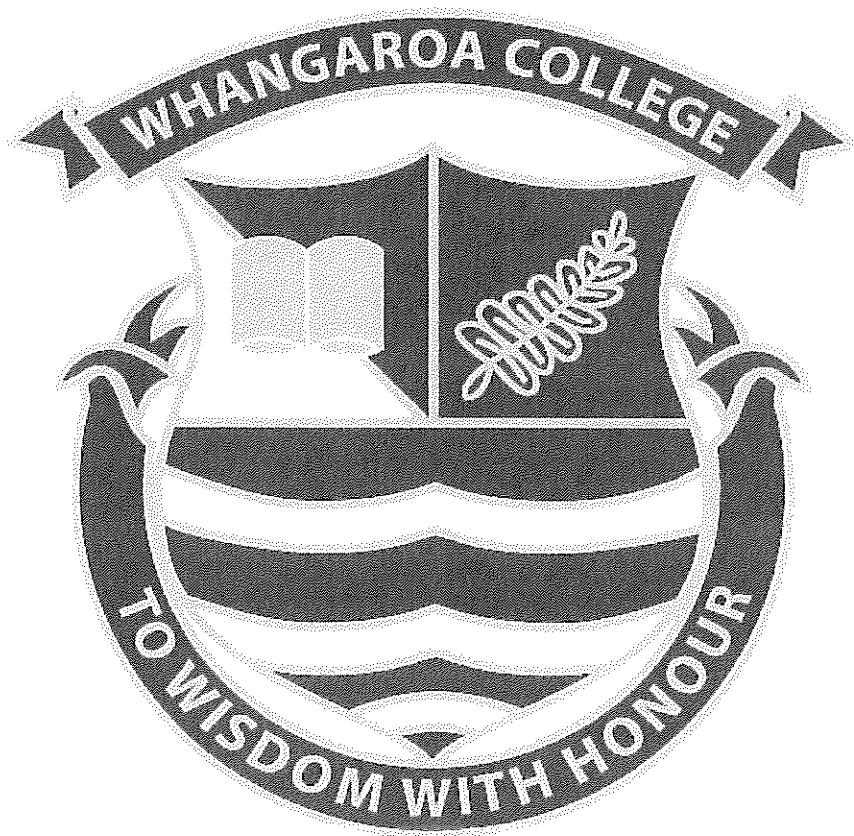


# WHANGAROA COLLEGE

## ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020



# WHANGAROA COLLEGE

## ANNUAL REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### School Directory

**Ministry Number:** 4

**Principal:** Jack Anderson

**School Address:** 4157 State Highway 10, Kaeo

**School Postal Address:** P O Box 126, Kaeo

**School Phone:** (09) 405-0199

**School Email:** [office@whc.school.nz](mailto:office@whc.school.nz)

#### Members of the Board of Trustees

Name	Position	How Position Gained	Term Expired/ Expires
Colleen Sherwin	Chair Person	Ministerial Appointment	May-22
Jack Anderson	Principal	ex Officio	
Melissa Pivac-Kool	Parent Rep	Ministerial Appointment	May-22
Wendy Sutherland	Parent Rep	Ministerial Appointment	May-22
Isaac Lenden	Parent Rep	Elected	May-22
Linley Fleming	Parent Rep	Elected	May-22
Ben O'Donnell	Staff Rep	Elected	May-22
Manaatikia Hemara	Student Rep	Elected	Sep-21
Nikita Sanders	Student Rep	Elected	Sep-20

**Accountant / Service Provider:**

The  
**SchoolOffice**  
SCHOOL OFFICE LIMITED

**Auditor:**

BDO Kerikeri

# WHANGAROA COLLEGE

Annual Report - For the year ended 31 December 2020

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# Whangaroa College

## 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.

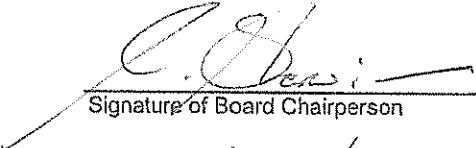
The management (including the principal and others as directed by the Board) accepts responsibility for establishing and maintaining a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of the school's financial reporting.

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.

Colleen Sherwin  
Full Name of Board Chairperson

Jack Anderson  
Full Name of Principal

  
Signature of Board Chairperson

  
Signature of Principal

12/07/21  
Date: 12 July 2021

12/07/21  
Date: 12 July 2021

# Whangaroa College

## Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2020

	Notes	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
<b>Revenue</b>				
Government Grants	2	2,120,602	1,889,071	1,984,995
Locally Raised Funds	3	76,998	81,200	80,530
Interest income		9,241	17,000	17,475
Other Revenue		149,320	-	-
		<u>2,356,161</u>	<u>1,987,271</u>	<u>2,083,000</u>
<b>Expenses</b>				
Locally Raised Funds	3	51,329	54,400	59,527
Learning Resources	4	1,282,628	1,192,859	1,231,421
Administration	5	127,797	154,506	129,122
Finance		2,072	-	3,096
Property	6	521,298	535,889	515,244
Depreciation	7	72,749	40,000	75,103
Loss on Disposal of Property, Plant and Equipment		234	-	1,092
		<u>2,058,107</u>	<u>1,977,654</u>	<u>2,014,605</u>
<b>Net Surplus / (Deficit) for the year</b>		298,054	9,617	68,395
Other Comprehensive Revenue and Expense		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<u><u>298,054</u></u>	<u><u>9,617</u></u>	<u><u>68,395</u></u>

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

BDO Northland  
Assurance

# Whangaroa College

## Statement of Changes in Net Assets/Equity

For the year ended 31 December 2020

Notes	Actual 2020 \$	Budget (Unaudited) 2020 \$	Actual 2019 \$
<b>Balance at 1 January</b>	<u>1,096,928</u>	<u>1,078,970</u>	<u>1,028,533</u>
Total comprehensive revenue and expense for the year	298,054	9,617	68,395
Capital Contributions from the Ministry of Education			
Contribution - Furniture and Equipment Grant	10,022	-	-
<b>Equity at 31 December</b>	<u>1,405,004</u>	<u>1,088,587</u>	<u>1,096,928</u>

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

BDO Northland  
Assurance

# Whangaroa College

## Statement of Financial Position

As at 31 December 2020

	Notes	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
<b>Current Assets</b>				
Cash and Cash Equivalents	8	821,529	632,598	682,623
Accounts Receivable	9	87,146	85,347	103,961
GST Receivable		9,305	-	-
Prepayments		11,652	11,103	11,103
Investments	10	285,640	285,640	285,640
Funds owed for Capital Works Projects	16	27,013		
		<u>1,242,285</u>	<u>1,014,688</u>	<u>1,083,327</u>
<b>Current Liabilities</b>				
GST Payable		-	23,435	23,435
Accounts Payable	12	191,640	129,719	129,719
Revenue Received in Advance	13	1,000	1,000	1,000
Provision for Cyclical Maintenance	14	-	18,000	18,000
Finance Lease Liability - Current Portion	15	11,736	9,333	11,797
Funds held for Capital Works Projects	16	205,825	-	201,288
		<u>410,201</u>	<u>181,487</u>	<u>385,239</u>
<b>Working Capital Surplus/(Deficit)</b>		832,084	833,201	698,088
<b>Non-current Assets</b>				
Property, Plant and Equipment	11	583,307	375,119	546,003
		<u>583,307</u>	<u>375,119</u>	<u>546,003</u>
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	14	-	113,320	131,320
Finance Lease Liability	15	10,387	6,413	15,843
		<u>10,387</u>	<u>119,733</u>	<u>147,163</u>
<b>Net Assets</b>		<u>1,405,004</u>	<u>1,088,587</u>	<u>1,096,928</u>
<b>Equity</b>	22	<u>1,405,004</u>	<u>1,088,587</u>	<u>1,096,928</u>

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

BDO Northland  
Assurance

# Whangaroa College

## Statement of Cash Flows

For the year ended 31 December 2020

		2020	2020	2019
	Note	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
<b>Cash flows from Operating Activities</b>				
Government Grants		742,526	670,367	655,353
Locally Raised Funds		250,363	57,155	56,485
Goods and Services Tax (net)		(32,740)	25,120	25,121
Payments to Employees		(253,549)	(253,014)	(244,742)
Payments to Suppliers		(299,185)	(420,692)	(341,795)
Cyclical Maintenance Payments in the year		(149,320)	(71,695)	(46,200)
Interest Paid		(2,072)	-	(3,096)
Interest Received		11,141	16,300	16,775
Net cash from/(to) Operating Activities		267,164	23,541	117,901
<b>Cash flows from Investing Activities</b>				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		(234)	-	(1,092)
Purchase of Property Plant & Equipment (and Intangibles)		(102,457)	-	(32,794)
Purchase of Investments		-	(100,000)	(100,000)
Net cash from/(to) Investing Activities		(102,691)	(100,000)	(133,886)
<b>Cash flows from Financing Activities</b>				
Furniture and Equipment Grant		10,022	-	
Finance Lease Payments		(13,113)	(47,764)	(14,593)
Funds Held for Capital Works Projects		(22,476)	-	208,923
Net cash from/(to) Financing Activities		(25,567)	(47,764)	194,330
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>138,906</b>	<b>(124,223)</b>	<b>178,345</b>
Cash and cash equivalents at the beginning of the year	8	682,623	756,821	504,278
<b>Cash and cash equivalents at the end of the year</b>	<b>8</b>	<b>821,529</b>	<b>632,598</b>	<b>682,623</b>

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.



# Whangaroa College

## Notes to the Financial Statements

### For the year ended 31 December 2020

#### 1. Statement of Accounting Policies

##### a) Reporting Entity

Whangaroa College (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.

#### *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.

### **i) Investments**

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

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

The estimated useful lives of the assets are:

Building improvements to Crown Owned Assets	20-40 years
Furniture and equipment	10-15 years
Information and communication technology	5 years
Motor vehicles	10 years
Plant and Machinery	10 years
Sports Equipment	10 years
Audio Visual	5 years
Electronic Equipment	10 years
Equipment for Teaching	10 years
Minor Equipment	10 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value

#### **k) 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.

#### **l) 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.

#### **m) 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.

#### **n) Revenue Received in Advance**

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

#### **o) 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).

#### **p) 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.

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

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

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

Commitments and contingencies are disclosed exclusive of GST.

**r) Budget Figures**

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

**s) Services received in-kind**

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

## 2. Government Grants

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operational Grants	580,792	582,452	551,952
Teachers' Salaries Grants	1,041,418	900,000	992,324
Use of Land and Buildings Grants	337,562	317,689	317,689
Other MoE Grants	86,572	23,500	79,726
Other Government Grants	74,258	65,430	43,304
	<u>2,120,602</u>	<u>1,889,071</u>	<u>1,984,995</u>

The school has opted in to the donations scheme for this year. Total amount received was \$14,550.

Other MOE Grants total includes additional COVID-19 funding totalling \$2,490 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)	\$
<b>Revenue</b>			
Activities	27,432	32,700	33,702
Trading	42,410	40,500	35,144
Fundraising	1,550	1,000	1,570
Other Revenue	5,606	7,000	10,114
	<u>76,998</u>	<u>81,200</u>	<u>80,530</u>
<b>Expenses</b>			
Activities	18,255	22,000	18,186
Trading	33,074	32,400	41,341
	<u>51,329</u>	<u>54,400</u>	<u>59,527</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>25,669</u>	<u>26,800</u>	<u>21,003</u>

## 4. Learning Resources

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	87,943	143,659	97,692
Equipment Repairs	3,356	3,500	2,144
Information and Communication Technology	16,951	16,700	11,089
Library Resources	1,556	1,500	1,075
Employee Benefits - Salaries	1,165,929	1,015,500	1,115,421
Staff Development	6,893	12,000	4,000
	<u>1,282,628</u>	<u>1,192,859</u>	<u>1,231,421</u>

## 5. Administration

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	5,970	6,800	5,825
Board of Trustees Fees	2,530	4,000	2,705
Board of Trustees Expenses	2,367	4,150	3,410
Communication	5,286	5,250	4,551
Consumables	(3,474)	7,500	1,269
Operating Lease	9,853	12,400	6,684
Other	7,966	11,406	9,904
Employee Benefits - Salaries	86,571	92,000	79,801
Insurance	3,894	4,000	8,213
Service Providers, Contractors and Consultancy	6,834	7,000	6,760
	127,797	154,506	129,122

## 6. Property

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	22,097	23,700	18,774
Consultancy and Contract Services	38,692	38,000	36,025
Cyclical Maintenance Provision	-	21,000	13,505
Grounds	8,283	12,700	9,806
Heat, Light and Water	30,419	41,000	39,883
Rates	4,357	5,300	4,340
Repairs and Maintenance	28,148	29,000	31,850
Use of Land and Buildings	337,562	317,689	317,689
Security	732	1,500	1,042
Employee Benefits - Salaries	51,008	46,000	42,330
	521,298	535,889	515,244

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

## 7. Depreciation

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Buildings - School	8,833	8,000	9,364
Furniture and Equipment	4,649	2,000	3,925
Information and Communication Technology	19,701	10,000	19,282
Motor Vehicles	6,977	5,000	6,977
Plant & Machinery	8,290	5,000	6,738
Sports Equipment	1,844	1,000	1,844
Audio Visual	1,129	400	927
Electronic Equipment	2,690	1,800	2,486
Equipment for Teaching	4,320	3,000	4,337
Minor Equipment	272	200	273
Leased Assets	11,354	1,600	16,301
Library Resources	2,690	2,000	2,649
	72,749	40,000	75,103

## 8. Cash and Cash Equivalents

	2020	2020 Budget	2019
	Actual	(Unaudited)	Actual
	\$	\$	\$
Bank Current Account	561,529	122,598	172,623
Short-term Bank Deposits	260,000	510,000	510,000
Cash and cash equivalents for Statement of Cash Flows	821,529	632,598	682,623

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

Of the \$821,529 Cash and Cash Equivalents, \$205,825 is held by the School on behalf of the Ministry of Education. These funds are required to be spent in 2021 on Crown owned school buildings under the School's Five Year Property Plan.

Of the \$821,529 Cash and Cash Equivalents, \$1,000 of unspent grant funding is held by the School. This funding is subject to restrictions which specify how the grant is required to be spent in providing specified deliverables of the grant arrangement.

## 9. Accounts Receivable

	2020	2020 Budget	2019
	Actual	(Unaudited)	Actual
	\$	\$	\$
Receivables	1,157	25,202	25,202
Receivables from the Ministry of Education	531	1,529	1,529
Interest Receivable	751	2,651	2,651
Banking Staffing Underuse	18,708	-	18,614
Teacher Salaries Grant Receivable	65,999	55,965	55,965
	87,146	85,347	103,961
Receivables from Exchange Transactions	1,908	27,853	27,853
Receivables from Non-Exchange Transactions	85,238	57,494	76,108
	87,146	85,347	103,961

## 10. Investments

The School's investment activities are classified as follows:

	2020	2020 Budget	2019
	Actual	(Unaudited)	Actual
	\$	\$	\$
Current Asset			
Short-term Bank Deposits	285,640	285,640	285,640
Total Investments	285,640	285,640	285,640



## 11. Property, Plant and Equipment

2020	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
Land	91,320	-	-	-	-	91,320
Buildings - School	216,782	-	-	-	(8,833)	207,949
Furniture and Equipment	34,832	20,545	-	-	(4,649)	50,728
Information and Communication Technology	30,563	46,310	-	-	(19,701)	57,172
Motor Vehicles	38,170	-	-	-	(6,977)	31,193
Plant & Machinery	43,366	28,813	-	-	(8,290)	63,889
Sports Equipment	9,528	-	-	-	(1,844)	7,684
Audio Visual	1,443	1,209	-	-	(1,129)	1,523
Electronic Equipment	17,104	2,937	-	-	(2,690)	17,351
Equipment for Teaching	18,680	-	-	-	(4,320)	14,360
Minor Equipment	1,770	-	-	-	(272)	1,498
Leased Assets	23,902	7,260	-	-	(11,354)	19,808
Library Resources	18,543	3,212	(233)	-	(2,690)	18,832
<b>Balance at 31 December 2020</b>	<b>546,003</b>	<b>110,286</b>	<b>(233)</b>	<b>-</b>	<b>(72,749)</b>	<b>583,307</b>

The net carrying value of equipment held under a finance lease is \$20,643 (2019: \$23,902)

2020	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
Land	91,320	-	91,320
Buildings - School	369,765	(161,816)	207,949
Furniture and Equipment	107,223	(56,495)	50,728
Information and Communication Technology	158,763	(101,591)	57,172
Motor Vehicles	117,150	(85,957)	31,193
Plant & Machinery	132,798	(68,909)	63,889
Sports Equipment	20,437	(12,753)	7,684
Audio Visual	5,846	(4,323)	1,523
Electronic Equipment	32,460	(15,109)	17,351
Equipment for Teaching	58,840	(44,480)	14,360
Minor Equipment	3,453	(1,955)	1,498
Leased Assets	69,884	(50,076)	19,808
Library Resources	86,206	(67,374)	18,832
<b>Balance at 31 December 2020</b>	<b>1,254,145</b>	<b>(670,838)</b>	<b>583,307</b>

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2019	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
Land	91,320	-	-	-	-	91,320
Buildings - School	226,146	-	-	-	(9,364)	216,782
Furniture and Equipment	32,686	6,071	-	-	(3,925)	34,832
Information and Communication T	35,490	14,355	-	-	(19,282)	30,563
Motor Vehicles	45,147	-	-	-	(6,977)	38,170
Plant & Machinery	45,687	4,417	-	-	(6,738)	43,366
Sports Equipment	11,372	-	-	-	(1,844)	9,528
Audio Visual	2,370	-	-	-	(927)	1,443
Electronic Equipment	17,040	2,550	-	-	(2,486)	17,104
Equipment for Teaching	23,017	-	-	-	(4,337)	18,680
Minor Equipment	2,043	-	-	-	(273)	1,770
Leased Assets	37,480	2,723	-	-	(16,301)	23,902
Library Resources	18,792	3,493	(1,093)	-	(2,649)	18,543
<b>Balance at 31 December 2019</b>	<b>588,590</b>	<b>33,609</b>	<b>(1,093)</b>	<b>-</b>	<b>(75,103)</b>	<b>546,003</b>

The net carrying value of equipment held under a finance lease is \$23,902 (2018: \$37,840)

2019	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
Land	91,320	-	91,320
Buildings - School	369,765	(152,983)	216,782
Furniture and Equipment	86,678	(51,846)	34,832
Information and Communication Technology	112,453	(81,890)	30,563
Motor Vehicles	117,150	(78,980)	38,170
Plant & Machinery	103,986	(60,620)	43,366
Sports Equipment	20,437	(10,909)	9,528
Audio Visual	4,637	(3,194)	1,443
Electronic Equipment	29,524	(12,420)	17,104
Equipment for Teaching	58,840	(40,160)	18,680
Minor Equipment	3,453	(1,683)	1,770
Leased Assets	75,999	(52,097)	23,902
Library Resources	84,053	(65,510)	18,543
<b>Balance at 31 December 2019</b>	<b>1,158,295</b>	<b>(612,292)</b>	<b>546,003</b>

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Assurance

## 12. Accounts Payable

	2020	2020	2019
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Operating Creditors	79,020	34,289	34,289
Accruals	8,419	9,804	9,804
Employee Entitlements - Salaries	69,654	59,278	59,278
Employee Entitlements - Leave Accrual	34,547	26,348	26,348
	<u>191,640</u>	<u>129,719</u>	<u>129,719</u>

Payables for Exchange Transactions	191,640	129,719	129,719
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	<u>191,640</u>	<u>129,719</u>	<u>129,719</u>
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The carrying value of payables approximates their fair value.

## 13. Revenue Received in Advance

	2020	2020	2019
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Grants in Advance - Ministry of Education	1,000	1,000	1,000
	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>

## 14. Provision for Cyclical Maintenance

	2020	2020	2019
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Provision at the Start of the Year	149,320	149,320	182,015
Increase/ (decrease) to the Provision During the Year		21,000	13,505
Use of the Provision During the Year	-	(39,000)	(46,200)
Adjustment to Provision	(149,320)	-	-
Provision at the End of the Year	<u>-</u>	<u>131,320</u>	<u>149,320</u>
Cyclical Maintenance - Current	-	18,000	18,000
Cyclical Maintenance - Term	-	113,320	131,320
	<u>-</u>	<u>131,320</u>	<u>149,320</u>

## 15. 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 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
No Later than One Year	11,736	9,333	11,797
No Later than One Year - Interest	1,377	1,700	1,802
Later than One Year and no Later than Five Years	10,387	6,413	15,843
Later than One Year and no Later than Five Years - Interest	505	500	1,012
	<u>24,005</u>	<u>17,946</u>	<u>30,454</u>

## 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 Contributions \$	Closing Balances \$
Toilet Upgrade	<i>completed</i>	(4,807)	-	-	-	(4,807)
A,C,L,O Hall Refurbishment - ceiling repairs	<i>in progress</i>	6,127	214,400	(239,459)	-	(18,932)
B,D,F,J,L - 0,2 Roofing & Internal Upgrades	<i>in progress</i>	164,529	85,327	(253,130)	-	(3,274)
Carpet Project	<i>completed</i>	5,747	-	(5,747)	-	-
N,O Heating & Electrical Upgrade	<i>in progress</i>	32,446	-	(26,062)	-	6,384
Caretakers Shed Upgrade	<i>in progress</i>	-	80,550	(3,943)	-	76,607
BICK Part Rationalisation of Blocks	<i>in progress</i>	-	81,597	(16,595)	-	65,002
SIP Project - Turf	<i>in progress</i>	-	60,499	(2,667)	-	57,832
Emergency Water Tank	<i>completed</i>	-	41,997	(41,997)	-	-
Totals		<u>201,288</u>	<u>567,124</u>	<u>(589,600)</u>	<u>-</u>	<u>178,812</u>

### Represented by:

Funds Held on Behalf of the Ministry of Education	205,825
Funds Due from the Ministry of Education	27,013
	<u>178,812</u>

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	2019	Opening Balances	Receipts from MoE	Payments	BOT Contributions	Closing Balances
		\$	\$	\$	\$	\$
Toilet Upgrade	<i>in progress</i>	(6,590)	1,783	-	-	(4,807)
A,C,L,O Hall Refurbishment - ceiling repairs	<i>in progress</i>	-	26,800	(20,673)	-	6,127
B,D,F,J,L - 0,2 Roofing & Internal Upgrades	<i>in progress</i>	-	179,692	(15,163)	-	164,529
Caretakers Shed Replacement	<i>in progress</i>	-	-	(2,754)	-	(2,754)
Carpet Project	<i>in progress</i>	-	45,900	(40,153)	-	5,747
N,O Heating & Electrical Upgrade	<i>in progress</i>	-	34,200	(1,754)	-	32,446
Electrical Upgrade	<i>completed</i>	(1,045)	59,400	(58,355)	-	-
Caretakers House Roof Project	<i>completed</i>	-	15,570	(15,570)	-	-
Flood Project	<i>completed</i>	-	42,730	(42,730)	-	-
<b>Totals</b>		<b>(7,635)</b>	<b>406,075</b>	<b>(197,152)</b>	<b>-</b>	<b>201,288</b>

## 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, Deputy Principals and Heads of Departments.

	2020 Actual	2019 Actual
	\$	\$
<i>Board Members</i>		
Remuneration	2,530	2,705
Full-time equivalent members	0.08	0.08
<i>Leadership Team</i>		
Remuneration	634,500	580,346
Full-time equivalent members	6.00	6.00
Total key management personnel remuneration	637,030	583,051
Total full-time equivalent personnel	6.08	6.08

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 1

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	140-150	130-140
Benefits and Other Emoluments	3-4	3-4
Termination Benefits	-	-

### Other Employees

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

Remuneration \$000	2020 FTE Number	2019 FTE Number
100-110	1.00	2.00
110-120	1.00	0.00
	<u>2.00</u>	<u>2.00</u>

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

## 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	\$32,000	\$5,000
Number of People	2	2

## 20. Contingencies

The school reversed its provision for cyclical maintenance because there is significant uncertainty about how the Ministry of Education's significant improvements completed within the school will affect the school and the property maintenance it is obliged to carry out. (Contingent liabilities and assets at **31 December 2019**: During 2019 the Board dealt with employment issues. Additional costs are disclosed in Note 19 of these financial statements. There are no further costs expected to be incurred by the School.).

### 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 contract agreements for capital works as follows:

- (a) a contract for Caretakers Shed Upgrade to be completed in 2021, which will be fully funded by the Ministry of Education. \$80,550 has been received of which \$3,943 has been spent on the project to date; and
- (b) A contract for B,I,C,K Part Rationalisation of Blocks to be completed in 2021, which will be fully funded by the Ministry and \$81,597 has been received of which \$16,595 has been spent on the project to balance date; and
- (c) A contract for SIP Project - Turf to be completed in 2021, which will be partially funded by the Ministry, \$60,499 has been received of which \$2,667 has been spent on the project to balance date.

(Capital commitments at 31 December 2019: Contracts for Roofing upgrades, hall refurbishment, Caretakers Shed replacement and Heating/Electrical Upgrades. All projects to be completed in 2020 and fully funded by the Ministry of Education. As at 31.12.19 \$238,692 received and \$40,344 spent.)

### (b) Operating Commitments

As at 31 December 2020 the Board had not entered into any contracts.

## 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.

## 23. 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 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Cash and Cash Equivalents	821,529	632,598	682,623
Receivables	87,146	85,347	103,961
Investments - Term Deposits	285,640	285,640	285,640
Total Financial assets measured at amortised cost	<u>1,194,315</u>	<u>1,003,585</u>	<u>1,072,224</u>

### Financial liabilities measured at amortised cost

Payables	191,640	129,719	129,719
Finance Leases	22,123	15,746	27,640
Total Financial Liabilities Measured at Amortised Cost	<u>213,763</u>	<u>145,465</u>	<u>157,359</u>

## 24. Events After Balance Date

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

## 25. Comparatives

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



**Whangaroa College**  
**Kiwisport Statement**  
As at 31 December 2020

Kiwisport is a government funded initiative to support students' participation in organised sport. In 2020 the College received \$1,968 excluding GST (2019:\$1,840). The funding was spent on sports equipment for organised lunchtime activities. The number of students participating in organised sport went from 43% to 48% of the school roll.







- 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 Analysis of Variance, Board of Trustees Listing and Kiwisport Report, 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.

Angela Edwards  
BDO Northland  
On behalf of the Auditor-General  
Kerikeri, New Zealand