PIRINOA SCHOOL

ANNUAL REPORT

# FOR THE YEAR ENDED 31 DECEMBER 2020

## School Directory

|  |  |
| --- | --- |
| Ministry Number: | 2958 |
| Principal: | Eugene Moore |
| School Address: | 2782 Lake Ferry Road, Pirinoa |
| School Postal Address: | Lake Ferry Road RD 2, Featherston, 5772 |
| School Phone: | 06 307 7829 |
| School Email: | office@pirinoa.school.nz |

Members of the Board of Trustees

 How Term

 Position Expires/

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Name | Position | Gained |  | Expired |
| Tania Macdonald | Chairperson | Appointed |  | Jun 2022 |
| Eugene Moore | Principal | ex Officio |  |  |
| Susan Fleming | Principal | ex Officio |  | Jul 2020 |
| Matt Jackett | Principal | ex Officio |  | Jan 2020 |
| Aaron Donges | Parent Rep | Elected |  | Jun 2022 |
| Andrea Didsbury | Parent Rep | Elected |  | Jun 2022 |
|  Sara Sutherland | Parent Rep  | Elected |  | Jun 2022 |
| Irlene Stevens-Love | Parent Rep | Elected |  | Jun 2022 |
| Natalie Lagah | Staff Rep | Appointed |  | Jun 2022 |

Accountant I Service Provider: Education Services Ltd

# PIRINOA SCHOOL

Annual Report - For the year ended 31 December 2020

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Kiwisport

School

Statement of Responsibility

For the year ended 31 December 2020

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

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

It is the opinion of the Board and management that the annual financial statements for the financial year ended 31 December 2020 fairly reflects the financial position and operations of the school.

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



Full Name of Board Chairperson



Signature of Board Chairperson



Date:

Pirinoa School Statements



Full Name of Principal



Signature of Principal



Date:

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Comprehensive Revenue and Expense

For the year ended 31 December 2020

 2020 2020 2019

Budget

 Notes Actual (Unaudited) Actual

Revenue

Government Grants 2 546,934 481,105 549,829

Locally Raised Funds 3 29,934 15,890 37 ,283

Interest income 1 ,399 1 ,200 2 , 464

|  |  |  |
| --- | --- | --- |
| 578,26710,198354,01751 ,956382125,34622,997 | 498,19512,550314,59148,4056999,67024,909 | 589,57628,377369,55351,120229101,40025,091 |
| 564,89613,371 | 500,194(1 ,999) | 575,77013,806 |
| 13,371 | (1 ,999) | 13,806 |

Expenses

Locally Raised Funds 3 Learning Resources 4 Administration  5

Finance

Property 6

Depreciation 7

Net Surplus I (Deficit) for the year

Other Comprehensive Revenue and Expenses

Total Comprehensive Revenue and Expense for the Year

The above Statement of Comprehensive Revenue and Expense should be read in conjunction with the accompanying notes which form part of these financial statements.

## Changes in Net Assets/Equity

For the year ended 31 December 2020

Budget

 Actual Actual

(Unaudited)

 Notes 2020 2020 2019

|  |  |  |
| --- | --- | --- |
| 284,612 | 256,504 | 266,308 |
| 13,3713,52317,982 | (1 ,999) | 13,8061 ,3373,161 |
| 319,488 | 254,505 | 284,612 |
| 319,488 | 254,505 | 284,612 |
| 319,488 | 254,505 | 284,612 |

Balance at 1 January

Total comprehensive revenue and expense for the year

Capital Contributions from the Ministry of Education

Contribution - Furniture and Equipment Grant Funds From Closure Of Schools

School Network Upgrade Project (SNUP)

Equity at 31 December 21

Retained Earnings

Equity at 31 December

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.



## Financial Position

As at 31 December 2020

 2020 2020 2019

Budget

 Notes Actual (Unaudited) Actual

Current Assets

Cash and Cash Equivalents 8 136,009 77,560 91 ,370

Accounts Receivable 9 25,790 22,063 24,917

GST Receivable 4,753 1,126 1 ,508

Prepayments 2,660 1 ,480 2,613

Investments 10 49,741 46,752 48,321

|  |  |  |
| --- | --- | --- |
| 218,95338,7913,225 | 148,98128,1502904,715, 634 | 168, 72935,0343004,7155,024 |
| 42,016176,937186,377 | 37,789111,192166,072 | 45,073123,656183,488 |
| 186,37735,5008,326 | 166,07217,2195,540 | 183,48819,9342,598 |
| 43,826 | 22,759 | 22,532 |
| 319,488 | 254,505 | 284,612 |
|  |  |  |
| 319,488 | 254,505 | 284,612 |

Current Liabilities

Accounts Payable 12

Revenue Received in Advance 13

Provision for Cyclical Maintenance 14

Finance Lease Liability - Current Portion 15

Working Capital Surplus/(Deficit)

Non-current Assets

Property, Plant and Equipment 11

Non-current Liabilities

Provision for Cyclical Maintenance 14

Finance Lease Liability 15

Net Assets

Equity

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

## Cash Flows

For the year ended 31 December 2020

 2020 2020 2019

Budget

 Note Actual (Unaudited) Actual

Cash flows from Operating Activities

Government Grants 142,246 121,195 128,815

Locally Raised Funds 29,634 500 36,995

Goods and Services Tax (net) (3,245) (382)

Payments to Employees (55,792) (46,500) (52,403)

Payments to Suppliers (68,777) (43,646) (71,902)

Interest Paid (382) (69) (229)

Interest Received 1 ,620 1 ,200 2,451

|  |  |  |
| --- | --- | --- |
| 45,304(17,265) | 32,680(3,600) | , 345(790)(1 ,570) |
| (18,684)3,52317,982(3,486) | (3,600)(4,323) | (2,360)1 ,337(3,755) |
| 18,019 | (4,323) | (2,418) |
| 44 639 | 24,757 | 38,567 |
| 91 ,370 | 52,803 | 52,803 |
| 136,009 | 77 ,560 | 91 ,370 |

Net cash from/(to) Operating Activities

Cash flows from Investing Activities

Purchase of Property Plant & Equipment (and Intangibles) Purchase of Investments

Net cash from/(to) Investing Activities

Cash flows from Financing Activities

Furniture and Equipment Grant

Owners Contributions

Finance Lease Payments

Net cash from/(to) Financing Activities

Net increase/(decrease) in cash and cash equivalents

Cash and cash equivalents at the beginning of the year 8 Cash and cash equivalents at the end of the year 8

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.

Pirinoa

Notes to the Financial Statements For the year ended 31 December 2020

1. Statement of Accounting Policies

1. Reporting Entity

Pirinoa School (the School) is a Crown entity as specified in the Crown Entities Act 2004 and a school as described in the Education and Training Act 2020. The Board of Trustees (the Board) is of the view that the School is a public benefit entity for financial reporting purposes.

1. Basis of Preparation Reporting Period

The financial reports have been prepared for the period 1 January 2020 to 31 December 2020 and in accordance with the requirements of the Public Finance Act 1989.

Basis of Preparation

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

Financial Reporting Standards Applied 

The Education and Training Act 2020 requires the School, as a Crown entity, to prepare financial statements in accordance with generally accepted accounting practice. The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand, applying Public Sector Public Benefit Entity (PBE) Standards Reduced Disclosure Regime as appropriate to public benefit entities that qualify for Tier 2 reporting. The school is considered a Public Benefit Entity as it meets the criteria specified as "having a primary objective to provide goods and/or services for community or social benefit and where any equity has been provided with a view to supporting that primary objective rather than for financial return to equity holders".

### PBE Accounting Standards Reduced Disclosure Regime

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

Measurement Base

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

Presentation Currency

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

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

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

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

Cyclical maintenance

A school recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision for cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's long term maintenance plan which is prepared as part of its 10 Year Property Planning process. During the year, the Board assesses the reasonableness of its 10 Year Property Plan on which the provision is based. Cyclical maintenance is disclosed at note 14.

Useful lives of property, plant and equipment

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment as disclosed in the Significant Accounting Policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 11. 

Critical Judgements in applying accounting policies

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

Classification of leases

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

Recognition of grants

The School reviews the grants monies received at the end of each reporting period and whether any require a provision to carry forward amounts unspent. The School believes all grants received have been appropriately recognised as a liability if required. Government grants are disclosed at note 2.

c) Revenue Recognition

Government Grants

The school receives funding from the Ministry of Education. The following are the main types of funding that the School receives.

Operational grants are recorded as revenue when the School has the rights to the funding, which is in the year that the funding is received.

Teachers salaries grants are recorded as revenue when the School has the rights to the funding in the salary period they relate to. The grants are not received in cash by the School and are paid directly to teachers by the Ministry of Education.

Use of land and buildings grants are recorded as revenue in the period the School uses the land and buildings. These are not received in cash by the School as they equate to the deemed expense for using the land and buildings which are owned by the Crown.

Other Grants

Other grants are recorded as revenue when the School has the rights to the funding, unless there are unfulfilled conditions attached to the grant, in which case the amount relating to the unfulfilled conditions is recognised as a liability and released to revenue as the conditions are fulfilled.

### Donations, Gifts and Bequests

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

Interest Revenue

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

### d) Use of Land and Buildings Expense

The property from which the School operates is owned by the Crown and managed by the Ministry of Education on behalf of the Crown. The School's use of the land and buildings as occupant is based on a property occupancy document as gazetted by the Ministry. The expense is based on an assumed market rental yield on the value of land and buildings as used for rating purposes. This is a non-cash expense that is offset by a non-cash grant from the Ministry.

e) Operating Lease Payments

Payments made under operating leases are recognised in the Statement of Comprehensive Revenue and Expense on a straight line basis over the term of the lease.

### f) Finance Lease Payments

Finance lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term on an effective interest basis.

### g) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, bank balances, deposits held at call with banks, and other short term highly liquid investments with original maturities of 90 days or less, and bank overdrafts. The carrying amount of cash and cash equivalents represent fair value.

### h) Accounts Receivable

Short-term receivables are recorded at the amount due, less an allowance for credit losses (uncollectable debts). The schools receivables are largely made up of funding from the Ministry of Education, therefore the level of uncollectable debts is not considered to be material. However, short-term receivables are written off when there is no reasonable expectation of recovery.

1. 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.

1. 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.

1. Property, Plant and Equipment

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

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

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

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

Finance Leases

A finance lease transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not



title is eventually transferred. At the start of the lease term, finance leases are recognised as assets and liabilities in the statement of financial position at the lower of the fair value of the leased asset or the present value of the minimum lease payments. The finance charge is charged to the surplus or deficit over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability. The amount recognised as an asset is depreciated over its useful life. If there is no reasonable certainty whether the school will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

Depreciation

Property, plant and equipment 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: |  |
| Buildings | 20-50 years |
| Building Improvements | 20 years |
| Furniture and Equipment  |  5-10 years |
| Information and Communication | 5 years |
| Library Resources | 8 years |
| Motor Vehicles | 5 years |
| Leased assets held under a Finance Lease | Term of Lease |

l) Intangible Assets Software costs

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

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

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

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

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

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

Non cash generating assets

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

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

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

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

### n) Accounts Payable

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

o) Employee Entitlements Short-term employee entitlements

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

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

Long-term employee entitlements

Employee benefits that are due to be settled beyond 12 months after the end of the period in which the employee renders the related service, such as long service leave and retirement gratuities, have been calculated on an actuarial basis. The calculations are based on:

* likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement, and contractual entitlement information; and
* the present value of the estimated future cash flows.

p) Revenue Received in Advance

Revenue received in advance relates to fees received from students and grants received where there are unfulfilled obligations for the School to provide services in the future. The fees are recorded as revenue as the obligations are fulfilled and the fees earned.

The School holds sufficient funds to enable the refund of unearned fees in relation to international students, should the School be unable to provide the services to which they relate.

### q) Funds Held in Trust

Funds are held in trust where they have been received by the School for a specified purpose, or are being held on behalf of a third party and these transactions are not recorded in the Statement of Revenue and Expense.

The School holds sufficient funds to enable the funds to be used for their intended purpose at any time.

### r) Shared Funds

Shared Funds are held on behalf of a cluster of participating schools as agreed with the Ministry of Education. The cluster of schools operate activities outside of the School's control. These amounts are not recorded in the Statement of Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose.

### s) Provision for Cyclical Maintenance

The property from which the School operates is owned by the Crown, and is vested in the Ministry. The Ministry has gazetted a property occupancy document that sets out the Board's property maintenance responsibilities. The Board is responsible for maintaining the land, buildings and other facilities on the School site in a state of good order and repair.

Cyclical maintenance, which involves painting the interior and exterior of the School, makes up the most significant part of the Board's responsibilities outside day-to-day maintenance. The provision for cyclical maintenance represents the obligation the Board has to the Ministry and is based on the Board's ten year property plan (IOYPP).

t) Financial Instruments

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

Investments that are shares are categorised as 'financial assets at fair value through other comprehensive revenue and expense' for accounting purposes in accordance with financial reporting standards.

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

### u) Borrowings

Borrowings on normal commercial terms are initially recognised at the amount borrowed plus transaction costs. Interest due on the borrowings is subsequently accrued and added to the borrowings balance. Borrowings are classified as current liabilities unless the school has an unconditional right to defer settlement of the liability for at least 12 months after balance date.

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

### v) Goods and Services Tax (GST)

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

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

Commitments and contingencies are disclosed exclusive of GST.

### w) Budget Figures

The budget figures are extracted from the School budget that was approved by the Board.

x) Services received in-kind

From time to time the School receives services in-kind, including the time of volunteers. The School has elected not to recognise services received in kind in the Statement of Comprehensive Revenue and Expense.

1. Government Grants

|  |  |  |  |
| --- | --- | --- | --- |
| Operational Grants | 115,649 | 119,392 | 1 10,784 |
| Teachers' Salaries Grants | 323,017 | 289,491 | 340,193 |
| Use of Land and Buildings Grants | 80,873 | 70,419 | 78,913 |
| Other MOE Grants | 27,395 | 1 ,803 | 19,939 |

 546,934 481,105 549,829

The school has opted in to the donations scheme for this year. Total amount received was $7,500.

Other MOE Grants total includes additional COVID-19 funding totalling $18,541 for the year ended 31 December 2020.

1. Locally Raised Funds

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

|  |  |  |  |
| --- | --- | --- | --- |
|  | 2020 | 2020Budget | 2019 |
| Revenue | Actual | (Unaudited) | Actual |
| Donations | 249 |  |  , 384 |
| Bequests & Grants | 6,000 |  | 8,696 |
| Activities | 3,257 | 500 | 3,253 |
| Trading | 965 |  50  | 684 |
| Fundraising | 3,828 |  | 5,766 |
| School House | 15,635 | 15,340 | 14,500 |

|  |  |  |
| --- | --- | --- |
| 29,9343,8011,7431 ,4063,248 | 15,8902,5005010,000 | 37,2839,3531 ,2631,60416,157 |
| 10,198 | 12,550 | 28,377 |
| 19,736 | 3 340 | 8,906 |
| 2020Actual9,940160340,8883,029 | 2020Budget(Unaudited)7,450450300,6916,000 | 2019Actual5,432193361,6132,315 |
| 354,017 | 314,591 | 369,553 |

Expenses

Activities

Trading

Fundraising (Costs of Raising Funds)

School House

Surplus for the year Locally raised funds

1. Learning Resources

Curricular

Library Resources

Employee Benefits - Salaries

Staff Development

1. Administration

Audit Fee

Board of Trustees Fees

Board of Trustees Expenses

Communication

Consumables

Operating Lease

Other

Employee Benefits - Salaries

Insurance

Service Providers, Contractors and Consultancy

1. Property

Caretaking and Cleaning Consumables

Cyclical Maintenance Expense 

Grounds

Heat, Light and Water

Rates

Repairs and Maintenance Use of Land and Buildings

Security 

Employee Benefits - Salaries Contractor And Consultancy



|  |  |  |
| --- | --- | --- |
| 4,675 | 4,675 | 4,539 |
| 2,615 | 2,900 | 3,005 |
| 3,662 | 1 ,ooo | 1,730 |
| 1,361 | 1 ,500 | 1 ,489 |
| 1,714 | 2,200 | 2,103 |
| 63 |  | 314 |
| 5,709 | 6,245 | 6,734 |
| 26,233  | 25,000 | 25,255 |
| 1,124 | 685 | 1,151 |
| 4,800 | 4,200 | 4,800 |

51,956  48,405 51,120

|  |  |  |
| --- | --- | --- |
| 2020 | 2020Budget | 2019 |
| Actual | (Unaudited) | Actual |
| 3,413 | 2,100 | 2,152 |
| 10,851 | 3,251 | 2,966 |
| 3,477 | 1,500 | 2,186 |
| 5,074 | 4,500 | 4,579 |
| 693 | 750 | 665 |
| 6,602 | 6,000 | 3,250 |
| 80,873 | 70,419 | 78,913 |
| 644 | 850 | 793 |
| 13,719 | 7,3003,000 | 5,896 |

 125,346 99,670 101 ,400

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.

1. Depreciation

Buildings

Building Improvements

Furniture and Equipment

Information and Communication Technology

Motor Vehicles

Leased Assets Library Resources

Pirinoa School

|  |  |  |
| --- | --- | --- |
| 2020 | 2020 Budget | 2019 |
| Actual | (Unaudited) | Actual |
| 2,789 | 2,769 | 2,789 |
| 1 ,847 | 1 ,834 | 1 ,847 |
| 9,515 | 10,616 | 10,694 |
| 3,772350 | 4,757 | 4, 792 |
| 4,553 |  | 4,736 |
| 171 | 231 | 233 |

 22,997 24,909 25,091

Page 14

1. Cash and Cash Equivalents

|  |  |  |  |
| --- | --- | --- | --- |
| Cash on Hand | 50 |  | 50 |
| Bank Current Account | 89,549 | 54,857 | 62, 794 |
| Bank Call Account | 46,410 | 22,703 | 28,526 |

Cash and cash equivalents for Statement of Cash Flows 136,009 77,560 91 370

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

1. Accounts Receivable

|  |  |  |  |
| --- | --- | --- | --- |
|  | 2020 | 2020 Budget  | 2019 |
|  | Actual | (Unaudited) | Actual |
| Receivables | 332 | 1 ,359 | 332 |
| Interest Receivable | 624 | 832 | 845 |
| Teacher Salaries Grant Receivable | 24,834 | 19,872 | 23,740 |

|  |  |  |
| --- | --- | --- |
| 25,790 | 22,063 | 24,917 |
| 95624,834 | 2,19119,872 | 1,17723,740 |
| 25, 790 | 22,063 | 24,917 |

Receivables from Exchange Transactions

Receivables from Non-Exchange Transactions

|  |  |  |  |
| --- | --- | --- | --- |
| 10. InvestmentsThe School's investment activities are classified as follows: |  |  |  |
|  | 2020 | 2020Budget | 2019 |
| Current Asset | Actual | (Unaudited) | Actual |
| Short-term Bank Deposits | 49,741 |    , 752 | 48,321 |



Total Investments 49,741 46,752  48,321

1. Property, Plant and Equipment

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Opening |  |  |  |  |  |
| Balance (NBV) | Additions | Disposals | Impairment | Depreciation | Total (NBV)12,000 |
| 2020Land | 12,000 |
| Buildings | 90,053 |  |  |  | (2,789) | 87,264 |
| Building Improvements | 29,945 |  |  |  | (1 ,847) | 28,099 |
| Furniture and Equipment | 32,703 |  |  |  | (9,515) | 23,188 |
| Information and Communication Tech | 10,973 |  |  |  | (3,772) | 7,201 |
| Motor Vehicles |  | 17,239 |  |  | (350) | 16,890 |
| Leased Assets | 7,325 | 10,742 | (2,121) |  | (4 ,553) | 11,393 |
| Library Resources | 489 | 26 |  |  | (171) | 342 |

Balance at 31 December 2020 183,488 28,007 (2,121)(22,997) 186,377

The net carrying value of equipment held under a finance lease is $11,393 (2019: $7,325)

|  |  |  |  |
| --- | --- | --- | --- |
|  | Cost or | Accumulated | Net Book |
| 2020 | Valuation | Depreciation | Value |
| Land | 12,000 |  | 12,000 |
| Buildings | 118,076 | (30,812) | 87,264 |
| Building Improvements | 36,934 | (8,835) | 28,099 |
| Furniture and Equipment | 111,127 | (87,939) | 23,188 |
| Information and Communication | 63,468 | (56,267) | 7,201 |
| Motor Vehicles | 17,239 | (349) | 16,890 |
| Leased Assets | 14,679 | (3,286) | 11,393 |
| Library Resources | 20,996 | (20,654) | 342 |

Balance at 31 December 2020 394,519 (208,142) 186,377

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Opening |  |  |  |  |  |
| 2019Land | Balance (NBV)12,000 | Additions | Disposals | Impairment | Depreciation | Total (NBV)12,000 |
| Buildings | 92,842 |  |  |  | (2,789)  | 90,053 |
| Building Improvements  | 31,792 |  |  |  | (1 ,847) | 29,945 |
| Furniture and Equipment | 43,397 |  |  |  | (10,694) | 32,703 |
| Information and Communication Technology | 1 1,813 | 3,952 |  |  | (4 792) | 10,973 |
| Leased Assets | 9,815 | 2,247 |  |  | (4,736) | 7,325 |
| Library Resources | 722 |  |  |  | (233) | 489 |

|  |  |  |  |
| --- | --- | --- | --- |
| The net carrying value of equipment held under a finance lease is $7,325 (2018: $9,815) |  |  |  |
|  | Cost or | Accumulated | Net Book |
| 2019 | Valuation | Depreciation | Value |
| Land | 12,000 |  | 12,000 |
| Buildings | 118,076 | (28,023) | 90,053 |
| Building Improvements | 36,934 | (6,989) | 29,945 |

Balance at 31 December 2019 

Furniture and Equipment 111,127 (78,424) 32,703



|  |  |  |  |
| --- | --- | --- | --- |
| Information and Communication | 63,468 | (52,495) | 10,973 |
| Leased Assets | 21 ,823 | (14,498) | 7,325 |
| Library Resources | 20,970 | (20,481) | 489 |

Balance at 31 December 2019 384,398 (200,910) 183,488

1. Accounts Payable

|  |  |  |  |
| --- | --- | --- | --- |
|  | 2020 | 2020Budget | 2019 |
|  | Actual | (Unaudited) | Actual |
| Operating Creditors | 8,933 | 3,293 | 6,174 |
| Accruals | 4,675 | 4,407 | 4,539 |
| Employee Entitlements - Salaries | 24,834 | 19,872 | 23,740 |
| Employee Entitlements - Leave Accrual | 349 | 578 | 581 |

|  |  |  |
| --- | --- | --- |
| 38 791 | 28 150 | 35,034 |
| 38,791 | 28,150 | 35,034 |
| 38 791 | 28, 150 | 35 034 |
| 2020Actual2020Actual24,6495,3005,551 | 2020Budget(Unaudited)60302002020Budget(Unaudited)18,6833,251 | 2019 Actual60402003002019Actual21 ,6832,966 |
| 35 500 | 21 934 | 24 649 |
| 35,500 | 4,71517,219 | 4,71519,934 |
| 35,500 | 21,934 | 24,649 |

Payables for Exchange Transactions

Payables for Non-exchange Transactions - Taxes Payable (PAYE and Rates) Payables for Non-exchange Transactions - Other

The carrying value of payables approximates their fair value.

1. Revenue Received in Advance

Income In Advance

Swimming Pool Key Bond

Merino Rebate Grant

1. Provision for Cyclical Maintenance

Provision at the Start of the Year

Increase to the Provision During the Year

Adjustment to the Provision

Provision at the End of the Year

Cyclical Maintenance - Current

Cyclical Maintenance - Term

1. Finance Lease Liability

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

|  |  |  |  |
| --- | --- | --- | --- |
|  | 2020 | 2020Budget |  2019 |
|  | Actual | (Unaudited) | Actual |
| No Later than One Year | 3,803 | 4,634 | 5,024 |
| Later than One Year and no Later than Five Years | 9,838 | 5,540 | 2,598 |



 13,641 10,174 7,622

1. 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.

1. Remuneration

Key management personnel compensation

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

|  |  |
| --- | --- |
| 2020 | 2019 |
| ActualBoard Members | Actual |
| Remuneration 2,615 | 3,005 |
| Full-time equivalent members 0.02Leadership Team | 0.02 |
| Remuneration 107,343 | 100,741 |
| Full-time equivalent members 1.54 | 1.00 |

|  |  |  |
| --- | --- | --- |
| Total key management personnel remuneration | 109,958 | 103,746 |
| Total full-time equivalent personnel | 1 .56 | 1.02 |

The full time equivalent for Board members has been determined based on attendance at Board meetings, Committee meetings and for other obligations of the Board, such as stand downs and suspensions, plus the estimated time for Board members to prepare for meetings.

Principal

The total value of remuneration paid or payable to the Principal was in the following bands:

|  |  |  |
| --- | --- | --- |
|  | 2020 | 2019 |
|  | Actual | Actual |
| Salaries and Other Short-term Employee Benefits: Principal A | $000 | $000 |
| Salary and Other Payments |  | 100 - 110 |
| Benefits and Other Emoluments Termination BenefitsPrincipal B |  | 3 -4 |
| Salary and Other Payments | 50 - 60 |  |
| Benefits and Other Emoluments Termination BenefitsPrincipal C | 1 - 2 |  |
| Salary and Other Payments Benefits and Other Emoluments Termination BenefitsOther Employees | 50 - 60 |  |
| The number of other employees with remuneration greater than $100,000 was in the following bands: |
| Remuneration | 2020 | 2019 |
| $000 | FTE Number | FTE Number |

100 - 110

 0.00 0.00

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

1. Compensation and Other Benefits Upon Leaving

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

|  |  |
| --- | --- |
| 2020 | 2019 |
| Actual | Actual |

Total

Number of People

1. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2020 (Contingent liabilities and assets at 31 December 2019: nil). 

Holidays Act Compliance — schools payroll

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

The Ministry's review of the schools sector payroll to ensure compliance with the Holidays Act 2003 is ongoing. The current phase of this review is to design potential solutions for any compliance breaches discovered in the initial phase of the Programme. Final calculations and potential impact on any specific individual will not be known until further detailed analysis and solutions have been completed.

To the extent that any obligation cannot reasonably be quantified at 31 December 2020, a contingent liability for the school may exist.

1. Commitments
2. Capital Commitments

There are no capital commitments as at 31 December 2020 (Capital commitments at 31 December 2019: nil).

1. Operating Commitments

There are no operating commitments as at 31 December 2020 (Operating commitments at 31 December 2019: nil).

1. 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.

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1. Financial Instruments

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

Financial assets measured at amortised cost 

|  |  |  |  |
| --- | --- | --- | --- |
|  | 2020 | 2020Budget | 2019 |
|  | Actual | (Unaudited) | Actual |
| Cash and Cash Equivalents | 136,009 | 77,560 | 91 ,370 |
| Receivables | 25,790 | 22,063 | 24,917 |
| Investments - Term Deposits | 49,741 | 46,752 | 48,321 |

|  |  |  |
| --- | --- | --- |
| 211 ,540 | 146,375 | 164,608 |
| 38,79111 ,551 | 28,15010,174 | 35,0347,622 |
| 50,342 | 38,324 | 42,656 |

Total Financial assets measured at amortised cost

Financial liabilities measured at amortised cost

Payables

Borrowings - Loans

Finance Leases

Painting Contract Liability

Total Financial Liabilities Measured at Amortised Cost

1. Events After Balance Date

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

1. Comparatives

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

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Pirinoa School

## Kiwisport

Kiwisport is a Government funding initiative to support students' participation in organised sport. In 2020, the school received total Kiwisport funding of $580 (excluding CST). The funding was spent on sporting endeavours.

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School Letterhead

20 May 2021

Vivien Cotton CKS Audit

P O Box 5257

PALMERSTON NORTH 4410

### Dear Viv

REPRESENTATION LETTER FOR THE YEAR ENDED 31 DECEMBER 2020

This representation letter is provided in connection with your audit, carried out on behalf of the AuditorGeneral, of the financial statements of Pirinoa School (the School) for the year ended 31 December 2020 for the purpose of expressing an independent opinion about whether the financial statements:

* present fairly, in all material respects:
* the financial position as at 31 December 2020; and  the financial performance and cash flows for the year then ended; and

 comply with generally accepted accounting practice in New Zealand in accordance with Public Sector — Public Benefit Entity Standards, Reduced Disclosure Regime.

We understand that your audit was carried out in accordance with the Auditing Standards issued by the Auditor-General, which incorporate the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board.

### General representations

To the best of our knowledge and belief:

* the resources and activities under our control have been operating effectively and efficiently;
* we have complied with our statutory obligations including laws, regulations and contractual requirements;  we have carried out our decisions and actions with due regard to minimising waste;
* we have met Parliament's and the public's expectations of appropriate standards of behaviour in the public sector (that is, we have carried out our decisions and actions with due regard to probity); and  any decisions or actions have been taken with due regard to financial prudence.

We also acknowledge that we have responsibility for designing, implementing, and maintaining internal control (to the extent that is reasonably practical given the size of the School) to prevent and detect fraud or error, and which enables the preparation of the financial statements that are free from material misstatement whether due to fraud or error (a requirement of paragraph NZ40. I(a) in ISA (NZ) 240).

### Representations for the financial statements

We confirm that all transactions have been recorded in the accounting records and are reflected in the financial statements, and that, to the best of our knowledge and belief, having made such enquiries as we considered necessary for the purpose of appropriately informing ourselves:

* we have fulfilled our responsibilities for preparing and presenting the financial statements as required by section 87 of the Education Act 1989 and, in particular, that the financial statements:
* present fairly, in all material respects:

 the financial position as at 31 December 2020; and  the financial performance and cash flows for the year then ended; and

 comply with generally accepted accounting practice in New Zealand in accordance with Public Sector — Public Benefit Entity Standards, Reduced Disclosure Regime.

* we believe the methods, significant assumptions, and data used in making and supporting the accounting estimates and the related disclosures in the financial statements are appropriate to achieve recognition, measurement or disclosure that is in accordance with the applicable financial reporting framework;
* we have appropriately accounted for and disclosed the related party relationships and transactions in the financial statements;
* we have adjusted or disclosed all events subsequent to the date of the financial statements that  require adjustment or disclosure; and
* we believe the effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole. A list of the uncorrected misstatements is attached to this representation letter;

 we have disclosed all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements. Where applicable, such litigation and claims have been accounted for and disclosed in accordance with Public Sector — Public Benefit Entity Standards, Reduced Disclosure Regime.

### Representations about the provision of information

We confirm that, to the best of our knowledge and belief, having made such enquiries as we considered necessary for the purpose of appropriately informing ourselves: 

* we have provided you with:
* all information, such as records and documentation, and other matters that are relevant to preparing and presenting the financial statements; and
* unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence;

 we have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud;

* we have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the entity and involves:
* management;  employees who have significant roles in internal control; or  others where the fraud could have a material effect on the financial statements;
* we have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, analysts, regulators, or others;
* we have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements;
* we have disclosed the identity of the related parties, all of their relationships, and all of their transactions of which we are aware; and

 we have provided you with all the other documents ("other information") which will accompany the financial statements which are consistent with the financial statements, and the other information does not contain any material misstatements.

### Going concern basis of accounting

We confirm that, to the best of our knowledge and belief, the School has adequate resources to continue operations at its current level for the foreseeable future. For this reason, the Board of Trustees continues to adopt the going concern basis of accounting in preparing the financial statements for the year ended 31 December 2020. We have reached this conclusion after making enquiries and having regard to circumstances that we consider likely to affect the School during the period of one year from date of signing the financial statements, and to circumstances that we know will occur after that date which could affect the validity of the going concern basis of accounting.

We consider that the financial statements adequately disclose the circumstances, and any uncertainties, that we can reasonably be expected to be aware of concerning the adoption of the going concern basis of accounting by the School.

### Publication of the financial statements and related audit report on a website

We confirm that we are responsible for the electronic presentation of the audited financial statements, and:  that the electronic version of the audited financial statements and the related audit report presented on the website are the same as the final signed version of the audited financial statements and audit report.

* that the audited and unaudited information on the website has been clearly differentiated and we understand the risk of potential misrepresentation without appropriate controls.
* that we have assessed the security controls over audited financial information and the related audit report and are satisfied that procedures are adequate to ensure the integrity of the information provided.
* that the full financial statements have been provided on the website.

The representations in this letter are made at your request, and to supplement information obtained by you from the records of the School and to confirm information given to you orally.

Yours faithfully



Chairperson

Principal



We certify that subject to:

### i) the error reports provided by the Ministry of Education (the Ministry) to the Board of all known overpayments, stop payments, and incorrectly funded payments affecting the 2020 School Annual Accrual Report; and, any other matters listed below

the people shown on the annual accrual report were employed by the Board and the totals are substantially correct to the best of our knowledge.

Presiding Memberrincipal

### S •202-4 Date .....a.6Date

1. Please list any people on the annual accrual report who were not employed by your Board in 2020 (if not applicable, please write "n/a"):

 SccðdG'ñ

#### O VeeCe

2. Please list any people employed by your Board in 2020 who are not on the annual accrual report (if not applicable, please write "n/a"):

## NIA

3. Please list all overpayments, underpayments, local payments, and outstanding queries that you are aware of, that involve sums greater than $500, and don't already feature on the error reports provided by the Ministry (if not applicable, please write "n/a"):