

MIRAMAR CHRISTIAN SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

School Directory

Ministry Number: 4119

Principal: Kaye Gillies

School Address: 41 Camperdown Road, Miramar, Wellington

School Postal Address: 41 Camperdown Road, Miramar, Wellington

School Phone: 04-9398558

School Email: office@christian.school.nz

Members of the Board of Trustees

Name	Position	How Position Gained	Occupation	Term Expired/ Expires
Kim Coates	Chairperson	Appointed by Board	Psychologist	2022
Kaye Gillies	Principal	Ex Officio	Principal	2022
Michael Pearce	Parent Rep	Elected by School Community	Tutor	2022
David Medland	Parent Rep	Elected by School Community	Pastor	2022
Seth Fraser	Parent Rep	Elected by School Community	Barrister	2022
Bruce Heesterman	Proprietor's Rep	Appointed by Proprietor	Company CEO	Nov 2019
Betsy Anderson	Staff Rep	Elected by Teachers	Teacher	2022

Accountant / Service Provider: Micro Accounting & Tax Limited, Wellington
Contact: Matthew Blair Ph: 04-8892027

MIRAMAR CHRISTIAN SCHOOL

Annual Report - For the year ended 31 December 2019

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Miramar Christian 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.

Kim Coates

Full Name of Board Chairperson

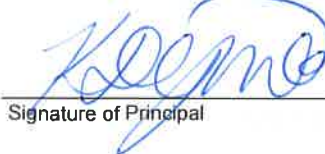


Signature of Board Chairperson

Date: 28/05/20

Kaye Gillies

Full Name of Principal



Signature of Principal

Date: 28/05/20

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

(2)

For the year ended 31 December 2019

		2019	2019	2018
	Notes	Actual	Budget (Unaudited)	Actual
		\$	\$	\$
Revenue				
Government Grants	2	437,258	450,550	471,598
Locally Raised Funds	3	19,086	12,887	25,306
Use of Land and Buildings Integrated		104,800	104,800	104,800
Interest income		1,849	1,501	2,067
		<u>562,993</u>	<u>569,738</u>	<u>603,771</u>
Expenses				
Locally Raised Funds	3	8,380	10,345	17,595
Learning Resources	4	359,992	366,053	383,414
Administration	5	59,408	59,395	67,446
Property	6	127,071	127,498	126,579
Depreciation	7	13,179	14,670	15,082
Amortisation of Intangible Assets	12	555	552	555
		<u>568,585</u>	<u>578,513</u>	<u>610,671</u>
Net (Deficit) for the year		(5,593)	(8,775)	(6,900)
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>(5,593)</u>	<u>(8,775)</u>	<u>(6,900)</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.

Miramar Christian School

(3)

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2019

	Notes	Actual 2019 \$	Budget (Unaudited) 2019 \$	Actual 2018 \$
Balance at 1 January		110,005	110,005	116,905
Total comprehensive revenue and expense for the year		(5,593)	(8,775)	(6,900)
Contribution - Furniture and Equipment Grant		1,311	-	-
Equity at 31 December	18	105,724	101,230	110,005
Retained Earnings		105,724	101,230	110,005
Equity at 31 December		105,724	101,230	110,005

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.

Miramar Christian School
Statement of Financial Position
As at 31 December 2019

(4)

	Notes	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Current Assets				
Cash and Cash Equivalents	8	86,000	83,666	77,926
Accounts Receivable	9	18,128	6,099	6,099
Inventories	10	4,415	4,046	4,046
		<u>108,543</u>	<u>93,811</u>	<u>88,071</u>
Current Liabilities				
GST Payable		5,587	7,539	7,539
Accounts Payable	13	26,483	13,512	13,512
		<u>32,070</u>	<u>21,051</u>	<u>21,051</u>
Working Capital Surplus		76,473	72,760	67,020
Non-current Assets				
Property, Plant and Equipment	11	28,697	28,697	41,876
Intangible Assets	12	554	554	1,109
		<u>29,251</u>	<u>29,251</u>	<u>42,985</u>
Net Assets		<u>105,724</u>	<u>102,011</u>	<u>110,005</u>
Equity	18	<u>105,724</u>	<u>101,230</u>	<u>110,005</u>

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

Miramar Christian School
Statement of Cash Flows
For the year ended 31 December 2019

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		2019	2018
	Note	Actual \$	Actual \$
Cash flows from Operating Activities			
Government Grants		113,659	157,142
Locally Raised Funds		19,170	24,982
Goods and Services Tax (net)		(1,952)	2,681
Payments to Employees		(69,371)	(107,245)
Payments to Suppliers		(56,593)	(67,214)
Interest Received		1,849	2,067
Net cash from Operating Activities		6,763	12,413
Cash flows from Investing Activities			
Purchase of PPE (and Intangibles)		-	(5,384)
Net cash from Investing Activities		-	(5,384)
Cash flows from Financing Activities			
Furniture and Equipment Grant		1,311	-
Net cash from Financing Activities		1,311	-
Net increase in cash and cash equivalents		8,074	7,029
Cash and cash equivalents at the beginning of the year	8	77,926	70,897
Cash and cash equivalents at the end of the year	8	86,000	77,926

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..

Miramar Christian School
Notes to the Financial Statements
For the year ended 31 December 2019

(6)

1. Statement of Accounting Policies

a) Reporting Entity

Miramar 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 Public Sector Public Benefit Entity (PBE) Standards Reduced Disclosure Regime as appropriate to public benefit entities that qualify for Tier 2 reporting. The school is considered a Public Benefit Entity as it meets the criteria specified as "having a primary objective to provide goods and/or services for community or social benefit and where any equity has been provided with a view to supporting that primary objective rather than for financial return to equity holders".

PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

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:

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.

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.

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 income in the period the school uses the land and building.

Donations, Gifts and Bequests

Donations, gifts and bequests are recorded as revenue when their receipt is formally acknowledged by the School.

Interest Revenue

Interest Revenue earned on cash and cash equivalents and investments is recorded as revenue in the period it is earned.

d) Use of Land and Buildings Expense

The property from which the School operates is owned by the Proprietor. The expense is based on an assumed market rental yield on the land and buildings as used for rating purposes. 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 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 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) Inventories

Inventories are consumable items held for sale and comprise of stationery and school uniforms. They are stated at the lower of cost and net realisable value. Cost is determined on a first in, first out basis. Net realisable value is the estimated selling price in the ordinary course of activities less the estimated costs necessary to make the sale. Any write down from cost to net realisable value is recorded as an expense in the Statement of Comprehensive Revenue and Expense in the period of the write down.

j) Investments

Bank term deposits are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance. A loss allowance for expected credit losses is recognised if the estimated loss allowance is not trivial.

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.

k) Property, Plant and Equipment

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

Improvements to buildings owned by the Proprietor are recorded at cost, less accumulated depreciation and impairment losses.

Property, plant and equipment are recorded at cost or, in the case of donated assets, fair value at the date of receipt, less accumulated depreciation and impairment losses. Cost or fair value as the case may be, includes those costs that relate directly to bringing the asset to the location where it will be used and making sure it is in the appropriate condition for its intended use.

Property, plant and equipment acquired with individual values under \$1,000 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense.

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

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:

Furniture and equipment	10–15 years
Information and communication technology	4–5 years
Library resources	12.5% Diminishing value

l) Intangible Assets*Software costs*

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

Computer software licences with individual values under \$1,000 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expense when incurred.

Computer software that the school receives from the Ministry of Education is normally acquired through a non-exchange transaction and is not of a material amount. Its fair value can be assessed at time of acquisition if no other methods lead to a fair value determination. Computer software purchased directly from suppliers at market rates are considered exchange transactions and the fair value is the amount paid for the software.

The carrying value of software is amortised on a straight line basis over its useful life. The useful life of software is estimated as three years. The amortisation charge for each period and any impairment loss is recorded in the Statement of Comprehensive Revenue and Expense.

m) Impairment of property, plant, and equipment and intangible assets

The school does not hold any cash generating assets. Assets are considered cash generating where their primary objective is to generate a commercial return.

Non cash generating assets

Property, plant, and equipment and intangible assets held at cost that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable service amount. The recoverable service amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

If an asset's carrying amount exceeds its recoverable service amount, the asset is regarded as impaired and the carrying amount is written down to the recoverable amount. The total impairment loss is recognised in the surplus or deficit.

The reversal of an impairment loss is recognised in the surplus or deficit.

n) Accounts Payable

Accounts Payable represents liabilities for goods and services provided to the School prior to the end of the financial year which are unpaid. Accounts Payable are recorded at the amount of cash required to settle those liabilities. The amounts are unsecured and are usually paid within 30 days of recognition.

o) Employee Entitlements*Short-term employee entitlements*

Employee benefits that are due to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay.

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

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 "available for sale" for accounting purposes in accordance with financial reporting standards.

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

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.

2. Government Grants

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Operational Grants	95,657	109,134	106,318
Teachers' Salaries Grants	323,599	323,599	314,456
Other MoE Grants	18,002	17,817	50,824
	<u>437,258</u>	<u>450,550</u>	<u>471,598</u>

3. Locally Raised Funds

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

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Revenue			
Donations	9,346	2,450	6,119
Activities	551	821	873
Trading	2,577	2,232	2,180
Fundraising	1,131	869	4,846
Other Revenue	5,481	6,515	11,288
	<u>19,086</u>	<u>12,887</u>	<u>25,306</u>
Expenses			
Activities	5,661	6,823	12,106
Trading	1,768	2,233	1,374
Fundraising (Costs of Raising Funds)	944	852	3,077
Other Locally Raised Funds Expenditure	7	437	1,038
	<u>8,380</u>	<u>10,345</u>	<u>17,595</u>
<i>Surplus for the year Locally raised funds</i>	<u>10,706</u>	<u>2,542</u>	<u>7,711</u>

4. Learning Resources

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Curricular	2,535	6,092	4,647
Information and Communication Technology	996	916	914
Library Resources	7	164	7
Employee Benefits - Salaries	354,446	355,448	375,616
Staff Development	2,008	3,433	2,230
	<u>359,992</u>	<u>366,053</u>	<u>383,414</u>

5. Administration

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Audit Fee	5,145	5,145	4,996
Board of Trustees Fees	880	3,026	2,145
Board of Trustees Expenses	656	1,050	11
Communication	2,480	1,912	1,909
Consumables	4,005	4,055	4,082
Other	3,281	6,314	10,661
Employee Benefits - Salaries	37,155	33,000	38,740
Insurance	338	463	461
Service Providers, Contractors and Consultancy	5,468	4,430	4,441
	<u>59,408</u>	<u>59,395</u>	<u>67,446</u>

6. Property

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Caretaking and Cleaning Consumables	2,971	2,929	3,410
Consultancy and Contract Services	11,917	12,075	12,072
Heat, Light and Water	3,867	4,200	3,356
Repairs and Maintenance	2,148	2,199	1,597
Use of Land and Buildings	104,800	104,800	104,800
Employee Benefits - Salaries	1,368	1,295	1,344
	<u>127,071</u>	<u>127,498</u>	<u>126,579</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

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Furniture and Equipment	9,354	10,178	10,586
Information and Communication Technology	3,453	4,060	4,070
Library Resources	372	432	426
	<u>13,179</u>	<u>14,670</u>	<u>15,082</u>

8. Cash and Cash Equivalents

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Cash on Hand	44	44	44
Bank Current Account	34,275	82,030	76,290
Bank Call Account	51,681	1,592	1,592
	<u>86,000</u>	<u>83,666</u>	<u>77,926</u>
Cash and cash equivalents for Cash Flow Statement			

9. Accounts Receivable

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Receivables	96	180	180
Teacher Salaries Grant Receivable	18,032	5,919	5,919
	<u>18,128</u>	<u>6,099</u>	<u>6,099</u>
Receivables from Exchange Transactions	96	180	180
Receivables from Non-Exchange Transactions	18,032	5,919	5,919
	<u>18,128</u>	<u>6,099</u>	<u>6,099</u>

10. Inventories

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
School Uniforms	4,415	4,046	4,046
	<u>4,415</u>	<u>4,046</u>	<u>4,046</u>

11. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2019						
Furniture and Equipment	30,938	-	-	-	(9,354)	21,584
Information and Communication	7,957	-	-	-	(3,453)	4,504
Library Resources	2,981	-	-	-	(372)	2,609
Balance at 31 December 2019	<u>41,876</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(13,179)</u>	<u>28,697</u>

	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
Furniture and Equipment	162,814	(141,230)	21,584
Information and Communication	42,150	(37,646)	4,504
Library Resources	30,335	(27,726)	2,609
Balance at 31 December 2019	<u>235,299</u>	<u>(206,602)</u>	<u>28,697</u>

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2018						
Furniture and Equipment	36,624	4,900	-	-	(10,586)	30,938
Information and Communication	11,542	485	-	-	(4,070)	7,957
Library Resources	3,407	-	-	-	(426)	2,981
Balance at 31 December 2018	<u>51,573</u>	<u>5,385</u>	<u>-</u>	<u>-</u>	<u>(15,082)</u>	<u>41,876</u>

	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$
Furniture and Equipment	162,814	(131,876)	30,938
Information and Communication Technology	42,150	(34,193)	7,957
Library Resources	30,335	(27,354)	2,981
Balance at 31 December 2018	235,299	(193,423)	41,876

12. Intangible Assets

The School's Intangible Assets are made up of acquired computer software.

	Acquired software	Internally generated software	Total \$
Cost			
Balance at 1 January 2018	2,775	-	2,775
Additions	-	-	-
Disposals	-	-	-
Balance at 31 December 2018/1 January 2019	2,775	-	2,775
Additions	-	-	-
Disposals	-	-	-
Balance at 31 December 2019	2,775	-	2,775
Accumulated Amortisation and impairment losses			
Balance at 1 January 2018	1,111	-	1,111
Amortisation expense	-	-	-
Disposals	-	-	-
Impairment losses	555	-	555
Balance at 31 December 2018/1 January 2019	1,666	-	1,666
Amortisation expense	-	-	-
Disposals	-	-	-
Impairment losses	555	-	555
Balance at 31 December 2019	2,221	-	2,221
Carrying amounts			
At 1 January 2018	1,664	-	1,664
At 31 December 2018/ 1 January 2019	1,109	-	1,109
At 31 December 2019	554	-	554

Restrictions

There are no restrictions over the title of the school's intangible assets, nor are any intangible assets pledged as security for liabilities.

Capital commitments

The amount of contractual commitments for the acquisition of intangible assets is \$nil (2018 \$nil)

13. Accounts Payable

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Operating Creditors	8,451	7,593	7,593
Employee Entitlements - Salaries	18,032	5,919	5,919
	26,483	13,512	13,512
 Payables for Exchange Transactions	 26,483	 13,512	 13,512
	26,483	13,512	13,512

14. 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.

The Proprietor of the School (Peniel Charitable 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 have been disclosed appropriately, if the proprietor collects fund on behalf of the school (or vice versa) the amounts are disclosed.

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 current period is included in the Statement of Comprehensive Revenue and Expense as "Use of land and buildings".

Under an agency agreement, the School may collect funds on behalf of the Proprietor. Not normal practice. These generally only consist of attendance dues paid incorrectly to the school. The amounts collected are generally less than \$1,000 per annum. These do not represent revenue in the financial statements of the school. Any balance not transferred at the year end would be treated as a liability. The total funds held by the school on behalf of the proprietor are nil. In addition the school has entered into an agreement with the Proprietor for the provision of marketing services at no cost to the school.

15. 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	880	2,145
Full-time equivalent members	0.53	0.52
<i>Leadership Team</i>		
Remuneration	99,973	102,807
Full-time equivalent members	1.10	1.10
Total key management personnel remuneration	100,853	104,952
Total full-time equivalent personnel	1.63	1.62

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	90-100	60-70
Benefits and Other Emoluments	2-3	-
Termination Benefits	-	6-7

Other Employees

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

Remuneration \$000	2019 FTE Number	2018 FTE Number
100-110	0.00	0.00
	0.00	0.00

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

16. Contingencies

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.

17. Commitments

(a) Capital Commitments

As at 31 December 2019 the Board has not entered into any contract agreements for capital works of material value.

(Capital commitments at 31 December 2018: Nil)

(b) Operating Commitments

As at 31 December 2019 the Board has not entered into any contract agreements for operating commitments of material value.

18. 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.

19. Financial Instruments

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

Financial assets measured at amortised cost:

	2019 Actual \$	2019 Budget (Unaudited) \$	2018 Actual \$
Cash and Cash Equivalents	86,000	83,666	77,926
Receivables	18,128	6,099	6,099
Total Financial assets measured at amortised cost	104,128	89,765	84,025

Financial liabilities measured at amortised cost:

Payables	26,483	13,512	13,512
Total Financial Liabilities Measured at Amortised Cost	26,483	13,512	13,512

20. 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. While the disruption is currently expected to be temporary, there is a level of uncertainty around the duration of the closure.

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.

