

PARAPARAUMU BEACH SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020



Ministry Number:	2948
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PARAPARAUMU BEACH SCHOOL

Annual Report - For the year ended 31 December 2020

Index

Page	Statement
	Financial Statements
1	Statement of Responsibility
2	Statement of Comprehensive Revenue and Expense
3	Statement of Changes in Net Assets/Equity
4	Statement of Financial Position
5	Statement of Cash Flows
6 - 10	Statement of Accounting Policies
11 - 19	Notes to the Financial Statements
	Other Information
19	Members of the Board of Trustees
20	Kiwisport Statement
23 - 25	Independent Auditors Report
26	Analysis of Variance

PARAPARAUMU BEACH SCHOOL

Statement of Responsibility

For the year ended 31 December 2020

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

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

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

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

Full Name of Board Chairperson

Full Name of Principal

Signature of Board Chairperson

Signature of Principal

Date:

Date:

PARAPARAUMU BEACH SCHOOL

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2020

	Notes	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Revenue				
Government Grants	2	4,335,734	4,202,030	4,218,665
Locally Raised Funds	3	159,807	41,000	235,249
Interest Earned		6,508	6,000	8,582
		<u>4,502,049</u>	<u>4,249,030</u>	<u>4,462,496</u>
Expenses				
Locally Raised Funds	3	77,045	14,330	188,090
Learning Resources	4	3,183,759	3,030,700	3,120,349
Administration	5	205,175	208,100	206,557
Finance		2,888	3,140	5,378
Property	6	855,255	847,640	873,458
Depreciation	7	102,577	104,413	103,293
		<u>4,426,699</u>	<u>4,208,323</u>	<u>4,497,125</u>
Net (Deficit) for the year		75,350	40,707	(34,629)
Other Comprehensive Revenue and Expenses		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u><u>75,350</u></u>	<u><u>40,707</u></u>	<u><u>(34,629)</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.

PARAPARAUMU BEACH 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	1,402,797	1,402,797	1,672,373
Total comprehensive revenue and expense for the year	75,350	40,707	(34,629)
Capital Contributions from the Ministry of Education Contribution - Furniture and Equipment Grant	-	-	(234,947)
Equity at 31 December	1,478,147	1,443,504	1,402,797
Retained Earnings	1,478,147	1,443,504	1,402,797
Equity at 31 December	1,478,147	1,443,504	1,402,797

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.

PARAPARAUMU BEACH SCHOOL

Statement of Financial Position

As at 31 December 2020

		2020	2020	2019
	Notes	Actual \$	Budget (Unaudited) \$	Actual \$
Current Assets				
Cash and Cash Equivalents	8	388,874	437,965	270,921
Accounts Receivable	9	205,173	192,500	192,334
GST Receivable		6,730	15,000	14,407
Inventories	10	5,260	3,600	3,748
Investments	11	270,729	250,000	262,287
Prepayments		12,550	10,000	9,924
		<u>889,316</u>	<u>909,065</u>	<u>753,621</u>
Current Liabilities				
Accounts Payable	13	232,300	215,000	213,159
Revenue Received in Advance	14	43,401	-	-
Provision for Cyclical Maintenance	15	35,391	29,291	29,291
Finance Lease Liability - Current Portion	16	16,229	15,000	15,359
		<u>327,321</u>	<u>259,291</u>	<u>257,809</u>
Working Capital Surplus/(Deficit)		561,995	649,774	495,812
Non-current Assets				
Funds held for Capital Works Projects	17	7,200	-	-
Property, Plant and Equipment	12	952,505	835,000	938,502
		<u>959,705</u>	<u>835,000</u>	<u>938,502</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	15	30,170	36,270	26,130
Finance Lease Liability	16	13,383	5,000	5,387
		<u>43,553</u>	<u>41,270</u>	<u>31,517</u>
Net Assets		<u>1,478,147</u>	<u>1,443,504</u>	<u>1,402,797</u>
Equity		<u>1,478,147</u>	<u>1,443,504</u>	<u>1,402,797</u>

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

PARAPARAUMU BEACH 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		1,051,823	952,030	965,346
Locally Raised Funds		203,132	40,856	200,570
Goods and Services Tax (net)		7,677	(592)	932
Payments to Employees		(649,125)	(528,214)	(614,775)
Payments to Suppliers		(378,096)	(310,495)	(522,119)
Interest Paid		(2,888)	(3,140)	(5,378)
Interest Received		8,786	5,969	8,753
Net cash from Operating Activities		241,309	156,414	33,329
Cash flows from Investing Activities				
Purchase of PPE (and Intangibles)		(134,434)	(99,068)	(40,938)
Purchase of Investments		(8,442)	12,287	(8,358)
Net cash from / (to) the Investing Activities		(142,876)	(86,781)	(49,296)
Cash flows from Financing Activities				
Furniture & Equipment Grant		-	-	21,959
Finance Lease Payments		26,720	97,411	(17,537)
Funds Held for Capital Works Projects		(7,200)	-	10,502
Net cash from / (to) the Financing Activities		19,520	97,411	14,924
Net increase/(decrease) in cash and cash equivalents		117,953	167,044	(1,043)
Cash and cash equivalents at the beginning of the year	8	270,921	270,921	271,964
Cash and cash equivalents at the end of the year	8	388,874	437,965	270,921

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.

PARAPARAUMU BEACH SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2020

1. Statement of Accounting Policies

a) Reporting Entity

Paraparaumu Beach 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.

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 12.

PARAPARAUMU BEACH SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2020

1. Statement of Accounting Policies

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 15.

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.

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.

PARAPARAUMU BEACH SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2020

1. Statement of Accounting Policies

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.

PARAPARAUMU BEACH SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2020

1. Statement of Accounting Policies

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	10 - 50 years
Furniture and equipment	5 - 15 years
Information 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

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 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, and also annual leave earned, by non teaching staff, to but not yet taken at balance date.

PARAPARAUMU BEACH SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2020

1. Statement of Accounting Policies

o) Revenue Received in Advance

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

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

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 '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 and finance lease 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) 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.

s) Budget Figures

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

t) 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.

PARAPARAUMU BEACH SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2020

2. Government Grants

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Operational Grants	885,221	843,530	796,081
Teachers' Salaries Grants	2,651,928	2,600,000	2,602,207
Use of Land and Buildings Grants	631,983	650,000	652,613
Other MoE Grants	116,391	93,000	139,395
Other Government Grants	50,211	15,500	28,369
	<u>4,335,734</u>	<u>4,202,030</u>	<u>4,218,665</u>

Other MOE Grants total includes additional Covid-19 funding totalling \$11,550 for the year ended 31 December 2020.

3. Locally Raised Funds

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

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Revenue			
Activities	62,986	13,000	165,387
Donations	46,609	25,000	27,150
Fundraising	-	-	735
Grants & Bequests	43,248	-	28,665
Trading	3,159	-	3,091
Other Revenue	3,805	3,000	10,221
	<u>159,807</u>	<u>41,000</u>	<u>235,249</u>
Expenses			
Activities	70,197	14,330	183,824
Trading	6,848	-	4,266
	<u>77,045</u>	<u>14,330</u>	<u>188,090</u>
<i>Surplus for the year Locally raised funds</i>	<u>82,762</u>	<u>26,670</u>	<u>47,159</u>

4. Learning Resources

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Curricular	57,549	65,750	61,107
Employee Benefits - Salaries	3,080,972	2,914,250	3,001,982
Information and Communication Technology	29,818	29,000	29,231
Library Resources	2,056	1,300	3,339
Staff Development	13,364	20,400	24,690
	<u>3,183,759</u>	<u>3,030,700</u>	<u>3,120,349</u>

PARAPARAUMU BEACH SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2020

5. Administration

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	4,235	4,200	4,100
Board of Trustees Fees	3,300	5,600	3,024
Board of Trustees Expenses	1,071	3,500	5,232
Communication	8,016	4,500	6,750
Consumables	25,655	14,800	6,665
Employee Benefits - Salaries	114,528	118,000	112,943
Operating Lease	-	13,500	20,617
Other	29,210	24,300	28,807
Insurance	9,125	9,200	8,459
Service Providers, Contractors and Consultancy	10,035	10,500	9,960
	<u>205,175</u>	<u>208,100</u>	<u>206,557</u>

6. Property

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	24,548	15,000	16,352
Cyclical Maintenance Expense	10,140	10,140	10,140
Employee Benefits - Salaries	104,759	97,500	101,208
Grounds	9,780	7,500	30,092
Heat, Light and Water	19,788	21,000	20,930
Rates	9,014	9,500	8,522
Repairs and Maintenance	35,700	30,000	26,638
Security	9,543	7,000	6,963
Use of Land and Buildings	631,983	650,000	652,613
	<u>855,255</u>	<u>847,640</u>	<u>873,458</u>

7. Depreciation

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Building Improvements	17,077	17,000	17,077
Furniture and Equipment	51,552	50,000	47,863
Information and Communication Technology	5,297	11,413	14,694
Leased Assets	22,929	20,000	17,251
Library Resources	5,722	6,000	6,408
	<u>102,577</u>	<u>104,413</u>	<u>103,293</u>

PARAPARAUMU BEACH 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	550	500	550
Bank Current Account	102,018	197,465	33,296
Bank Call Account	286,306	240,000	237,075
Cash and cash equivalents for Statement of Cash Flows	<u>388,874</u>	<u>437,965</u>	<u>270,921</u>

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

9. Accounts Receivable

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Receivables	1,932	2,000	1,856
Interest Receivable	691	3,000	2,969
Teacher Salaries Grant Receivable	202,550	187,500	187,509
	<u>205,173</u>	<u>192,500</u>	<u>192,334</u>
Receivables from Exchange Transactions	2,623	5,000	4,825
Receivables from Non-Exchange Transactions	202,550	187,500	187,509
	<u>205,173</u>	<u>192,500</u>	<u>192,334</u>

10. Inventories

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Stationery	-	100	110
School Uniforms	5,260	3,500	3,638
	<u>5,260</u>	<u>3,600</u>	<u>3,748</u>

11. Investments

The School's investment activities are classified as follows:

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Current Asset			
Short-term Bank Deposits	270,729	250,000	262,287
	<u>270,729</u>	<u>250,000</u>	<u>262,287</u>

PARAPARAUMU BEACH SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2020

12. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2020	\$	\$	\$	\$	\$	\$
Building Improvements	540,893	-	-	-	(17,077)	523,816
Furniture and Equipment	325,865	80,521	-	-	(51,552)	354,834
Information and Communication Technology	5,185	442	-	-	(5,297)	330
Leased Assets	20,783	35,617	-	-	(22,929)	33,471
Library Resources	45,776	-	-	-	(5,722)	40,054
Balance at 31 December 2020	938,502	116,580	-	-	(102,577)	952,505

The net carrying value of equipment held under a finance lease is \$33,471 (2019: \$20,783).

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2020	\$	\$	\$
Building Improvements	683,078	(159,262)	523,816
Furniture and Equipment	582,513	(227,679)	354,834
Information and Communication Technology	34,199	(33,869)	330
Leased Assets	80,303	(46,832)	33,471
Library Resources	181,090	(141,036)	40,054
Balance at 31 December 2020	1,561,183	(608,678)	952,505

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2019	\$	\$	\$	\$	\$	\$
Building Improvements	557,970	-	-	-	(17,077)	540,893
Furniture and Equipment	333,793	39,935	-	-	(47,863)	325,865
Information and Communication Technology	19,879	-	-	-	(14,694)	5,185
Textbooks	-	-	-	-	-	-
Leased Assets	33,436	4,598	-	-	(17,251)	20,783
Library Resources	51,182	1,002	-	-	(6,408)	45,776
Balance at 31 December 2019	996,258	45,535	-	-	(103,293)	938,502

	Cost or Valuation	Accumulated Depreciation	Net Book Value
2019	\$	\$	\$
Building Improvements	683,576	(142,683)	540,893
Furniture and Equipment	1,005,534	(679,669)	325,865
Information and Communication Technology	521,940	(516,755)	5,185
Textbooks	26,003	(26,003)	-
Leased Assets	98,157	(77,374)	20,783
Library Resources	181,090	(135,314)	45,776
Balance at 31 December 2019	2,516,300	(1,577,798)	938,502

PARAPARAUMU BEACH SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2020

13. Accounts Payable

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Operating Creditors	13,880	9,500	9,186
Accruals	3,200	3,000	3,000
Employee Entitlements - Salaries	202,550	187,500	187,509
Employee Entitlements - Leave Accrual	12,670	15,000	13,464
	<u>232,300</u>	<u>215,000</u>	<u>213,159</u>
Payables for Exchange Transactions	232,300	215,000	213,159
	<u>232,300</u>	<u>215,000</u>	<u>213,159</u>

The carrying value of payables approximates their fair value.

14. Revenue Received in Advance

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Grants and Student Fees	43,401	-	-
	<u>43,401</u>	<u>-</u>	<u>-</u>

15. Provision for Cyclical Maintenance

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Provision at the Start of the Year	55,421	55,421	45,281
Increase/ (decrease) to the Provision During the Year	10,140	10,140	10,140
Use of the Provision During the Year	-	-	-
Provision at the End of the Year	<u>65,561</u>	<u>65,561</u>	<u>55,421</u>
Cyclical Maintenance - Current	35,391	29,291	29,291
Cyclical Maintenance - Term	30,170	36,270	26,130
	<u>65,561</u>	<u>65,561</u>	<u>55,421</u>

PARAPARAUMU BEACH SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2020

16. 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	16,229	15,000	15359
Later than One Year and no Later than Five Years	13,383	5,000	5387
	29,612	20,000	20,746

17. 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 \$	Closing Balances \$
5YA - Admin Redevelopment <i>in progress</i>	-	-	(7,200)	-	(7,200)
Totals	-	-	(7,200)	-	(7,200)

Represented by:

Funds Held on Behalf of the Ministry of Education

Funds Due from the Ministry of Education

-

7,200

(7,200)

2019	Opening Balances \$	Receipts from MoE \$	Payments \$	BOT Contribution \$	Closing Balances \$
5YA - Rooms 1-8 Refurbishment <i>complete</i>	(267,408)	73,805	(63,303)	256,906	-
5YA Fencing & Glass <i>complete</i>	-	33,000	(33,000)	-	-
Totals	(267,408)	106,805	(96,303)	256,906	-

18. 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.

PARAPARAUMU BEACH SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2020

19. Remuneration

Key management personnel compensation

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

	2020	2019
	Actual	Actual
	\$	\$
<i>Board Members</i>		
Remuneration	3,300	3,024
Full-time equivalent members	0.21	0.14
<i>Leadership Team</i>		
Remuneration	748,368	798,173
Full-time equivalent members	7.00	8.00
Total key management personnel remuneration	<u>751,668</u>	<u>801,197</u>
Total full-time equivalent personnel	<u>7.21</u>	<u>8.14</u>

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

Principal

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

	2020	2019
	Actual	Actual
	\$000	\$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	150 - 160	140 - 150
Benefits and Other Emoluments	4 - 5	4 - 5
Termination Benefits	-	-

Other Employees

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

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

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

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.

PARAPARAUMU BEACH SCHOOL

Notes to the Financial Statements

For the year ended 31 December 2020

21. Commitments

(a) Capital Commitments

As at 31 December 2020 the Board has entered into a contract agreement with the Ministry of Education for \$250,000 to redevelopment the administration block, of which \$7,200 has been spent.

(Capital commitments at 31 December 2019: \$nil)

(b) Operating Commitments

As at 31 December 2020 the Board has entered into the following contracts:

(a) operating lease of a photocopier;

	2020 Actual \$	2019 Actual \$
No later than One Year	-	3,519
Later than One Year and No Later than Five Years	-	-
Later than Five Years	-	-
	-	3,519

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:

	2020 Actual	2020 Budget (Unaudited)	2019 Actual
Financial assets measured at amortised cost			
	\$	\$	\$
Cash and Cash Equivalents	388,874	437,965	270,921
Receivables	205,173	192,500	192,334
Investments - Term Deposits	270,729	250,000	262,287
Total Financial assets measured at amortised cost	864,776	880,465	725,542
Financial liabilities measured at amortised cost			
Payables	232,300	215,000	213,159
Finance Leases	29,612	20,000	20,746
Total Financial Liabilities Measured at Amortised Cost	261,912	235,000	233,905

24. Events After Balance Date

There were no significant events after balance date that have impacted these financial statements.

PARAPARAUMU BEACH 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
Zoe Pearson	Chairperson	Elected June 2019	Lawyer	May 2022
Jess Ward	Principal	Appointed	Principal	
Pembroke Chambers	Parent Rep	Re-elected June 2019	Sport/PE Mentor	May 2022
James Dryburgh	Parent Rep	Elected June 2019	Military Officer	May 2022
Kate Fiske	Parent Rep	Elected June 2019	Business Analyst	May 2022
Kate Saunders	Parent Rep	Elected June 2019	Recruitment Coordinator	May 2022
Cath Franks	Staff Rep	Re-elected June 2019	Teacher	May 2022

PARAPARAUMU BEACH SCHOOL

Kiwisport Statement

For the year ended 31 December 2020

Kiwisport is a Government funding initiative to support students' participation in organised sport. In 2020, the school received a total Kiwisport funding of \$8,650 (2019: 8,606).

During 2020 all of our students were offered a range of sporting and physical education opportunities.

Kiwisport funding enabled transport to venues to be free for all participants.

With our school pool being too shallow for our Year 7/8 students to really challenge their swimming skills, funding was used to transport students to Kapiti Aquatic Centre for lessons.

On the school site students in Year 1 – 8 enjoyed dance, weekly sports, swimming (Years 1-6), athletics and Touch Rugby coaching sessions in association with Kapiti/Horowhenua Rugby.

With Touch Rugby teams, netball teams and hockey teams representing the school, Kiwisport funding also enabled us to replace tired sports equipment, buy a variety of new balls and other essential sporting items.

We are fully committed to promoting physical activity at Paraparaumu Beach School and are very pleased with the high level of student participation that we see inside and outside of school hours.