

29 MAY 2020

# ROLLESTON CHRISTIAN SCHOOL

## Annual Report For the year ended 31 December 2019

Ministry Number: 710  
Principal: Elizabeth Horn  
School Address: 571-575 Springston Rolleston Road, Rolleston  
School Postal Address: 571 Springston Rolleston Road, Rolleston  
School Phone: 03 5502653  
School Email: office@rcs.school.nz

### Members of the Board of Trustees

Name	Ceased	Finishes
Rebekah Wain	Sep-19	
Nih McKay	Sep-19	
Paul Saunders		May-22
Fiona Gurevin		May-22
Mark Larson		May-22
Brett Erskine		May-22
Richard Reynolds		May-22
Jenny Addison		May-22
Lynda Slave		May-22
Liz Horn - Principal		

**Accountant / Service Provider:**  
Geoff Gillam Consultants

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**Rolleston Christian School  
Statement of Responsibility**

For the year ended 31 December 2019

The Board of Trustees (the Board) has pleasure in presenting the annual report of Rolleston Christian School incorporating the financial statements and the auditor's report, for the year ended 31 December 2019.

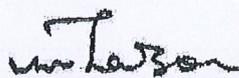
The Board of Trustees accepts responsibility for the preparation of the annual financial statements and the judgements used in these financial statements.

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.

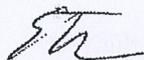
The School's 2019 financial statements are authorised for issue by the Board Chairperson and the principal.

Mark David Larson  
Full Name of Board Chairperson

  
Signature of Board Chairperson

22 May 2020  
Date:

Elizabeth Joy Horn  
Full Name of Principal

  
Signature of Principal

22 May 2020  
Date:

**Rolleston Christian School**  
**Statement of Comprehensive Revenue and Expense**

For the year ended 31 December 2019

	Notes	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
<b>Revenue</b>				
Government Grants	2	1,013,859	950,551	888,511
Locally Raised Funds	3	62,728	72,975	69,050
Use of Land and Buildings Integrated		348,000	345,000	209,600
Interest Earned		3,731	3,401	3,530
		<u>1,428,318</u>	<u>1,371,927</u>	<u>1,170,691</u>
<b>Expenses</b>				
Locally Raised Funds	3	18,177	36,875	23,094
Learning Resources	4	929,054	825,400	788,247
Administration	5	69,554	68,422	76,518
Finance Costs		700	-	742
Property	6	408,839	396,900	260,190
Depreciation	7	25,944	-	23,856
		<u>1,452,268</u>	<u>1,327,597</u>	<u>1,172,647</u>
<b>Net Surplus / (Deficit)</b>		(23,950)	44,330	(1,956)
Other Comprehensive Revenue and Expenses		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<u>(23,950)</u>	<u>44,330</u>	<u>(1,956)</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.



**Rolleston Christian School**  
**Statement of Changes in Net Assets/Equity**

For the year ended 31 December 2019

	Actual 2019 \$	Budget (Unaudited) 2019 \$	Actual 2018 \$
<b>Balance at 1 January</b>	208,023	208,023	209,979
Total comprehensive revenue and expense for the year	(23,950)	44,330	(1,956)
Owner transactions			
Contribution - Furniture and Equipment Grant	40,823	-	-
<b>Equity at 31 December</b>	224,896	252,353	208,023
Retained Earnings	224,896	252,353	208,023
Reserves	-	-	-
<b>Equity at 31 December 2019</b>	224,896	252,353	208,023

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.



**Rolleston Christian School  
Statement of Financial Position**

As at 31 December 2019

	Notes	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
<b>Current Assets</b>				
Cash and Cash Equivalents	8	59,938	41,340	10,030
Accounts Receivable	9	55,252	50,000	55,770
GST Receivable		3,179	4,000	3,945
Inventories		15,186	10,000	13,210
Investments	10	70,000	100,000	100,815
		<u>203,555</u>	<u>205,340</u>	<u>183,770</u>
<b>Current Liabilities</b>				
Accounts Payable	12	74,498	58,500	54,689
Revenue Received in Advance	13	326	3,000	3,410
Finance Lease Liability - Current Portion	15	6,131	2,500	6,437
		<u>80,955</u>	<u>64,000</u>	<u>64,536</u>
<b>Working Capital Surplus or (Deficit)</b>		122,600	141,340	119,234
<b>Non-current Assets</b>				
Property, Plant and Equipment	11	113,742	119,263	99,263
		<u>113,742</u>	<u>119,263</u>	<u>99,263</u>
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	14	9,000	4,500	4,500
Finance Lease Liability	15	2,446	3,750	5,974
		<u>11,446</u>	<u>8,250</u>	<u>10,474</u>
<b>Net Assets</b>		<u>224,896</u>	<u>252,353</u>	<u>208,023</u>
<b>Equity</b>		<u>224,896</u>	<u>252,353</u>	<u>208,023</u>

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



# Rolleston Christian School

## Cash Flow Statement

For the year ended 31 December 2019

	Note	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
<b>Cash flows from Operating Activities</b>				
Government Grants		278,869	271,606	230,233
Locally Raised Funds		57,399	70,030	71,144
Goods and Services Tax (net)		766	(55)	404
Payments to Employees		(172,064)	(127,471)	(133,164)
Payments to Suppliers		(142,136)	(161,880)	(154,777)
Interest Paid		(700)	-	(742)
Interest Received		3,477	4,836	3,124
Funds Administered on Behalf of Third Parties		(3,084)	(410)	(4,806)
Net cash from / (to) the Operating Activities		22,527	56,656	11,416
<b>Cash flows from Investing Activities</b>				
Proceeds from Sale of PPE (and Intangibles)		-	-	-
Purchase of PPE (and Intangibles)		(37,486)	(20,000)	(14,995)
Purchase of Investments		-	-	(3,593)
Proceeds from Sale of Investments		30,815	815	-
Net cash from / (to) the Investing Activities		(6,671)	(19,185)	(18,588)
<b>Cash flows from Financing Activities</b>				
Finance Lease Payments		(6,771)	(6,161)	(5,521)
Net cash from Financing Activities		34,052	(6,161)	(5,521)
<b>Net increase/(decrease) in cash and cash equivalents</b>		49,908	31,310	(12,693)
Cash and cash equivalents at the beginning of the year	8	10,030	10,030	22,723
<b>Cash and cash equivalents at the end of the year</b>	8	59,938	41,340	10,030

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.



# Rolleston Christian School

## Notes to the Financial Statements

### 1. Statement of Accounting Policies

For the year ended 31 December 2019

#### a) Reporting Entity

Rolleston Christian 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.

#### 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 PBE Accounting Standards (PBE IPSAS) 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 25.

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

The School qualifies for Tier 2 as the school is not publically 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 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 carryforward 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.

#### **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.

Grants for the use of land and buildings are also 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 Proprietor. Use of land and building grants are recorded as revenue in the period the school uses the land and buildings.

#### **Donations**

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 Proprietor. The expense represents 8% of the school's total property value. This is used as a 'proxy' for the market rental of the property as advised by the Christian School's Trust. This is a non-cash expense that is offset by a non-cash grant from the Proprietor.

### **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 three months 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 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.

### **i) 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.

### **j) Property, Plant and Equipment**

Land and buildings owned by the Proprietor are excluded from these financial statements. The Board's use of the land and buildings as 'occupant' is based on a property occupancy document.

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**

Leases where the School assumes substantially all the risks and rewards of ownership are classified as finance leases. The assets acquired by way of finance lease are measured at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease, less accumulated depreciation and impairment losses. Leased assets and corresponding liability are recognised in the Statement of Financial Position and leased assets are depreciated over the period the School is expected to benefit from their use or over the term of the lease.

### **Depreciation**

Property, plant and equipment are depreciated over their estimated useful lives on a straight line basis. Depreciation of all assets is reported in the Statement of Comprehensive Revenue and Expense.

The estimated useful lives of the assets are:

	Years
Furniture and equipment	10
Information and communication technology	3-5
Plant	10
Leased assets held under a finance lease	3
Library resources	10

### **k) 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.

### **l) 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.



**m) 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, should the School be unable to provide the services to which they relate.

**n) Provision for Cyclical Maintenance**

The property from which the school operates is owned by the Proprietor. The Board is responsible for maintaining the land, building and other facilities on the School site in a state of good order and repair. Cyclical maintenance, which involves painting the interior and exterior of the School, makes up the most significant part of the Board's responsibilities outside day-to-day maintenance. The 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).

**o) Funds Held in Trust**

Funds are held in trust where they have been received by the School for a specified purpose. The School holds sufficient funds to enable the funds to be used for their intended purpose at any time.

**p) 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 "financial assets measured at fair value through other comprehensive income" for accounting purposes in accordance with financial reporting standards.

The School's financial liabilities comprise accounts payable, funds held on behalf of the Ministry of Education, 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.

**q) Goods and Services Tax (GST)**

The financial statements have been prepared on a GST exclusive basis, with the exception of accounts receivable and accounts payable which are stated as GST inclusive.

The net amount of GST paid to, or received from, the IRD, including the GST relating to investing and financing activities, is classified as a net operating cash flow in the statements of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

**r) Budget Figures**

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

**s) 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.

**t) Statement of cash flows**

For the purpose of the cash flow statement, 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 following terms are used in the statement of cash flows:

Operating activities: the principle revenue producing activities of the School and other activities that are not investing or financing act

Investing activities: the acquisition and disposal of long term assets and other investments not included in cash and cash equivalents.

Financing activities: the activities that result in changes in the size and composition of the contributed equity and borrowings of the School.



## 2. Government Grants

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operational grants	220,809	260,551	226,858
Teachers' salaries grants	746,045	690,000	647,223
Other government grants	47,005	-	14,430
	<u>1,013,859</u>	<u>950,551</u>	<u>888,511</u>

## 3. Locally Raised Funds

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

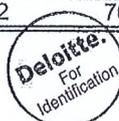
	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
<i>Revenue</i>			
Donations	25,074	26,000	26,891
Activities	339	5,075	6,230
Trading	37,315	41,900	35,929
	<u>62,728</u>	<u>72,975</u>	<u>69,050</u>
<i>Expenses</i>			
Activities	200	5,075	5,723
Trading	15,788	19,300	17,371
Fundraising (costs of raising funds)	2,189	12,500	-
	<u>18,177</u>	<u>36,875</u>	<u>23,094</u>
<i>Surplus for the year Locally raised funds</i>	<u>44,551</u>	<u>36,100</u>	<u>45,956</u>

## 4. Learning Resources

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	43,879	33,700	34,842
Employee Benefits - Salaries	871,713	776,200	734,644
Staff Development	13,462	15,500	18,761
	<u>929,054</u>	<u>825,400</u>	<u>788,247</u>

## 5. Administration

	2019	2019	2018
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	3,966	3,700	4,381
Board of Trustees Fees	3,610	4,500	4,747
Board of Trustees Expenses	-	-	-
Communication	2,701	4,350	9,493
Consumables	5,740	6,800	5,246
Staff Expenses	2,003	3,100	3,170
Other	5,311	5,972	8,680
Employee Benefits - Salaries	46,223	40,000	40,801
	<u>69,554</u>	<u>68,422</u>	<u>76,518</u>



## 6. Property

	2019	2019	2018
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Caretaking and Cleaning Consumables	3,579	3,500	3,896
Consultancy and Contract Services	29,289	28,300	17,640
Cyclical Maintenance Provision	4,500	-	4,500
Grounds	3,996	3,500	4,100
Heat, Light and Water	10,589	11,000	9,132
Repairs and Maintenance	8,886	5,600	5,737
Use of Land and Buildings - Integrated	348,000	345,000	209,600
Employee Benefits - Salaries	-	-	5,585
	<u>408,839</u>	<u>396,900</u>	<u>260,190</u>

The use of land and buildings figure represents 8% of the school's total property value. This is used as a 'proxy' for the market rental of the property. 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

	2019	2019	2018
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Furniture and Equipment	8,726	-	8,170
Information and Communication Technology	8,998	-	8,612
Plant	1,052	-	962
Leased Assets	6,848	-	5,791
Library Resources	320	-	321
	<u>25,944</u>	<u>-</u>	<u>23,856</u>

## 8. Cash and Cash Equivalents

	2019	2019	2018
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Cash on Hand	50	50	50
Bank Current Account	19,015	16,290	8,771
Bank Call Account	40,873	25,000	1,209
Net cash and cash equivalents and bank overdraft for Cash Flow Statement	<u>59,938</u>	<u>41,340</u>	<u>10,030</u>

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

## 9. Accounts Receivable

	2019	2019	2018
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Debtors	7,384	5,000	2,055
Debtor Ministry of Education	-	-	11,055
Interest Accrued	1,689	-	1,435
Teacher Salaries Grant Receivable	46,179	45,000	41,225
	<u>55,252</u>	<u>50,000</u>	<u>55,770</u>
Receivables from Exchange Transactions	9,073	5,000	3,490
Receivables from Non-Exchange Transactions	46,179	45,000	52,280
	<u>55,252</u>	<u>50,000</u>	<u>55,770</u>

Deloitte  
For  
Identification

## 10. Investments

The School's investment activities are classified as follows:

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Current Asset			
Short-term Bank Deposits with Maturities Greater than Three Months and No Greater than One Year	70,000	100,000	100,815

The carrying value of long term deposits longer than 12 months approximates their fair value at 31 December 2019.

## 11. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
<b>2019</b>						
Furniture and Equipment	57,316	28,471	-	-	(8,726)	77,061
Information and Communication Plant	21,467	6,857	-	-	(8,998)	19,326
Leased Assets	5,691	2,157	-	-	(1,052)	6,796
Library Resources	12,065	2,938	-	-	(6,848)	8,155
	2,724	-	-	-	(320)	2,404
<b>Balance at 31 December 2019</b>	<b>99,263</b>	<b>40,423</b>	<b>-</b>	<b>-</b>	<b>(25,944)</b>	<b>113,742</b>
				<b>Cost or Valuation \$</b>	<b>Accumulated Depreciation \$</b>	<b>Net Book Value \$</b>
Furniture and Equipment				113,757	(36,696)	77,061
Information and Communication Plant				51,339	(32,013)	19,326
Leased Assets				10,746	(3,950)	6,796
Library Resources				27,374	(19,219)	8,155
				3,205	(801)	2,404
<b>Balance at 31 December 2019</b>				<b>206,421</b>	<b>(92,679)</b>	<b>113,742</b>
	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
<b>2018</b>						
Furniture and Equipment	57,958	7,528	-	-	(8,170)	57,316
Information and Communication Plant	23,176	6,903	-	-	(8,612)	21,467
Leased Assets	6,089	564	-	-	(962)	5,691
Library Resources	7,623	10,233	-	-	(5,791)	12,065
	3,045	-	-	-	(321)	2,724
<b>Balance at 31 December 2018</b>	<b>97,891</b>	<b>25,228</b>	<b>-</b>	<b>-</b>	<b>(23,856)</b>	<b>99,263</b>
				<b>Cost or Valuation \$</b>	<b>Accumulated Depreciation \$</b>	<b>Net Book Value \$</b>
Furniture and Equipment				85,286	(27,970)	57,316
Information and Communication Plant				44,482	(23,015)	21,467
Leased Assets				8,589	(2,898)	5,691
Library Resources				24,437	(12,372)	12,065
				3,205	(481)	2,724
<b>Balance at 31 December 2018</b>				<b>165,999</b>	<b>(66,736)</b>	<b>99,263</b>

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## 12. Accounts Payable

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Operating Creditors	26,721	13,000	11,693
Banking Staffing Overuse	-	-	-
Employee Benefits Payable - Salaries	46,179	45,000	41,225
Employee Benefits Payable - Leave Accrual	1,598	500	1,771
	<u>74,498</u>	<u>58,500</u>	<u>54,689</u>
Payables for Exchange Transactions	74,498	58,500	54,689
Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates)	-	-	-
Payables for Non-exchange Transactions - Other	-	-	-
	<u><u>74,498</u></u>	<u><u>58,500</u></u>	<u><u>54,689</u></u>

The carrying value of payables approximates their fair value.

## 13. Revenue Received in Advance

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Funds Held on Behalf of Third Parties	326	3,000	3,410
	<u>326</u>	<u>3,000</u>	<u>3,410</u>

## 14. Provision for Cyclical Maintenance

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Provision at the Start of the Year	4,500	4,500	-
Increase to the Provision During the Year	4,500	-	4,500
Adjustment to the Provision	-	-	-
Use of the Provision During the Year	-	-	-
Provision at the End of the Year	<u>9,000</u>	<u>4,500</u>	<u>4,500</u>
Cyclical Maintenance - Current	-	-	-
Cyclical Maintenance - Term	9,000	4,500	4,500
	<u>9,000</u>	<u>4,500</u>	<u>4,500</u>

The Board has a cash management plan to ensure that sufficient cash is available to meet all maintenance obligations as they fall due over the next 10 years. The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligations at 31 December 2019. Present obligations are identified in the school's current 10-year property plan approved by the Ministry of Education. The provision has not been adjusted for inflation and the time value of money.

## 15. Finance Lease Liability

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

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
No Later than One Year	6,131	2,500	6,437
Later than One Year and no Later than Five Years	2,446	3,750	5,974
Later than Five Years	-	-	-
	<u>8,577</u>	<u>6,250</u>	<u>12,411</u>

## 16. Related Party Transactions

The School is a controlled entity of the Crown.

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.

The Proprietor of the School (Christian Schools Trust) , is a related party of the Board because the proprietor appoints representatives to the Board, giving the proprietor significant influence over the Board. Any services or contributions between the Board and Proprietor are disclosed appropriately with an indication of the amount where relevant.

The Proprietor provides land and buildings free of charge for use by the Board as noted in Note 1(c). The estimated value of this use during the year is included in the notes of the Statement of Comprehensive Income as "Use of land and buildings".

## 17. Remuneration

### Key management personnel compensation

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

	2019 Actual \$	2018 Actual \$
<i>Board Members</i>		
Remuneration	3,610	4,747
Full-time equivalent members	0.24	0.25
<i>Leadership Team</i>		
Remuneration	306,794	285,058
Full-time equivalent members	3	3
Total key management personnel remuneration	310,404	289,805
Total full-time equivalent personnel	3.24	3.25

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	2018 Actual
Salaries and Other Short-term Employee Benefits:	\$000	\$000
Salary and Other Payments	120-130	100-110
Benefits and Other Emoluments	1-10	1-10
Termination Benefits	-	-

### Other Employees

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

## 18. Compensation and Other Benefits Upon Leaving

The total value of compensation or other benefits paid or payable to persons who ceased to be trustees, committee member, or employees during the financial year in relation to that cessation and number of persons to whom all or part of that total was payable was as follows:

	2019 Actual	2018 Actual
Total	\$0	\$0
Number of People	-	-



## 19. Contingencies

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

### Holidays Act Compliance – schools payroll

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

The Ministry has commenced a review of the schools sector payroll to ensure compliance with the Holidays Act 2003. The initial phase of this review has identified areas of non-compliance, however the potential impact on any specific school or individual and any associated historical liability will not be known until further detailed analysis has been completed.

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

## 20. Commitments

### (a) Capital Commitments

As at 31 December 2019, the School has no capital commitments.

(Capital commitments at 31 December 2018: nil)

### (b) Operating Commitments

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

(a) operating lease of laptops

	2019 Actual \$	2018 Actual \$
No later than One Year	-	-
Later than One Year and No Later than Five Years	-	-
Later than Five Years	-	-
	-	-

## 21. Managing Capital

The School's capital is its equity and comprises capital contributions from the Ministry of Education for property, plant and equipment and accumulated surpluses and deficits. The School does not actively manage capital but attempts to generate a small surplus from year to year.

## 22. Financial Instruments

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

### Cash and receivables

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Cash and Cash Equivalents	59,938	41,340	10,030
Receivables	55,252	50,000	55,770
Investments - Term Deposits	70,000	100,000	100,815
Total Cash and Receivables	185,190	191,340	166,615

### Financial liabilities measured at amortised cost

Payables	74,498	58,500	54,689
Finance Leases	2,446	6,250	5,974
Total Financial Liabilities Measured at Amortised Cost	76,944	64,750	60,663

## 23. Events After Balance Date

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



## 24. 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 10 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

On the date of initial application of PBE IFRS 9, being 1 January 2019, the classification of financial instruments under PBE IPSAS 29 and PBE IFRS 9 is as follows:

	Measurement category		Carrying amount			
	Original PBE IPSAS 29 category	New PBE IFRS 9 category	Closing balance 31 Dec 2018 (PBE IPSAS 29)		Adoption of PBE IFRS 9 adjustment	Opening balance 1 Jan 2019 (PBE IFRS 9)
Cash at bank and on hand	Loans and receivables	Amortised cost	10,030		0	10,030
Receivables	Loans and receivables	Amortised cost	55,770		0	55,770
Term Deposits	Loans and receivables	Amortised cost	100,815		0	100,815
<b>Total financial assets</b>			<b>166,615</b>		<b>0</b>	<b>166,615</b>

The measurement categories and carrying amounts for financial liabilities have not changed between the closing 31 Dec 2018 and opening 1 Jan 2019 dates as a result of the transition to PBE IFRS 9.

## 25. Impact from COVID-19

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 until 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.

