budget (Unaudited)	2019
	Actual \$	\$	Actual \$
<b>Revenue</b>			
Donations	-	-	280
Bequests & Grants	101,200	100,000	16,030
Activities	28,288	30,000	49,499
Trading	1,209	1,000	1,274
Fundraising	276	-	2,221
Other Revenue	10,732	9,992	9,558
School House	-	100	-
	<u>141,705</u>	<u>141,092</u>	<u>78,862</u>
<b>Expenses</b>			
Activities	52,724	89,000	80,962
Trading	502	5,000	3,383
Fundraising (Costs of Raising Funds)	-	-	1,311
School House	850	4,100	968
	<u>54,076</u>	<u>98,100</u>	<u>86,624</u>
<i>Surplus/(Deficit) for the year Locally raised funds</i>	<u>87,629</u>	<u>42,992</u>	<u>(7,762)</u>

## 4. Learning Resources

	2020	2020 Budget (Unaudited)	2019
	Actual \$	\$	Actual \$
Curricular	429,612	537,710	417,207
Library Resources	1,556	2,000	7,736
Employee Benefits - Salaries	4,123,175	3,640,041	3,576,439
Staff Development	23,058	33,000	27,612
Attendance Service	22,077	33,051	-
	<u>4,599,478</u>	<u>4,245,802</u>	<u>4,028,994</u>

## 5. Administration

	2020	2020 Budget (Unaudited)	2019
	Actual \$	\$	Actual \$
Audit Fee	6,972	6,972	7,269
Board of Trustees Fees	6,000	6,800	4,900
Board of Trustees Expenses	19,900	15,300	16,200
Communication	13,277	17,000	15,622
Consumables	30,136	29,800	31,103
Other	48,830	63,850	50,861
Employee Benefits - Salaries	238,427	229,000	217,443
Insurance	21,449	27,000	23,367
Service Providers, Contractors and Consultancy	24,734	28,644	29,122
Healthy School Lunch Programme	365,932	440,000	-
	<u>775,657</u>	<u>864,366</u>	<u>395,887</u>

## 6. Property

	2020	2020 Budget (Unaudited)	2019
	Actual \$	\$	Actual \$
Caretaking and Cleaning Consumables	22,651	21,000	13,133
Cyclical Maintenance Expense	9,388	10,000	4,840
Grounds	14,591	24,000	26,588
Heat, Light and Water	61,392	63,000	58,975
Rates	147	300	-
Repairs and Maintenance	40,135	70,570	49,600
Use of Land and Buildings	1,740,676	1,695,773	1,687,098
Security	1,554	5,000	1,677
Employee Benefits - Salaries	169,701	155,000	137,965
	<u>2,060,235</u>	<u>2,044,643</u>	<u>1,979,876</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

	2020	2020 Budget (Unaudited)	2019
	Actual \$	\$	Actual \$
Building Improvements	94,643	74,814	86,724
Furniture and Equipment	155,166	132,710	153,836
Information and Communication Technology	76,867	70,329	81,524
Motor Vehicles	30,869	35,441	41,083
Textbooks	215	-	-
Leased Assets	37,658	24,023	27,847
Library Resources	3,084	2,915	3,379
	<u>398,502</u>	<u>340,232</u>	<u>394,393</u>

## 8. Cash and Cash Equivalents

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Cash on Hand	402	-	402
Bank Current Account	37,168	5,750	296,300
Bank Call Account	520,262	-	666,822
Cash and cash equivalents for Statement of Cash Flows	557,832	5,750	963,524

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

Of the \$557,832 Cash and Cash Equivalents \$95,271 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 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Receivables	332	11,627	1,422
Receivables from the Ministry of Education	12,107	-	-
Banking Staffing Underuse	-	2,010	5,998
Teacher Salaries Grant Receivable	285,831	227,556	231,074
	298,270	241,193	238,494
Receivables from Exchange Transactions	12,439	11,627	1,422
Receivables from Non-Exchange Transactions	285,831	229,566	237,072
	298,270	241,193	238,494

## 10. Investments

The School's investment activities are classified as follows:

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Current Asset			
Short-term Bank Deposits	1,086,652	396,488	344,374
Total Investments	1,086,652	396,488	344,374

## 11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2020	\$	\$	\$	\$	\$	\$
Building Improvements	1,622,292	300,479	-	-	(94,643)	1,828,128
Furniture and Equipment	695,936	103,053	-	-	(155,165)	643,824
Information and Communication Tech	128,866	55,694	-	-	(76,867)	107,693
Motor Vehicles	85,122	-	-	-	(30,871)	54,251
Textbooks	-	982	-	-	(215)	767
Leased Assets	64,781	6,197	-	-	(37,658)	33,320
Library Resources	23,866	-	(2,944)	-	(3,083)	17,839
<b>Balance at 31 December 2020</b>	<b>2,620,863</b>	<b>466,405</b>	<b>(2,944)</b>	<b>-</b>	<b>(398,502)</b>	<b>2,685,822</b>

The net carrying value of equipment held under a finance lease is \$33,320 (2019: \$64,781)

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2020	\$	\$	\$
Building Improvements	2,182,032	(353,904)	1,828,128
Furniture and Equipment	1,806,239	(1,162,415)	643,824
Information and Communication	912,321	(804,628)	107,693
Motor Vehicles	278,712	(224,461)	54,251
Textbooks	983	(216)	767
Leased Assets	100,961	(67,641)	33,320
Library Resources	72,285	(54,446)	17,839
<b>Balance at 31 December 2020</b>	<b>5,353,533</b>	<b>(2,667,711)</b>	<b>2,685,822</b>

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2019	\$	\$	\$	\$	\$	\$
Building Improvements	1,644,660	64,356	-	-	(86,724)	1,622,292
Furniture and Equipment	743,626	106,146	-	-	(153,836)	695,936
Information and Communication Tech	176,399	34,185	(194)	-	(81,524)	128,866
Motor Vehicles	118,410	7,795	-	-	(41,083)	85,122
Leased Assets	8,268	84,360	-	-	(27,847)	64,781
Library Resources	22,120	5,125	-	-	(3,379)	23,866
<b>Balance at 31 December 2019</b>	<b>2,713,483</b>	<b>301,967</b>	<b>(194)</b>	<b>-</b>	<b>(394,393)</b>	<b>2,620,863</b>

The net carrying value of equipment held under a finance lease is \$64,781 (2018: \$8,268)

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2019	\$	\$	\$
Building Improvements	1,881,554	(259,262)	1,622,292
Furniture and Equipment	1,704,984	(1,009,048)	695,936
Information and Communication	857,747	(728,881)	128,866
Motor Vehicles	280,012	(194,890)	85,122
Leased Assets	94,763	(29,982)	64,781
Library Resources	143,827	(119,961)	23,866
<b>Balance at 31 December 2019</b>	<b>4,962,887</b>	<b>(2,342,024)</b>	<b>2,620,863</b>

## 12. Accounts Payable

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operating Creditors	33,595	58,243	78,245
Accruals	13,741	6,092	6,769
Capital Accruals for PPE items	8,227	-	5,466
Employee Entitlements - Salaries	285,831	227,556	231,074
Employee Entitlements - Leave Accrual	11,052	8,883	8,780
	<u>352,446</u>	<u>300,774</u>	<u>330,334</u>
Payables for Exchange Transactions	352,446	300,774	330,334
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	<u>352,446</u>	<u>300,774</u>	<u>330,334</u>

The carrying value of payables approximates their fair value.

## 13. Revenue Received in Advance

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Income in Advance	33,108	27,337	32,068
China Trip 2020	-	-	32,270
Ministry of Education Grants in Advance	12,960	-	-
	<u>46,068</u>	<u>27,337</u>	<u>64,338</u>

## 14. Provision for Cyclical Maintenance

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Provision at the Start of the Year	73,113	(7,907)	71,627
Increase to the Provision During the Year	9,388	10,000	4,840
Use of the Provision During the Year	(19,006)	-	(3,354)
Provision at the End of the Year	<u>63,495</u>	<u>2,093</u>	<u>73,113</u>
Cyclical Maintenance - Current	61,067	-	17,105
Cyclical Maintenance - Term	2,428	2,093	56,008
	<u>63,495</u>	<u>2,093</u>	<u>73,113</u>

## 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:

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
No Later than One Year	31,980	7,853	35,950
Later than One Year and no Later than Five Years	5,294	848	30,464
	<u>37,274</u>	<u>8,701</u>	<u>66,414</u>



## 16. Funds Held (Owed) 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 \$
Roofing	<i>in progress</i>	-	-	(5,260)	-	(5,260)
Electrical & Fire Alarm Works	<i>in progress</i>	-	29,274	-	-	29,274
Site: Irrigation to Playing Field	<i>in progress</i>	(24,380)	-	(2,677)	-	(27,057)
224375 Performing Arts Building	<i>in progress</i>	-	118,025	(52,028)	-	65,997
Totals		(24,380)	147,299	(59,965)	-	62,954

### Represented by:

Funds Held on Behalf of the Ministry of Education	95,271
Funds Due from the Ministry of Education	(32,317)
	62,954

					BOT Contribution/ (Write-off to R&M)	
	2019	Opening Balances \$	Receipts from MoE \$	Payments \$		Closing Balances \$
Site: Irrigation to Playing Field	<i>in progress</i>	-	-	(24,380)	-	(24,380)
Totals		-	-	(24,380)	-	(24,380)

## 17. 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.



## 18. 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	6,000	4,900
Full-time equivalent members	0.08	0.07
<i>Leadership Team</i>		
Remuneration	500,657	436,972
Full-time equivalent members	4.00	3.85
Total key management personnel remuneration	506,657	441,872
Total full-time equivalent personnel	4.08	3.92

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	5 - 6	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	3.00	2.00
110 - 120	3.00	-
	6.00	2.00

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

## 19. 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	-	-

## 20. 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.

## 21. Commitments

### (a) Capital Commitments

There are no capital commitments as at 31 December 2020 (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).

## 22. 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, through its budgeting, ensures that income exceeds spending. Where a deficit may be incurred in any one year it is offset by planning surpluses in previous or ensuing years.

## 23. 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	557,832	5,750	963,524
Receivables	298,270	241,193	238,494
Investments - Term Deposits	1,086,652	396,488	344,374
Total Financial assets measured at amortised cost	1,942,754	643,431	1,546,392

### Financial liabilities measured at amortised cost

Payables	352,446	300,774	330,334
Borrowings - Loans	-	-	-
Finance Leases	35,367	8,701	66,414
Painting Contract Liability	-	-	-
Total Financial Liabilities Measured at Amortised Cost	387,813	309,475	396,748

**24. Events After Balance Date**

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

**25. Comparatives**

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

## **Tarawera High School**

### **Kiwisport**

Kiwisport is a Government funding initiative to support students' participation in organised sport. In 2020, the school received total Kiwisport funding of \$8,342 (excluding GST). The funding was spent on sporting endeavours.