

# **Wymondley Road School**

## **Annual Report for the year ended 31 December 2019**

<b>Ministry Number:</b>	1579
<b>Principal:</b>	Fleur Petelo
<b>School Address:</b>	77 Wymondley Road, Otara, Manukau
<b>School Postal Address:</b>	77 Wymondley Road, Otara, Manukau
<b>School Phone:</b>	09 276 7241
<b>School Email:</b>	secretary@wymondley.school.nz
<b>Service Provider:</b>	Edtech Financial Services Ltd

## Wymondley Road School

# Members of the Board of Trustees

For the year ended 31 December 2019

Name	Position	How position on Board gained	Occupation	Term expired/expires
Sean Christy	Chairperson	Elected		Jun-22
Edmond Paea	Member	Elected		Jun-22
Megan Walker-Timu	Member	Elected	Learning Assistant	Jun-22
Mark Carter	Member	Elected	Accountant	Jun-22
Tafafotu Faletese	Member	Elected		Nov-19
Misty Rixon	Staff Rep	Elected	Teacher	Jun-22
Fleur Petelo	Member	ex officio	Principal	
Evelyn Machee	Minutes Secretary		Teacher	

# Wymondley Road School

## Annual Report

For the year ended 31 December 2019

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**Wymondley Road School**  
**Statement of Responsibility**  
For the year ended 31 December 2019


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

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

It is the opinion of the Board and management that the annual financial statements for the financial year ended 31 December 2019 fairly reflects the financial position and operations of the school.


The School's 2019 financial statements are authorised for issue by the Board.

SEAN CHRISTY  
Full Name of Board Chairperson

  
Signature of Board Chairperson

12/11/2020  
Date:

FLEUR PETELO  
Full Name of Principal

  
Signature of Principal

11/11/2020  
Date:

# Wymondley Road School

## Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2019

		2019	2019	2018
	Notes	Actual \$	Budget (Unaudited) \$	Actual \$
<b>Revenue</b>				
Government Grants	2	2,041,161	1,980,014	1,996,207
Locally Raised Funds	3	50,556	46,000	67,173
Interest Income		12,250	12,000	11,873
		<u>2,103,967</u>	<u>2,038,014</u>	<u>2,075,253</u>
<b>Expenses</b>				
Locally Raised Funds	3	31,463	33,600	26,621
Learning Resources	4	1,099,341	1,052,977	1,014,818
Administration	5	156,682	166,050	148,625
Finance		1,268	5,000	778
Property	6	688,315	728,569	732,482
Depreciation	7	49,618	55,000	40,814
Loss on Disposal of Property, Plant and Equipment		-	-	223
		<u>2,026,687</u>	<u>2,041,196</u>	<u>1,964,361</u>
<b>Net Surplus / (Deficit) for the year</b>		77,280	(3,182)	110,892
Other Comprehensive Revenue and Expenses		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<u>77,280</u>	<u>(3,182)</u>	<u>110,892</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.

## Wymondley Road School

### Statement of Changes in Net Assets/Equity

For the year ended 31 December 2019

	Notes	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
<b>Balance at 1 January</b>		919,351	919,351	799,116
Total comprehensive revenue and expense for the year		77,280	(3,182)	110,892
Capital Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		2,858	-	9,343
<b>Equity at 31 December</b>	23	999,489	916,169	919,351
Retained Earnings		999,489	916,169	919,351
<b>Equity at 31 December</b>		999,489	916,169	919,351

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.



# Wymondley Road School

## Statement of Financial Position

As at 31 December 2019

		2019	2019	2018
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
<b>Current Assets</b>				
Cash and Cash Equivalents	8	538,223	422,343	584,972
Accounts Receivable	9	69,320	68,000	66,971
GST Receivable		-	4,000	3,612
Prepayments		6,019	8,000	7,825
Inventories	10	3,206	900	855
Investments	11	206,932	200,000	-
		823,700	703,243	664,235
<b>Current Liabilities</b>				
GST Payable		1,297	-	-
Accounts Payable	13	87,155	87,000	85,797
Revenue Received in Advance	14	10,000	-	119
Provision for Cyclical Maintenance	15	21,461	49,959	24,979
Finance Lease Liability - Current Portion	16	8,110	6,593	6,061
Funds Held for Capital Works Projects	17	45,933	-	-
		173,956	143,552	116,956
<b>Working Capital Surplus/(Deficit)</b>		649,744	559,691	547,279
<b>Non-current Assets</b>				
Property, Plant and Equipment	12	378,888	364,538	405,538
		378,888	364,538	405,538
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	15	22,709	4,550	23,363
Finance Lease Liability	16	6,434	3,510	10,103
		29,143	8,060	33,466
<b>Net Assets</b>		999,489	916,169	919,351
<b>Equity</b>	23	999,489	916,169	919,351

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

# Wymondley Road School

## Statement of Cash Flows

For the year ended 31 December 2019

	Note	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
<b>Cash flows from Operating Activities</b>				
Government Grants		534,129	534,945	538,517
Locally Raised Funds		61,143	45,277	52,856
Goods and Services Tax (net)		4,909	(388)	7,322
Payments to Employees		(248,623)	(254,658)	(240,878)
Payments to Suppliers		(231,741)	(274,466)	(249,526)
Interest Paid		(1,268)	(5,000)	(778)
Interest Received		12,441	11,722	11,827
Net cash from Operating Activities		130,990	57,432	119,340
<b>Cash flows from Investing Activities</b>				
Purchase of PPE (and Intangibles)		(16,407)	(33,009)	(49,256)
Purchase of Investments		(206,932)	(200,000)	193,554
Net cash from Investing Activities		(223,339)	(233,009)	144,298
<b>Cash flows from Financing Activities</b>				
Furniture and Equipment Grant		2,858	-	9,343
Finance Lease Payments		(3,191)	12,948	(1,195)
Funds Held for Capital Works Projects		45,933	-	-
Net cash from Financing Activities		45,600	12,948	8,148
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(46,749)</b>	<b>(162,629)</b>	<b>271,786</b>
Cash and cash equivalents at the beginning of the year	8	584,972	584,972	313,186
<b>Cash and cash equivalents at the end of the year</b>	<b>8</b>	<b>538,223</b>	<b>422,343</b>	<b>584,972</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 Cash Flow Statement should be read in conjunction with the accompanying notes which form part of these financial statements.



## Wymondley Road School

# Notes to the Financial Statements

For the year ended 31 December 2019

### 1. Statement of Accounting Policies

#### Reporting Entity

Wymondley Road School (the School) is a Crown entity as specified in the Crown Entities Act 2004 and a school as described in the Education Act 1989. The Board of Trustees (the Board) is of the view that the School is a public benefit entity for financial reporting purposes.

#### Basis of Preparation

##### Reporting Period

The financial reports have been prepared for the period 1 January 2019 to 31 December 2019 and in accordance with the requirements of the Public Finance Act 1989.

##### Basis of Preparation

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

#### Financial Reporting Standards Applied

The Education Act 1989 requires the School, as a Crown entity, to prepare financial statements in accordance with generally accepted accounting practice. The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand, applying Public Sector Public Benefit Entity (PBE) Standards Reduced Disclosure Regime as appropriate to public benefit entities that qualify for Tier 2 reporting. The School is considered a Public Benefit Entity as it meets the criteria specified as "having a primary objective to provide goods and/or services for community or social benefit and where any equity has been provided with a view to supporting that primary objective rather than for financial return to equity holders".

#### Standard Early Adopted

In line with the Financial Statements of the Government, the School has elected to early adopt PBE IFRS 9 Financial Instruments. PBE IFRS 9 replaces PBE IPSAS 29 Financial Instruments: Recognition and Measurement. Information about the adoption of PBE IFRS 9 is provided in Note 26.

#### PBE Accounting Standards Reduced Disclosure Regime

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

#### Measurement Base

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

#### Presentation Currency

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

#### Specific Accounting Policies

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

#### Critical Accounting Estimates And Assumptions

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

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

#### Useful lives of property, plant and equipment

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment as disclosed in the Significant Accounting Policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 12.

## Wymondley Road School

# Notes to the Financial Statements (cont.)

For the year ended 31 December 2019

### ***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.

### **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.

#### ***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.

#### ***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.

#### ***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.



## Wymondley Road School

# Notes to the Financial Statements (cont.)

For the year ended 31 December 2019

### 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.

### Accounts Receivable

Short-term receivables are recorded at the amount due, less an allowance for credit losses. The school applies the simplified expected credit loss model of recognising lifetime expected credit losses for receivables. In measuring expected credit losses, short-term receivables have been assessed on a collective basis as they possess shared credit risk characteristics. They have been grouped based on the days past due. Short-term receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include the debtor being in liquidation.

### Prior Year Policy

Accounts Receivable represents items that the School has issued invoices for or accrued for, but has not received payment for at year end. Receivables are initially recorded at fair value and subsequently recorded at the amount the School realistically expects to receive. A receivable is considered uncollectable where there is objective evidence the School will not be able to collect all amounts due. The amount that is uncollectable (the provision for uncollectibility) is the difference between the amount due and the present value of the amounts expected to be collected.

### 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.

### 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.

### Prior Year Policy

Bank term deposits for periods exceeding 90 days are classified as investments and are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance. After initial recognition bank term deposits are measured at amortised cost using the effective interest method less impairment.

Investments that are shares are categorised as "available for sale" for accounting purposes in accordance with financial reporting standards. Share investments are recognised initially by the School at fair value plus transaction costs. At balance date the School has assessed whether there is any evidence that an investment is impaired. Any impairment, gains or losses are recognised in the Statement of Comprehensive Revenue and Expense.

After initial recognition any investments categorised as available for sale are measured at their fair value without any deduction for transaction costs the School may incur on sale or other disposal.

The School has met the requirements under Schedule 6 Section 28 of the Education Act 1989 in relation to the acquisition of investment securities.

### 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.

## Wymondley Road School

# Notes to the Financial Statements (cont.)

For the year ended 31 December 2019

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 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:

Buildings - School	40 years
Furniture and equipment	10 years
Information and communication technology	5 years
Leased assets held under a Finance Lease	For the term of the lease
Library resources	12.5% Diminishing value

### 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.

### 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.



## Wymondley Road School

# Notes to the Financial Statements (cont.)

For the year ended 31 December 2019

### 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.

### Revenue Received in Advance

Revenue received in advance relates to fees received from 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 this revenue received in advance, should the School be unable to provide the services to which they relate.

### 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).

### Financial Assets and Liabilities

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

Investments that are shares are categorised as "available for sale" for accounting purposes in accordance with financial reporting standards.

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

### 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.

Grants determined by the Minister of Education for operational activities includes all items (core components) included in the Operational Funding notice.

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

### 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 Statement of Cash Flows.

Commitments and contingencies are disclosed exclusive of GST.

### 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.

UHY HAINES NORTON (AUCKLAND) LIMITED  
For identification purposes only

## Wymondley Road School

### Notes to the Financial Statements (cont.)

For the year ended 31 December 2019

#### 2 Government Grants

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Operational Grants	445,292	448,204	446,625
Teachers' Salaries Grants	923,020	860,000	854,767
Use of Land and Buildings Grants	574,159	585,069	602,429
Resource Teachers Learning and Behaviour Grants	5,254	3,000	8,952
Other MoE Grants	93,436	81,741	81,956
Other Government Grants	-	2,000	1,478
	<u>2,041,161</u>	<u>1,980,014</u>	<u>1,996,207</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	18,347	8,000	41,694
Activities	27,949	31,500	17,193
Trading	3,846	3,500	4,368
Fundraising	414	3,000	3,918
	<u>50,556</u>	<u>46,000</u>	<u>67,173</u>
<b>Expenses</b>			
Activities	29,803	27,600	20,492
Trading	1,353	3,000	5,140
Fundraising (Costs of Raising Funds)	307	3,000	989
	<u>31,463</u>	<u>33,600</u>	<u>26,621</u>
	<u>19,093</u>	<u>12,400</u>	<u>40,552</u>

Surplus/ (Deficit) for the year Locally Raised Funds

#### 4 Learning Resources

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Curricular	19,558	33,177	16,518
Equipment Repairs	6,951	5,000	3,651
Information and Communication Technology	2,110	1,600	1,338
Extra-Curricular Activities	4,064	6,800	4,710
Library Resources	5,575	5,500	5,085
Employee Benefits - Salaries	1,048,943	983,800	975,956
Staff Development	12,140	17,100	7,560
	<u>1,099,341</u>	<u>1,052,977</u>	<u>1,014,818</u>



## Wymondley Road School

### Notes to the Financial Statements (cont.)

For the year ended 31 December 2019

#### 5 Administration

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	6,000	6,000	5,500
Board of Trustees Fees	3,704	4,000	1,928
Board of Trustees Expenses	9,435	12,000	9,100
Communication	2,260	3,300	2,536
Consumables	3,243	3,400	2,702
Operating Lease	14,386	13,000	15,640
Other	12,771	18,800	10,958
Employee Benefits - Salaries	87,774	85,550	82,446
Insurance	5,361	6,500	6,295
Service Providers, Contractors and Consultancy	11,748	13,500	11,520
	<u>156,682</u>	<u>166,050</u>	<u>148,625</u>

#### 6 Property

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	13,321	10,500	9,226
Consultancy and Contract Services	27,279	25,000	24,564
Cyclical Maintenance Expense	(4,172)	10,000	8,552
Grounds	2,313	4,700	3,566
Heat, Light and Water	15,905	18,000	16,340
Repairs and Maintenance	16,202	20,900	19,987
Use of Land and Buildings	574,159	585,069	602,429
Security	8,365	9,000	8,065
Employee Benefits - Salaries	34,943	45,400	39,753
	<u>688,315</u>	<u>728,569</u>	<u>732,482</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 nationwide revaluation exercise that is conducted every 30 June for the Ministry of Education's year end reporting purposes.

#### 7 Depreciation

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Buildings - School	8,164	10,460	8,164
Furniture and Equipment	26,264	36,100	26,904
Information and Communication Technology	7,159	6,050	4,002
Leased Assets	6,469	300	237
Library Resources	1,562	2,090	1,507
	<u>49,618</u>	<u>55,000</u>	<u>40,814</u>

# Wymondley Road School

## Notes to the Financial Statements (cont.)

For the year ended 31 December 2019

### 8 Cash and Cash Equivalents

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Cash on Hand	120	120	120
Bank Current Account	494,293	378,923	341,659
Bank Call Account	230	300	230
Short-term Bank Deposits	43,580	43,000	242,963
Cash and cash equivalents for Cash Flow Statement	538,223	422,343	584,972

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

Of the \$538,223 Cash and Cash Equivalents, \$45,933 is held by the School on behalf of the Ministry of Education. These funds are required to be spent in 2020 on Crown owned school buildings under the School's Five Year Property Plan.

### 9 Accounts Receivable

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Receivables	-	3,000	2,396
Interest Receivable	2,531	3,000	2,722
Bank Staffing Underuse	6,553	-	-
Teacher Salaries Grant Receivable	60,236	62,000	61,853
	69,320	68,000	66,971
Receivables from Exchange Transactions	2,531	6,000	5,118
Receivables from Non-Exchange Transactions	66,789	62,000	61,853
	69,320	68,000	66,971

### 10 Inventories

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Stationery	3,206	900	855
	3,206	900	855

### 11 Investments

The School's investment activities are classified as follows:

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Current Asset			
Short-term Bank Deposits	206,932	200,000	-
Total Investments	206,932	200,000	-

# Wymondley Road School

## Notes to the Financial Statements (cont.)

For the year ended 31 December 2019

### 12 Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2019	\$	\$	\$	\$	\$	\$
Buildings	192,901	-	-	-	(8,164)	184,737
Furniture and Equipment	161,831	7,821	-	-	(26,264)	143,388
Information and Communication Technology	21,489	8,326	-	-	(7,159)	22,656
Leased Assets	18,772	4,871	-	-	(6,469)	17,174
Library Resources	10,545	1,950	-	-	(1,562)	10,933
<b>Balance at 31 December 2019</b>	<b>405,538</b>	<b>22,968</b>	<b>-</b>	<b>-</b>	<b>(49,618)</b>	<b>378,888</b>

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2019	\$	\$	\$
Buildings	326,543	(141,806)	184,737
Furniture and Equipment	462,838	(319,450)	143,388
Information and Communication Technology	284,705	(262,049)	22,656
Leased Assets	23,880	(6,706)	17,174
Library Resources	21,208	(10,275)	10,933
<b>Balance at 31 December 2019</b>	<b>1,119,174</b>	<b>(740,286)</b>	<b>378,888</b>

The net carrying value of equipment held under a finance lease is \$17,174 (2018: \$18,772).

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2018	\$	\$	\$	\$	\$	\$
Buildings	201,065	-	-	-	(8,164)	192,901
Furniture and Equipment	132,730	56,005	-	-	(26,904)	161,831
Information and Communication Technology	11,581	13,910	-	-	(4,002)	21,489
Leased Assets	-	19,009	-	-	(237)	18,772
Library Resources	10,644	1,630	(222)	-	(1,507)	10,545
<b>Balance at 31 December 2018</b>	<b>356,020</b>	<b>90,554</b>	<b>(222)</b>	<b>-</b>	<b>(40,814)</b>	<b>405,538</b>

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2018	\$	\$	\$
Buildings	326,544	(133,643)	192,901
Furniture and Equipment	455,015	(293,184)	161,831
Information and Communication Technology	278,590	(257,101)	21,489
Leased Assets	19,009	(237)	18,772
Library Resources	19,258	(8,713)	10,545
<b>Balance at 31 December 2018</b>	<b>1,098,416</b>	<b>(692,878)</b>	<b>405,538</b>

## Wymondley Road School

### Notes to the Financial Statements (cont.)

For the year ended 31 December 2019

#### 13 Accounts Payable

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Operating Creditors	19,994	18,000	17,036
Employee Entitlements - Salaries	61,036	62,000	62,636
Employee Entitlements - Leave Accrual	6,125	7,000	6,125
	<u>87,155</u>	<u>87,000</u>	<u>85,797</u>
Payables for Exchange Transactions	87,155	87,000	85,797
	<u>87,155</u>	<u>87,000</u>	<u>85,797</u>

The carrying value of payables approximates their fair value.

#### 14 Revenue Received in Advance

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Other	10,000	-	119
	<u>10,000</u>	<u>-</u>	<u>119</u>

#### 15 Provision for Cyclical Maintenance

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Provision at the Start of the Year	48,342	48,342	44,244
Increase/(decrease) to the Provision During the Year	(4,172)	10,000	8,552
Use of the Provision During the Year	-	(3,833)	(4,454)
Provision at the End of the Year	<u>44,170</u>	<u>54,509</u>	<u>48,342</u>
Cyclical Maintenance - Current	21,461	49,959	24,979
Cyclical Maintenance - Term	<u>22,709</u>	<u>4,550</u>	<u>23,363</u>
	<u>44,170</u>	<u>54,509</u>	<u>48,342</u>

#### 16 Finance Lease Liability

The school has entered into 2 finance lease agreement for TELA Laptops and Equico Ipads.  
Minimum lease payments payable (includes interest portion):

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
No Later than One Year	9,027	6,593	10,006
Later than One Year and no Later than Five Years	<u>6,741</u>	<u>3,510</u>	<u>16,021</u>
	<u>15,768</u>	<u>10,103</u>	<u>26,027</u>



## Wymondley Road School

### Notes to the Financial Statements (cont.)

For the year ended 31 December 2019

#### 17 Funds Held for Capital Works Projects

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

					BOT Contribution/ (Write-off to R&M)	
	2019	Opening Balances \$	Receipts from MoE \$	Payments \$		Closing Balances \$
Hall Modernisation	<i>In progress</i>	-	45,933	-	-	45,933
Totals		-	45,933	-	-	45,933

#### Represented by:

Funds Held on Behalf of the Ministry of Education

45,933

45,933

					BOT Contribution/ (Write-off to R&M)	
	2018	Opening Balances \$	Receipts from MoE \$	Payments \$		Closing Balances \$
Building Refurbishment	<i>completed</i>	664	-	-	664	-
Tarseal Project	<i>completed</i>	-	-	2,880	(2,880)	-
Totals		664	-	2,880	(2,216)	-

#### 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.

## Notes to the Financial Statements (cont.)

For the year ended 31 December 2019

**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.

	2019 Actual \$	2018 Actual \$
<i>Board Members</i>		
Remuneration	3,704	1,928
Full-time equivalent members	0.06	0.01
<i>Leadership Team</i>		
Remuneration	304,972	249,701
Full-time equivalent members	3.00	3
Total key management personnel remuneration	308,676	251,629
Total full-time equivalent personnel	3.06	3.01

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 Actual \$000	2018 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	120-130	120-125
Benefits and Other Emoluments	1-5	1-5
Termination Benefits	-	-

*Other Employees*

No other employee received total remuneration over \$100,000 (2018: Nil).

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

**20 Compensation and Other Benefits Upon Leaving**

There were no compensation or other benefits paid or payable to persons upon leaving.



## Notes to the Financial Statements (cont.)

For the year ended 31 December 2019

### 21 Contingencies

There are no contingent liabilities and no contingent assets as at 31 December 2019.

(Contingent liabilities and assets as 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.

### 22 Commitments

#### (a) Capital Commitments

As at 31 December 2019 the Board has entered into contract agreements for capital works as follows:

(a) \$78,675 contract for Hall Modernisation to be completed in 2020 which will be partially funded by the Ministry of Education. \$45,933 has been received of which \$0.00 has been spent on the project to date.

(Capital commitments as at 31 December 2018: nil)

#### (b) Operating Commitments

As at 31 December 2019 the Board has not entered into new contracts.

No later than One Year

2019 Actual \$	2018 Actual \$
-	2,391
-	2,391

### 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.

## Notes to the Financial Statements (cont.)

For the year ended 31 December 2019

**24 Financial Instruments**

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

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
<b>Financial assets measured at amortised cost (2018: Loans and receivables)</b>			
Cash and Cash Equivalents	538,223	422,343	584,972
Receivables	69,320	68,000	66,971
Investments - Term Deposits	206,932	200,000	-
Total Financial assets measured at amortised cost	814,475	690,343	651,943
<b>Financial liabilities measured at amortised cost</b>			
Payables	87,155	87,000	85,797
Finance Leases	14,544	10,103	16,164
Total Financial Liabilities Measured at Amortised Cost	101,699	97,103	101,961

**25 Events After Balance Date**

On March 11, 2020, the World Health Organisation declared the outbreak of COVID-19 (a novel Coronavirus) a pandemic. Two weeks later, on 26 March, New Zealand increased its COVID-19 alert level to level 4 and a nationwide lockdown commenced. As part of this lockdown all schools were closed. Subsequently all schools and kura reopened on the 18th of May 2020.

At the date of issuing the financial statements, the school has been able to absorb the majority of the impact from the nationwide lockdown as it was decided to start the annual Easter School holidays early. In the periods the school is open for tuition, the school has switched to alternative methods of delivering the curriculum, so students can learn remotely.

At this time the full financial impact of the COVID-19 pandemic is not able to be determined. The school will continue to receive funding from the Ministry of Education, even while closed. However, economic uncertainties have arisen which are likely to negatively affect the operations and services of the school. We describe below the possible effects on the school that we have identified, resulting from the COVID-19 pandemic:

- A reduction in locally raised funds revenue because the schools ability to undertake fund raising events in the community and/ or collect donations or other contributions from parents, may be compromised. Costs already incurred arranging future events may not be recoverable.

**26 Adoption of PBE IFRS 9 Financial Instruments**

In accordance with the transitional provisions of PBE IFRS 9, the school has elected not to restate the information for previous years to comply with PBE IFRS 9. Adjustments arising from the adoption of PBE IFRS 9 are recognised in opening equity at 1 January 2019. Accounting policies have been updated to comply with PBE IFRS 9. The main updates are:

- Note 9 Receivables: This policy has been updated to reflect that the impairment of short-term receivables is now determined by applying an expected credit loss model.
- Note 11 Investments: Term deposits: This policy has been updated to explain that a loss allowance for expected credit losses is recognised only if the estimated loss allowance is not trivial.

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

**27 Comparatives**

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

**28 Failure to comply with section 87C of the Education Act 1989**

The Board of Trustees has failed to comply with Section 87C of the Education Act 1989, as the Board were unable to provide their audited financial statements to the Ministry of Education by 31 May 2020. The disruption caused by the COVID-19 restrictions, including the closure of the School, meant that the audit could not progress as planned. This resulted in the School missing the statutory deadline.