

PLIMMERTON SCHOOL

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020



School Address:	School Road, Plimmerton, Porirua
School Postal Address:	School Road, Plimmerton, Porirua 5026
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Ministry Number:	2960
Accountant / Service Provider:	Accounting For Schools Ltd

PLIMMERTON SCHOOL

Financial Statements - For the year ended 31 December 2020

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PLIMMERTON 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.

Aaron Lindsay Sheriff

Full Name of Board Chairperson



Signature of Board Chairperson

31 May 2021

Date:

Michael David Forrest

Full Name of Principal



Signature of Principal

31 May 2021

Date:

PLIMMERTON SCHOOL

Statement of Comprehensive Revenue and Expense For the year ended 31 December 2020

		2020	2020	2019
	Notes	Actual \$	Budget (Unaudited) \$	Actual \$
Revenue				
Government Grants	2	4,247,290	4,090,400	3,926,538
Locally Raised Funds	3	208,845	267,099	260,430
Interest Earned		601	4,000	5,567
		4,456,736	4,361,499	4,192,535
Expenses				
Locally Raised Funds	3	58,166	52,500	73,442
Learning Resources	4	3,038,370	2,986,975	2,855,723
Administration	5	189,529	186,601	188,875
Property	6	1,005,556	1,071,000	1,063,281
Finance Costs		1,998	-	1,716
Depreciation	7	78,715	94,000	100,445
Loss on Disposal of Property, Plant and Equipment		816	-	-
		4,373,150	4,391,076	4,283,482
Net Surplus/(Deficit) for the year		83,586	(29,577)	(90,947)
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		83,586	(29,577)	(90,947)

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

PLIMMERTON SCHOOL

Statement of Changes in Net Assets/Equity For the year ended 31 December 2020

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Balance at 1 January	369,761	369,762	460,708
Total comprehensive revenue and expense for the year	83,586	(29,577)	(90,947)
Capital Contributions from the Ministry of Education			
Contribution - Furniture and Equipment Grant	10,602	-	-
Equity at 31 December	463,949	340,185	369,761
Retained Earnings	463,949	340,185	369,761
Equity at 31 December	463,949	340,185	369,761

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.

PLIMMERTON SCHOOL

Statement of Financial Position As at 31 December 2020

		2020	2020	2019
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
Current Assets				
Cash and Cash Equivalents	8	374,969	68,935	228,536
Accounts Receivable	9	221,839	192,500	184,937
Funds held for Capital Works Projects	16	9,135	-	-
GST Receivable		12,396	15,000	20,363
Inventories	10	615	500	486
Prepayments		18,925	15,000	17,334
		637,879	291,935	451,656
Current Liabilities				
Accounts Payable	12	274,169	247,500	233,812
Revenue Received in Advance	13	452	250	4,325
Provision for Cyclical Maintenance	14	41,718	50,000	106,619
Finance Lease Liability - Current Portion	15	11,765	12,000	11,910
Funds held for Capital Works Projects	16	130,296	-	5,330
		458,400	309,750	361,996
Working Capital Surplus		179,479	(17,815)	89,660
Non-current Assets				
Property, Plant and Equipment	11	331,440	400,000	340,042
Funds held for Capital Works Projects	16	-	-	3,500
		331,440	400,000	343,542
Non-current Liabilities				
Provision for Cyclical Maintenance	14	36,768	30,000	51,934
Finance Lease Liability	15	10,202	12,000	11,507
		46,970	42,000	63,441
Net Assets		463,949	340,185	369,761
Equity		463,949	340,185	369,761

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

PLIMMERTON SCHOOL

Statement of Cash Flows

For the year ended 31 December 2020

		2020	2020	2019
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
Cash flows from Operating Activities				
Government Grants		913,537	786,400	788,163
Locally Raised Funds		202,042	267,201	267,590
Goods and Services Tax (net)		7,966	5,363	152
Payments to Employees		(480,932)	(597,451)	(640,005)
Payments to Suppliers		(444,215)	(361,414)	(435,837)
Interest Paid		(1,998)	-	(1,716)
Interest Received		658	4,057	5,510
Cyclical Maintenance Payments in the year		(108,180)	(108,553)	-
Net cash from / (to) the Operating Activities		88,878	(4,397)	(16,143)
Cash flows from Investing Activities				
Purchase of PPE (and Intangibles)		(67,428)	(150,458)	(39,104)
Net cash from / (to) the Investing Activities		(67,428)	(150,458)	(39,104)
Cash flows from Financing Activities				
Furniture and Equipment Grant		10,602	-	-
Finance Lease Payments		(1,450)	583	(15,400)
Funds Held for Capital Works Projects		115,831	(5,330)	6,910
Net cash from Financing Activities		124,983	(4,747)	(8,490)
Net increase/(decrease) in cash and cash equivalents		146,433	(159,602)	(63,737)
Cash and cash equivalents at the beginning of the year	8	228,536	228,536	292,273
Cash and cash equivalents at the end of the year	8	374,969	68,934	228,536

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.

PLIMMERTON SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2020

1. Statement of Accounting Policies

a) Reporting Entity

Plimmerton 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.

b) 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.

PLIMMERTON SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2020

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.

PLIMMERTON SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2020

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.

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.

k) Property, Plant and Equipment

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

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

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

Property, plant and equipment acquired with individual values under \$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.

PLIMMERTON SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2020

Finance Leases

A finance lease transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred. At the start of the lease term, finance leases are recognised as assets and liabilities in the statement of financial position at the lower of the fair value of the leased asset or the present value of the minimum lease payments. The finance charge is charged to the surplus or deficit over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability. The amount recognised as an asset is depreciated over its useful life. If there is no reasonable certainty whether the school will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

Depreciation

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

The estimated useful lives of the assets are:

Buildings	10 - 40 years
Furniture and Equipment	3 - 15 years
Information and Communication Technology	3 - 5 years
Leased Assets held under a Finance Lease	3 - 5 years
Library Resources	12.5% Diminishing value
Textbooks	3 years

l) 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.

m) 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.

n) 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.

PLIMMERTON SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2020

o) Revenue Received in Advance

Revenue received in advance relates to fees received from students and grants from community organisations where there are unfulfilled obligations for the School to provide services in the future. The fees and grants 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 and grants, should the School be unable to provide the services to which they relate.

p) Provision for Cyclical Maintenance

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

Cyclical maintenance, which involves painting the interior and exterior of the School, makes up the most significant part of the Board's responsibilities outside day-to-day maintenance. The provision for cyclical maintenance represents the obligation the Board has to the Ministry and is based on the Board's ten year property plan (10YPP).

q) 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 "fair value through other comprehensive income" 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.

r) 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.

s) Goods and Services Tax (GST)

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

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

Commitments and contingencies are disclosed exclusive of GST.

t) Budget Figures

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

u) Services received in-kind

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

PLIMMERTON SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2020

2. Government Grants

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operational Grants	770,311	730,000	690,255
Other Government Grants	20,860	24,400	14,340
Other MoE Grants	126,366	36,000	79,568
Teachers' Salaries Grants	2,615,455	2,500,000	2,350,295
Use of Land and Buildings Grants	714,298	800,000	792,080
	4,247,290	4,090,400	3,926,538

Other MOE Grants total includes additional COVID-19 funding totalling \$7,746 for the year ended 31 December 2020.

3. Locally Raised Funds

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

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Revenue			
Activities	91,156	92,599	102,216
After School Care	8,697	16,000	14,951
Donations	83,557	131,500	113,658
Facilities and Grounds Hire	10,740	12,000	10,979
Other Revenue	500	-	1,169
Trading	14,195	15,000	17,457
	208,845	267,099	260,430
Expenses			
Activities	43,655	40,000	56,146
Trading	14,511	12,500	17,146
	58,166	52,500	73,442
Surplus for the year Locally raised funds	150,679	214,599	186,988

4. Learning Resources

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	73,640	101,250	63,768
Employee Benefits - Salaries	2,936,077	2,845,875	2,763,767
Information and Communication Technology	19,145	21,500	14,942
Library Resources	189	1,250	241
Staff Development	9,319	17,100	13,005
	3,038,370	2,986,975	2,855,723

PLIMMERTON SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2020

5. Administration

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	6,130	5,951	5,529
Board of Trustees Expenses	3,958	15,500	10,943
Board of Trustees Fees	4,620	4,800	4,090
Communication	6,029	6,000	5,788
Consumables	9,711	11,700	11,769
Employee Benefits - Salaries	116,787	120,800	106,907
Employee Expenses	19,457	-	22,157
Insurance	8,850	10,500	8,418
Other	10,297	7,850	9,936
Service Providers, Contractors and Consultancy	3,690	3,500	3,338
	189,529	186,601	188,875

6. Property

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	20,338	14,300	16,310
Consultancy and Contract Services	53,070	-	-
Cyclical Maintenance Provision	28,113	30,000	18,553
Employee Benefits - Salaries	93,037	130,000	118,636
Grounds	4,623	4,000	9,142
Heat, Light and Water	45,809	48,500	55,425
Rates	-	-	-
Repairs and Maintenance	46,268	44,200	53,135
Use of Land and Buildings	714,298	800,000	792,080
	1,005,556	1,071,000	1,063,281

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

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Buildings - School	21,296	25,000	26,207
Furniture and Equipment	19,953	25,000	24,996
Information Technology	20,194	25,000	30,087
Leased Assets	13,946	15,000	15,866
Library Resources	3,326	4,000	3,289
	78,715	94,000	100,445

PLIMMERTON SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2020

8. Cash and Cash Equivalents

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Cash on Hand	-	-	-
Cheque Accounts	374,969	18,935	128,006
Online Saver Account	-	-	-
Short-term Bank Deposits	-	50,000	100,530
Net cash and cash equivalents and bank overdraft for Cash Flow Statement	374,969	68,935	228,536

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

9. Accounts Receivable

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Receivables	19,607	12,500	12,677
Interest Receivable	-	-	57
Teacher Salaries Grant Receivable	202,232	180,000	172,203
	221,839	192,500	184,937
Receivables from Exchange Transactions	19,607	12,500	12,734
Receivables from Non-Exchange Transactions	202,232	180,000	172,203
	221,839	192,500	184,937

10. Inventories

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Stationery	615	500	486

PLIMMERTON SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2020

11. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2020	\$	\$	\$	\$	\$	\$
Buildings	195,879	3,273	(743)	-	(21,296)	177,113
Furniture and Equipment	56,722	33,088	(74)	-	(19,953)	69,783
Information Technology	41,098	20,001	-	-	(20,194)	40,905
Leased Assets	21,211	12,041	-	-	(13,946)	19,306
Library Resources	25,132	2,527	-	-	(3,326)	24,333
Balance at 31 December 2020	340,042	70,930	(817)	-	(78,715)	331,440

The net carrying value of equipment held under a finance lease is \$19,305 (2019: \$21,211).

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2020	\$	\$	\$
Buildings	477,460	(300,347)	177,113
Classroom Equipment	407,592	(337,809)	69,783
Computer Equipment	246,453	(205,548)	40,905
Leased Assets	55,042	(35,736)	19,306
Library Resources	94,635	(70,302)	24,333
Balance at 31 December 2020	1,281,182	(949,742)	331,440

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2019	\$	\$	\$	\$	\$	\$
Buildings	222,086	-	-	-	(26,207)	195,879
Furniture and Equipment	66,166	15,552	-	-	(24,996)	56,722
Information Technology	54,294	16,891	-	-	(30,087)	41,098
Leased Assets	22,780	14,297	-	-	(15,866)	21,211
Library Resources	25,260	3,161	-	-	(3,289)	25,132
Balance at 31 December 2019	390,586	49,901	-	-	(100,445)	340,042

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2019	\$	\$	\$
Buildings	571,508	(375,629)	195,879
Furniture and Equipment	384,267	(327,545)	56,722
Computer Equipment	246,234	(205,136)	41,098
Leased Assets	60,800	(39,589)	21,211
Library Resources	92,108	(66,976)	25,132
Balance at 31 December 2019	1,354,917	(1,014,875)	340,042

PLIMMERTON SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2020

12. Accounts Payable

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operating creditors	47,287	40,000	33,632
Accruals	7,430	7,500	7,201
Employee Entitlements - salaries	202,232	180,000	172,203
Employee Entitlements - leave accrual	17,220	20,000	20,776
	<u>274,169</u>	<u>247,500</u>	<u>233,812</u>
Payables for Exchange Transactions	274,169	247,500	233,812
	<u>274,169</u>	<u>247,500</u>	<u>233,812</u>

The carrying value of payables approximates their fair value.

13. Revenue Received in Advance

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Grants in Advance - Thomas McCarthy Trust	-	-	4,000
Other	452	250	325
	<u>452</u>	<u>250</u>	<u>4,325</u>

14. Provision for Cyclical Maintenance

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Provision at the Start of the Year	158,553	158,553	140,000
Increase to the Provision During the Year	28,113	30,000	18,553
Use of the Provision During the Year	(108,180)	(108,553)	-
Provision at the End of the Year	<u>78,486</u>	<u>80,000</u>	<u>158,553</u>
Cyclical Maintenance - Current	41,718	50,000	106,619
Cyclical Maintenance - Term	36,768	30,000	51,934
	<u>78,486</u>	<u>80,000</u>	<u>158,553</u>

PLIMMERTON SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2020

15. Finance Lease Liability

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

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
No Later than One Year	11,765	12,000	11,910
Later than One Year and no Later than Five Years	10,202	12,000	11,507
	21,967	24,000	23,417

16. Funds Held for Capital Works Projects

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

2020		Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution/ (Write-off to R&M) \$	Closing Balances \$
Block 1 Modernisation	<i>In progress</i>	(1,580)	-	-	-	(1,580)
Hall Electrical Switchboard	<i>In progress</i>	6,000	-	(13,555)	-	(7,555)
Library Entrance Project	<i>In progress</i>	-	27,944	(3,500)	-	24,444
ORS Fencing Project	<i>In progress</i>	-	105,852	-	-	105,852
Replace Tech Block Flooring	<i>In progress</i>	910	-	(910)	-	-
Totals		5,330	133,796	(17,965)	-	121,161

Represented by:

Funds Held on Behalf of the Ministry of Education	130,296
Funds Due from the Ministry of Education	(9,135)
	121,161

2019		Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution/ (Write-off to R&M) \$	Closing Balances \$
Block 1 Modernisation	<i>in progress</i>	(1,580)	-	-	-	(1,580)
Hall Electrical Switchboard	<i>in progress</i>	-	6,000	-	-	6,000
Replace Tech Block Funding	<i>in progress</i>	-	6,000	(5,090)	-	910
Totals		(1,580)	12,000	(5,090)	-	5,330

PLIMMERTON SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2020

17. 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.

18. Remuneration

Key management personnel compensation

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

	2020 Actual \$	2019 Actual \$
<i>Board Members</i>		
Remuneration	4,620	4,090
Full-time equivalent members	0.23	0.23
<i>Leadership Team</i>		
Remuneration	481,219	360,887
Full-time equivalent members	4.00	3.00
Total key management personnel remuneration	485,839	364,977
Total full-time equivalent personnel	4.23	3.23

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 Actual \$000	2019 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	150 - 160	140 - 150
Benefits and Other Emoluments	23 - 24	20 - 21

Other Employees

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

Remuneration \$000	2020 FTE Number	2019 FTE Number
100 - 110	2	-

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

PLIMMERTON SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2020

19. 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 Actual	2019 Actual
Total	-	-
Number of People	-	-

20. 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.

21. Commitments

(a) Capital Commitments

As at 31 December 2020 the Board has entered into the following contractual agreements for capital works:

(a) \$183,124 contract to instal fences around the perimeter of the School as agent for the Ministry of Education. This project is fully funded by the Ministry. \$105,852 has been received of which \$0 has been spent on the project to balance date. This project has been approved by the Ministry; and

(Capital commitments at 31 December 2019: \$32,500 of which \$15,090 had been spent)

(b) Operating Commitments

As at 31 December 2020 the Board has not entered into any contract agreements classified as operating leases.

(Operating commitments at 31 December 2019: nil)

22. 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.

PLIMMERTON SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2020

23. Financial Instruments

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

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Financial assets measured at amortised cost			
Cash and Cash Equivalents	374,969	68,935	228,536
Receivables	221,839	192,500	184,937
Total Loans and Receivables	596,808	261,435	413,473
Financial liabilities measured at amortised cost			
Payables	274,169	247,500	233,812
Finance Leases	21,967	24,000	23,417
Total Financial Liabilities Measured at Amortised Cost	296,136	271,500	257,229

24. Events After Balance Date

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

PLIMMERTON SCHOOL

Members of the Board of Trustees

For the year ended 31 December 2020

Name	Position	How position on Board gained	Occupation	Term expired / expires
Aaron Sheriff	Parent Rep, Chairperson (From Sept 2020)	Elected Jun 2016, Re-elected Jun 2019	Lawyer	May 2022
Melanie Swallow	Parent Rep, Chairperson (until Sept 2020)	Elected Jun 2016, Re-elected Jun 2019	HR Consultant	Resigned Sept 2020
Michael Forrest	Principal	Appointed	Principal	
Brendon Cross	Staff Rep	Elected May 2018, Re-Elected Jun 2019	Teacher	May 2022
Jasmine Hardy Mills	Parent Rep	Elected Jun 2016, re-elected Jun 2019	Education Consultant	May 2022
Raj Krishnan	Parent Rep	Co-opted Oct 2020	Advisor	May 2022
Sarah Pomare	Parent Rep	Co-opted Jun 2016, re Co-opted Jun 2019	Sales Consultant	May 2022
Keith Poore	Parent Rep	Co-opted Sep 2018, Elected Jun 2019	Financier	May 2022
Emma Smith	Parent Rep	Co-opted Sep 2019	HR Consultant	May 2022
Aleida van Son	Parent Rep	Elected Jun 2019	Teacher Aide	May 2022

PLIMMERTON SCHOOL

Kiwisport Statement

For the year ended 31 December 2020

Kiwisport is a Government funding initiative to support student participation in organised sport.

In 2020 the School received funding of \$6,978 (2019: \$6,789) initiative to increase our student participation in organised sport.

This funding went towards Kiwisport funding was used partly to fund a sports administrator to oversee the sporting administration within the school and assist with the funding of the school wide sports programme, purchasing equipment and providing educational activities outside the classroom.

INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF PLIMMERTON SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

The Auditor-General is the auditor of Plimmerton School (the School). The Auditor-General has appointed me, Geoff Potter, using the staff and resources of BDO Wellington Audit Limited, to carry out the audit of the financial statements of the School on his behalf.

Opinion

We have audited the financial statements of the School on pages 2 to 19, that comprise the *statement of financial position as at 31 December 2020*, the *statement of comprehensive revenue and expense*, *statement of changes in net assets/equity* and *statement of cash flows* for the year ended on that date, and *the notes to the financial statements that include accounting policies and other explanatory information*.

In our opinion the financial statements of the School:

- present fairly, in all material respects:
 - its financial position as at *31 December 2020*; and
 - its 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 as applicable to entities that qualify as tier 2

Our audit was completed on 31 May 2021. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Board and our responsibilities relating to the financial statements, we comment on other information, and we explain our independence.

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board for the financial statements

The Board is responsible on behalf of the School for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand. The Board of Trustees is responsible for such internal control as it determines is necessary to enable it to prepare financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board is responsible on behalf of the School for assessing the School's ability to continue as a going concern. The Board is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to close or merge the School, or there is no realistic alternative but to do so.

The Board's responsibilities, in terms of the requirements of the Education and Training Act 2020, arise from section 87 of the Education Act 1989.

Responsibilities of the auditor for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of these financial statements.

For the budget information reported in the financial statements, our procedures were limited to checking that the information agreed to the School's approved budget.

We did not evaluate the security and controls over the electronic publication of the financial statements.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the School to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We assess the risk of material misstatement arising from the Novopay payroll system, which may still contain errors. As a result, we carried out procedures to minimise the risk of material errors arising from the system that, in our judgement, would likely influence readers' overall understanding of the financial statements.

We communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Board is responsible for the other information. The other information comprises the information included on pages 20 to 21, but does not include the financial statements, and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the School in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: *International Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board.

Other than the audit, we have no relationship with or interests in the School.

A handwritten signature in blue ink, appearing to read 'Geoff Potter', is positioned above the printed name.

Geoff Potter
BDO WELLINGTON AUDIT LIMITED
On behalf of the Auditor-General
Wellington, New Zealand