

Orini Combined School

Annual Report

for the year ended 31 December 2019

School Directory:

Ministry Number: 1869
Principal: Chrissy Wakeman
School Address: 1389 Orini Road, RD2, Taupiri
School Postal Address: 1389 orini Road, RD2, Taupiri 3792
School Phone: 08 8244 847
School Email: office@orini.school.nz

Members of the Board of Trustees:

Name	Position	How Position Gained	Occupation	Term Expired/ Expires
Scott Hamilton	Parent Rep Chairperson	Elected	Dairy Farmer	June 2022
Chrissy Wakeman	Principal	ex Officio	Principal	
Dana Hammonds	Parent Rep	Elected	Dairy Farmer	June 2022
Drewé Finlay	Parent Rep	Elected	Dairy Farmer	June 2022
Rachel Blank	Parent Rep	Elected	Accountant	June 2022
Natalie Johnstone	Parent Rep	Elected	Dairy Farmer	June 2022
Rachel Howser	Staff Rep	Elected	Teacher	June 2022
Shona Enerson	Parent Rep	Term expired		June 2019
Nicola Stables	Parent Rep	Term expired		June 2019
Tareka Ratcliffe	Parent Rep	Term expired		June 2019
Emily Hargreaves	Principal	Resigned		April 2019
Kathryn Rennie	Staff Rep	Term expired		June 2019

Accountant / Service Provider: Russell Wilkinson

Orini Combined School

Annual Report

for the year ended 31 December 2019

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Orini Combined 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.

Scott Hamilton
Full Name of Board Chairperson

Chrissy Wakeman
Full Name of Principal


Signature of Board Chairperson


Signature of Principal

28.5.20
Date

28th May 2020
Date

Orini Combined School

Statement of Comprehensive Revenue and Expense

for the year ended 31 December 2019

	Notes	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Revenue				
Government grants	2	847,353	874,289	909,331
Locally raised funds	3	61,171	44,380	43,840
Interest income		3,297	4,000	4,537
		<u>911,821</u>	<u>922,669</u>	<u>957,708</u>
Expenses				
Locally raised funds	3	29,661	17,400	23,745
Learning resources	4	596,706	625,196	640,287
Administration	5	65,041	64,660	62,420
Finance		2,291	640	391
Property	6	171,503	188,107	196,404
Depreciation	7	39,207	42,000	39,321
Loss on disposal of property, plant and equipment		-	-	1,536
		<u>904,409</u>	<u>938,003</u>	<u>964,104</u>
Net Surplus / (Deficit) for the year		<u>7,412</u>	<u>(15,334)</u>	<u>(6,396)</u>
Other comprehensive revenue and expenses		-	-	-
Total comprehensive revenue and expense for the year		<u><u>7,412</u></u>	<u><u>(15,334)</u></u>	<u><u>(6,396)</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.



Orini Combined School

Statement of Changes in Net Assets / Equity

for the year ended 31 December 2019

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Balance at 1 January	<u>364,757</u>	<u>364,757</u>	<u>366,322</u>
Total comprehensive revenue and expense for the year	7,412	(15,334)	(6,396)
Capital contributions from the Ministry of Education: Contribution - furniture and equipment grant	-	-	4,831
Equity at 31 December	<u><u>372,169</u></u>	<u><u>349,423</u></u>	<u><u>364,757</u></u>
Retained Earnings	372,169	349,423	364,757
Reserves	-	-	-
Equity at 31 December	<u><u>372,169</u></u>	<u><u>349,423</u></u>	<u><u>364,757</u></u>

The above Statement of Changes in Net Assets / Equity should be read in conjunction with the accompanying notes which form part of these financial statements.



Orini Combined School

Statement of Financial Position

as at 31 December 2019

	Notes	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Current Assets				
Cash and cash equivalents	8	208,787	112,800	137,199
Accounts receivable	9	37,593	37,812	44,243
GST receivable		1,862	3,802	3,802
Prepayments		5,998	2,693	2,693
Inventories	10	7,492	799	799
Investments	11	-	92,918	92,918
Funds due for capital works projects	17	8,307	-	-
		<u>270,039</u>	<u>250,824</u>	<u>281,654</u>
Current Liabilities				
Accounts payable	13	41,027	47,280	47,280
Revenue received in advance	14	6,500	-	-
Provision for cyclical maintenance	15	2,250	-	26,113
Finance lease liability - current portion	16	8,978	4,809	6,192
Funds held for capital works projects	17	-	5,960	5,960
		<u>58,755</u>	<u>58,049</u>	<u>85,545</u>
Working Capital Surplus		211,284	192,775	196,109
Non Current Assets				
Property, plant and equipment	12	213,881	195,182	205,182
Non Current Liabilities				
Provision for cyclical maintenance	15	38,500	36,140	29,333
Finance lease liability	16	14,496	2,394	7,201
		<u>52,996</u>	<u>38,534</u>	<u>36,534</u>
Net Assets		<u>372,169</u>	<u>349,423</u>	<u>364,757</u>
Equity		<u>372,169</u>	<u>349,423</u>	<u>364,757</u>

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



Orini Combined School

Statement of Cash Flows

for the year ended 31 December 2019

		2019	2019	2018
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Cash flows from Operating Activities				
Government grants		199,682	184,025	210,403
Locally raised funds		67,158	44,380	42,045
Goods and Services Tax (net)		1,940	-	(2,469)
Payments to employees		(96,523)	(71,100)	(106,385)
Payments to suppliers		(130,130)	(122,456)	(124,150)
Cyclical maintenance payments in the year		-	(26,113)	-
Interest paid		(1,511)	(400)	(391)
Interest received		3,561	4,000	4,596
Net cash from operating activities		44,177	12,336	23,649
Cash flows from Investing Activities				
Proceeds from sale of PPE (and Intangibles)		-	-	-
Purchase of PPE (and Intangibles)		(33,302)	(32,000)	(15,479)
Purchase of investments		-	-	(2,503)
Proceeds from sale of investments		92,918	-	-
Net cash from investing activities		59,616	(32,000)	(17,982)
Cash flows from Financing Activities				
Furniture and equipment grant		-	-	4,831
Finance lease payments		(11,848)	(4,735)	(6,750)
Painting contract payments		-	-	-
Funds held for capital works projects		(20,357)	-	5,960
Net cash from financing activities		(32,205)	(4,735)	4,041
Net increase/(decrease) in cash and cash equivalents		71,588	(24,399)	9,708
Cash and cash equivalents at the beginning of the year	8	137,199	137,199	127,491
Cash and cash equivalents at the end of the year	8	208,787	112,800	137,199

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.



Orini Combined School

Notes to the Financial Statements

for the year ended 31 December 2019

1. Statement of Accounting Policies

a) Reporting entity

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

Critical Judgements in applying accounting policies

Management has exercised the following critical judgements in applying accounting policies:

Classification of leases

Determining whether a lease is a finance lease or an operating lease requires judgement as to whether the lease transfers substantially all the risks and rewards of ownership to the school. Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the Statement of Financial Position as property, plant and equipment, whereas for an operating lease no such asset is recognised.

Recognition of grants

The School reviews the grant 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 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.



Donation, 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. 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 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 the 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.

i) Inventories

Inventories are consumable items held for sale and comprise 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 amount 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.

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.

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.

Property, plant and equipment acquired with individual values under \$500 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 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 to Crown owned assets	40 years
Furniture and equipment	10-15 years
Information and communication technology	5 years
Leased assets held under a finance lease	3 - 5 years
Library resources	12.5% diminishing value



l) Intangible Assets

Software costs

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

Computer software with individual values under \$500 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 estimated useful life. The useful life of software is estimated as five 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 annual leave earned but not yet taken at balance date.



p) Revenue Received in Advance

Revenue received in advance relates to fees received from students 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.

q) 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 10-year property plan (10YPP).

r) 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, finance lease liability and funds held on behalf of the Ministry of Education. All of these financial liabilities are categorised as "financial liabilities measured at amortised cost" for accounting purposes in accordance with financial reporting standards.

s) 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.

t) Budget Figures

The budget figures are extracted from the School budget that was approved by the Board at the start of the year.

u) 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.



	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
2. Government grants			
Operational grants	168,830	165,944	173,081
Teachers' salaries grants	518,227	565,000	565,674
Use of land and buildings grants	132,917	130,000	131,166
Resource teachers learning and behaviour grants	2,500	5,000	1,489
Other MOE grants	24,879	8,345	37,921
	847,353	874,289	909,331

3. Locally raised funds

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

Revenue

Donations	11,044	8,000	7,412
Fundraising	18,584	15,000	12,638
Other revenue	5,905	2,400	3,866
Activities	16,152	15,480	16,179
Trading	9,486	3,500	3,745
	61,171	44,380	43,840

Expenses

Activities	23,520	13,700	18,274
Fundraising (costs of raising funds)	-	-	1,177
Trading	6,141	3,700	4,294
	29,661	17,400	23,745

Surplus (deficit) for the year locally raised funds

	31,510	26,980	20,095
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4. Learning resources

Curricular	19,650	13,192	15,225
Library resources	253	550	93
Employee benefits - salaries	555,882	587,954	611,362
Staff development	20,921	23,500	13,607
	596,706	625,196	640,287

5. Administration

Audit fees	3,800	3,800	3,500
Board of Trustees fees	4,445	4,000	2,460
Board of Trustees expenses	6,462	3,915	2,367
Communication	1,101	2,000	1,315
Consumables	4,793	5,600	3,937
Operating lease	-	-	258
Other	8,212	11,445	9,754
Employee benefits - salaries	28,744	27,000	30,435
Insurance	867	-	913
Service providers, contractors, consultancy	6,617	6,900	7,481
	65,041	64,660	62,420



	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
6. Property			
Caretaking and cleaning consumables	4,059	6,000	4,856
Cyclical maintenance provision	(14,696)	6,807	5,086
Grounds	5,455	3,200	4,370
Heat, light, and water	9,340	7,500	9,318
Repairs and maintenance	6,425	9,000	14,777
Use of land and buildings	132,917	130,000	131,166
Security	845	600	504
Employee benefits - salaries	27,158	25,000	26,327
	<u>171,503</u>	<u>188,107</u>	<u>196,404</u>

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

7. Depreciation of Property, Plant and Equipment

Building improvements - Crown	1,809	2,000	1,809
Furniture & equipment	22,195	23,000	21,178
Information and communication technology	7,543	9,000	8,321
Leased assets	6,535	7,000	6,728
Library resources	1,125	1,000	1,285
	<u>39,207</u>	<u>42,000</u>	<u>39,321</u>

8. Cash and Cash Equivalents

ASB Current account	26,327	105,474	129,873
ASB Business Saver account	87,382	7,326	7,326
Short term bank deposits	95,078	-	-
Cash and cash equivalents for Statement of Cash Flows	<u>208,787</u>	<u>112,800</u>	<u>137,199</u>

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

9. Accounts Receivable

Receivables	1,850	1,337	1,337
Interest receivable	20	284	284
Banking staffing underuse	2,796	-	6,431
Teacher salaries grant receivable	32,927	36,191	36,191
	<u>37,593</u>	<u>37,812</u>	<u>44,243</u>
Receivables from exchange transactions	1,870	1,621	1,621
Receivables from non-exchange transactions	35,723	36,191	42,622
	<u>37,593</u>	<u>37,812</u>	<u>44,243</u>

10. Inventories

Stationery	719	799	799
Uniforms	6,773	-	-
	<u>7,492</u>	<u>799</u>	<u>799</u>



2019	2019	2018
Actual	Budget	Actual
\$	(Unaudited)	\$
\$	\$	\$

11. Investments

The School's investment activities are classified as follows:

Current Asset:

Short term bank deposits	-	92,918	92,918
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12. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
	\$	\$	\$	\$	\$	\$
2019						
Building improvements	37,652	6,090	-	-	(1,809)	41,933
Furniture & equipment	128,762	18,109	(1,189)	-	(22,195)	123,487
Information & communication	16,568	9,574	-	-	(7,543)	18,599
Leased assets	13,202	22,992	(7,670)	-	(6,535)	21,989
Library resources	8,998	-	-	-	(1,125)	7,873
Balance at 31 December 2019	205,182	56,765	(8,859)	-	(39,207)	213,881

The net carrying value of equipment held under a finance lease is \$21,989 (2018: \$13,202)

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2019			
Building improvements	78,432	36,499	41,933
Furniture & equipment	319,113	195,626	123,487
Information & communication	106,603	88,004	18,599
Leased assets	32,787	10,798	21,989
Library resources	42,826	34,953	7,873
Balance at 31 December 2019	579,761	365,880	213,881

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
	\$	\$	\$	\$	\$	\$
2018						
Building improvements	39,461	-	-	-	(1,809)	37,652
Furniture & equipment	138,781	11,585	(426)	-	(21,178)	128,762
Information & communication	22,243	3,756	(1,110)	-	(8,321)	16,568
Leased assets	17,691	2,239	-	-	(6,728)	13,202
Library resources	10,145	138	-	-	(1,285)	8,998
Balance at 31 December 2018	228,321	17,718	(1,536)	-	(39,321)	205,182

The net carrying value of equipment held under a finance lease is \$13,202 (2017: \$17,691)



12. Property, Plant and Equipment (cont'd)

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2018			
Building improvements	72,342	34,690	37,652
Furniture & equipment	304,910	176,148	128,762
Information & communication	118,638	102,070	16,568
Leased assets	28,973	15,771	13,202
Library resources	42,826	33,828	8,998
Balance at 31 December 2018	<u>567,689</u>	<u>362,507</u>	<u>205,182</u>

2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
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13. Accounts Payable

Operating Creditors	6,767	9,930	9,930
Employee entitlements - salaries	33,278	36,590	36,590
Employee entitlements - leave accrual	982	760	760
	<u>41,027</u>	<u>47,280</u>	<u>47,280</u>
Payables for exchange transactions	41,027	47,280	47,280
Payables for non-exchange transactions - taxes payable (PAYE and rates)	-	-	-
Payables for non-exchange transactions - other	-	-	-
	<u>41,027</u>	<u>47,280</u>	<u>47,280</u>

The carrying value of payables approximates their fair value

14. Revenue Received in Advance

Student fees	6,500	-	-
	<u>6,500</u>	<u>-</u>	<u>0</u>

15. Provision for Cyclical Maintenance

Provision at the start of the year	55,446	55,446	50,360
Increase (decrease) to the provision during the year	(14,696)	6,807	5,086
Use of the provision during the year	-	(26,113)	-
Provision at the end of the year	<u>40,750</u>	<u>36,140</u>	<u>55,446</u>
Cyclical maintenance - current	2,250	-	26,113
Cyclical maintenance - term	38,500	36,140	29,333
	<u>40,750</u>	<u>36,140</u>	<u>55,446</u>



2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
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16. Finance Lease Liability

The School has entered into finance lease agreements for photocopying equipment and teachers laptops. Minimum lease payments payable:

No later than one year	8,978	4,809	6,192
Later than one year and no later than five years	14,496	2,394	7,201
Later than five years	-	-	-
	<u>23,474</u>	<u>7,203</u>	<u>13,393</u>

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:

2019	Opening Balances \$	Receipts from MOE \$	Payments \$	Closing Balances \$
Remedial Roofing (in progress)	5,960	271	6,231	-
Clearlite replacement (in progress)	-	-	3,547	(3,547)
Toilet upgrade (in progress)	-	-	4,760	(4,760)
	<u>5,960</u>	<u>271</u>	<u>14,538</u>	<u>(8,307)</u>

Represented by:

Funds held on behalf of the Ministry of Education

Funds due from the Ministry of Education

-
(8,307)
(8,307)

2018	Opening Balances \$	Receipts from MOE \$	Payments \$	Closing Balances \$
Remedial Roofing (in progress)	-	5,960	-	5,960
	<u>-</u>	<u>5,960</u>	<u>-</u>	<u>5,960</u>

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 it is reasonable to expect the school would have adopted if dealing with that entity at arms'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 conditions no more or less favourable than those that it is reasonable to expect the school would have adopted in dealing with the party at arm's length in the same circumstances. Further, transactions with other government agencies (for example Government departments and Crown entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.



19. Remuneration

Key management personnel compensation

Key management personnel of the School includes all Trustees of the Board, Principal, Deputy Principals and Heads of Department.

	2019 Actual \$	2018 Actual \$
Board Members		
Remuneration	4,445	2,460
Full time equivalent members	0.17	0.17
Leadership Team		
Remuneration	208,609	281,880
Full time equivalent members	2.00	3.00
Total key management personnel remuneration	213,054	284,340
Total full time equivalent personnel	2.17	3.17

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	(a)	30 - 40	110 - 120
	(b)	80 - 90	
Benefits and other emoluments	(a)	0 - 5	0 - 5
	(b)	0 - 5	
Termination benefits		Nil	Nil

Other Employees

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

Remuneration \$000	2019 FTE	2018 FTE
100 - 110	Nil	Nil

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

20. Compensation and Other Benefits Upon Leaving

The total value of compensation or other benefits paid or payable to persons who ceased to be trustees, committee members, 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 value	Nil	Nil
Number of people	Nil	Nil



21. Contingencies

There are no contingent liabilities (except as listed 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 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) A contract for clearlite replacement to be completed in 2020 which will be fully funded by the Ministry of Education. \$0 has been received and \$3,547 has been spent on the project to date.

(b) A contract for toilet upgrade to be completed in 2020 which will be fully funded by the Ministry of Education. \$0 has been received and \$4,760 has been spent on the project to date.

(Capital commitments at 31 December 2018 - \$5,960).

(b) Operating Commitments

As at 31 December 2019 the Board has entered into the following contract:

(a) Operating lease of a photocopier machine

	2019 Actual \$	2018 Actual \$
No later than one year	1,517	-
Later than one year and no later than five years	5,312	-
	<u>6,829</u>	<u>-</u>

Operating commitments at 31 December 2018 - Nil).

23. Managing Capital

The School's capital is its equity and comprises capital contributions from the Ministry of Education for property, plant and equipment and accumulated surpluses and deficits. The School does not actively manage capital but attempts to ensure that revenue exceeds spending in most years. Although deficits can arise as planned in particular years, they are offset by planned surpluses in previous years or ensuing years.



24. Financial Instruments

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

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Financial assets measured at amortised cost (2018: Loans and receivables)			
Cash and cash equivalents	208,787	112,800	137,199
Receivables	37,593	37,812	44,243
Investments - term deposits	-	92,918	92,918
Total financial assets measured at amortised cost	<u>246,380</u>	<u>243,530</u>	<u>274,360</u>
Financial liabilities measured at amortised cost			
Payables	41,027	47,280	47,280
Finance leases	23,474	7,203	13,393
Total financial liabilities measured at amortised cost	<u>64,501</u>	<u>54,483</u>	<u>60,673</u>

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 18 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, but it is not expected to be significant to the school. The school will continue to receive funding from the Ministry of Education, even while closed.

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 the opening equity at 1 January 2019. Accounting policies have been updated to comply with PBE IFRS 9. The main updates are:

- Receivables: This policy has been updated to reflect that impairment of short-term receivables is now determined by applying an expected credit loss model.
- Investments : 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 IFRS 9 there were no material adjustments to the financial statements.



Orini Combined School

Kiwisport Note

for the year ended 31 December 2019

Kiwisport is a government funding initiative to support students' participation in organised sport. In 2019 the school received total Kiwisport funding of \$1,289 excluding GST (2018 - \$1,337). This funding was spent on the purchase of sports equipment and on swimming sports entries and transport.